

# Exporting to France's Telecommunications Market Requires Determination, Hard Work

*Prepared by the Canadian Embassy, Paris, France, this article provides information not only on the country's telecommunications sector; it offers exporters valuable tips on the best approaches that would help them to successfully enter this (and, by extension, other European telecommunications markets).*

## Overview

Articles about foreign telecommunications markets seem always to stress their size and growth — not to mention the new opportunities that come with liberalization. What most articles seem to ignore is that going after these markets requires hard work.

Certainly opportunities are multiplying: In the European Community (EC), the monopolistic control exercised by telephone administrations (TAs) is being greatly reduced; Canadian companies now have more opportunities to sell telephone terminals, PABXs, and mobile telecommunications equipment directly to consumers — without going through the TAs; and now that the TAs themselves must face competition, their buying decisions are based more on economic parameters (thereby reducing the disadvantage foreign manufacturers may have suffered).

## Hard Work, Hard Questions

But nothing comes free. Opportunities are there only for those who have products that excel and who are prepared to expend a good deal of effort.

Many questions have to be answered before a product can be sold: What are the standards in the target country? What modifications are necessary so that the product can be certified? Who are potential corporate partners in this enterprise, either for distributing or for joint manufacturing agreements? Does the product fill a niche

market, or will it face severe competition from an existing, reasonably-priced alternative? Are you prepared to make a prospecting visit to the country — followed by regular visits as the product becomes established?

This article looks at each of these questions from a French viewpoint, but most of the points made are equally applicable for exporters of telecommunications equipment to any EC country.

## The Realities

The Embassy here often receives faxes requesting telecom market and standards information. The fax, may state: "We have a window of opportunity, and we need the information by return fax". Other faxes may request preliminary information and announce a company's intention to start exporting to France in two months.

Such approaches are not valid!

In this field, technology moves quickly, but the setting up of a telecom export program to Europe is not something you jump into. It is not possible, given the realities that must be considered:

- European and national standards have to be analyzed (a multitude of national standards exist and will continue to exist);
- There are technical differences among telephone systems of various Member States of the EC;
- Products must often be redesigned to meet the standards;
- A complete dossier must be prepared and submitted for the type approval process (which takes at least 6 months).
- By law, French customs officials must block the import of any telecom product that is not type approved!

We at the Embassy are not working in the time frame of "return faxes" — but in terms of many months or even a year or two before the first product is sold.

The delay will be shorter if the

Canadian company works closely with an appropriate French partner whose ability to guide the product through the type approval process — especially if the product has value added in France — will speed the process.

## Do Your Homework

Editor-in-Chief of *Canad-Export*, René-François Désamoré, in his series of articles on "A New Look at Exporting" said: "Exporters must use the resources of trade commissioners wisely and only after they have obtained all the information that is available to them in Canada."

Many of the questions posed above can be answered in Canada.

Start with standards. The first point of contact should be the Standards Council of Canada. The Council has access to AFNOR (French) standards as well as to those throughout Europe. The Canadian Embassy in Paris can also name Canadian or French companies that provide consulting and certification services for European standards.

Second, get some information on the telecom situation in France. Trade journals and OECD reports are good general sources of information. Reports on the French telecommunications market in general, and more focused reports on the mobile telephone, cable TV, and computer network markets, are available from External Affairs and International Trade Canada. (A company in the cellular telephone business asked us to "identify and detail any field trials" of cellular phones in France.)

If a company does not know that France is an advanced country which, like all wealthy western European countries, is years beyond the "field trial stage", it has no hope of even starting to approach the market.

Third, you will need to get in-

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