

## France is innovative, creative and entrepreneurial, and is determined to be at the very forefront of innovation in industry.

France has been the leading European recipient of foreign investment in industry for more than 15 years.



**14,1%**  
GDP IN 2015

Industry is one of the leading sectors of the French economy, generating €274 billion in value added in 2015, or 14.1% of France's GDP. Industrial products account for more than two-thirds of France's global exports – €420 billion – and the food sector is the leading sector for exports. One job in industry generates 3-4 jobs in other sector.



**3,1 M**  
EMPLOYEES

3.1 million people work in French industry, most of them in highly skilled positions. Companies based in France recognize its thriving economy and industry: one employee in eight works for a subsidiary of a foreign company. This figure increases to one in five in the manufacturing sector.



**78%**  
R&D SPENDING

The industrial sector accounts for 78% of total R&D spending, amounting to €23.4 billion. France has been the leading European recipient of foreign investment in industry for more than 15 years.

### “INTERNET OF THINGS”

– It's thought that **80 billion devices will be connected to the internet by 2020**, and France is taking full advantage of this opportunity. 8 French connected devices won awards at the 2016 CES (Consumer Electronics Show). The NAO robot, designed by French company Aldebaran Robotics, is now the world's best-selling companion robot. In the French city of Angers, the “La Cité de l'Objet Connecté”, an industrial innovator accelerator, is now open for business, with 10,000 sq. m. given over to smart and connected devices.

### FOOD

– **The food industry is the leading industrial sector in the French economy.** Corporate giants such as Danone, a global leader in dairy products, represent the French food sector worldwide. Sustainable food is a key issue that needs to be addressed to feed a global population of 9 billion people while, at the same time, conserving and protecting our planet. France has identified five key challenges for which innovative industrial solutions are required:

1. **Restoring competitiveness** in the meat market
2. **Opening up** the functional foods market
3. **Gaining** a foothold in the packaging of the future
4. **Providing leadership** in sustainable refrigeration
5. **Ensuring** both the quality and the safety of food and drink

– **Global demand for protein is due to increase 40% by 2030.** In France, 7 million tonnes of vegetable proteins are already produced each year. It is believed that around 1,500 jobs will be created in France over the next 10 years in manufacturing concentrated protein for human nutrition.

⊕ **Established in 1976, Puigrenier is a French family-owned business employing 300 people.** Located in the heart of Auvergne – a region renowned for its high-quality beef – Puigrenier has industrialized traditional craft processes so as to produce high-quality products in large quantities. The company has successfully industrialized the technique used to make “tartare au couteau” (hand-chopped steak tartare), producing high-quality meat that upholds tradition and local convention, while modernizing the processes behind them. The company's annual turnover is more than €100 million.

### GREEN TRANSPORT

– **A notable green transport target was set recently: one charging point for electric vehicles every 80 km (50 miles) along the Paris-Lisbon route between now and 2020.** Meanwhile, French scientists from the Research Network on Electrochemical Energy Storage (R2SE) have unveiled the first prototype for a sodium-ion battery that can store renewable energy.

⊕ **Founded in 2014, NAVYA is a French company that develops innovative, smart and sustainable mobility solutions.** NAVYA develops robotic, driverless and autonomous electric vehicles intended for smart transportation of people and goods. The company increased its capital by €30 million in October 2016. NAVYA has made major advances in autonomous electric vehicle technologies, thanks to its expertise and highly qualified R&D team.

### BIG DATA

– **France anticipates that big data will create 140,000 new jobs by 2020**, and that the sector will be worth around €9 billion. France is home to many startups, such as Criteo, a major big data success story, which raised US\$250 million during its IPO on the Nasdaq in 2013 and now has over 2,000 employees working in 31 offices around the world.

### CITIES OF THE FUTURE

– **There are 10 French companies among the leaders in this sector.** France is aiming to achieve a 36% decrease in energy consumption in the building sector – a key sector in energy transition – by 2020.

### NEW RESOURCES AND SUSTAINABLE DEVELOPMENT

– **France is Europe's second largest producer of biofuel and chemicals in terms of volume.** It is aiming for a 30% reduction in waste by 2020.

⊕ **Founded in 2008, Neoen is the leading independent renewable energy producer in France.** The company opened its first solar photovoltaic power plant in 2009, its first wind power plant in 2010, and its first biomass plant in 2013. Drawing on its experience in France, Neoen began developing international projects in 2010. Neoen's turnover was €187 million in 2016, and the company has a presence in seven countries.

### THE FUTURE OF TRANSPORT

– **France has a strong aerospace industry, generating annual turnover of €40 billion.** E-Fan, the first hybrid airplane, is scheduled for launch in 2030. France has the third largest railway industry in the world, with turnover of €6.6 billion.

⊕ **Vaylon, an innovative new company founded in 2010, has launched the Pegase project**, which aims to design, industrialize and market a new method of transport, the “flying car”, in the hope of making obstacles on the ground a thing of the past. The startup, based in the Alsace region, has set itself a target of producing 150 flying vehicles each year for the next four years. The company is targeting not only the military market, which could potentially bring in around 20% of its sales, but also the civilian market, with potential customers including NGOs, postal companies in Africa, and tour operators.

– **There are many programs in place throughout France to support SMEs and industrial mid-size companies** in their modernization and digital transformation efforts. Nearly 1,500 SMEs and mid-size companies are already involved in such initiatives. Depending on their circumstances, participating companies can benefit from strategic diagnosis, technical support, HR guidance, as well as investment aid.

### SELECTED COMPANIES

- Swiss food giant **Nestlé** has more than 19,000 employees in France.
- **Barilla** opened its largest production facility – 4,300 sq. m. – in Châteauroux (Centre-Val de Loire region).
- Japanese carmaker **Toyota** chose northern France as the location for its European base.
- British group **Kingfisher** has more than 15,000 employees in France.
- American company **Hexcel** decided to increase its presence in France with a new polyacrylonitrile plant in Roussillon (Auvergne-Rhône-Alpes region).

- **Airbus, Airbus Helicopters** and **Airbus Defense and Space** have major plants in France and European operations. The number of people employed by the Airbus Group in France has increased by 31% since it was founded. The Airbus Group exports the equivalent of more than €22 billion of aerospace products every year.
- **Siemens**, has been operating in France for more than 160 years, with more than eight industrial sites, 11 R&D centers and over 6,900 employees in the country. In 2015, the German company chose Toulouse as its global headquarters for the “Val”, the first light automatic vehicle.