



*European Communities  
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Press Release*

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EUROPEAN OPPORTUNITIES FOR SMALLER FIRMS

George Thomson opens new Essex factory

Small and medium sized firms should not fear being squeezed out of business in a big modern market like the European Community to make way for the giants, said European Commissioner George Thomson, when he officially opened the new factory of "Electrical Remote Control Company Ltd." in Harlow, Essex, today.

On the contrary, he said, there will be expanding opportunities for these smaller firms which, through good management and specialised skills are so often the leaders in technological progress so essential to the health of a modern industrial country.

Several developments are under way in Europe today which promise to enhance the position of the smaller company. But for these firms to reap these benefits, said Mr. Thomson, it is vital that Britain stays in the European Community.

Among European Community actions in favour of the smaller company, Mr. Thomson cited the funds available from the European Investment Bank, which last year lent £3,500,000 to the Industrial and Commercial Finance Corporation to finance small and medium sized enterprises in the assisted areas of the United Kingdom. Over half a million pound of this has already been allocated to projects in Scotland, Wales and North West England. Money from the European Coal and Steel Community is also available. And before long, said Mr. Thomson, I have every hope that the European Regional Development Fund can make its contribution.

But apart from financial help, said Mr. Thomson, the European Community had other instruments for stimulating the smaller company. Three years ago, the Commission set up the Business Cooperation Centre - "A Marriage Bureau" - to bring small and medium companies into touch with each other with a view to cooperation. There has been a remarkable response towards this initiative and British firms have been notably active in taking advantage of it.

The European Commission is now going ahead with plans to foster the creation of sub-contracting pools which would give small and medium firms much greater opportunity to benefit from the very big real and potential demand from the bigger companies resulting from the Continent-wide market.

Nor, added Mr. Thomson, should we forget the skilled and experienced team of watchdogs always at work to ensure that big business concentrations do not abuse their power. The European Commission, contrary to popular mythology, is not a group of faceless bureaucrats, but works hard to be the protector of the small businessman and the housewife against the kind of competition which pushes prices up.

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