

One NorthEast links with the French Business Council

by Steve Wilson, Strategic Investment Manager Europe – One NorthEast

The North East of England has proven itself to be one of the most dynamic regions in Europe with more than 500 overseas companies choosing to locate their UK/European businesses here.

The contingent of French companies is one of the strongest and most influential group of investors. Major companies such as AXA Insurance, Compagnie de St Gobain, Electricité de France (London Electricity), Faurecia, France Telecom (Orange), Ondeo (Northumbrian Water), Renault (Nissan), Rhodia and Sanofi Synthelabo are all major employers.

Altogether there are thirty seven French companies with strategic investments in the North East and in total they employ around 16,000 people.

As the Regional Development Agency, One NorthEast is committed to bringing jobs, wealth and sustainable growth to the region. One way to do this is to identify global companies that can benefit from the Region's world-class resources. The North East can boast about its highly skilled labour pool, the work of the five high quality universities, the excellent communications and business infrastructure and very importantly the superb quality of life on offer.

In addition the Region can now develop activities around the five 'Centres of Excellence', as identified by a recent Arthur D Little study. These include Digital Technology and Media, Energy and Engineering, Life Sciences, Nanotechnology and Process Industries.

Last year One NorthEast restructured its inward investment operations and created a dedicated European team in a bid to promote the Region overseas and secure further international investment. Following an analysis of the key markets and the regional strengths it was clear that the French market required a more proactive approach.



Estelle Chatard and Sylvie Larocque bring their French expertise to the Strategic Investment Team - Europe desk at One NorthEast: from left to right Kevin Hudson - Senior Executive, Steve Wilson - Strategic Investment Manager - Europe, and Emma Pritchard - Europe desk administrator

In my role as team manager I sought the advice of the French Business Council (FBC). Following discussions with Chairman Dr Andrew Robinson and his team it became apparent that we had found the perfect partner to do this quickly and correctly. On our doorstep was a team of market experts with an existing network of key contacts.

A market development programme was agreed for the early part of 2002 and key business events were targeted. These included 'Milia', a digital media event in Cannes, and 'CeBIT', the massive, internationally famous IT and telecommunications exhibition in Hannover. For these events the FBC team undertook in-depth desk research, contacted participating French companies and set up a programme of meetings.

The partnership became almost seamless as Estelle Chatard, from the FBC, accompanied myself to these events and for the duration of the visit became One NorthEast's Market Manager for France. There is no doubt that working with Estelle, a French national with international business experience, gives us a big advantage in talking with French companies and identifying potential investors. It's too early to shout about our success but the early results are encouraging.

The advice and help received so far is proving invaluable in helping us along the road to achieving our ultimate goal of attracting more French investment into the North East. We now look forward to working with the FBC in the future.

**Coming soon...
Bastille Day
Don't miss the event of
the year!**

See back page for further information on our host and sponsor, law firm Eversheds. Call us now for more details.

Summer 2002

Inside

£1 million deal at Milia 2002

New language resource for North East

New faces at the FBC

and more...

We British are the biggest consumers of sandwiches in Europe (after all we invented them).

We eat no fewer than 35,000 million sandwiches every year.

Number 2 in the sandwich eating European league table is France, a poor second at only 650 million a year.

North East business makes £1M deal at MILIA 2002

Sophie Lee, project manager DMN and Estelle Chatard, project manager Club Sophia UK, report.

Milia is an international interactive media show held annually in the South of France which brings together digital media professionals from around the world. This year a record 30 delegates attended the show from the North East of England, the largest UK delegation.

The delegation shared a joint exhibition stand, which showcased leading edge content and services from nine companies: Mere Mortals, Enigma Interactive, Eutechnyx, AskAlix, Images, Chilli Media, Urban River, Superkrush and The Beat Suite. All of the companies were attending for the first time and the results have been fantastic, with delegates building on relationships with existing clients as well as meeting new ones.

Eutechnyx had a particularly successful show. They sold their game Big Mutha Truckers on Sony PlayStation 2 and Microsoft Xbox to Empire Interactive, bringing over £1million of revenue to the North East, and they are in the process of agreeing another deal with a US publisher as a result of the show. The Gateshead based company has been having a great year. As well as their success at Milia, it was announced in April that they ranked in the 2002 Deloitte & Touche Technology Fast 500, a ranking of the 500 fastest growing technology companies in Europe.

Darren Jobling, Business Development Director at Eutechnyx, highlighted the benefits of joining a larger delegation: "We did a great deal of networking with other local companies which has led to the possibility of some joint ventures with other North East companies new to the games business."

The trip was also a productive one for Chilli Media. Simon Brown, MD, said "Milia has been a real eye opener for us as a business, we gained several useful contacts and potential clients. We're already looking forward to next year. The regional networking alone made it worthwhile."

The delegation was organised by the Digital Media Network with help from the French Business Council and Club Sophia UK. Project Manager, Sophie Lee, said "The number of companies that did business at Milia 2002 made it very worthwhile, and we now want to build on this success for future delegations."

Although most of the activity focused on the opportunities at Milia 2002, Club Sophia UK helped the participating companies meet potential partners at Sophia Antipolis, the science and technology park which is only 20 miles away in Nice.

In collaboration with the British Consulate-General in Marseilles, Club Sophia UK organised a working dinner at the prestigious Carlton hotel in Cannes. The objective of the meeting was to bring together the decision makers in the Provence Alpes Côte d'Azur region with North East representatives in order to explore key opportunities for collaboration and investment.

Discussions focused on current and future developments in European regional and research funding in relation to nanotechnology and biotechnology, participation to the Sixth

Framework programme (2002-2006) and interregional projects (Interreg 2 and JEV).

As a result, Club Sophia UK was invited to represent the North East of England and partner with the Chamber of Commerce Nice Côte d'Azur, the Cambridge Centre for Entrepreneurship and the Turin Chamber of Commerce in a bid for a Fifth Framework programme project: SME Innovation. The project will bring international network opportunities for the region's SMEs and support organisations.

The DMN and the FBC are currently gauging the level of interest for the visit to Milia 2003 and it looks as though most of the companies that attended Milia 2002 will be making a second visit.

Club Sophia UK and e.Business Centre hold joint event

Club Sophia UK – the French Business Council knowledge network project – has been planning a series of collaborative events with other support organisations in the North East. The first of these events was held in partnership with the e.Business Centre at Northumbria University.

The one day seminar, entitled 'Global Perspectives on Marketing' covered topics such as the e.Marketing fit and International trade law, and included case studies and video links with Greece and France.

The highlight of the event was the video conferencing links, as they gave SMEs in the North East of England a chance to hear from digital companies based in Sophia Antipolis in the South of France and BaNet based in Thessaloniki in Northern Greece. Delegates were able to hear first hand about product launches in other countries.

Tracey Pitt, e.Business Centre Manager, said: "The event was a great success and has paved the way for further collaboration between the e.Business Centre and Club Sophia UK."

New Project Manager at FBC

Sylvie Larocque, a language and business graduate from the University of Ottawa in Canada, joins the FBC team as project manager after spending two years as a project manager at the University of Durham Business School. Within the Barclays Centre for Entrepreneurship, her main responsibilities involved coordinating two international entrepreneurship projects which linked British, French, Spanish and Italian partner organisations. Through her involvement in these initiatives, Sylvie had the opportunity to organise international events and

to manage a wide network of contacts within Europe.

Prior to establishing permanent residency in the North East in 1999, Sylvie, a French Canadian, spent three years working as a French translator for Toyota Canada Inc. in Toronto, and also gained valuable international experience in public and private sector organisations in Canada and the United States.



In her new post at the FBC, Sylvie will develop commercial and cultural links between the North East and France, and will help SMEs gain access to French speaking markets. She is looking forward to working very closely with partner organisations at the regional, national and international levels to promote Anglo-French trade.



Stagiaire

Studying for a French degree in commercial and business administration, Caroline Charnay has recently been appointed as a French Business Council stagiaire. She will work on various projects until August 2002. Says Caroline "It is extremely rewarding to discover a region such as the North East of England and to help develop its international links. It is amazing to see the number of links already existing between France and England".

There was a record number of candidates for the French general elections in June: 8633 for 577 parliamentary seats.

A useful website if you're travelling on French roads this summer: www.bison-fute.equipement.gouv.fr

If you want to keep track of the French football team's progress in the World Cup visit: www.fff.fr

New language resource set to help exporters

A major initiative has been launched with the aim of reversing worrying trends in the level of linguistic competence and cultural awareness among exporting firms in the region.

Zélie Guérin heads the three-strong team at the Regional Language Network, a One NorthEast initiative supported by the Languages National Training Organisation (LNTO).

The creation of the network, in line with national policy, follows an audit of the region's language skills base carried out by the LNTO in 2000.

Key findings of that audit included:

- Loss of business because of inadequate language skills or insufficient awareness of other cultures.
- Lack of awareness in the business community of the value of language skills.
- Language barriers to development of business.
- Lack of languages strategy in businesses.
- Mismatch between delivery of language training and results (companies expecting unrealistic returns for staff time provided).
- Actual decline in key language competencies in the region, most particularly in German.

An astonishing 46 per cent of international companies in the region are aware of having encountered

language barriers in business dealings, illustrating the extent to which the language skills gap may be holding the region back.

The Network will work to raise awareness of the importance of language skills and knowledge of other cultures as a business tool, while setting out to create networks of language users and language service providers.

"We aim to have our website up and running around the end of May, as a first step in creating a web-based language community in the region" said Zélie, previously with Newcastle City Council's Economic Development Unit. Zélie has also had a long association with the FBC.

A fluent French and German speaker, Zélie – who has put her money where her mouth is by starting to learn Mandarin – recognises that

attitudes can be entrenched, but says the potential rewards for those embracing change are significant.

"Companies that have engaged in developing language skills and proficiency already find that customer relations in international markets can improve demonstrably" she said. "And the potential prizes – in terms of reversing the trend of lost business and increasingly, profit margins – are immense."

FBC board member Stan Abbott is also providing public relations and marketing support during the establishment of the Network.

www.rln-northeast.com



Zélie Guérin

New markets – new business

Following an Export Explorer mission to Paris in February 2002, Trade Partners UK has been working closely with the French Business Council. Andrew Tanner, Senior International Trade Adviser, Tees Valley Business Link, reports.

Trade Partners UK (TPUK) brings together all its partner organisations to make sure that businesses are given the best support available and one of these partners is the French Business Council (FBC).

J J Hardy & Sons Ltd, a precision engineering firm in Hartlepool, had enlisted the services of TPUK in order to ascertain if there was a market for them in France. TPUK's commercial team based in the British Embassy in Paris researched the market in France, and identified and contacted potential clients who were interested in talking to the company. The company then arranged to visit these potential customers during a 3 day Export Explorer mission to Paris organised by Business Link Tees Valley.

After returning to the UK, part of the follow up meant contacting the French companies by telephone and because J J Hardy do not have any French speaking employees, TPUK asked for and received help from the FBC. Sylvie Larocque from the FBC visited the J J Hardy's premises and met with Andrew Pailor, Managing Director, to discuss what needed to be said and the aims and objectives of each call. Sylvie then contacted the companies and is working with Andrew to develop the leads.

Says Andrew Pailor, MD, J J Hardy & Sons: "We are very grateful to Trade Partners UK for their support and encouragement, their help has enabled us to look for new markets in order to actively grow the business. Sylvie has enabled us to give a professional service to our potential French clients by conversing with them in their native tongue."

As a direct result of the help of Trade Partners and the FBC, J J Hardy are now actively developing business in France, as part of their strategy for continued business growth. Enlisting the help of the FBC and other partner organisations has enabled

TPUK to provide complete support to JJ Hardy in their efforts to develop new markets. For further details contact the FBC, or Andrew Tanner direct on 01642 341430.



Estelle Chatard and Sylvie Larocque (centre) with TPUK's Andrew Tanner

French market at Whitley Bay

Following the two successful French Markets that took place in December 2000 and 2001 in Whitley Bay, French farmers from Agen – southwest France – travelled once more to the North East to work in partnership with Northumberland farmers. This special visit on June the 1st, 2nd and 3rd coincided with the Queen's Jubilee.

International law firm to host Bastille Day

Bastille Day is an annual FBC event which celebrates French National Day. With Baltic opening on 13 July, arts and culture will be a central theme to this year's soirée which takes place at our sponsors Eversheds' beautiful new offices.

For further information contact the FBC office on 0191 233 6315.

With a Paris office, an international network and a long standing commitment to the North East, law firm Eversheds seems the natural choice to host the French Business Council's Bastille Day event.

Like the French Business Council, Eversheds is committed to strengthening links between UK and French businesses. "We have found the FBC to be a positive support to Anglo-French business partnerships. Like Eversheds, it recognises the importance of France as trading partners of the UK. Our firm has had a presence in France for over 20 years" says managing partner, Michael Spriggs. "Like the FBC, Eversheds can help UK businesses overcome hurdles involved in developing trading relationships in France and French businesses looking to explore the UK market. Eversheds is equipped to provide a whole host of cross-channel legal and business services."

Eversheds Paris office now employs 80 people, based in a prestigious location in the Trocadéro area, opposite the Palais de Chaillot and the Eiffel Tower.

Multi-lingual managing partner, Alexandre de Goüyon Matignon, advises international clients on all legal and

transactional matters. In particular, he advises on foreign investment, financing, acquisitions, disposals, and restructurings.

The Newcastle office in the new Central Square South development views itself as a gateway for North East businesses to the global market. It is equipped to do this with several bilingual members of staff and offices in Italy, Belgium, Denmark, Bulgaria and Monaco, as well as the Far East. And to aid international business and overcome restrictions posed by office hours or location, Eversheds has made available to its clients one of the industry's leading extranet services.

"Eversheds is delighted to be hosting the Bastille Day event for the French Business Council whose UK headquarters are based here in the North East and we look forward to continuing our good relationship" concludes Michael Spriggs.



North East glass on international stage

Two North East glass artists who participated in a French Business Council mission last October are exhibiting in France this summer.

Effie Burns and Sarah Blood visited the Limousin region last year with the support of the FBC, Newcastle City Council, Northern Arts and design consultancy Outline. Following the mission, their proposals for two solo exhibitions in the town of Saint-Yrieix were accepted by the town council's culture team.

The private view for both exhibitions takes place on 28 June and the artists, the regional glass cluster development manager (Cohesion) Anne Tye, FBC board member Juliette Boisseau and Outline Partner David Hardman will be there to ensure maximum support for the project.

Sarah Blood is creating an installation specifically for the garden of one of the town's arts spaces, the showing of which will run alongside a

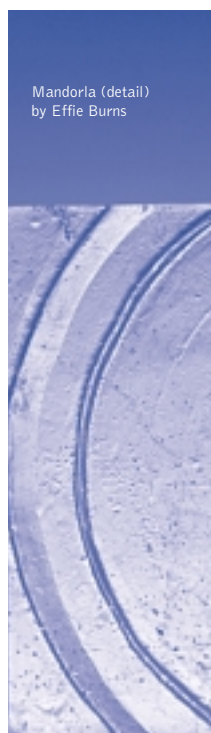
prestigious Matisse exhibition. She says: "I like to move away from the traditional methods of displaying glass by exhibiting outdoors, suspending and even half burying pieces. I am keen to challenge common conceptions about the applications of glass and to raise awareness of its uses as an artistic and architectural material."

Effie Burns, who has been running her own business for the past three years creating architectural glass for both public and private spaces, says: "The mission to Limoges in October provided us with a valuable insight into the type of exhibition space available and also how artists work with industry to produce work. An exhibition this summer provides us with the opportunity to show the magical qualities that glass has and how they can be used to change the atmosphere of a place. Having the opportunity to exhibit in the cultural centre in Saint-Yrieix in the same building that displays

the Saint-Yrieix Bible is appropriate as the sculptural pieces that I am working on at the moment explore the links between geometry, art and religion. Being based in an area with a long history of glass making it will be interesting to show work in a region where the speciality is porcelain, another 'art of fire' that has both practical and sculptural qualities. I am looking forward to the show in France and the different opportunities that it will provide."

Saint-Yrieix is situated at the cross roads of the Limousin and the Dordogne, a popular holiday destination. If you are in France this summer and would like to visit the exhibitions – which continue until the end of August – call Sylvie Larocque at the FBC for further information.

These exhibitions are billed as a preview to a larger group exhibition in 2003, which will include all the artists involved in the October mission.



Mandorla (detail)
by Effie Burns



This project is being part-financed by the European Community - European Regional Development Fund