CBI MARKET SURVEY

THE SPORTS AND CAMPING GOODS MARKET IN FRANCE

Publication date: August 2007

Report summary
This CBI market survey discusses the following highlights for the sports and camping goods market in France:

- French consumption of sports and camping goods was € 3 billion in 2006, up 1.9% per annum on average since 2002, while production fell to € 505 million, or 13 thousand tonnes in 2005.
- In 2006, France imported sports and camping goods valued at € 1.2 billion, or 190 thousand tonnes. Since 2002 values are up by 6.8% but volumes are up by an average annual rate of 9%.
- More than 30% of imports by value came from developing countries (51% by volume). The share of imports by developing countries is up from 26% in 2002 in value, and up from 37% in volume terms.

This survey provides exporters of sports and camping goods with sector-specific market information related to gaining access to France. By focusing on a specific country, this survey provides additional information, complementary to the more general information and data provided in the CBI market survey 'The sports and camping goods market in the EU', which covers the EU market in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used, as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.eu/marketinfo.

1 Market description: consumption and production

Consumption

The French market for sports and camping goods was worth € 3 billion in 2006. This was the second largest market in the EU, after Germany, although they are quite close in value. It is also over 20% larger than the next market, which was the UK. This market value represented 19.7% of the total EU market, compared to 19.6% in 2002. Hence this market maintained its importance within the EU, despite the emergence of new and growing member states.

Table 1.1 Consumption of sports and camping goods in France, 2002-2006, € million

2002	2003	2004	2005	2006	Average ann. % change	Population (million)	Consumption per capita €
2,748	2,830	2,900	2,935	2,965	1.9	61.04	48.57

Source: FPS, Mintel, SGI (2007)

Per capita consumption of € 48.57 was well ahead of the EU average of € 30.74, and represents the third highest in the EU, after Finland and Sweden. Volume figures were not available for consumption, but this suggests that more French people were active in sports, and that some sectors of sports and camping goods were more highly priced, or those consumers that were active in this sector were spending more frequently than their average EU counterparts.

The average annual 1.9% increase in value over the period was close to the EU average of 1.8%, although different commentators are quoting different market performances in the last two years. SGI suggests the market has been static, whereas FPS suggests recent market growth of 3%. In the last few years the French economy has performed worse than many of its European neighbours, so a more cautious position may be more realistic.

There was disappointment in France recently as they were hopeful of hosting the 2012 Olympic Games, and they have missed out on the impetus to the market that this would have created. Nevertheless, the French market is expected to pick up and grow at a higher rate in the next few years. The election of a new president in France has provided hope in some quarters that the economy will start to improve.

It is likely that sports equipment expenditure will increase at a faster rate than expenditure on sports footwear and clothing. Most of the growth will come from existing participants spending more on their equipment to improve their performance. Amateurs are now using professional equipment, thus increasing their average expenditure.

Market segmentation

In the sports and camping goods market, the main basis upon which the market is segmented is by type of sport or activity. There are some generalisations that apply across different sports, but each sport or activity has its own set of users. Within each sport it is also quite common to apply some form of demographic segmentation, either by age or gender. For example, females are more likely to enjoy badminton, dancing, horse riding, fitness, gymnastics, swimming and skating. In France, there are also clear differences between winter sports and summer sports.

French consumption of sports and camping goods consisted of snow sports 25% (€ 740 million), approximately 85% of which was skis and ski equipment, the remainder ski/snow boots; team sports 21% (€ 640 million); outdoor 19% (€ 575 million), of which over 40% was camping goods, fishing almost 40% and horse riding the remainder; fitness equipment 16% (€ 465 million); individual sports 15% (€ 460 million); water sports 4% (€ 130 million).

Warmer winters will see the large snow sports share start to reduce in its overall significance in France, but it will continue to be the largest sector for some time to come. It is expected that the fitness and outdoor markets will take an increasing share in the future, particularly for other consumers, while younger consumers are attracted to water sports, especially on France's Mediterranean and Atlantic coastlines.

France enjoys higher than averge levels of sports participation, due in large part to strong government support of sport, particularly for young people. According to INSEE, in terms of sports participation, the most important activities for over 15 year olds are:

- Cycling, practised by 18 million people, 48% of which are female
- Swimming, diving, practised by 14 million people, 57% of which are female
- Walking, jogging or hiking practised by 12.6 million people, 51% of which are female
- Pétanque, boules, bowling, practised by 10.5 million people, 38% of which are female
- Athletics, practised by 8 million, 41% of which are female
- Other important sports are gymnastics (6.3 million), fishing (5.3 million), table tennis/badminton/squash (4.6 million), football (4.3 million), bodybuilding (4.2 million), tennis (3.6 million), basketball/volleyball/handball (2.9 million). Horse riding is also popular.

More information on sports participation in France can be found in chapter 1 of the CBI market survey `The EU market for sports and camping goods`.

Market trends

The amount of leisure time, or time away from work has trebled since the last century, and broadly speaking most sectors of society have benefited from this. Despite high levels of sports participation already, it is predicted that this will grow even further, providing further opportunities for more expenditure on sports and camping goods.

Price promotions have become a more important part of the marketing of sporting goods. Even though performance is still very important, consumers now expect price reductions. This trend will continue. For example, there are many specialist ski shops in France where there are permanent sales or reductions in price on all equipment. Price is less important in shops that target professional athletes, rather than leisure consumers. In the mainstream market, new products that have either an in-built technical benefit, or that possess a fashionable innovation allow retailers to sell at full margin.

Music has been used to market sports footwear, particularly to young people, but there are signs of market saturation in this sector, whereas the sports equipment sector has not been affected to the same extent. Nevertheless, the sports equipment market is increasingly being drawn into the fashion market, in the same way that sports footwear and apparel already has.

The use of the Internet as a shopping tool in this sector is forecast to grow. Consumers' ability to shop around will result in price-transparency for branded products, forcing retailers to become more price-competitive. When retailers are no longer able to reduce prices further, they are forced to improve the shopping experience in other ways. This will result in an increase of niche retailers.

There are changing trends in levels of sports participation, which will affect sales in different sports markets. For example, pétanque and boules has increased by most, followed by badminton, athletics, basketball, dance, football and swimming. Fishing has decreased in importance. Although the segment is not fully developed yet, there is growing potential in health clubs, particularly for women.

Trends in extreme sports such as snowboarding and windsurfing among the younger generation, as well as high interest in golf and sailing will help drive the sector as each of these activities require relatively high investment in equipment compared to most other sports.

The influence of the media in sport is important in France, perhaps not as strong as the UK or Italy and Spain, but this and more expenditure on sponsorship is also helping to keep the market alive. However concentration of suppliers is increasing the importance of brand names but at the same time potentially reducing consumer choice.

Production

Total production

Production of sports and camping goods in France has been decreasing in recent years, especially in terms of value. France is the third largest producer in the EU, close to the value produced by the UK, but only approximately half of the production value of Italy, the largest EU producer of sports and camping goods. France accounted for 14.2% of EU sports and camping goods production in 2005.

The value of sports and camping goods production in France in 2005 was € 505 million. As table 1.2 indicates, this is down from € 613 million in 2002, and represents an average annual decrease of 6.3%. These figures may be somewhat understated as they do not include figures for confidential trade, nevertheless production is expected to reduce in future years as more of the leading manufacturers contract production overseas.

Table 1.2 Production of sports and camping goods in France, 2002-2005, € million / '000 tonnes

2002		2004		2005*		Average ann. % change	Number of companies 2005	Number of employees 2005
value	volume	value	volume	value	volume			
613	20	573	20	505	13	-6.3	600	7,500

Source: Eurostat, Statistics France (2007)
*: 2006 data not available

According to Eurostat, 29% (€ 147 million) of France's declared production was for team sports equipment; 28% (€ 142 million) for equipment related to skiing and snowsports; 16% (€ 80 million) water sports equipment; 12% (€ 60 million) fitness equipment; 7% (€ 37 million) fishing equipment; 5% (€ 26 million) saddlery items and 3% (€ 13 million) camping goods. Over the review period, the major changes have seen the share of snow sports production fall by half, while production of water sports and team sports have increased their production.

Approximately 600 companies, employing 7,500 people were engaged in the production of sports and camping goods products in France in 2005. This represents a slight reduction in numbers since 2002. Sports and camping goods production in France is an important industry. Many leading international brand names, particularly in snow sports are French-owned. Companies such as Rossignol are well-respected high quality manufacturers, despite the fact that some production is now outsourced to other countries, to enable them to compete with Asian, particularly Chinese producers.

Main players

- The main manufacturers in France are:
    - Salomon is a global brand for mountain sports, sold in 160 countries worldwide, but now part of Amer Sports (http://www.salomonsports.com).
    - CDTS produce a range of sports equipment, including products for skating, football and basketball (http://www.cdts.fr).
    - Rossignol are one of the world's leading manufacturers of ski and snowboard equipment (http://www.rossignol.com). Another important ski manufacturer in France is Dynastar (http://www.dynastar.com), as is Quiksilver.
    - Babolat is an important producer of rackets, particularly for tennis (http://www.babolat.com).
    - Bic Sport are leaders in water sport products, including kayaks, surfing and sailing (http://www.bicsport.com).
    - VMC Peche are leading suppliers of fishing equipment in France, and throughout the world (http://www.vmcpeche.com).
    - La Boule Obut are producers of boules, which is a traditional sport in France (http://www.obut.com).
- There are many other smaller producers in France, but these larger companies, which are represented in most of the product groups in which France is strong, will be able to provide advice on smaller companies.

Opportunities and threats

\+ The strong role of the government in sport will provide many opportunities for exporters from developing countries, particularly those involved in the supply of equipment for football pitches, sports halls and other infrastructure related equipment.

\+ The population of France has been growing more quickly than most other EU countries, much of which is fuelled by net immigration. Opportunities may be created by the introduction of new sports from other countries, with their own specific equipment requirements.

\- There are difficulties for developing country exporters who are trying to enter the French market at the top or middle segments of the market. Although exporters may be able to supply products to the quality specifications required, they do not have the reputation for design innovation, which is particularly important in a market where fashion is becoming an even more important part. French buyers will critically assess an exporter's design capability as well as their production resources.

Equally any of these trends can be an opportunity for one exporter, but a threat to another. French buyers are not always loyal to particular overseas suppliers, so you may lose out to a supplier from your own country or neighbouring country.

See also chapter 7 of the CBI market survey `The EU market for sports and camping goods` for more information on opportunities and threats.

Useful sources
- Details of commercial research organisations that produce market reports can be found in the chapter 1 (section 1.5) of the CBI market survey `The EU market for sports and camping goods`.
- Production information can be obtained from Eurostat as well as French National Statistics (see later in this report for contact details).
- The main trade association in France for this sector, from a market rather than production perspective is the Federation of Sporting & Leisure Goods Retailers, known as FPS (http://www.filieresport.com).
- Other important trade associations include the French Football Association (http://www.fff.fr), the National Fishing Federation (http://www.unpf.fr), the Fitness & Bodybuilding Association (http://www.ifbb.fr), the French Ski Federation (http://www.ffs.fr) and the French Equestrian Federation (http://www.ffe.com).
- Details of the main trade fairs and trade press can be found in chapter 6.

2 Trade channels for market entry

Trade channels
Opportunities for developing country exporters are relatively limited, due to the strength of specialist retailers. Despite this market concentration, exporters can still find wholesalers and importers who will enable them to reach the remaining specialist independent sports retailers. The size of France also means that exporters may need to adopt a regional perspective on entering the market. Some disadvantages in working with an importer/wholesaler are that their margins are high and they may require the exclusivity for your item in France.

The leading buying groups are Intersport (http://www.intersport.fr) with 521 outlets, Sport 2000 (http://www.sport2000.fr) with 425 outlets and Twinner (274 outlets http://www.twinner-sports.com). Although buying groups cover more individual outlets than the main specialist chains, specialist chains account for more than double their market value. There are also buying groups dedicated to specific sports, such as Europeche (http://www.europeche.fr). Information on how to approach buying groups can usually be found on their websites. They need careful preparation and thought before contacting them in order to receive an optimum response.

Another potentially interesting channel is via contract manufacturing or outsourcing. Although the French manufacturing base for this sector is shrinking, opportunities may still be found, depending on the product groups in which you are active. In this channel, you will not have any contact with the retail or wholesale channel, but good possibilities may still exist, particularly if there are strong historical connections with your country. You can find contacts at the French Sports and Leisure Federation (see chapter 6 for contact details).

Go Sport (http://www.go-sport.com) with 325 outlets and Decathlon (http://www.decathlon.fr) with 217 outlets are the leading specialist retail chains in France. The other growing group in France are single brand stores such as Quiksilver, Aigle etc who are manufacturers also retailing their own products. Most specialist retailers are multi-sport, but if for example you produce products for fishing, you may find interest with these types of specialists.

Other opportunities also exist for developing country exporters in some non-specialist channels. Many of the larger non-specialist retailers operate on a multi-national level, hence their importance will grow. One of the most important non-specialist retailers is Carrefour (http://www.carrefour.fr). Some department stores or hypermarkets may be interested in buying product that they can sell under their own private label, subject to assurances on quality.

Trends in the retail sector

The two key distribution trends in sporting goods retailing both impact directly on how a developing country exporter should approach this market.

- Firstly, the growing importance of chain specialists. This is diminishing the signicance of specialist independent retailers. The number of traditional independents now surviving without the support of a buying group is very small..
- The second key trend is the increasing size of outlets, in part driven by consumers who are demanding convenience and choice with everything under one roof, but also from an economic point of view. Retailers make better use of space and display opportunities are greater if the store is larger.
- According to Mintel, over 10,000 outlets sell sporting goods in France. The current French distribution breakdown is featured in table 2.1. The recent trend has been a move to specialists, away from non-specialists.

Table 2.1 Share of sporting goods retail distribution in France, % value 2006

Outlet type	% share
Specialists	**74%**
Chain stores (inc single brand stores)	50%
Buying groups	22%
Independent stores	2%
Non-specialists	**26%**
Department/clothing & footwear stores	10%
Hypermarkets	6%
Mail order/Internet	3%
Others (inc factory outlets, cycle shops)	7%
Total	**100%**

Source: FPS (2006)

Price structure

Generally speaking, margins on sporting goods have been falling in France in recent years, as a result of intense competition in the supply chain, and fierce competition between retailers who have been fighting for market share in a difficult economic period for the country. In addition, retailers exert a powerful influence in France, placing furhter downward pressure on margins. In each trade channel different margins and prices apply, with multiples of 3 up to 4 of the export (FOB) price.

Table 2.2 Overview of margins in sporting goods

	Low	**High**
Importers/wholesalers' margins	35%	60%
Agents' margins	10%	15%
Retailers' margins	60%	100%
Multiples Export price - Consumer price	**3.0**	**4.0**

These margins will vary depending on which market segment is being approached. The higher the market segment, the higher the margins that can be commanded. Buying groups ask for large-volume discounts, which are then passed on to their members.

More information can be found in chapter 3.2 of the CBI market survey 'The sports and camping goods market in the EU'.

Interesting players

- Interesting importers and wholesalers for developing country exporters include A. S. M. who supply a wide range of sports equipment to the French market (mailto:asm@wanadoo.fr), Concept 2 (http://www.concept2.fr), Laponie Diffusion who specialise in winter and outdoor sports (mailto:stef.arnauld@wanadoo.fr), Morin Pascal, a sporting goods agent (http://www.lpmdiffusion.com) and Sacedi Sports (http://www.sacedi.fr).

- There may be value in approaching some small specialist retailers who are currently still unaffiliated to a buying group. These retailers may appreciate personal service or an offer of some promotional or sponsorship support to help provide them with a point of difference from the specialist chains. Such retailers include Addicted, who specialise in winter sports (http://www.addicted.fr), Alticoop, who specialise in mountain sports (http://www.alticoop.com), and Sportner who have five outlets (mailto:jm.beltra@sportner.com).
- One advantage of working directly with retailers is that you may get a better price than through an importer or agent. However, it will be more difficult to establish a relationship as they often change suppliers. They also restrict the range they stock, so gaining distribution here will be difficult. Another disadvantage is they require special conditions in terms of fast delivery, labelling, packaging (special promotions) or after sales service.
- Other non-specialists potentially worth contacting are department stores such as Galleries Lafeyette, who have 55 outlets (http://www.galerieslafayette.com) or La Samaritaine (http://www.lasamaritaine.com).

Selecting a suitable trading partner

This is a very important part of the export process. As important as finding a contact that is suitable for you in terms of the range of products that you can supply is the relationship and empathy you can establish between yourself and your partner. The essential element of any trading relationship is trust. You must satisfy yourself that you will be happy to deal with the organisation in question over a long period. Your own judgement and instincts are most important in this respect.

In relation to how you find a trading partner, the usual trade sources are an important point of contact. The Sports and Leisure Federation or the Federation of Sporting and Leisure Goods Retailers are important contacts (see chapter 6 for contact details). The best place to meet potential trading partners is at a sporting goods trade fair. Details of the main trade fairs are listed elsewhere in this report.

It would be better to first visit an exhibition a few times before participating yourself. During a visit you can extensively look around at the stands of the main players and get a better idea of the latest fashions. At trade shows you have an opportunity to talk to potential partners on a face-to-face basis and better judge whether you would like to work with them. You could also identify potential partners from the exhibition website beforehand or from a catalogue. When selecting them (e.g. importer or wholesaler) try to find out:

- Which products they sell (focussed on type of sport).
- To which target groups they sell.
- In which areas they are well represented in their country. If they are exporting, to which other EU countries they sell.
- To whom they sell e.g. small or large retailers, department stores, buying groups etc..

You could also find this out by looking at their website or try to find a company profile through other hosted sites e.g. of a local BSO or trading platform, or by finding their company brochure. You can contact interesting trade partners by mail or e-mail and follow up by phone a few weeks later. See also chapter 3.1.3 of the CBI Export manual 'Exporting to the EU'.

Although you may initiate a communication by post or email, it is recommended that there is some personal communication before a trading partner is selected. You should also do a credit check of your potential trade partner, especially when an investment from your side is involved. This credit check could be done by a specialist company such as Dun and Bradstreet (http://www.dnb.com). A bank usually does not give credit ratings of its customers.

In this regard, you could also contact Business Support Organisations in France or the commercial department of your own embassy to see if they have any useful contacts. They may even have some knowledge of contacts you may have made independently. The National Association for Franchise Retailing (FFF) at http://www.franchise-fff.com could be a good source of general advice, or the Federation of French Chambers of Commerce can be reached at http://www.cci.fr. A list of sporting goods importers can be found at http://www.kompass.com. Enter country name, then search "sporting goods importers".

3 Trade: imports and exports

Imports

Total imports

In 2006, France imported sports and camping goods valued at € 1.2 billion, or 190 thousand tonnes. This accounted for 15.6% of all EU imports by value, or 14.1% by volume. This represented an average annual increase in value of 6.8% since 2002 (9.1% in volume). France was the second largest importer of sports and camping goods by value (after the UK), but third largest by volume after Germany and the UK. They all have similar levels of imports, but UK volumes are much higher.

This growth in imports contrasts with a 3% growth in exports, which are approximately a quarter lower than imports. However, import volumes are almost three times larger than export volumes. Production has fallen in France and the consumer market has been showing a 1.9% annual increase over the period.

Around 30% of French imports by value (€ 358 million) came from developing countries and 50% (96 thousand tonnes) by volume. China is the largest supplier (25.2% of total value imports and 46.3% of total volume imports), with supplies valued at € 295 million or 88 thousand tonnes. The next largest supplier is Belgium (14.1% of total value imports and 22.2% of total volume imports), with supplies valued at € 165 million or 42 thousand tonnes). Many of these supplies will have been re-exported by Belgium from other countries. The next two largest suppliers to France are Italy and Romania. Italy has supplies valued at € 130 million, or 7 thousand tonnes (11.1% of value and 3.9% of volume). Romania has supplies valued at € 111 million, or 8 thousand tonnes (9.5% of value and 5% of volume).

The share of supplies by developing countries is up from 25.8% in value (€ 232 million) in 2002, and up from 37.8% in volume terms. Supplies from China have increased by an annual average of 13.5% (18.1% by volume) over the period, while Thailand's supplies have increased by an average of 5.9% per annum by value and 12.5% by volume. Supplies from India are up in value and in volume. Meanwhile, supplies from Belgium and Romania are up, while volumes are down from Italy.

Imports by product group

The five selected product groups are shown in this table in detail. Import values of other product groups are mentioned in the text for completeness.

Table 3.1 Imports by and leading suppliers to France 2002 - 2006, share in % of value

Product	2002 € mln	2004 € mln	2006 € mln	Leading suppliers in 2006 Share in %	Share (%)
Total sports & camping goods	489	573	629	Intra EU: Belgium (14.1%), Italy (11.1%), Romania (9.5%), Spain (8.4%), Germany (6.2%)	53.8
	176	211	182	Extra EU ex. DC*: USA (2.5%), Taiwan (0.7%), Japan (0.7%), Canada (0.5%), Switzerland (0.5%)	15.6
	232	298	358	DC*: China (25.2%), Thailand (1.1%), India (1.0%), Tunisia (0.7%), Pakistan (0.5%), Vietnam (0.4%), Malaysia (0.3%), Indonesia (0.3%), Morocco (0.2%), Madagascar (0.2%)	30.6

Team sports	76	100	118	Intra EU: Belgium (16.3%), Spain (11.8%), Germany (7.3%), Italy (5.2%), Poland (3.0%)	55.4
	27	30	25	Extra EU ex. DC*: USA (3.8%), Canada (1.9%), Australia (1.1%), Israel (0.9%), Switzerland (0.8%)	11.7
	48	86	70	DC*: China (30.0%), Vietnam (0.8%), Pakistan (0.5%), India (0.3%), Malaysia (0.2%), Mexico (0.2%), Turkey (0.2%), Thailand (0.1%), Morocco (0.1%), Ukraine (0.1%)	32.9
Fitness	59	79	99	Intra EU: Belgium (44.7%), Italy (8.6%), Germany (5.2%), UK (3.9%), The Netherlands (3.8%)	68.8
	18	11	8	Extra EU ex. DC*: Taiwan (2.3%), USA (2.1%), S Korea (0.2%), Canada (0.2%), Japan (0.1%)	5.5
	29	35	37	DC*: China (24.5%), Malaysia (0.1%), Pakistan, Ukraine, Turkey, India, Vietnam, Argentina, Sri Lanka, Thailand	25.7
Camping goods	36	32	33	Intra EU: Belgium (19.4%), The Netherlands (3.4%), Italy (2.9%), Germany (2.0%), Austria (1.4%)	32.3
	1	1	1	Extra EU ex. DC*: Switzerland (0.2%), USA (0.1%), S Korea (0.1%), Hong Kong (0.1%), Canada (0.1%)	1.0
	37	48	68	DC*: China (63.3%), Tunisia (0.8%), Vietnam (0.5%), Brazil (0.4%), El Salvador (0.3%), India (0.3%), Mongolia (0.3%), Turkey (0.2%), Morocco (0.2%), Thailand (0.1%)	66.7
Balls	37	39	39	Intra EU: The Netherlands (20.8%), Belgium (13.6%), Germany (12.2%), Italy (8.0%), Spain (2.0%)	60.7
	2	3	6	Extra EU ex. DC*: USA (5.7%), Japan (3.4%), Switzerland (0.3%), Taiwan (0.3%), Hong Kong (0.1%)	9.7
	16	15	19	DC*: China (10.5%), Thailand (5.9%), Pakistan (5.6%), Indonesia (4.2%), India (2.8%), Vietnam (0.1%), Tunisia (0.1%), Argentina, Malaysia	29.6
Saddlery	16	17	16	Intra EU: Belgium (11.0%), Italy (8.6%), Germany (8.5%), UK (3.5%), Poland (2.1%)	37.2
	4	3	3	Extra EU ex. DC*: Taiwan (3.0%), Switzerland (2.9%), USA (1.2%), S Korea (0.2%), Canada (0.2%)	7.0
	12	14	24	DC*: China (19.5%), India (18.4%), Tunisia (7.0%), Morocco (4.2%), Argentina (3.3%), Vietnam (2.2%), Turkey (0.9%), Thailand (0.3%), Pakistan (0.2%), S Africa (0.2%)	55.8

Source: Eurostat (2007)
*Developing Countries

Team sports
This is the largest product group. Valued at € 213 million in 2006, this represented 18.2% of all sports and camping goods imports to France (28.9% by volume). This compares with a share of 16.8% in 2002 (23.7% by volume). Hence this product group is increasing in significance in its value contribution to imports but increasing its volume contribution even more. Intra-EU trade dominates the value supply (55.4% by value and 40.5% by volume), and this has increased in value from 50% in 2002, but decreased in volume from 43.3%. Belgium's

value share has increased from 2002, but volume share is down. The share of imports by Spain and Germany have increased, while of the other leading intra-EU importers, the Italian share of imports is down.

As far as developing country suppliers are concerned, they represent 32.7% of all imports by value (52.4% by volume), up from 32% (€ 48 million) in 2002 (42.1% by volume). China (€ 64 million) dominates the developing country supply of equipment for team sports. However, whereas the value of China's supplies has increased by 50% over the period, other developing country suppliers are struggling for a significant representation. Of the other developing country suppliers, values from Pakistan have decreased while values from Vietnam and India have increased.

In terms of product groups, Eurostat only separates out equipment for cricket and polo. This is a negligible part of the group as a whole. Despite this, the share of cricket and polo equipment has reduced over the period.

Fitness
This is the second largest of the selected product groups (although snow sports imports are larger). Valued at € 144 million in 2006, this represented 12.3% of all sports and camping goods imports to France (30.6% by volume). This compares with a share of 11.8% in 2002 (29.1% by volume). Hence this product group is slightly increasing in significance in its value and volume contribution to imports. Intra-EU trade dominates the value supply (68.7% by value and 57.8% by volume), and this has increased in value from 55.7% in 2002, and also increased in volume from 46.7%. Belgium's value and volume share has increased from 2002. The share of imports by Italy, Germany and the UK have increased, while of the other leading intra-EU importers, the Dutch share of imports is down.

As far as developing country suppliers are concerned, they represent 25.9% of all imports by value (40.1% by volume), down from 27.2% (€ 29 million) in 2002, but slightly up from 39.1% by volume. China (€ 35 million) dominates the developing country supply of equipment for fitness/gym. China's share is significantly up from 2002. Of the other developing country suppliers, values from Malaysia and Pakistan have decreased while values from Vietnam and India have increased.

In terms of product groups, exercise apparatus with adjustable resistance mechanisms represents two thirds of the product group, while articles and equipment for general physical exercise make up the remainder. This is very marginally up on the 2002 share.

Camping goods
This is the next largest of the selected product groups (although water sports imports are also larger). Valued at € 102 million in 2006, this represented 8.7% of all sports and camping goods imports to France (15% by volume). This compares with a share of 8.2% in 2002 (14.1% by volume). Hence this product group is slightly increasing in significance in its value and volume contribution to imports. Extra-EU trade dominates the value supply (67.5% by value and 83.9% by volume), and this has increased in value from 50.9% in 2002, and also increased in volume from 56.6%. Of the one third of imports from intra-EU sources, Belgium's value and volume share has decreased from 2002. The share of imports by The Netherlands and Germany have increased, while of the other leading intra-EU importers, the Italian share of imports is down.

As far as developing country suppliers are concerned, they represent 66.9% of all imports by value (83.5% by volume), up from 50% (€ 37 million) in value, and up from 56.1% by volume in 2002. China (€ 65 million) dominates the developing country supply of camping goods. China's share is marginally down from 2002, but its volume share is unchanged. Of the other developing country suppliers, values from Tunisia and Vietnam have decreased while values from Brazil and India have increased.

In terms of product groups, tents account for almost half the group (€ 48 million, 90% of which are made of synthetic material); other camping goods are valued at € 27 million, 88% of which are made of textile material; sleeping bags are valued at € 23 million and pneumatic mattresses € 3 million. There is a major move towards tents of synthetic material, particularly away from cotton tents.

Balls
Balls were valued at € 64 million in 2006. This represented 5.5% of all sports and camping goods imports to France (4.7% by volume). This compares with a share of 6.2% in 2002 (4.9% by volume). Hence this product group is decreasing in significance in its value and volume contribution to imports. Intra-EU trade dominates the value supply (60.7% by value and 51.5% by volume), and this has decreased in value from 67.5% in 2002, and also decreased in volume from 60.8%. The dominance of Belgium and The Netherlands suggests that in fact much of this trade consists of re-exports from other (probably DC) countries. The share of each country has increased from 2002. The share of imports by Italy and Germany have decreased.

As far as developing country suppliers are concerned, they represent 29.4% of all imports by value (38.1% by volume), up from 28.7% (€ 16 million) in value and 34.9% by volume in 2002. China (€ 35 million) is the leading developing country supplier of balls. China's share is up from 7.7% in 2002. Of the other leading developing country suppliers, all countries have increased supplies, particularly Indonesia and Pakistan.

In terms of product groups, inflatable balls account for two thirds of the group (€ 43 million, 94% of which are non-leather); tennis balls are valued at € 15 million, and other balls are valued at € 6 million, only 10% of which are cricket or polo balls. There is a trend away from leather balls.

Saddlery
Saddlery items were valued at € 43 million in 2006. This represented 3.7% of all sports and camping goods imports to France (2.1% by volume). This compares with a share of 3.6% in 2002 (1.4% by volume). Hence this product group is increasing in significance in its value and volume contribution to imports. Extra-EU trade dominates the value supply (62.8% by value and 71% by volume), and this has increased in value from 51.1% in 2002, and also increased in volume from 53.8%. Of the 37% represented by intra-EU trade, the size of Belgium's supplies suggests that a reasonable proportion of this trade consists of re-exports from other (probably DC) countries. The share of imports from Belgium, Germany and the UK have decreased, while Italy's share has increased.

As far as developing country suppliers are concerned, they represent 55.8% of all imports by value (66.3% by volume), up from 37.5% (€ 12 million) in value and 44.2% by volume in 2002. China (€ 8 million) is the leading developing country supplier of saddlery items, closely followed by India. China's share is up from 8.9% in 2002. The other leading developing country suppliers have all increased supplies.

Eurostat does not separate this group into smaller sub-groups.

Other product groups
The value of other product groups not selected are as follows: snow sports (€ 188 million), ski/snow boots (€ 106 million), water sports (€ 99 million), fishing (€ 67 million), golf (€ 42 million), rackets (€ 41 million), skates (€ 39 million), table tennis (€ 13 million) and sports gloves (€ 6 million).

Exports
In 2006, France exported sports and camping goods valued at € 909 million, or 70 thousand tonnes. This represents an average annual increase in value of 3%, and an average annual increase of 3.2% in volume since 2002.

In 2006, France was the largest exporter by value, but third largest by volume after Belgium and Germany. It was just slightly ahead of Italy in both value and volume terms. Re-exports are a feature of the French market, as exports well exceed domestic production. 62.7% of French exports by value were intra-EU (66.1% by volume), the majority of which were to Spain and Italy. Outside the EU, the USA, Switzerland and Japan were the main export destinations, as well as sizeable exports to Russia and Canada.

In terms of product groups, snow sports accounted for 31.8% by value (€ 289 million), down from 36.1% in 2002. The main destinations were the USA, Italy, Switzerland, Japan and Germany. The next largest group of exports were team sports, which accounted for 21% of all exports (€ 191 million), up from 17.3% in 2002. USA, Spain and the UK were the main destinations.

Water sports represented 9.8% of all exports (€ 89 million). This was down from 11.5% in 2002. Ski and snowboots was the next largest at 9.2% (€ 84 million). Germany, Sweden and USA are the largest destinations of these products.

The remaining groups of exports were as follows: fitness/gym (€ 51 million), fishing (€ 47 million), camping goods (€ 37 million), saddlery (€ 29 million), rackets (€ 29 million), skates (€ 26 million), then balls, golf, table tennis and sports gloves in descending order.

Opportunities and threats

+ France is an interesting market for exporters from developing countries. Sports participation is high, combined with the fact that local production is in decline in recent years. The mature market implies that consumers are sophisticated in their knowledge of various sporting goods products. Imports are an increasingly important part of the market.
+ The fact that the value share of imports from developing countries is up over the period while the volume share is up even more indicates downward pressure on prices. Exporters should take care not to trade at a loss or with unsustainably low margins over a prolonged period. This may be justifiable for a limited period to gain market entry, but it is neither advisable nor feasible to trade in this way in the long run.
+ There are wide differences in the performance of the various different product groups. All the groups selected are enjoying good growth rates, but at present the best opportunities for developing country exporters appear to be presenting themselves in the camping goods and saddlery sectors.

It is also important to note that an opportunity for one developing country can also be a threat to another. Many EU countries switch country sources purely for competitive advantage, rather than moving supplier because of changes in demand for other reasons. Exporters should read carefully the trends and developments outlines on other parts of this survey before establishing whether France offers a genuine export opportunity.

See also chapter 7 of the CBI market survey `The EU market for sports and camping goods` for a more general analysis.

Useful sources

- EU Expanding Exports Helpdesk

http://export-help.cec.eu.int/ ➔ go to: trade statistics

- Eurostat – official statistical office of the EU

http://epp.eurostat.cec.eu.int ➔ go to 'themes' on the left side of the home page ➔ go to 'external trade' ➔ go to 'data – full view' ➔ go to 'external trade - detailed data'

4 Price developments

Sports and camping goods prices in France are slightly below, but close to the EU average. Prices of sports and camping goods are just 1.6% above the base year of 1998, compared to the all price index, which is 14% higher than 1998. This is a clear indication of how prices in this sector have been moving. Although they have not fallen, they have been static for many years.

France is like most EU countries that have seen prices fall in recent years. This long-term trend may continue at least in the near future. The greater choice in the market, and more demanding consumers all continue to exert this downward pressure, but it is not a sustainable long term position. Although the French economy is improving after a number of poor years, this is more likely to result in higher expenditure on goods and services, including sports and camping goods, rather than significantly rising prices.

Consumer price indices are published on the French national statistical website (http://www.insee.fr). The index of all prices has increased by 1.2% in the last year, while prices in the recreation and culture sector have fallen by 1.9%. Information on broad price changes can also be obtained from the Bank of France (http://www.banque-france.fr). Prices of sports and camping goods in France can also be found by visiting the websites of sporting goods retailers. See chapter 2 for contact details.

Import prices to France are 2% lower annually than in 2002, but this hides the fact that they fell even further up to 2004, and they have been rising slowly since then. Import prices are above the EU average for developing country import prices, but intra-EU prices are below average. These trends should be interpreted with care, as changes in imports do not reflect the demand in these countries. If import prices are now starting to rise, there is also little room for retailers to cut their overheads further, making it more likely that consumer prices will inevitably rise. This applies particularly to branded products, but also to non-branded products to a lesser extent. It is also clear that large retailers increasingly control pricing decisions.

Table 4.1 Developments in French average import prices, 2002 - 2006

	2002	**2004**	**2006**	**ave. annual**
	ave price per '000 tonnes	ave price per '000 tonnes	ave price per '000 tonnes	**% change**
Total imports	6.69	5.68	6.16	-2.0%
Intra-EU	7.66	7.56	8.13	+1.5%
Developing countries	4.60	3.22	3.73	-5.1%

Source: Eurostat (2007)

5 Market access requirements

As a manufacturer in a developing country preparing to access France, you should be aware of the market access requirements of your trading partners and the French government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select sports and camping goods and France in the category search, click on the search button and click on market access requirements.

Information on eco-labelling and packaging legislation is also included in the CBI market information database. Market access requirements are broadly consistently applied across the main EU member states.

Additional information on packaging can be found at the website of ITC on export packaging: http://www.intracen.org/ep/packaging/packit.htm

Information on tariffs and quota can be found at http://export-help.cec.eu.int/

6 Doing business

Information
General information on doing business like approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) can be found in CBI's export manuals 'Export Planner' and 'Your image builder'. Furthermore cultural awareness is a critical skill in securing success as an exporter. Information on cultural differences in the EU can be found in chapter 3 of CBI's export manual 'Exporting to the EU'. These manuals can be downloaded from http://www.cbi.eu/marketinfo - go to search publications.

Useful sources
The main trade associations for this sector are the French Sports and Leisure Federation (http://www.fifas.com) and the Federation of Sporting & Leisure Goods Retailers (http://www.filieresport.com). Some French manufacturers featured may be looking to develop relationships with developing country exporters. Other useful contacts include:
- The French government website related to sport (http://www.jeunesse-sports.gouv.fr)
- The sports websites http://www.sportmarket.fr and http://www.sport-guide.com
- The Centre for the Commercialisation of Sports & Leisure Goods (http://www.cnpc.fr)

Developing a relationship
The most important ways to develop a business relationship are to either exhibit at one of the main sporting goods trade fairs, or to make a direct approach to wholesalers or major retailers. In France, many business people still prefer a formal style of communication, both in the way a presentation is put together, and in the way contact is made. A very aggressive price driven approach will not be effective, although price is very important in the French market.

Trade Fairs
The main trade fair for the sporting goods industry in France is called Sport Achat and takes place in Lyon each year in March and September (http://www.sportair.fr). The Sport and Fitness Festival takes place in Cannes in July (http://www.fitnessfestival.com). There are also fairs dedicted to specific sports such as the Paris Boat Show.

Promotion
Advertising in trade magazines can sometimes be an effective means of reaching a small target group. The main trade publications for the sporting goods industry are Sport Premiere Magazine (http://www.sportpremiere.com) and Sport Éco (http://www.sporteco.com). The pan-European publication Sporting Goods Intelligence is based in Paris (http://www.edmpublications.com). La Lettre de L'Économie du Sport can be accessed at http://www.sport.fr.

DC exporters are unlikely to have a large budget to engage in some of the above activities, so making intelligent use of limited resources is essential. The key question to ask yourself is whether you are making a general communication to the industry at large to find customers, or whether you are engaging in marketing activity to support a specific customer or prospect. The more targeted you can make your communication activity, the more cost efficient and effective it is likely to be. More details on promotional techniques can be found in chapter 4 of CBI's `Guidelines for Exporting Sports and Camping Goods to the EU`.

This survey was compiled for CBI by ***Searce***