



Competitive Intelligence: the French Experience

**« The French Way to Globalization through
Competitive Intelligence: public-private Strategies »**


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**Hunan, China
Changsha, May 30st, 2007**

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**These are the different points that I would like to share with you
this morning:**

- 1- The world competitive environment: economy and entreprises**
- 2- Competitive Intelligence: a national challenge. What do we
mean ?**
- 3- Competitive Intelligence and entreprises practices**
- 4 – The role of the Chamber of commerce and industry**


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1- The world competitive environment

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The challenges that States and entreprises must take into account in order to strategize, to compete and survive.

- **A new international division of work**
 - Value chains organized according to comparative advantages and outputs at a planet scale.
 - The growing economic, innovation and technological power of the so-called BRIC (Brasil, Russia, India and China).

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- Sophisticated competitive strategies

Four major new characteristics and transformation occur with the information and knowledge society: an explanation for "the intelligence revolution".

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The first one is the key role of actors (stakeholders) such as States and non State organizations (NGO) playing a growing influence in the management of the economic, cultural, social issues.

The second is illustrated by the emergence of new competitive organizations such as territorial network organisations composed of SMEs, CCI, national and regional organizations, R&D centres, university experts, professional associations exchanging and sharing information and intelligence to be more competitive collectively.

"Michael Porter"'s paradox: to be competitive in a global economy, you need to be rooted in local clusters, local or regional knowledge networks.

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The third characteristic is the intensive use of information and knowledge by State or enterprises as a competitive tool through strategies of influence (soft power: influence versus coercive attitude)

The power is not anymore exclusively measured by the capacity of a Nation to mobilize army forces or industry and services worldwide, but also by the capacity to "shape the world" with ideas and culture.

The capacity to make the environment or the market move in favour of a collective or individual project, of an enterprise, a province or a nation by mobilizing information and knowledge has become a strategic asset.

The fourth concerns economic security and information security systems, that have become essential part of information or knowledge national strategies.

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- **France position in the globalized competition**

It experiences a major risk to lose industry positions and technological leaderships:

- Weak reactivity and adaptive capacities.
- Bad market positioning (on emergent markets and in new products sectors for example)
- Lack of permanent strategic CI capacities to analyse the environment's transformations and better strategize in the innovation and marketing fields.

The question is essential for France. France is losing economic power and influence.

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What about Europe ?

Part of the 25 members of EU in the world production
(Commission, European Economy Occasional Paper, n°21, Decembre 2005)

	1980	2003	2015
EU	26 %	22 %	17%
USA	20%	21%	19%
Japan	7%	7%	...
China	13%	19%	...
India	6%	8%	...

« Europe is disappearing from the economic scene and from the monitoring screens » *Eric Le Boucher, December 2005, Le Monde.*

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For us French the only strategy is:

innovation and competitive intelligence

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2 – Innovation and competitive intelligence: a national challenge

What do we mean ?

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a) How to read the world and how to strategize in such circumstances ?

Are the classical analysis and planning tools still efficient ?

We are many to think that their are not sufficient any more and that **economic intelligence opens new operational ways** .

Why ?

It offers an essential process to interpret the complex and rapid evolution of the environment moves, for a better management of your organization's strategy.

Mastering time access to information or to knowledge brings your organization a competitive advantages in a national, regional or local development project.

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Anticipation and creativity

Competitive intelligence, understood as **the mastering of open source information through legal means to better strategize**, has to be managed, organized and implemented in an agile, creative, anticipative and pro-active way.

Networking for a better understanding

Such an approach needs networks of "sensory, remote sensing organisations" or so called experts networks for watching what is happening in the environment, in the world in the field of activities you targeted.

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Strategy

It gives your organization the capacity to catch **early warning signals** to anticipate manoeuvres on the markets, moves in technological, social or commercial environments.

Economic or social intelligence brings to your organization **the capacity to learn from others**.

Can you imagine the advantage that you can gain for your strategy, if you look at your markets or at your projects environment through the eyes of your competitors, your partners or your customers ?

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b) On this bases, in 2003, the French government decided to launch a national CI strategy

The Prime Ministre, Jean-Pierre Raffarin decides to launch a national and territorial Competitive intelligence strategy in order to recover,

- technological, but also commercial and cultural positions on the world market,
- power of influence and attractiveness.

A public policy at the national and regional scale...

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Definition of a competitive intelligence strategy means:

- Mobilizing the strategic competitive intelligence capacities of the nation to serve individual and collective strategies (SME, clusters, government...) in the global competitive environment;
- organising economic security through the identification, promotion and protection of key assets (Scientifical and technological know-how from enterprises, R&D centres, universities...)
- promoting the competitive and cultural advantage of the province and nation to compete and cooperate in a winning position (sphere of influence, cooperation...)

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The national strategy

The new public policy is managed through an organization placed in the Prime minister administration (High Ranking Official M. Alain JUILLET in charge of the strategy and of the coordination of CI correspondent in each ministry.



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Various action instruments are available and used:

- Foreign investment control concerning key technological strategic assets (15 strategic sectors)
- Financing organization for start-up in key sectors.
- Policy of general dissemination of CI tools and methodologies for SMEs managers and training.
- Conception of CI content for a standard training course.

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The « regional intelligence » strategy

The objective is to set up in each Region a Regional Competitive Intelligence strategy and a dedicated organization.

Governance

Under the national authority of the Ministry for Internal Affairs and the local authority of the representant of the State in the Region

Strategic committee for decision (Economic, social and scientific and technological decision-makers of the Region)

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Challenges of such a policy for a region...

- A regional competitive intelligence policy is based on a permanent analysis capacity and organization.

Strategic CI system (identification and analysis of early warning signals on technology, market, standards, law trends and innovations, networking and expert communities management, benchmarking of competitor territories strategies, their intents and capacities...)

This requires the capacity to articulate long term techniques like foresight or prospective with short term techniques of real time information: searching, alert tracking and analysis.

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- **The national cluster strategy**

Governmental decision and strategy (2005)

Aim: to foster French innovation capacities through networking between big firms, SMEs, universities, R&D laboratories at a local scale in advanced sectors (rgional national international qualification)

Call for proposals. Public and private fundings.

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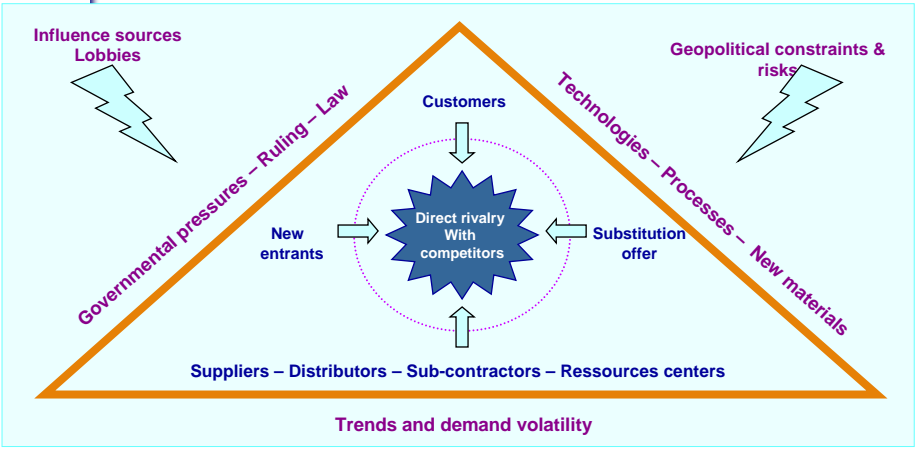
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3- Competitive Intelligence and entreprises practices

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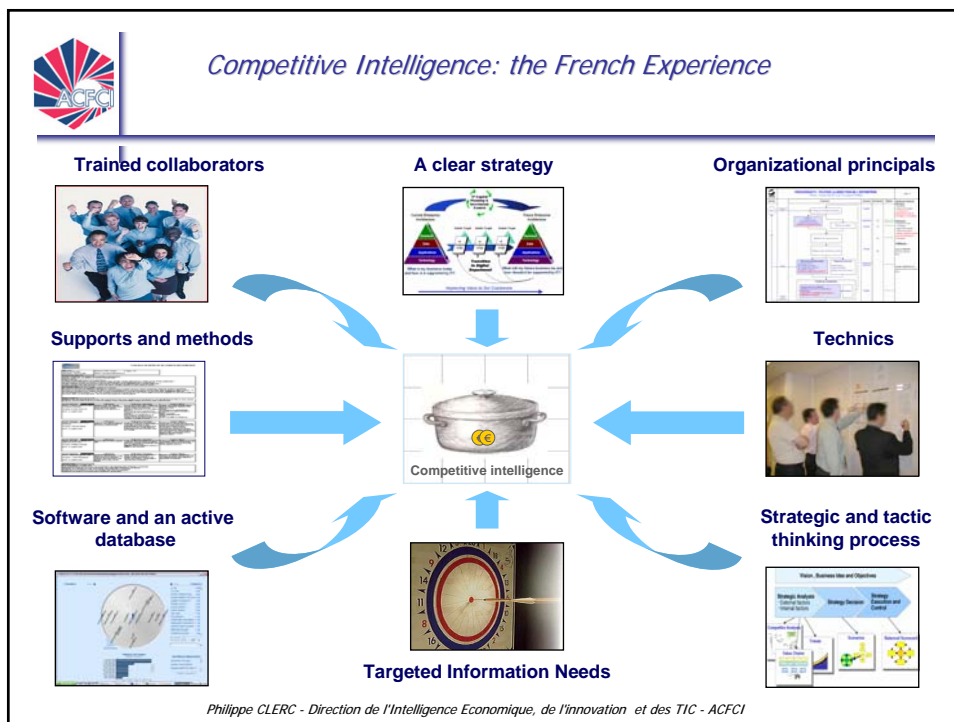


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Identification of external factors that reduce the action perimeter of the entreprise and definition of the development sphere. Permanent search to reduce risk.


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4 – The role of the Chamber of commerce and industry

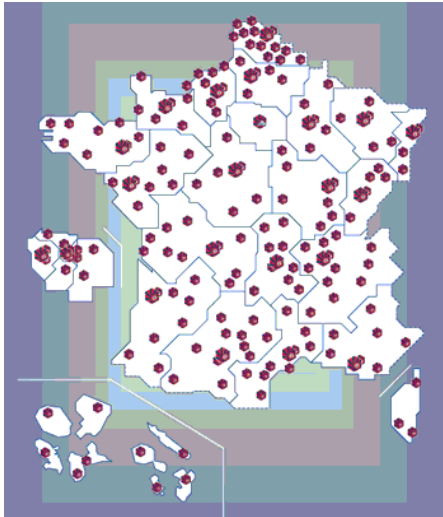
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Chambres of commerce and industry

A local network to support the SMEs

- 2 millions entreprises
- 155 local Chambers (CCI)
- 20 regional Chambers (RCCI)
- 1 CCI Assembly (AFCCI)
- 112 CCI abroad (international network)
- More than 500 training organizations
- Management of ports and airports
- 30 000 men and women
- 5 000 elected firms managers
- Annual budget: 4 Mds €



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a) A key actor in the CI national and territorial system

Know-how and networking organisation characterized by:

- a public-private relationship experience: AFCCI and CCI are bridges between the two spheres.
- Its very important role in the academic and education sphere.
- Its intimate knowledge about the entreprise universe.

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b) Example: the EMA group CI experience.

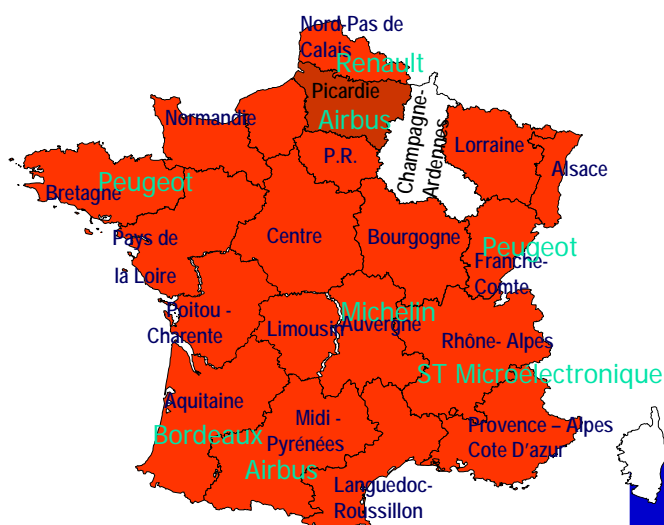
How collective CI produces development and competitive advantage for a cluster ?

The present strategy has been developed by M. Jean-Marie Mouchel, Director of the local technology transfer centre (CRITT-BNC) and presented at ACFCI in an experience of best practices exchange with the CCI. French Review "Technologies internationales", ADIT.

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Context

Region called Normandie in the North-West of France

Nuclear activity since the years 1980s.
Big firms and sub-contractors

The goal was to define a local development strategy based on the creation of new activities and using the know-how and local industrial skills in the sector of nuclear pollution monitoring and treatment.

End of 1990s, developers and firms decided the creation of a cluster through implementing a collective CI strategy.

Communities of actors were: enterprises, R&D centers, training, local governmental organizations. Pilot: the R&D center.

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Phase 1 – Diagnosis of information needs, of practices and of competencies of the actors.

Identification of local R&D competencies in the field of the new activity: pollution control.

Targeting of four priority for watch and CI application:

- new markets
- new products
- standards and laws
- Intelligence surveys on markets evolution.

Weakness : knowledgeable men and women, but no formalized information system.

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Phase 2 – First answer to the needs.

Towards the creation of a formalised information and CI system

- Sharing information Bulletin (CLEANinfo) – Life of the communities, information on the evolution of the pollution control market, analysed press review.
- Pofiled CI Flash Bulletin to inform the different actors on new patents or standards, competitors....

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Phase 3 – Creation of a virtual plateform to share knowledge

After the learning process created by the first and second phases, actors identified,

- a real difficulty to read the different information and datas from the global environment,
- a lack of sense making organisation.

Decision is taken to create a competitive intelligence plateform incorporating a knowledge database and automatic analysis tools.

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Some functionalities of the platform shared by enterprises

- automatic processing of scientific and technological information, tenders...
- mapping of actors of the pollution control sector
- identifying of opportunities....

As an operational result of CI use: a better knowledge of the global and competitive environment.

The SMEs network invested in commercial resources to catch opportunities and ROI became higher.

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As a conclusion



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With the new President Nicolas Sarkozy who is one of the founders of the national French CI strategy a new organization is being set up to managed national security questions under the authority of the President.

Question: will the new National Security Council be in charge of the CI natioal strategy ?

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As a conclusion

Development strategies urge mobalizing knowledge on the key problem of the world:

- how to get access to the information on the world ?
- how to catch and understand the context and the Global ?

Forsight, prospective and competitive intelligence

bring us a way to match these challenges.

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Thank You for Your warm welcome and attention

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