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Press Information

THE BRITISH MOTOR CORPORATION

Issued by the Press and Public Relations Office,
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RELEASE DATE:

B.M.C. SALES DEVELOPMENT IN FRANCE

Sales of B.M.C.'s ranges of Austin and Nuffield Cars, commercial vehicles and tractors in France are now running at a record rate of over 20,000 vehicles a year. Over the last six years the annual level of B.M.C. sales in France has increased rapidly and is now over eight times the volume achieved in 1960. France has thus become one of B.M.C.'s major world markets and its biggest customer built-up vehicles in Europe.

This significant advance has been made in spite of a number of marketing factors operating to B.M.C.'s disadvantage amongst the chief of which are increasing import tariff disparities as compared with competitors who are based within the Common Market. Currently German and Italian cars, as products of the Common Market, have a 19.2% duty preference in France and this will increase to 22% in the next two years.

In anticipation of the removal of quota restrictions and the future tariff situation, B.M.C. undertook in 1960 an intensive study of the French market. This showed that there was a substantial potential for increased sales particularly in the Mini range. New marketing and distribution policies were then carefully developed, the main aim of which was to establish a new sales and service pattern to be capable not only of taking advantage of the immediate potential for the Corporation's products throughout France, but



laying the foundation for the long term business expansion that was, and still is, expected to follow Britain's eventual entry into the Common Market.

B.M.C.'s plan for France was to divide the market into main distribution areas each with a demand potential capable of supporting an independent sales and service network on a scale which previously it had not been possible to envisage.

The appointment of companies to act as distributors presented particular problems because of the finance and working capital required to support and develop an adequate importing operation for cars.

A further important requirement was that the new organisations should have the necessary expertise and knowledge of B.M.C. products and business methods so that from the start customers in France would obtain the best possible standards of sales and service facilities.

These difficulties were overcome on the one hand by encouraging the existing distributors in Paris to expand their businesses, and on the other by strong distributors of long experience of distribution and marketing in Britain, extending their interests into the export field. New projects such as the centres established by Kennings in Lyon and Marseilles and Stewart and Arden in Bordeaux were the result.

This new policy was put into effect by B.M.C. in 1961 in close consultation with and the co-operation of the original distributors in Paris, who as part of the overall scheme, established further distribution points at Rouen and Roubaix.

Today the new organisations marketing B.M.C. cars in France are in full operation. Together they have over 400 dealers providing countrywide sales and service.

Although the reorganisation of its distribution network has been a major feature of B.M.C.'s progress in France in the past five years, the current volume of business could not have been achieved without a range of products which in specification and performance were especially suited to motor-ing conditions in France.

The most popular of all B.M.C. cars with French motor-ists are the Austin and Morris Minis whose manoeuvrability and excellent all round performance have earned them a unique reputation among imported cars in the market. During 1966, exports of Minis to France were running at an annual rate of 40% above the level achieved in the same period of 1965 to a volume of 13,500 units. The Mini Cooper models already account for 33% of total Mini sales in France where their qualities of high performance allied to exceptional road holding have a strong appeal which has been heightened by wide success in international rallies including two outright wins in the Monte Carlo Rally. Other B.M.C. models in very keen demand in France are the Austin Morris and M.G. 1100's and the MGB G.T. and sports cars.

B.M.C.'s product range is undergoing a continuous process of progressive development and modification. Coupled with this, B.M.C. engineers are working on further innovations in car design as reflected in the new and highly efficient automatic transmission for the Mini and 1100 ranges.

Looking to the future, B.M.C. with an advanced product range coupled with a strong distribution organisation will be seeking to expand further its sales volume and penetration of the French market.