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I write about entrepreneurs, in particular, the disruptive ones

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Entrepreneur: The French Do Have A Word For It

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There's no firm evidence that he actually ever said it, but President George W. Bush's reputed utterance to British Prime Minister Tony Blair that "the trouble with the French is that they don't have a word for entrepreneur" probably echoed a widely held notion that France wasn't a country one immediately associated with entrepreneurs.

Wrong. The country is full of them. It's just that building big name international companies has traditionally never been their strongest point. French start-ups, for the most part, been content to stay local and enjoy success at that level.

This is partly due to modest venture capital activity. A start-up that raises \$10 million for a Series A in the US, would raise \$500,000 in France, where there is a smaller domestic market, limited exits on the stock market, and less of an appetite for global expansion.

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International presence

And France has also lacked significant international aspirations to think big. Until now.

Iconic brands such as Hermes, Chanel, and Renault aside, the number of French fashion retail brands with an international presence is growing; The Kooples, Loft, Sandro, Maje, and Celi, to name a few, while French tech successes include ad tech firm [Criteo which secured a \\$1.5 billion listing on the Nasdaq](#), and business intelligence software firm [Business Objects, acquired by SAP for \\$6.78 billion in 2007](#).



The french flag of the former Meteorological frigate "FRANCE 1" in La Rochelle, now the musée maritime (Photo credit: Wikipedia)

But it is the dawning of the digital start up era that has stirred entrepreneurial fervour in people who once might have worked for the state, but are now keen to go it alone.

A key area of digital start up growth in France is online retailing and the hosted marketplace, an arena in which online marketplace technology provider [Mirakl](#) has flourished.

Launched in 2011, the company provides a marketplace to some of Europe's biggest retailers, including [Galeries Lafayette](#), which has doubled online product range as a result, and French e-tailer [Fnac](#), whose product range has grown from 600,000 to 15 million, and marketplace sales of €52million (\$71 million) in 2012.

Mirakl, which launched its UK operations in October last year, has raised €2.5million (\$3.4 million) in investment. The strategy, says co-founder Adrien Nussenbaum, was always to build a global business.

"We have 40 employees based out of Paris, a quarter of them from overseas, and 25% of our customers are international leading retailers. We are opening offices in London and New York and strengthening our board with international experienced entrepreneurs. Our next round of funding will be with US investors," he said.

The intention is to emulate those French digital entrepreneurs who have achieved international recognition, including Marc Simoncini, founder of dating site Meetic, Jacques-Antoine Granjon, founder of private sales Vente-Privée.com, and Xavier Niel, founder of telco Free and now worth over €6 billion (\$8.2 billion).

And many of them are now 'giving back', by investing in new digital companies. Niel, an early investor in Mirakl has invested over €100 million (\$136 million) of his own money in start-ups, including the mobile payment gateway Square.com. Mirakl's Series A lead investor was also the seed investor in Criteo, one of France's biggest success of the last decade.

"This gives us a great support and triggers bigger ambitions," says Nussenbaum.

Lively life science sector

Biotech is another buoyant start up sector. According to stats from France Biotech, an umbrella organisation for life science companies, €364 million (\$482 million) was raised in 2012, an increase of 27% on the previous year, with IPOs and venture capital key sources of capital.

Many of these science and research-based start ups have benefited from French start up tax incentives, including Jeune Entreprise Innovante - young innovative company - (JEI) status, with tax exemptions on labour costs for research employees, and Crédit d'Impôt Recherche ([CIR](#)) – research and development tax credit – as well as growing investment in tech clusters.

French [President François Hollande's visit to Dijon-based Oncodesign](#), last year was seen as a public show of support for what the drug discovery firm – currently researching new therapeutic solutions for neurodegenerative disorders in collaboration with Belgian firm [UCB](#) – and the French life science sector as a whole has accomplished in terms of innovation.

However, with France's huge public deficit, and economic growth at a crawl, it remains to be seen whether Hollande will make good on his promise to improve JEI tax breaks.

For some, the biggest challenges for enterprise entrepreneurs stem from the country's socialist traditions, and the perception of privately-owned companies by a sizeable chunk of the population as places where man exploits man for profit.

“There is still a lot of mind changing to do,” says Nussenbaum.

The French have a word for that, too. Révolution.