

- **cellular telephones**, the French mobile telecom market has reached the stage of rapid growth due to a strong demand for cellular telephones that is not diminished by the fact that the costs of installed phones are still more than \$2,000 plus tax, and the operating costs are higher than in Canada. Coverage of the territory of France is still not complete, but will be so, with a few gaps, by the end of 1992. La Société Française du Radiotéléphone (SFR) competes against France Télécom as a system operator. (The embassy has prepared a report on the mobile communications industry.);

- **paging**, in the radio paging market, two subsidiaries of Cogecom, France Télécom's commercial holding company, offer services: Télécom Systèmes Mobiles and TDF-Radio Services. The former offers the service Eurosignal which enables its 120,000 users to receive audio or visual signals in France, and, through agreements with telephone administrations in other countries, based on the international POCSAG standard, the system may be used in Germany, Italy and Switzerland as well. The latter company offers the Alphapage service to 100,000 customers which provides alphanumeric messages to users;

- **the "Integrated Service Digital Network" (ISDN)**, market under the name Numéris is available throughout the major centres of France with connections to Germany;

- **Cable TV** network providing access to cable to 3,500,000 households, but with only 820,000 subscribers (February 92).

Despite these impressive trends over the long-term, growth in the number of phone lines has levelled off since 1984, with the value of sales increasing only slightly while volumes remain stagnant. This is attributable partly to the saturation of the local market, and partly to the increased competition internationally; current predictions for the world market are a shake-out leaving only five or six companies in the long-term. Still, the French industry as a whole realized sales of \$US 18 billion in 1989 (half to the government). Exports account for approximately 15% of total sales.

KEY PLAYERS

The telecommunications industry is controlled by the Ministry of PTE (Poste, Telecommunication et Espace), which regulates the industry through the Direction de Réglementation Générale (DRG) and the Conseil Supérieur de l'Audiovisuel - the latter concerned primarily with the broadcast and cable industry.

France Télécom, until recently part of the Ministry of PTE, but now a corporation in its own right (although still owned by the government) has a monopoly over the supply of basic telephone and telex services in the country.

Telecommunication industry sales, which include several French companies such as Alcatel, Matra, Jeumont-Schneider, and the Sat increased 4.5% to 25,5 billion francs, (\$5,2 billion) in 1991. This growth is due in large part to the great number of orders placed, at the end of 1990, by France Télécom (45% of industrial sales) before its change in status. In 1991, the exports of French manufacturers grew 19% and represented 20% of total turnover.