

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY

December 9 - December 15, 1968

THE COMMON MARKET:

Monetary Mechanism for 1969

The uncertainty pervading the world monetary situation, and in particular the Common Market's own position which the Secretary to the Treasury under the Nixon Administration, Mr. David Kennedy did little to appease on Tuesday of this week, by refusing to confirm that he believed that price of gold should be maintained at \$35 an ounce, dominated the meeting last Thursday of the Council of the EEC's Economic Ministers.

The recent monetary crises and the uncertainty still prevailing resulted in the Vice-President of the Commission, M. Raymond Barre taking this opportunity to put forward concrete proposals for future action by the Six as well as presenting an analysis of past events. The lesson to be drawn from the crises was that there should be a greater co-ordination of the economic policies followed by the member states since this is essential if the aim is to ensure monetary stability. According to M. Barre moves in this direction do not require any new forms of procedure or new institutions, rather there should simply be the will to make full use of existing procedures and facilities in time to prevent crises arising. In his view the Community's economy has two main features today. Firstly, there is the increasing interpenetration of the national economies due to the increase in intra-Community trade; thus no country can still manage its own economy independently from those of its partners. Secondly, at the present time the economies of the Six are developing at different rates, whilst in 1966 there was much greater similarity between their overall patterns. Every effort must be made to limit the differences, unless the Six wish to run into even more serious difficulties. The Community should therefore:

1-Define in more precise terms the different growth rates, and conditions of internal and external stability, and fix the guidelines to be followed in order to achieve these.

2-Try to create an increased compatibility between the various national economic policies, and try to coordinate much more closely than before short-term economic policies.

Turning to the need to strengthen monetary solidarity, M. Barre pointed out that the Commission had been trying to get the Six to make this a question of priority from February to the Bonn meeting in November. The Commission now considers that it is necessary "to make formal proposals to the Council under Articles 105 and 108 of the Rome Treaty with the aim of creating a mechanism for monetary cooperation". These it will submit to the Council before February 15. M. Barre pointed out that a mechanism is not an organisation, and its establishment is justified by the need to have an effective system for

preventing imbalances, rather than to deal with their effects. To stop future difficulties there must be established a close link between the creation of this new monetary mechanism and the strengthening of the coordination of economic policies. M. Barre explained why the Commission was to make its proposals within such a short space of time: "today it is no longer sufficient to say that member states should cooperate in the monetary sector. Concrete proposals must be made so that this can be put into practice. The creation of such a system can no longer be deferred for obvious international reasons. Furthermore it should be pointed out that this mechanism should not be a substitute for international cooperation; rather the latter's functioning should be improved by strengthening the solidarity of the Six. It is clear that there will be no lasting Common Market without common monetary support mechanisms. The proposals which the Commission is to put forward are not solely the result of the crises, but form part of the logical development of the Community's method of operation and represent part of its aim."

In his discussion on the economic outlook for the Community during the coming months, M. Barre stressed the importance of the roles played by France and West Germany. There was moreover a need to maintain the Community's growth rate as a whole at a least 5% (at constant prices) through an expansion of domestic demand in all member states with the exception of France, as well as to keep wages within the capacity of the various economies. This latter requirement will need a very careful approach in France, and also in the Netherlands.

With regard to West Germany, the Commission believes that a growth rate of at least 5% must be achieved "as without a vigorous increase by the German economy during 1968, balance of payments problems will remain acute, despite the measures already taken". M. Barre said that for the EEC as well as for the whole international economy, it is essential that the West German economy's growth rate does not fall below its potential. In France, where the economic situation is "dominated by the events of May and the non-event of Saturday November 23" the essential aim must be to re-establish the fundamental situation of the economy, through a rigorous credit and budgetary policy. The need to keep wages under control also means that prices must be watched and kept down as far as possible. The Commission considers that if the policies adopted by Paris are pursued with determination, the French economy should be able to achieve satisfactory conditions of internal and external equilibrium towards the end of the spring of 1968.

The reactions by the Ministers to M. Barre's speech were extremely cautious. The communique issued after the meeting of the Council stated "The Council has had an exchange of views regarding the economic situation and its outlook during the coming year, and certain common attitudes appeared. In this context the Council has recognised the need for an increased coordination of economic policies within the Community, along with the need for a study of the ways of intensifying monetary cooperation. M. Barre was quite satisfied with the results of the meeting, for the Commission has now made suggestions which can form the basis for discussions. It remains to be seen how much progress will be made by February when the Commission's own proposals are finalised.

December 19, 1968

AGRICULTURE

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V. Kline, etc

Reform Plan: The Backlash

It was hardly to be expected that ten million European farmers, the vast majority of them peasant farmers at that, would be at all disposed to swallow the unsugared pill of the EEC Commission's plan for their future, revealed last week by Dr. Sicco Mansholt. The farmers, however, were not the only ones to object, and it is not easy to find enthusiastic reactions to the plan in any quarter, save that of the economists and theorists. The very range of the criticisms that have been put forward in fact says not a little about the plan, which has been described as anything virtually from "pure Utopia" (Herr Bauknecht, German Christian Democrat) to "just another working document" (M. le Theule, French Secretary of State for Information), over which the Commission had taken no decision, and which in no measure committed member states.

Official government reactions amongst the Six on the whole were fairly guarded, the Dutch probably being more favourably disposed than most, whilst Herr Hochehl, German Agricultural minister, found it unrealistic, and M. Debre used the opportunity to stress again that such matters and the decisions demanded were wholly the province of national governments. His argument was that the safeguarding of peasant standards was as much the responsibility of the individual state as was the maintaining of law and order in time of trouble, "the rest is little better than frivolous and irresponsible". However, Agence France Presse, which also took the line that this was but another working document, did go on to point out that the publication of the plan had had a shock effect, which was what had been sought. The important thing was to present the overall problem of bringing European agriculture into the space age, to show the need for some master solution, and to break the impasse that is steadily choking Community agriculture. The signs so far, indeed, are that the plan as it stands is likely to suffer the death of a thousand cuts, and that out of the protracted ritual of its sacrifice will be born the schemes, projects and ideas that will form the nucleus of Europe's new agriculture in the coming years.

This at least is a thread that can be traced through the otherwise rather highly-coloured picture of reaction that we get when we turn to the farmers' official comments to date on the plan. Both Baron von Feuy, vice-president of the German peasant farmers' association, and the spokesman for the French chambers of agriculture, had veiled threats to offer about "violent reactions" from those they represent. Typical also of the sort of comments that were coming from such quarters was Herr Moeuws' (Chairman of the former organisation) assertion that nothing less than the "destruction of social structures" was at stake, while Modef, the French Movement for the Defence of Family Farms, a para-communist organisation, claimed that this was no different from most of the French Government's own schemes for farming, in that it sought the "systematic liquidation of smallholdings". Moreover, Modef and A.F.C.A., the chambers of agriculture organisation, have now in hand the convening in Milan on December 20 of an assembly of their own and similar bodies

from Germany, Belgium and Italy, to discuss their approach to the challenge now set them. Possible reactions - and direct action - from the more militant of the farmers' organisations, once it becomes coordinated through such gatherings, moreover, is a force that must be taken into account as consideration of the plan and its possible modification get under way in the new year.

At a slightly less radical level on this side, however, comes C.O.P.A. - the Agricultural Organisations Council of the EEC, which gathered on December 13, in the presence of Dr. Mansholt to discuss the plan. They, like the ministers on Monday, however, had not the official draft of the proposals to work on, and the meeting was cut rather short because of this, and also, it is suspected, because there was a danger of divergencies between delegates becoming too pronounced at such a stage: much work will have to go into the achievement of a common standpoint over the Manholt Plan within this body. As far as C.O.P.A. was concerned, at this stage in the game, the two main quarrels were with the "unethical" decision to make five million farmers redundant over the next ten years, and "the grave psychological blunder" of presenting at the same time as such a plan the lowered prices of various staple farm products: to cut the guaranteed price of colza and sunflowers, to refuse an increase in the price of beef, and to suggest the slashing of the price of butter, at the same time as you are trying to sell five million farmers the idea of their leaving the land in the near future is a crass error.

Clearly, the Commission and the Six will have their work cut out if they are ever to get the plan accepted in anything like its present form, but there are yet voices of reason to be heard, and the basic inevitability of farm reform remains the strongest weapon in their hands. This was expressed in an article in "Le Monde" by M. Michel Debatisse, secretary-general of the National Federation of Farmers' Unions - F.N.S.E.A., who maintains that European farming has reached a juncture where policies must be changed fundamentally. As far as he is concerned, farmers must now either bend with the wind, and accept the hardships of farm reorganisation on the Mansholt pattern, or face the possibility that the farm as it is now known in the Community will disappear completely, in the face of "capitalist undertakings", highly concentrated, and integrated vertically with industrial and commercial concerns. It is perhaps arguments like this that will finally win the day, but as long as the Six continue to quibble between themselves about the very principle of deciding the lot of the farmer in Brussels rather than in their own capitals, the door will be left wide open to the farming pressure groups to build up their defences, and possibly force such a watered-down compromise plan that they shatter their own long-term interests.

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KENNEDY ROUND

Kennedy Round Acceleration Decelerates

The EEC Council of Ministers has announced that it will keep open its offer of reducing tariffs on chemical products as laid down in the Kennedy Round until the end of next year. This one-year extension on the previously agreed time limit is in the course of being

formalised by the exchange of official letters in Geneva between the representatives of the GATT contracting parties involved. The extension has been granted because the United States Congress is unable to agree to the abolition of the American Selling Price System (ASP) under which imported benzoid chemicals are assessed for duty on the basis of the higher American domestic prices, and the 50% reduction on offer will only be granted on condition that the ASP is abolished. Until this in fact comes about the Six and the other countries concerned (Great Britain, Japan and Switzerland in particular) are only going to grant a 20% cut on chemical imports; the remaining 30% will be granted when ASP is abolished.

With the entry into office of the Nixon administration the abolition of ASP is even less likely than it was under Johnson. There is at the present time an increasing tendency towards protectionism in the United States and during his election campaign Mr. Nixon made a particular point of pandering to the protectionist feelings that are welling up in such places as Pittsburg (over steel imports) and South Carolina (over textile imports). Having received a certain measure of support from these factions during his campaign, and from Senator Strom Thurmond of South Carolina (the U.S.'s biggest textile producing state) in particular, he will be unable to stand up against any protectionist bills which are approved by Congress even if he wants to. President Johnson on the other hand had given a pledge that he would never sign any protectionist legislation during his term of office, and even though Congress passed more than one protectionist bill last year, none actually became law because of the Presidential veto. In fact the one bill that did get as far as the president was one on textile quotas; (see No 491) it is unlikely that Mr. Nixon will be in such a strong position as President Johnson, who by this time had announced that he was not seeking re-election, so early on in his term of office. The need for retrenchment which is currently felt in the United States is likely to be faithfully reflected in Nixon's policies, at least for the time being.

All this means that the acceleration of the Kennedy Round cuts as was proposed in the Spring is now probably out of the question. The Community's offer was to bring forward to January 1, 1969 the 20% tariff which according to the Kennedy Round agreement, should have been made on January 1, 1970, and that at the same time the Americans should defer for one year the 20% cut that they were due to make on January 1, 1969. In the first place the Community had only agreed reluctantly to these conditions, and at the time it was agreed that the situation would be reviewed again before the end of the year. Now the circumstances seem somewhat different; the United States has not shown much in the way of good will, in that it has done nothing to end ASP, and the world situation has changed much since April when the suggestions were formulated. At that time the dollar was under pressure and the U.S. balance of payments was getting steadily worse, but since then the French franc has become equally if not more weak than the dollar and the U.S. balance of payments has got steadily better. Thus the need for acceleration does not seem to be so great and given the American reluctance to do away with ASP. the Community feels it is quite justified in withdrawing its offer.

Japan, always known for its protectionist approach to trade, announced on Tuesday of this week that it was prepared to remove most of its remaining import restrictions within the next two or three years. On December 27 and 28 there will be trade talks between Japanese

and United States officials on the easing of these restrictions. Japan is guilty of some 120 violations of the General Agreement on Tariffs and Trade on such items as computers, steam turbines and whisky. The liberalisation measures will however be accompanied by safeguards against sudden increases in imports that could permanently harm a Japanese industry unused to such competition, and it is expected that the Japanese will bargain for a certain amount of reciprocity.

* * *

ENLARGEMENT

Compromise by April?

According to the President of the EEC Commission M. Jean Rey, speaking in Brussels on Tuesday, there are chances that the Six may reach a compromise agreement by Easter over the terms of a "commercial arrangement" to be offered to Britain. M. Rey indicated that the proposals made by the Commission in April, allied to the so-called Brandt Plan put forward by West Germany in September, could provide the basis for this compromise. The arrangement would apparently be open to any interested European country - a view maintained by France - but at the same time it would have to be presented so as not to infringe the GATT rules or provoke American counter-action. Whether or not a successful compromise can be reached despite M. Rey's optimistic speech is another matter. He cited the apparent progress made during recent weeks over technological and patent cooperation with non-member candidate countries as indications of a more flexible attitude by France. It is however another question as to whether Paris has in fact changed its basic approach.

The reaction by Britain to any proposals for a so-called commercial arrangement have also tended to be far from enthusiastic. There are now signs however of a slight change, possibly due to some Dutch pressure, to the extent that commercial arrangements - which obviously have a number of considerable drawbacks - should now be related to membership. If these are allied to effective technological cooperation and joint efforts in the field of patents then the outlook for links between Britain and the Community is fair. Nevertheless the fulfillment of the optimists' expectations depends on France, and there have been few concrete signs of a change of attitude.

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E.C.S.C.

1969: Prospects Good for Steel

The steadily increasing volume of trade in the Community is likely to be sustained throughout 1969, in particular when it comes to internal demand, and the Commission's experts anticipate an appreciable increase in domestic demand for steel. An increase in volume here of 8% over the rate for 1968 is expected, such that in one or two countries there may even be some need to keep vigilance against overheating in certain sectors. The healthy state of the economy will for the most part be preserved by the rise in investment potential, and hence by satisfactory demand from the capital equipment sector, not to mention the consumer durables market, both of which will benefit the steel finishing industries. On this assumption, the Commission bases its estimate of real steel consumption in the Community next year, which it places at 84,000 million tons of crude, or an increase of 7.4% over this year's figure, which itself was 5.4% up on 1967, wherein internal steel consumption in the Community rose by only 1.8%.

Forecasts are on the whole more guarded when it comes to next year's export figures, as an unknown quantity here is the volume of exports to the U.S.A. that may be recorded. Here, in principle, there has been made an agreement between Community producers and the Japanese on the one side, and the U.S. Government and American steel producers on the other, by which exports of steel on to the American market will be limited voluntarily (see No 486). The snag here, however, is that no decision has yet been made as to what share each member state should have of the overall quota that the Community is to place upon its steel exports to the United States, even though the ECSC steel industries have given their assent to the idea.

Bearing in mind the generally favourable drift of steel consumption on the world market, however, the Commission estimates that the Community's gross steel exports in 1969 could reach 19.5 million tons of crude steel equivalent, as against 19.7 million tons in 1968. At the same time, it is reckoned that imports from third countries may rise slightly, to 3.8 million tons of crude steel in the coming year. This being so, production of crude steel, which comes to 97.8 million tons for the current year, for the whole of the Community, could move up to 100.3 million tons in 1969, which would be the first time that the Six have topped the 100 million mark. The breakdown of steel production between member countries will be as shown in the table overleaf:

December 19, 1968.

	<u>1967</u>	<u>1968</u>	<u>1969</u>
Belgium	9.71	11.45	11.80
France	19.66	20.25	21.90
Germany	36.74	40.75	40.10
Italy	15.89	16.95	17.60
Luxembourg	4.48	4.75	4.80
Netherlands	3.40	3.65	4.10
EEC:	<u>89.88</u>	<u>97.80</u>	<u>100.30</u>

As far as intra-Community trade in steel is concerned, a particular problem is posed by the recent monetary policy measures taken by various members. It is too soon yet to assess the effects these may have on the common steel market, but the Commission's experts believe that forecast steel requirements are likely to be altered only very slightly. Nevertheless, we should watch out for some sort of change in the pattern of trade in the Community, and care should be taken to prevent members affected by these latest measures from having to face fresh difficulties caused by too much of an upswing in deliveries from other members of the Community.

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French Coal in 1975

Along with the coal industries of most other countries, the French coal sector is faced with a long and difficult period of modernisation and rationalisation. For a number of years after the war, efforts were made in Europe to maintain and increase coal production as a source of energy which would be secure in the event of crises. But the ever-growing number of oil-producing countries, coupled with the discovery of natural gas and the advent of nuclear power have tended to displace the previously predominant role of coal. Despite all the efforts of those connected with coal, its share of the energy market will decline even more during the coming years, as uneconomic pits are closed and production is concentrated in the best areas.

Figures recently released show that the French government expects production to fall from 44 million tons in 1968 to between 24 and 25 million in 1975. Since 1965 output has been falling by 2.4 million tons p.a., compared with 1 million between 1960 and 1965, and it is expected that by 1975 some 30,000 new jobs will have to be made available to cope with the loss of employment brought about by pit closures.

The output of the Centre-Midi region will be cut by 5.1 million tons (1967 10.8 m). Pit closures in the Loire will lower output by 2 million tons, in the Cevennes by 1.6 million in the Auvergne by 800,000 tons and in the Dauphine by 750,000. Closures will take place in the Loire by December 1973 and in the other pits by the end of 1975. In the Nord and Pas-de-Calais region output will be halved by 1975 (1967: 23.5 m. t.) and in Lorraine two pits will be closed. This 45% cut in production compared with today will involve a more rapid fall in the number of those working in the mines, and France will probably receive special aid from the ECSC to this end. Between 1955 and 1967, Britain, West Germany and the Netherlands reduced the number of miners by 50%, and in Belgium the figure was 65%. At the same time there was only a 37% fall in the French coal industry to give a workforce figure of around 109,000 at the start of 1968.

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EURATOM

European Parliament All for Going On

With a critical Euratom ministerial meeting scheduled for December 20, the European Parliament held an extraordinary session on Friday December 13, to discuss and bring to the notice of the public the desperate straits into which the Atomic Community has fallen. The occasion was far from wasted, and to the surprise of not a few, the day's work ended with a unanimous resolution that contained the following message: "Europe's autonomy in the nuclear sector, as in many other key technological fields, cries out for resolution, demands sustained work under Euratom, and a reversal of the status quo, which has hitherto cramped its efficiency, and the fostering of a spirit of renewed vigour in all branches of European technology".

Indeed, in the absence of a common policy in the nuclear research sector, and of coordination in scientific and technological development, the European Community would be damning itself for all time to a position of economic and political inferiority to the rest of the world.

Pending the drafting of a common pluri-annual research and investment programme, the Council must, in order to safeguard what the Community has invested in, and achieved at the joint research centre, produce immediately emergency financial provisions and an interim budget to keep the work going.

Before the adoption of the resolution there was a fairly heated debate, during which the Gaullist deputies' group (at pains, as M. de la Malene pointed out, to demonstrate that the Commission also must bear some of the responsibility for the wayward nuclear

policies that Euratom has followed) was insisting especially that the activities of Euratom should be freshly orientated, and M. Triboulet for the Gaullists put up a number of amendments to the resolution as presented by M. Mario Scelba, chairman of the Parliament's political committee. As far as the Gaullists were concerned, the question was not one of selecting this or that project, but of determining as it were the lines of force that the Community should in future follow in the nuclear sector. The joint research centre was not an end in itself, and efforts should be made to work towards viable industrial applications, as is the case in the U.S.A. and the Soviet Union. The Commission stressed that on December 20 the Council will be deciding not only on the future of Euratom, and of the joint research centre, but also hammering out the political question of deciding whether the Community is still capable of evolving and implementing a common work schedule. The dismantling of Euratom could well prove to be the beginning of similar exercises in other Community sectors. Thus maximum priority must be given to joint programmes of such a scale that complementary research programmes (i.e. those that attract the participation of only those countries that wish to be involved) should indeed be complementary and not be left to constitute the very substance of all Euratom work.

At the beginning of the session, the divergencies between the Gaullists and the rest of the assembly were underlined by the number of amendments that the former were trying to get adopted. It was after Jean Rey intervened, calling upon the Parliament forthwith to seek unanimity, with the eyes of Europe upon it, that compromise was effected, with the insertion into the proposed resolution of the words we have quoted above. This embraces the Gaullists' emphasis on the breaking of the status quo in Euratom, which in past years has continually led the nuclear Community off the rails and hampered its progress.

ENERGY

EEC to Build up Oil Reserves

The first breakthrough in the common oil policy was achieved on December 10 when the Council of Ministers finally agreed on the level of petroleum reserves which the Six member countries should maintain on a permanent basis. The agreed figure was for petroleum reserves equal to 65 days' consumption, calculated with reference to the average daily consumption over the previous year, and is derived from a draft directive submitted by the Commission on November 19, 1968, which followed negotiations dating back to 1964 when the Commission had first approached the problem. The negotiations had evinced a number of differences in opinion between the Six, the main ones being the cost of maintaining such reserves and the varying opinions about the importance of the security of supplies. The 65 days' supply must be kept permanently and must be at the disposal of governments,

although it maybe in the form of crude and/or petroleum products. National sources of crude oil (a mere 14.6 m. tons for the whole Community) are not covered by the directive and so will provide an additional source of oil and energy security over and above the 65 days' supply. Moreover, if there were to be a shortage of petroleum supplies, it would fall to the lot of the national governments to commandeer supplies and not to the Commission. Thus in the case of a threat to the security of petroleum supplies the member countries fall back on their essential need for the integral national state and not on the ideal of Community solidarity. It seems that at the present state of the art Community idealism will always give way to the hallowed old theories of nationalism when a country's life-blood is under siege.

At present the EEC depends on foreign sources for over half of its sources of energy (55.9%) and this dependence has increased seriously over the past few years, for in 1958 when the Community came into being only 28.5% of energy came from foreign sources (see Nos 481-4, Studies and Trends). This ever-increasing dependence on foreign supplies was one of the chief reasons for the acceptance of this directive; agreement only four years ago would have been inconceivable as the threat to national security was not there to the same extent. Although annual production of crude oil in the Community has risen from 9 million tons which is now imported per annum, a figure which is significantly up on the one four years ago when only 167.6 million tons was imported.

The directive thus means that the Community is now one step nearer its common energy policy as was laid down in the April 1964 protocol and in the decision of the Council in July 1967 on a common policy for petroleum and natural gas.

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TRADE

Yugoslavia.

The problem of the Community's proposed links with Yugoslavia again fell foul of the question of beef imports during last week's meeting of the Council of Ministers. M. Jean-Francois Deniau, the member of the Commission responsible for external trade, asked the Council to agree to a more flexible approach. Yugoslavia wants any agreement eventually reached with the Community to cover her beef exports, especially those to Italy which were worth \$225 million in 1967. The French delegation under M. Debre opposed any extension of the Commission's mandate, without making any other suggestions. The matter has therefore been sent to the Committee of Permanent Representatives, for further discussion and in the hope that the Six will be able to reach agreement by the time the next Council of Ministers is held.

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Israel and the Maghreb

The Dutch Foreign Minister, Dr. Luns called for the intensification of progress on proposed links with Israel, which has requested closer ties with the Community. He also asked for the question to be put on the agenda for the next meeting of the Foreign Ministers. The Dutch would like closer coordination between the talks with the Maghreb countries and those with Israel. Obviously there are considerable difficulties here because of the relations between the Arab states and Jerusalem, although as far as Tunisia is concerned the problem should not be too important. Tunisia has for long accepted the existence of Israel, and adopted a moderate attitude.

The Council of Ministers also agreed to give the go-ahead to the Commission to finalise negotiations for association with Morocco (see No 490).

* * *

CUSTOMS AND TARIFFS

Diversion of Customs Receipts

The European Commission has tabled proposals for the temporary settlement of the problem of the diversion of customs receipts since the establishment of the common external tariff on July 1 last.

Goods imported into a member country of the European Community from a non-member source are subject to import duty in the country of landing before being forwarded to a final destination in another member country. The latter country therefore loses the benefit of the import duty. Since the completion of the common external tariff this problem has become more acute, and will persist until Article 201 of the Rome Treaty is implemented.

The Council of Ministers at its meeting on July 30, 1968 asked the Commission to prepare a proposal on means of paying compensation to member states which lose revenue when diversion of customs receipts arises in these circumstances.

The proposal that the Commission has now put forward is essentially of a provisional character, although Article 201 provides for the Commission tabling proposals to the Council after having studied, once the common external tariff has been established, under what conditions customs duties could provide a direct revenue for the Community.

The Commission's proposal, which would apply only during the second half of 1969, is that the country which finally receives the imported goods, should, after confirmation that they have been forwarded after customs clearance in the country of arrival, calculate the amount of diverted customs duty involved. At the end of this period the Commission

customs department would be informed, by customs classification and country, of amounts calculated in this way, and the Commission would make the necessary proposals regarding compensation. It is proposed that a control committee be set up to supervise this work.

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LABOUR

French C.G.T. to participate in EEC.

It has just been announced that the largest and strongest French trade union the Confederation Generale du Travail, which is basically Communist-organised, is to take part as a member of the EEC's Consultative Committee on the Free Movement of Labour within the Community. Already last year, the French government had allotted the C.G.T. a seat on the International Labour Organisation.

Each EEC member state is represented by six representatives on the Consultative Committee: two from the government, two from the employers and two from the unions. Previously it was the C.F.D.T. and Force Ouvriere which represented the French unions, with F.O. holding the "stand-in" seat. Following a reallocation of the seats, it is the C.F.D.T. which will hold the "stand-in" seat, with the C.G.T. and F.O. holding the two main seats. It is not expected that any other government of the Six will refuse to ratify the French government's decision, when this is moved, despite the Communist affiliations of the C.G.T. Although it is the first time that such a union has been represented on an official EEC body, members of the Italian C.G.I.L. (the equivalent of the C.G.T.) have been taking part as experts since 1966.

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ASSOCIATION

EEC-Turkey Association to move into Second Stage.

Agreement has been reached between the EEC authorities and Turkey to embark upon negotiations sometime in January with the aim of evolving from the present "preparatory" stage to the "transitional" stage of Turkish association with the EEC. Between now and January it is up to the six member countries to draw up a common position on the matter and a report on the talks is to be submitted to the Association Council by mid-April.

Thus the transitional period which is to last twelve years will begin on December 1, 1969 when the preparatory stage elapses. The preparatory stage will then have run for five

years, during which time the Community has granted preferences on Turkey's chief exports, and equally if not more important, it has offered loans of up to \$ 175 million for Turkish investment projects .

The importance of the financial aspects of the Association is reflected in the fact that parallel negotiations will be taking place in January in an effort to draw up a new financial protocol for aid to Turkey. According to Mr. Ihsan Sabri Caglayangil, the Turkish Foreign Minister, who paid a visit to Brussels last week, financial aid is one of the most important aspects of the Association agreement. Certainly at the present time Turkey is not in a position to finance her own development. Her balance of payments shows a marked deficit, and the increasing import demands that the country's growing industry is making are only aggravating the situation. It will not be until 1977 or so that Turkey will be able to throw off the shackles of foreign aid and open its markets progressively to the rigours of foreign competition. Meanwhile, Ankara will no doubt ask the Brussels authorities for a certain degree of indulgence - that the Community should lower its tariffs towards Turkey at a faster rate, but that it should be allowed to maintain certain of tariffs on its own more sensitive goods. Two subjects which will come up for particular discussion will be the necessity of providing new mechanisms for the free movement of Turkish workers into the EEC and the need to provide better access for Turkish agricultural products (the Turkish economy is still largely dependent on agriculture) to the EEC market. Here of course the Turkish delegation is likely to come up against stern Community competition with the implementation of the Common Agricultural Policy last July.

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EUROPEAN INVESTMENT BANK

Bond Issue in Italy

The EIB made a bond issue in Italy on December 16 for a total value of Lire 15,000 million (£ 10 m). They were offered to the public by a syndicate of banks headed by Mediobanca SpA. The 20-year bonds, bearing interest at 6% p.a. were offered at 96½%, and are redeemable at par from December 1, 1972 in 17 annuities. The EIB also has the option of redeeming by anticipation all, or part, of the bonds at par from December 1, 1972. The proceeds of the issue are to be used for general lending purposes.

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Operations in France

Since the French summer crisis, the EIB has been making a special effort to put into action to the "mutual assistance" clauses of the Treaty, which the Ministers decided upon in July. In particular increased assistance from the EIB should enable the French

government to continue with its projects for the development and modernisation of Western France, especially Brittany. One such scheme is the construction of a major power station at Cordemais between Nantes and St-Nazaire which will supply all of Brittany with "basic electricity". It had been feared that because of the budget cuts, the construction of the power station would have to be delayed. Other projects in France, which are expected to receive loans from the EIB include the Paris-Brussels motorway and the construction of increased diameter pipelines carrying natural gas from Saint-Marcais and Lacq to Toulouse, Bordeaux and Bayonne .

Last Thursday an agreement covering a \$ 15 million loan from the EIB to the Ste des Mines de Potasse d'Alsace was signed. This will enable production to be concentrated gradually on the three most profitable extraction sites and three processing units. Production should be maintained at its present level of 1,800,000 tons, and the modernisation scheme should enable the potash works to remain competitive and to lower its prices. Since the whole operation will take several years, and will be allied to the early retirement of some workers, it is not expected that any unemployment will be created.

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Food Aid

The Common Market countries have brought to a conclusion the discussions that have been going on for more than a year on the implementation of a million ton food aid programme for wheat within the terms of the Kennedy Round. The Council has now come to terms with the last of the problems which the programme posed and it is now in a position to look into the demands that have been made by such countries as India, Pakistan, and Tunisia. Agreement has now been reached on the manner in which aid is to be apportioned and it has decided that there will be a combined Community and national aid programme whose implementation will be approved by the Council. Agreement has also been reached between the Six on the methods to be employed in actually getting the Community cereals from the fields to the recipient countries and on the necessary procedures for formulating supply agreements to the beneficiary countries .

December 19, 1968.

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ADVERTISING

** The Brussels agency PUBLICITE MARECHAL SA (see No 415) has strengthened its stake in the Benelux countries by forming a subsidiary in The Hague called PUBLICITE MARECHAL (NEDERLAND) NV (capital Fl 10,000) under Mr. Th. van Gent. This will run - in conjunction with its founder - advertising campaigns covering the Benelux countries, as well as acting for Belgian companies on the Dutch market.

The Brussels agency was also the co-founder, along with eight other Belgian agencies of the co-operative concern ADAS-ADVERTISING AUXILIARY SERVICES S.C, Brussels responsible for the co-ordination of their projects.

** HAMILL TOMS LTD, the agency based in Cheltenham, Glos., is to build up its activities in West Germany. First of all it is to form a subsidiary in Dusseldorf, then it will carry out a crossed shareholdings deal with the HUBERT SCHNABEL & PARTNER WERBEAGENTUR agency, whose annual budget is in the order of Dm 10 million.

The British company already has an interest in Belgium, in the agency Plus SA at Ixelles-Brussels (see No 243) in association with Midland Studios of Cheltenham.

** The American advertising group N.W. AYER & SON INC., Philadelphia, Pennsylvania, has taken a minority shareholding in the Milan agency PUBBLI-MARKET Srl, Milan, whose new managing director is also the vice-president Mr. Dennis Shearman. In 1967 N.W. Ayer & Son Inc, Philadelphia acquired control of the London agency Alexander-Butterfield Ltd and formed Alexander-Butterfield & Ayer Ltd.

** The Paris agency DUPUY COMPTON SA (see No 460) - a 20% affiliate of the American group COMPTON ADVERTISING INC(see No 461) has strengthened its interests following two moves in France and Greece. The first was a 50-50 link-up with the financial advertising concern ENTEP-ENTREPRISE TECHNIQUE DE PUBLICITE ECONOMIQUE & FINANCIERE SA, Paris (headed by M. Jacques Delbeuf) within OFIEF-OFFICE D'INFORMATIONS ECONOMIQUES & FINANCIERES Sarl (capital F 20,000 - also under M.J.Delbeuf) which is based on Entep's premises. The other move was the formation of a Greek subsidiary in Athens called DUPUY-COMPTON HELLAS SA, under M. Laurent Templier.

The new French company forms part of the group's plan to establish a series of specialised subsidiaries (three others will be formed : RLD MEDICALE - medical advertising, RLD PROMOTION and RLD INDUSTRIE - industry and plant) which will start operations in 1969. The group strengthened its interests some months ago with the formation of Dupuy Wunderman Sarl (see No 439) in association with the New York agency WUNDERMAN, RICOTTO & KLINE INC.

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AEROSPACE

** Further integration is taking place in the German aircraft industry; this time it concerns VFW - VEREINIGTE FLUGZERGTECHNISCHE WERKE GmbH, Bremen (see No 471), which is taking a shareholding in RHEIN-FLUGZEUGBAU GmbH, Mönchengladbach (see No 318) which up till now was the wholly-owned subsidiary of the mining concern, C. DEILMANN GmbH, Bentheim (see No 485).

Rhein-Flugzeugbau (capital Dm 3.5 m) which had a 33.3% holding in Leichtflugtechnik Union GmbH, Bonn (see No 488) has since 1966 assembled Mitsubishi light air craft. VFW's capital of Dm 45.5 million is held by Fried. Krupp GmbH, Essen (see this issue) and the United Aircraft Corp., East Hartford, Connecticut (see No 489) with 29.27 and 26.37% respectively. With a payroll of 4,500, the company had a turnover of Dm 286 million in 1967, a figure which puts it second amongst aircraft producers in West Germany, after Messerschmitt-Bölkow GmbH, Ottobrun (see No 489).

BUILDING & CIVIL ENGINEERING

** A Franco-German link-up has resulted in the formation of a property construction concern called EUROPROJECT SA, Boulogne-Billancourt (capital F 100,000) with Herr Hans Langner of Hanover as president. The French stake is held by ENTREPRISE THINET Sarl, St-Etienne, Loire (capital F 6 m) and LES RAPIDES DE FRANCE SA, Paris (see No 434), which is affiliated to S.A.E. - STE AUXILIAIRE D'ENTREPRISES SA (see No 437). The German stake represents the Association of property developers and estate agents, VERBAND DER DEUTSCHEN MAKLER GRUNDBESITZ & FINANZIERUNGEN (see No 447).

The latter was behind the formation in 1967 (see No 415) of Immobilien Marketing GmbH, Hanover the aim of which is to encourage West Germans to invest their capital in tourist development projects in the Languedoc-Roussillon area of France on the Mediterranean coast.

** The new Paris civil engineering concern SA ENTREPRISES Y. PLISSON (capital F 12 m) has been formed by the merger of four companies, ENTREPRISE PLISSON SA (capital F 1.4 m - gross assets F 29.79 m - see No 257), CONSTRUCTIONS METALLIQUES L'HUILLIER SA, Villers-Semeuse, Ardennes (capital F 350,000 - gross assets F 2.41), S.A.M.Y. PLISSON Sarl, Paris (capital F 20,000 - gross assets F 5.52) and LA CLOCHE SA, Paris (capital F 6,000 - gross assets F 250,000). Entreprise Plisson assets include sites at Chenove, Cote d'Or, Woippy, Moselle, Chateauroux, Indre as well as properties at Villeneuve-le-Roi, Val-de-Marne and Dijon, Cote d'Or.

** The Paris CEMENTS LAFARGE SA group (see No 443) is to rationalise its Canadian interests through LAFARGE CEMENT OF NORTH AMERICA LTD, Vancouver, British Columbia (a 41.9% affiliate) taking over CEMENTS LAFARGE QUEBEC Ltee, Ville-St-Laurent (a 51% controlling interest) and becoming LAFARGE CANADA Ltee.

This merger will strengthen the group's position in the areas around Vancouver, Montreal and Kamloops, British Columbia (where a cement plant is being completed) with

an annual production of some 8 million barrels or 1.2 million tons. Its main affiliate (50%) will be ROCKCRETE READY-MIX LTD, Richmond, British Columbia, which controls DEEKS-McBRIDE LTD - through LORRAINE READY-MIX LTD - and some fifteen distribution companies

** The Dutch concern UBBENS-WIGBOLDUS UITHUIZERMEEDEN- TEN BOER-LEENS NV, Uithuizermeeden has taken a 40% stake in the newly formed BETONMORTEL CENTRALE EEMSHAVEN NV, Uithuizermeeden (capital Fl 400,000 - 25% issued). This will make, deal in and transport building materials, especially concrete. Its partners in the venture are three other firms (20% each) in the same sector, who are already linked within a joint subsidiary BETONCENTRALE EEMSMOND NV, Delfzijl. These are the Groningen group MEES' BOUWMATERIALEN NV (see No 485), whose shareholding is held by its holding company MEBEMO NV and two Delfzijl firms, ROTTINGHUIS NV and GEBROEDERS LOMMERTS NV.

CHEMICALS

** The Munich subsidiary of the American DOW CORNING CORP., Midland, Michigan (itself a joint subsidiary of the Dow Chemical Co., Midland and Corning Glass Works Co., Corning, New York), MOLYKOTE GmbH (lubricants etc. and formerly called Molykote Produktions GmbH - see No 405) has closed down the activities of its subsidiary in Schaerbeek-Brussels, MOLYKOTE-BELGIUM SA. The liquidation has been put in the hands of M. Guy M. Charlot and its assets have been passed onto the Brussels branch of Midland's 90% subsidiary, Dow Corning International Ltd, Nassau, Bahamas.

The Munich company is represented in the Community by a subsidiary in France, Molykote Sarl, Strasbourg-Neuhof, (capital F 200,000).

** The New York group WITCO CHEMICAL CO INC (see No 474) has rationalised its French interests by merging the Paris subsidiary WITCO CHEMICAL (FRANCE) SA (gross assets - F 1.89 m) with its 15.6% affiliate STE CHIMIQUE ELBEUVIENNE SA, St-Pierre-les-Elbeuf, Seine-Maritime. This latter has become WITCO CHEMICAL SA (offices in Paris) which was acquired in late 1966, makes some 1,000 tons p.a. of "Sunolite" special waxes for the rubber industry.

The American group (stearine, sulfonates and detergents) has a wide network of European affiliates, subsidiaries and production units. These include NV Nederlandse Raffinaderij Van Petroleumproducten, Haarlem; Witco Chemical SA, Lambeek-lez-Hal (formerly Produits Chimiques Adjubel SA); Witco Chemical Espanola SA, Madrid; Argus Chemical NV, Drogembes, Belgium; Witco-Gouda Stearaten, Gouda, Netherlands; Witco Chemical Italiana, Milan; Fibrelux SA Holding, Luxembourg; and in Britain, Witco Chemical Co Ltd Droitwich, Worcestershire, and Cyclo Chemicals Ltd, Woolwich. Its 49% affiliate Continental Carbon Co, New York (see No 349) has lampblack production plants in Rotterdam, Amsterdam, Bordeaux, Trerati, Milan and Algeciras.

** EKA A/B, the Markaryd, (Sweden) manufacturer of lubricants, has set up a sales subsidiary in West Germany, EKAMANT SCHLEIFMITTEL GmbH, Rheydt. With a capital of Dm 20,000, the new concern is directed by Mr. Eric Marköb, director general of the parent company.

The latter company is represented in France by Outec SA, Strasbourg.

** The American company CHEMCO PHOTOPRODUCTS CO INC, Glen Cove, New York (materials and chemical products for photo-gravure and chemistry) has made an agreement covering the manufacture of pigments, inks and chemical products for printing with the Italian firm BAGLINI & CO SpA, Florence (see No 387). As a result a joint subsidiary called BAGLINI CHEMCO SpA has been formed (capital Lire 10 m) with Mr. Jay Powers Jr as president and run by Sig Nello Baglini.

The American partner already has a large European network of representatives and distributors: including Lecerf SA, Paris; Chromos Graphische Maschinen GmbH, Frankfurt; and Arnold Cook Ltd, London.

** The West German chemical group FARBENFABRIKEN BAYER AG, Leverkusen (see No 490) which recently (see No 483) gained control of CHROME CHEMICALS (SOUTH AFRICA) PTY LTD (chrome-based chemical products for the paint industry) intends to sell the latter to the London group ALBRIGHT & WILSON LTD (see No 468), which already has a half-dozen chemical subsidiaries in South Africa.

Bayer's existing subsidiaries are - through BAYFORIN-Bayer Foreign Investments Ltd, Toronto - Rustenburg Chemicals (South Africa) Pty Ltd and Agro-Chem (Pty) Ltd.

** The Rotterdam-based UNILEVER NV group intends to form a West German company to be responsible for the industrial fats sales interests which it has acquired from the Hamburg firm, OTTO ALDAG OHG, Hamburg (see No 490). This will continue its independent sales policy for chemical products, chiefly basic materials for paints and varnishes.

Unilever is also holding merger talks in Britain with the second biggest British brewing group, ALLIED BREWERIES LTD, London (see No 490 - turnover around £ 250m). The latter's Common Market interests include Phillips (France) SA, Ind Coope (Belgium) SA, Brussels (see No 289); NV Blerbrouwerij de Drie Hoefijzers, Breda, Verenigde Nederlandse Brouwerijen D'Oranjeboom NV, Rotterdam and NV Pantucky Restaurants, The Hague (see No 485).

** UNION CARBIDE DEUTSCHLAND GmbH, Wissen-Sieg (see No 465) the subsidiary of the New York group, UNION CARBIDE CORP, which already has branches in Hamburg, Mannheim and Düsseldorf is to open a fourth at Husum, Milstedt. The German concern (capital Dm 17.2 m) has a wide range of manufacturing interests from chemical products, town gas to electrical engineering.

The American group also has interests in the West German companies Nistertal Schwiess Technik Hannover Handels GmbH and Dunker-Motoren-Kleinstmotoren GmbH, Bonndorf Schwarzwald. One of its most recent moves in Europe was to raise the capital of its Antwerp subsidiary, Union Carbide Belgium SA from Bf 1.6 million to 3.4 million.

** The Milan group MONTECATINI EDISON SpA is to close down its London sales office. This was mainly concerned with coordinating the activities of two of its main British representatives TENNANT TRADING LTD and R.H. COLE LTD, which in 1969 will regain their independence. When that takes place the group's exclusive British distributor for its chemical and plastic products will be the London company JOSEPH WEIL & CO LTD, London, recently acquired by a Swiss group through Hoop Securities Ltd and Sig Flavio Valentino.

** NOURYLANDE Sarl, Venette, Oise (siccative oils for paints, special linseed oils, organic peroxydes for plastic polymerisation, alginic acids for foodstuffs, ice-creams and tinned foods) has opened a branch at Lannilis, Finistere. The founder (capital F 7.37 m) is itself the subsidiary of the Dutch firm KON INDUSTRIEELLE MIJ NOURY & VAN DER LANDE NV, Deventer (see No 466) which belongs to the Arnhem chemical and pharmaceutical and foodstuffs group KONINKLIJKE ZOUT-ORGANON NV (see No 491).

Noury & Van Der Lande also has a second French subsidiary, Noury France-Vitex Sarl, Paris, which is not linked in any way with the paints and varnish firm, Vitex SA, Bruges, Gironde. It is also present in West Germany with Oelwerke Noury & Van Der Lande GmbH, Emmerich and in Italy with Noury Italia SpA, Mornago, Varese and Noury Rumianca SpA, Turin (in association with Rumianca SpA, Turin). In Belgium it controls NV Nourylande, Ghent.

** The West German chemical group BADISCHE ANILIN- & SODA-FABRIK AG, Ludwigshafen (see No 488) has boosted its position in the lacquers, paints and varnish sector by gaining 70% control of HERBOL-WERKE HERBIG-HAARHAAUS AG, Cologne (see No 369) from the Herbig family.

The Cologne concern (capital Dm 10 m) had a 1967 turnover of Dm 105 million and some 1,400 persons on its payroll. There is a wholly-owned French subsidiary at Riorges, Loire called Herbol France as well as a Swiss manufacturing subsidiary at Bar, Zug. Its foreign licensees include Pittsburgh Plate Glass Co, Pittsburgh; Jensen & Nicholson Ltd, London; Sydfjerniss A/B, Hålsingborg; S. Duryp A/S, Copenhagen; Colorificio Italiano Max Meyer SpA, Milan. It will now cooperate closely with Glasurit-Werke Winkemann AG, Hamburg-Wandsberg taken over by BASF in 1966 (see No 330).

** The recent takeover of STE DALINIÈRE DE L'EST & DU SUD-OUEST SA, Paris and of five other subsidiaries by the CIE DES SALINS DU MIDI & DES SALINES DE DJIBOUTI SA, Paris (see No 447) which resulted in the formation of CIE DES SALINS DU MIDI & DES SALINES DE L'EST SA, has been followed up by the latter's negotiating for a majority interest in CIE GENERALE DES PRODUITS CHIMIQUES DU MIDI SA, Marseilles. The latter firm, which has as affiliates the Ste des Engrais de Rassuen SA, Marseilles and Salinieres Agricoles & Industrielles SA, is itself affiliated to the Cie Miniere & Phosphatiere-Comiphos SA, Paris (6.6%) whose main shareholder with 25.6% is Union Financiere & Miniere SA (see No 490).

COSMETICS

** The American businessman Murray Novick, East Orange, New Jersey, has formed a Cologne manufacturing and sales company for cosmetics called NOVICK COSMETIC GmbH (capital Dm 100,000). Manager of the new concern is Mr. Hubert Menten.

ELECTRICAL ENGINEERING

** The French company LA TELEMECANIQUE ELECTRIQUE SA, Nanterre, Hauts-de-Seine (see No 472) has gained control of its 55% Spanish manufacturing subsidiary TELEMECANICA ELECTRICA ESPANOLA SA, Getafe, whose capital has been raised to Pts 80 million. La Telemecanique Electrique SA, whose own capital will be raised to F 31.06 million following the acquisition of Cotec - Constructions Techniques & Electroniques SA, Paris (estimated gross assets F 12.97 m) has a wide network of foreign sales subsidiaries bearing its own name. These are based in Ratingen, Düsseldorf; St-Pierre-Leeuw, Belgium; Haarlem, Netherlands; Turin; Lisbon; Flen, Sweden, London; Berne; Casablanca; Sao Paulo.

** The Zurich company SPECTROSPIN AG (scientific electro-technical equipment including precision electro-magnets and research spectrometers - see No 445) has backed the formation in Milan of the sales company BRUKER SPECTROSPIN ITALIANA Srl (capital Lire 3 m). This will be managed by Sig Carlo Laviani, who has a 25% interest in the new concern.

In 1965 Spectrospin (see No 313) acquired control of a German firm in the same sector, Bruker-Physik AG, Forchheim üb, Karlsruhe and it is represented in France by a manufacturing subsidiary Bruker SA, Wissembourg, Bas-Rhin and Paris.

** A holding company with a capital of F 2 million has been formed in France by the West German company VARTA AG, Hagen (see No 489) the leading European producer of batteries and accumulators. Called L'INVESTISSEMENT INDUSTRIEL SA, Courbevoie, Seine it is a 90 % direct interest of its founder with the remainder held by M. Jean Barrault the main shareholder in BAROCLEM SA, Courbevoie in which VARTA has held a 10% stake since 1966 (see No 382).

The German firm is also a member of the QUANDT group (see No 490) and in 1967 had a turnover of Dm 621 million. There is also a French manufacturing subsidiary, Pertrix France Sarl, Levallois-Perret, Hauts-de-Seine (capital F 8.125 m). One of its most recent foreign moves has been the formation of International Batteries Corp, Rosslyn, Pretoria, South Africa in November of this year (see No 485).

** The Stuttgart electrical group, ROBERT BOSCH GmbH (see No 485) has enlarged its interests in the control equipment sector by taking a majority 66.6% interest in DR MASING & CO KG, Erbach, Odenwald (capital Dm 600,000 - see No 287).

This interest it bought from the Masing family and from VORWERK & CO. KG, Wuppertal-Barmen (see No 469).

ELECTRONICS

** The reorganisation of the electronic interests of THOMSON-HOUSTON-HOTCHKISS-BRANDT SA, Paris (see No 490) under C.S.F.-CIE GENERALE DE T.S.F.SA (see No 488) which has been under way during past months, has now been formally completed. The latter's name is now THOMSON-CSF SA (capital F 217.25 million) with M. Paul Richard as president and two new board members, MM Jacques Dontot and Marcel Laveran, representing the Thomson-Brandt group. This has become the main shareholder (46%), although the BANQUE DE PARIS & DES PAYS-BAS has an 8% interest in Thomson-Brandt following an exchange of shareholdings.

The new Thomson-CSF (consolidated annual turnover exceeds F 2.500 m) has received: 1) complete control of CIE D'ELECTRONIQUE THOMSON HOUSTON SA (capital F 123 m - gross assets of F 671.18 m including ten factories, three research centres and a maintenance centre); 2) the shareholdings previously held by RADIO BELVU SA, Malakoff, Hauts-de-Seine (a member of the Lebon & Cie group - see No 486) in CIE GENERALE DES SEMI-CONDUCTEURS -COSEM SA (see No 484) as well as those in the Italian concern MISTRAL-MANIFATTURA INTERNATIONAL INTEREUROPEA SEMI-CONDUTTORI TRAN(SISTORI LATINA SpA (see No 488).

** The Dutch group N.V. PHILIPS' GLOEILAMPENFABRIEKEN, Eindhoven is to further rationalise its Italian interests (see No 462) through PHILIPS SpA, Milan (capital Lire 13,200 m), taking over PYE ELECTRONICS SpA, Inverigo.

Philips SpA, Milan previously acquired Ekcovision Italiana SpA and it specialises in making radio, television and sound reproduction equipment. Pye Electronics SpA, Inverigo, which has telecommunication laboratories at Milan and Inverigo, was controlled by the British subsidiary Pye Holdings Ltd, Cambridge (see No 468).

ENGINEERING AND METAL

** DE WENDEL-SIDELOR SA (see No 459), the French iron and steel and mining concern, has granted YAWATA IRON & STEEL CO. LTD, Tokyo (see No 400) a licence to manufacture its rails by the multiple rolling process which it developed in its factory at Hayange in the Moselle.

The result of a recent regrouping of the iron and steel and mining interests of De Wendel & Cie (see No 478), Union Siderurgique Lorraine-Sidelor SA (which has as its main shareholder with 49.2% - both direct and indirect - Cie de Pont-A-Mousson) and Ste Mosellane de Siderurgie-S.M.S.SA (whose main shareholders are Marine-Firminy SA and Pont-a-Mousson) De Wendel-Sidelor is controlled, now that its three parent companies have become holding companies, 50% by De Wendel & Cie, whilst the balance is held by Sidelor-Mosellane (formerly Sidelor but now a holding company). The latter firm has as shareholders Pont-a-Mousson, Mosellane de Siderurgie and Marine Firminy with 40.25 and 25% respectively.

STEIN-SURFACE SA, Paris (see No 488), manufacturer of industrial ovens, kilns and furnaces, has set up a manufacturing and sales subsidiary in Düsseldorf called STEIN-SURFACE GmbH, which with a capital of Dm 2 millions, will have MM Andre Launois of Paris and Fred Herl of Cologne as directors.

The parent company is the result of a recent association (75/25) between the French heavy engineering and metals groups, STEIN & ROUBAIX SA, Paris (affiliate and licensee of the New York Combustion Engineering Inc. New York) and the American MIDLAND ROSS CORP. of Cleveland, Ohio. Its foreign interests are represented by the S.A. Belge Stein & Roubaix of Liege, Forni Stein SpA, Genoa, Stein Atkinson Stordy Ltd, Richmond, Surrey and Stein & Roubaix Espanola SA, Bilbao.

** THE BRITISH OXYGEN CO LTD, London (see No 429) and the West German group LINDE AG (see No 471) have strengthened their links in the refrigeration sector by forming a 60-40 London subsidiary called BOC-LINDE REFRIGERATION LTD (capital £ 100,000). This will begin using a refrigeration equipment factory at Ruislip during 1969. The two groups already have a joint British subsidiary, BRITISH OXYGEN LINDE LTD (see No 343).

The British group recently gained control of the refrigerated road haulage concern BAIN & HODGE, which has a fleet of some 700 trucks. It also has a Düsseldorf subsidiary BOG (Deutschland) GmbH Für Gas- & Schweissgeräte which was formed in 1965 with a capital of Dm 500,000. During the last financial year turnover was some £ 130 million.

The West German group is 25/75 linked with AEG-Telefunken in Linde Hausgeräte GmbH, Wiesbaden (see No 469) which makes fridges and had 1967 sales worth Dm 600 million.

** A manufacturing agreement covering surfacing machinery has been signed between SPOONER EDMESTON (SALES) LTD, Manchester and the West German concern ZIMMER-PLASTIC GmbH, Offenbach, Main (see No 442).

The British firm belongs to the SPOONER INDUSTRIES LTD group, Ilkley, Yorkshire, whose subsidiaries include Spooner Espanola Ltd, Spooner Machinery (Canada) Ltd, Spooner Machinery Co (Pty) Ltd, South Africa and Spooner Machinery Inc, U.S.A. Until the end of 1967, the West German concern was a subsidiary of the British group, John Kimbell & Co Ltd, Basingstoke, Hants (see No 366) and since then has been controlled by the Swiss engineering and plant installation group Georg Fischer AG, Schaffhausen (see No 461).

** Messrs Gilbert van Putte, Ostend and Paul Weststrate, Vogelenzang (the Netherlands) have been chosen to direct a new company in Austria, BIG DUTCHMAN AGRARMASCHINENBAU GmbH, recently set up in Vienna with a capital of Sch 400,000. The firm is to distribute agricultural equipment and automatic feeding plant for cattle and poultry and is the property of the American group, AUTOMATIC POULTRY FEEDER CO of Zeeland, Michigan (see No 317).

In Europe the company already owns a major network of sales subsidiaries - in Antwerp, The Hague, St-Carrenc (Cotes-du-Nord), Calvelslage, Vechta (West Germany), Verona, London, Reno (Spain) etc., all under the name Big Dutchman.

** The Swiss concern STRAPEX AG, Wohlen, Argeur, which deals in machinery and materials for the packaging industry has formed a similar Dutch subsidiary called STRAPEX NEDERLAND N.V., De Meern, Utrecht (authorised capital Fl 200,000 - 45% issued). Directors of the new concern are Herren Franz Fischer (president of the founder), Karl Fischer and Peter Schrodell.

** The West German company BOPP & REUTHER GmbH, Mannheim-Waldhof (measuring equipment, chiefly meters and fittings) has sold its subsidiary BOPP & REUTHER DO BRASIL VALVULAS & MEDIBORAS LTDA to the New York STUDEBAKER-WORTHING INC. This was formed in November 1967 by the merger of the STUDEBAKER CORP and WORTHINGTON CORP (see No 314), and it will integrate the Brazilian concern into its recently-formed division MASONIELAN INTERNATIONAL.

The German firm (cap. Dm 15m) is owned by the Reuther and Boehringer families and has some 3,700 persons on its payroll. Its main West German affiliate is Vereinigte Armaturen GmbH, Mannheim. The American group has numerous European interests including: Deutsche Worthington GmbH, Hamburg (see No 480); Worthington International SpA, Casavatore, Naples and Sta Italiana Pompe & Compressori Worthington SpA, Milan; Worthington SA, Conde-sur-Noireau, Calvados; Worthington Nederland NV, The Hague; and Worthington SA, Forest-Brussels.

** The West German textile machinery firm ERICH TRUMPELT TEXTILMASCHINENFABRIK, Bayreuth has signed a close technical cooperation agreement with the Swiss concern GEBR. STAUBLI & CO, Horgen, Zurich. The Swiss firm also has a French sister company STAUBLI FRERES & CIE Snc, Faverges, Haute Savoie (capital F 2.4 m) with some 200 persons on the payroll.

** The Milan company KENT INSTRUMENTS (EUROPA) SpA (see No 477), which was recently formed by KENT-TIEGHI SpA (Milan and Como) in order to help with the export effort within the Common Market of the British group GEORGE KENT LTD, Luton, Beds., in the control and automation sectors, has now opened a branch in Brussels under M. Siblek, and another in Scheveningen, Netherlands under Mr. Van Roon.

** The German enamelled steel stacking containers concern BELLINO & CIE EMAILLER-, STANZ- & METALLWERKE, Göppingen has formed a sales and manufacturing company in Switzerland named BELLINO GmbH, Zezikon, Thurgau, the Sf 200,000 capital of which is held directly by Herr Kurt Bellino (40%) and his wife (50%). The parent company employs about 500 people in 3 factories (Göppingen and Grunbach).

** The REYNOLDS METAL CO, Richmond, Virginia (see No 463) has again rationalised and extended its Belgian interests (see No 450) and thus strengthened the holding company SODIAL - STE POUR LE DEVELOPPEMENT DE L'INDUSTRIE DE L'ALUMINIUM SA, Ghlin, which was formed a few months ago with a capital of Bf 100,000.

It has been renamed REYNOLDS ALUMINIUM EUROPE-ALEUROPE SA under M.R.N. Mores, with its capital raised to Bf 322.5 million (Bf 175 m from new investments by the group's Panama holding company, Reynolds International Inc) after taking over ALUMINIUM EUROPE-ALEUROPE SA, Ghlin (gross assets Bf 147 m).
Opera Mundi - Europe No 492

** The Paris manufacturer of tools VIRAX SA (see No 487) has strengthened its West German export efforts by opening five sales agencies in Hamburg, Dortmund, Frankfurt, Stuttgart and Munich. These are under its Cologne subsidiary VIRAX-SAUNIER-DUVAL (DEUTSCHLAND) GmbH (formerly Uniwerkzeuge GmbH).

The French company had a 1967 turnover of F 64 million. It also controls another European subsidiary in Britain, VIRAX (U.K.) LTD, but a few months ago closed its Basle investment subsidiary, Virax Holdings AG. Outside Europe it controls Virax Inc, in the United States and Virax Argentina SA. In France it has just negotiated the acquisition of the aluminium casting interests at Nanterre of Ets Ardor SA, Nanterre, Hauts-de-Seine. It intends to transfer the equipment to the factory it is building at Chateauroux, Indre.

** The Duisburg group, DEMAG AG (see No 288) is about to rationalise its French interests by having DRUMAG-MATERIAL DE T.P.-MINES & USINES Sarl, Forbach, Moselle (capital F 100,000) taken over by FMA POKORNY FRANCE Sarl, Paris. Formerly called Drumag Sarl (see No 400) this latter company is responsible for the distribution of the civil engineering plant and engines of FRANKFURTER MASCHINENBAU AG. VORM. POKORNY & WHITEKIND, Frankfurt in France. The Frankfurt firm is a 75+⁰% subsidiary of Demag which also controls the Dublin concern FMA Pokorny Ireland Ltd.

Demag's other interests in France are Demag-Levage & Manufention Sarl of Chalons-sur-Marne, Demag-Equipments Industriels Sarl, Paris and Dingler France Sarl, Paris (through Dinglerwerke AG, Zweibrücken, Saar - see No 452).

** POTAIN-POCLAIN MATERIEL SA, La Clayette, Saone-et-Loire (see No 461) has made a technical and sales cooperation agreement with the KRUPP ARDELT, Wilhelmshaven division of the Essen group FRIED. KRUPP GmbH (see No 491), which will enable it to manufacture under licence and distribute certain types of travelling cranes, produced by the German company.

Krupp Ardel, Wilhelmshaven is directed by Herren H. Kessel and W. Røthig and employs about 1,600 people. The French company is a 50-50 subsidiary of Poclain SA, LeBléssis -Belleville, Oise and Ets Faustin Potain & Cie SA, La Clayette - which has a Frankfurt subsidiary, Potain GmbH (see No 443) - both of which specialise in civil engineering equipment.

** The Belgian company LA SCIE MODERNE, Neuville-en-Condroz, formerly at Rotheux-Rimiere) under an agreement signed with the French concern ROQUES & LECOEUR SA, St-Hubert Yvelines, which sells forestry equipment and is the licensee of the American company McCULLOCH CORP, Los Angeles, will market the French firm's powered cultivators. La Scie Moderne (run by M.A. Lamarche) has been the representative for McCulloch's saws since 1964 in the French-speaking areas of Belgium and Luxembourg, and since 1965 has also handled the outboard-motors made by the Belgian subsidiary, McCulloch SA, Malines.

The American group is represented in Italy by Transmeccanica SpA, Milan and by Vela & Motore Srl, Genoa; in West Germany by Hans Keller, Nuernberg-Reichelsdorf and Scott Motors GmbH, Offenbach-Rumpenheim; in France outboard-motors are marketed by Accam SA, Levallois-Perret, Hauts-de-Seine.
Opera Mundi - Europe No 492

** The Swiss IRA AG, Zurich, controlled by Swedish capital and directed by Mr. Sven E. Setterberg, has sponsored the formation in Belgium of N.V. FERVO, Genk (capital Bf 15 m). It is under the direct 50-50 control of the Vaduz, Liechtenstein holding companies ETS. VENTISAN and ETS. EUROCAL, and it is to build a heating and air-conditioning equipment factory calling for an investment of about Bf 20 million.

** The German rotary engine concern AERZENER NASCHINENFABRIEK GmbH, Aerzen, Hameln (see No 287) has formed a company in Paris to sell suppressors, compressors, gas counters, rotary blowers etc. This is called AERZENER FRANCE Sarl, has F 120,000 capital, and is managed by M. Jean Picol. The parent company is linked in the venture with its own managing partner M. Hasso Heller.

Aerzener Maschinenfabriek GmbH has until now been represented in France by ETS BAUDOT HARDOLL SA, Viry-Chatillon, Essonne (formerly in Paris). It has Dm 9 million capital, employs about 750 people and achieves an annual turnover of around Dm 32 million.

** As the result of an agreement between the companies CORONET FRANCE SA, Neuilly, Hauts-de-Seine and GOESTCHEL MARINE SA, Cannes, Alpes Maritimes, the former's "Coronet" cabin cruisers will from now on be available with a "Volvo-Prenta" engine or alternatively with one of the engines produced by OUTBOARD MARINE CORP (trade names "Evinrude" and "Johnson"). In addition the company's maintenance facilities are to be improved.

Coronet is the sole French importer of "Coronet" cabin cruisers made by the Danish company, Botved Boats A/S, Slagelse, which is represented in West Germany by Coronet Boats GmbH, Lübeck (formerly of Hanover), in Italy by Coronet Cantieri Navali SpA, Milan, in Switzerland by Coronet Boats AG, Basle etc. Its new partner is the French importer and distributor of "Johnson" and "Evinrude" boats made by the American company, Outboard Marine Corp. of Waukegan, Illinois. This company has a subsidiary in Bruges, Outboard Marine Belgium SA, whose "Evinrude" and "Johnson" engines are distributed in France by Evinrude Hors-Bord France SA, Levallois-Perret and Fenwick SA, Paris (see No 479) and in West Germany by Brune GmbH, Mannheim.

FINANCE

** The London investment company THE FOREIGN & COLONIAL INVESTMENT TRUST CO LTD has backed the formation in Luxembourg - through BANQUE GENERALE DU LUXEMBOURG SA - of the investment company CENTENARY FUND SA (authorised capital \$ 5 m - 50% issued). The new company has Mr. J. Welbes as president and the directors are Messrs Charles Wainmann and Hugo Baring, respectively vice-chairman and managing director with the founder, and CREGELUX-CREDIT GENERAL DU LUXEMBOURG SA (a member of the Ste Generale De Belgique SA group through Banque Generale Du Luxembourg - see No 473) is also a member of the board.

** The New York FIRST NATIONAL CITY BANK is to pay £ 19.75 m for a 40% stake in NATIONAL & GRINDLAYS BANK LTD, London (242 branches throughout the world - 3 in Britain). A new holding company is to form - National & Grindlays Holdings Ltd to control National & Grindlays - in which LLOYDS BANK will have a 41% stake compared with its present 25% in National & Grindlays. It will buy the 9% held by the National Westminster Bank, originally acquired in 1947 by the former National Provincial Bank.

National & Grindlays has also completed negotiations (see No 485) with the OTTOMAN BANK -BANQUE OTTOMANE SA, London and Paris for the acquisition of 51 branches in Africa and the Middle and Near East: these are in Jordan, Doha, Abu Dhabi, Muscat, Sudan, Kenya, Uganda and Rhodesia. Also included are branches in London, Jersey and Cyprus. The Ottoman Bank is also holding talks with several other foreign groups with the aim of making its other branches into companies with an increased sphere of interests. National & Grindlays Bank recently opened a Swiss liaison office, National & Grindlays - Geneva SA (capital Sf 50,000)

** The French bank CREDIT MOBILIER INDUSTRIEL -SOVAC SA (see No 490) has formed SOVABAIL -STE IMMOBILIERE SOVAC POUR LE COMMERCE & L'INDUSTRIE SA (credit-leasing for housing - capital F 10m) with M. Andre Wormser as president. It will also act as an investment company with interests in co-ownership property schemes, and other property companies.

Credit Mobilier Industriel-Sovac is linked to both the Lazard Freres and Banque Rothschild groups (see No 461). In the new company it shares control with its three finance subsidiaries: CAVIA -CREDIT POUR L'ACHAT DE VEHICULES AUTOMOBILES, MATERIEL INDUSTRIEL & AGRICOLE SA (see No 458), SOVAC IMMOBILIER SA and SOVAC EQUIPEMENT SA. Its own capital has just been raised to F 78.65 m following the reorganisation of the investment company S.F.I.P. -Ste Francaise d'Investissements Petroliers SA. This move also strengthened Cie du Nord SA, the holding company of the Rothschild SA group (capital raised to F 335 m - see No 483 following the takeover of Cie Financiere de Paris - Copfa SA - see No 461).

** The German car-hire and vehicle leasing concern SELBST-FANRER UNION GmbH & Co KG, Hamburg (see No 386) has expanded in Belgium by forming a 94% subsidiary in Brussels, AUTO-CONTINENTAL-LOCATION - A.C.L. SA. This has Bf 250,000 capital and M. J. von Lehstem as president (co-manager of the parent company), with M. Ch. Collinet, who holds 5%, as director.

The parent company has branches in some sixty German towns, and its turnover is in the region of Dm 25 million. Its main home subsidiaries are: Selbstfahrer Vermietungs GmbH, Hamburg, and Autohaus Globus GmbH, Hamburg and Munich. It took 16% in forming CAROP - Verenigde Europese Autoverhuurbedrijven NV, Amsterdam (capital Fl 250,000) in October 1966 to promote vehicle leasing on the European scale, and was associated in the venture with eight other companies in the sector: Victor Britain Ltd. London; R.M. Carreras Ltda, Lisbon; France Union Location (F.U.L.) SA, Paris; ITAL - International Travel Auto SpA, Milan; Iberico Transporte Autos Lujo Srl, Madrid; Ravero NV, Rotterdam; A. Welti-Furrer AG, Zurich, and Mosel Union Autoverleih GmbH, Vienna. The German company also holds a 16% interest in Carop Mosel Union, Vienna.

** The Paris investment company UNION DE PARTICIPATIONS SA (see No 486) has increased from 20% to 33.3% its stake in STE GENERALE FONCIERE SA, Paris (see No 225) and has thus gained control.

The latter, (capital F 21 m) apart from its banking and property management activities, has numerous industrial and mining shareholdings. These include 55.6% in Ste Financiere & Industrielle des Petroles SA, which in turn controls Ste Industrielle de la Frette SA, Paris, itself a shareholder in C.R.A.N. -Cie de Raffinage en Afrique du Nord SA and Ste Agrifurance - and Ste Financiere de Boe SA; Cie Equatoriale de Mines SA, which has zinc and lead mines at El Akhouat, Tunisia; a 33.34% stake in S.A.M.A.F. - Ste Auxiliaire du Manganese de Franceville SA which has a 15% stake in Cie Miniere de L'Ogoque -Comilog SA, which has a manganese deposit in the Gabon Republic; Ste des Grands Travaux de l'Ouest Sarl, Paris.

** The Amsterdam merchant bank H. ALBERT DE BARY & CO N.V. (see No 466), affiliated in particular to the AMSTERDAM-ROTTERDAM BANK N.V. Amsterdam, (see No 478) and 20% to DEUTSCHE BANK AG, Frankfurt (see No 490), has gained control of WODAN HANDELSBANK N.V., Rotterdam. It will transfer the banking activities of this to its Rotterdam branch and its investment interests to a company being formed for this purpose.

** A 50-40 link-up between the financial firm DE CENTRALE LEVENS-VERZEKERINGSBANK NV The Hague (see No 453) and the pension fund of the Amsterdam paper KONINKLIJKE PAPIERFABRIEKEN VAN GELDER & ZONEN NV (see No 487) has resulted in the formation of AMGRA TRUST NV, Amsterdam (capital Fl 120,000). This is under Messrs A. Schenk and L. Broekma and it will issue shares in investment trusts in which the founders have an interests, as well as in another new joint subsidiary, BEHEERMIJ MARINE STAD NV, Amsterdam. This has been established with a capital of Fl 12,000 to manage estates.

One of Van Gelder & Sonen's recent moves was the formation of fresh links with the American group, Crown Zellerbach Corp, San Francisco in Crown van Gelder Plastic Film Industrie NV which will run a plastic-coated packaging paper factory at Apeldoorn for foodstuffs and consumer goods. They are already linked within Amsterdam and Zurich subsidiaries.

Levensverzekeringsbank is the majority shareholder in De Centrale Algemeene Verzerkerings Mij. The Hague and it is also linked with several hotel companies, Hotelmij. Leiden NV, Hotlemij. Olanda NV.

FOOD AND DRINK

** The Milan liqueur firm DISTILLERIE FRATELLI RAMAZZOTTI SpA has started building a new distillery in Switzerland at Melano, Ticino, which will be run by a subsidiary called RAMAZZOTTI SVIZZERA SA, Lugano, selling its products on EFTA markets, chiefly in Switzerland. The Milan concern (capital Lire 1,500 m) is headed by Sig. Guido Romazzotti who is also president of the associated Milan firm DISTILLERIE REGGIANE SpA. This latter makes spirits and brandies.

** The two German sugar companies LEHRTER ZUCKER AG, Lehrte (see No 477) and AKTIEN-ZUCKERFABRIK, Peine have decided to merge within the former. This company will thus raise its capital from Dm 4.3 to 5.9 million. It has 400 on its payroll and an annual turnover of about Dm 55 million. It is currently carrying through similar operations with AKTEIN-RUBEN ZUCKERFABRIK ZU BURGENDORF, Burgdorf (see No 475).

** The Amsterdam cattle feeds concern TROUW & CO N.V. (see No 407) has sponsored and taken a token holding in the formation in Belgium of VEORIT N.V., Herentals. This has Bf 1 million capital and is to produce and trade in animal feeds, being under the 79% direct control of the Ghent subsidiary PRODUCTEN TROUW N.V., and 10% under the Dutch subsidiary VEEVOEDING GRONSTOFFEN NIJ, Putten.

The parent company already has similar subsidiaries (mainly for sales) in Italy (Trouw SpA, Milan), West Germany (Trouw & Co - Nord GmbH, Krefeld), and Switzerland (Trouw & Co AG, Kriens, Lucerne).

** Thanks to its take over of the STE DE PRODUITS DE REGIME DARRY SA, Pierrecourt, Somme (capital F 1 m), known especially for its biscuits and dietary products "Darry" and "La Supreme" as well as its "Darrycao" breakfast drinks, ETS. H. PELLETIER & FILS SA, Romainville, Seine-St-Denis and Paris has now become number one in the French biscuit market (15% or so) with an annual turnover of around F 55 million.

Pelletier (capital F 3 m) has a factory at its headquarters and another at Vervins, Aisne. With almost 500 people on its payroll (200 of which are at Darry), the company has a turnover in the region of F 40 million. It has a manufacturing and sales subsidiary in Belgium, Rebis-Ste de Distribution de Produits Alimentaires Sprl, Anderlecht-Brussels.

** The Canadian chain of "drive-in" restaurants HARVEY'S FOODS LTD, Toronto, Ontario, formed a German subsidiary called HARVEY'S FOODS GmbH (capital Dm 100,000) with, as managers, Mr. George Sukornyk, Toronto, Mr. Jutta Steinmeister, Toronto and Herr Paul Wartenberg, Frankfurt. The founder was formed in 1959 and had a 1967 turnover of \$ 1 million.

** The Bologna group D. & C. Srl (headed by Sig Luigi Deserti, import and distribution of liqueurs, wines, spirits and champagne - see No 412) has formed a subsidiary called VEUVE CLICQUOT ITALIANA Srl (capital Lire 950,000). This will represent the French champagne manufacturers VEUVE CLICQUOT PONSARDIN SA, Reims (see No 336) on the Italian market. The latter has long been linked to D. & C. Srl, which was already its exclusive Italian distributor.

** The American company INDUSTRIAL MOLASSES CORP, Dover, Delaware (a member of the CENTRAL AGUIRRE SUGAR CO, Aguirre, Puerto Rico group) has formed a Rotterdam subsidiary called HANDELMIJ ROMOLKO N.V. (authorised capital Fl 500,000 - 20% issued). This will import, export and deal in molasses, sugar beet and animal feeding stuffs. The American group controls sugar plantations and refineries in Puerto Rico, either

directly or through subsidiaries such as Central Machete Co.

INSURANCE

** Having been set the task of setting up an insurance company in the Netherlands in July 1968 (see No 468), THE INTERNATIONAL LIFE INSURANCE CO. SA Luxembourg (subsidiary of the Panama and Geneva finance group I.O.S. - Investors Overseas Services Ltd - see No 485) has now formed I.V.M. - DE INTERNATIONALE VERZEKERING MIJ. NV in Amsterdam with an authorised capital of Fl 2 million (50% paid up) which will take over the activities of the office which its founder ran in Amsterdam.

Up till now I.O.S. only had one company in the Netherlands IOS (Holland) NV, Amsterdam which was linked merely by contract and not financially.

** The Italian insurance group AUSONIA SpA DI ASSICURAZIONI & RIASSICURAZIONI, Turin and Milan (capital recently increased to Lire 1,000 m + 1967 premiums of Lire 6,900 m), which is headed by Sigs Mario Facco de Lagarda and E. Mottura, is to rationalise its interests by absorbing two property companies which it already controls completely. These are STA IMMOBILIARE GRAND HOTEL REGINA (capital Lire 160 m) and S.A.M. SpA (capital Lire 100 m).

MINING

** The PECHINEY SA group, Paris (see No 491) has taken a 50% stake in the Greek bauxite mining concern DELPHI BAUXITES SA, Athens (capital Drs 3 millions - see No 297) long affiliated to the West German group VEREINIGTE ALUMINIUMWERKE AG, Berlin and Bonn (see No 480).

The French group already has Greek interests through its 50.5% subsidiary SEICHIME - STE D'EXPLOITATIONS & D'INTERETS CHIMIQUES & METALLURGIQUES SA, Lyons (itself through Ste Francaise Pour Le Développement de L'Aluminium en Grece) in Aluminium de Grece SA, which is about to spend \$ 14 million on extending its aluminium plant at Antykira Bay: aluminium production capacity will rise from 72,000 tons p.a. to 90,000 tons and alumina capacity from 180,000 to 320,000 tons.

** The Milan nuclear research and engineering concern SOMIREN - STA MINERALI RADIOATTIVI ENERGIA NUCLEARE SpA, member of the Rome group E.N.I. -- ENTE NAZIONALE IDROCARBURI SpA (see No 481), has made a long-term association agreement with the Toronto group DENISON MINES LTD (see No 489). The two companies have agreed to join in exploiting a number of uranium prospecting concessions in the U.S. states of Montana and Wyoming.

Somiren - Sta Minerali Radioattivi Energia Nucleare SpA recently made similar research agreements in Africa (Kenya and Somalie).

OIL GAS & PETROCHEMICALS

** The West German group SAARBERGWERKE AG, Saarbrücken (see No 480) has strengthened its foreign interests by backing the formation of FRISIA PETROLES Sarl, Luxembourg. This will market petroleum products and motor accessories and with a capital of Lux F 200,000 is under the direct control (99 %) of FRISIA MINERALOEL GmbH Düsseldorf (see No 465). A token shareholding is held by the subsidiary Frisia Mineralolien NV, Groningen.

The Dusseldorf company (capital Dm 10 m) is a direct 51% affiliate of Saarbergwerke, and the remainder is held by Erdölwerke Frisia, Emden, the 57.58% subsidiary of the group. In France "Frisia" products are distributed by the subsidiary Sipec-Ste Internationale de Petrole & Chimie Sarl, Paris formed in 1967 as Sogicarbo-France Sarl.

** The American company ZAPATA OFF SHORE Co, Houston, Texas has formed a Luxembourg holding company called ZAPATA LUXEMBOURG SA (capital \$ 2,000), with Mr. D. Mize as president and Mr. R. Gow as managing director. The founder specialises in offshore drilling and is at present working in the Danish and British North sea concessions.

OFFICE EQUIPMENT

** The American group FARRINGTON MANUFACTURING CO, Neddham, Massachusetts has strengthened its Common Market interests by gaining control of STE COMPTABILITE C.S.M. SA, Paris (see No 448) which specialises in the distribution of accounting, franking and data-processing machinery. This was formed in 1923 by Swiss interests and has a large network of branches and agencies throughout France, and is linked to several firms - which are financially independent - these include C.S.M. AG Für Datentechnik, Zurich; CSM Tell Girard GmbH, Fribourg-en-Brigau.

The American group's European network is headed by the British subsidiary, Adrema Ltd, London and Havant, Hants, which also controls Bradma Sarl, Paris; Bradma Srl Milan, Bradma GmbH, Munich and Citograf Marketing A/B, Jaemjoeslaett.

PAPER & PACKAGING

** The Dutch packaging group THOMASSEN & DRIJVER-VERBLIFA N.V., Deventer (see No 485) which employs some 7,500 persons in 18 factories, has sold its 30% stake in NEDERLANDSE METAALINDUSTRIE "POLYNORM" N.V., Bunschoten, Spakenburg (see No 454). This specialises in steel packaging, and is an affiliate of DE NATIONALE INVESTERINGS BANK-HERSTELBANK N.V., La Haye (see No 486).

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** The Dutch firm NV HALBERTSMA'S FABRIEKEN VOOR NOUTBEWERKING, Grouw (wooden packaging materials, boxes, pallets, doors and frames - see No 451) has diversified its interests and strengthened its position within the Common Market by taking control of NV INTERWAND NV, Varsseveld (see No 393). This has some 100 persons on its payroll and has factories at Eibergen making cupboards and partitions. Since December 1966 it has had a Düsseldorf sales subsidiary called Interwand (Deutschland) GmbH (capital Dm 50,000).

Its new parent company (around 800 on staff) has production facilities at head office, Groningen and Lemmer. There is also a Brussels sales subsidiary called Halbertsma NV and another in Paris, Halbertsma-France Sarl (capital F 20,000) in which it is linked 50-50 with its affiliate NV Stoomhoutzagerij Lemmers, Grouw.

PHARMACEUTICALS

** The Danish pharmaceuticals group NOVO TERAPEUTISK LABORATORIUM A/S, Copenhagen, is rationalising its French interests and thus strengthening the subsidiary, NOVO INDUSTRIE PHARMACEUTIQUE SA, Paris. This will absorb its sister-company INDUSTRIE BIOCHIMIQUE DE CHARTRES SA, Chartres (capital F 500,000 - organotherapeutic products, basic mineral, organic and vegetable products for the pharmaceutical industry). As a result the Paris company's capital will be raised from F 1 million to F 2 million.

Novo Industrie is controlled by the Copenhagen group through its subsidiary Novo Industrie A/S, Frederiksberg, which has direct control of several other subsidiaries; Novo Industrie GmbH, Mainz and Novo Industria Farmaceutica, Spain. Novo Terapeutisk makes industrial and medical enzymes, enzyme scouring agents for the textile industry, insulin, antibiotics, synthesized pharmaceutical products etc.

** The recent association concluded between BEBE CONFORT SA, Villemonable, Seine-St-Denis (see No 409) and ALPHA SA, Pantin, Seine-St-Denis, is to result in the formation of a joint subsidiary, PHARMABEBE Sarl, which with Messrs J. Duzan and J. Senneval as directors, is to specialise in the distribution of infant and baby goods in chemist shops.

With a capital of F 7.1 million, the first of the parent companies is affiliated amongst others to the Schweizerische Bankverein, Basle (see No 462), as well as to two affiliates of the Banque de Paris & des Pays-Bas SA - Materna SA, Paris (see No 297) and Prenatal SA (see No 442). The company (1967 turnover F 44.48 m) is the licensee of Kiddicraft Ltd, Kenley, Surrey and Playskool Manufacturing Co, Chicago, Illinois (recently taken over by Milton Bradley Co, Springfield, Massachusetts - see No 467) for their educational toys. It also manufactures desks, beds, high chairs, children's car seats, baby baths, prams etc. The company's French subsidiaries include Bebe-Comfort Metal Industrie SA, Villers-Cotterets, Aisne and abroad Bebe Comfort SA, Belge, Jette-Brussels, Bebe Comfort GmbH & Co KG, Pulheim, Bebe Comfort SpA, Genoa, as well as subsidiaries in Spain, Morocco, etc. and a branch in Switzerland at Killwangen, Aargau. Alpha (president M. J. Senneval) specialises in the manufacture of rubber.

** The Dutch company CHEMISCHE PHARMACEUTISCHE INDUSTRIE LUXAN N.V., Arnhem is about to establish a Düsseldorf sales subsidiary called VERTRIEBSGESELLSCHAFT FUR CHEMISCHE PRODUKTE LUXAN (DEUTSCHLAND) mbH. The founder specialises in veterinary, agricultural and crop protection products and has a capital of Fl 205,000. Since 1967 it has also controlled a Belgium sales subsidiary (see No 414).

PLASTICS

** The West German concern KLEPPER-WERKE, Rosenheim (1967 turnover Dm 35 m - see No 487) has just formed KLEPPER INTERNATIONAL AG, Zug to act as a pivot for its future cooperative moves for plastic and rubber goods with foreign companies such as Pirelli SpA, Milan, (see No 487) and Alpa-Azienda Lavorazione Plastiche Affini, Offanengo, Cremona.

** The 50-50 Franco-German association for the construction of a polyethylene factory on the lower Seine which was agreed in principle a few months ago (see No 472), has now resulted in the formation of the STE INDUSTRIELLE DES POLYOLEFINES SA. The French interest is held by the C.F.P.-CIE FRANCAISE DES PETROLES SA (see No 489) and by its 50.36% subsidiary, C.F.R. -CIE FRANCAISE DE RAFFINAGE SA (each with 25%). The two German partners (each with 25%) are CHEMISCHE WERKE HUELS AG, Marl (affiliated to the Fabwerke Hoechst AG, Frankfurt and Farbenfabriken Bayer AG groups of Leverkusen) and SCHOLVEN CHEMIE AG, Gelsenkirchen-Buer (member of the Veba-Vereinigte Elektrizitäts- & Bergwerks AG group, Bonn and Berlin).

** The Dutch civil engineering concern BATAAFSCHE AANNEMINGMIJ v/h FIRMA J. VAN DER WALZEN NV, The Hague has taken a 50% interest in the formation of PANELCRAFT NV, The Hague (authorised capital Fl 1.5 m - 20% issued). Mr. R.P. van der Berg, who holds the other 50%, will run the new company which will make plastic claddings and facings in a plant to be built near Rhenen.

The founder (over 1,000 on payroll - annual turnover exceeds Fl 50 m - see No 450) has numerous Dutch interests. These include: NV Hollandse Mij. Van Bouw Technische Ontwikkelingen and NV "Bamo", Bataafische Mij. Tot. Exploitatie Von Onroerende Goderen NV (with two wholly-owned subsidiaries, Waterbouwkundige Werken West-Europa NV, NV Mij Vir Toepassing Van Arbeidsbesparende Bouwmethoden "Matab", Niewerkerk). It is also linked to Dura's Aannemings Mij NV, Rotterdam within two joint subsidiaries: B.A.M. - Dura Nederland NV; Dutch Australian Contracting Co (Pty) Ltd, Melbourne, Geelong, Sydney and Canberra.

** The Chicago company TEE-PAK INC (see No 386) which makes plastic containers and sheetings for packaging has opened a Hamburg branch called TRANS-PAK. With Mr. Frank Greenberg as president, the founder has a European subsidiary to co-ordinate its interests Tee-Pak International AG, Vaduz. There is also a Dutch manufacturing subsidiary, Trans-Pak NV, Delfzijl which was formed in 1966 (see No 324) and a Zurich branch. Its British agent is The Oppenheimer Casing Co (UK) Ltd, London, subsidiary of Oppenheimer Casing Co, Chicago.

** One of the largest German plastics processing concerns, REHAU-PLASTIKS GmbH, Rehau (see No 453) has formed a Belgian subsidiary at Woluwe-St-Lambert, Rehau Plastiks SA, with Bf 3 million capital, and MM. Helmut Wagner, Lothar Achermann and Konrad Müller as directors.

The parent company, which has over 4,000 people on its payroll, had a turnover in 1967 of almost Dm 150 million. It has just decided to set up a new plant at Wittmund, Ostfriesland (investment of Dm 18 m), that should come on line in 1970. Its foreign subsidiaries are in France, Italy, the Netherlands, Britain, Switzerland, Austria, Canada, the USA, Nigeria and South Africa.

PRINTING & PUBLISHING

** The Dutch printing concern SMEETS DRUKKERIJEN NV, Weert (which has recently become a member of the Amsterdam printing and publishing group V.N.U. - VERENIGDE NEDERLANDSE UITGEVERS BEDRIJVEN NV - see No 481) has made an agreement with the New York publishing group TIME INC (see No 431) under which it will print and distribute as from the middle of 1970, the "Atlantic" edition of "Life". This should raise its turnover by some Fl 15 million from 400,000 copies.

Apart from Life (total world circulation 8.2 m copies) the New York group publishes "Time" (4.15 m), "Fortune" (475,000), "Sports Illustrated" (1.35 m). It has its own subsidiaries in Haarlem, Amsterdam, London, Paris and Zug and shareholdings of 46% in the Paris publishers Editions Robert Laffont SA and of 33.3% in Rowohlt Taschen-Buchverlag GmbH, Reinbeck, Hamburg.

** A merger is taking place in the Netherlands between firms involved in importing foreign newspapers and running newstands. These are NV ALGEMENE KIOSK-ONDERNEMING -AKO, Amsterdam and NV v/h VAN DITMAR'S IMPORT, Rotterdam and as a result NV VEREVIGDE LEKTUR BEDRIJVEN -V.L.B. will be formed to head its two founders.

They have a consolidated annual turnover of Fl 50 m and with some 500 persons control around 135 sales outlets. The first cooperates closely with NED BOEKENIMPORT & UITGEVERSMIJ v/h VAN DITMAR NV - no financial links with VAN DITMAR of Rotterdam - the leading importer of foreign paperbacks, especially those published by DELL BOOKS, FAWCETT WORLD LIBRARY and POCKETT BOOKS (all three based in New York) FOUR SQUARE BOOKS LTD, PAN BOOKS LTD and PANTHER BOOKS LTD (all three based in London) and those published in West Germany by WILHELM GOLDMANN VERLAG GmbH, Munich, ULLSTEIN, Frankfurt and Berlin and KINDLER & SCHEIRMEYER VERLAG GmbH, Munich. The Rotterdam firm imports around 2,000 foreign dailies and periodicals.:

** Two Dutch printing concerns, OFFSETBEDRIJF AUGUSTIN & SCHOONMAN NV, Zwaaenburg, and FADDEGON & CO NV, Amsterdam, are merging to form A & S FADDEGON NV, which will take in all the industrial activities (payroll 150) of its founders.

The first-named specialises in promotional printing, books and periodicals (publishing the reviews, "Hitweek" and "8 Uur Vavavond"), while Faddegon, the sole Dutch producer of playing cards, also produces packaging, labels, record sleeves etc. Opera Mundi - Europe No 492

** The London group LAMSON INDUSTRIES (office machinery and systems printing) has strengthened its French interests. Its subsidiary PARAGON-ROTA-TICKETS SA, Cosne-sur-Loire, Nièvre (see No 386) has paid F 11.01 million to the forms printing concern IMPRIMERIES NOUVELLES DE CHATEAUROUX SA, Chateauroux, Indre for its four production units (2 are at Chateauroux, one at Romorantin, Loir & Cher and one at Nogent-sur-Marne).

Imprimerie Nouvelles are owned by M.M.C.Poupier and since the end of 1967 have had a capital of F 4.25 million.

PRINTING AND PUBLISHING

** The Amsterdam publishing Group, UITGEVERSMIJ. ELSEVIER NV (see No 464) has increased its interests in the United Kingdom by forming a new company in London, ELSEVIER INTERNATIONAL PUBLICITY PROJECTS LTD (capital £19,000); the new company's directors will be Messrs. de Heyden, Friedhoff, Rayner and F. Maw, the latter being also director of the parent company's first subsidiary in the country, Elsevier Publishing Co. Ltd., London.

In the Netherlands, Elsevier is associated to the London publishing group, International Publishing Corp. Ltd (through its holding company Iliffe-NTP Overseas Ltd) in its 60/40 subsidiary, Verenigde Periodieke Pers NV, The Hague.

RUBBER

** The British company J.F. BUCKINGHAM LTD, Kenilworth, Warwicks (a member of the HANGER INVESTMENTS LTD, Birmingham group through EAGLE ENGINEERING CO LTD) has formed a Dutch sales subsidiary for its rubber products and swimming pool equipment. This is called ROBUC N.V., Hertogenbosch and has a capital of Fl 10,000; it will be run by Mr. M. Thomas B. Roberts, the founder's managing director.

SERVICES

** A company has just been formed in Paris to carry out financial analyses of the European property market; it is STE AUXILIAIRE EUROPEENNE DE PLACEMENTS IMMOBILIERIS-AUXEPI Sarl (capital F 50,000 and managing director M. Michel Parent) and its backers were nine banks - including the German trade union bank, BfG-Bank für Gemeinwirtschaft AG, Frankfurt with 8% (see No 487) - and two insurance companies (each with 8%), La Vigilance SA, Paris (member of the Milan group R.A.S.-Riunione Adriatica di Sicurita SpA - see No 317) and L'Abeille SA, Paris (see No 488).

The main shareholder, with 20%, is the Banque Hypothécaire Européenne SA (see No 472) and the others, with 8% each, are the Banque de Construction & des Travaux Publics SA (see No 365), the Banque Française du Commerce Extérieur SA (see No 490), the Banque de Worms & Cie SA (see No 482), the Banque Louis-Dreyfus SA (member of the Louis-Dreyfus et Cie SA group - see especially No 487) through its holding

company Ste de Placements Industriels, Commerciaux & Agricoles SA, Caisse Centrale des Banques Populaires SA (see No 458), the C.C.F. -Credit Commerciale de France SA (see No 490) which is represented by its subsidiary Ste Financiere & Mobiliere SA (see No 456) as well as the Ste Privee de Gestion Financiere SA, a member of the S.F.A.C.-Ste Francaise d'Assurances pour Favoriser le Credit SA (see No 268).

SHIPBUILDING

** The Marseilles company STE PROVENCALE DES ATELIERS TERRIN-SPAT SA (see No 365) will maintain and service under guarantee ships built by the Japanese shipyard KAWASAKI DOCKYARDS CO LTD, Kobe (see No 472) under an agreement it has signed with the latter.

The Japanese firm already cooperates in the ship repair and maintenance sector with the Hamburg yard BLOHM & VOSS AG (whose main shareholders are August Thyssen Hütte AG, Duisburg-Hamborn and Siemens AG, Munich) with the Cadiz yard, Astilleros de Cadiz SA, with Hellenic Shipyards, Skaramanga and Lisnave-Estaleriros Navais de Lisboa Srl, Lisbon. The French firm (capital F. 3.68 m) absorbed Ste Mediterranee de Constructions Industrielles Sarl, Marseilles (capital F 720, 000); during the last financial year it had a turnover approaching F 100 million. It controls a 45.12% stake in Terrin Technique Industrie SA, and has links in the maintenance sector with four other Japanese groups, Mitsubishi (see No 487), Hitachi Ltd (see No 474); Mitsui & Co Ltd (see No 481) and Ishikawajima Harima Heavy Industries Co Ltd. (see No 485).

TEXTILES

** Having embarked September last (see No 482) on negotiations to set up close links between the two companies, the Dutch textile concerns, KLEDINGS-INDUSTRIE H. SMITS NV and BENDIEN'S CONFECTIEFABRIEKEN NV, (both of Almelo) have decided to go beyond their original intentions and are now planning an amalgamation which will lead to the formation of a joint company. Called BENDIEN'S & SMITS' KLEDINGSBEDRIJVEN NV, and directed by Messrs. Bergsma, Emanuel Bendien and Smits, the new venture will run factories and workshops in Almelo, Borne, Nijverdal, Enter, Nimigen and Alken (Belgium); it will have sales outlets in Brussels, Almelo, Eindhoven and Amsterdam. With some 1,700 employees, it will specialise in men's clothing.

The two parent companies are family businesses controlled respectively by the Smits family (through NV Gemeenschappelijk Bezit van Aandelen Kledings Industrie Smits & Co. NV) and the Bendien family.

** MAILLE DE FRANCE SA, Tourcoing, Nord, manufacturers of ready-to-wear knitted woollen dresses, suits etc. has backed, in association with local interests, the formation of a distribution firm in Madrid, MAILLE DE FRANCE S.A. ESPANOLA (Capital Pts 1 m).

** An affiliate of the SAFAT - STE FINANCIERE & AUXILIAIRE DU TEXTILE SA, Paris (member of the ETS I. DEVANLY & RECOING Sarl group of Troyes, Aube which is directed by Messrs Jean and Pierre Levy - see No 489), the S.A. IMMOBILIERE DE LA PLACE ROBIN SA, Paris has recently taken over three firms within its group at Troyes: the knitteds concern, Ste Nouvelle des Ets Regley SA (gross assets F 15.79 m) and Ste Lorraine de la Maille-Soloma SA (gross assets F 15.79 m) as well as the cinema-owners Ste des Nouveaux Ets Cinevog SA.

The extant company (capital F 17.98 m) has interests in the Ste Francaise des Nouvelles Galeries Reunies SA, Paris (see No 440) and in the Ste Baze & Cie, Marseilles (in which Safat also has shares).

** Under the direction of two Americans, Messrs Myron Ackerman and Raymond Ackerman, the British textile group, CHESTER BARRIE LTD, Crewe, Cheshire is planning to increase the manufacturing capacity of its subsidiary in Italy, D'AVENZA SpA, Avenza-Carrara, Tuscany by 40%, so that it can build up its sales not only in the Six, but also in Africa and North America.

Directed by Sig G. Sanoff, the Italian company was taken over by the British firm a dozen or so years ago. It has 450 on its payroll and manufactures made-up clothes for men in wool imported from Yorkshire. It has two subsidiaries abroad, D'Avenza (London) Ltd, London and D'Avenza Roma Co, New York.

** The Common Market interests of the Swedish group MOLNLYCKE A/B, Gothenburg (textile goods, etc - see No 454) have been strengthened with the formation of an almost wholly-owned Belgian subsidiary called MOLNLYCKE SA, Berchen (capital Bf 150,000) with Messrs G. Dahlsten, J. Daum and K. Svensson as directors. This will deal in medical, hygienic, cosmetic and textile goods. Token shareholders along with the founder are six of its subsidiaries A/B MEKLA, Falkenberg, MOLNLYCKE SYTRAD A/B, A/B STIOS, MOLNLYCKE VARERI A/B (all three based in Gothenburg) NATTRABY BRUKS A/B, Nattraby, as well as MOLNLYCKE (NEDERLAND) NV, Amsterdam.

The Gothenburg group in March of this year formed a Paris subsidiary, Molnlycke France Sarl (capital F 100,000) in which Nattraby Bruks A/B is a token shareholder.

** The French company CONSORTIUM GENERAL TEXTILE SA (formerly Ets P. & E. Dufour SA, Hellemmes) to whom its parent company AGACHE WILLOT SA, Perenchies recently made over the assets of a dozen other subsidiaries has signed an agreement with the cotton mill VANDENDRIESSCHE & FILS Sarl, St-Quentin, Aisne under which the latter will acquire shareholdings in several of the Agache Willot group's companies, along with the establishment of joint research programme covering new fibres, and a joint management and market survey programme.

Vandendriessche (cotton weaving - synthetic fibres spinning) employs some 750 persons in its three St-Quentin mills and has an annual turnover of around F 45 million. Agache-Willot recently signed a close cooperation agreement in the technical, financial and marketing sectors with S.A. des Ets. Gratry, Lille (see No 485).

TOBACCO

** ALFRED DUNHILL GmbH, (capital Dm 550,000 - managers M. Francois Ducann, Herr Werner Schmidt) recently formed in Düsseldorf to sell tobacco, cigarettes and male toiletries on behalf of the London firm of ALFRED DUNHILL LTD, is under the direct 60% control of the Paris subsidiary SA Francaise Alfred Dunhill (see No 433), the balance of the capital being held by the largest German importer of pipe tobacco, TUXEDO GmbH, Hamburg.

The British firm, which is an affiliate of the Carreras Ltd group of Basildon, Essex (itself linked with the South African Rembrandt Tobacco Corp, Stellenbosch) also has foreign sales subsidiaries in the USA and Hong Kong. Its consolidated turnover in the financial year 1967-8 rose to £ 6.5 million.

Dunhill recently (see No 472) made LES PARFUMS DE MOLYNEUX Sarl, Paris its licensee for its male toiletries. This is controlled by The Union International Co Ltd, London through Weddel & Cie SA, Clichy, Hauts-de-Seine.

TOURISM

** Some 100 Belgian travel agencies have grouped themselves within a new cooperative named ITETOUR (minimum capital Bf 5 m), which will specialise in organising travel on scheduled airline flights. It is based at St-Josse-ten-~~Noode~~, Brussels, and has in particular received from AIRTOUR SA, St-Josse-ten-~~Noode~~, (see No 429) its "Inclusive Tours" division, with business valued at Bf 3 million. Other backers of the venture include Cie Internationale des Wagons-Lits & du Tourisme SA, Brussels (see No 487); l'Agence Maritime Internationale SA, Antwerp (see No 466); Beltravel - Anc Voyages Dens-Ocean SA, Brussels (see No 434) etc.

TRADE

** The Paris group DOCKS DE FRANCE SA, headed by M. Robert G. Toulouse and affiliated more than 10% to the Cie Financiere de Suez & de l'Union Parisienne SA (see No 389) has set up a subsidiary in Toulouse, STE TOULOUSAINNE DE MAGASINS (S.T.M.) SA (capital F 100,000), and another in Marseilles, STE MEDITERRANEENNE DE VENTE (S.M.V.) SA (capital F 4 m). Both of these are to retail foodstuffs and other groceries, having as their respective presidents MM Branger and Joseph M.J. Charvet, who chairs the co-founder L'ECONOMIQUE - STE ECONOMIQUE D'ALIMENTATION SA, Caluire, Rhone.

The latter shares with Docks de France and its subsidiary Ste des Anc Ets Marcel Froger SA, Paris, the control of S.M.V., whose central buying agency will be PARIDOC Sarl (see Nos 407, 472), headed by MM R. Gouloumes and G. Jasserand. Marcel Frager has direct interests in various other subsidiaries, especially: Ste Immobiliere Doc SA; Ste Centrale R Doc SA and Super-Marches Doc - S.M.D. SA.

** The Japanese import-export group ITAKA SANGYO KABUSHIKI KAISHA, Osaka has opened a branch in Milan bearing the name ITAKA & CO LTD under Signor G. Nicolis, Foglino Cavanese. This is intended to increase trade between Japan and Italy.

The Osaka group has numerous foreign subsidiaries in Sydney, Hong Kong, New York and London. It is already represented in West Germany through Deutsche Itaka & Co GmbH, Hamburg and Düsseldorf.

** In order to build up its operations in Europe, TRADING CORP. OF PAKISTAN, Islamabad, the state import - export trading concern, is planning to open up two agencies, one in Hamburg and the other in London. During the first nine months of this year the Pakistan concern turned over some R. 370 million.

TRANSPORT

** The Rome public transport and tram concern STEFER-TRANVIE & FERROVIE ELETTRICHE DI ROMA SpA is to rationalise its interests by absorbing its subsidiary, STA ROMANA PER LE FERROVIE DEL NORD - S.R.F.N. SpA which was acquired in 1967 from the S.I.C.I. -STA IMPRESSE CENTRO ITALIA SpA group, Rome.

VARIOUS

** The American toy manufacturer MATTEL INC, Hawthorne, California (see No 387) which is already represented in Italy by EDITRICE GIOCHI, Milan, has gained control of one of the leading doll manufacturers RATTI & VALLENZASCA Sas, Arona, Novara and Milan. It is also negotiating the acquisition of a model train firm.

The Arona firm (headed by Signor Augusto Ratti) will be renamed RATTI-MATTEL and placed under the direct control of the Swiss subsidiary MATTEL SA, Friburg and Geneva, which coordinates the group's interests in Europe (trade names include "Barbie", "Ken", "Skipper", "Francie", "Tutti", etc). These include; 1) Mattel GmbH, Babenhausen Hesse which in 1966 withdrew from the agreements linking it to the Mannheim doll maker, Schildkröt AG (see No 345) and took over the assets of Cellba Schöberl & Co, Babenhausen; 2) Rosebud Mattel Ltd, Wellingborough, Northants (formerly Rosebud Dolls Ltd acquired in late 1967 for \$ 3 millions) and Mattel Ltd, London formed in March 1967 with a capital of £ 10,000. The group is represented in France by an independent company Les Jouets Rationnels SA(see No 409).

Mattel has appointed Crawford Italiana SpA, Milan to oversee its Italian advertising and marketing campaign (see No 330), a member since 1965 of the London group, Dorland Advertising Holdings Ltd through W.S. Crawford Ltd. The latter is also in charge of the American group's advertising campaign in Britain through its subsidiary Crawford Carson Roberts Ltd, owned 50-50 with Carson Roberts Inc, Los Angeles.

** Both affiliates (24.8 and 11.0% respectively) of the Zurich group ELEKTRO-WATT ELEKTRISCHE & INDUSTRIELLE UNTERNEHMUNGEN AG (See No 483),

the Frankfurt firm, ELEKTRIZITAETS AG VORM. W. LAHMEYER & CO. (See No 354) and the Dusseldorf firm, DEUTSCHE CONTINENTAL-GAS GESELLSCHAFT (see No 480) have negotiated an exchange of holdings, the first (25%) in ELEKTRIZITAETS-LIEFERUNGS-GESELLSCHAFT, Bayreuth and the second (35%) in BAYERISCHE ELEKTRIZITAETS-WERKE, Munich. These two companies are both concerned in the distribution of electric power; the first has a capital of Dm 25 million and the second a capital of Dm 22 million.

The Frankfurt company (capital recently increased to Dm 40m) is controlled (more than 50%) by the R.W.E.-Rheinisch-Westfälisches Elektrizitätswerk AG, Essen (see No 481); the Düsseldorf concern (capital Dm 70 m) has as its principal shareholders, Allianz Versicherungs AG, Munich and Berlin (see No 484) and J.M. Voith GmbH, Heidenheim, Brenz (see No 473), with 31 and 25 % respectively.

** The German manufacturer of "Romika" footwear and rubber and plastic goods, INDUSTRIEWERKE LEMM & CO GmbH, Trier (see No 455) has strengthened its position in the Common Market by forming a 90% Dutch subsidiary for sales: ROMIKA NEDERLAND NV, Velp, with Fl 100,000 capital and directed by Messrs W. Messelink (holding 10%) and Hans Fey.

The parent company holds shares in the French Capla SA, Barr, Bas-Rhin, and in Rocatev - Ste du Caoutchouc & des Textiles SA, Luxembourg. In Italy, it is indirectly established by dint of the fact that its chief director, Herr Hellmuth Lemm, recently took control of the Augsburg firm of August Wessels Schuhfabrik GmbH; this has a number of investments in the Italian footwear industry, handled mainly by Ste Finanziaria di Werner Schulz Sas, Milan, whose own main interest is Calzaturificio Wessel-Baldan & Co SpA.

** The West German jewellery concern EUGEN HARER, Pforzheim has established a Paris subsidiary called EUGEN HARER Sarl, whose capital of F 30,000 is directly controlled by Herren Eugen and Rudolf Harer (around 95%) with the rest being taken by the manager Mme Denise Lippai.

** BUGNION INTERNATIONAL SA, Geneva (management, development, registration and protection of patents, etc) has formed a Brussels subsidiary with the same aim. Called BUGNION SA (capital Bf 100,000) this has M. Pierre Bugnion as president and M. Andre Robinson as director.

LATE FLASH

** COSMETICS: ALFRED DUNHILL (see "Tobacco") has now strengthened its links, hitherto only commercial (see No 433) with the Paris cosmetics and perfumery concern, LES PARFUMS MOLYNEUX SA (see No 472), by taking 67% control through its Paris subsidiary ALFRED DUNHILL S.A.F., and also paying £ 150,000 for its agency rights outside France, inclusive of access to use of its trademarks.

Molyneux (president M. Pierre Boissard) has been controlled since 1959 by the London group THE UNION INTERNATIONAL CO LTD, through two of its French subsidiaries Weddel & Cie SA, Clichy, Hauts-de-Seine, and Cie Generale Frigorifique SA, Paris. Molyneux has F 11.5 million capital.

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Smeets Drukkerijen	T	Veuve Clicquot	O
Smits, H, Kledingsindustrie	V	la Vigilance	U
Sodial	L	Virax	K
Somiren	P	Vorwerk	G
Sovabail	M		
Sovac	M	Weil, Joseph	F
Spectrospin	G	de Wendel-Sidelor	H
Spooner Edmeston	I	Witco Chemical	D
Staubli	J	Wodan Handelsbank	N
Stefer	Y		
Stein & Roubaix	I	Yawata Iron & Steel	H
Strapex	J		
Studebaker-Worthing	J	Zapata Offshore	Q
		Zimmer-Plastic	I
Tee-Pak	S	Zout-Organon	F
la Telemecanique Electrique	G		
Tennant Trading	F		
Terrin-Spat	V		
Thinet, Entreprise	C		
Thomassen & Drijver-Verblifa	Q		
Thomson-C.S.F.	H		
Thomson-Houston Hotchkiss-Brandt	H		
Time Inc	T		
Trouw & Co NV	O		
Trumpelt	J		



