



► Telecommunications

Important market facts

- After five years of substantial expansion (around 15 per cent yearly from 1980 to 1984) the rate of growth declined to only 4 per cent in 1985.
- The French telephone and industrial equipment market, which is related to the telecommunications market, is highly protected, especially since the decline in its rate of growth.
- In 1985 turnover for this sector was around \$4.6 billion, which represents an increase of only 3.6 per cent compared with 1984.
- In 1985 subscriptions to Minitel-Videotex increased by 21.6 per cent.
- Purchases of postal, telegraph and telephone (PTT) equipment, which accounted for 60 per cent of total turnover in 1981, decreased to less than 50 per cent in 1985.
- Exports in this sector represent about 24 per cent of turnover.
- There has been a decline in demand for domestic public facilities.

- Because of this sector's strategic importance, the French government is actively involved in many aspects of the international operations of most companies, from contract financing to political infiltration.
- Nationalization in this sector: Alcatel, subsidiary of CGE (General Electric Company) 1981-1982.
- There is intense protectionism of the French market.

Market trends

- According to statistics, French enterprises in the sector experienced a mediocre year in 1986.
- The industry as a whole continues to invest heavily in research and development and new equipment.
- In 1986 French firms directed their efforts toward international consortia, joint ventures and the diversification of electronic office equipment.
- To stimulate France's competitive position in the world market, the Minister of Industry and PTT has tried to liberalize the French market.

Recommendations for Canadian exporters

- Potential markets exist for Canadian companies offering new products and interested in tendering jointly on markets in developing countries or in participating in research and development projects.

Additional information

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