

SCHNEIDER ELECTRIC NAMED OVERALL WINNER IN THE FRENCH COMPETITION

If recent opinion polls tell the truth, then the French are more doubtful about the benefits of being in Europe than their traditionally more Eurosceptic UK counterparts.

But the same cannot be said of their companies. Record profits are being chalked up by CAC 40 companies, largely on the back of international operations.

In a bid to encourage a greater understanding of the role Europe plays for French companies, Roland Berger Strategy Consultants and Enjeux-Les Echos, the FT's French sister publication, have linked up to mount France's version of the Best of European Business Awards. Prizes are awarded to large and medium-sized companies in five categories, with a grand prize for the company judged the best overall performer.

This week Schneider Electric, the world's largest electrical equipment distributor, was named as France's grand prize winner over shortlisted rivals Publicis, Ubisoft, L'Oréal, Total and Faurecia.

Present in 130 countries, almost one-third of which are European, Schneider last year delivered sales of €10.4bn (\$12.4bn).

Judges cited Schneider's successful international expansion programme, sound financial management and a strong presence in eastern Europe as

compelling reasons for its top-ranking position.

Schneider's winning achievement was to score highly across all categories. These included: growth, where winners had to show the highest level of average annual sales growth between 2000 and 2004; value creation, awarded to companies showing higher than expected capital returns; innovation, to recognise companies with the greatest research and development investment and patent success; European strategy, for those with the largest European presence outside France; and New Europe, the prize for companies with a strong footprint in eastern Europe.

Publicis, the world's fourth largest media, marketing and advertising group, was the large company winner in the growth category. This company of 35,000 employees in 109 countries returned sales of €3.8bn last year. Between 2000 and 2004 Publicis delivered average annual sales growth of 21 per cent.

Shortlisted companies were Sanofi-Aventis, Faurecia and Tecnip.

The luxury yacht maker, Rodriguez Group, took the top prize in the mid-sized growth category over rivals Belvédère, Bacou-Daloz and Ubisoft. Between 2000 and 2004 it achieved average annual sales growth of 34 per cent, recording

a total turnover of €368m last year.

France Télécom fought off other shortlisted candidates, Total and Carrefour, to win the value creation category for larger companies. On the brink of collapse just a few years ago, it was cited for the success of its recovery programme which culminated in operating profit accounting for 22 per cent of €47.2bn turnover last year.

The mid-sized prize for value creation went to Neopost, founded in 1992 by investors who had acquired the postal equipment business of Alcatel. The group's ambitious growth strategy and strict margin control helped it to take the prize over shortlisted rivals Dassault Systèmes, Beneteau, and Clarins.

Sanofi-Aventis, which invests €4bn a year in research and development and employs 11,000 researchers, was awarded the large company prize for innovation. The judges noted that the group has the world's third largest budget for pharmaceutical R&D. It beat Thomson, Alcatel and Valeo to the top spot.

Dassault Systèmes, the world leader in computer-aided design software, took the mid-size award for innovation, ahead of Wavecom, Gemplus and Ubisoft. Almost half of Dassault's employees are involved in research.

Lafarge, the world's largest

concrete manufacturer, was named the winner of the large company award for European strategy against rivals Publicis, Schneider and Sodexho Alliance. The group, which has a strong presence throughout the world, achieves 28 per cent of its sales in Europe, excluding France.

Guerbet, a specialist in medical imaging products, won the mid-sized European strategy prize against competition from Belvédère, International Metal Service and Manutan. Founded just over a century ago, roughly half of Guerbet's sales are in Europe, excluding France.

Finally, Société Générale won the New Europe prize for large companies, over shortlisted candidates Schneider Electric, Bongrain and L'Oréal. SocGen is France's third largest bank and the fourth largest foreign financial institution in eastern Europe.

Belvédère, which produces wines and spirits in eastern Europe, took the mid-sized prize against competition from Ipsos and NSC Group. It was praised for its focus on quality and its success in commercialising vodka and Bulgarian wine in Poland.

The judges were: Jean-Cyril Spinetta, chairman, Air France-KLM; Jean Peyrelevede, former chairman, Crédit Lyonnais; Vincent Mercier, managing partner, Roland Berger, France; François Lenglet, editor, Enjeux-Les Echos; Bernard Ramanantsoa, chief executive, HEC.