



Ericssons in France

by Bob Estreich

SOCIÉTÉ DES TÉLÉPHONES ERICSSON

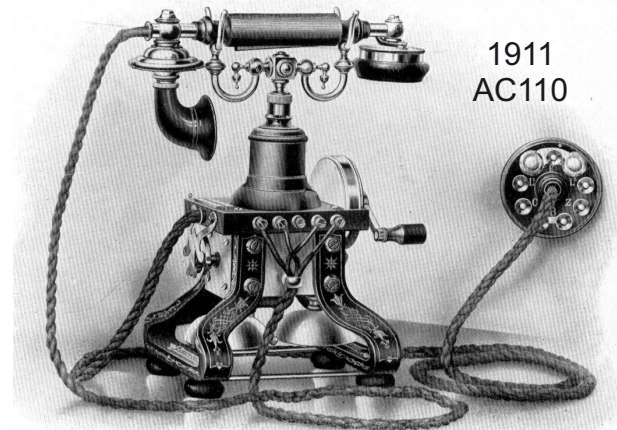
SOCIÉTÉ ANONYME

STE was set up as one of Ericssons' regional companies to give them a local presence in France, which was a developing market. It was intended to be an outlet for sales from the Ericsson factory in Sweden, but like other Ericsson companies it soon took on an identity of its own.

The development of telephony in France had been like many other countries - pioneered by the Bell company, then added to and expanded by many others who wanted a place in this new growth industry. The French Government loosely regulated the industry and handled the trunk system. Public dissatisfaction grew with high prices, systems that couldn't connect to each other, and, in many cases, technically inadequate equipment. Finally, in 1889, the Government forcibly took over the telephone companies and united them into a single system. As with Britain and Germany, they still supported local manufacturing companies, who continued to make good profits out of supplying equipment. France had a particularly high number of telephone makers, thus missing out on the economies that could be achieved by a smaller number of large scale manufacturers.

In 1908 the telephone exchange at Rue Gutenberg in Paris was destroyed by fire. The PTT, the Post and Telegraph department, took this opportunity to break the monopoly of the French suppliers. They bought the new equipment from L M Ericssons in Sweden. It was delivered promptly, installed, and proved quite satisfactory.

Ericssons took the opportunity to move into the French market. Nationalism in Europe was strong, and a local presence would remove the stigma of being a foreign company. Exactly the same reasons that they joined forces with the National Telephone Company in Britain. "Local presence" meant local manufacture, since the Swedish factory was seriously behind in production at the time. Their new company,



1911
AC110



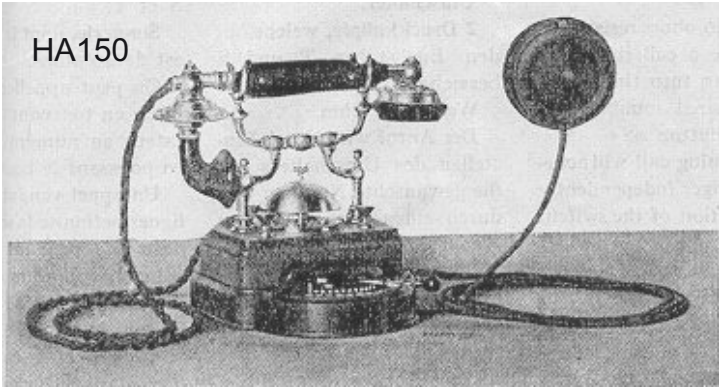
1910
Candlestick

Societe des Telephones Ericsson (STE) started building its new factory in the Paris suburb ofColombes in 1911. It was completed in the following year, and set about becoming a major supplier to the PTT. Some standard Ericsson telephones such as the Skeletal AC110 and the HA150 intercom had been sold into France through other distributors. Other companies such as Berliner and Dunyach & Leclerc were using Ericsson parts. The PTT had not yet gone in for automatic exchanges, nor had it settled on a standard pattern of telephone. Ericssons allowed the new company a lot of freedom in its

designs and the factory produced a range of phones that are notable for not looking like Ericssons' usual styles. As an example, although the handset had been in production for many years in Sweden, French preference was for the "coronet" or "cow's horn" style. This may have had something to do with the ease of sterilising the mouthpiece at a time when tuberculosis was rampant.

phones were still being built in wood even though the rest of the world was rapidly turning to steel pressings for the case.

During the First World War the PTT cut back domestic telephone production to make room for essential war production. STE made economies in their telephones to overcome the shortages of raw materials and personnel. The rather crude pressed steel handset tube is one of these economies.



HA150

A standard steel-cased wall phone was fitted with the French PTT-preferred coronet handset giving it a curious hybrid look. It coexisted with a wooden wallphone from the same period with a standard handset. The reason for these overlaps is unknown, but may have been due to the variety of brands of telephone exchanges existing at the time.

Possibly because of the shortage of stock from the Swedish plant, STE eventually concentrated on supplying the PTT's standard designs. Many



1930 metal table phone



1917 metal wall set



1920 wood wall set

After the War, the PTT decided to automate and standardize its aging manual systems. This was a problem for STE. Its main competitor, ITT (*International Telephone and Telegraph's Standard Electric*), had a reliable and expandable system available. Ericssons had a 500-line switch but they had concentrated too much on manual switching and had not developed their automatic switch sufficiently. The PTT contract went to ITT in the late 1920s, with STE relegated to building a share of the PTT's requirements under license.

By this time the handset had been almost universally adopted. Telephones were becoming less stylish and more simplified. Many phone builders had dropped out of the market and mass production was possible. The candlestick style phone from 1928 is in brass, but bakelite telephones were now appearing. A version of this phone is known with a Fuld-style bakelite handset, with its rather lumpy transmitter. Ericsson's DB255 steel cased desk set made some sales in the 1930s on the new automatic exchanges, but the PTT came to prefer their own designs as a way of standardizing the telephone system.



DB255

STE's failure to gain the contract for automatic exchanges had hurt their prestige somewhat. Ericssons took up the challenge. By the 1950s, when the PTT again decide to update its automatic system, STE was ready with Ericssons' proven crossbar switch. ITT was able to offer its new Pentaconta system. The PTT decided to put both into service. STE built four new plants in the 1950s and 1960s to achieve the needed production. By now STE serviced 60 percent of the French market.

They were not the only supplier of telephones. The standard PTT design was a bakelite phone based loosely on Ericssons' DBH1000, but fitted with a distinctive large French dial. It was made by many French manufacturers and generally only the maker's stamp on the bottom will identify them.



French phone
(table and wall model)
based on Ericsson's
DBH1000 with
French dial



In the 1970s the system was once again to be updated. The usual competitors lined up, with STE offering the Ericsson AXE switch in competition with a new design by Alcatel. This time the DGT (*who replaced the PTT*) decided to encourage local research and development, not just manufacture of another country's product. In 1976 the PTT decided on STE as one of the successful contractors, going once more for a dual supplier system. To gain the contract Ericssons had to sell its majority shareholding of STE to French firm Thomson-CSF. They would build AXE under license, and continue R&D on it. For Ericssons this meant a major non-Scandinavian market had shown confidence in their AXE product, which would encourage confidence in it for worldwide sales. There was also a royalty arrangement for foreign exports. It did not turn out this way.

Thomson-CSF obtained the Ericsson technology, then developed the switch into a seriously different product which it sold under its own name. By the mid 1970s Ericssons' AXE sales (*and royalties from Thomson*) dwindled. Thomson was trying to sell their product to the DGT in lieu of the proven AXE. Ericssons then had to form a

partnership with another French firm, Matra, to continue supplies of AXE to the DGT. The new company, Matra Ericsson Telecommunications, improved AXE deliveries to the DGT.

Under Thomson-CSF the STE name has now disappeared.



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