Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

CONTENTS

THE WEEK IN THE COMMUNITY
October 20 - October 26, 1969

EUROFLASH: ***Business penetration across Europe***

October 30, 1969 — No 536

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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY

October 20 - October 26, 1969

THE COMMON MARKET

DM: One Law for the Rich?

The long-awaited revaluation of the DM by 8.5% which was announced last Friday with effect as from Sunday night should help to calm down international monetary markets, but judging from the outcome of Monday's special meeting of the EEC Agricultural and Finance Ministers - which had to be held within three days of an official parity change by a member state - it has helped only to increase the existing tension within the Community, especially with regard to the future of the agricultural policy. This is now reeling under successive blows from France and Germany, in addition to the failure to find solutions to the other outstanding problems, especially the dairy surplus question. Virtually all the governments and the Commission are agreed on the need for reform, but as to how it should be reshaped or modified there is little agreement. The CAP's prestige, which has been much dented, will take some time to recover, and even this is open to doubt.

When the ministers of the Six met in Luxembourg, the main problem confronting them was how to provide some form of protection for German farmers, who if the EEC rules were observed in full would have had to accept an 8.5% cut in their revenue as as result of the revaluation decision. Everyone was well aware of the problem, for the length of the floating mark experiment had provided time for various solutions to be considered. The size of the revaluation was greater than most observers had expected, and should help her trading partners considerably. It might have been thought that since the new German government had made this move the other EEC countries would be helpful over the question of German farmers. In fact the meeting produced opposition to German proposals, based on the argument that Germany was rich enough for the rules about "Community solidarity" to be ignored. This attitude was strongly opposed by both Dr Schiller, and the new FPD Minister of Agriculture, Herr Josef Ertl, as well as by Dr Mansholt and President Rey for the Commission.

Since October 6 when the Council authorised the use of import levies on certain agricultural products - under the control of the Commission - German farmers have been protected by a levy which last week was raised to 6%. This system was due to be abolished when the new DM parity was fixed, but under the bitter compromise reached in Luxembourg late on Monday night, it will remain in force for another 6 weeks until December 9 at a new level of 8.5%. During this period, both the German government and the Council of Ministers will have to work out and agree to finalise the details of the compromise deal.

? It has been estimated that the total cost to the German farmer will be in the region of Dm 1,700 million. To cushion them from immediate loss, Herr Ertl first suggested that Germany should be allowed to follow the French example by maintaining prices and import levies. This was received with a noticeable lack of enthusiasm by the other delegations, including the Commission, for if both France and Germany were allowed to run virtually separate markets for a couple of years, the much vaunted common price structure would be more of a myth than a reality. Dr Schiller warned the other countries that if they could not see their way to helping Germany, the latter would no longer consider Common Market agricultural problems from a community standpoint in the future. The discussion then turned to a compromise proposal which involves "manipulation" of the TVA and payments to farmers. Under this, German farmers will - when authorised by the Bundestag - be allowed to increase the TVA rate on their sales from 5 to 8%. Since they do not repay this to the government, the move should cut their loss from revaluation by DM 700 million, while to limit the effect on prices, the government may decide to compensate the "first purchaser" of farm products by repaying him the increase in the TVA rate.

The suggestion that the Community should also contribute during a limited period and on a decreasing basis to compensating German farmers ran into strong opposition from Italy - who already feels that she does badly under the present system - Belgium, the Netherlands and to a limited extent, France. The renewal of the CAP financing system is of vital importance to the latter, and Paris is careful not to antagonise West Germany unduly. Herr Ertl wanted the FEOGA to pay the remaining Dm 1,000 million, but this was not accepted. Instead the Commission suggested a compromise whereby the FEOGA will pay some Dm 370 million in the first year, and half of that in the second year, in other words it was agreed that the Community contribution should not exceed the total FEOGA savings as a result of the franc devaluation. Since this aid will still leave the German farmer with a smaller income than before, Bonn will be allowed to make "structural and social" grants, but not provide direct subsidies.

Nobody was really satisfied with the outcome of the meeting, which leaves the basic questions still unresolved. In any case, even the compromise itself and the final details have to be settled at a meeting of the ministers in Brussels on November 10 and 11. The Germans feel - with some justification - that they have done enough compromising, while the other countries are unenthusiastic about paying to help German farmers. The revision and renewal of the agricultural policy is becoming more urgent every day, and the signs are that some form of "deficiency payments" may be included.

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COMMISSION

Eurocrats Turn Nasty

It seems that the 5,000-strong staff of the Commission, not to mention their 2,000 apparently ill-fated colleagues in Euratom, have just about reached the end of their tether over the treatment that is being meted out to them by the Council of Ministers. Back in May (see No 510), the Commission did an internal survey, and revealed widespread malaise amongst its staff. This has now turned into open resentment, and this week a large proportion of the 7,000 turned out to demonstrate and air their grievances: in so doing, they staged the first sit-in in the history of the Community.

The occasion of the demonstration, which was simultaneous in Brussels and Luxembourg, was the meeting of the Euratom Council on Technology in Luxembourg (see p.12), to discuss both the future of Euratom, and the Aigrain plan for technological cooperation. There was little danger of the demonstrators having their guns spiked by any dramatic agreement on the nuclear community, and the utterly disappointing outcome of the Council on this score served only to dramatise their presence. Their theme was the "death" of Euratom, and their chief complaint what they describe as "the organised attempt to stifle European research". On Monday, in fact, all the workers at Petten in the Netherlands gathered, and signed a resolution in which they expressed their total lack of confidence in the Council as a supervisory body, and called for the election of a European Parliament by universal suffrage, to take over the running of the Community.

No doubt the chief feeling amongst Euratom staff is one of helpless frustration, as few scientists can be quite so open to the vagaries of the political game. At least, they are not now alone in this, for their colleagues in Brussels now evidently feel that injury has been added to insult in their own case. Six months ago, they were depressed mainly at the lack of progress in the Community: their target now is far more basic: job security and status. Although they were "out in sympathy" with Euratom, their own sit-in in Brussels was staged mainly in protest against their unsatisfactory rate of salary rise, which makes them worse off than their counterparts in member states' civil services, not better, as it was intended at the outset. More important than this, however, and certainly the most inflammatory element in the situation, is the move on the part of France, backed by Germany and Italy, to practice "national nepotism" in the Commission, by placing national civil servants in its ranks over the heads of Commission staff proper who are due for promotion. Apart from the threat to their careers, the "Eurocrats", who are very sensitive on matters touching the status of the Community as such, are extremely insensed at what they see to be a move symptomatic of the whole nationalist "sickness" that is currently threatening the Community venture in its entirety.

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EEC ECONOMY

Labour Shortage Becomes Acute

The latest report on the economy of the Six published by the Community indicates that production continued to rise sharply during the summer months, but that further growth is being inhibited by what has been described as an acute labour shortage. Industrial stoppages in Germany, France and Italy have not eased the situation. Despite the anti-inflationary measures taken in most member countries, demand has still been expanding at a very lively pace and order books have again lengthened generally. All in all, adds the report, the growth rate for industrial production in 1969 is likely to be higher than in 1968.

Turning to the labour market, it becomes clear that the pressure for additional labour which has been growing throughout the summer will continue to rise, and in Germany there are eight vacancies for every job taken. Even in Italy labour has been at a premium. Industrial wages, according to the information available, are on an upward trend, although in the second quarter agreed wages in industry in the Netherlands, Belgium and Germany were rising somewhat more slowly than in the previous quarter. Actual wages were probably rising at an appreciably faster pace in most countries, and generally the vigorous expansion of demand, the state of the labour market, the rise in consumer prices and the resulting activation of the sliding wage scale facilitated wage rises. Particularly noticeable were strikes during September in Germany, France and Italy.

Although seasonal fluctuations in Germany and the Benelux countries helped to slow down the rise in the price index, overall consumer prices have been on the increase throughout the Community. Various governments have taken measures to contain the upward trend in consumer prices. In Belgium, the government decided to delay introduction of the TVA for a year, while the Dutch government has put back until January 1, 1970, further increases in TVA rates. The French government has taken steps to control prices following the devaluation of the franc in early August. Retail sales seem also to have been increasing throughout the Community, especially in France, while in West Germany and Belgium sales of private cars were "soaring". In the Netherlands the trend of private consumers' expenditure was comparatively weak. Nevertheless, given the wage trend in Italy, and particularly in Germany, a very vigorous expansion in private expenditure can be expected in the coming months.

Wholesale prices rose during the second quarter. In most member countries the main emphasis in the pattern of rises was shifting more and more from farm produce to manufactures, and this was due largely to mounting strains in the economies of the Six. At the same time, however, there was a further rise in world market prices for industrial raw materials and semi-finished goods, partly because of the world business trend, which remained very expansionary. There is a healthy sales situation; a large number of firms are working at or very near capacity, while the level of orders on hand is very heavy, and in some cases is still rising. This is an opportunity for managements to account for higher costs by raising prices. In Italy, Germany and to a lesser extent Belgium, the price trend for manufactures has gained momentum. In France and the Netherlands this same trend has been slowed down by official price policy measures, which have made it difficult, if not impossible, to raise prices.

The Community's balance of trade with non-member countries was still showing a small surplus during the summer months, despite the growth in imports caused by the booming situation on the domestic market. Expansion in the industrialised non-EEC countries resulted in a rapid rise in exports, especially to EFTA, Canada and Japan. Demand for German goods was still strong, so that the German trade balance once again improved during June-August, with a seasonally-adjusted average of some $ 400 million a month. In the Netherlands, the deficit incurred by the country showed signs of decreasing as a result of a strong export trend, while the trade position appeared to be becoming steadier in Italy and the B.L.E.U. In France, however, the trade deficit actually increased. Imports taken as a whole have risen rapidly, especially those from non-member countries. Germany has had to import plant and machinery in greater quantities to keep pace with demand, while in France there has been considerable pressure on imports of consumer goods. Italy and the BLEU have recorded increased import levels under the influence of strong domestic demand for both capital and consumer goods. Despite a slow down in the growth of consumer goods imports, Dutch imports as a whole have also grown, and the report concludes "A general estimate for the full year is that Community imports from non-member countries will have achieved a growth rate of at least 17% in value."

Although terms of trade moved against the Community from November to January last, they have improved to some extent since then. In Germany the tendency for terms of trade to deteriorate, first noticed at the start of the year, continued in the following months. The index of average import values also went up appreciably, while there was also an appreciable rise in export prices for industrial products, mainly as a result of the 4% export tax introduced last November, and of strong demand for German products. However, this has not been reflected on the index of average values of German exports, which has marked time since March. In France the franc's devaluation will probably result in a deterioration of the terms of trade, while French import prices (expressed in francs) will probably rise more vigorously than export prices.

Output in the metal product industries expanded at an unusualy vigorous rate during the summer months. It was 24% higher than the second quarter last year, and seasonally adjusted was around 3% up on the first quarter of 1969. Output would have grown faster if there had been more manufacturing capacity and skilled labour available. Additional orders are still being received, so that an increased backlog of orders is being built up, as a result of demand in both member and non-member countries.

Share prices, which had been rising, fell during the summer. In France, where the situation had been influenced by both political and monetary tension, the position improved slightly with devaluation, but then worsened. In Germany the price decline was probably due to money and credit policy measures adopted by the government, as well as to labour unrest. Share prices declined in Italy during July, under the influence of the overall political and social situation.

* * *

AGRICULTURE

FEOGA Market Support Budget 1969/70

The EEC Commission has now presented to the governments of the member states its estimates for market support expenditure to be borne by the guarantee section of FEOGA during the 1969/70 season. This is put at a maximum of $ 2,770 million compared with $ 1,990 million in the 1968/69 season. In fact the Brussels authorities were not expecting the increase to be as much as $ 780 million, but rather in the region of $ 400 million. Firstly these estimates do not take into account the devaluation of the franc which will mean a saving of about $ 100 million . Secondly they have been based on the assumption that the reorganisation of the dairy market proposed by the Commission providing for a reduction in the butter price and an increase in the support for skimmed milk powder would come into force on November 1. This would have meant a rise in expenditure of between $ 200 and 300 million. However, it now seems unlikely that the ministers will agree to the Commission's proposals. The major changes compared with last year are a sharp rise of 38% for support to the grain market and a fall of 26% for sugar. Total FEOGA expenditure in the cereal sector is expected to reach $ 920.7 million compared with $ 667 million in 1968/69 and $ 535 million in 1967/68.

Budgeted expenditure in the dairy sector is put at $ 1,204.1 million, of which export refunds $ 278.8 million and $ 925.3 million. As mentioned earlier, if the Council does not follow the Commission's advice, expenditure will not reach this level. It is difficult to compare 1969/70 with 1968/69. Though the total estimate of $ 623 million for 1968/69 hardly reflects the support measures necessary in the dairy sector, it should be remembered that in the spring of 1968 the Council of Ministers decided that some $ 170 million would have to be charged to national exchequers. It was also announced that the situation on the dairy markets and particularly the financing of FEOGA expenditure would have to be reviewed before the end of the season if the ceiling of $ 640 million were exceeded. This no doubt led the Commission to keep its budget estimates a year ago below the ceiling of $ 640 million.

As is known FEOGA's income is derived from the three following sources: 90% of the levies collected at EEC frontiers; contributions from sugar producers and direct national contributions calculated on a fixed key. EEC import levies are expected to total $ 972 million including:

	$ m	£ m
Cereals	742	309.2
Beef	103	42.9
Pigmeat	40	16.7
Dairy Products	38	15.8

of which 90%, namely $ 874.8 million, will be paid to FEOGA. Estimated EEC levy receipts in 1968/69 were not expected to exceed $ 851 million. Receipts from sugar are put at $ 114 million, of which $ 56.8 million for storage and $ 57.2 million producers' contributions, a figure well down on the $ 141.8 million deducted in 1968/69.

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FEOGA Operations Under Fire

During the October session of the European parliament serious criticisms of the operation of the Common Agricultural Fund FEOGA were voiced by the finance and budgetary committees as well as by members of parliament. These concerned delays in the settlement of FEOGA transactions and insufficient control due in part to insufficient personnel. The speakers called for urgent attention to this latter problem with a higher degree of cooperation between EEC officials and national governments.

The statement of accounts for FEOGA for the 1967 financial year is as follows:

		$	£ million
Guarantee section	Credits in hand	403,044,000	167.9
	Payments made	277,844,250	115.8
	Carried forward	125,199,750	52.1
Guidance section	Credits in hand	134,627,676	56.1
	Liabilities	86,586,875	36.1
	Carried forward	48,040,801	20

It was pointed out that the sums carried forward every year were excessive and indicated the delays in the operation of FEOGA. These balances also made it more difficult to keep a check on transactions. According to the finance committee particular attention must be given to the guarantee section of the Fund which in 1969 will dispense some $ 1,500 million. The control staff in March this year consisted of only 11 officials. Members of the parliament proposed that member states should inform the EEC authorities of all cases of irregularity or fraud, that there should be more frequent on the spot inspections and a special corps of EEC customs officials should be created - these would be better versed in EEC regulations than national customs officials. M. Spenale, chairman of the committee, reported that abuses of the export refund system involved considerable sums, but was unwilling to give details because of lack of adequate data. In July though the finance committee estimated that fraudulent claims amounted to some $ 130 million.

Mr. Vredeling of the Netherlands was more specific about fraudulent practices and referred to reports in the West German press regarding exports of German sausage to Yugoslavia and frozen meat to Czechoslovakia, the latter being passed off as fresh meat. Linguistic confusions were also profitable. For instance, the French word "gruau" (meal) had two equivalents in Dutch - "grutten" and "grief". "Grief" was superior to "grutten" and frequently used to describe the inferior variety in order to obtain a higher export refund. The export refund regulations were the source of a number of malpractices. The Vatican counted as a third country and therefore goods sent there qualified for export refunds; the ultimate destination was the Italian market. Dutch cheese enjoyed higher refunds if exported to Canada instead of the USA and was therefore routed via Canada. The same applied to milk and milk powder exports to the Dutch Antilles. Trieste and Casablanca also figured as halfway houses for re-routing. Belgian exporters obtained export refunds for eggs going to the BAOR although the eggs were supplied to German merchants. All these stressed the need for stricter control.

* * *

ECSC

French Steel Prices Rise and German Demand Slackens

The awaited increase in French steel prices - by an average of 4% - came into force last week. The increase for long products took place last Monday (October 20) and on Wednesday (October 22) for flat products. Heavy sheet is now around 7% more expensive, while rails have gone up less than the national average. Despite these increases, French prices are still lower than those charged by the steel industry in other member countries. According to M. Jacques Ferry of the French steelmakers association speaking before the rise, French prices were 18% to 20% lower than those in Italy, 25% to 30% lower than those in Belgium, and just before devaluation 9% to 10% lower than those in Germany.

At the same time as French prices were being increased, it was reported that the demand for German steel is slackening off, even though order books are still very full. Prices for certain products are also expected to drop, but it is now possible that because of revaluation there will be an increase in imports from non-German producers.

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Iron Ore Output in August

During the first eight months of the current year, the Community's iron ore mines produced some 46,948,000 tons compared with 45,553,000 tons in the same period last year. During the first eight months, there was a drop of 7.4% in Italian output with a 1.1% fall for West Germany, but an increase in the case of Belgium (+ 17.6%), France (+ 4.1%) and Luxembourg (+ 1.5%).

Community Iron Ore Output (in 1,000 tons)

	August 69	July 69	August 68
Germany	598	607	618
Belgium	9	6	5
France	2,922	3,692	3,062
Italy	88	116	97
Luxembourg	515	586	564
EEC Total	4,122	5,007	4,346

*

Crude Steel Output

(millions of metric tons)

Year	Germany	France	Italy	Neth.	Belg.	Lux.	ECSC
1966	35,32	19,59	13,64	3,26	8,91	4,39	85,11
1967	36,74	19,66	15,89	3,40	9,71	4,48	89,89
1968	41,16	20,40	16,96	3,71	11,57	4,83	98,63
First nine months							
1968	30,65	14,50	12,65	2,67	8,47	3,56	72,50
1969	33,67	16,53	13,05	3,44	9,44	4,10	80,22
± 1969/68	+3.02	+2.03	+0.40	+0.77	+0.97	+0.54	+7.72
± %	+9.8%	+14.0%	+3.2%	+28.9%	+11.4%	+15.0%	+10.6%

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5,000 Workers Dwellings

The EEC Commission has just given the go-ahead for the seventh dwelling units building programme for ECSC workers. This will be carried out in two stages with the first being completed between 1970 and 1972. The programme will be backed with $ 10 million at 1% p.a. from the special reserve fund, as well as additional monies from other sources raised by the Commission. At present prices, the money available for the first stage should result in the construction of some 5,000 dwelling units. At the end of 1971, the Commission will decide how to locate funds for the second stage of the programme.

Since steps were first taken to ease the housing problem for ECSC workers, over 109,000 units have been built (up to December 31, 1968) under two special and six scheduled construction programmes . Over 68,259 are for rent and 41,187 for purchase.

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EEC Ship Breakers to get Equal Treatment

For several years, the EEC's shipbreaking industry has been faced with considerable problems due to intense competition from the Far East and a number of semi-industrialised European states. A further factor has been the excess of scrap supplies on both the EEC and world markets. The EEC's shipbreaking industry has gone into decline, for the recovery which has taken place during the last couple of years has been due solely to the direct and indirect aid granted by the various member countries on a national basis.

In the Far East, Spain and Yugoslavia some 30% (by weight) of ships which are broken up is sold as scrap, while the remainder - mainly sheet and beams - are sold for re-use. In the Community however, shipbreakers have to sell around 85% of ships as scrap. Furthermore some countries apply rules which mean that ships due for the breakers' yard must first of all be offered to national yards, or instead demand higher prices if it is sold to non-national yards.

Community steel producers and shipbreakers have however reached an agreement under which the former will give priority treatment to purchases of scrap - at international prices - from EEC breakers' yards, provided the quality is the same.

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INDUSTRY

Genvrain Dismembered

Feverish bidding for Genvrain on the Paris stock exchange, inspired buying of Perrier shares by the Bank of Suez "defending our interests" according to M. Fievet of Fromageries Bel, and a call for peace from the minister of agriculture, M. Duhamel, culminated in the establishment of a triangular menage linking Perrier-Sapiem (F 1,300 m. turnover), still at the honeymoon stage in its recent merger, Fromageries Bel and Genvrain. An important feature of the new merger is the part played by the Union-Investissement, a subsidiary of Credit Agricole, the state-controlled farmers' bank which is the third largest repository of savings in the country.

In the third week in October, Lazard Freres, acting for the Societe des Laits Industriels, a subsidiary of Perrier-Sapiem, made a bid for Genvrain, offering Fr 310 each for the shares. Genvrain, with a turnover of Fr 1,200 million (£ 90 m.) has milk, butter and cheese factories in the north of France and controls nearly 60% of Parisian milk distribution through its subsidiary, the SAFR. This latter aspect of Genvrain's activity is more of a handicap than an advantage, and on the face of it Fr 310 appeared to be a reasonable price. But Genvrain's distribution network could be useful to a large operator and rumours were soon heard that Unilever was buying shares. (Unilever had shown an interest in Sapiem in 1967 and in Bel in 1960, and was reported to have been dissuaded from attempting to take over Genvrain by the French government in June of this year). By October 16 dealings in Genvrain reached a hectic pitch and the stock exchange commission stepped in to call a halt, matching buying and selling orders at Fr 339. On the following day the Credit Agricole bought Genvrain shares and distributed them evenly between Perrier-Sapiem and Bel. Meanwhile these two companies had reached agreement on a merger, welcomed by the minister of agriculture, who looked forward to "a friendly association" between the two, destined to conquer new markets abroad. M. Duhamel was no doubt also happy that the Parisian milk supply was less likely to be disrupted - with awkward political consequences - than if Genvrain had been taken over by a vast concern uninterested in milk distribution.

Competition with non-French companies abroad and peace at home are not the only aspects of the situation that weigh with M. Duhamel. The French dairy industry is in need of structural re-organisation and the establishment of a large concern under French control can contribute to this end. Hence the ministry of agriculture's announcement on October 25 that agreement had been reached between Perrier-Sapiem, Fromageries Bel and Credit Agricole for the takeover of Genvrain. Perrier and Bel will each hold at least 25.5% of the Genvrain shares, and probably up to 33% each, while Credit Agricole will hold between 10 and 20%. The new company's turnover will be at least Fr 3,000 million (£ 225 m.). It will be the largest French company engaged in the production of dairy products and second only to Nestle in Europe (although still far behind Unilever with its diversified range and over £ 2,000 million turnover).

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TRADE

EEC - Japan Textile Pact

The ambassadors of the Common Market countries in Tokyo last week signed (on October 22) a new cotton trade agreement with Japan, retroactive to October 1, 1969. Under this, the Six - who negotiated on a bilateral basis with Japan - will lift their arbitrary controls on Japanese exports of textiles goods, in return for voluntary controls by Japan on its exports of cotton goods to the Six. The new agreement, which is in accordance with the 1967 long-term cotton trade pact, will last for a year.

Japanese exports of cotton goods to the Six will be fixed at a maximum of 11,450 tons compared with the 7,767 tons fixed in 1967. This will be broken down along the following lines: West Germany 6,000 tons, France 2,650 tons, Italy 1,600 tons, the Benelux countries 1,200 tons.

* * *

Britain to make Kennedy Round Cuts

An Order laid before Parliament on October 22, implements on January 1, 1970, the second instalment of the reductions in import duties undertaken by the United Kingdom in the Kennedy Round of international tariff negotiations. It also continues the process of simplifying the tariff by amalgamating a number of sub-headings where differences in duties have disappeared.

The Order consolidates a previous 1968 Order and various instruments amending that Order.

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EURATOM

Crisis with All the Trimmings

There was something almost anachronistic about the scene in Luxembourg on October 28, as the ministers of the Euratom Council gathered in the Kirchberg Centre almost coolly, it seemed, to register their inability to agree on measures to save Euratom, while the helpless research workers whose jobs are at stake assembled 1,000 strong, outside to proclaim the iniquity, condemn the Council and even demand the dismissal of their own supremo, Jean Rey and his assistant Fritz Hellwig. In view of the Commission's concerted efforts to achieve a solution, the last demand seems hardly justified.

At least the incident emphasised the fact that with Euratom the problem is not an intellectual one only, providing exercise on paper for the administrators, but one in which people are vitally involved. This apparently was not a good enough reason for the ministers to formulate a solution. As far as France was concerned , the need to increase her yearly contribution to Euratom (N.B. in relation to current expenditure, this year's budget being curtailed) by some 30% was a prohibitive factor. Germany tended to back her, moreover, on the principle of basic research being left to industry, rather than conducted by Euratom.

As was suspected, the Dutch bid to provide a compromise solution fell on stony ground. The Council was totally unable to accept Mr. Leo de Block's proposal that France's hobby-horse, recourse to "complementary programmes" should be brought in for just 40% of Euratom research activity, and expenditure cut from $ 390 million for the Commission's five-year programme, to $ 154 million only, and for just three years. The idea here was to provide a period of this duration "for reflection", the implication being that during this time the nuclear community could just tick over (albeit with payroll cut from 2,750 to 2,000), and that in the meantime a more purposeful and integrated programme could be devised, hopefully taking in a large contribution to activity from Britain, which by then would be well on the way to membership.

It was M. Theo Lefevre for Belgium that raised this particular aspect in the Council but received little response. Another month must now elapse before the Council gathers officially again to discuss the matter: for that time at least, the dismissals of any Euratom personnel will be postponed, the implication being, even at this late hour, that some agreement will be reached - just what, in view of the rejection of the Dutch proposals, it is hard to imagine. In the meantime, there is an even chance that the matter could be forced into debate at The Hague summit next month: the political charge is considerable, of course, and this may recommend for bargaining outside the strict Community context. Whether Belgium will bring it up, as seems possible, as part of the "British Package", or whether Mr. de Block himself, as chairman, will officially table it as a vital field for action, we must wait and see.

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TECHNOLOGY

Official Go-Ahead for Cooperation

At the Euratom Council meeting on Technology this week, the focal point was, for various reasons the future of Euratom research, but the ministers nevertheless found time to discuss, and indeed take action on the Aigrain plan for cooperation in technological fields, with non-member states. In this matter, the Council actually heeded the Commission's advice (see No 535), and decided to go ahead immediately with extending the invitation to other countries to submit comments and suggestions on the issues and projects raised in the Aigrain report.

The Council clearly did not agree with the Commission that matters could be expedited by restricting the number of potential participants to seven, and so the report will be forwarded not only to the four candidate countries (Britain, Ireland, Denmark and Norway) and the "industrialised neutrals" - Austria, Sweden and Switzerland, but also to Spain and Portugal. No mention is made of the other proposal put forward by the Commission, that a top-level coordinating group be formed to handle the cooperation project. The Council decision is therefore devoid of any political or financial commitment as yet. However, the recipients have been requested to send in replies before the end of the year, and once this is done, the ball will be in the court of the Six. They may need another Council session to decide on a course of action, but it should not take long thereafter before the stage of expert delegations is reached: the crunch will come when it gets to the point where theoretical consultation should logically give place to practical cooperation.

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French Aerospace Propulsion Company Expands

The recently-formed Ste Europeenne de Propulsion (S.E.P.) SA, Puteaux, Hauts-de-Seine, has now absorbed S.E.P.R. - Ste d'Etude de la Propulsion par Reaction SA, Puteaux. The latter's assets include manufacturing facilities at Le Puteaux; Villejuif, Val-de-Marne; Villaroche, Charente-Maritime; Haillan, Gironde and Istres, Bouches-du-Rhone, valued at F 121.2 million (gross). S.E.P. has also acquired from SNECMA - Ste Nationale d'Etudes & de Construction de Moteurs d'Avions SA, Paris, its "Space-system" division.

As a result of all these moves its capital has now been raised to F 45 million, shared as follows: SNECMA (34%), Sud-Aviation (15%), as well as Ugine-Kuhlmann SA; L'Air Liquide SA; Nobel Bozel SA; Ste Commentryenne Des Aciers Fins Vanadium SA (a member of the Forges de Chatillon-Commentry-Biache SA group) as well as Cie du Nord SA (also a member of the Rothschild SA group).

On January 1, 1970, Sud-Aviation, Nord-Aviation and Sereb are to merge within the Societe Nationale Aerospatiale, which will employ 40,000 persons and have a turnover of some F 2,300 million.

EUROFLASH - HEADLINES

CONTENTS

ADVERTISING

** The Düsseldorf agency TEAM WERBEAGENTUR GmbH & CO KG (backed by TEAM BETEILIGUNGS GmbH, Düsseldorf) has formed a Paris subsidiary called TEAM FRANCE SA, which is headed by Herren Dieter Bongardt and Jürgen Kersting. This has taken over the account of STE DES EAUX MINERALES DE VITTEL SA, Vittel, Vosges (see No 522), although operational control will remain with the PUBLICIS SA, Paris group, which until now was responsible for campaign planning.

The Düsseldorf agency also carries out Vittel's advertising in West Germany through its sister company Special Team Werbeagentur GmbH & Co KG, Düsseldorf. It is about to form other subsidiaries in the Benelux countries and Austria.

** Herr Richard Roth, who is the managing partner with shareholdings of 50% and 49% respectively in DORLAND WERBEAGENTUR GmbH & CO KG, Munich, and DORLAND INTERNATIONAL WERBEAGENTUR GmbH & CO KG, Düsseldorf, is the co-founder and manager of DORLAND WERBE GmbH along with Herren Dieter Kiechle and Armin Fehle, Vienna. This will act as the Austrian representative for the international network headed by the London-based Dorland Advertising Holdings Ltd (see No 526), which has a direct stake in the Vienna agency.

The two German agencies in which Herr R. Roth is linked with Herr Walter Matthess, Berlin - also owner of Dorland Werbeagentur, Berlin, after acquiring it from its American founder Mr Dorland - have recently formed a joint Düsseldorf subsidiary in association with the latter, Dorland Werbe GmbH, with the aim of developing their international activities. Although the Dorland agencies in West Germany have no financial links with the London agency, they form part of the European network bearing the same name, which is represented in Paris and Brussels (Dorland & Grey SA), as well as in Amsterdam, and all are affiliated to the New York agency Grey Advertising Inc.

AUTOMOBILES

** The FIAT SpA group, Turin (controlled by the Agnelli family and the Turin holding company, I.F.I. - Istituto Finanziario Industriale SpA) has just concluded the negotiations it began during 1968 with the group headed by Signor Carlo Pesanti (in which the main finance company is ITALCEMENTI SpA, Bergamo) and Fiat has now acquired a 73% controlling stake in LANCIA & CO, FABBRICA AUTOMOBILI TORINO SpA (see No 508).

The latter manufactured some 34,800 vehicles during 1968 (including 1,100 lorries) and it is the fourth ranking Italian concern in this sector after Fiat, Alfa Romeo SpA (controlled by the State I.R.I. - Istituto Per La Ricostruzione Industriale) and Innocenti SpA, Milan (see No 424). Lancia has also been holding talks with various car firms, including the Ford Motor Co, Dearborn, Michigan (see No 530).

** The French property and trading interests of the FIAT SpA group, Turin, have been further rationalised in a move which has strengthened the position of the Paris subsidiary F.F. SA (see No 513). This has absorbed four affiliate companies, with gross assets of F 28.59 million: INTEC SA; STE IMMOBILIERE LYON-RELAIS ROUTIER SA; STE DE PARTICIPATIONS COMMERCIALES SOCPA SA, Paris, and STE ARMORICAINE DES VEHICULES INDUSTRIELS - SAVI SA, Suresnes. As a result F.F. SA has raised its own capital to F 140.6 million.

** The two leading Italian vehicle groups have both signed technical co-operation and assistance pacts with Yugoslav concerns.

FIAT SpA, Turin (see No 535) has made a four-year development agreement with the ZASTAVA group. This also includes investments by Fiat (Dinar 150m) and the S.F.I. - Ste Financiere Internationale, a subsidiary of the World Bank. ALFA ROMEO SpA, Milan (see No 508) has made a licensing agreement with KOSMOS, Ljubljana, which will build Alfa Romeo 1300 and 1700 cc cars at a rate of up to 2,000 p.a.

** FIAT SpA, Turin, has strengthened its indirect American interests (through its New York subsidiary, FIAT MOTOR CO) by buying from Mr F.D. Roosevelt Jr his controlling stake in the sales concern FIAT ROOSEVELT MOTORS INC, Englewood Cliffs, New Jersey. For the past four years this has been responsible for importing and distributing "Fiat" and "OM" vehicles in the United States, and the total for the current year is expected to be around 45,000.

Mr F. D. Roosevelt Jr will remain president of Fiat Roosevelt Motors, while Sig Vincenzo Garibaldi will be executive director.

BUILDING AND CIVIL ENGINEERING

** Seven Dutch brickworks, having combined annual capacity of 700 million bricks, have made an agreement to pool sales, administration, and at a later stage sales promotion and research facilities. The firms are: WAALSTEEN NIJMEGEN NV, Nymegen; NV STEENFABRIEK W. VAN HAPERT, Eindhoven; STEENFABRIEK DE VIJF EIKEN NV, Rijen; STEENFABRIEK G. LUST NV, Oosterhout; STEENFABRIEK UDENHOUT v/h WEIJERS & CO NV, Udenhout; STEENFABRIEK TERRA NV, Son; and NV STEENFABRIEK DE VOLHARDING NV, Rutphen.

** The West German property buying, promotion and development concern WESTDEUTSCHE WOHNHAESER AG, Essen, has formed a subsidiary having the same function in Rotterdam, WONINGBOUW- & EXPLOITATIEMIJ WESTWONING NV, (authorised capital Fl 1m - 50% paid up).

The parent company has Dm 21 million capital, and its shareholders are various Ruhr steel and metallurgical concerns, in particular GELSENBERG AG, Essen (formerly GELSENKIRCHENER BERGWERKS AG - see No 525); FRIED KRUPP HUETTENWERK AG, Bochum (see No 532); RHEINISCHE STAHLWERKE, Essen; THYSSEN ROEHRENWERKE AG, Düsseldorf, etc, these four having stakes of 40%, 10%, 10% and 9% respectively.

** The Dutch general trading company VAN HATTUM & BLANKEVOORT NV, Beverwijk (see No 478) intends to make into a controlling majority stake the 50% it revently acquired in BETON- & AANNEMINGSMIJ J.H. LAEVEN NV, Heerlen, to which it will then make over its facilities at Beek. During 1968 the Beverwijk company (consolidated turnover of Fl 216m) also began talks aimed at boosting its 50% control of Rottinghuis' Aanemingsbedrijf NV, Groningen.

Van Hattum has numerous shareholdings and subsidiaries in the Netherlands, including a 70% subsidiary, Spaarndammers Scheepswerf Stapel NV, and a dormant property design and management subsidiary NV Mij. Tot Exploitatie Van Onroerende Goederen "Ellewoutsdijk". Abroad it has interests in Britain (Harbour and General Works Ltd and Nash Dredging & Reclamation Co Ltd) as well as in Guinea, Nigeria, etc.

** The London group, BOVIS HOLDINGS LTD, has now formally established a Paris affiliate company called BOVIS SA (capital F 500,000 - see No 534). With Mr Malcolm F. Sanderson as president this will be responsible for property developments on sites already owned by the company, or on which it has an option. The new concern has Mr Anthony C. Vincent as managing director and is directly controlled by a subsidiary, Malcolm Sanderson (Holdings) Ltd.

The group recently signed a reciprocal cooperation agreement with the Brussels property development company Herpain SA (see No 513).

** GRUENZWEIG & HARTMANN AG, Ludwigshafen (see No 402 - glass fibre insulation materials) and VEREINIGTE KORKINDUSTRIE AG, Mannheim (see No 506 - cork insulation and seals) have linked 60/40 to gain control of GEMA APPARATEBAU GmbH, Hockenheim. This makes metal soundproofing and insulation covers.

With a capital of Dm 400 million, this was established during 1967 (see No 415) by the Swiss company Gema AG Apparatebau, St-Gall, to cover the whole of the Common Market.

CHEMICALS

** The photographic and chemicals concern AGFA-GEVAERT AG, Leverkusen (see No 515) has rationalised its Austrian interests and strengthened the position of its subsidiary AGFA-GEVAERT GmbH, Vienna, which has taken over "KOPA" PHOTOGR. KOPIER- & UMKEHRANSTALT GmbH, Vienna. The Leverkusen company recently decided to build a camera assembly and measuring instrument production plant at Rottenburg, Landshut, costing some Dm 2.5 million. This will employ some 300 persons when it starts up in 1970, and is a joint subsidiary, like its Belgian sister company Gevaert-Agfa NV, Mortsel, of the Belgian Gevaert Photo Producten NV, Mortsel, and the West German Agfa AG, Leverkusen. Agfa is itself a 91.5% interest of the Farbenfabriken Bayer AG, Leverkusen group (see No 535) and an 8.5% affiliate of Boehringer Mannheim GmbH, Mannheim (see No 517).

** HERMANN WIEDERHOLD LACKFABRIKEN KG, Hilden, has transferred its French sales agency for lacquers, paints and varnishes to the newly-formed WIEDERHOLD-FRANCE Sarl, Brunoy, Essonne (capital F 30,000 - manager Mlle Wiederhold).

The parent company is owned by Herr Wiederholt (see No 330), and abroad has two main subsidiaries, Wiederhold Belgien SA, Anderlecht, Brussels, and Zweihorn Holland NV, Hoorn.

** The Libyan varnishes, pigments, resins and plastics concern P. CATSIAPIS & SONS, Tripoli, Greek controlled, and run by Messrs S. Vassili and Panajotis Catsiapis, has opened a sales agency in Milan directed by Sig Mario Kalafatis.

** The German ink, carbon paper, type ribbons, ballpoint pens, office supplies and artists' materials concern GUENTHER WAGNER PELIKAN-WERKE GmbH & Co KG, Hanover (see No 513) has raised to 75% its stake in the Barcelona subsidiary GUNTHER WAGNER PRODUCTOS PELIKAN SA (inks, carbon papers, etc), which has been doubling its capital to Pts 12 million.

** The New York GREAT LAKES CARBON CO (see No 520), which in Belgium already runs a factory producing chemical filtration agents and reprocessing catalysts, via its Brussels subsidiary DICALITE EUROPE NORD SA (see No 485) has now formed in Ghent a company named SA GREAT LAKES CARBON - GHENT NV (capital Bf 5m). With M. Joseph G. Solari as president and Mr Robert L. Beatty as director, this will be for mineral processing and trading. The parent company recently installed a synthetic carbon plant in Sicily, having a capacity of 11,500 tons a year, and costing Lire 9,000 million.

COSMETICS

** Herren Rolf and Frank Höppner, partners in the Düsseldorf cosmetics and toiletries concern ELLOCAR GmbH WERKSTAETTEN FUER PARFUEMERIE & KOSMETIK (toilet waters, perfumes, tonics, toothpastes etc - capital Dm 500,000), have joined 50/50 in floating the new Fl 200,000 Dutch NV COSMETICFABRIEK CARL HOEPPNER, Vaals, which is to produce and trade in cosmetic products.

** Herr Franz Schweiger, who heads the Düsseldorf company OPIANA KG LOTHAR KOCH & CO, is the manager along with Herr Walter Brun, Vienna, of the newly-formed OPIANA KOSMETIKA GmbH, Vienna. This has a capital of Sch 480,000 and it will manufacture, sell and package chemicals and cosmetics.

DATA PROCESSING

** The Dutch group PHILIP'S GLOEILAMPENFABRIEKEN NV, Eindhoven (see No 535) has formed a wholly-owned Brussels subsidiary, POLYDATA SA (capital Bf 10m) which, with M. P. Th. van der Weide as president, is for data processing services to all group companies in Belgium. It will be working for SA Philips Cie Industrielle & Commerciale (see No 448); SA Philips Ruanda-Burundi; Cie Belges Reunies d'Eclairage - C.B.R.E. SA (see No 294); Polymotor SA (see No 302), all based in Brussels: Bowater Philips SA, Ghent; Elphiac SA, St-Gilles, Brussels (see No 446); EMGO, Europese Mij Voor Fabricage & de Verkoop van Gloeilampen Onderdelen NV, Lommel (see No 386); Cogeped SA, St-Josse-ten-Noode (see No 306); and Cie Belge de Radio & de Television - C.B.R.T. SA, Bruges (see No 294). In Belgium the group also plans to invest Bf 1,850 million in expanding the capacity of six plants producing components, electronic circuitry and loud speakers.

ELECTRICAL ENGINEERING

** LA SOUDURE ELECTRIQUE LINCOLN SA, Grande-Quevilly, Seine-Maritime, which makes electrodes for arc and electric welding (see No 485), affiliated to the American LINCOLN ELECTRIC CO, Cleveland, Ohio, has opened a branch in Bonn. Last year it opened a Brussels branch under M. Erik K. Madsen.

** GEBR. NUBERT KG, Schwabisch Gmünd, a family firm making refrigeration cabinets (see No 525) has formed a sales subsidiary at Hoevelaken named NUBERT-NEDERLAND NV (capital Fl 100,000), which is controlled 50/50 by its directors, Messrs Wilhelm and Berthold Nubert. The parent company already has a number of foreign sales subsidiaries, chiefly in Rome and Vienna.

** The French KLAXON SA, Courbevoie, Hauts-de-Seine (horns for cars, industry and shipping; audible signalling devices, traffic lights, etc - capital F 5.85 m), has formed a company in Wuppertal named DEUTSCHE KLAXON GmbH (capital Dm 100,000) to act for it in Germany, with M. Betrand A. Warnod (its own president) and Herr Gerhard Liebers as managers.

** The Italian groups CANDY SpA, Brugherio (capital Lire 1,400m - headed by Sig Niso Fumagalli) and FIARS - FABBRICA ITALIANA APPARECCHI RISCALDAMENTO SORBOLO Sas, Sorbolo, Parma (washing machines, spin driers and kitchen equipment) have made an agreement covering their domestic appliances (see No 531).

Fiars is directed by Sig G. Forgherini, and is best known for its "La Sovrana" electric cookers. It will now gain access to the know-how of Candy, which is Italy's top washing machine company; it will also have the use of its home and overseas network.

** The British electro-mechanical and electronic machine tools and control equipment concern WESTOOL LTD, Auckland, Durham (see No 472) has made its Paris sales branch (see No 403) a wholly-owned subsidiary named WESTOOL SA (capital F 100,000 - president Mr Archibald C. Stewart).

The parent company is the 56% subsidiary of the London group KEYSER ULLMANN HOLDINGS LTD (through Hocroft Trust Ltd - see No 527), and is affiliated to the American group Warner Electric Brake & Clutch Co, Beloit, Wisconsin. It has been represented in West Germany since last year by a sales subsidiary in Offenbach, working under its own name.

ELECTRONICS

** The Dutch PHILIPS' GLOEILAMPENFABRIEKEN NV, Eindhoven, group in a further rationalisation move in Britain is about to re-group the radar and ground-to-air communication interests of two subsidiaries controlled through its London holding company PHILIPS ELECTRONIC & ASSOCIATED INDUSTRIES LTD. The subsidiaries are PYE TELECOMMUNICATIONS LTD, Cambridge (see No 520) and EKCO ELECTRONICS LTD, Southend-on-Sea, Essex (see No 405) and their interests in this sector will be merged within a new company to be known as EKCO ELECTRONICS AVIATION DIVISION OF PYE TELECOMMUNICATIONS.

** A further rationalisation of the electronics interests of the Paris THOMSON-HOUSTON-HOTCHKISS-BRANDT SA group (see No 532) will result in THOMSON C. S. F. SA (see No 534) absorbing its wholly-owned subsidiary CIE D'ELECTRONIQUE THOMSON-HOUSTON SA (gross assets valued at F 822.65 m).

** The Swiss POLYMETRON AG, Zurich, Opfiken (electrical and electronic scientific, chemical and physical measuring equipment - water purification; the food, paper and metallurgical industries) has formed a French sales subsidiary, POLYMETRON Sarl, Joinville-le-Pont, Val-de-Marne (capital F 50,000 - manager M. Paul Beguinot). The parent company is headed by MM. H. Bechtler and E. Staub, and is a member of the group HESTA AG, Uster, through its affiliate Zellweger AG - Apparate & Maschinenfabrik Multanova, Uster. It has a subsidiary bearing its own name in Düsseldorf.

** GENERAL TELEPHONE & ELECTRONICS CORP, New York, plans to gain outright control of the French TV components concern VIDEON SA, Boulogne-sur-Seine and Monteville, Seine Maritime, in which it recently became the majority shareholder through its subsidiary GENERAL TELEPHONE & ELECTRONICS INTERNATIONAL INC. At Tirlemont, Belgium, through SYLVANIA BENELUX SA (see No 525), this produces TV tubes. Another group affiliate, the German SABA GmbH (see No 522), assembles TV sets as such at Villingen, Schwarzwald.

** CIE DES COMPTEURS (see No 532), which was joint founder with THOMSON-HOUSTON-HOTCHKISS-BRANDT SA (see this issue) of SPERAC - SYSTEMES & PERIPHERIQUES ASSOCIES AUX CALCULATEURS SA (see No 397) is to sell its 50% stake in the same: 1) a small holding to Thomson-Houston-Hotchkiss-Brandt, which will thus gain majority control; 2) the balance to C. G. E. - CIE GENERALE D'ELECTRICITE SA (see No 530).

Sperac was formed early in 1967, at the same time as Cie Internationale Pour l'Informatique SA, Louveciennes, Yvelines (in which Thomson and CGE have a joint holding of 63.52% through their common subsidiary C. I. T. E. C. - Cie pour l'Information & les Techniques Electroniques de Controle SA - see Nos 533 and 517), in order to further the aims of the French Plan Calcul. Last year, with 540 persons on its payroll, it turned over F 41 million.

** BANG & OLUFSEN A/S, Struer, has acquired a 15% affiliate in Brussels named BANG & OLUFSEN - B. & O. SA (capital Bf 5m - director M. R. Chinave), which will take over its Belgian sales agencies for radio, TV, hi-fi and tape-recording equipment. The founder employs some 2,000 people and exports the larger part of its production, having distributors and agents throughout the world (Vibrasson, Paris, etc).

** MICROSYSTEMS INTERNATIONAL LTD, Montreal (electronic components and micro-circuits - capital Can $ 80m) has opened a Brussels branch under M. Georges Delaney.

ENGINEERING AND METAL

** The Soviet state concern V/O LICENS-INTORG, Moscow (buying and selling patents and licences - see No 443) has concluded a series of contracts for high pressure blast furnace installations with GUTEHOFFNUNGSHÜTTE AKTIENVEREIN (GHH), Nuremberg. The transaction has been negotiated through its exclusive West German agent, the Düsseldorf consultancy firm of ALFRED HEMPEL. Gutehoffnungshütte is a member of the HANIEL group, and at present is more involved than any other German company in the purchase of various kinds of licence for sale to the Soviet Union.

** The West German chemical group B.A.S.F. BADISCHE ANILIN & SODA-FABRIK AG, Ludwigshafen (see No 535) has signed a cooperation agreement with the plant construction group HEINRICH KOPPERS GmbH, Essen (see No 485) covering the construction of processing plant used for formaldehydes, phthalic anhydride and maleic anhydride.

Koppers has a capital of Dm 15.3 million and has some 2,900 employees engaged in the design and construction of a wide range of industrial plants. These include industrial ovens, coking plants, water-purification installations, waste and rubbish incineration, control and measurement systems, fertiliser, ammonia and methanol plants, oil refineries, ore- and coal-handling and processing facilities. Its main West German subsidiaries are Heinrich Koppers Saarbrücken GmbH, Saarbrücken and Koppers Export GmbH, Essen, each with a capital of Dm 250,000, as well as Heinrich Koppers GmbH Fabriken Feuerfester Erzeugnisse and Koppers-Wistra-Offenbau GmbH, both of Düsseldorf-Heerdt; Ges. Für Mess- & Regeltechnik mbH, Essen and Sodeteg-Koppers Ges. Für Systementwicklung mbH, Bonn (a joint interest with Sodeteg - Ste d'Etudes Techniques Generales SA, Plessis-Robinson, Hauts-de-Seine, a member of the French group, the Cie Francaise Thomson-Houston-Hotchkiss-Brandt SA). Abroad its foreign interests include Ste Koppers France SA, Paris (capital F 1.2m), Koppers Espanola SA, Bilbao (capital Ptas 5m); Koppers India Private Ltd, Calcutta; Nippon Koppers Yugen Kaisha Ltd, Tokyo; and Utkam Machinery Ltd, Kanshabal, India.

** A rationalisation of the steel and mining interests of the Brussels BRUFINA-COFININDUS SA group (see No 526) will mean FORGES DE THY-MARCINELLE & MONCEAU SA, Marcinelle (see No 534) absorbing SA DES HOUILLERES D'ANDERLUES, Anderlues.

** The American company FAIRBANKS MORSE INC, Kansas City, Kansas (pumps division of the New York COLT INDUSTRIES INC group) has acquired the exclusive North American licence rights for PRS injection pumps and C. 80 diesel engine filters made by the Paris company SIGMA - STE INDUSTRIELLE GENERALE DE MECANIQUE APPLIQUEE SA, a member of the Cie Lyonnaise des Eaux & de l'Eclairage SA group (see Nos 428, 528). Under the agreement the American company will also sell and maintain all of Sigma's injection equipment in North America.

** The American manufacturer of welding, measuring, control and gas burning equipment, THE HARRIS CALORIFIC CO, Cleveland, Ohio (see No 336) has formed a West German sales subsidiary called HARRIS CALORIFIC DEUTSCHLAND GmbH, Grossen-Linden. With a capital of Dm 20,000, its first managers are Herr Paul Briese, Lidendorf, and Mr Edward S. Young, Cleveland, Ohio.

Until now the American company was represented in West Germany by Propan-Butan GmbH, Krefeld, an affiliate of the Paris companies, Cie de Gaz de Petrole Primages (see No 359) and Lebon & Cie SA (see No 532). These latter two companies have raised on a pro rata basis the capital of their Düsseldorf subsidiary, Intragas Ges. Für Beteiligungen mbH, from Dm 2.1 million to Dm 3.9 million.

The Cleveland company already has an Italian subsidiary called Harris Europa SpA at Musiano di Pianoro, Bologna.

** The Rotterdam R. S. STOKVIS & ZONEN NV group (see No 490), which is reorganising, has made over its sales division for ingots, reinforcing bars, sheet, etc (annual sales of about Fl 35m - payroll 100) to the rolled products and scrap sales concern VEREENIGDE UTRECHTSCHE IJSERHANDEL NV, Utrecht (see No 530), wholly-owned subsidiary of the Ijmuiden group KON NED HOOGOVENS & STAALFABRIEKEN NV.

Hoogovens recently formed an Ijmuiden subsidiary named Vereenigde Buiszenfabrieken - V.B.F. NV (initial capital Fl 100,000), complete with branches in Arnhem and Oosterhout (see No 510), to handle its steel tubes business (see No 489).

** The Belgian companies CHARBONNAGES D'AISEAU-PRESLES SA, Farciennes (see No 515) and ANC. ATELIERS MARCEL MOUYARD SA, Falisolle, intend to acquire a stake in ATELIERS DE CONSTRUCTION DE LA BASSE-SAMBRE SA, Moustier-sur-Sambre (see No 425) when this raises its capital in the near future. The latter manufactures and sells equipment and other materials for the railway, foundry and boiler industries.

** The Hanover metallurgical and cablemaking concern KABEL- & METALLWERKE GUTEHOFFNUNGSHUETTE AG (see No 528), a member of the HANIEL group through the engineering and metal concern G.H.H. - GUTEHOFFNUNGSHUETTE AKTIENVEREIN, Nuremberg, has granted a licence to the Japanese NISHI NIPPON LTD, of the MITSUI & CO LTD, Tokyo group (see No 528), to manufacture its "Flexwell" cables for long-distance transmissions in warm water.

Recent moves by the German firm include its takeover of the Buenos Aires cables concern Indymet S.A.I.Y.L., and the purchase of a 20% holding in the German cable firm of Kabelwerke Frowein GmbH, Rothalmünster.

** The New York company METAL FLOW CORP, which in 1965 (see No 377) sold to the British company S.T.D. SERVICES LTD, Birmingham (a member of the Tube Investments Ltd group) the assets of its West German and Italian subsidiaries, has now decided to close down the former, Deutsche Metal Flo GmbH, Essen-Steel (capital Dm 500,000). This had been formed in association with Thyssen Röhrenwerke AG, Düsseldorf, and its two managers, Herren G. R. Gassuer and V. Marcilger will be responsible for closing down the company.

The Rome subsidiary Metal Flo Italiana SpA was closed down in October 1968. This had been formed in association with B.P.D. - Bombrini-Parodi Delfino SpA, Rome, since absorbed by the Snia Viscoso SpA group (see No 509).

** The American group REYNOLDS METAL CO, Richmond, Virginia (see No 530) has formed a Hamburg subsidiary, REYNOLDS ALUMINIUM HAMBURG GmbH (capital Dm 1,000), with Herr Dietrich E. Reimann as manager to manufacture and sell raw, semi- manufactured and manufactured aluminium products. The subsidiary will also be in charge of the group's project for building a 100,000 tpa aluminium complex which will include a rolling mill and processing equipment. This is expected to cost around Dm 500 million.

The group already has a West German subsidiary, Reynolds Aluminiumwerke GmbH, Machrodt, as well as an affiliated company, Reynolds-Erbslöh Rohrblech GmbH, Wuppertal-Barmen.

** The Swedish manufacturer of tools, A/B GAEVLE VERKTYGSFABRIK, Gävle (see No 303) has closed down its Düsseldorf sales subsidiary MIRCONA GmbH. This was formed in early 1965 with a capital of Dm 50,000 and its manager, Herr Wlajko Mihic, has been put in charge of this operation.

** The FRIED. KRUPP GmbH, Essen group (see No 532) has decided to close down its Belgian subsidiary CAMIONS KRUPP SA, Anderlecht-Brussels (capital Bf 35m) and Herren Walter Kraie and Alfred Witting have been put in charge of this operation. This follows the sale in 1968 (see No 451) of the group's heavy vehicle manufacturing and sales interests to DAIMLER BENZ AG (see No 532).

** The Friedrichshafen aerospace company of DORNIER GmbH (see No 531) has made a cooperation agreement with the Belgian textiles machinery concern MICHEL VAN DE WIELE SA, Marke, West Flanders (payroll 350), concerning the joint development of a special velvet weaving loom. Dornier has a subsidiary of its own producing textiles machinery, Lindauer Dornier GmbH, Lindau-Rickenbach.

** RHEINSTAHL HANOMAG AG, Hanover, subsidiary of the Essen group RHEINISCHE STAHLWERKE (see No 527), has made an agreement with CONTINENTAL MOTORS CORP, Detroit, Michigan, 43% affiliate of THE RYAN AERONAUTICAL CO, San Diego, California (see No 380), whereby the latter will distribute on the U.S. and Canadian markets its 50 to 140 h.p. engines for trucks, tractors and civil engineering plant. This arrangement will replace Hanomag's existing independent sales network.

** RHEINMETALL ANLAGEN GmbH, Düsseldorf, subsidiary of the Berlin group RHEINMETALL BERLIN (see No 528) has raised its capital from Dm 20,000 to 500,000 by dint of receiving from HYDRAULIK GmbH, Duisburg, its controlling interest in LAEIS-WERK AG, Trier, which makes machinery for the ceramics, refractories and building materials industries, as well as doing construction work in metal.

The share transfer follows the recent withdrawal of Rheinmetall Berlin and DEMAG AG, Duisburg, from their 50-50 association in Hydraulik. This then came under the outright control of Demag, while Rheinmetall Berlin similarly took 100% of the equity of Laeis-Werk.

** The German caravan building concern WOHNWAGEN HELMUT KNAUS, Ochsenfurt, Main, has acquired a 50% holding in a similar firm named WOHNWAGENBAU EUGEN SCHWEIKERT, Ilshofen, Württemberg, output from which, as from January 1970, will be distributed by its own sales organisation.

Knaus has Dm 7.5 million capital, and turns over some Dm 20 million a year for a payroll of 300. A few months ago, it acquired a majority holding in another such company, Wolfbart-Wohnwagenbau GmbH, Landenbach-Bergstrasse, annual production from which touches 1,200 caravans. It is also linked by a cooperation agreement with Kalianhängerbau KG, Oberursel.

** VALOR - STE DE VENTE D'ACIERS LORRAINS SA (see No 489), sales subsidiary of the steel group DE WENDEL & CIE SA (see No 533), specialising in the African markets, is about to absorb three subsidiaries: Valor Senegal SA, Dakar (gross assets estimated at CFA f 53 m.); Ste Camerounaise Valor SA, Douala (CFA f 38.3 m.) and Ste Valor-Mauritanie SA (CFA f 8 m.).

** The French car and jet engine parts manufacturer RUBANOX SA, Neuilly, Hauts-de-Seine, recently taken over by the aluminium rolling concern FORGES DE CRAN SA, Crans Gevrier, Haute Savoie (see No 510), has made over its aircraft department to SECAN - Ste d'Etudes & de Constructions Aero-Navales SA, Gennevilliers, Hauts-de-Seine, almost wholly-owned subsidiary of the metal and coachbuilding concern SA DES USINES CHAUSSON, Asnieres, Hauts-de-Seine (see Nos 274, 518).

Rubanox (president M. Louis Lachasse) employs some 350 people in its plants at Levallois-Perret, Hauts-de-Seine, and Saumur, Maine-et-Loire, where its main lines are aluminium evaporators and condensors for the refrigeration industry.

** The British caravans and camping equipment concern BELMONT LTD, Hull (headed by Messrs. P. Adams and D. A. Wineberg) has moved into the Dutch market with the formation of a 75% subsidiary, BELMONT NV (capital Fl 300,000). This is based at Hendrik-Ido-Ambacht, with Mr. J. van t'Hart, who holds the balance of the capital, as director.

** The Ivrea group ING C. OLIVETTI & CO (see No 535) has made a technical assistance agreement with the Hungarian external trade concern (precision instruments), METRIMPEX, Budapest, covering Hungarian manufacture of electronic accounting machines, using know-how and parts supplied mainly by Olivetti.

** The D.M.E. CORP, Detroit,(moulds, matrixes and tools for metal and plastic stamping and pressing - member of the V.S.I. Corp, Pasadena, California - see No 394) has formed a subsidiary in Turin named D.M.E. ITALIANA SpA (capital Lire 1m), on the board of which (president Sig Leoniero Ruffini) it is represented by Messrs G. Ralph Bartolome and F. Marra. The new concern has immediately gone into business, with an agreement forged with the Turin motor accessories concern NELMOR ITALIANA SpA (headed by L. Ruffini and S. Morello), which has made over to it its "injectors and pressure-fusion equipment" division, against a holding of 45%.

V.S.I. itself is already established in the Common Market, with a manufacturing subsidiary at Malines, Belgium (see No 259), and a second at Neuenstadt, Kocher, trading under the name of D.M.E. - Deutschland.

** JOHN ZINK CO, Tulsa, Oklahoma (see No 396 - equipment, tools, burners etc for the chemical and petrochemical industries) has formed a Milan sales subsidiary, its interests having been handled hitherto by PREMABERGO ITALIANA SpA (see No 408).

The newly-formed John Zink Srl (capital Lire 900,000) has Mr John Smith Zink as president and Mr P.G. Pellis as director. The parent company has several companies bearing its name in the EEC, mainly at Courbevoie, Hauts-de-Seine and Frankfurt.

** The American ARMCO STEEL CORP, in setting up its Common Market sales network (see No 535), has provided its German affiliate ARMCO EUROTEC GmbH, Voerde, with sales branches in France and Italy. Armco Eurotec, which is directly controlled by Armco International Corp, Middletown, Ohio, specialises in steel building sections.

The Italian branch, with funds of Lire 5 million, is in Milan directed by Sig Pietro Raugi of Genoa; the French is at Marly-le-Roi, Yvelines, directed by D. Arvet-Thouvet.

** The Swedish forestry equipment, sewing machines, competition motor cycles etc group HUSQVARNA VAPENFABRIKS A/B, Huskvarna (see No 480) has acquired a holding in the French sales company LE MATERIEL SUEDOIS SA, Argenteuil. This has thus changed its name to STE HUSQVARNA LE MATERIEL SUEDOIS - L.M.S., and moved its offices to Saint Prix, Val d'Oise, also taking on to its board Messrs E. Libjegren and B. Hermmingson of the Swedish company.

** NICKEL ALLOYS INTERNATIONAL SA, Brussels member (see No 534) of the Copper Cliff, Ontario group INTERNATIONAL NICKEL CO OF CANADA LTD, through its Toronto subsidiary International Nickel Services Ltd (see No 527), has opened a Milan branch under Mr William C. Norton, directed to promote the nickel alloys market in Italy, but without making sales contracts or taking any kind of orders.

** French interests in the person of M. J.L. Labarriere, St-Hubert-Veilleins, Loire (48%) have joined with MM. Jacques Nobecourt, Paris, and Jacques Berlette, Rueil-Malmaison, Hauts-de-Seine (12% each) in forming PETRO STANDARD BELGIUM in Forest-Brussels with Bf 500,000 capital, for industrial equipment for the oil, petrochemical and nuclear sectors.

** The Paris civil engineering group RICHIER SA (see No 534) has negotiated the acquisition of the property company SA INGRES PASSY, which owns its headquarters site, as well as that of the commercial companies GENEMAT SA and OLEOMAT SA. The latter two were already linked to Richier, as Genemat had given Richier the right to make "Michigan" equipment under a Clark licence, which it then distributed throughout France; Oleomat under a sales pact for H 11 P and H 15 C hydraulic shovels, as well as being its partner in Oleomat Iberica SA, Madrid.

Following these moves, Richier will acquire from Auxitra SA, Paris, patents valued at F 41.2 million, and will raise its own capital to F 71.2 million.

** In order to strengthen its links with STE METALLURGIQUE HAINAUT-SAMBRE SA, Couillet - one of the leading Belgian steel producers with 971,950 tons of finished products and 250,315 tons of semis in 1968 - PHENIX-WORKS SA, Flemalle-Haute (see No 521) has acquired a 20% stake.

The main shareholder in Hainaut-Sambre is the Düsseldorf-based group, Friedrich Flick KG, (see No 534) through its subsidiary Mercure Co, Curacao (see No 423). It is also a minority shareholder in Phenix-Works along with the Paris group Cie Financiere de Paris & des Pays-Bas SA, through its subsidiary Cobepa SA, Brussels (capital raised to Bf 625 m in late 1968 - see No 483).

** L. V. D. CO Sprl, Gullegem, Courtrai (presses and heavy machinery for sheet-cutting, shaping and stamping - see No 497) has formed a sales subsidiary in Rotterdam called L. V. D. NEDERLAND NV (capital Fl 100,000). This is headed by Messrs. Robert O. Dewulf and Johann F. Rippe.

The founder has three production units (at head office, Morlanwelz and Brussels) and sales subsidiaries under its own name in Krefeld, West Germany and La Courneuve, Seine-St-Denis. Its British licensee is L.V.D. Hudson Ltd (see No 376).

** NEDERLANDSCHE METAALINDUSTRIE "POLYNORM" NV, Bunschoten, Spakenburg (see No 491) intends to acquire control of the wholesaler of metal goods and products EMMER METAAL-INDUSTRIE (EMMEIN) NV, Emmen under Mr. B. Hilgen. The Bunschoten firm is controlled by three Dutch banks: De Nationale Investeringsbank Herstelbank NV, The Hague; Algemene Bank Nederland NV, Amsterdam; and Bank Mees & Hope NV, Amsterdam and Rotterdam.

Emmer has 100 employees and an annual turnover of some Fl 3 million, while Polynorm with 800 employees has a turnover of Fl 30 million.

FINANCE

** The Paris insurance group LA CONCORDE SA (see No 521) has made over its minority shareholding in SEFIMEG - STE FRANCAISE D'INVESTISSEMENTS IMMOBILIERS & DE GESTION SA (see No 502) to its almost wholly-owned subsidiary CIE DAKAR-SAINT LOUIS SA. As a result the latter has raised its capital to F 23.6 million.

** The banking group STE GENERALE SA, Paris (see No 533) has strengthened its interests in Britain by opening a second agency in Manchester. It is already represented in London.

One of the group's most recent moves was to open a branch in Madrid, and it is already represented in Rome, Milan, Mexico, Rio de Janeiro, Djakarta, Buenos Aires, Tokyo, Sydney and Frankfurt.

** The latest move by FIRST NATIONAL CITY BANK in Europe has been the acquisition of a 25% stake in the Geneva-based SECURITIES MANAGEMENT CO LTD (see No 496). This was formed during 1965 and acts as the sales representative for five investment funds, with assets totalling some $160 million, with around thirty subsidiaries and branches in Essen, Amsterdam, ètc.

** The French aerospace and publishing group MARCEL DASSAULT (see No 532) has sold its controlling stake in BANQUE COMMERCIALE DE PARIS SA (capital F 20m - see No 532) but it will remain a minority shareholder. Its interest has been bought by a group including: 1) L'UNION FINANCIERE & MINIERE SA (see No 533) and CIE GENERALE D'ELECTRONIQUE SA (a member of the C.G.E. - Cie Generale d'Electricite SA - see No 499) which already held interests of 15% and 5% respectively; 2) the VERNES & CIE Snc bank (a recent affiliate - see No 500 - of the Banque de Suez & de l'Union des Mines SA - see No 533 - itself the subsidiary of l'Union Financiere & Miniere and Cie Financiere de Suez) and the insurance company L'ABEILLE SA (affiliated to Cie Financiere de Suez and Vernes & Cie).

Banque Commerciale de Paris some months ago gained control - in association with Banque Rothschild SA and B.I.A.O. (see No 503) - of the agricultural products import, export and brokerage concern, J. A. Goldschmidt SA, Paris.

** DRESDNER BANK AG (see No 528) and BANKHAUS BURKHARDT & CO, Essen (both 15% affiliated of the New York and Paris groups MARINE MIDLAND BANKS INC and CIE FINANCIERE DE SUEZ & DE L'UNION PARISIENNE SA - see No 524) and MERCK, FINCK & CO oHG, Munich (see No 513) have linked on an equal basis to form a Frankfurt investment company called BETEILIGUNGSGESELLSCHAFT FUER DIE DEUTSCHE WIRTSCHAFT mbH (initial capital Dm 1m - working capital Dm 10m). This will take minority shareholdings on a temporary basis - for up to ten years - in rapidly growing medium sized firms needing increased capital resources to further their expansion.

** The Turin investment company I.F.I. - ISTITUTO FINANZIARIO INDUSTRIALE SpA (closely linked to the FIAT SpA group - see No 535) and its 32.9% affiliate S.A.I. - STA ASSICURATRICE INDUSTRIALE SpA, Turin (see No 518) have backed the formation in Turin of the first investment fund specialising in Italian securities, called "ITAL CAPITAL" (see Viewpoint, No 535). This will be run by a new company, SOC. AZ. ITALIANA FONDI DI INVESTIMENTO - SAIFI SpA (capital Lire 5,000m) and will be able to sell shares in the new fund through the 8,000 agencies and branches in Italy of S.A.I. (capital recently raised to Lire 4,250m).

** The Paris BANQUE DE NEUFLIZE, SCHLUMBERGER MALLET SA (see No 526), the Oslo ANDRESENS BANK FOLKE-REALBANKE A/S (see No 510), the Copenhagen PRIVATBANKE I KJØBENHAVN A/S (see No 478) and the New York MORGAN GUARANTY INTERNATIONAL BANKING CORP (a member of the MORGAN GUARANTY TRUST CO - see No 502) have all taken minority holdings in the Zurich NEUE BANK AG (see No 500). At the same time BANK MEES & HOPE NV, Amsterdam and Rotterdam (see No 534) has also increased its stake.

With a capital of Sf 20 million and Herr Johannes Keuning as president, the Swiss bank controls a subsidiary specialising in medium-term loans etc. This is called Monaval Finanz AG and has a capital of Sf 5 million.

** The Zurich finance company ASCOT SECURITIES AG has formed a Luxembourg subsidiary called ASCOTRONIC MANAGEMENT CO SA (capital $20,000). In association with this it has also formed the investment fund ASCOTRONIC FUND SA (authorised capital $5 m).

The founder already controls an investment fund, Ascot Fund Ltd, Nassau, whose share certificates are sold in West Germany by Ascot Securities GmbH (see No 521).

** The French group NAHMIAS which is headed by M. Joseph J. Nahmias (see No 505) and whose principal interests are in the Paris oil company PETROFRANCE SA, has acquired a 19% shareholding in BANQUE LOUIS DREYFUS & CIE SA, Paris (see No 523). The group already controls two other Paris concerns in this sector, COFIMAR - Comptoir Financier des Matieres Premieres SA and Banque Fred S. Bodenheimer SA.

** The Brussels investment company BRUFINA SA - STE DE BRUXELLES POUR L'INDUSTRIE & LA FINANCE (see No 526) has sold for cash nearly half (6.8%) of its shareholding (14.8%) in BANQUE DE BRUXELLES SA (see No 532) to the Amsterdam group ALGEMENE BANK NEDERLAND NV (see No 532).

This move is in line with the policy aimed at strengthening the international role of Banque de Bruxelles, in which Barclays Bank Ltd (see No 534) also has a 2.5% interest. Nevertheless Banque de Bruxelles remains 90% controlled by Belgian interests, and one of the leading shareholders is Cie Financiere & Industrielle - Cofinindus SA (see No 534) which is closely linked to Brufina.

** The Amsterdam investment company BENTWORTH TRUST (EUROPA) HOLDINGS NV (see No 437 - a subsidiary of the London HAMBROS BANK LTD group) has taken a 4% stake in the Paris external trade financing company FINIMPEX SA and will be represented on the board by Mr. W. B. Griffith.

Finimpex (capital recently raised to F 1.25 m) was formed on a 60/40 basis in 1968 by Banque de l'Union Europeenne Industrielle & Financiere SA and its Paris affiliate Ste Impex SA. The latter is a 68.2% direct and indirect interest of the Schneider SA group (see No 461). Finimpex now has four French regional banks as shareholders in addition to BANQUE DE BAECQUE, BEAU & CIE Sca, Paris (see No 284); BANQUE VEUVE MORIN PONS SA, Lyons (see No 501); BANQUE DE SAVOIE SA, Chambery (see No 294); and BANQUE M. VARIN-BERNIER Scs, Bar-le-Duc.

** STE MINIERE & METALLURGIQUE DE PENARROYA SA, Paris (a member of the ROTHSCHILD SA group - see No 535) has formed a Luxembourg investment company called PARLUX SA (capital Lux F 1m). This has M. J. B. Lion as president and is directly controlled by the Uruguayan subsidiary Participaciones Mineras & Financieras - Parmifi Ltda, Montevideo.

** GES. ZUM VERTRIEB DES FIRST INTERNATIONAL REALITY SECURITIES FUND GmbH (capital Dm 20,000) has been formed in Munich with Sig Stelio Matussi as manager, to sell open-end investment certificates (portfolio including 75% stake in property companies) belonging to FIRST INTERNATIONAL REALITY SECURITIES FUND LTD, Nassau, Bahamas.

** The New York FIRST NATIONAL CITY BANK (see No 531) has acquired a 50% stake in the credit company SOC. FLAMINIA NUOVA SpA (capital Lire 998m) and it will be represented on the board by its Italian director general Mr John Rudy. The New York bank's shareholding is equal to that of the Rome finance group Flaminia Nuova SpA (see No 522) and Flaminia Nuova Piccoli Prestici was formed in late 1968 with a capital of Lire 1 million. At the same time Flaminia Nuova formed another credit company, Sta Flaminia Beni di Consumo SpA, and both have Sig Corrado Sofia as president.

** The Paris insurance group LA PATERNELLE SA, which recently began to rationalise its interests (see No 531), has now decided on a further series of moves. These will be based on its 29.8% affiliate CIE DES IMMEUBLES DE LA PLAINE MONCEAU SA, Paris, which will absorb STE IMMOBILIERE BEAUSOLEIL SA, LE CONSERVATEUR SA, LA MINERVE SA and L'UNITE SA, and as a result of acquiring fresh assets valued at F 67.1 million (gross) it will raise its own capital to F 76.9 million.

La Minerve and L'Unite recently made over all their insurance policies to La Paternelle Risques Divers SA.

** The French company LA FORTUNE CIE D'ASSURANCES MARITIMES & TERRESTRES SA, Le Havre (see No 520), a member of the CHEGARAY group, is about to reorganise its interests and thus enlarge the securities and property management concern CIE HAVRAISE DE PLACEMENTS SA, Paris (see No 493). This will absorb STE DE CAUTIONS POUR LE COMMERCE & L'INDUSTRIE SA, Paris, and following the acquisition of assets valued at F 3.5 million (net) will raise its own capital to F 26 million.

FOOD AND DRINK

** The Hamburg tobacco and cigarette group H.F. & PH. H. REEMTSMA GmbH & Co KG (see No 534) has extended its interests in the brewery sector (3.2m hl.p.a. capacity) by acquiring a 25% stake in the HANNEN BRAUEREI GmbH, Willich (capital Dm 17.072m). This is controlled by the Hannen, Hausmann Dicker and Schmitz families, and has an annual capacity of 1.7 million hl., with actual production exceeding 1 million hl.

** As 54% of the West German market for canned fruit and vegetables is controlled by French, Belgian and Dutch concerns, five West German canning companies have formed a manufacturing agreement with the backing of the holding company BRAUNSCHWEIG GmbH (which itself belongs to BRAUNSCHWEIGISCHE STAATSBANK, Brunswick - see No 527). As a result a new company called VEREINIGTE KONSERVENFABRIKEN - VEKO GmbH & CO KG will be formed in Brunswick and it will lease nine factories accounting for 37% of West German output in this sector with an annual turnover of Dm 140 million. To begin with these facilities will be made over to another joint company which will acquire shares in VEKO.

The five companies involved are the Hamburg purchasing cooperative GEG-GROSSEINKAUFS GESELLSCHAFT DEUTSCHER KONSUM-GENOSSENSCHAFTEN mbH (see No 458) with factories at Meldorf and Wiesloch; KONSERVENFABRIK THIEDE GmbH with factories at Thiede, Wendeburg and Bramsche; KONSERVENFABRIK BADDECKENSTEDT R. SCHMALBACH GmbH, Baddeckenstedt; KONSERVENFABRIK SCHRADER & CO, Marienthal-Horst, along with KASPER, Wolfburg; and COBURGER KONSERVENFABRIK WILHELM PFISTER, Coburg.

** The Milan STA PAVESI BISCOTTINI DI NOVARA SpA (biscottes, biscuits and industrial baking facilities - capital Lire 1,500m) has strengthened the financial position of its French affiliate STE INTERNATIONALE DE PRODUITS ALIMENTAIRES - I.P.A. SA, Courbevoie (formerly PRODUITS ALIMENTAIRES INTERNATIONAUX SA, Paris). This has had its capital reduced and then raised to its former level of F 4 million.

I.P.A., which is an affiliate of Montecatini Edison - Montedison SpA through its subsidiary Ste Italiana Finanziamenti Industriali - S.I.F.I. SpA, now has three representatives of Pavesi on its board, Sigs Enrico Barsighelli, Mario Pavesi and Otto Tersch.

** The UNION FINANCIERE D'ANVERS - BUFA NV (see No 525) has sold to GENERAL BISCUIT CO SA, Herentals, its controlling stake in CHOCOLATERIE MEURISSE SA, Antwerp (capital Bf 55 m). With an annual turnover of Bf 175 million, Chocolaterie Meurisse has a subsidiary in Paris, SA Des Chocolats Meurisse France. Chocolaterie Meurisse was formely called Ste Financiere pour le Developpement du Commerce - Sofideco NV, and adopted its present name when BUFA took over the London and Antwerp chocolate concern Meurisse Ltd, which it then dissolved and made over its manufacturing assets to Sofideco (see No 440).

In the chocolate sector General Biscuit recently bought from Unibra SA, Brussels, its Belgian Victoria SA, and Dutch, Biscuit & Chocoladefabriek Victoria NV, Dordrecht subsidiaries (see No 534).

** The Belgian preserved foods company NOORD-OOST LIMBURGSE KONSERVENFABRIEK-NOLIKO NV, Bree, has backed the formation of NOLIKO KONSERVEN VERTRIEBS GmbH, Duisburg (capital Dm 1,000) to act as its West German representative. The new concern is headed by the founder's own managing director, Mr Jan Th. Spaas.

The latter employs 150 persons and is affiliated to Cofina - Ste Continentale de Financement & de Gestion SA, Woluwe-St-Lambert (see No 388), which in turn belongs to the Plouvier group (see No 532).

** Five West German charcuterie and preserved meat concerns have made a cooperation agreement backed by a joint subsidiary called NAEHRUNGSMITTEL-HANDELS GmbH & CO (HAHAK), Bielefeld (capital Dm 650,000). The founders are: 1) BOEKLUNDER KONSERVENFABRIK GmbH, Böklund, Schleswig (see No 453), linked to the Hamburg concern Carl Kuhne KG within Kühne & Böklunder France Sarl, Champigny, Val-de-Marne, and apart from having three main subsidiaries, Böklunder Konservenvertrieb AG, Böklunder Spedition AG (both in Böklund) and Hermann Wittlinger KG, Hamburg, it also controls three Swiss holding companies in Lugano; 2) FRIEDRICH PIPER, OLDENBURGISCHE FLEISCHWARENFABRIK KG, Cloppenburg, which has over 350 employees and an annual turnover of Dm 40 million; 3) FLEISCHWARENFABRIK HEINRICH NÖLKE & CO KG, Versmold, owned by the Nölke family; 4) FRIEDRICH MENZEFRICKE KG WESTFALISCHE DAUERWURST- & FLEISCHWAREN-FABRIK, Loxten, with factories at Versmold and Dissen; and 5) VERSMOLDER FLEISCHWAREN- & GEMÜSEKONSERVEN-FABRIK STOCKMEYER KG, Versmold, which has an annual turnover of around Dm 100 million with some 850 employees. Its main subsidiary is Versmolder Fleischwaren-Im- & Export GmbH, Versmold.

** The Hamburg company LANGNESE-IGLO GmbH ("Langnese" ice creams and "Igloo" frozen foods), a member of the Rotterdam group UNILEVER NV (see No 531) has expanded its manufacturing capacity by acquiring the factory at Burgdorf, Hanover, of the canning concern BURGDORFER KONSERVENFABRIK F. WARNECKE KG, Burgdorf.

Langnese-Iglo has a capital of Dm 30 million and is the leading West German company in this sector, with factories at Hamburg-Wandsbeck and Heppenheim, Bergstrasse. It has an annual turnover exceeding Dm 250 million and more than 5,000 employees. For its part Burgdorfer Konservenfabrik is controlled by Burgdorfer Tiefkühl GmbH, Burgdorf, and its main subsidiaries are Burgdorfer Spargel - & Gemüse-Plantagen-Ges;Konservenfabrik Bettrum GmbH, Bettrum; and Grundstücksges. Schulstrasse, Burgdorfer Tiefkühl GmbH.

** The re-grouping of the French brewing subsidiaries and affiliates of BRASSERIES & GLACIERES DE L'INDOCHINE SA, Paris, with the aim of strengthening UNION DE BRASSERIES PARISIENNE SA's share of the market (see No 516), is about to take place. The latter will absorb: 1) BIERES SLAVIA, BRASSERIES DE LA COMETE SA, Paris; 2) BRASSERIE NOXEN SA, Limoges, Haute-Vienne, a 99% interest of the previous company; 3) UNION DE BRASSERIES LYONNAISES RINCK - S. N. A. M. SA; 4) BRASSERIE & MALTERIE LE PHENIX SA, Marseilles, and 5) UNION FRANCO-BELGE DE BRASSERIES SA, Marseilles, in which the previous company has a 17.65% stake. As a result of these moves Union de Brasseries Parisienne will acquire assets valued at F 291 million and will raise its own capital of F 80.2 million.

** The Hamburg WARNCKE EISKREM KG, which groups several medium-sized West German ice-cream producers, has gained a new associate UDE'S EISKREM, Hamburg. The latter's owner, Herr Wolfgang Ude, has become a shareholder in Warncke. This was set up during 1967 by a cooperation agreement between E. & J. Warncke Eiskrem-fabrik KG (facilities in Bremen, Hamburg and Mennighüfen) and A. W. Quermer Brunswick, whose joint "Warncke Eiskrem" brand covers around 25% of the market in northern Germany.

** The Dutch company DOUWE EGBERTS KONINKLIJKE TABAKSFABRIEK & KOFFIEBRANDERIJEN-THEEHANDEL NV, Utrecht (see No 510) has just formed a Swiss company to deal in coffe and tea products. Called DOUWE EGBERTS (BASEL) AG, this has a capital of Sf 1 million and its president is M. Eugen Isler. At the same time the Dutch company's German associate Joh. Jacobs & Co Kaffeegrossrösterei & Teeimport, Bremen, has formed a similar company in Basle called Jacobs Trading SA (see No 534).

Douwe Egberts is a family controlled company with the board headed by Messrs E.D. de Jong and J.W.M.J.Boost. It has an annual turnover of Fl 475 million (3,000 employees) from coffee beans (45% of the Dutch market), instant coffee (30%), tea (50%) and tobacco. In the Netherlands it has facilities at Joure (instant coffee, tea and tobacco production), at Drachten (tobacco), Utrecht (coffe roasting and administrative headquarters), as well as in Amsterdam, The Hague, Rotterdam and Kampen (distribution centre). As well as having four main subsidiaries it recently acquired the property company NV de Friesche Erven, Utrecht (capital Fl 100,000) and in January 1969 took a 50% interest in the tobacco and cigar concern Panter Sigarenfabrieken H. & J. Van Schuppen NV, Veenendaal (see No 497), with which it shares control of the Belgian Citaco SA (see No 510). In April of this year it bought an interest in the coffee and tea company NV Koffiebranderij & Theehandel Kanis & Gunnik, Kampen (see No 509), while abroad it is represented in Belgium, France and Scandinavia, Canada and the United States. It also has manufacturing facilities in Ireland at Mullingar, run by its subsidiary Douwe & Egberts Ireland Ltd, whose "Amphora" tobacco is sold mainly on the American and Canadian markets.

** The Dutch animal feeding-stuffs VERENIGTE MENGVOEDERFABRIEKEN KOUDIJS NV, 's-Hertogenbosch (see No 443), which is a 44% affiliate of the Rotterdam milling group MENEBA - MEELFABRIEKEN DER NED. BAKKERIJ. NV, Rotterdam, has acquired control of D. ENTHOVEN & ZONEN, Bennebroeck. This manufactures egg-based products as well as trading in eggs and frozen foods, and it also has a subsidiary under its own name in Cologne.

INSURANCE

** Three further moves have been carried out in the West German insurance sector, a form part of the overall rationalisation trend now affecting the sector.

1) The Hamburg company DIE HANSE-KRANKENSCHUTZ VVaG has absorbed HANSEATISCHE KRANKENVERSICHERUNG VON 1875 MERKUR VVaG, Hamburg, and renamed itself HANSE-MERKUR KRANKENVERSICHERUNG AG. With annual premiums totalling some Dm 90 million, this is linked at board level with LEBENVERSICHERUNG MERKUR NUERNBERG VVaG, Nuremberg, recently renamed HANSE MERKUR LEBENSVERSICHERUNG aG.

2) SIGNAL KRANKENVERSICHERUNG aG, Dortmund, has been strengthened from a merger with SUEDVERSA KRANKENVERSICHERUNG aG, Frankfurt, and KRANKENKASSE FUER HANDWERK, HANDEL & GEWEBE VaG, Stuttgart-Feuerbach. Annual premiums now amount to Dm 277.8 million, and it has two main subsidiaries, Signal Unfallversicherung aG,

Dortmund, and Signal Allgemeine Versicherungsvermittlung AG, Dortmund. It also cooperates closely with Iduna Vereinigte Lebensversicherung aG Für Handel, Handwerk & Gewerbe, Hamburg.

3) KOELNISCHE VERWALTUNGS AG FUER VERSICHERUNGSWERKE, Cologne (see No 526) intends to absorb STETTINER RUECKVERSICHERUNGS AG, Lübeck (capital Dm 1m) and raise its own capital from Dm 6 to Dm 6.75 million. The former is more than 50% controlled by Bankhaus Sal Oppenheim Jr & Co, Cologne, as well as having a stake of over 25% in Colonia National Versicherung AG. This was itself formed as a result of the recent merger of Colonia Kölnisches Versicherungs AG, Cologne and National Allgemeine Versicherungs AG, Lübeck, and the latter has a more than 75% controlling stake in Stettiner Rückversicherungs.

OFFICE EQUIPMENT

** The Hamburg-based manufacturer of office copying equipment, LUMOPRINT ZINDLER KG, is to extend its interests to France with the formation of a Paris subsidiary called LUMOPRINT FRANCE.

The founder has some 500 employees, with an annual turnover exceeding Dm 32 million. It has sales offices in the main urban centres of West Germany.

OPTICAL AND PHOTOGRAPHIC

** The German projector and camera lenses concern ALBERT SCHACHT GmbH, Ulm, hitherto controlled by the Ulm precision engineering concern, CONSTANTIN RAUCH KG, has been taken over by the optical equipment, microscopes, photographic lenses and measuring instruments concern WILHELM WILL KG OPTISCHES WERK, Nauborn-Wetzlar (see No 516), which will transfer its manufacturing interests (payroll 150) to its own plant at Runkel, Lahn.

In 1968 Will turned over Dm 5 million with a payroll of 200. It recently formed a sales subsidiary in Basle, Will Optik GmbH (capital Sf 20,000). Constantin Rauch recently absorbed the Ulm companies, Metallwerk Glockerau GmbH and Hydrostahl GmbH Fabrik für Kaltuerformte Präzisionsteile.

PAPER AND PACKAGING

** The Belgian paper company INTERMILLS SA, La Hulpe (see No 514), controlled by the New York group US PLYWOOD - CHAMPION PAPERS INC, has strengthened its sales interests in the Netherlands by gaining outright control of CORVEY PAPIERGROOT-HANDEL NV, Amsterdam (headed by C. Kok and A. Vander Vlis) as well as of a majority stake in CIMANEX-PAPIER NV, in which it already held a 50% share through its subsidiary SA SCALDIA PAPIER, Wilrijk, Antwerp (see No 418). Intermills gained a direct Dutch interest some months back when it acquired control of the wholesaling concerns, Van den Dongen's Papier Compagnie Dupaco NV, Nymegen (see No 513) and Houtindustrie Picus NV, Eindhoven (derived wood products). Its 50/50 affiliate with its parent company, through P.C. International Inc - the Brussels company, Intermills International SA (formerly I.C.N. SA - see No 418) is represented on the Dutch market by an Amsterdam branch.

** INVERPAK NV, Rotterdam (gummed and adhesive paper, packaging accessories - see No 428) has formed a Paris sales subsidiary called INVERPAK Sarl (capital F 20,000) managed by its own director, Mr. Hans Wodrada.

The founder has other Common Market subsidiaries under its own name in Anderlecht-Brussels and Cinisello-Balsamo, Milan (see No 398).

** Negotiations are taking place between the Milan group SNIA VISCOSA SpA, (see No 534) the Yugoslavia concern TOVARNA CELULOZA MEDVODE, Belgrade and a French financial group with the aim of building a cellulose, paper and derived products complex in the forest areas of Slovenia near Ljubljana.

** The London-based REED PAPER GROUP LTD (see No 523) has formed a Milan branch to the Zurich company A. C. P. PAPER AG (see No 253), which is directed by Mr. Nick Johnson.

This was formed in 1964, to promote sales with a capital of Sf 150,000, by Anglo-Canadian Pulp & Paper Mills Ltd, Quebec, itself a 91.26% member of the London group through its Toronto subsidiary, the Reed Paper Group Canada Ltd.

PHARMACEUTICALS

** The New York chemical and pharmaceuticals group RICHARDSON-MERREL INC (see No 527) is to establish a European fundamental research laboratory at Strasbourg, to carry work connected with cellular and molecular biology. This move will be carried out through its Paris subsidiary, LABORATOIRES TORAUDE SA, but a company will be formed to run the new facilities.

PLASTICS

** Herr Günter Schanz, manager of PLASTIPOL & CO GmbH, Frankfurt, and Herren Nikolaus Jamborsky of Frankfurt and Josef Grüber, director of the Vienna metallurgical concern GEBR. BOEHLER & CO AG (see No 535) have been appointed joint managers of the newly-formed Austrian PLASTIPOL GmbH (capital Sch 100,000), which is to trade in plastic goods, acquire patents, purchase holdings and do research work.

Herr Schanz also manages Metallwerke Saar GmbH, Grävenwiesbach, Taunus (see No 311), which is under his 60.4% control directly, with a further 20% held through Plastipol. This company specialises in suspended and moving plastic storage systems, and has agents bearing its name at Fontenay-Tresigny, Seine-et-Marne, and Milan and Baden, Switzerland.

** The Swedish elastic bands and plastic ware concern GISLAVEDS KUPONGBANDSFABRIK A/B, Gislaved, has formed a Hamburg sales subsidiary named Gummifabriken Gislaved A/B Vertriebs GmbH (capital Dm 200,000 - manager Mr. Bo-Lennart Nilson of Gislaved).

PRINTING AND PUBLISHING

** SEPE - STE D'ETUDES & DE PUBLICATIONS ECONOMIQUES SA, Paris, an 83.65% subsidiary of the LIBRAIRIE HACHETTE SA group - directly and through FRANCE EDITIONS & PUBLICATIONS F.E.P. (see No 502) has signed an agreement with the DIAMOND PUBLISHING CO, Tokyo, under which the latter will publish a Japanese-language version of "Realités". This will have an initial print order of 10,000 copies, and will be the responsibility of Mr. Katoya.

Diamond (president Mr. Ishi Yama) publishes 9 magazines comprising seven monthlies: "Sales", "Executives", "Self-Manager", "Investment Life", "Manager Today"; "Mathematical Sciences" and "President" (the latter is a Japanese version of the American "Fortune", published by Time Inc, New York - see No 491) and two weeklies "Diamond" and "Diamond Reports". It is also one of the leading Japanese publishers of economic works, and its "Business Books" division (agreements with 65 foreign publishers) covers 40% of the national market.

** THE HAMLYN PUBLISHING GROUP LTD (a member of the I.P.C - INTERNATIONAL PUBLISHING CORP LTD, London group) has signed an agreement - through its subsidiary PAUL HAMLYN LTD - with the ARNOLDO MONDADORI EDITORE SpA (see No 532) under which the latter will have world publishing rights for a series of all-colour paperbacks. There will be 150 titles all told, and the first have already been launched on the British market. The books will be printed by Mondadori in its Verona works, and negotiations are taking place with a number of foreign groups, as it is intended to publish the books in some 16 languages.

In late 1968, I.P.C. grouped Butterworth & Co Ltd and Ginn Ltd (1968 sales totalling £4.5 million - 50% from exports) acquired in 1967, with the Hamlyn Publishing Group to form a "Book Publishing" division (1968 turnover of around £18 million). This is the leading publishing concern in Britain with 50 million books printed each year, in front of Collins and Oxford University Press. Headed by Messrs. P. Hamlyn, P. Jarvis, N. Fisher and E. Birk, the Hamlyn Publishing Group shares control with E.M.I. - Electric & Musical Industries Ltd control of the music publishers, Music For Pleasure Ltd.

** POLYTEL FILM NV, Amsterdam has formed a wholly-owned Hamburg subsidiary called POLYTEL INTERNATIONAL FILM- & FERNSEH GmbH (capital Dm200,000). The Amsterdam company is an indirect 80% interest of the Hamburg music publisher DEUTSCHE GRAMMOPHON GmbH (see No 531) - itself the joint subsidiary of SIEMENS AG, Berlin and Munich (see No 528) and PHILIP'S GLOEILAMPENFABRIEKEN NV, Eindhoven (see this issue) - as well as being a 20% affiliate of STUDIO HAMBURG ATELIERBETRIEBS GmbH (see No 377). The new company has as managers Messrs. Gyÿla Trebitsch (the founder's director) Teunis van de Haar and Eckard Haas. It will specialise in world marketing of TV films, as well as promoting national and international cinema films. To do this it will form foreign subsidiaries, acquire shareholdings and sign cooperation agreements.

The Dutch founder's partners already cooperate within the film production company Polyphon Fernseh GmbH, Hamburg (see No 337) controlled as follows: Deutsche Grammophon (50%); Studio Hamburg (40%) and Mr. Gyula Trebitsch (10%). The latter has a direct 20% stake in the previous company - he is also its manager - whose other shareholders include the advertising concern Norddeutsche Industrie Werbefernsehen GmbH, itself controlled and affiliated to Norddeutsche Rundfunk, Hamburg and Radio Bremen, Bremen.

RUBBER

** The Swiss group DATWYLER HOLDING AG, Altdorf, Uri (see No 387) has taken over the Dutch technical and pharmaceutical rubber goods concern RUBBER-FABRIEK HELVOET NV, Helvoetsluis, headed by Mr. Luitzen Dekker (see No 535).

The Dutch firm is a licensee of the Leverkusen BAYER group, for its "Vulkollan" products. It employs some 600 people, and has a sales subsidiary in Rotterdam named Verkoopmij Helvoet NV (formerly Nylon-Industrie "Helvoet"), and another recently formed one at Alken in Belgium.

SERVICES

** DUNED INDUSTRIA GmbH ZEITHILFEDIENST MIT INDUSTRIELLEN ARBEITS- & FUEHRUNGSKRAEFTEN (capital Dm 20,000) has just been formed in Düsseldorf with Herr Klaus Noppert as manager, as a temporary staff bureau (mainly for industry). Herr Noppert heads a number of such companies in the Netherlands: Duned Industrial Amsterdam NV, Amsterdam (formerly Duned Staal NV); Duned Industrial 'S-Gravenhage NV, The Hague, and Duned-Industria Rotterdam NV, Rotterdam. In Germany, Herr Noppert already manages the steel products trading concern Duned Stahlhandels GmbH, Bocholt, formed in 1966 with Dm 20,000 capital.

** The French consultancy firm CABINET D'ORMANE SA, Paris (legal, commercial, financial and fiscal matters) has formed a Milan subsidiary named ORGANIZZAZIONE INTERNAZIONALE D'ORMANE Srl (capital Lire 500,000), directed by Sig. J. Gonzva.

TEXTILES

** WISSELINK'S TEXTIELFABRIEKEN NV, Enschede (subsidiary of NV STOOMSPINN-ERIJ TWENTHE, Almelo), as planned when it took over the bed-linen division (see No 504) of KON VEENENDAALSCHE STOOMSPINNERIJ & WEVERIJ NV, Veenendaal, 95.8% subsidiary until then of the London group STAFLEX INTERNATIONAL LTD (see No 527), has now made over this business to a newly-formed Veenendaal company, NV VEENENDAAL-TWENTHE V. T. (authorised capital Fl 100,000 - 25% paid-up).

** The French CONSORTIUM GENERAL TEXTILE SA, Perenchies, Nord, is about to absorb ETS LORTHIOIS LEURENT & FILS SA, Halluin, Nord (see No 452), and STE DES ETS GRATRY SA, Lille, Nord (see No 521). The former, which is now affiliated to the Paris textile group Saint-Freres SA (40.5% - itself a 43% stake of the Ste Fonciere & Financiere Agache Willot SA - see No 515) will raise its capital to F 125.58 million as a result of acquiring fresh assets valued at F 91.7 million gross.

The Halluin company, which formerly represented the West German carpet concern Vorwerk & Co KG, Wuppertal-Bremen (see No 528), recently sold off its carpet interests to the Manufacture Francaise de Tapis & Couvertures SA, Paris (a 54% subsidiary of Saint-Freres - see No 451). For its part Ets Gratry is already linked with the Agache-Willot group through a financial, sales and technical agreement made in October 1968 (see No 485).

** Herr Günther Hasso Arendt, owner of the Berlin making-up concern HASSO-MODE VOM KURFUERSTENDAMM GUENTHER HASSO ARENDT KG (also at Kulmbach) is manager of the newly-formed HASSO DAMENBEKLEIDUNG GmbH, Vienna (capital Sch 100,000).

** The London textile company EVERWEAR CANDLEWICK LTD (see No 476), a member of the Manchester VANTONA LTD group, has backed - and taken a 50% stake - in the formation of a Dutch company to manufacture and trade in textile machinery and goods. Called EVERWEAR VANTONA NV, Veenendaal (capital Fl 500,000) this is under Mr Denis Wood, Maidenhead, Bucks, and Mr Moses J. Levy, Milan.

The formation of the new concern - in which the other shareholders with 25% each are Everwear Candlewick SA, St. Quentin, Aisne (subsidiary) and Dutch interests represented by Mr Jack C. Bottenheim - had been under consideration since 1967. In that year the 50/50 agreement linking the London company to the Dutch, Kon. Veenendaalsche Stoomspinnerij & Weverij NV, Veenendaal (see this issue) within Everwear Veenendaal was terminated.

** The Paris RHONE-POULENC SA group (see No 526) which has acquired from the investment company PRICEL SA (of the GILLET group - see No 533) its 25% stake in the Paris firm, LE VERRE TEXTILE SA (see No 520) has now a 50% interest in the latter. 45% is held directly, with 5% through its subsidiary the CIE INDUSTRIELLE DE TISSUS ARTIFICIELS & SYNTHETIQUES CTA SA, Paris (see No 529) and the remainder held by the CIE DE SAINT-GOBAIN SA (see No 532).

Rhone-Poulenc has also acquired a stake of around 10% in the Ste des Filatures de Laines Peignees de la Region de Fourmies (S.F.R.S.) SA, Paris, as the latter has raised its capital from F 9.78 million to F 10.87 million (see No 515). In the chemicals sector Rhone-Poulenc has made a substantial increase in its 40.8% shareholding in the Ste Chimique Organique & Biologique - A.E.C., Commentry, Allier (see No 525).

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TOURISM

** The GREYHOUND CORP of Chicago (see No 533), already established in the Netherlands with the Schoonhover subsidiary Vavo-Greyhound NV (see No 356) is negotiating links with the Amsterdam brewing group HEINEKEN'S BIERBROUWERIJ MIJ NV (see No 514), with a view to setting up a chain of hotels, restaurants and cafeterias, which will probably extend into other European countries.

Greyhound is a diversified concern, having a network of 600 such catering establishments in the U.S.A., operated by Greyhound Food Management Inc.

** WESTERN SALES LTD, Nassau, Bahamas (see No 405) has formed a Luxembourg subsidiary, CONTINENTAL MOTOR INNS (LUXEMBOURG) SA, which is to build and run a hotel complex at the Kirchberg Plateau in Luxembourg. Western Sales is affiliated to the American TRANSCONTINENTAL BUS SYSTEMS INC, and to the Luxembourg WESTSALES SA holding company. The new company has Lux F 1 million capital, and its first directors are MM. Guy Konsbruk, Neal W. Scheitel and Heinrich von Ferstel.

The two last-named are also co-managers of the Düsseldorf concern Continental Motor Inns - Deutschland GmbH, recently formed with Dm 560,000 capital, by the Nassau company (see No 535).

** The Munich hotel and restaurant group WIENERWALD GmbH (see No 493) has formed a company in Munich to run cafes and hotels: HOSPES GASTSTAETTEN GmbH (capital Dm 500,000), the first managers of which are Herren Rolf Schielein, Hans Wünneberg and Friedrich Lahn of Fensisberg, Switzerland, who owns and runs the group.

Last year, Wienerwald turned over Dm 279 million. Across the world it runs 372 hotels, restaurants and cafes, 257 of them in Germany, 13 in the United States and Austria (Gaststätten "Zum Wienerwald" Betriebs GmbH, Linz), and others in the Netherlands, Belgium, Italy, Switzerland and France, where it has just opened its first restaurant in Paris.

TRADE

** The Swiss company INTERFIRE AG, Zug (raw material deals and financing) has formed a 90% Dutch subsidiary trading in technical equipment. Called DENVER INTERNATIONAL NV, Eindhoven (capital Fl 50,000) this is run by the president's founder M. H. Hostettler and Mr H.G.A. ter Horst, who controls the remaining 10%.

** The West German multiple concern BREMA KOLONIALWARENVERKAUF AG, Bremen (capital Dm 44m - 44 retail outlets - turnover Dm 50m+) has been acquired by the trade union bank BfG - BANK FÜR GEMEINWIRTSCHAFT AG, Frankfurt (see No 534) through UNION TREUHAND GmbH, Frankfurt (see No 484). Until now this was owned by Herr Max Weidtmann, Hamburg, and its main subsidiary is Brema Bäckerei GmbH, Bremen.

** DOCKS DE FRANCE SA, Paris (supermarket operations - see No 505) an 11.8% affiliate of the CIE FINANCIERE DE SUEZ SA (see No 533) and controlled by the Toulouse family, has simplified its interests and thus strengthened the position of its 86.41% subsidiary, STE DES SUPERMARCHES DOC SA, Paris (see No 492). This has absorbed its wholly-owned subsidiary CIE SUPERDOC SA, Paris (see No 370) and as a result of acquiring fresh assets valued at F 45.1 million (gross) has raised its own capital to F 19.7 million.

TRADE

** The French investment company, the STE FINANCIERE CHIMICO SA, Paris (see No 535) controlled by the Roussel family and now a 43% affiliate of the West German chemicals and pharmaceuticals group FARBWERKE HOECHST AG, Frankfurt (see No 535) has acquired a 15% stake in the French subsidiary SUPERMARCHES MONTREAL SA, Suresnes, Seine (see No 468) - of the Canadian department store and supermarket group STEINBERG'S LTD, Montreal.

Financiere Chimico linked with the Canadian group in January 1968 - through Ste Holding Francaise Steinberg & Fils SA - within the yachting services concern Yotel SA, Suresnes (see No 468).

** The Brussels vending machine leasing and sales company DISTRIMAC SA has backed the formation of a similar Luxembourg concern called DISTRIMATIC Sarl (capital Lux F 100,000). The two managing partners are M. Jean Corbisier, Brussels and M. Baudoin Milis, Zaventem.

** The New York department store group J.C. PENNEY CO (see No 535) has made a takeover for the shares it needs to have outright control of its Brussels counterpart SARMA SA. The American group has had a majority stake since August 1969 (see No 525).

Sarma has just carried through a rationalisation of its internal organisation by absorbing three property affiliates based in Forest-Bruxelles: Ste Commerciale & Immobiliere-S.C.I. SA; SA Centrale Immobiliere Nationale - C.I.N. and Mutuelle Immobiliere & Commerciale - MICO SA (see No 511).

TRANSPORT

** Four European airlines, SABENA - SA BELGE D'EXPLOITATIONS DE LA NAVIGATION AERIENNE, Brussels (see No 248), ALITALIA SpA, Milan (see No 490), CIE NATIONALE AIR FRANCE SA, Paris (see No 518) and DEUTSCHE LUFTHANSA AG, Cologne (see No 529) have linked to set up joint servicing and maintenance facilities to handle their Boeing 747 jumbo jets when these come into service next year. Lufthansa will be responsible for the engines, Air France for the airframe, with Sabena and Alitalia working on specialised equipment.

** The Antwerp shipping agency BELGO-AMERICAN TRANSPORT CO - BELGIUM NV has formed a Düsseldorf subsidiary called BELGOMER SCHIFFAHRTS AGENTUR GmbH (capital Dm 20,000). The first managers are MM. Josef F. Weltken, Eddy Beatens and Lucien van Kruchten (the 60% owner of the founder).

** TRANSPORTES FRUTEROS DEL MEDITERRANEO-TRAFRUME SA, Valencia, has raised the capital of its Antwerp subsidiary BELGO-IBERIAN MARITIME NV (formed in 1966) from Bf 500,000 to Bf 10 million in order to back its expansion.

** HELIOS WELTBLUMENDIENST GmbH, Preetz, Holstein, which specialises in transporting flowers, has opened a Swiss branch named HELIOS BLUMENDIENST GmbH PREETZ, Lucerne. Helios has Dm 200,000 capital, and is managed by Herren Ernst Gerdes and Günter Procknow, with a 30% stake held by Ernst Gerdes Verlag, Preetz.

** INTERNATIONAL TRANSPORT AGENTUREN "NEDERLAND" NV (see No 475), member of the Amsterdam maritime holding company NED SCHEEPVAART UNIE NV (see No 534) through STOOMVAART MIJ "NEDERLAND" NV, Hilversum, has formed a subsidiary in Amsterdam for container leasing, named NV CONTAINER VERHUUR NEDERLAND (CONVEN), with Fl 200,000 authorised capital, 50% paid up, and directed by Mr Henry J.E. van der Ven.

** The German WILHELM HERMANNS GmbH, Porz (capital Dm 1.5m - owned by Herr Wilhelm Hermanns) which makes transport vehicles, intends to build a factory in Spain making bulk transportation, storage and handling equipment and materials. This will be run by its Spanish subsidiary, HERMANNS IBERICA SA, which is to carry out detailed surveys of neighbouring North African markets.

INDEX TO MAIN COMPANIES NAMED

Thyssen-Röhrenwerke	C
Toraude, Laboratoires	U
Tovarna Celulosa	U
Trafrume	a
Transcontinental Bus Systems	Y
Tube Investments	J
Twenthe	W
U.S. Plywood-Champion Papers	T
Ude's Eiskrem	R
Unilever	R
Union de Brasseries Parisienne	R
Union Financiere & Miniere	N
Union Treuhand	Y
l'Unite	P
Usines Chausson	K
Utrechtsche Ijserhandel	I
V.S.I. Corp	L
Valor	K
Van Hapert, Steenfabriek	C
Van Hattum & Blankevoort	D
Van de Wiele	J
Vantona	X
Veenendaalsche Stoomspinnerij	W
Veko	Q
Vernes & Cie	N
le Verre Textile	X
Videon	G
de Vijf Eiken	C
Vittel	B
de Volharding	C
Waalsteen Nijmegen	C
Warncke Eiskrem	R
Warnecke, F.	R
Weijers & Co	C
de Wendel	K
Westdeutsche Wohnhäuser	C
Western Sales	Y
Westorl	F
Wiederhold	D
Wienerwald	Y
Will, Wilhelm	T
Wisselink's Textielfabrieken	W
Zastava	C
Zindler, Lumoprint	T
Zink, John	L