

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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May 19 - May 25, 1969

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Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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COMMENT

Big Deal

Although no undue importance has been attached to them, three quite independent sources have this week made statements that seem to promise some positive action on the enlargement issue within a very few months. To all intents and purposes it seems as though some real hard bargaining is to be done over the common agricultural policy financing negotiations. It has for some time been in the wind that some "sop" might be offered to France in return for a more constructive attitude to the question of the candidature for Community membership of Britain, Denmark, Ireland and Norway, but now more definite evidence of this has come to light.

In the first place, in putting forward his twelve-point plan as candidate for the French presidency, M. Poher (see Community) stated: "Only a common European agricultural policy, backed by the opening up of the British market, and with an organisation taking in the developing countries can solve the problem of French surplus farm production, and provide an answer to the world food shortage problem."

Second, it was reported from Brussels last week that the Commission was currently engaged on the formulation of a package deal which would provide concessions for French farmers in return for the opening of negotiations for British entry. The details would be worked out after the French elections, and the aim would be to get negotiations under way in the autumn. Coupled with the deal would be provision at last for Commission autonomy in the farm finance sector, with its own budget for FEOGA derived from common external tariff revenue.

The third statement came from Commission President Jean Rey himself, addressing the Antwerp Chamber of Commerce and Industry on May 19. The Belgian daily "L'Echo de la Bourse" reported from that speech the following:

"We are this year to be presented with a golden opportunity to make progress. There is nothing for it but to re-negotiate the financing of the common agricultural policy, but there is no hope of these negotiations leading anywhere unless they conduce also to the enlargement of the Community."

Time and the creaking machinery of EEC negotiations will tell, but with such words as these in the mouths of certain of Europe's leading figures, it could well prove that after all the waiting Europe is at last on the verge of its "great leap forward".

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THE WEEK IN THE COMMUNITY

May 19 - May 25, 1969

INTEGRATION

Although the chances of Britain's eventual entry into the Common Market now look much more hopeful than they have done for a long time, there are still some doubts as to her exact intentions. Fresh surmise has arisen as to her aims and how far the Common Market as it stands at present fulfills her needs, even if it is enlarged to include the candidate countries. Suggestions have been made that a Community which might resemble a free trade area, rather than an economic unit as closely integrated as the present Six, might be a more suitable vehicle, even though it seems that greater European economic coordination and integration will in any case occur as a result of modern industrial developments. However this approach to the question of joining the Common Market tends to ignore the political nature of such a move, and a good many of the other problems which would arise in an attempt to create a free trade area as such.

If the Community is to be enlarged, then urgent action will be needed to tackle some of the problems it is now facing. For instance, the reform of the EEC's agricultural policy and structures, if undertaken in the light of British entry along with that of countries like Denmark and Ireland, is likely to reappear in a different guise. Then there is the question of the common commercial policy and trading agreements with non-member countries and the coordination of economic policies. A Community which included more members would obviously be unwieldy, and majority voting would be needed. Again, under the EEC rules, when the transitional period terminates at the end of 1969, customs revenue and farm levies are paid to the Community. This raises the problem of the Commission administering vast sums of money, paid out largely through the farm guidance and guarantee fund, FEOGA. To control this, further moves to strengthen the powers of the European Parliament over the Commission and the work of the Community may be expected. It is also possible that we may see the members of the European Parliament elected by direct universal suffrage, a move which would in itself strengthen and stress the character of the organisation.

M. Alain Poher, one of the two leading candidates for the French Presidency now that General de Gaulle has gone, suggested when President of the European Parliament that direct elections could give it more prestige as "elections ... by all the citizens of our countries would represent a powerful means of arousing public interest in the current problems of building Europe". Whether or not M. Poher will be elected on June 15th, is far from certain, although he seems likely to survive the first round on June 1. With his "European background" it is however already clear that France's partners in the Six and her allies in the West would welcome his election. Nevertheless doubts will exist as to whether he will be able to form a successful government, but even

M. Pompidou his rival were to win, there would still be the strong possibility of difficulties especially from the unions. M. Poher might turn out to be a strong defender of French interests, but there would be the feeling that basically he was in favour of increased European cooperation.

His views on Europe were summarised in the twelve-point guidelines which he issued on Tuesday May 28. In this he states that France needs Europe as much as Europe needs France and that Europe is the best guarantee of peace, social progress and independence. To enable Europe to make the fullest use of its resources it must unite, and this will result in a large market for goods, techniques and capital, which would be further helped by the creation of a common monetary unit. Europe should coordinate its scientific and nuclear research programme so as to limit wasteful and ruinous competition between neighbouring countries, and this would create scientific and technological Europe. M. Poher wants the economic union to be completed by a political union, but insists that Europe must be a democratic entity. He insists that it must be enlarged and "the strengthening of Europe requires the entry of new countries into the existing European organisations. Talks will be started with Britain and all countries ready to accept the rules established by the treaties". Joint European aid to the poorer countries would lead to a new relationship with the developing ones. Finally M. Poher states that if elected he is willing to call a conference of heads of states or governments which will deal with "new perspectives for a Europe of the people".

Although M. Pompidou started out the campaign by making encouraging sounds with regard to Europe - no doubt as a result of M. Giscard d'Estaing's support - the phrases he is now using are tending to echo those of General de Gaulle. Perhaps he intends to give a positive interpretation to these if elected, and is adopting this more traditional approach in order to keep those who voted for de Gaulle amongst his own voters. His problem in the fortnight up to June 15 will be to increase his share of the poll, as his position has been virtually static (between 43% and 41%) since the start of the campaign. If he is elected he should be able to rely on a majority in the National Assembly, but should he start to modify previous Gaullist policies, he may begin to lose some support.

Another fact which may have an influence on eventual policies is that a recent poll in France (between April 15 and May 15) shows that 75% of Frenchmen are in favour of France remaining within the Atlantic alliance. This is backed up by the fact that 60% believe that her own armed forces are insufficient for her defence. Two years ago just 50% wanted France to remain with the Atlantic alliance, and this change has been brought about by the appearance of the Soviet navy in the Mediterranean and the invasion of Czechoslovakia by the Warsaw Pact countries.

The need to pursue with greater vigour the integration and strengthening of European industry was raised by the vice-president of the Commission, M. Raymond Barre last Friday. He maintained that much time in Brussels had been spent on dealing with agriculture, in particular its social aspects. "In future everything should be done to

enable European industry to meet international competition. The successes which has been achieved in the industrial sector did not prevent increasing competition from countries like Japan and Britain, which was reshaping its industrial structures. If Britain was a member of the Community, this would be a further reason for taking into account its competitive capacity." M. Barre called for the definition of long-term objectives and the means to achieve them, and in his view there was a special need for such an approach in France which was only half-industrialised, and the country still had to face up to massive changes.

Although M. Barre envisages British membership of the EEC, M. Albert Coppe a member of the Commission considers that Britain might join by 1971. He put this view forward during a speech in London on May 22nd and added that a five-year transition period would probably be needed before Community policies could apply in their entirety. M. Coppe also stressed the need for supranational institutions if effective progress towards European integration was to be made. The growing conviction that enlargement of the Community to include the candidate countries is likely was supported by the Commission's President M. Jean Rey, who was speaking in Antwerp. He felt that if new countries were admitted to the Community it would help to overcome the unpleasantness which had existed between the member states during the past two years.

M. Rey did not consider that the transitional period of the Community - which is due to expire on December 31, 1969 - would need to be extended, since the EEC had already carried through its major objectives. He did not however think that monetary cooperation within the Common Market had made sufficient progress. Europe had had to face up to four major crises; the devaluation of the pound in November 1967; the Stockholm conference of May 1968 when Community solidarity was not all that it might have been, and the crisis of confidence in the French franc last November. The latest had been the rush on the West German mark. M. Rey, who attacked speculators, considered that a policy where the Six would help each other if faced with further monetary crises should be established at all costs, and he also believed they would now push ahead to try and implement the proposals contained in the Barre Plan.

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EURATOM

Enriched Uranium: Who Steps Down?

There is no disputing the fact that unless a major effort is launched immediately to provide Europe with an independent source of enriched reactor fuel, there will be a desperate shortage of supplies within ten years. The EEC Commission endorses this observation in its recent recommendations on Community objectives in this sphere, based on a report from its nuclear research consultative committee, and forwarded now to the Euratom Council for consideration. Moreover, it is plain that any such effort will have to base itself upon research and development work using pilot plants, and in fact plans for three such plants have now been devised: it is the implementation of these, and the political background to them that contains the dilemma of European nuclear fuel supply during the next decade.

As ever, in technological matters, it is the continuing division of Europe that poses the problem, for of the three pilot schemes on the drawing board two are sponsored by the European Community, the Commission in its recommendations having proposed a pilot "gas diffusion" installation in France, and an "ultra-centrifuge" trial plant in the Netherlands, and the other, scheduled to "go commercial" much sooner, is to be pursued as a three-nation venture (Germany, the Netherlands and Britain). We are now within an ace of witnessing some sort of confrontation of the two schemes, for with the Commission's proposals now published, and with a recent report from the Dutch government on the three-nation scheme now in our hands, we can see precisely where, and how expensively the two projects overlap.

As far as the EEC Commission is concerned, the chief objective at this time is to decide unequivocally which of the two procedures is the more economical, so that a medium-term decision can be made on industrial exploitation. What is hampering matters at the moment is sheer lack of data on which to base any such decision, either for reasons of military secrecy (the French produce enriched uranium for military applications at Pierrelatte, but the quantities are too small to make any assessment, and are richer than need be for civil applications), or because insufficient work has been done to collate the data required. This being so, the Commission proposes a four-phase working programme. In the first period, which would take us to the end of 1971, the relative characteristics and performances of the two systems of isotopic separation would be logged and compared, and pilot plant studies already under way in France and the Netherlands would be pursued under the auspices of the Community - gaseous diffusion in France, the ultra-centrifuge in the Netherlands. The Commission would provide half the working capital for these two pilot schemes, and to this end a further \$ 10 million would be added to the Euratom research budget. At the end of the period, project evaluation would decide whether or not to axe one of the processes, or to combine the two in some way or other, and hence what sort of Community plant to build, and where. This second phase, of evaluation and decision, would be complete by June 30, 1973. In the third phase, by August 31 of the same year, the Six would decide on the best site for the complex, and construction would be put out to tender.

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In the final phase, there would be the physical construction of the separation plant, which should be completed in 1978.

As far as the economics of the project are concerned, and indeed the gain to be made from it, the Commission estimates that any final plant should have a capacity of about 8 million kilo units of separation (see No 499, p. 9), meeting a demand of some 40,000 to 60,000 MWe installed nuclear generating capacity, anticipated for the end of the next decade in the Community. Not only will the project have the merit of ensuring nuclear fuel supplies at reasonable prices, argues the Commission: it will also provide an excellent stimulus to the nuclear construction industry in Community countries, and orders should rise as a result to around \$ 150 million a year for this sector. Also, these companies will derive a better all-round capability from the scheme, for they will have not only to be building reactors and gearing their business to the export market, but also to be developing the means to meet demand for fuel preparation plant in general.

All well and good - but this still leaves us with the scheme in which Britain is included, which equally takes account of Dutch development work to date, which offers Germany attractive engineering contract work, and which would probably provide economically priced fuel within three years. The Commission has not made it clear in its recommendations how it stands in relation to this plan. While the scheme remains in its development stages, the problem is not extreme, and those behind it feel that adequate reporting back to the Commission should suffice to keep the whole thing "legitimate" for the time being. However, the project is an expensive exercise, and one that must needs lead on to commercial exploitation, and this of course calls in question the whole matter of the technological community and Euratom policy.

To what extent could Britain be allowed to participate in such a venture without compromising or embarrassing the Community? If membership negotiations get under way, then this will probably be a sufficient commitment for all concerned, the scheme not being expected to come to completion for ten years, in the case of the Community. Again, if talks lead to a much closer community of technological interests, outside the Rome Treaty preserves, British participation in such a project could be an easy process. At the present stage in the game, however, it is hard to see how the two schemes will be reconciled, especially if, as seems possible, we reach the situation where the French system is found to be the least viable of the two, and the Dutch ultra-centrifuge method is recommended. In these conditions, according to the Commission, the Community would give the go-ahead for the latter system to be launched at industrial level in 1973. However, under the three-nation plan as it stands - and a further meeting is to be held in Bonn on June 9 to clarify and discuss further details - this is the date by which full-scale industrial separation would be getting under way in Britain. Clearly, if British membership is not firmly decided by then, all manner of objections are likely to be raised, especially by the French, who would be extremely loth to see their own system abandoned, and a consortium embracing extra-Community interests controlling supplies to the Community.

The point about the three-nation plan, it should be stressed, is that like the Community plan it embraces the principle that fissile materials should not be produced on German soil. Unlike the Community Plan, which would give the backing of the Six to industrial implementation of the ultra-centrifuge process on Dutch soil, however, this scheme envisages continuation of present research in the Netherlands, setting up of the pilot plant there also - at Almelo, but construction of the industrial plant in Britain. The pilot plant would cost about \$ 12 million, to be borne by the Dutch Government, Nederlandsche Staatsmijnen, Shell, Philips and Werkspoor. This would house several thousand of the ultra-centrifuge separators, needed to meet the scheduled output capacity for the pilot plant of 25 tons of enriched uranium per annum. When the scheme "goes commercial", a plant of 300 t.p.a. capability is planned for Britain. The basic cost of this could rise as high as nearly \$ 75 million, 49% being covered by the British Government, and the rest provided in equal shares by the three-nation holding company sponsoring the project. There might well be official quibbles at such expenditure in Britain, and these could be further aggravated by the fact that the German contribution to the venture will very largely take the form of contributory engineering contract work done on German soil.

It is fairly clear that neither project for an isotopic separator for enriched uranium fuel, as they stand at present, is likely to be completely satisfactory to all parties, and it is to be hoped that in the course of ministerial talks in the coming months a more rational solution may be found to this problem.

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Scientific & Technical Committee Backs Commission

The EEC Scientific and Technical Committee has just drafted an opinion on the Euratom pluriannual research and training programme, in which it very largely endorses the Commission's findings as to future activities in the Euratom community. This goes both for the breakdown of appropriations for the various types of reactor, for public intervention, and for the modifications that the Commission has made to the basic principles of the pluriannual programme to bring it up to date with conditions now obtaining in the Six's nuclear community, as regards research. Members of the Committee were especially glad to see that the Commission had stressed the need for maximal flexibility in the realisation of the pluriannual programme (see No 510, p. 7), and that for instance it had envisaged the joint research centre carrying out studies requested by industry on contractual terms. The Committee also expressed satisfaction with all that part of the programme covering industrial policy in the nuclear field, and was especially taken with the problems of securing enriched uranium supplies for the Community (see above), which topic will be taken further by a special meeting of top-level experts convened under this Committee.

Approval was also given for the construction at the joint research centre

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at Ispra in Italy of the SORA project, a prototype fast breeder reactor, a field in which Britain leads, but where the Community in fact has the edge on the United States and the Soviet Union.

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Community Experts Visit the United States...

Experts from the Community's nuclear industry, from the six governments and from Euratom visited the United States between 11-22 May for a thorough exchange of ideas. This visit took place under the Euratom/USA Cooperation Agreement concluded in 1958 covering mainly cooperation in the light water reactor field. During this period the two partners have each spent \$ 28 million on a joint research and development programme, under which three nuclear power plants have been built in the Community. These are at Garigliano, in Italy, Chooz, in the French Ardennes, and Gundrem Mingen, in West Germany (150, 266 and 237 MWE respectively).

During the talks particular attention was paid to improving the behaviour of nuclear fuels in light water reactors and the re-use of plutonium in thermal reactors. Visits were paid to the research installations and laboratories of leading American firms, including General Electric, Babcock and Wilcox, Westinghouse and Gulf General Atomic, so that the European representatives could study the latest developments in the United States. In turn they informed their American counterparts of the work being carried within the European Atomic Energy Community.

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...Where Britain Clinches Light Water Deal

A few days after the return of the European representatives, it was reported that the United Kingdom Atomic Energy Authority had made an agreement with Gulf General Atomic, a subsidiary of the Gulf Oil Corporation to collaborate in the manufacture and sale of fuel for light water nuclear reactors in the United States. Gulf General Atomic is to build further fuel manufacturing facilities at San Diego in California, and according to the company, will draw on the excellent development facilities and production know-how of the Atomic Energy Authority. Because of a bilateral agreement between the two countries, there is no possibility of the AEA making direct sales, but it has been suggested that eventually the AEA might become a shareholder in a jointly-owned firm based in the United States. Such a move which would be in line with developments in the nuclear field, where most countries prefer to establish joint operations rather than be

totally dependent on foreign firms and interests. The market for light water fuel in the United States is considerable, with a capacity of some 70,000 Mwe in operation or due to be built.

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Orgel Reactor Prototype

The EEC Commission has decided to award \$ 600,000 to the industrial nuclear design group comprising GAAA - Groupement Atomique Alsacienne Atlantique (FR) Interatom - Internationale Atomreaktorbau GmbH (which recently became a 60% stake of Siemens AG with 40% shared equally by Demag AG and Deutsche Babcock & Wilcox) and Montecatini-Edison for their design of a commercial prototype of the Orgel reactor (heavy-water-moderated organic cooled reactor). This design is based on work carried out on the Orgel project at the Euratom Ispra research centre in Italy, which has involved the expenditure of considerable sums of money for a small return. The project has however suffered because of clashes between the Six's different national attitudes to the role which Euratom should play.

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AGRICULTURE

Further Increase in Dairy Cow Numbers

The West European dairy industry is entering the new grazing season with a further small rise in the number of dairy cows. During the six winter months 1968/69 in the four EEC countries, for which recent figures are available, there has been an increase of 1.2 per cent, with the largest increase in the Netherlands, followed closely by Belgium, a small expansion in France and only a very slight one in West Germany. There are no census figures available for Italy but it appears that numbers have recovered after the decline in earlier years.

	Census date	1967/68	1968/69 (x)	percentage change 1967/68 to 1968/69
West Germany	December	5,866	5,878	+ 0.2
France	October	8,674	8,762	+ 1.0
Netherlands	March	1,835 est.	1,912 est.	+ 4.2
Belgium	December	1,040	1,074	+ 3.3
Four EEC countries		17,415	17,626	+ 1.2

EEC dairy cow numbers will probably exceed those in 1968 during the summer months too for the measures proposed by the Commission for restricting milk production have not yet proceeded beyond the discussion stage. Although there has been little alteration in the rate of growth of dairy herds, the upward trend in West European milk production should slow up appreciably in 1969. However unless drastic measures are taken soon to reduce production rise in dairy output should again accelerate from the end of this year.

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European Parliament Attacks Stringent Tobacco Proposals

The majority of the European Parliament's external relations committee have voted against the proposals for the tobacco common market organisation put forward by the EEC Commission. These proposals revolve around an intervention price system and complete production freedom. The members of the committee considered that because of the different character of the community tobacco market, with some two-thirds of requirements being covered by imports, there was no special requirement for a community market structure along the lines of those established for cereals, dairy products etc. The committee favoured a more flexible market structure broadly similar to that put forward by the rapporteur of the European Parliament's agricultural committee. It is felt that the Commission's proposals are too stringent and that if they are left unchanged might well affect tobacco imports from third countries. The external relations committee considered that there should be no limits on imports with the exception of the common external tariff duties.

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COMPETITION

Practice not Theory Counts

The Court of Justice of the Communities recently heard a case dealing with the question of an exclusive representation agreement. This involved Article 85 of the Rome Treaty, which qualifies as incompatible with the Common Market and prohibits "any agreement between enterprises, any decisions by associations of enterprises and any concerted practices which are likely to affect trade between the Member States and which have as their object or result the prevention, restriction or distortion of competition within the Common Market.

A West German washing manufacturer, Herr Franz Völk made a

contract with a Belgian firm, Ets J. Vervaecke giving the latter the exclusive sales rights for the German concern's products in Belgium and Luxembourg, although some 80 units a month had to be ordered. However the German firm came to the conclusion that its Belgian partner was not fulfilling its side of the agreement and took the case before a German court, whose decision was broadly favourable to Herr Volk. The Belgian concern then took the matter to the Munich Court of Appeal on the grounds that the clauses in question were null and void since they involved total territorial protection forbidden by the Treaty. The Court of Appeal faced with the problem, sent the matter to the Court of Justice for a ruling as to whether or not there was a violation of the Treaty.

Ets Vervaecke in the presentation of their case to the Community Court maintained that the clause because of its exclusive nature - which also prevented parallel imports - was incompatible with Article 85 and with regulations and the decision adopted by the Commission to enforce the said article. However the Commission's representative considered that neither its decisions nor those of the Court in the Grundig-Consten case lead to the conclusion that a contract with the characteristics of the one in question was prohibited by Article 85.

In the Commission's view contracts of this type are aimed at restricting or distorting competition. But according to past decisions by the Court of Justice and the principles it follows in deciding whether or not Article 85 applies, it is not sufficient for the agreement to have the intention or effect of restricting competition in theory. It must be "sufficiently detrimental" in practice and restrict competition "in an appreciable manner". But in this case, the product in question is almost unknown and has to compete with a wide range of similar products. In the Commission's opinion therefore it is unlikely that the clauses in question will be affected by Article 85 (para 1).

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E.C.S.C.

Readaptation Aids for France and Germany

The Commission recently decided to grant readaptation aids to workers in a German steel plant, a German coking concern and a French coal mine. The aid is granted under Article 56 of the Paris Treaty which provides for such assistance if fundamental changes in marketing conditions forces certain undertakings once and for all to cease, reduce or alter their activities. In some cases the granting of aid under the ECSC Treaty is dependent on the state concerned granting a similar sum.

1) A total of Dm 500,000 (\$ 125,000) for 609 workers affected by the closing of a hot rolling mill owned by Ohler Eisenwerk Theob. Pfeiffer Plettenberg-Ohle

in Westphalia, which made thin sheet by traditional methods. Despite rationalisation efforts and a concentration on the production of special steels, the mill has been unable to meet the new market conditions and production, which fell from 112,166 tons in 1964 to 77,259 tons in 1967, has now had to cease.

2) It has been decided to raise by Dm 30,000 from Dm 410,000 to Dm 440,000 the readaptation aid granted during 1967 to the workers at the Norstern coking plant, since the closure of this plant has resulted in a fall of the output of the Norstern power station.

3) Because of changes in the regional energy market, the small French mine at Ahun-Nord in the Creuse, which had remained unnationalised, has had to close. The mine produced some 8,000 tons of soft coal annually, and the 40 miners have been granted F 39,000 (\$ 7,889) by the EEC.

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TRANSPORT

Commission Warns Bonn

The West German Government (on January 16, 1969), acting in accordance with Article 93 (3) of the EEC Treaty, informed the Commission of a draft set of directives on Federal aid for the development of feeder lines and combined transport; Dm 250 million would be made available for this purpose each year from 1969 to 1972.

Independently of the procedure for the examination of State aids laid down in Article 93 of the EEC Treaty, the Commission has thought it expedient to examine the draft in the light of the Council decision of 21 March 1962. The draft was discussed with the Six in Brussels on 12 February. The Commission has now decided its attitude to the draft and has informed the German Government and the Governments of the other member states accordingly.

The Commission's view is that the draft directives do not run counter to the general concept of common transport policy as it derives from the guidelines laid down by the institutions of the Community. Co-ordination measures in the shape of State aid which would promote mutual assistance by the various forms of transport and modernisation of the existing transport system, are not automatically incompatible with the aims of the common transport policy. However the Commission draws the German Government's attention to the need to grant the aid with due regard for the profitability of the proposed investment projects. This approach is necessary if the form of transport most suitable for a specific purpose is to be promoted and there are to be neither distortions of competition incompatible with the optimum allocation of transport among the

forms of transport and transport firms nor restraints of intra-Community trade on a scale incompatible with the common interest.

Furthermore, the Commission points out to the German Government that the level of aid which can be granted in an individual case - it may reach 75% or even 100% of the investment costs - appears to be excessive and probably goes beyond what is needed to ensure the adequate development of feeder lines and combined transport. The Commission therefore takes the view that before implementing the proposed measures the German Government should carefully examine their possible effects on the conditions of competition, particularly where aid accounts for a high proportion of total investment costs.

The Commission's attitude, shortly to be published in the Journal Officiel, will have to be reviewed if and when, on the basis of the Council decision of 13 May 1965, provisions are adopted covering the whole complex of State intervention in the transport field, or regulations are brought into force covering the co-ordination of investment or the rate system for use of the transport infrastructure.

The Commission has at the same time informed the German Government of the result of the examination which it has made in accordance with the procedure of Article 93 (3) of the EEC Treaty and on the basis of the provisions laid down in Articles 92 and 77.

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ENERGY

Dirigiste or Liberal Policy?

The basic guidelines to be adopted for the EEC's common energy policy have yet to be resolved, as there is a conflict between those who favour a dirigiste approach and those who would back a liberal attitude to the problem. Strong supporters of the latter point of view include amongst their ranks, UNICE - Union des Industries de la Communauté Européenne, the representative of EEC industry. Unice criticises the Commission for apparently ignoring the problem created by the need to limit and reduce the powers of the state monopolies in this sector, especially those in France and Italy - although this is mentioned in the Rome Treaty - and it also stresses the importance of fiscal harmonisation in this context.

Unice rejects any attempt to introduce dirigiste planning to this sector, and would oppose the participation of the Commission in a Community oil prospecting concern. It would adopt a similar approach towards a Nuclear Fuel Supply Agency, whose work should be limited to coordinating national policies. Furthermore Unice considers

that if the common energy policy had to depart from the principles it considers fundamental on the grounds of social or regional needs, any additional costs arising out of such modifications should be borne by all, and not by the consumer alone.

This liberal approach is in complete conflict with French practice, especially that of the French state sector. France is unwilling to relinquish her state monopoly over oil imports, but would like to see Community countries - and other European states - draw their supplies from a wider range of countries. The April newsletter of the French state group ELF-ERAP calls for a closer coordination between producer and consumer countries and in particular between Europe - which imports 96% of its needs - and the Arab world. The article considers that the problem of oil supplies is probably more a political question than an economic one. It suggests that oil agreements should be arrived at on the basis of a country's long-term overall interests, rather than on purely commercial grounds, thus falling within the category of economic, cultural and scientific agreements where there is the opportunity for long-term cooperation on a reasonable basis by both sides.

"Slowly Europe is beginning to understand the limits imposed by its lack of cheap energy and the advantage it has in its immense purchasing power ... provided it is able to command a sufficient know-how. The common energy policy which is starting to evolve in Brussels is a sign of this awakening".

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Natural Gas

During the last meeting of the Energy, Research and Nuclear Questions Committee of the European Parliament a discussion was held which dealt with the cost and supply of Dutch natural gas. For the first time since the EEC was established a Community energy supply has come on to the market, and the question arose whether the larger Dutch natural gas deposits are being used in the interest of the Community as a whole. It was suggested that as matters stand at present, their exploitation might infringe Article 86 (competition) or even Article 37 (elimination of quantitative restrictions between member states). One of the most interesting facts to come to light was that the delivery price for Dutch natural gas in West Germany was 50% above the delivery price in the Netherlands.

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COMMERCIAL POLICY

France Signs Soviet Pact

The establishment of an EEC common commercial policy by its members is one of the more thorny problems they are faced with during the coming months. Under existing Community procedure, as well as under Article 113 of the Rome Treaty, the common commercial policy is due to be based on uniform principles. There is also supposed to be discussion of member countries proposals for bilateral trade agreements extending beyond the end of 1969, when the transitional period of the Common Market is due to terminate. These measures are aimed at trying to maintain some form of status quo in order to avoid complicating negotiations over the CCP. Since however there are some hundred bilateral trade pacts it is virtually impossible to harmonise them all by the end of the year, so that the Commission has come up with a compromise suggestion, whereby bilateral agreements due for renewal should be submitted to a Committee established under Article 113 to assist the Commission, which would decide whether or not the agreement in question would prejudice the CCP. If it was found to clash with the CCP, then the Committee would have to decide whether to replace the agreement by a Community pact or by bilateral renewal for one year. A recent example of the latter was the decision by the Council of Ministers on May 12 to allow the tacit renewal until 30 June 1970 of the trade agreement between the Benelux countries and Yugoslavia as from July 1, 1969.

More serious problems are likely to arise however as a result of the signature of a five-year trade agreement between France and the Soviet Union in Moscow on May 26. Covering the period 1970-74 this is aimed at doubling Franco-Soviet trade to around some F 7,000 million. According to figures recently released France was the leading Western exporter to the Soviet Union during 1968 just ahead of Britain which was followed by Italy and West Germany. Under the agreement the Soviet Union will increase its exports to France of oil and oil products, of timber, machinery and equipment, whilst France expects to sell a lorry plant and paper-making machinery, agricultural machinery, food production units and consumer goods as well as non-ferrous metal plants.

The clauses governing the operation of the new pact are the same as those in the previous agreement, according to French sources. This means that there is a revision clause, which in the French view amounts to an annual renewal clause and as such is used to counter attacks on the agreement. Nevertheless the fact that it has been signed will complicate efforts to establish the CCP, although it is possible that France and her partners may reach some compromise as to future policy before the end of the year when the pact comes into force.

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PATENTS

Seventeen-Nation Negotiations in January

With some pomp and circumstance (ambassadorial blessings etc) - not out of place, for this was the first occasion for some years that so many European nations had gathered around one conference table with a specific form of integration as their objective - the two-day "Euro-Patent" conference completed its proceedings last week (see No 513, p. 18). It now looks as though, provided with a basic administrative and procedural structure, and its relationship to other important common organisations in Western Europe now made clearer, the European patent conference will be able to get down to work in earnest on drafting a convention next January, when it agreed to re-convene. In the meantime, it has elected a six-nation working group to study in depth and prepare for plenary discussion next year all the problems posed by the legal context into which the future convention will have to be fitted.

In the end, it was seventeen nations that attended last week's conference: the Six of the EEC, the seven members of EFTA, plus Ireland, Greece, Turkey and Spain. Iceland and Cyprus declined the invitation to attend, and Monaco is "waiting to see". This first session was chaired by M. Albert Borschette, chairman of the permanent representatives' committee of the Six, who in this capacity welcomed all delegates from non-member states to Brussels, and gave a brief background to the events that had led up to the Community's suggestion of this conference in March.

The main purpose of the gathering, other than to launch the conference in style, was to elect its executive. Herr Kurt Haertel, director of the German Patent Office was, as expected, placed in the chair, and he has the support of three vice-presidents: MM. Francois Savignon of France, Antonion Mazarambroz of Spain and M.G. Grant of Britain. Once these leaders had been appointed, the six-nation working group was created, comprising members from Britain, France, Germany, the Netherlands, Sweden and Switzerland. For the next six months or so this group will be looking into the juridical implications (likely to be extremely complex, with seventeen national legal codes to contend with), and drawing up some sort of working programme for the conference on the basis of this study. When the full-scale negotiations get under way next year, at least twelve months are expected to elapse before any conclusive scheme for a convention is drafted.

Also decided at last week's meeting was an outline modus operandi for the six-nation group, and the question of the official languages of the conference, which are to be French, German and English. As far as voting is concerned, it was decided that for the general assembly a two-thirds majority would be required, while in the various working groups a simple majority will be accepted, it being understood that abstentions will not count, and that votes may not be placed by proxy.

As far as the place of the convention in the general pattern of international organisations is concerned, it was agreed that observers will sit in on it not only on the part of the EEC Commission, but also for the various West European patents offices and institutions, copyright offices etc, and of course for the Council of Europe secretariat, which is very much concerned with this sort of project, its own recommendations on certain forms of harmonisation of patent law, made in 1963, having been adopted in the basic scheme for the convention now put forward by the Six (as yet not contested in any way by the other participants in the conference). All these observers will be entitled to have their say at meetings, and to listen in to any proceedings of interest to them.

All the conference meetings, from next January on are to be held in Luxembourg, and we should recall that, apart from having to reconcile all the divergencies between national legislations on patents, when it comes to the issuing procedure, the objective will be also to set up a European patents court, to arbitrate on Euro-patent disputes, when they arise, and to decide on the actual site of the European patent office, although in all likelihood this will be adjacent to Herr Haertel's "Patent Amt" in Munich, which is well equipped to cope with the task.

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TECHNOLOGY

French Aerospace: Empire-Building Begins

At the beginning of this year, general ideas of hiving off the various leading companies in the French aerospace sector into specialisations of one sort or another were for the most part dropped, and the authorities began thinking in earnest about major integration as the more propitious policy to follow for this industry. The key move in this operation it is thought will eventually be the concentration, perhaps even the complete merger into a group on a scale compatible with B.A.C. of Sud-Aviation, Nord-Aviation and S.E.R.E.B. - Ste d'Etude & de Realisation des Engins Balistiques SA. In the meantime, however, it was last week announced that the "Engines & Space" divisions of Sud-Aviation (see Euroflash, 509) and S.N.E.C.M.A. - Ste Nationale d'Etude & de Construction de Moteurs d'Aviation (see No 505) were to be merged, together with S.E.P.R. - Ste d'Etudes de la Propulsion par Reaction (see No 456) within a new concern to be named S.E.P. - Societe Europeenne de Propulsion. This will have F 47 million capital, with stakes of 15% and 33.94% respectively held by the two state companies.

This new concern will have some 1,800 technicians at its command, and will commence activities with development work on all types of rocket systems. S.E.P. in fact represents a wide cross-section of French industry, in that, through

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S.E.P.R. it has as shareholders: Ugine Kuhlmann, l'Air Liquide, Cie du Nord (of the Rothschild group), Nobel-Bozel, Ste Commentryenne des Aciers Fins Vanadium (of the Forges de Chatillon-Commentry & Neuves-Maisons group) and indeed Snecma and Sud again, the former having had a stake in S.E.P.R., part of which it has made over to Sud.

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TRADE

The Venomous ASP

Back-peddling in U.S. - E.E.C. trade relations continues to be as much of a bane as ever. Only last week, Mr. John Menske, chairman of the trade commission of SOCOMA, the American Synthetic & Organic Chemicals Manufacturers' Association, addressing a meeting of chemical producers, held forth against the Kennedy Round agreement to abandon the American Selling Price system for benzoid chemicals, conceded by the United States in return for reciprocal benefits from her trading partners. Mr. Menske maintained that ASP abolition would be altogether too generous a move, in view of the fact that the EEC's tariff system was already costing the U.S.A. something like \$ 650 million a year. It was suggested that the trading pattern has changed since the Kennedy Round ceased, and that if Congress were to vote ASP abolition now it would leave the United States chemicals sector far too exposed.

This was only one protest about the situation, however, at a time when complaints are pouring in from every quarter about trading conditions across the Atlantic. Every bit as irritated as the American chemical companies are the Italian steel and textiles producers, for instance, the former about countervailing duties imposed by Washington at the start of this month on their exports of steel to the U.S.A., and the latter about Mr. Stans' threat of import restrictions on textiles, expressed openly during his visit to Milan a month ago. This threat has now been countered by equally strong words "defending the right" from Italian Foreign Trade Minister Sig Vittorino Colombo.

In this context of rising tempers, the EEC Commission's vice-president M. Jean-Francois Deniau paid a visit to Washington last week, calling upon various ministers (Clifford Hardin - agriculture; Maurice Stans - trade; Elliot Richardson - interim Foreign Affairs Minister, and Mr. Carl Gilbert, the President's special representative for trade negotiations). Even while he was in Washington, however, Mr. Stans himself was again complaining of EEC trade policies: the CAP and its exorbitant surpluses, conducing to market distortion; the tax on fats to stimulate butter consumption, that could undermine US soya exports; the plan to stimulate Community tobacco production, which would again detract from US exports, and in general all the non-tariff barriers to trade that still subsist in the Community, to the detriment of third countries' trading interests there. In

reply, M. Deniau cited the abundance of non-tariff restrictions that operate similarly in the United States; of course, the ASP, still not abandoned, despite the Kennedy Round agreement; import quotas on dairy products, especially cheese, and the "unwarranted" efforts by the USA to limit imports of textiles.

All is not well, with two such important trading partners at loggerheads in this fashion, and it is to be hoped that some solution may be found at least to the ASP abolition question, as this seems to symbolise the untoward and embittered state of trading relations between the Community and America. Whether the climate will improve with Mr. Hardin's visit to Brussels next month, or with M. Rey's proposed visit to President Nixon in Washington on June 10 or 12, we can only wait and see.

STUDIES AND TRENDS

Some Aspects of Co-Determination in West Germany

Co-determination - the participation of labour in the running of industry - is bound to be one of the major electoral themes in Germany this Autumn, and the various schemes to be put forward to the electorate are in some cases already quite fully elaborated. We can single out six main projects: those of the D.G.B. - Trades Union Confederation; the D.A.G. - White collar worker's association; the Social Democratic Party; the social affairs committee of the Christian Democrats (C.D.U.); the Evangelical Church, and the industrial associations. The first five of these are fundamental supporters of worker's participation in the management of companies, while not surprisingly the last is formally opposed.

However, when we come to compare the five plans supporting co-determination, we soon unearth major divergencies in at least two of their most vital recommendations.

1) As regards the size of companies that would allow of this form of administration, the Unions feel that the system should be extended to every company meeting at least two of the following conditions: a) A minimum payroll of 2,000; b) a minimum balance sheet of Dm 75 million, and c) a minimum turnover of Dm 150 million. When it comes to the political parties, however, what we have recommended is a two-fold system of co-determination, according to whether the company in question is "large" or "very large", as defined in the following schemes:

	<u>Large Companies</u>		<u>Very Large Companies</u>	
	S.P.D.	C.D.U.	S.P.D.	C.D.U.
Minimum payroll	2,000	4,000	20,000	20,000
Annual balance (Dm million)	75	100	750	500
Minimum turnover (Dm million)	150	200	1,500	1,000

The political parties hope, by having these quantitative limits quite clear from the outset, to avoid certain of the obstacles preventing the realisation of co-determination, in that they are starting out with a crisply-defined field of application... though they would in fact be the last to deny the arbitrary nature of the figures upon which their schemes are pinned.

Moreover, the parties are of course very much motivated by the need for their schemes to find favour with the electorate, and this consideration makes the presence of institutionalised administrative structures in companies where co-determination is introduced an almost certain requirement in their schemes. Thus where the capital backing comes from the director himself, co-determination can in practice be effected by the simple device of confidential liaison between the head of the company and his key personnel. Reference to this criterion furnishes the added advantage of relieving medium-scale companies of all pretext for getting involved in discussions that, by definition, do not concern them.

2) Company statutes: The unions have no ideas of securing co-determination for anything other than capital associations, whereas both parties are opposed to the idea of making the existence of legal statutes a pre-requisite of any company's liability to co-determination.

On the other hand, the unions and parties are 100% in agreement in the matter of the board of directors (the Aufsichtsrat), which under German Law is conceived as a means of controlling management: when Co-determination comes in, this is bound to suffer major modifications, if not in respect of the powers it wields, at least when it comes to its composition. At present, except in companies employing over 500 wage-earners, where it is already legally binding for one-third of the advisory council seats to go to workers, it is entirely up to shareholders to decide on the composition of this board. In future, the idea is that the system should reflect the fact that, as the shareholders invest their capital in the company, so do the workers invest themselves in the production process. In other words, the board should in future be divided equally in membership between capital and labour, as is already the case in coal and steel undertakings.

This matter, of 50-50 division of the board, is in fact common to all the co-determination schemes, and is one of the most vital features of them to all who cherish the principle, the essence of which is that it ensures that either side will always be compelled to "play it straight", and to take full account of the interests of the other. Furthermore, with the 50-50 division of the board, we will be certain that the hands holding the reins fairly represent either side of industry, and that their respective interests will be fairly observed.

What again holds true for all the schemes is that they are concerned with participation in the control of the company, and their authors are careful to draw a clear distinction between participation in control, and participation in the internal life of the company. This other side to participation, no doubt the more important to workers in fact, is of course already "buttoned up" - covered by the law of company statute, and as such is unassailable. Co-determination therefore relates exclusively to the day-to-day administration and running of the company - management pure and simple - and in no way detracts from the directoral function when it comes to its powers of decision over company policy in the wider sense.

As both the unions and the political parties interpret co-determination in

this way, it is hard to see the reasoning behind much of the objection coming from the employer's quarter. The former feel that the industrialists' argument that they do not want to "have their style cramped" when it comes to making the major decisions on the European Company in the context of the EEC is simply a red herring. Again, they quarrel with industry's contention that foreign investment in Germany would slacken, as this presupposes that co-determination spells lower capital returns. Lastly, they can find no validity in the argument that German firms would lose their international competitive standing, simply because their main rival companies abroad were not "victims" of co-determination.

By way of clinching their case, the unions and political parties point out that the immediate aim of German economic policy, because of the vast balance of payments surplus, is to increase exports of capital, and this they claim means that the country has reached just the right juncture to give co-determination a try with the lowest possible element of risk. Indeed, they believe that the decision-making scope of company administrators will even be enhanced after co-determination comes in, for the responsibility for decisions taken will then devolve as much upon the purveyors of capital as upon the workers. This situation may of course give rise to additional problems, when it comes to reconciling the interests of both sides, but in the event it will reduce the administrators' answerability to shareholders, Germans as much as foreigners.

Variations appear between the various co-determination schemes when it comes to the process whereby workers representatives will be elected. The D.G.B.'s idea is that the unions should be allowed to propose more than half the delegates (4 out of 7); the S.P.D. recommends just half, and the C.D.U. makes no claim at all in this direction.

What one must realise is that the unions would be certain to choose qualified, competent representatives, and that by giving them this right of proposal, we would be opening a door to them to gain effective control of the board. This would therefore give them another mission: to provide trained administrators. In turn, there would arise the ethical question: if by placing their spokesmen in effective positions, the unions take an active part in the co-determination of a company, would this be compatible with their role as mediators in wage negotiations? The wage negotiating function and right of co-determination must surely be mutually exclusive, and indeed the D.G.B. owns this, pointing out what contention would be likely to arise every time there was a clash between the interests of the workers at large and those of a given company.

Assume for one moment that a D.G.B. leader becomes a member of the Volkswagen board of management. As such, he would be obliged to represent the interests of the company, which in turn would for instance mean his opposing Dm revaluation, which he would, even objectively, be able to see as a harmful influence on Volkswagen exports. He might even go further than that, and endorse a directoral policy of pursuing state aid, in some form or other, to boost export industries. However, as a member of the D.G.B., he would be duty bound to pursue the interests of all German wage-earners, and if he were to adhere to only the most time-honoured trade union principles then it would incumb upon him

to take the opposite line, and seek the stifling of exports so as to swell the volume of production available for home consumption .

What in fact has happened is that the unions have "gone neutral" in the latest monetary discussions: they are still much concerned about the rise in unemployment that occurred in 1966-7, and so have tacitly tended to endorse the employers' case, i.e. that Dm revaluation would pose a serious threat to an economy that has only just come out of the wood . Also, well aware that public opinion in Germany is generally opposed to any state subsidies designed to engender payments deficiencies, or at least a narrowing trend in the "gap", they have even shrunk from recommending a consistant replacement programme, the aim of which would of course be to offset, by stimulating internal demand accordingly, the losses sustained on exports by virtue of revaluation . Thus, paradoxically enough, they are in fact fighting shy of any struggle against production structures too much geared to external markets .

What this means is that for the most part, and indeed under company statutes as they apply at present, the German unions are tending to give priority consideration to company administration problems, over and above general questions of economic policy . It all boils down to one issue, really: either the unions renege their original function, which was to defend the general interests of the workers, and devote themselves instead to the cause of "their" company; or they relinquish all claim to worker participation in company administration, so as to be completely free to pursue their wage negotiation function .

Once this basic option has been taken, then there is no reason to suppose that co-determination will be anything other than a very positive force in the maintenance of social peace, and we are not without instances in Europe to demonstrate this fact .

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ADVERTISING

** The Brussels firm ETS. PERFECTA -GRAPHIC-INTERNATIONAL SA, having bought up the stake held by its London partner ABBEY GOODMAN DISPLAY LTD (formerly Leon Goodman Displays Ltd - see No 442) in their joint point-of-sale advertising subsidiary in Brussels LEON GOODMAN DISPLAYS OF BENELUX - "GOODMAN-BENELUX" SA (formerly Goodman-Perfecta), has now wound this up. The British firm is a subsidiary of ILFORD LTD, Ilford, Essex (see No 513), which itself is a member of the London group I.C.I. - IMPERIAL CHEMICAL INDUSTRIES LTD.

** The New York agency DOYLE DANE BERNBACH INC (see No 456) is considering the formation of a French subsidiary before the end of 1969. For the past year it has been linked with AGENCE HAVAS SA, Paris which has managed its accounts in Europe and to which it has made available its experience in television commercials.

AEROSPACE

** The Dutch NV LICHTWERK, Hoogeveen (see No 401), which with a payroll of 180 specialised in the assembly of modules and equipment for the aerospace industry, has now been taken over by the Amsterdam aeronautics group KON. NED. VLIEGTUIGENFABRIEK FOKKER NV.

The latter is itself at the present time (see Community, 513) merging with the German aircraft concern VFW - VEREINIGTE FLUGTECHNISCHE WERKE GmbH, Bremen.

** The New York concern ALLIED AERO INDUSTRIES INC (see No 487) has decided to close its Milan affiliate ALLIED AERO INDUSTRIES (ITALIA) SpA (see No 490) and Signor Mario Bruno will be in charge of this move.

With M. Alexander Berger as president this was formed during 1968 on a 50-50 basis with the Italian aircraft manufacturer, Procaer-Progetti Costruzioni Aeronautique SpA to design and develop aircraft, which might also be built in the United States.

BUILDING AND CIVIL ENGINEERING

** FRIESCH-GRONINGSCHHE HYPOTHEEKBANK NV, Groningen (see No 500) has formed four new property subsidiaries, in addition to its subsidiary "E.F.G. 1" (EXPLOITATIEMIJ. FRIESCH-GRONINGSCHHE) NV, Amsterdam. These are all based in Amsterdam, all have Fl 500,000 capital (20% paid up) and are called "E.F.G. 2", "E.F.G.3", "E.F.G. 4", and "E.F.G. 5".

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** The Paris prefabs concern RAYMOND CAMUS & CIE, INGENIEURS-CONSTRUCTEURS SA (see No 422) has taken 2% in the formation of the Japanese JAPAN CAMUS CONSTRUCTION CO (capital Yen 250m) to exploit its licences in Japan, where a plant, scheduled to come on stream early next year, will produce 10,000 houses a year. Camus is linked in the venture with MARUBENI-IIDA CO LTD, Osaka (see No 325) - 40%; NISHIMATSU CONSTRUCTION CO - 20%; KOYO CONSTRUCTION CO - 20%; SOBU URBAN AREA DEVELOPMENT CO - 10%, and SHIN-NIPPON CONSTRUCTION CO - 8%.

** The Rotterdam concern HOLLAND BICOS NV, which does contract work in sand-blast "facelifting" of buildings, has sponsored the formation in Hambourg of BICOS FASSADENREINIGUNG GmbH (capital Dm 20,000), with Herren Hugo Zeisse and Jürgen Benecke as managers.

** The British civil engineering and property development group RICHARD COSTAIN (HOLDINGS) LTD, London (see No 329) has strengthened its stake in the Benelux countries with the formation in Brussels of a subsidiary called STRESS BLOCK INTERNATIONAL SA (Bf 260,000). This specialises in pre-stressed systems, reinforced concrete and building materials and its minority shareholders are two other subsidiaries of the founder, DOLPHIN DEVELOPMENT CO (OVERSEAS) LTD and STRESSED CONCRETE DESIGN LTD, both based in London.

The London group already has a Brussels subsidiary, Costain SA, Brussels and an affiliate, Britannia House Property SA (see No 245) in association with the Blaton group (see No 511) and in the Netherlands, Jackblock International NV, The Hague (see No 311) a joint subsidiary with Hollandsche Beton Groep NV, Rijswijk.

** The Paris group, CIMENTS LAFARGE SA intends to strengthen its stake in the cement industry in southern France (it is now merging with Ciments de Marseille & d'Outre-Mer SA - see No 408) by gaining control of CIMENTS DU SUD-OUEST (formerly CHAUX & CIMENTS DU LANGUEDOC SA - see No 461) in which it is already a minority shareholder.

Ciments du Sud-Ouest (capital F 31.5m and end 1968 net assets of F 50.7m) acquired Ste des Chaux & Ciments de Lavalier & Lexos SA (a former Lafarge subsidiary) in 1967, and in 1968 it produced some 830,000 tons in plants at Albi-Ranteuil, Tarn, Allas, Dordogne and Lexos, Tarn-&-Garonne for a turnover of F 62.5 million. The group has minority interests in Cie Generale du Beton SA, Puteaux, Hauts-de-Seine and Ciments de l'Adour SA, Paris and Le Boucau, Basses-Pyrenees.

** The Paris property investment company C.O.F.I.M.E.G. - CIE FRANCAISE D'INVESTISSEMENTS IMMOBILIERS & DE GESTION SA, Paris (see No 502), a member of the group L'IMMOBILIERE - CONSTRUCTIONS DE PARIS (see No 513) has negotiated the absorption of STE MARSEILLAISE DE CONTROLE TECHNIQUE - S.M.C.T. SA, Marseilles (see No 505). This has F 2,013,000 capital, and itself recently absorbed the Panamanian concerns Arenales SA and Ayacucho SA, such that its gross asset contribution to Cofimeg is now estimated at F 15.71 million, inclusive of a development at Salon-de-Provence, Bouches-de-Rhone, and a controlling interest in Ste Civile d'Investissements Fonciers, Neuilly, Hauts-de-Seine.

** The Dutch FERNHOUT NV, Zwolle (see No 485) and VAN DER KAMP NV, Zwolle, have joined as the main founders of the building materials manufacturing and trading concern IJSSELMEER-BETON NV, Noordoostpolder (mainly concrete - capital Fl 751,000, 20% paid up). The first named already holds shares in Betonmortelcentrale Groot Groningen NV, Groningen, while the second has as its sister company Van Der Kamp-Beton NV, Zwolle (see No 281).

** ANDRE MATILE & CIE, Chavanne-de-Bogis, Vaud, which was formed recently in Switzerland to exploit production processes for prefabricated houses, has formed a subsidiary in Paris named MATILE FRANCE Sarl (capital F 20,000), in 20% association with M. Jean-Claud Kilchsperger, its manager.

** The Dutch building sand and gravel concern HENRI WILLEM PAES NV; Berg-en-Dal, has lowered the capital of its Belgian subsidiary PAZOGRI Sprl, Kessenich, formed in June 1961 from Bf 10 million to 1 million.

** A link-up in the soil consolidation sector under the "SOLETON" name has been signed between the Paris civil engineering and soil consolidation group SOLETANCHE SA (an affiliate of the Zurich, HOLDING RODIO AG, itself affiliated to the Milan group ING. GIOVANNI RODIO & CO - see No 510) and the Dutch civil engineering group HOLLANDSCHE BETON GROEP NV, Rijswijk (see No 476).

The latter (formerly Hollandsche Beton Mij NV - see No 478) took its present name following the acquisition of a 92% controlling stake in the Leyden holding concern Hollandsche Constructie Groep NV. Together they have a turnover around Fl 410 million (property construction 27%; civil engineering 29%; hydraulic works and soil consolidation 24%; general engineering 20%) and employ some 8,000 persons. The main subsidiaries are H.B.M. Nederland NV, The Hague, recently renamed Hollandsche Beton Mij NV, Rijswijk (second company to have this name); Mavob-Mij. Voorbereiding Bouwprojecten NV (formerly Iboco-Internationale Bouwcombinatie NV); NV Bouwbedrijf Brabant-Oopt, which itself has a stake in Project-Financieringmij. Profin NV; Intervam NV; Hollandsche Aanneming Mij NV, The Hague (with a British subsidiary K.L.Kalis Sont Ltd); Interbeton NV; a Belgian affiliate, Strabed-Ste de Travaux en Beton & Dragages SA, St-Josse-ten-Noode.

CHEMICALS

** GAF CORP, New York (see No 490) has negotiated an agreement with STA CHIMICA ITALO-AMERICANA Sas, Milan, whereby its subsidiary GAF ITALY Srl (see No 483) will from July distribute its chemical products and colorants. Until now, these have been handled in Italy by two concerns: CHIMICA ITALO-AMERICANA and TRANSCOGRAPHIC Srl, Milan.

The American group is also known for its photo-sensitive products and reproducing machines and its main distributor in this field is the Milan concern Marri Srl.

** The London chemical products and anti-corrosives concern KESTREL CHEMICALS LTD has formed a subsidiary in Dusseldorf under the name of KESTREL CHEMICALS GmbH, with Dm 20,000 capital and Mr Robin Tyrrell as manager.

Recently, the British firm formed Kestrel SA in Brussels (see No 508).

** STE DES PRODUITS ORGANIQUES - SOPRORGA SA, St Denis, Seine-St-Denis (see No 505) has absorbed STE INDUSTRIELLE DE MATIERES ORGANIQUES "SIMO" SA, Marseilles (capital F 1,125,000), which brings it in assets valued at F6.25 million, and STE LORRAINE-CHAMPAGNE SA, Etampes-sur-Marne, Aisne (capital F 200,000), with gross assets of F 1.42 million.

SOPRORGA is the vehicle for the concentration of the gelatine, glues, chemical bone and organic matter processing (animal feeds) interests of the two major groups UGINE-KUHLMANN SA (see No 512) and CIE ROUSSELOT SA (affiliated to PRODUITS CHIMIQUES PECHINEY SAINT-GOBAIN - see No 499). This scheme was advanced last July (see No 469), when Soprorga joined forces with CIE FRANCAISE DES OS-COFRANOS SA, Paris, which at that time changed its name to ROUSSELOT-KUHLMANN SA and became its main shareholder.

CONSUMER GOODS

** A concentration of manufacturing and sales interests has been agreed between two leading Italian domestic appliance concerns, CASTOR SpA, Rivoli, Turin (see No 513) and INDUSTRIE A-ZANUSSI SpA, Pordenone (see No 489).

The move, which will strengthen Zanussi's position, will enable it to draw on Castor's experience in the manufacture of washing and dish-washing machines, while the latter will benefit by being able to use Zanussi's foreign sales network.

COSMETICS

** The pharmaceuticals group A.C.F. (AMSTERDAM CHEMIE FARMACIE) NV, Amsterdam having taken over (see No 513) the cosmetic products concern CHEMISCHE PRODUCTEN MIJ ELLEN NEY NV, Soest, the sales franchise that the latter held for the cosmetics and toiletries of the Japanese SHISEIDO CO LTD, Tokyo and Osaka (see No 474) has accordingly been extended to A.C.F. Ellen Ney is a former subsidiary of Minerva Chemie NV, Soest (formerly in Amsterdam), which was disengaged from the Groningen, Aagrulol Chemische Fabrieken NV group (see No 494), when this was taken over by the Arnhem A.K.U. group - Algemene Kunstzijde Unie NV.

Minerva itself is now holding talks over a possible concentration with BYK NEDERLAND NV, Amsterdam, subsidiary of the Lomberg concern Byk-Gulden Lomberg Chemischefabriek (of the German QUANDT group through the Hagen company VARTA AG - see No 501).

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** PARFUMS LOUIS FERAUD (LONDON) LTD has just been formed in London with £100 capital to represent the Paris haute couture house of LOUIS FERAUD for its products on the British market (see No 500).

The Feraud range has for a short while been handled in West Germany (see No 500) by the Dm 20,000 company Louis Feraud GmbH, Darmstadt, formed directly by the fashion house of Fink Modelle GmbH, of the same city.

** CREATIONS AROMATIQUES SA, Port-Valais, Valais, which was recently formed in Switzerland, has just set up an essential oils and synthetic products sales subsidiary in Cologne under the name of CREATIONS AROMATIQUES GmbH (capital Dm 100,000) - managers MM. Rochus Classen, Geneva, and Ulrich Bergfried.

DATA PROCESSING

** The British EDP services concern KODE LTD, West Drayton, Middlesex, is planning to extend its German business. It already has a subsidiary in Brussels, KODE EUROPE SA, formed in July 1968 (see No 482), plus offices in Paris.

ELECTRICAL ENGINEERING

** The German radio, TV and tape recorder trading concern TELEFON ELEKTRO & CO KG, Düsseldorf, has made a 40% affiliate of the civil company - TELEFON ELECTRO (FRANCE) - that it set up in Paris in May of last year. This now takes the name TELEFON ELECTRO (FRANCE) Sarl (capital F 20,000) and is under the 60% control of its manager M. Walter Brunner, Paris.

** The Berlin group AEG-TELEFUNKEN (see No 513) is to absorb the electrical insulation concern STEATIT-MAGNESIA AG, Lauf, Pegnitz, a 25% stake in which it raised to 55% in 1968 (see No 500). Steatit-Magnesia has Dm 10 million capital and with 4,000 on its payroll it has a turnover in the region of Dm 75 million.

** C.G.E. - CIE GENERALE D'ELECTRICITE SA (see No 508) has joined 40% with a local state-owned electricity distribution concern in forming an Indonesian distribution transformers manufacturing subsidiary. This is called UNELEC INDONESIA - UNINDO,; has \$2 million capital and M. Jacques Raimbault as chairman. The latter holds the same position in UNELEC - Material Electrique Industriel de la Cie Generale d'Electricite & de Alsthom SA, Paris (see No 511), joint subsidiary of C.G.E. and Alsthom.

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** After negotiations (see No 512), the Dutch NV OVERZEESE GAS- & ELECTRICITEITMIJ - O.G.E.M., Rotterdam, has purchased a one-third holding in the Amsterdam metal goods manufacturing and electro-technical installations trading concern TECHNISCHE UNIE NV, Amsterdam, which is raising its authorised capital to Fl 50 million, and its paid-up capital to Fl 15 million. At a later stage, this stake will be raised to 50 or 60%, mainly through the bringing in of specialised technical trading subsidiaries.

** The French automatic electrical equipment and supplies concern LA TELEMECANIQUE ELECTRIQUE SA, Nanterre, Hauts-de-Seine (see No 491) is preparing to strengthen its hold on the Scandinavian market by forming a Danish subsidiary, in addition to Svenska Telemekanik A/B, Flen, and Telemekanik Norge A/S.

Since November 1968 La Telemecanique has been linked with the Algerian Ste Nationale de Constructions Metalliques, which the previous May had integrated its subsidiary in Algiers, ALMETAL, later to nationalise it. In February of this year, it backed the formation, under the auspices of the B.N.P. - Banque Nationale de Paris SA and the B.F.C.E. - Banque Francaise du Commerce Exterieur SA, and in association with a dozen other French companies, of Ste Franco-Australienne de Promotion Industrielle & Commerciale (S.F.A.P.) SA (see No 499).

ELECTRONICS

** The Catania and Milan semiconductors concern ATES COMPONENTI ELETTRONICI SpA, a member of the state-owned I.R.I. group - ISTITUTO PER LA RICOSTRUZIONE INDUSTRIALE, Rome, has opened a sales branch in London. Ates' I.R.I. affiliation is as the 20-80 joint subsidiary of the Turin and Rome holding company S.T.E.T. - Ste Finanziaria Telefonica per Az (see No 507) and its 98% subsidiary, Ste Italiana Telecomunicazioni Siemens SpA, Milan.

** The third largest American semiconductors, integrated circuits, diodes, transistors etc group, FAIRCHILD CAMERA & INSTRUMENT CORP, Syosset, New York, has decided to set up its European sales headquarters in Wiesbaden, West Germany.

The local subsidiary FAIRCHILD HALBLEITER GmbH, formed last February (see No 505), has also on its behalf begun work on a semiconductors plant, to employ some 1,000 people. In West Germany, the group also controls Fairchild Graphische Geräte GmbH, Karlsruhe.

ENGINEERING & METAL

** The German WALTER BLUME GmbH EISENGROSSHANDLUNG, Stuttgart, which trades in steel products (mainly sheet), has made its Brussels branch a full subsidiary bearing the name WALTER BLUME FERRO-BELGE Sprl, with Bf 1.25 million capital held 81.6% directly by Mme Hildegard Blume, its own manager. It has Dm 4.5 million capital itself, and branches in some 15 German cities.

** GUTEHOFFNUNGSHÜTTE AKTIENVERIEN, Nuremberg, which is re-organising its group engineering and metal interests (see No 500) is to have MAN-MASCHINENFABRIK AUGSBURG-NURNBERG, Augsburg (see No 498) absorb GUTEHOFFNUNGSHÜTTE STERKRADE AG, Oberhausen. The latter is a heavy metallurgy firm, with plant at Sterkrade, Walsum and Düsseldorf, and with 8,000 on its payroll achieved Dm 348 million turnover during the 1967-8 financial year.

Man, which will raise its capital from Dm 150 to 170 million through this move, while GHH's stake will rise from 72.4% to around 77%, has 35,000 blue and white collar workers in its factories at head office, Hamburg, Nuremberg, Düsseldorf and Gustavsburg. During the 1967-8 financial year it achieved a turnover of Dm 1,481 million. Its foreign interests are in Austria, South Africa, Australia, Brazil and the Argentine.

** FRANCE-MACHINES SA, Lyons, has made a long-term, reciprocal technical and commercial cooperation agreement with S.I.O.M.E. - STE ITALIANA OFFICINE MACCHINE EDILI, Malnate, Varese, covering chiefly production of plant for manufacturing concrete building modules, ceramic goods and refractories.

France Machines is best known for its industrial melangeurs, plastics processing machinery etc. - it has two factories, one at Villeurbanne and the other at Villefranche-sur-Saone.

** In Milan, FRELCO Srl and MARTLES SpA have merged within the latter, which thus changes its name to FRELCOM SpA and raises its capital to Lire 75 million. It is now headed by Sigs Skukan and C. Eisner, and will specialise in refrigeration, heating, air conditioning equipment etc.

** W.E.P. WASSER ELEKTROTECHNISCHE PROZESSE ESTABLISHMENT, Triesen, Liechtenstein, has formed STILMAS SpA, Settala, with Lire 10 million capital and Sig Mario Tranchinetti, Monza, Milan, as chairman to manufacture and sell water desalination and purification plant, under the directorship of Sig L. Cassitto.

** The Frankfurt measuring and control equipment concern VDO TACHOMETER WERKE ADOLF SCHINDLING GmbH (see No 479) has taken a majority holding in the water and fluid chemical counters concern H. MEINECKE AG, Hanover. This is a Dm 2,112,000 family concern, having realised a Dm 20 million turnover in 1968, and its wholly-owned subsidiary is Dreyer, Rosenkranz & Droop AG, Hanover, which makes pressure and temperature gauges.

The Frankfurt firm (capital Dm 15m) has 6,500 people on its payroll, and its main foreign interest is a Swiss holding company - Bevaug AG, Zug - plus various manufacturing subsidiaries: Vdo Instruments Co, Detroit, Michigan; Instek Instrumententechnik GmbH, Vienna; Vdo do Brasil Industria & Comercio de Medidores Ltda, Sao Paulo; Automotive Instruments (Pty) Ltd, Johannesburg; International Instruments Private Ltd, Bangalore, India; Vdo Instruments Australia Pty Ltd, Melbourne.

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** The Genoa engineering concern NUOVA SAN GIORGIO SpA (see No 490), member of the Rome group I.R.I. - ISTITUTO PER LA RICOSTRUZIONE INDUSTRIALE SpA through the investment company FINMECCANICA SpA, has further decentralised by making over its textiles machinery division (see No 498) to a new 50% Milan subsidiary, SI. MA. TES - STA ITALIANA MACCHINE TESSILI SpA.

The new company has Sigs Mario Einandi and Franco Jorio as chairman and managing director respectively, and the other half of its capital is held by STA NAZIONALE COGNE SpA, Turin (see No 489), which will make over to it its factory at Imola.

** The British SIMON ENGINEERING LTD, Stockport, Cheshire (see No 502), which in October 1968 (see No 481) acquired control of the Dutch manufacturer of animal feeding stuffs equipment, MACHINEFABRIEK HEESEN NV, Botel, has decided to give the latter's manufacturing licences for Britain to its own subsidiary SIMON-BARRON LTD, Gloucester. This has recently acquired a company in the same sector, E.R. & F. Turner Ltd, Ipswich, Suffolk, and the latter's assets included a licence granted by Machinefabriek Heesen.

** A cooperation agreement in the metal working sector has been signed between the Danish company HEDE NEILSENS FABRIKER A/S, Horsens, and the West German concern MESSER GRIESHEIM GmbH, Frankfurt (see No 480). The latter is a 66.6% affiliate of the FARBWERKE HOECHST AG, Frankfurt, group (see No 511) and with some 5,000 employees had a 1968 consolidated turnover of Dm 369 million. The Danish company, which makes consumer electronic goods, has had a Wiesbaden subsidiary since 1966, Arena Elektro-Akustik GmbH (see No 340).

** The Frankfurt plant construction concern VICKERS-ZIMMER AG (see No 471) has formed a Japanese subsidiary called VICKERS-ZIMMER FAR EAST LTD. Vickers-Zimmer is the wholly-owned subsidiary of the London group VICKERS LTD and with some 1,500 employees has an annual turnover exceeding Dm 110 million. It already has a 90% Italian subsidiary, Cia Generale Resine Sud SpA, Viba, Valencia, Catanzaro.

** The American firm SENCO PRODUCTS INC, Cincinnati, Ohio, (nailing and stapling equipment, woodwork machinery etc) has formed a West German subsidiary called DEUTSCHE SENCO INDUSTRIE ERZEUGNISSE GmbH, Bremen (capital Dm 24,000) with Herren George Julfs and Heinz Bühnen as managers. The American company also controls a previously-established company on the same premises Senco International GmbH Heft- & Nagelwerkzeuge, whose capital was raised during April 1969 from Dm 20,000 to Dm 588,000 and which has recently been re-named Senco Verwaltungs GmbH.

The founder has a Spanish licensee, Simes Careaga, Trevino y Cia, Ercaro, and its European distributors include Sofragraf SA, St-Ame, Vosges; Rapidmaes Srl, Milan, and Romeo Maestri & Figli SpA, Milan.

****** The Hamburg family-owned group H. JUNGHEINRICH & CO MASCHINEN-FABRIK GmbH & CO KG (materials handling equipment - especially "Ameise" fork lift trucks - see No 419) has strengthened its Italian interests by opening a Rome branch to its Milan subsidiary AMEISE ITALIANA Srl (capital Lire 500m).

Jungheinrich (1968 sales Dm 100m - 45% in exports) has a network of affiliated companies in nine foreign countries and these are headed by the Swiss holding concern Jungheinrich International GmbH, Oberentfelden. The companies include Jungheinrich Constructions Mecaniques Sarl, Creutzwald, Moselle; Ameise, Materiel de Manutention Sarl, Chatillon-sur-Bagneux; Ameise Norske A/S, Oslo; Jungheinrich Maschinenfabrik GmbH, Vienna; Ameise (Nederland) NV, Pijnacker and Ameise GmbH, Aarau. The group has several subsidiaries in West Germany and these are headed by Jungheinrich Unternehmensverwaltung KG, Hamburg.

****** The American group EATON YALE & TOWNE INC, Cleveland, Ohio (see No 513) has strengthened the financial position of one of its Italian subsidiaries, YALE SpA, Aprila, Rome (ironmongery and locks - see No 491), whose capital has been reduced to Lire 312 million before being raised to Lire 812.5 million.

Eaton Yale & Towne (vehicle parts, valves, civil engineering and materials handling equipment) has another Italian manufacturing subsidiary, Eaton Livia SpA, Rivarolo Cavanese, Turin, which during 1968 absorbed two other companies belonging to the group, Eaton Elpa SpA, Casale Monferrato, Alessandria, and Eaton Products SpA, Rivarolo.

****** The Belgian metal trading firm SCHUCHARD & CO SA, Antwerp (see No 499) has decided to re-organise, and this has led to the formation of two new companies SCHUCHARD METAL EXPORT NV, Antwerp (capital Bf 22m) and METAL SERVICE NV, Antwerp (capital Bf 17.4m). The Antwerp founder was formerly called Essor Anversoise SA before it acquired Schuchard & Co NV (first company to have this name). With a capital of Bf 36 million, its main shareholders are Plouvier & Cie NV, Antwerp, and G. & C. Kreglinger NV, Antwerp and Brussels.

****** The Paris contract engineering group LUCHAIRE SA (10 factories - for the car, building, civil engineering, armaments industries and research laboratories - see No 472) has acquired its 71% subsidiary specialising in research and development of armaments and engineering materials, STE TECHNIQUE DE RECHERCHES INDUSTRIELLES & MECANIKES (S.T.R.I.M.) SA, Paris. With a capital of F 12 million, this had a 1968 pre-tax turnover of F 19.45 million and its assets are valued at F 4.458 million.

Luchaire (turnover F 160m - capital raised from F 19 to F 21.25m) made a 49/51 agreement during 1968 with the Madrid concern Elvirio SA, which resulted in the formation of Luchaire Espanola. This manufactures and sells industrial and waste water purification plant. The French group is also the representative of the West German concern Bielefelder Union Bruno Koch Maschinenfabrik, Babenhausen, Bielefeld.

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** The Brussels holding company TRACTION & ELECTRICITE SA (see No 513 - a member of the STE GENERALE DE BELGIQUE SA, Brussels, group) has sold its 24% stake in the Italian aluminium smelter ALSAR - SOC. MINERARIA CHIMICA METALLURGICA PER L'INDUSTRIA DEL ALLUMINIO SpA, Portosuoso-Cagliari, Sardinia (see No 460).

The latter (capacity 100,000 t.p.a.) is now controlled 60/40 by M.C.S. Mineraria Carbonifera Sarda SpA, Cagliari (a subsidiary of the Rome state group E.F.I.M. - Ente Partecipazioni & Finanziamento Industrie Manifatturiere SpA - see No 503), and the Milan group Montecatini Edison - MONTEDISON SpA (see No 503), whose shareholdings previously amounted to 52% and 24%.

** The Milan engineering group ING. G. RADAELLI-STABILIMENTI MECCANICI & METALLURGICI SpA (factories at head office and Gorgonzola, Milan) has formed a subsidiary called RADAELLI IMPIANTI SpA, Milan (capital Lire 1 m). With Sig Mario Rotti as president, this specialises in hydraulic equipment, filtration and drying plant. The founder, which is headed by Sig Ugo Radaelli, has been linked 50-50 since 1968 with the company established to finance development in Southern Italy, Indus-Nuove Initiative Per Il Sud SpA, Rome (see No 500) within Radaelli Sud SpA (capital Lire 2,000 m). The latter is now completing the construction at Bari of a compressor and motor compressor plant at a cost of Lire 5,000 million.

** The Dutch metal company DRIESSEN & BILLEKENS IJZER- & METAALGIETERIJ NV, Tegelen (capital Fl 180,000 - payroll 150) has formed a company named TRIOGAS HEIZKESSEL GmbH, in Düsseldorf to import and trade in gas boilers.. This has Dm 20,000 capital and is managed by Herr Hubertus Driessen.

** MOZZI & CO Sas (see No 313), Milan finance company in the group FASCO AG (headed by Sig Michele Sindona, Milan - see No 512), has purchased a holding in the Zurich investment company HAMBROS INVESTMENT CO AG (see No 504), member of the London banking group HAMBROS BANK LTD, which for some years has been a partner in it (see No 303).

** Three Dutch stockbroking concerns, already having close cooperation links, have decided to merge under the name VAN LIND, JARMAN & WESTEROUEN VAN MEETEREN NV, with Messrs J.C.M. van Marle, W.A.E. de Ranitz and G.C. Romkes as directors.

The three are: 1) C. LIND & ZOON, Amsterdam (see No 466), whose main interest is the Amsterdam investment trust "IKA" Beleggingsmij Ika NV, in association with the Algemene Bank Nederland NV, Amsterdam; H Albert de Bary & Co NV, Amsterdam (an affiliate of the Amsterdam-Rotterdam Bank NV) and Van der Hoop, Offers & Zoon, Rotterdam; 2) JARMAN & ZONEN NV, Amsterdam, which cooperates closely with the associated Heyting, Roelofsz & Zoon NV and Humfeld & Co NV, The Hague, and which in 1966 made over its business in The Hague to Heyting, Roelofsz & Zoon NV, then renamed Jarman, Heyting, Roelofsz NV, and 3) WESTEROUEN VAN MEETEREN & CO NV, Amsterdam, which is a partner in the Amsterdam concern Dunlop & Philips.

** The German lighting concern BÜNTE & REMMLER KG, Frankfurt, is preparing to set up a plant at Vesoul, Haute Saone in France.

The parent company belongs to Herr Willy Hoffmeister, who also owns Hoffmeister & Sohn Beleuchtungs-Körperfabrik, Lüdenscheid, Schraubenfabrik Betzer, Lüdenscheid, and in Austria, Hoffmeister-Leuchten GmbH, Prambachkirchena, formed in March 1966 (see No 361).

FINANCE

** The Rome company FIDEURAM - FIDUCIARIA EUROPEO AMERICANA SpA has gained control of the Milan BANCA PROVINCIALE DI DEPOSITI & SCONTI SpA (see No 451). Fideuram has exclusive distribution and sales rights in Italy for certificates issued by FONDITALIA, Luxembourg, which was formed in 1967 (see No 426) by the I.O.S. - INVESTORS OVERSEAS SERVICES LTD, Panama, group (see No 492).

Banca Provinciale di Depositi & Sconti (capital Lire 964.4m and deposits of Lire 14,500m) has two branches in Milan and is also represented in Turin (by the former Banca Popolare S. Gaetano Scrl acquired in 1968) and in Vigevano, Pavia (formerly Banco Bovisio SpA - see No 327). Its now president is Mr. James Roosevelt, president of I.O.S. Management Co Ltd and of Ste de Gestion du Fonds de Commun de Placement Fonditalia SA, Luxembourg (see No 455), which is managed by the Rothschild Freres SA, Paris, group. Italian securities are bought on behalf of the group by Istituto Bancario San Paolo di Torino SpA (see No 412).

** The New York FIRST NATIONAL CITY BANK has now extended its Benelux interests by carrying through its plan to open a branch in The Hague (see No 495). Its existing branches are in Amsterdam (2), Rotterdam, Antwerp, Brussels (3), and Liege.

The bank has also opened additional branches in Nice, St-Helier, Jersey, and Salonica. Elsewhere it is represented in West Germany (Berlin, Düsseldorf, Frankfurt, Hamburg and Munich), in Italy (Milan and Rome), in France (Paris) and in Geneva, Zurich, London (2), Dublin, Belfast, Athens and the Piraeus.

** MIDDLE EAST INTERNATIONAL FUND SA has been formed in Luxembourg with \$100,000 capital to administer the open-end investment trust of the same name formed in Luxembourg, according to plan (see No 512) by the New York group AMERICAN EXPRESS CO, through its subsidiary AMERICAN EXPRESS INVESTMENT MANAGEMENT CO, San Francisco, California. This is linked therein (55%) with the Kuwait investment company KUWAIT INVESTMENT CO.

** The Dutch/Swiss group THYSSEN-BORNEMISZA, through its Rotterdam subsidiary BANK VOOR HANDEL & SCHEEPVAART NV (see No 499), has formed a 98% investment and administration subsidiary in Rotterdam under the name R.T.K. - VULCAAN NV (authorised capital Fl 500,000 - 10% paid up). Token shareholdings in the new concern go to NV HANDELS- & TRANSPORTMIJ. VULCAAN, Rotterdam (see No 483) and ROTTERDAMSCH TRUSTEE'S KANTOOR NV, Rotterdam.

** The cooperation agreements which resulted in BANK OF SCOTLAND LTD, Edinburgh, and HESSISCHE LANDESBANK GIROZENTRALE, Frankfurt, becoming shareholders (5% and 6%) in BANQUE WORMS & CIE SA, Paris (see No 509), have been extended to Switzerland with the joint formation of BANQUE WORMS & ASSOCIES (GENEVE) SA. This, which is under the majority control of the French company, also includes as a shareholder CREDIT DU NORD SA, Lille (see No 497). With a capital of Sf 10 million, it has M. Andre Fatio as president, who also holds the same post in the Givaudan & Cie SA, Vernier, group (see No 434).

Until now the foreign banking interests of the Worms group were limited to North Africa with shareholdings in Banque d'Escompte & de Credit a l'Industrie en Tunisie, Tunis (see No 356), Worms & Co, Casablanca, and B.I.A.M. - Banque Industrielle de l'Algerie & de la Mediterranee, Algiers, and a 20% stake in Simom - Ste d'Investissements Metropolitains & d'Outre-Mer SA, Geneva (see No 392).

** The New York finance group OPPENHEIMER FUND INC has opened a branch of its subsidiary OPPENHEIMER MANAGEMENT CORP in Frankfurt. The American company, which is presided by M. Leon Levy, was until now represented in West Germany and Austria by GESELLSCHAFT FUR ANLAGEBERATUNG & VERMÖGENSPANUNG mb, Munich.

** The Paris MINES DE KALI-SAINTE-THERESE SA (see No 512 - the holding company of the RIVAUD & CIE Scs group - see No 507) is continuing to re-shape its stake in the potash sector and is negotiating the sale of its minority interests in the Belgian PRODUITS CHIMIQUES DU LIMBOURG SA (see No 439), in the Spanish POTASAS IBERICAS SA (affiliated to Entreprise Miniere & Chimique SA - see No 494) and in the Paris concern STE DE GERANCE & DE PARTICIPATIONS FINANCIERES - SOGEPAFI SA.

Kali-Sainte-Therese has already sold for F 5.5 million its minority stake in Potasse & Engrais Chimiques - P.E.C. SA, Paris (see No 459), which has since been taken over by Azote Produits Chimiques A.P.C. SA, Toulouse (see No 499), itself a subsidiary of Entreprise Miniere & Chimique.

** The Amsterdam banks PIERSON, HELDRING & PIERSON (see No 495) and AMSTERDAM-ROTTERDAM BANK NV (see No 510) have launched, under the name EFFECT PLAN, an investment trust certificates savings scheme (certificates for "AMRO-PIERSON FUND"), complete with capitalisation guarantees in the case of the investor's death. In the scheme, they have the backing of the insurance companies, EERSTE NED VERZEKERINGMIJ OP HET LEVEN & TEGEN INVALIDITEIT NV, The Hague (now merging with Verenigde Nillmij NV - see No 505); NATIONAL LEVENSVZERKERING-BANK NV, Rotterdam, and NV ASSURANTIE MIJ DE NEDERLANDEN VAN 1845, The Hague, the two latter being members of the group NATIONALE-NEDERLANDEN NV (see No 494).

Nationale-Nederlanden itself already backs the Algemene Bank Nederland NV, Amsterdam, in a similar savings scheme (see No 466). Amsterdam-Rotterdam Bank, for some Fl 4 million, recently gained control of the insurance broking concern, Bicker, Caarter & Obreen, Rotterdam.

** The Chicago bank CONTINENTAL ILLINOIS NATIONAL BANK & TRUST CO (see No 485) has now carried out its plan to set up in the Netherlands, by opening its fifth Common Market branch in Amsterdam, under the directorship of Mr. A.H.J. Jansma.

A few months ago the American bank opened a branch in Frankfurt and another in Paris, in addition to those already operating in Brussels and Milan.

FOOD & DRINK

** Under an agreement, the French MAXIME DELRUE SA, Aubervilliers, is to become the exclusive distributor in France for the products of A. GAZZONI & CO Sas, Florence (headed by Sig G. Gazzoni), which makes instant fruit juice preparations ("Aranciata Idrolitina" trademark) from accelerated freeze-dried fruit. The trademark to be used in France is "Ninello" (orange, lemon and mandarin), and promotion will be farmed out to the Anglo-Canadian agency M.D.F. PUBLICITE Sarl, Paris (see No 499). Maxime Delrue is headed by M. G. Nottin, and specialises in importing fruit conserves and juices. It is a member of the Zurich group INTERFRANK HOLDING AG (see No 476), which also heads Cie Francaise de l'Industrie Alimentaire SA, Juvisy-sur-Orge, Essonne (coffee and luxury foods).

Interfrank Holding (formerly INGA - Cie Internationale de Produits Alimentaires) controls over thirty companies in Switzerland, France, Germany, Italy, Spain, Austria, Portugal and Peru, the main Common Market ones being Unifrank Lebensmittelwerke GmbH, Ludwigsburg, Württemberg; Organkreis Mineralquellen & Getränke GmbH, Rietenau; Frank Alimentaire Italiana F.A.I. SpA, Milan, and Samer - Samaja Mercantile SpA, Florence.

** The Amsterdam brewing group HEINEKEN'S BIERBROUWERIJ MIJ NV (see No 506) has, through its subsidiary HEINEKEN'S BROUWERIJEN NEDERLAND NV, secured a minority holding in the Dutch wine importing and trading ("Le Coq Rouge" trademark) and liqueurs manufacturing concern (chiefly "De Zwarte Kip" advocaat), NV HANDEL MIJ v/h J.A. VAN OLFFEN, Hattem. This employs some 125 people, and remains under the control of BESTUURS-MIJ J.A. VAN OLFFEN NV, Hattem. It is to cooperate with the Heineken group in new product development, marketing and research.

One of Heineken's most recent moves was to take over the family beer distribution concern Kusters Handelmij NV, Utrecht, the main subsidiaries of which are Joy Fruchtdrankenfabriek NV (non-alcoholic drinks) and the De Boog NV distillery, both of which are in Utrecht.

** The French vegetable and fruit canning concern ETS BONDUELLE SA, Renescure, Nord, has formed a West German manufacturing and sales subsidiary, BONDUELLE GmbH (capital Dm 725,000) with M. Benoit Bonduelle and Herr Hartwig Burger as managers. The founder (capital F 3.06 m) formed in 1968 (see No 457), Frais Service SA, Croix, Nord, in association with Motta France Sarl, Nanterre, Hauts-de-Seine (a subsidiary of the Milan group Motta SpA - see No 457).

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** The British company DCA INDUSTRIES LTD, Aylesbury, Bucks, the subsidiary of the American food group DCA INDUSTRIES INC, New York, has formed DCA SPECIAL PRODUCTS GmbH, Neuss (capital Dm 20,000) with M. Charles Beard as manager. The British company is already represented in West Germany by Ohde Doughnut Corp GmbH, Hamburg-Kirchweide, and in the Netherlands by DCA Rotterdam NV, Rotterdam. There is also a branch in Fecamp, France, to its subsidiary DCA Special Products Ltd, Aylesbury.

** Sixteen French companies selling and producing food products, spirits, wines etc, have linked to form an "economic interest group" called LES EXPORTATEURS DE FRANCE, FRANCE-EXPORT to promote their export sales. This will be run by M. Michel P.G. Villot and will work mainly through foreign sales organisations.

The firms concerned are: 1) ETS. J. & J. DESSONQUERES SA, Foucarmont, Seine-Maritime (calvados and raspberry liqueurs); 2) GRAND ARMAGNAC DUCASTAING, Vic-Fezensac, Gers (manager and owner M. Maurice Ducastaing); 3) BERGER SA, Marseilles (spirits - see No 501); 4) ETS. CHAMPAGNE CANARD DUCHENE SA, Ludes, Marne; 5) CARTIER-MILLON & CIE Sca, Grenoble, Isere ("Cemoi" chocolate); 6) STE CONTINENTALE DE CONSERVES SA, Boulogne-sur-Mer, Pas-de-Calais (canned fish products); 7) CROIZET EYMARD & CIE SA, St-Meme-les-Carrieres, Charente (cognac); 8) ETS ELBE SA, Foucarmont, Seine-Maritime (tinned meats); 9) ETS. F. FAYEL SA, Strasbourg-Schiltigheim (foies gras and choucroutes); 10) ETS. KRESSMAN & CIE SA, Bordeaux (wines); 11) STE D'EXPLOITATION DES ETS. RANQUE Sarl, Lyons (preserved meats); 12) ETS. ROCHER FRERES Sarl, Cote-St-Andre, Isere (capital F 1.4 m - liqueurs); 13) STE COMMERCIALE LU, BRUN & ASSOCIES SA, Nantes, the subsidiary of the French biscotte and biscuit group LU, BRUN & ASSOCIES SA (see No 490); 14) SA JEAN NICOLAS & FILS SA, Rosporden, Sud-Finistere (canned vegetables); 15) BANANIA SA, Courbevoie, Hauts-de-Seine (capital F 10 m), known for its chocolate breakfast drinks and prepared desserts, and 16) STE D'APPROVISIONNEMENTS GENERAUX & D'EXPLOITATION SA, Marseilles (import and export).

** W. & A. GILBEY GmbH, Frankfurt, which distributed gins distilled by the British W. & A. GILBEY LTD, Harlow, Middlesex, has been wound up, and Messrs C. Magnani and Kurt Radandt appointed liquidators.

The British concern, whose licensee in Frankfurt since 1968 (see No 456) has been Francesco Cinzano & Cia GmbH, Frankfurt (of the Turin group FRANCESCO CINZANO & CO SpA) is itself a member of the London group INTERNATIONAL DISTILLERS & VINTNERS LTD. It remains active in the Common Market with Gilbey-France Sarl, St-Yzans-de-Medoc, Gironde.

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INSURANCE

** LA ROYALE BELGE VIE -ACCIDENTS SA, with M. H. Vermeulen as president (see No 506) has joined 50-50 with SA CIE BELGE D'ASSURANCES GENERALES SUR LA VIE & CONTRE LES ACCIDENTS (president M.C. de Jonghe, Ardoye - see No 503) in forming a Brussels subsidiary named SOGEFRA SA for the actuarial and financial administration of pension funds and similar institutions formed through the group's insurance contracts. The new firm has Bf 5 million capital, the director general of the first founder, M. Georges Martin, as chairman and it is directed by M. Maurice Frere, who holds the same position in the second founder.

** The Dutch insurance group A.G.O. (see No 507) has gained a new indirect member as a company in the group ALGEMENE FRIESCHE LEVENSVERZEKERING-MIJ, Leeuwarden (see No 506), has acquired a stake in WEST-FRIESCHE VERZEKERING MIJ NV, Hoorn.

NUCLEAR ENERGY

** The SIEMENS AG group, Berlin and Munich which has recently acquired a stake in the nuclear design and plant construction concern INTERATOM INTERNATIONALE ATOMREAKTORBAU GmbH, Bensberg (see No 513) is continuing to extend its interests in this sector by taking a 60% stake in the formation of BRG - REAKTOR BRENNELEMENTE GmbH, Wolfgang, Hanau based on the premises of NUKEM-NUKLEARCHEMIE & METALL-URGIE GmbH (see No 459) which holds the remaining 40% stake. The new concern has an initial capital of Dm 500,000, soon to be raised to Dm 6 million, and managed by Herren Alexander Warikoft and Erich Zatroff, it will specialise in providing reactor fuels.

Nukem (capital Dm 5m) is itself the subsidiary of the DEGUSSA AG group, Frankfurt (45%), Rheinisch-Westfalisches Elektrizitätswerk AG, Essen, R.T.Z. European Holdings Ltd, London (18%) - a member of the Rio Tinto Zinc Corp Ltd - and Metallgesellschaft AG, Frankfurt (12%).

OIL, GAS AND PETROCHEMICALS

** The Los Angeles oil group UNION OIL OF CALIFORNIA (see No 437) has opened a Milan branch to its Rome subsidiary UNION OIL ADRIATICA SpA (formerly Pure Adriatica SpA), headed by Mr. D. Skory.

In 1965, the American group absorbed PURE OIL CO, Palatine, Illinois (see No 389), which had been established in Italy since 1956 with a subsidiary in Naples, Petrolifers Partonopea SpA, which in 1964 became Pure Adriatica (capital Lire 40m).

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PAPER & PACKAGING

** The Paris concern DIXIE MARATHON SA (see No 482), which is an 80% interest of the New York group AMERICAN CAN CO (see No 513), has acquired a 40% stake in another French concern, TRENTESAUX-TOULEMONDE SA, Tourcoing, Nord (president M. H. Trentesaux - see No 487). The latter makes flexible packaging materials in paper, card, aluminium and plastic, and has an annual turnover of around F 45 million.

M. H. Le Marois, president of Dixie Marathon, has become the new vice-president of the Tourcoing firm. The remaining 20% in Dixie Marathon is controlled by Tuboplast France SA (see No 496), itself affiliated to the American group but controlled (65%) by Produits Chimiques Pechiney-Saint-Gobain SA, Neuilly, Hauts-de-Seine (see No 504). It has a Paris branch and a well-established foreign network in Belgium (Sodico), in West Germany (Kalden) and in Austria (Rauch & Neugebauer).

** The French paper group AUSSEDAT-PONT-DE-CLAIX SA, La Plaine-St-Denis, has acquired a large shareholding in the Lyons group K.D.P. - STE DES PAPIERS KELLER-DORIAN & PUTOIS FRERES REUNIS SA (gift wrapping paper and printing techniques). The latter is an affiliate of the Cie Financiere de Suez et de l'Union Parisienne SA (20% - see No 512) and to Papeteries de Vizille SA (see No 471) and was also linked to the West German concern Buntpapierfabriek AG Aschaffenburg (until the latter was closed down - see Nos 473, 373). The Lyons concern has paper finishing facilities at head office and Montrouge, Hauts-de-Seine (Les Impressions Rotary). It also has a Lyons subsidiary, Keller Dorian Graveurs SA (printing machinery and cylinders).

Aussedat-Pont-de-Claix has three production units at Cran-Gevrier; Pont-de-Claix, Isere and Les Mureaux (printing and writing papers, special and fine papers). Its main interests include a subsidiary in Lyons, Vassel SA, and a large minority shareholding in Cie Generale des Papiers SA, Pantin, Seine-St-Denis, which is also affiliated to the Cie Financiere de Suez.

** WEYERHAEUSER BELGIUM SA, Ghlin, 50% affiliate of the Belgian paper group INTERMILLS SA, La Hulpe (itself controlled by the New York group U.S. PLYWOOD-CHAMPION PAPERS INC - see No 513), has gained control of the special corrugated cardboard packaging concern CARTONNERIE DE GRAND-BIGARD NV, Groot-Bijgaarden. This employs 180 people, has Bf 25.5 million capital, and its president is M. Ivan D. Wood, Tacoma, Washington. Weyerhäuser Belgium, which also holds shares in the packaging printing concern Printing Co SA (see No 480), is controlled (i.e. the 50% remaining) by the American group WEYERHAEUSER CO, Tacoma, Washington (see No 494).

PHARMACEUTICALS

** The New York chemical and pharmaceutical group BRISTOL-MYERS CO (see No 496) has rationalised its French interests and thus strengthened the position of its subsidiary STE NOGENTAISE DE PRODUITS CHIMIQUES SA, Nogent, Val-de-Marne (see No 404). This has raised its capital to F 7.56 million following the acquisition of net assets totalling some F 14.5 million as a result of absorbing PARFUMS FORVIL &

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DENTIFRICE DU DOCTEUR PIERRE REUNIS SA, Nanterre, Hauts-de-Seine (capital F 3.6 m), BRISTOL MYERS DE FRANCE SA, Courbevoie, Hauts-de-Seine (capital F 50,000) and EDWARD DALTON CO Sarl, Nogent (capital F 560,000), the former subsidiary of the Mead Johnson & Co group, Evansville, Indiana which became part of the Bristol-Myers group during December 1967.

** LABORATOIRES R. DENIS SA, Ville d'Avray, Hauts-de-Seine, is to absorb a company in which it is a shareholder; STE DE FABRICATIONS CHIMIQUES & BIOCHIMIQUES GREVIS SA, Limay, Yvelines (formerly STE DE FABRICATIONS CHIMIQUES & BIOCHIMIQUES SA) which has a capital of F 500,000. As a result Denis will raise its capital to F 1.05 million following the acquisition of assets valued at F 3.79 million.

Grevis SA is affiliated to the American group WARNER-LAMBERT PHARMACEUTICAL CO, Morris Plains, New Jersey, through Warner-Lambert International Capital Corp (see No 470).

** The Italian chemical and pharmaceutical group PIERREL SpA, Naples (also dietary products - see No 511) has been holding negotiations which are expected to result in it acquiring a 40% stake in STE ITALO-BRITANNICA L. MANETTI-H. ROBERTS & CO SpA (pharmaceutical and household cleansing products, toiletries). The latter, headed by Sig G. Orgalesi, has laboratories and branches in Padua, Naples, Rome and Calenzano. In 1968 it absorbed two affiliates based in Florence, La Farmaceutica Fiorentina SpA and Immobiliare Industriale Gli Olmi Srl.

PRINTING & PUBLISHING

** In French publishing, FRANCOIS BEAUVAL EDITEUR Sarl, Boulogne, Hauts-de-Seine, has merged with and absorbed EDITIONS DE L'ERABLE Sarl, Paris (capital F 30,000), thus raising its own capital from F 100,000 to 490,000, through receipt of assets estimated to be worth F 5.56 million.

** In regrouping its gramophone records and music publishing interests in Italy (see No 504), the British E.M.I. group - ELECTRIC & MUSICAL INDUSTRIES LTD, Hayes, Middx (see No 508) has merged LA VOCE DEL PADRONE ITALIANA SpA, Pomezia, Rome, within ELECTRIC & MUSICAL INDUSTRIES ITALIANA SpA, Caronno, Pertusella, thus raising the capital of the latter to Lire 400 million.

** Mr. J.G. Vandeliclas, Amsterdam is the founder of the new Paris concern AMERICAN MERCANTILE & PUBLISHING CORP Sarl (capital F 20,000) which under the management of Mme Van den Bosch will be responsible for promoting French sales of the American "Collier's Encyclopedia" or any other English language encyclopedia.

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RUBBER

** The London firm HARBORN LTD (a member of the INCHCAPE & CO LTD group international shipping and trade) has formed a Paris subsidiary called HARBORN FRANCE Sarl (capital F 20,000) under M. J. de Chezellas. This will deal in rubber and derived products.

** SA DE PNEUMATIQUES DUNLOP, Paris subsidiary of the London group DUNLOP RUBBER CO LTD (see No 506) has formed a "precision rubber" division, covering the whole of France and the Common Market, which is having a factory built at Amiens (on stream at the end of this year) to manufacture special synthetic rubber junctions for the aerospace industry, to specifications derived from development work done by the group's subsidiary in this field in the United Kingdom (premises at Leicester).

SERVICES

** The American teaching systems group FAMOUS ARTIST SCHOOLS INC, New York (see No 503) has strengthened its European stake by forming in Brussels - through its subsidiary FAMOUS SCHOOLS OVERSEAS CORP, New York - a subsidiary called EVELYN WOOD READING DYNAMICS (BENELUX) SA (capital Bf 350,000). Under M. Marcel L. Collette, this will promote a rapid reading system developed by the American educationalist Evelyn Wood. Token shareholders in the new venture are M. Pierre Hemmerdinger, Paris and Herr Ernst L. Kuhn von Burgsdorf, Frankfurt, respectively heading Institut de Lecture Evelyn Wood Sarl, Paris and Institut Für Dynamisches Lesen GmbH, Frankfurt. There are sister companies in Amsterdam, Evelyn Wood Reading Dynamics NV and in London, Evelyn Wood School of Reading Dynamics Ltd.

The American group has recently established an "economic interest group" in Paris called Centre d'Etudes Contemporaines through its subsidiaries Famous School International Sarl and Institut de Lecture. There are other "Famous School" subsidiaries in Amsterdam; St-Josse-ten-Noode; Brussels; Düsseldorf and Vienna as well as several subsidiaries of Linguaphone Institute Ltd.

** CIE DES COMPTEURS SA, Paris (see No 511), which is about to strengthen its manufacturing interests in the industrial and domestic plumbing sector (see No 509) by taking over SERSEG-SERGUIN-SERGOT SA, Paris (gross assets F 102.41 million), is also soon to acquire three other companies. There are 1) STE DES ANC. ETS. E. WALTER SA, Gentilly, Val-de-Marne (capital F 12m), which will bring with it gross assets valued at F 12.13 million including its stake of just over 50% in Transformateurs de Mesure Walter Sarl (which thus becomes the wholly-owned subsidiary of Cie des Compteurs); 2) STE FINANCIERE D'ANALYSES INDUSTRIELLES & COMMERCIALES "SOFIANCO" SA, Paris (gross assets F 3.26m) with a capital of F 2.5 million; and 3) STE MARSEILLAISE D'ETUDES & DE FINANCEMENT SA, Marseilles (capital F 4.6m - gross assets F 8.14m).

At the same time Cie des Compteurs, which will now raise its capital in several operations to F 188 million, will receive partial assets valued at F 6.37 and F 3 million from Ste Generale Commerciale & Financiere SA, Paris (capital F 7.4m) and Omnium d'Applications Industrielles & Financieres SA, Paris (capital F 50,000). Both of these are investment companies of the Cie Financiere de Paris & des Pay-Bas SA group through its holding company Omnium de Participations Financieres & Industrielles SA (see No 513). As a result the latter will now hold a share of over 10% (directly and indirectly) in Cie des Compteurs following the acquisition of the partial assets and of its interests in Serseg and Sofianco.

** The American AUERBACH CORP FOR INFORMATION SCIENCES, Philadelphia, Pennsylvania (see No 450) is negotiating the setting up of a 49-51 subsidiary with the French CEGOS - COMMISSION GENERALE D'ORGANISATION SCIENTIFIQUE, Neuilly, Hauts-de-Seine (see No 377). In addition, the U.S. concern is seeking a token exchange of holdings with a subsidiary of the latter, IDET - INSTITUT POUR LE DEVELOPPEMENT ECONOMIQUE & TECHNIQUE, Neuilly.

Cegos is established in Brussels, with Cegos Benelux SA (in association with Idet and Auroc, another subsidiary), and with CASE-CEGOS - Conseils de Direction d'Entreprises Industrielles SA, its joint subsidiary with CASE & CO INC, New York. In 1968, Auerbach joined 50-50 with the Dutch Bakkenist, Spitz & Co Organisatie Adviseurs in forming a computer installation and programming consultancy firm named Bakkenist-Auerbach NV, Amsterdam (authorised capital Fl 300,000, 20% paid up). It is also established in Zurich, with Auerbach AG.

TEXTILES

** The Dutch group KON TEKTIELFABRIEKEN NIJVERDAL-TEN CATE, Almelo (see No 499) has strengthened its position in the Netherlands as the result of three fresh moves:

1) Under the cooperation agreement made several months ago in the woollens sector with the Uithoorn group TEXTIEL INDUSTRIE ANDEX NV, it has gained control of TRICOT-INDUSTRIE BEEKBERGEN CV, Apeldoorn; 2) it has raised its stake in TEXTIEL-FABRIEK NEDERLAND, an existing interest with Andex; 3) it has put into practice the agreement made in July 1968 covering the sale of furnishings (see No 469) with BLYDENSTEIN WILLINK NV, Enschede and VAN HEEK & CO KON TEKTIELFABRIEK NV, Enschede. This has resulted in the formation of a jointly owned concern called ELAN VERKOOPMIJ. VOOR WONING TEXTIEL NV, Enschede (authorised capital Fl 750,000 - 20% issued) under Mr. Bernard Voogd.

** SEKERS MILLS LTD, Whitehaven, Cumberland subsidiary of the London textiles group WEST CUMBERLAND SILK MILLS LTD, has backed the formation in France of a fabrics (mainly furnishing) trading concern named ETS SEKERS GENIN Sarl, Lyons, the first two managers of which are MM. Jean R. Baudrand and Philippe Genin.

The British firm has long been represented in France by Sekers Sarl.

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** TRICOTAGE- & KOUSENFABRIEK L. TEN CATE NV, Geesteren (lingerie, stockings, tights, socks etc - see No 250) has negotiated the acquisition of the stake it needed for complete control of the Belgian textile firm NV VERBREYT GEBROEDERS along with its sales subsidiary NV EDEL, St-Nicolas-Waas. The latter companies have been in difficulty and M. Pieter Delbaere, the head of the Belgian textile firm Beernemsche Tricotfabriek NV, Beernem had previously offered to take over some of their assets.

The Dutch concern recently decided to build new production facilities in Enschede. It is represented in France by Franco-Belge de Distribution Textile Sarl, Paris in association with Edel NV, in West Germany by L. Ten-Cate GmbH, Krefeld and in the Netherlands by Tima-Textielindustrie Mij. "Apeldoorn" NV, Apeldoorn.

** In the French underwear making-up sector, JAROMELO SA, Bellegarde, Ain (chairman M. Robert Jean Horvilleur) has absorbed the associated SOGARO - STE GARDOISE DE CONFECTION SA, Nimes, Gard (capital F 100,000) and HORVILLEUR & CIE Sarl, Nimes, thus raising its capital in two phases to F 1.2 million, and changing its name to HORVILLEUR SA STE GARDOISE DE CONFECTION (new head office in Nimes).

** The German stockings and lingerie concern ERGEE FEINSTRUMPF-WERKE EDWIN E. RÖSSLER oHG, Sonthofen, Allgäu (see No 491) is to extend its French manufacturing interests with a factory that it is now building at Ste-Croix-aux-Mines, Haut Rhin, in addition to that which it opened at Selestat, Bas-Rhin (see No 476) in 1968.

The German concern also has a French subsidiary, Ergée International Sarl at Malakoff, Hauts-de-Seine. It employs 6,000 people and in 1968 turned over Dm 210 million.

** The Dutch textile group KON. NEDERLANDSE TEXTIEL-UNIE NV, Enschede (see No 482) has diversified in the making-up sector by taking over the rain- and sportswear concern REGENKLEDING INDUSTRIE AMSTERDAM (RIA) NV, Amsterdam.

The latter has some 330 people on its payroll and (production at Zwaagwesteinde, Drachten and Sneek) will provide sound outlets for the rainwear fabric production subsidiary of its new parent company, N.J. MENKO NV, Enschede.

TOBACCO

** The New York tobacco and cigarette group LIGGETT & MYERS TOBACCO CO has extended its Belgian interests with the formation of a new subsidiary called LIGGETT & MYERS TOBACCO CO SA, Brussels (capital Bf 1 million). This will trade in tobacco and tobacco products and its first directors are Messrs J.W. Old Jr., J.G. Huckabæe Jr., and E.J. Parrish.

The group has had a Belgian subsidiary, Liggett & Myers Tobacco Co NV, Antwerp (capital Bf 1 m) since May 1967.

TOURISM

** BURETEL INTERNATIONAL SA has just been formed at Vaduz, Liechtenstein with Dr. Barmbeck, Hamburg, as manager, as a tourist services concern, and branches are planned for Düsseldorf, Hamburg, Munich, Berlin, Geneva, Zurich and Vienna.

TRADE

** The investment company TRIMEX HOLDING AG, Vaduz, Liechtenstein, has formed a 55% trading subsidiary in Milan named TRADE IMPORT ITALIA-TRIMETAL SpA (capital Lire 1 m), with Sig A. Chiodi as chairman and Sig C.W. Trimbos (who holds the balance) as director. The latter also heads the Genoa chemical products trading concern Trimetal SpA, Genoa (see No 467).

** FERGUSSON, WILD & CO LTD, London (see No 496), mineral and metal trading subsidiary of the Glasgow group WILLIAM BAIRD & CO LTD, has linked with a similar French company, STE COMMERCIALE DE METAUX & MINERAIS - R. AUMAS & CIE SA, Paris, in forming a Canadian subsidiary named AUMAS, FERGUSSON WILD LTD, Vancouver, British Columbia, to sell metals, minerals, concentrates and alloys on the North American market.

TRANSPORT

** CIE PARISIENNE RAVEAU-CARTIER SA, Paris (see No 344) has decided to streamline its transport interests and centre them on its Paris subsidiary STE FRANCAISE DE TRANSPORTS AUTOMOBILES SA. This will absorb STE FRANCAISE DE TRANSPORTS COMMERCIAUX SA, Paris (capital F 1 m), which will bring its gross assets valued at about F 1.5 million, and it will raise its capital from F 1.96 to 2.56 million.

Raveau-Cartier's chief investments are in Ste Francaise de Transports Automobiles Specialises SA and Ste d'Investissements Raveau-Cartier SA, both in Paris.

** S.A.G.A. - SA DE GERANCE & D'ARMEMENT SA, Paris (capital F 57 m - see No 508), member of the ROTHSCHILD SA group (see No 502) for road transport and shipping, has made over a 22.5% stake in CIE EUROPEENNE DES TRANSPORTS MARITIMES - CETRAMAR Snc, Paris (capital F 2 m - see No 271), to another company in the group, CIE DU NORD SA, Paris (see No 501). This leaves its own stake in the company concerned at 2.5% only.

Cetramar was formed in October 1964, with equal stakes held by L'Union Navale SA, Louis-Dreyfus & Cie SA, Chargeurs Reunis SA (through Cie Maritime des Chargeurs Reunis SA and Cie Navigation Sud Atlantique SA - with respective stakes therein of 2.5 and 22.5%) and S.A.G.A.

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****** The AGENCE MARITIME A. FREYMAN & VAN LOO - FREYLOO TRANSPORT SA, Antwerp (see No 388) has strengthened its position in Belgium by opening a new branch in Zeebrugge under Mlle A. Kollmann.

O The founder already has branches in Brussels, Kortrijk and Ostend. It is linked to Container Transport International Inc, New York with a joint subsidiary Container Transport International (Belgium) - C.T.I. Belgium NV, Antwerp.

****** NATIONAL CAR LOADING CO (see No 488), a member of the New York international freighting group AMERICAN EXPORT INDUSTRIES INC (see No 512) has set up a new subsidiary in Rome named A.T.T.I. - AZIENDA TRASPORTI TERRESTRI INTERNAZIONALI SpA (capital Lire 1m), with Sig F. J. Mayo as president, for all types of international haulage.

Over the past few months, this group has been setting up a major network of agencies covering all the main commercial and shipping centres in Italy. The affiliated ITALCARGO CONTAINERS SpA, Rome and Florence, which is the general agent for the group's shipping company, AMERICAN EXPORT ISBRANDTSEN LINES INC - A.E.I.L., has opened eight branches in its name in Rome, Genoa, Leghorn, Turin, Naples, Venice and Trieste. The independent CESARE FREMURA Snc, Leghorn, is general agent for A.E.I.L. for port handling operations in Trieste, Genoa and Naples, while Diners Fugazy Sales International SA (see No 473) coordinates the agents' business in Italy and the rest of Europe.

VARIOUS

****** The American group CULLIGAN INC, Northbrook, Illinois (see No 348), which makes water processing and purification plant, has taken 70% control of the Italian sales and manufacturing concern CUIT CULLIGAN ITALIANA SpA, Granarolo Emilia-Cariano, Bologna, which has long represented it in Italy under the directorship of Sig. D. Chili.

****** Under a licensing agreement, FURCHT & CO Srl, Milan, has become the exclusive Italian agent for pianos produced by PIANOFORTEFABRIK J. BLUTHNER, Leipzig.

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Manetti-Roberts	R	Rössler, Edwin E	U
Marseillaise d'Etudes	S	Rothschild	V
Martles	H	Rotterdamsch Trustee's Kantoor	L
Marubeni-Iida	C	Rousselot	E
Matile, Andre	D	la Royale-Belge	P
Meinecke	H		
Menko	U	S.A.G.A.	V
Messer Griesheim	I	S.I.O.M.E.	H
Middle East International Fund	L	S.M.C.T.	C
Minerva Chemie	E	S.T.R.I.M.	J
Moizzi	K	Schindling, Adolf	H
Montecatini-Edison	K	Schuchard	J
		Sekers Mills	T
National Car Loading	W	Senco Products	I
National Levensverzekering-Bank	M	Serseg	S
Nederlanden van 1845, Assurantie	M	Shin-Nippon Construction	C
Nederlandse Textiel-Unie	U	Shiseido	E
Nicolas	O	Si. Ma. Tes	I
Nijverdal Ten-Cate	T	Siemens	P
Nishimatsu Construction	C	Simo	E
Nogentaise de Produits Chimiques	Q	Simon Engineering	I
Nord, Cie du	V	Sobu Urban Area Development	C
Nukem	P	Sofianco	S
Nuova San Giorgio	I	Sogaro	U
		Sogefra	P
Ogem	G	Sogepafi	M
Oppenheimer Management Corp	M	Soletanche	D
		Soprorga	E
Paes, Henri Willem	D	Steatit-Magnesia	F
Pazogri	D	Sterkrade, Gutehoffnungshütte	H
Pechiney-St-Gobain	E	Stilmas	H
Perfecta-Graphic-International	B	Stress Block International	C
Pierrel	R	Stressed Concrete Design	C
Pierson, Heldring & Pierson	M		
Potasas Ibericas	M	Technische Unie	G
Pure Oil Co	P	Telefon Elektro	F
		la Telemecanique Electrique	G
R.I.A. Amsterdam	U	Ten Cate	U
Radaelli	K	Textielfabriek Nederland	T
Ranque	O	Thyssen-Bornemisza	L
Raveau-Cartier	V	Traction & Electricite	K
Rivaud	M	Transcographic	D
Rocher Freres	O	Trentesaux-Toulemonde	Q
Rodio, Holding	D	Trimetal	V

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Trimex Holding	V
Ugine-Kuhlmann	E
Unelec	F
Unindo	F
Union Oil of California	P
V.D.O. Tachometer	H
V.F.W.	B
Van Heek	T
Van der Kamp	D
Van Olffen	N
Verbreyt Gebroeders	U
Vickers-Zimmer	I
la Voce del Padrone	R
Vulcaan	L
W.E.P. Liechtenstein	H
Walter, E.	S
Warner-Lambert	R
West Cumberland Silk Mills	T
West-Friesche Verzekering	P
Westerouen Van Meeteren	K
Weyerhaeuser	Q
Worms	M
Yale SpA	J
Zanussi	E

