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# Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY  
September 26 - October 2, 1966.

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October 6, 1966.

No. 377

COMMENT  
A Letter from Paris  
TETHERING THE ECONOMIC BALLOON

The Common Market Commission, as always, has marked its return to business after this year's summer recess by taking a long, hard look at the economic situation. As far as the Community's experts are concerned, the burning issue in this field is the threat of inflation, which exists to varying degrees in all the member countries.

In April 1964, the Commission submitted to the Council of Ministers a memorandum suggesting the broad lines upon which the six governments should direct their anti-inflationary policies (see No 248). The Council adopted these recommendations almost as they stood. Since that time, the European economy has experienced its ups and downs. Thirty months ago, both France and Italy were in a somewhat precarious state, but the stringent measures they have adopted in the meantime have now brought reasonable stability to prices, and allowed them to enjoy some measure of expansion. The more northerly of the EEC countries, however, and Germany and the Netherlands in particular, are still grappling with inflation. Because of this, the recommendations that the Commission would like the Six to accept are no longer a single formula: in Brussels it is believed that the present state of affairs calls for some differentiation between diagnosis and treatment.

It is not only this "selective" aspect, however, that distinguishes the latest memorandum from the previous one: there are also a number of other ways in which it differs from that of April, 1964. The new memorandum may be discussed by the Council during October; at present, it is in the hands of the national governments, to which it was quietly submitted at the beginning of the summer.

The first main difference between the two stems from the fact that, for almost three years now, the Common Market country most threatened by inflation - Germany - has been operating a very tough credit squeeze. In April 1964, the Commission was already urging Germany to pursue this restrictive policy, although the Bundesbank had already instigated it. Interest rates in the Federal Republic, however, are now so high that there seems little to be gained from advising the Bundesbank to apply still more pressure. Nonetheless, there is more than one way of skinning the inflationary cat: in addition to strict monetary manipulation, there is a whole armoury of budgetary policy devices. On this score, the Bonn Government seems to be one jump ahead of any good counsel the Community might be preparing to offer it: Chancellor Erhard has decided that the Federal Parliament should take a vote on stabilisation laws, the object of which would be to instil a little more order into the finances of the various administrative sectors: the communes, the Länder and even the Federal State itself. But other governments, including those of Belgium and the Netherlands, do not yet seem to have embarked upon sufficiently incisive budgetary policies.

The second difference is related to the fact that, since the beginning of 1964, certain features of the budgetary policies of the EEC member states have changed.

E.E.C. CONFERENCE FEBRUARY 1967

THIS IS NOT AN APPLICATION FORM

\* I should be

I should not be interested in receiving more details of the proposed one day symposium on the E.E.C. to be held in London early in February, 1967.

If available I/we could be interested in applying for ticket(s) at approximately three guineas each with a discount for three or more.

\* Please send an application form at a later date.

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## To All Subscribers

If sufficient support is forthcoming it is proposed to hold a one day symposium, in London, early in February 1967. Whilst intended mainly for subscribers, tickets will be made available to others on request.

The theme will be to examine the political and economic developments which have taken place within the E.E.C. since early 1963, when Britain's entry into the Common Market seemed imminent, and to assess how these are likely to have affected the relationship between Britain and the E.E.C.

It is provisionally planned to have three speakers from within the Community and one from this country. It is hoped to obtain the services of an industrialist and an economist from within the E.E.C. and a speaker from Brussels who has taken part in the agricultural discussions held earlier this year.

From this country it is hoped that we shall have as a speaker a senior member of the present government.

In order to be able to confirm the reservation of a hall of suitable size it is necessary to have, as soon as possible, some idea of the number likely to attend. It would therefore be appreciated if you would complete the enclosed form and return it in the prepaid envelope to Agroup Ltd., our associate company who will be assisting with the organisation of the meeting.

In the 1964 memo, the Commission made a general recommendation to the governments not to push the increase in their total expenses beyond the 5% mark: but in practice, this 5% "rule" is a little puzzling, as the average annual growth rate for the national product in the EEC countries is just this - 5%. So it looks as though the 5% rule was conceived with the idea of keeping the progress of budgetary expenditure exactly in step with the growth of the national income.

Obviously, this sort of balance is difficult to maintain, and we may even ask ourselves whether it is a good thing to pursue: the sort of needs which can only be satisfied by collective investment (schools, hospitals, roads etc) are increasing rapidly in modern society, and Brussels experts are beginning to think that perhaps, where possible, some sort of priority should be given to these - which are not necessarily at odds with the development of privately-owned consumer durables. Better roads, for example, are called for by the rapid increase in numbers of privately-owned motor cars. We should not forget that the Langer Committee, which was formed to collect information for the Commission's memorandum on the objectives of a medium-term economic policy for Community countries, was all for developing collective investment at a faster rate than national production. Of course, the Langer Committee's conclusions, which were duly ratified by the Commission, and the rule which limited the growth of public expenditure to 5% a year were contradictory to some extent. This has become more obvious since 1964, both to the Council of Ministers and to the Commission, and in order to avoid embarrassment, it was agreed that if a state were to raise additional taxes, it could then possibly increase its budgetary expenditure proportionately to over 5%.

In order to prevent a multiplicity of interpretations, and to rule out exceptions to the general rule at the same time, it would be logical for the member states to accept a uniform discipline for budgetary procedure that related, not to the volume of expenditure as such, but to the balance that should be pursued between public receipts and expenditure. In this way, controls would be devised, not in the form of a rule dictating quantitatively what the maximum increase in expenditure should be, but defining an objective, the end of which would be the elimination of inflation risks. This would be done by keeping expenditure as strictly in line with receipts as possible, with the latter dictating the extent of the former.

Under such a system, countries whose economies had fallen out of balance would not be left with the sole recourse of eliminating their deficits. In addition, were such a strict objective laid down, an issue that would immediately arise would be the question of whether such a form of balance would demand that all national expenditure, including the granting of long-term loans (what the experts call "below the line" costs) should be covered by specific receipts. This, in fact, was exactly how Valéry Giscard d'Estaing saw the balance when he was the French Finance Minister, though since that time most of the Common Market governments have more or less openly dropped the idea and it would hardly be realistic to expect them to resume it. But having said this, we must point out that in certain conditions, not least those which prevail at the moment, the principle answers a number of needs: the money markets, for instance, have only scant resources, and it would not be a bad thing if governments were to refrain from

borrowing so that private enterprise could obtain the funds it needs from the banks.

In practice, governments would be asked to adopt a policy which would ensure that any budgetary deficits corresponded to productive investments, so that they would be covered by long-term loans. What is clear is that any purely monetary backing for current deficits (such as appealing to the issuing authorities), in the present state of affairs, only serves to encourage inflation.

It is obvious that, if the balance is to be preserved in this way, then controls will have to be exerted not only over the state budget, but also over the budgets of public authorities. It is becoming increasingly evident that state expenditure forms only a part of public money matters, and this lends particular interest to the present situation in Germany: one of the main causes of the inflation she has been suffering since 1964 has been the uncontrolled increase in expenditure by the Länder and the Gemeinde (communes). In order to back increasingly ambitious investments, these local authorities have borrowed indiscriminately on the money market, and it was to control this constant rise in their budgeting that the Bundesbank decided in 1964 to restrict credit. The reason why the Erhard Government has decided to intervene with its stabilisation laws is that the Bundesbank alone lacks sufficient means to curb the spendthrift tendencies of these local bodies.

Budgets have been spiralling in just the same way in other countries, especially Belgium and the Netherlands, but here the governments do not seem to have reacted as positively as the German authorities against the trend. Although they waged all-out campaigns against inflation before the other Community countries, moreover, neither France nor Italy can afford to be incautious, and the Italian Government, for instance, would do well to stop the Treasury continually floating loans to offset its deficit. It would, of course, be absurd to pretend that governments could implement this new concept in budgetary policy in a short space of time, but we would be getting somewhere if, before many more years slip away, they could agree that this was the goal to be achieved.

Even though budgetary policy logically holds prime of place in the struggle against inflation, a prices and incomes policy also has an important role. The Brussels experts, as far as prices are concerned, believe that in the long term, all forms of price freezing breed distortion, and they point out that only recently Belgium was compelled to call off measures of this sort, and resort to straightforward vigilance over prices by the authorities. This approach could be adopted as a guiding principle in all forms of price-control, and in fact is already so in many countries, especially the U.S.A., where the prices of all key manufactured articles are carefully "followed" in Washington. The U.S. Government does not hesitate, when the need arises, to intervene and persuade a company to revoke a price rise that is adjudged contrary to the public interest.

Turning now to incomes, which can also play their part in inflation, it is interesting to note, first of all, that the term "incomes policy" is now giving way

before the more time-honoured phrase "wages policy". For some time now the former has been rousing false hopes and causing misinterpretations. In Brussels there is a growing feeling that within the existing economic framework (and probably within any such framework) it is neither easy nor compatible with the interests of expansion to campaign for wage increases commensurate with company revenues. Here again, the situation varies from one Common Market country to another: in those which have managed to regain relative stability, France and Italy, there would be no objection, when all is said and done, to a fairly rapid rise in wages during 1967. As these two countries are leaving behind a period of economic stagnation, they should be able to increase productivity fairly rapidly, and this should allow wages to be increased without too much danger to costs. But it would be dangerous for the Northern EEC countries (the Netherlands, Belgium and Germany) to allow wages to rise as quickly as they have in recent years, as the end, or at least the slowing-down of their economic booms will probably result in a corresponding drop in productivity. Thus in all these countries, the governments will be constrained to use all the means at their disposal to persuade trade unions to moderate their demands.

Will the EEC Council of Ministers be willing to deal with all these questions and also give as clear-cut an answer as the one they offered when the Commission submitted its first memorandum on inflation in April 1964? The general public is well aware of the problem, but has no idea of its urgency, although it must be said that whereas prices have been rising in the U.S.A. for several months, it seems certain that the danger of inflation has lessened on both sides of the Atlantic. Even President Johnson has at last decided that it is not only the Treasury Department that should bear the burden of controlling the expansion of home demand. He recently decided to ask Congress to repeal a number of fiscal benefits previously granted to companies to promote investment - thus the U.S.A., too, has resorted to budgetary policy.

The use of this recourse is preferable, in more ways than one, to the use of monetary policies alone. The latter have many drawbacks, but their chief pitfall is increased interest rates: these provoke the movement of free capital, and this clouds the real balance of payments situation, the effect of which is to delay unduly the adjustments that must eventually be made.

THE WEEK IN THE COMMUNITY  
September 26 - October 2, 1966

From our Correspondents in Brussels and Luxembourg

THE COMMON MARKET

New Hope for European Unity

Relations between the EEC and EFTA have probably never been discussed as much as during the past few days. At the European Assembly in Strasbourg, in the Nordic capitals, in the Council of the WEU and even in Vienna, where M. Podgorny is under pressure from the Austrian leaders to allow their country to become an associate member of the Common Market, the main topic of the day is "Greater Europe". But at the same time, it would be over-optimistic to forecast that this widespread desire to enlarge the EEC is going to lead to anything definite in the near future. Although parliamentarians are warming to the idea at government level, diplomatic executives (with the sole exception of the Danes) remain victims of inertia. Is Mr. Jans-Otto Krag going to throw everything into going it alone, or will he start off a chain reaction? The question is worth looking at in more detail.

Whether the "Greater Europe" issue has got anywhere or not, the climate at least has improved. At the recent joint session of the European Parliament and the Consultative Assembly of the Council of Europe, all the speakers noted with satisfaction that the time for exchanging accusations is over. Nobody blamed anyone else for "dividing Europe"; on the contrary, everyone tried to do their utmost to suggest ways of bringing the two groups together. From this standpoint an even more interesting development than this psychological reconciliation was that Professor Walter Hallstein, the "protector" of Community orthodoxy was able to suggest "nem. con." that Greater Europe can only be brought about by an enlargement of the Six. From the practical point of view, all the speakers admitted that the Treaties of Rome and Paris, and the various Community regulations would have to be the examples to be followed, but that certain changes could be allowed so long as they did not alter the spirit of the Community. One can thus say that the idea of a bridge between the EEC and EFTA had been abandoned, even before the first stone has been laid.

This new enthusiasm for the Community system, according to certain speakers, and especially those from the neutral countries, can be explained in part by the "draining of politics" from the work of the Six. To be fair, the truth of this statement is questionable, and for certain other representatives of EFTA countries, mainly the British, this must be a regrettable not an encouraging development. Rather than get tied up in this semi-philosophical discussion, it is better to realise that there are a number of concrete factors which can explain this change. Firstly there is the fact that the Six's reconciliation has had a considerable effect, on economic grounds at least, on the Seven: in any case Little Europe is still moving forward, and this is an essential part of the problem. Then there is the realisation amongst the Six that a number of problems, whose very solution is the



condition for the development of industrialised Europe, cannot be really dealt with in the limited framework of the EEC. This is especially so for scientific research and technological progress, and it is this which enabled M. Diomede Catroux to make a "European" profession of faith, despite his attachment to Gaullisme. And there is also the problem of the mergers. The speakers constantly returned to these two questions in order to stress that they were the real keys to European independence from the United States, which enjoys overwhelming superiority in both spheres at the present moment.

The third factor which has influenced the position of the Seven is, naturally enough, the change in the British attitude. At Strasbourg, Mr. Patrick Gordon-Walker and the other British speakers, and then Mr. George Thomson, Minister of State at the Foreign Office, in Paris, confirmed that the Labour Government now has the political desire to become a full member of the EEC. For Mr. Gordon-Walker, "it is not even an exaggeration to say that this political desire is more obvious in Britain than in the Community". The economic difficulties encountered during the first EEC-London negotiations are, in his view, less important than they were then. As for agriculture, the problem is not how British producers will be able to compete, but the new burdens which the adoption of the levy system would impose on the country's balance of payments. These (some £200 million a year) are certainly very high, but they would be bearable if the British Treasury could count on a change-over period. Such at least is the opinion of Mr. Gordon-Walker, and one can assume that he is a reliable spokesman for Her Majesty's Government.

Given this climate, why isn't quicker progress being made? A British speaker, Mr. Kershaw, forecast that it might take four years not to become a member, but simply to start negotiations. M. Jean Rey, the member of the Commission responsible for external relations, was less pessimistic, but he did not believe that EFTA and the EEC could begin to come together until after the Kennedy Round. This is a reasonable argument, for the results of the Geneva negotiations should place the whole problem in a different light, in that the Seven will either be content with the amount of trade freed by the GATT negotiations, or that, on the other hand, these will convince them and the Six that they should unite in order to face up to American competition in a much more open European market.

The Kennedy Round cannot, however, completely explain the hesitance which still obviously exists on both sides of the Channel. There is still the problem of the British balance of payments, or rather that of the pound. Under the circumstances it is not Britain's economic problems which are the stumbling-block, as they can only be temporary: at any rate, speaking to his fellow WEU members in Paris, Mr. George Thomson said that the worst had passed, and that the British reserves were now sufficient to await without danger the return of more prosperous times. The real problem, as Mr. Gordon-Walker said in Strasbourg, and M. Jean de Broglie, French Secretary of State for Foreign Affairs said to the WEU, is to make the pound an international reserve currency, part of the EEC monetary system. This gives a completely different aspect to the problem of Britain and the Common Market, making it more political than technical, especially when the views constantly put forward by the French government are

borne in mind.

The other major obstacle to rapid progress is a political one, since it appears that the British government, before starting formal negotiations, wants to insure itself as far as it can, against all risks of a French veto. At the WEU Council meeting, M. de Broglie made sympathetic and well-wishing remarks, but went no further. There is no "doctrinal" opposition in France to British membership, but the French are convinced that from a practical standpoint "the negotiations will be long and difficult". It is difficult to estimate the real extent of the problem. Either nothing is going to happen, because no guarantee against a veto will be possible unless the French or the British make changes in the basic conception of their foreign policies, or it is simply a repeat performance of Fontenoy and each is waiting for the other to fire first.

This last point of view appears to be shared by the Copenhagen government. The Danish Prime Minister, Mr. Krag, speaking to the Consultative Assembly of the Council of Europe, did not justify his moves to get the Nordic countries to approach the Common Market on the sole ground that their economies were being hurt by the division of Western Europe. He also hoped that this scheme, which he will put to the Nordic Council for approval in February next, will have a salutary effect on decisions in Paris and London to recommence the negotiations broken off in January 1963. This is why Mr. Krag, who seems to be using as much pressure as publicity, thinks that the Scandinavian countries can go ahead, without having to wait for Britain.

Has this effort any chance of succeeding? Until now neither Oslo nor Stockholm have categorically rejected Mr. Krag's ideas, although the least one can say is that they have been received with lukewarm enthusiasm. But the Danish Prime Minister does not intend to start the ball rolling if his Nordic partners don't feel like playing. And in Strasbourg the question of whether a move by the Scandinavian states alone would be sufficient to break the ice was raised. A Belgian Senator, M. de la Vallee-Poussin considered that it needed concerted action by Britain's and France's partners to get the two "big" powers to the conference table. For the time being the only members of EFTA likely to play along with Denmark are Austria and possibly Portugal. On the other side, most of the Five are in agreement with Paris in attaching a lot of importance to Britain's monetary difficulties, and their keenness for British membership has temporarily slackened. To sum up, although there are remarkable affinities between the various concepts of a community heading a united Europe, there is a just as remarkable a physical inability to take concrete action to achieve it. But it would be a strange thing indeed if all this talk did not precipitate some action.

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## Technical Aid for the Lebanon

It has been revealed that at the first meeting of the mixed EEC-Lebanon technical cooperation group five of the seven plans for aid put forward by the Beirut Government were considered by one or more of the EEC governments. The schemes in question relate to technological and professional training, tourism, irrigation, fruit production and the setting-up of a petrochemical industry. Feasibility talks on these projects will be held between the Lebanon and the countries concerned, as the Community itself has no authority in this sort of field. Capital and personnel will both have to be furnished by the national authorities. Nevertheless, these schemes for aid have been mooted under the agreement between the EEC and the Lebanon, and thus must be coordinated. For this reason, the mixed cooperation group will meet again next February to consider the results of the bilateral talks.

\* \* \*

## The Economic and Social Committee Approves "Fork Tariffs" for Freight

After intensive group discussions and lengthy debates in open session, the Economic and Social Committee approved by an overwhelming majority (82 for, with 4 abstentions) the Commission's most recent proposals for setting up a fork system of tariffs for freight transport. This relates to roads, rail and inland waterways (though in the case of the last, it would, of course, only be a recommended tariff, and not an enforceable one). The fork system, which gives a maximum-minimum range of tariffs, is designed to reconcile the conflicting requirements of "transparency", which is vital to the Community organisation of the market, and the need for keener competition in this sector than in any other.

Since private enterprise is represented (on the consultative level) on this Committee, its massive vote in favour of the proposals will give a tremendous fillip to the Commission in its continuing efforts to establish the common transport policy. At the same time, in giving its findings, the Committee insisted that the proposed scheme should be treated as an experiment. Fork tariffs as mere recommendations, in particular, have never yet been instituted, and should thus be introduced only with extreme caution. The Committee further demanded that the fork tariffs should only present a margin of 20%, and that this should be based on maximum prices: the Community organisation of the market, moreover, should relate to more than just prices, and in particular be concerned with controlling freedom of establishment in the freighting sector and deciding what vehicle capacities should be. In an effort to justify their delight in secrecy, the Netherlands countered this by maintaining that both the operation and development of their transport system are strictly controlled.

On the particular question of whether or not it would be wise (as the Commission thinks) to make recommended tariffs binding, as a means of dealing with cases of harmful competition or abuse of dominating positions, the Committee was divided, with 60 votes for the motion, 15 against, and 10 abstentions. Those in the minority,

who were mainly Dutch councillors, maintained that this violated the agreement in principle between the ministers on fork tariffs, and that the proposed scheme could work just as well with stricter legislation over vehicle capacities. This looks like being the main bone of contention between the Netherlands and the rest when the matter is discussed by the Council of Ministers.

#### EURATOM:

##### Ministers' Conduct "Unacceptable"

The European Parliament's budgetary commission is going to demand a public condemnation of the "unacceptable conduct" of the Euratom Council of Ministers. In a statement the Parliamentary commission explains the reasons for its anger: "It would appear that the Council is deliberately holding up the approval of a number of supplementary research and investment proposals for 1966 - a total amount of \$ 20 million - submitted by the Euratom Commission in May of this year in order to carry out projects which had previously been accepted by the same Council. As a result, the Euratom Commission is unable to meet its commitments to private firms with which it had signed contracts. In this way serious damage has been done to Community solvency and cooperation between Euratom and industrial firms".

All the delegates present, the communique point out, have decided that such conduct is unheard-of and have agreed to make a formal protest. It should be noted that this decision follows a statement by M. Emmanuel Sassen, a member of the Commission, on the financial situation, which indicates that the Executive takes as poor a view of the Six as do the Parliamentarians. There is no doubt that if the Council wanted to wreck Euratom it could not have gone about it in a better way.

ECSC:

### Little Hope for Community Coke

Luxembourg: The High Authority's special study group responsible for trying to find a Community solution to the question of discriminatory coking coal supplies for the Community's iron and steel industry has not yet finished its work. However, information percolating through from contacts with the Luxembourg, French, West German and Belgian governments seems to indicate that the positions of the various member countries have not changed since the High Authority's proposal for financial aid on a Community basis was rejected on July 12, mainly because of the French veto. Whilst the governments of Luxembourg, Belgium and West Germany (where a national solution is being prepared) would like to see a Community solution, as they believe this is the only way of preventing the disintegration of the steel Common Market, the French government remains immovable, calling for national subsidies which might eventually be co-ordinated on a Community basis.

In the circumstances it is difficult to say what new proposals the High Authority will put forward at the next Council of Ministers meeting, which will probably be in the middle of November. The High Authority's special study group will meet the Italian and Dutch ministers involved, before presenting its conclusions to the High Authority Assembly.

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### Retraining Grants for French and West German Coal and Iron Miners

Retaining grants amounting to \$155,324 have been made by the High Authority to some 617 French and West German coal and iron miners affected by closures or reductions in mining output. In every case, the concerns involved are adapting themselves to changing markets, due to the deterioration of the Community coal market, or the increasing imports of high-grade ore into the Common Market. Several of the West German mines having to reduce their output number amongst those with the highest productivity rate in the Community.

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- D BUILDING & CIVIL ENGINEERING Belgium: British interests form BUILDEC SA, Brussels to make and sell prefabricated sections. Italy: WALTER KIDDE CONSTRUCTORS INTERNATIONAL, USA (architects and contractors) forms Milan subsidiary.
- D CHEMICALS France: The Dutch chemical concern TURFSTROOISELKANTOR (peat, fertilisers etc) forms French sales subsidiary. CALIFORNIA INK CHEMICAL CO, San Francisco sells its 20% in POLY-COLOR Sarl to the French firm's owner-manager. SEEM, HUILES & GOUDRONS and FINANCENS complete the formation of CDF-CHIMIE, Paris. Italy: ELETTRORAFITE DI FORNO ALLIONE, Milan (UNION CARBIDE group) changes its name to UNION CARBIDE ITALIA.
- E COSMETICS Argentina: FENECO, Buenos Aires will promote Argentinian sales of cosmetics etc made by the German firm GLOCKENGASSE No 4711. IMOTHEP, London (cosmetics and skin products) forms German subsidiary.
- E ELECTRONICS Belgium: MEMOREX CORP, California (computer components etc) forms Belgian subsidiary. DYNAMCO, London (calculating instruments, radar, etc - DYNAMICS CORP OF AMERICA group) forms Belgian subsidiary. Germany: CRYPTON EQUIPMENT, London (electrical vehicle testing) forms Stuttgart sales subsidiary. Italy: In the CSF, Paris group DUCATI ELETTRORAFITE, Bologna absorbs MICROFARAD, Milan (makers of condensers and resistors).
- F ENGINEERING & METAL Austria: The German watchmakers HUGO WEINMANN, Pforzheim form Austrian sales subsidiary. Britain and Germany: KLOECKER-HUMBOLDT-DEUTZ and SEDDON DIESEL VEHICLES, Oldham, Lancs will exchange technical and sales information. France: Mr P.B. Higgins - director of several ASSOCIATED ENGINEERING companies - forms CENTRI ENGINEERING Sarl to deal with mechanical equipment etc. PERMO Sarl, Paris (water processing) increases its share in PERMO SA, Madrid. LE METAL DEPLOYE, Paris, takes over another French wire-netting manufacturer LE DEPLOYTOLE, Aulnoye-Aymeries, Nord. ETS BELGE DU VACUUM-CLEANER forms French company. Germany: SUZUKI MOTOR CO, Hamamatsu, Japan will set up German sales network. FRANZ MORAT, Stuttgart (high-speed looms) signs agreement with the Swiss group SULZER for use of its electronic control system for textile machinery. BREMSHEY, Solingen (precision tubes etc) forms Vienna sales subsidiary. The Indian engineering consultants BILANEY, Bombay form Düsseldorf subsidiary. Italy: The British group GENERAL ENGINEERING CO forms Milan subsidiary. AERO TERMICA ITALIANA, Milan (ventilation, heating,

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air-conditioning etc) opens Brussels branch. The Lyons metal group BROSSETTE increases the capital of its Milan subsidiary.

## H FINANCE

Belgium: Under the reorganisation of the Belgian electricity industry under INTERCOM, Brussels, FINANCIERE LACOURT sells its share in two companies about to be taken over: SOBRUGAZ and HENELGAZ. Luxembourg: BANK OF AMERICA, San Francisco and BANQUE DE PARIS & DES PAYS-BAS form AMERIBAS HOLDING, Luxembourg. PENARROYA, Paris (DE ROTHSCHILD FRERES group) forms financial subsidiary in Luxembourg.

## I FOOD &amp; DRINK

France: Two breweries in the Paris group BRASSERIES & GLACIERES DE L'INDOCHINE will merge to form UNION DE BRASSERIES LYONNAISES RINCK-SNBL. ALZO SA, Moulins (animal feedstuffs) is taken over by GENVRAIN, Paris and its subsidiary SAFR. PRIMAGEL, Paris (storage and sale of frozen foods) increases its capital, through CIE FINANCIERE, Paris which now owns 61%.

## J GLASS

France: SOGEVER, Paris increases the capital of COMPTOIR GENERAL DES GLACES & PRODUITS VERRIERS, Gennevilliers and becomes majority shareholder.

## J OFFICE EQUIPMENT

France: BELL & HOWELL FRANCE SA, Boulogne-sur-Seine (subsidiary of BELL & HOWELL, Chicago) regroups its office equipment department into new Division. Germany: PHILIPS GLOEILAMPEN, Eindhoven and SIEMAG, Dahlbruch extend their agreement to sales.

## K OIL, GAS &amp; PETRO-CHEMICALS

The Franco-Belgian refinery ALBATROS builds new installations at Zandveit to treble output. The Utrecht group S.H.V. winds up one of its Brussels subsidiaries, PAM BELGIUM and forms another company of the same name under its direct control. France: CFP, UGP and ANTAR form company to study the use of super-tankers in France. Germany: The Land of Baden-Württemberg negotiates the purchase of shares in the petrol distribution concern GVS, Stuttgart. Luxembourg: BUCKEYE PIPELINE, New York, the French OTP and PIPELINE-FINANCE, Luxembourg form new service company for oil pipelines. KOHLEN-UNION GELDNER, Basle sells its controlling interest in STE COMMERCIALE CHARBONNIERE, Luxembourg (solid and liquid fuel) to the GBAG group, Essen. Italy: The Italian salvage and marine engineers MICOPERI, Milan and ROYAL-DUTCH-SHELL negotiate formation of SUB-SEA OIL SERVICES, Milan (underwater research). Netherlands: MOBIL OIL, New York forms MOBIL RAFFINERIJ, Rotterdam to build new Dutch refinery.

## M OPTICAL &amp; PHOTOGRAPHIC

Italy: The Austrian group EUMIG (lenses, viewfinders etc) forms indirect Milan subsidiary.

## M PAPER &amp; PACKAGING

Switzerland: The German paper concern FELDMUEHLE, and its 100% subsidiary NORDDEUTSCHE PAPIERWERKE form 50-50 sales company in Zurich.

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- N PLASTICS France: Under the reconversion of the French jute industry two groups of companies, SAINT-FRERES and COMPTOIR LINIER, and WEILL and ETS CARMICHAEL set up two plastic processing projects. Germany: KUSTO, Stallikon, Zurich forms two German plastics subsidiaries. Italy: The Munich plastics and rubber group METZELER increases its production of urethane and polystyrene and takes larger stake in GENERAL AUTO, Turin.
- N RUBBER Belgium: FIRESTONE BELGIUM, Antwerp buys control of UNION BELGE & D'OUTREMER, Antwerp and winds it up.
- N SERVICES Germany: NATIONAL UTILITY SERVICE, New York (engineering consultants) forms Düsseldorf subsidiary. Germany and Switzerland: INBUCON, London (management consultants) forms companies in Germany and Switzerland. Italy: BARTON, MAYHEW & TURQUAND YOUNGS, London (accountants, business consultants etc) opens Milan branch.
- O TEXTILES Belgium: THOMAS FRENCH, Manchester (haberdashery etc) forms Brussels sales subsidiary. CORONET INDUSTRIES, Georgia, USA and the Belgian group VLAAMSE TAPIJWEVERIJ form joint subsidiary PRADO TUFTED MILLS (tufted carpets). Colombia: STE FINANCIERE INTERNATIONALE (WORLD BANK group) takes 13% in ENKA DE COLOMBIA, Medellin - subsidiary of AKU. Germany: The German clothing manufacturer ALFINS MUELLER-WIPPERFURTH forms administration subsidiary. JAMES HARE, London (woollen fabrics for clothing) forms JAMES HARE (GERMANY), Hamburg. The men's clothing firm ERES KG takes interest in LACO TEXTIL KELTER & CO, Hamburg. Italy: The American KLOPMAN MILLS (cotton and raw silk) forms Italian company to make suitings. The British textile group D.M. HOLDINGS closes the Milan branch of its subsidiary STANDARD INTERNATIONAL. DU PONT, Wilmington, USA gets use of patents for polypropylene textile fibres from MONTECATINI EDISON.
- Q TRADE Belgium: Two Belgian retail distributors GROOTHUIS and SARMA merge. HELMUT HORTEN, Dortmund signs contract for supplies of jewellery with ANTOINETTE SCHMUCK, Zurich and the Wilm-Lewis group of the Netherlands.
- Q TRANSPORT Netherlands: NOORD-ZUID-HOLLANDSE VERNOR MIJ, Haarlem (subsidiary of Dutch State Railways) takes 50% in EUROTRANSPORT NEDERLAND, Amsterdam. BANK VOOR HANDEL & SCHEEPVAART, Rotterdam takes 50% in the harbour and warehouse concern MUELLER-HANNA'S OVERSLAG- & OPSLAGBEDRIJF BOTLEK, Rozenburg and Rotterdam.
- R VARIOUS



BUILDING & CIVIL ENGINEERING
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\*\* BUILDEC SA has been formed in Brussels by British interests, with Mr. Harry Nicholl (London) holding 50%, the Sanderstead, Surrey architect Mr. E. R. Moore 25% and the engineer R. H. Myles of Domewood, Copthorne, Sussex 25%. The new firm is to make and sell prefabricated sections, of wood and most other materials: its initial capital is Bf 500,000, and its president is Mr. Myles.

\*\* WALTER KIDDE CONSTRUCTORS INTERNATIONAL INC, Dover, Delaware (architects and civil engineering contractors) has formed a Milan subsidiary under its own name, to be directed by Sig F. M. Bianchi. All the directors of the American concern are New Yorkers: Messrs. Clifford D. Root, George E. Patterson and Robert G. Schuur.

CHEMICALS
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\*\* The Dutch concern NV TURFSTROOISELKANTOR, Zwolle which specialises in peat, fertilisers and compost has formed its own distribution subsidiary in France, COMPTOIR FRANCAIS DE TOURBES HOLLANDAISES-COFRATOURBHOL Sarl, Marcq-en-Baroeul (capital Ff 10,000). It is already represented in France by the sales company J. R. SCHOUTTETEN, Marcq-en-Baroeul, Nord.

The founder (president M. Klaas Meinders) has as principal shareholders NV GREINDSTVEEN TRUFSTROOISEL MIJ., Zwolle, C.V. TERWINDT ARNTZVEEN, Vriezenveen, NV GEBR. MINKE, Dedemsvaart, CO-OP. TURFSTROOISELFABRIEK BARGER OOSTERVEEN, Klazienaveen, NV VEENDERIJ & TURFSTROOISELFABRIEK KLAZIENAVEEN and v/h W. A. SCHOLTEN, Groningen. It has export markets throughout the world and its main foreign agents are C. A. PEERBOOM (PROTEX), Deurne-Noord, Belgium and HALFMOON MANUFACTURING & TRADING CO INC, Plain Field, New Jersey.

\*\* ELETTRORAFITE DI FORNO ALLIONE SpA (a Milan member of the New York UNION CARBIDE CORP group - see No 326) is to change its name to UNION CARBIDE ITALIA SpA. In April 1965 the firm in question joined INSUD-NUOVO INIZIATIVE PER IL SUD SpA, Rome (see No 348) in forming ELETTRORAFITE MERIDIONALE SpA, Avellino, which has a factory near Saserta, Naples, making about 10,500 tons of synthetic electrode carbon and graphite a year (under the American group's "Acheson" patents): these are used in the electro-chemical and nuclear industries.

\*\* CALIFORNIA INK CHEMICAL CO, San Francisco, California, has made over to Mr. John Carey its 20% shareholding in POLYCOLOR Sarl, Acquigny, Eure. Mr. Carey is the manager of the French company, and his direct interest now becomes 98%: the remainder of the Ff 100,000 capital is held by Mme H. Aron.

\*\* The formation of C.D.F.-CHIMIE-STE COMMERCIALE CHIMIQUE DU GROUPE CHARBONNAGES DE FRANCE SA, Paris has now been completed (see No 359). Direct shareholders are the holding company S.E.E.M.-STE D'ETUDES D'EXPLOITATIONS MINIERES SA, Paris (50%; HUILES, GOUDRONS & DERIVES SA, Paris (45% - see No 365) and FINANCENS-STE INDUSTRIELLE & FINANCIERE DE LENS SA, Lille (5%).

COSMETICS
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\*\* FENECÓ SA, Buenos-Aires, will be responsible for the sales in Argentina of Eau de Cologne and cosmetics manufactured by the German concern, EAU DE COLOGNE & PARFUMERIE-FABRIK GLOCKENGASSE No 4711, Cologne-Ehrenfeld (see No 365). The Buenos-Aires firm is already the exclusive agent for the Franco-American group LANVIN CHARLES OF THE RITZ INC., New York (see No 373).

The Cologne company (formed in 1792) had a 1965 turnover of some DM 300 million, and about 40% of its production was exported. In West Germany, its principle interests are in JUENGER & GEBHARDT GmbH, Berlin (an 80% interest), and in three Cologne firms, JUENGER & GEBHARDT AG, BLAUGOLD GmbH and JOHANN MARIA FARINA & CO.

\*\* The London group IMOTHEP LTD (manufactures and sells cosmetics and dermatological products) has strengthened its European interests with the formation of IMOTHEP GmbH, Stuttgart (capital DM 20,000) with Herr Edward Sittler as manager. The British group is headed by a Canadian, Dr Carlos-Jones Lee and he already controls IMOTHEP EUROPE Sarl, Paris (see No 269) and IMOTHEP SA, Lausanne (see No 285).

ELECTRONICS
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\*\* The Paris group CSF-CIE GENERALE DE T.S.F. SA will benefit by a recent merger in the Italian electronics industry: DUCATI ELETTROTECHNICA SpA, Bologna (see No 345 - capital Lire 500 million; president M. Andre Danzin) has absorbed MICRO-FARAD SA, Milan (condenser and resister factories in Milan and Pontinia: capital Lire 600 million). In 1963 Microfarad took over CIRCE-COMPONENTI INTEREUROPEI PER RADIO CIVILE & ELETTRONICA SpA.

Between 1963 and 1965 C.S.F. invested some Lire 1,600 million in its four main Italian subsidiaries - the other two being CISEM SpA, Bologna (see No 345) and MISTRAL SpA, Sermoneta, Latina (see No 362). The consolidated turnover of these firms topped the Lire 10,500 million mark in 1965 of which 40% was exports.

\*\* The American manufacturer of computer components and equipment, MEMOREX CORP, Santa Clara, California has formed a new subsidiary in the Six, MEMOREX SA, St-Josse-ten-Noode, Brussels (capital Bf 80,000) with Mr E. Samson as manager. It will market, and possibly manufacture directly or through sub-contractors, magnetic tapes, memory equipment and other similar computer materials. Its capital is shared by its founder and its British subsidiary, MEMOREX PRECISION PRODUCTS LTD, Maidenhead Berks.

Memorex Corp was formed in 1961 (1965 sales were worth \$13.09 million). At the end of 1965 it formed a West German sales subsidiary, MEMOREX GmbH, Cologne managed by M. Darrel J. Guzy, president of the Belgian subsidiary and Herr Alex Hansmeier of Cologne.

\*\* DYNAMCO LTD, London - responsible for the British interests of DYNAMICS CORP OF AMERICA, New York (see No 307) since it was formed in August 1964 - has formed a direct Belgian subsidiary DYNAMCO SA, Woluwe-St-Lambert (capital Bf 100,000) to manufacture, promote and sell electronic precision and measuring equipment.

The American group makes a wide range of calculating instruments, radar, nuclear components, etc. and has had a subsidiary in Frankfurt DYNAMCO GmbH for the last year. Its British interests include NORBURY INSTRUMENTS LTD and DIGITAL MEASUREMENTS LTD, Croydon, Surrey, and WINSTON ELECTRONICS LTD, Shepperton, Middlesex.

\*\* The London company CRYPTON EQUIPMENT LTD, (electronic testing and tuning equipment for vehicles) has formed a Stuttgart sales subsidiary CRYPTON AUTOPRUEF-GERATE GmbH (capital DM 20,000) whose managers are Messrs. Jack Bushnell and William Kavanagh.

The founder is itself a subsidiary of the electrical construction, electro metallurgical and electronics group METAL INDUSTRIES LTD, London (see No 372) which already has a West German sales subsidiary, M.I. EUROPA ELEKTRO-ANLAGEN VERTRIEB GmbH, Neuss, formed in December 1963 (see No 258).

ENGINEERING & METAL
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\*\* SUZUKI MOTOR CO LTD, Hamamatsu, the second Japanese producer of motor cycles (behind HONDA MOTOR CO LTD, Tokyo - see No 375) intends to set up a German sales network, which will commence operations in the spring of 1967.

Suzuki Motor Co Ltd, whose European headquarters are in Brussels, made 450,000 motor cycles in 1965 of which nearly a quarter were exported. The main purchasers were Britain, Finland, Norway and the Netherlands.

\*\* The British group GENERAL ENGINEERING CO (RADCLIFFE) LTD, Radcliffe, Lancs, which controls GENEVAC LTD, Nottingham (vacuum pumps and instruments) has formed a subsidiary in Milan. The new company GENERAL ENGINEERING ITALIA SpA (capital Lire 20 million - president Mr. Brian J. Algar) will be engaged in all kinds of sales and manufacturing activities relating to electromechanical and mechanical apparatus.

\*\* The German manufacturer of high speed looms, FRANZ MORAT GmbH, Stuttgart-Vaihingen, has signed an agreement with the Swiss group GEBR. SULZER AG, Winterthur (see No 361). This will enable it to exploit a new electronic control system for textile machinery together with the British sales network of SULZER BROS (LONDON) LTD, London.

The German company (capital DM 4 million is headed by Herr F. Morat, Freiburg i. Brisgau, and its sister companies in West Germany are FRANZ MORAT GmbH & CO KG, Eisenbach, and in Switzerland FRANZ MORAT GmbH, Kaiseraugst, Aargau (capital Sf 1.4 million) as well as FRAMINCO SA, Geneva (capital Sf 250,000). As for the Swiss group, its turnover exceeded Sf 100,000 million for the first time in 1965. It is already involved in moves to link it with ESCHER-WYSS AG, Zurich (see No 356) where it is about to become a shareholder following a public offer for shares.

\*\* The German firm of watchmakers HUGO WEINMANN, Pforzheim has set up an Austrian sales subsidiary EXQUISIT UHREN GmbH, Salzburg (capital Sch 100,000; managers Herr H. Weinmann and Herr Martlmá).

\*\* KLOECKNER-HUMBOLDT-DEUTZ AG, Cologne-Deutz - a member of the KLOECKNER & CO KG group of Duisburg (see No 370) - has signed an agreement over heavy vehicles (lorries and coaches) with the British manufacturer SEDDON DIESEL VEHICLES LTD, Oldham, Lancs. Initially it will be confined to exchanges of technical and commercial data but it does allow for an industrial extension: the assembly in Britain of "Magirus" vehicles.

The British firm mainly produces 25-45 ton lorries. It controls the British firms HALLS (FINCHLEY) LTD and PENNINE COACHCRAFT LTD. It also has an African subsidiary SEDDON DIESEL VEHICLES OF RHODESIA LTD.

\*\* Mr Peter B. Higgins, director of several companies of the ASSOCIATED ENGINEERING LTD group, Leamington, Warwickshire - including SPECIALLOID LTD, Leeds and its subsidiaries SPECIALLOID (SALES) LTD, AERO PISTON RING CO LTD, POWDER COUPLINGS LTD, POWDER COUPLINGS (TRACTION) LTD (all in Leeds) - has formed CENTRI ENGINEERING Sarl (capital Ff 10,000) which will be concerned with all the industrial applications of mechanical and electromechanical equipment.

\*\* BREMSHEY & CO KG, Solingen (manufacturer of precision tubes, telescopic umbrellas, frames, tubular furniture equipment and car accessories has formed a sales company in Vienna, BREMSHEY VERTRIEBS GmbH (capital Sch 100,000) whose managers are Herren H. Kochbeck, Solingen and Hósecken, Vienna.

The German company has an annual turnover exceeding DM 1 million and employs more than 2,500 people. It has factories at its headquarters at Hilden, Rhineland; Nördhingen, Westerholt and Goldbach ub. Kall Eifel. Its principal subsidiary is BREMSHEY GmbH FUER STAHLROHRMOEBEL & LADENAUSSTATTUNG, Solingen, Ohligs whose capital was increased in 1965 to DM 3 million. It has a French licensee, BREMSHEY FRANCE Sarl, formed in December 1960 by French interests.

\*\* ETS BELGES DU VACUUM-CLEANER SA, Brussels has formed FRANCE-CLEANER SA (capital Ff 53,500) to exploit in France its processes for restoring buildings and vacuum chimney-sweeping. The new company is situated on the premises of a shareholder, ETS BELLANGER JAMET Sarl of Asnieres, Hauts-de-Seine (capital Ff 78,000).

The Belgian company (capital Bf 1.25 million) has agencies in Antwerp, Liege and Ghent. It has an important shareholding in ETS BELGES DU TIME LIMIT SA, Brussels whose principle business is supplying piped music.

\*\* PERMO Sarl, Paris (capital Ff 5 million) which specialises in water purification and processing has increased its share in the Spanish company PERMO SA, Madrid to 87.5%, whose capital has been increased to Ptas 10 million (see No 278). Permo is a subsidiary of DEGREMONT SA, Rueil-Malmaison, Seine et Oise, itself a French subsidiary (see No 363) of TRACTION & ELECTRICITE SA, Brussels, a holding company of STE GENERALE DE BELGIQUE SA.

\*\* A.T.I.S.A.-AERO TERMICA ITALIANA SpA, Milan (president Sig. L. Dorgnino), which has a factory at Barregio making plant and equipment for ventilation, air conditioning, heating and refrigeration (especially for ships), has opened a branch in Brussels to cover the whole of the Common Market, under the direction of M. Edgar Radelet.

\*\* The Indian engineering consultancy concern BILANEY, Bombay and Calcutta has formed a Düsseldorf subsidiary, BILANEY CONSULTANTS GmbH in order to facilitate its contacts with German industry under the latest Indian Five-Year Plan. The Indian concern has been established for nearly thirty years and specialises in steel constructions in the Far East, the Middle East and Africa.

\*\* LE METAL DEPLOYE SA, Paris (capital Ff 5.14 million) has negotiated the takeover of another French manufacturer of wire netting, LE DEPLOYTOLE SA, Aulnoye-Aymeries, Nord (capital Ff 550,000). The latter was formed in 1965 (see No 294) to take over the factory at Aulnoye belonging to FORGES DE LEVAL-AULNOYE SA (capital Ff 10 million) which was made into a holding company.

The Paris company (factory at Montbard, Cote d'Or) is a 22% affiliate of VALLOUREC SA, Paris (see No 365); it has a 30% shareholding in METAL DEPLOYE BELGE SA, Sclessin-Ougree, equal to the share held by THE EXPANDED METAL CO LTD, London.

\*\* The Lyons metal group ETS P. BROSSETTE & FILS, F. BROSSETTE & CIE Sca, (see No 353) has strengthened the financial position of its Milan interest, SOC. COMMERCIALE PRODOTTI PER L'INDUSTRIA & L'EDILIZIA SpA following an agreement with RANZA PAOLO FU ANTONIO, Piacenza. Formed in March 1966 with MM. H. Brossette, D. Geneve, H. Rochat and Signor Pietro Maestroni as directors, the capital has been increased from Lire 1 million to Lire 800 million and the name changed to BROSSETTE-RANZA SpA. The Lyons company is a 10% affiliate of CEGEDUR SA-CIE GENERALE DU DURALUMIN & DU CUIVRE, Paris (see No 371) itself controlled by the PECHINEY SA group (through SEICHIMIE SA) and C.G.E.-CIE GENERALE D'ELECTRICITE SA (through GENERALE D'ELECTROMETALLURGIE SA).

In April 1966 a similar agreement was signed between the French group and a German non-ferrous metal concern, MEHAKO-METALL-HALZBZEUG-KONTOR GmbH, Düsseldorf (see No 358). As a result a joint subsidiary BROSSETTE GmbH, Düsseldorf was formed, whose original capital of DM 5.92 million has since been increased to DM 8 million.

FINANCE
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\*\* The reorganisation of the Belgian electricity-generating and distributing companies under INTERCOM-STE INTERCOMMUNALE BELGE D'ELECTRICITE SA (ELECTRO-BEL SA group, Brussels - see No 361) has resulted in FINANCIERE LACOURT SA, Brussels (see No 364) selling its entire minority shareholding in two companies shortly being taken over. The move was decided in June 1966 and the companies concerned are BRUXELLOISE DU GAZ & DE L'ELECTRICITE SA-SOBRUGAZ SA, St-Josse-ten-Noode and STE HENNUYERE D'ELECTRICITE & DE GAZ-HENELGAZ SA, Charleroi.

\*\* BANK OF AMERICA NATIONAL TRUST & SAVING ASSOCIATION, San Francisco, California (a major US bank) has increased its European interests by forming AMERIBAS HOLDING SA, Luxembourg 50-50 with BANQUE DE PARIS & DES PAYS-BAS SA (see No 364). The new company will issue a bonded share loan to the European capital market guaranteed by the founders and the New York brokers CARL M. LOEB RHOADES & CO, New York.

The American bank which had deposits of \$ 14,900 million on December 31, 1965 has a large network of agents and branches in Europe. In Italy it has control of BANCA D'AMERICA & D'ITALIA SpA, Milan (see No 351) - which itself has a share in INTERBANCA-BANCA PER FINANZIAMENTO A MEDIO TERMINE SpA, Milan. In Spain it has a share in BANCO INTERCONTINENTAL ESPANOL SA, Madrid.

\*\* STE MINIERE & METALLURGIQUE DE PENARROYA SA, Paris (a member of the DE ROTHSCHILD FRERES SA group - see No 376) has formed a financial subsidiary in Luxembourg, PENARROYA INTERNATIONAL SA, in which \$ 2.6 million of share options (1969-1973) are held under a private agreement by an international banking consortium in MM DE ROTHSCHILD FRERES, Paris and WHITE, WELD & CO, New York and Zurich (see No 366).

FOOD & DRINK
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\*\* The forthcoming merger between two brewery firms in the Paris group BRASSERIES & GLACIERES DE L'INDOCHINE will result in the formation of UNION DE BRASSERIES LYONNAISES RINCK-SNBL. The two firms are BRASSERIE RINCK SA - which controls STE DE DISTRIBUTION DE BOISSONS DU SUD-EST - SEDIBO Sarl, Pont-de-Claix, Iserre - and its 51% subsidiary STE DES NOUVELLES BRASSERIES DE LYON SA (capital Ff 2.25 million).

Brasseries & Glacieres de L'Indochine (in which SOURCE PERRIER SA recently sold its 23.9% share - see No 373) intends to concentrate on brewing in France. It intends to set up STE POUR L'EXPANSION DES EAUX MINERALES SA, Paris (capital Ff 5.9 million) and transfer over to it its 43.7% and 78.8% holdings in CIE FERMIERE DE L'ETABLISSEMENT THERMAL DE VICHY SA and STE DES EAUX MINERALES D'AIX-LES-BAINS respectively.

\*\* The French firm ALZO SA, Moulins which specialises in the manufacture and sales of animal feedstuffs (capital Ff 3 million) had a turnover of Ff 49.3 million in 1965 has now come under the control of GENVRAIN SA, Paris and its wholly-owned subsidiary SAFR-LAITERIE DES FERMIERS REUNIS SA (see No 370).

This operation is a further demonstration of Genvrain's intention to diversify in this field (in which it should have a turnover of around Ff 80 million in 1966) after its recent takeover of STE JEAN GUYOMARCH SA, Vannes and the formation of SISA SpA, Milan by SAFR in association with the local firm SIR-SPECIALITA INTEGRATIVI RAZIONALI SpA (see No 370).

\*\* PRIMAGEL SA, Paris (storage and sale of frozen foods - see No 301) has increased its capital from Ff 6.3 million to Ff 11.34 million and thus enabled CIE FINANCIERE SA, Paris (a member of the EDMOND DE ROTHSCHILD group - see No 352) to increase its shareholding from 50% to 61%. But the 50% interest of the UNION FINANCIERE DE PARIS Scs group (see No 372) has fallen to less than 17%.

The remainder is shared by the former shareholders in PRIMATERIA SA, Paris, - whose split-up in 1965 benefitted STE NOUVELLE DE PRIMATERIA SA, Paris - UFMAL-UNION FINANCIERE POUR LE DEVELOPPEMENT DE L'INDUSTRIE ALIMENTAIRE SA (see No 370). CIE DES CHEMINS DE FER DE P.L.M. SA (part of the DE ROTHSCHILD FRERES SA, and BANQUE COMMERCIAL DE PARIS SA (see No 318) a member of the DASSAULT group.

GLASS
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\*\* SOGEVER-STE GENERALE POUR L'EXPANSION DES PRODUITS VERRIERS Sarl, Paris has become the main shareholder in COMPTOIR GENERAL DES GLACES & PRODUITS VERRIERS SA, Gennevilliers, Hauts de Seine by subscribing the increase in its capital from Ff 2 to Ff 3 million. The other principal shareholders are still STE PEINTURE RECONSTRUCTION SA, Paris (capital Ff 4 million), ANC. ETS BOREL & HUDRY, STE EUROPEENNE DE PEINTURE & D'OUTILLAGE, Ivry-sur-Seine and STE MARCHIANDO & CIE, Paris.

SOGEVER was formed in December 1965 (see No 323) by CIE DE SAINT-GOBAIN SA and GLACES DE BOUSSOIS SA (47%) each in association with STE DES VERRERIES DE LA GARE & A. BELOTTE REUNIES SA, Valenciennes, Nord.

OFFICE EQUIPMENT
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\*\* BELL & HOWELL FRANCE SA, Boulogne sur Seine - subsidiary of the BELL & HOWELL CO, Chicago (see No 319) - has regrouped the various activities of its office equipment department into a new division called "Bell & Howell Business Equipment". This has been done with the agreement of ETS R. RENAUD, St-Denis, Seine which has been distributing the "Phillipsburg" document-folding and selection machines produced by the American group. The new Division will take over distribution of the "Phillipsburg", "Microdata" (making, processing and selling microfilms) and "Electrostatic" document-copying machines.

The American group also makes amateur cinema equipment and has sales subsidiaries at Friedberg, Hersen (formerly Frankfurt), Germany (see No 294); Brussels, Belgium; Fribourg, Switzerland; Basingstoke and Brentford, England; Stockholm etc.

\*\* The technical and financial co-operation agreement linking NV PHILIPS GLOEILAMPENFABRIEKEN, Eindhoven (see No 375) and SIEMAG-SIEGENER MASCHINENBAU GmbH, Dahlbruch Kr Siegen, is now extended to the sales sphere. On October 1st, the sales services of the two groups (who make a wide range of data-processing, labelling and dictating machines) merged at Eiserfeld. Earlier this year, the agreement had led to PHILIPS BUROTECHNIK GmbH, Hamburg, taking a 40% interest in FEINMECHANISCHE WERKE, GmbH, Eiserfeld, Sieg, (see No 341).

OIL, GAS & PETROCHEMICALS
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\*\* The local authorities in the Land of Baden-Württemberg are negotiating the purchase of share in the petrol distribution concern GVS-GASVERSORGUNG SUDDEUTSCHLAND GmbH, Stuttgart (capital DM 40 million), major interests in which are held by TECHNISCHE WERKE DER STADT STUTTGART AG, Stuttgart (44.5%) and GAS-& WASSERWERKE RHEIN-NECKAR AG, Mannheim (35%). Other interests are held by various town councils, such as Pforzheim, Reutlingen, Ulm and Göppingen.

In December 1965, GVS became linked by a supply contract with the Swiss firm GASVERBUND MITTELLAND AG, Berne (capital Sf 3 million) under which, as from 1967, the latter will supply the cities of Basle, Aarau, Neuchatel and Berne.

\*\* A company is being formed in France with the backing of the public authorities through STE D'ETUDE D'UN PORT PETROLIER -RELAIS EN EAUX PROFONDES to study the possibilities of supplying oil to France by super-tanker (tankers of more than 300,000 tons capacity will be in service by 1969). The new company will have the largest French oil companies as shareholders including: CIE FRANCAISE DES PETROLES SA (see No 374); UGP-UNION GENERALE DES PETROLES SA (see No 374) and ANTAR-PETROLES DE L'ATLANTIQUE SA (see No 365); at a later stage it will try to bring in the French subsidiaries of the foreign oil groups.

\*\* The Utrecht group S.H.V.-STEENKOLEN HANDELSVEREENIGING NV (see No 364), which is controlled by M. J. M. Fentener van Vlissingen, has decided to wind up one of its Brussels subsidiaries, PAM BELGIUM - S.A. BELGE DE VENTE & DE DISTRIBUTION DE PRODUITS PETROLIERS. Mr. R. Verhaegen will act as liquidator. At the same time, S.H.V. has formed another company under the same name, directly controlled by the parent company, with Bf 50 million capital.

PAM Belgium was formed in 1957, with its Bf 36 million capital directly controlled by a Swiss holding company in the S.H.V. group, INTERNATIONAL AG, Chur (formerly OIL COAL AG - see No 320), which is directed by M. Martin Jaeger. The Dutch group has another subsidiary in Brussels, MINIERS NV.

\*\* Some time ago (see No 295), the New York MOBIL OIL CO INC (see No 373) decided to build a refinery in the Netherlands to produce 80,000 barrels a day. This decision is now to be implemented, and accordingly MOBIL RAFFINERIJ NV has been formed in Rotterdam with Mr. A. C. Brightman as president. 20% of the Fl 50 million capital has been put up by Mobil's Rotterdam subsidiary MOBIL OIL NV.

The new factory will cover 177 hectares (about 440 acres), and will cost more than Fl 200,000 million. It will go into operation in November 1968, and will draw its supplies from a pipeline connecting it with the Rotterdam Europort, which will deliver 20 million tons a year. The construction of this pipeline was sanctioned by the Amsterdam authorities some months ago. Mobil already has two major subsidiaries representing its interests in the Netherlands: Mobil Oil NV, which handles distribution throughout the Benelux countries, and MOBIL CHEMIE, Delft (formerly STANVAC NV, The Hague) which covers the field of chemicals. The chief interest of the latter is its controlling share in CELLULOSELAKFABRIEK NV, Epegem, Belgium.



\*\* BUCKEYE PIPELINE CO (OHIO), New York which owns and runs pipelines in the USA, the French company OMNIUM TECHNIQUE DES TRANSPORTS PAR PIPELINES-OTP, Puteaux, Hauts-de-Seine (see No 323) and the Luxembourg company PIPELINE-FINANCE SA (see No 335) have combined to form a new business offering a complete range of services for building, financing and managing oil and gas pipelines for crude and derivative products - especially in Europe. The new firm is called PIPELINE MANAGEMENT SA, Luxembourg (president Mr George S. Patterson - president of Buckeye and HORNE SOUND CO).

OTP has subsidiaries in Milan and Düsseldorf and branches in Madrid, Karlsruhe, Algiers, etc. Its shareholders are CFP-CIE FRANCAISE DES PETROLES SA (direct and indirect holding of 20%), OMNIUM TECHNIQUE DE L'HABITATION-OTH SA and TRAPIL SA (40% each). Its main operations in 1965 were in research or engineering:

1) in France for STE DU PIPELINE SUD-EUROPEEN, UNION GENERALE DES PETROLES-UGP, STE DU PIPELINE MEDITERRANEE-RHONE, STE DU PIPELINE STRASBOURG-LORRAINE;

2) abroad for GAS MADRID SA, DEUTSCHE SHELL AG (pipeline from Godorf to Frankfurt and Ludwigshafen), LATINUM SpA (installations at Civitavecchia, Rome and Ponte Galiera), STE DU PIPELINE JURA SA, NATIONAL IRANIAN OIL CO-NIOC, etc.

The London banker Mr Eric Korner (representing S.G. WARBURG & CO) is president of the holding company PIPELINE FINANCE, Luxembourg (see No 316) which was formed last year by S.G. Warburg & Co, N.M. ROTHSCHILD & SONS, London, BANQUE DE PARIS & DES PAYS-BAS SA, Paris, DRESDNER BANK AG, Frankfurt, Düsseldorf and Hamburg, DEUTSCHE BANK AG, Frankfurt, DE ROTHSCHILD FRERES Snc, Paris and WHITE, WELD & CO, New York and Zurich.

\*\* The Basle coal merchants KOHLEN-UNION GELDNER AG (headed by MM E.K. Juncker and P. Kellenberger) has sold to the GBAG-GELSENKIRCHENER BERGWERKS AG group of Essen (see No 372) its control of the liquid and solid fuel merchants STE COMMERCIALE CHARBONNIERE, ANC. H. SCHULER Sarl, Luxembourg. The control of the Luxembourg concern is now shared between two subsidiaries of the German group RAAB KARCHER NV, Antwerp, (a 60% interest) and RAAB KARCHER GmbH, Karlsruhe (a 40% interest) and its name has been changed to STE COMMERCIALE CHARBONNIERE & PETROLIERE, ANC. H. SCHULER Sarl.

Raab Karcher NV has interests in the Antwerp shipping agency SEAM-SCHEEPVAART & AGENTUUR MIJ. NV whose control is shared by SEAM NV, Rotterdam and THYSSEN STAHL-UNION-EXPORT GmbH, Düsseldorf (formerly STAHLUNION EXPORT GmbH - see No 374), a member of AUGUST THYSSEN HUETTE AG-A.T.H., Duisburg-Hamborn through HANDELS-UNION AG, Düsseldorf (see No 322).

\*\* The negotiations which have been going on in Italy, between the Italian salvage and marine engineering concern MICOPERI SpA, Milan and ROYAL DUTCH-SHELL (see No 375) have led to the formation of a 40-60 joint subsidiary SUB-SEA OIL SERVICES SpA, Milan. The two companies have already been working on the "Capshell" under-water research project and the new company will carry out underwater research and assistance for off-shore drilling operations.

Royal Dutch-Shell holds its share through SHELL ITALIANA SpA, Genoa and the president of the new company (capital Lire 150 million) is M. W.H. Van Eed, the vice-president is M. Makus, and the other directors are MM. F J. Chate and Buttazzoni. The company will also be known by the letters S.S.O.S.

\*\* The Franco-Belgian oil refinery ALBATROS-SA BELGE POUR LE RAFFINAGE DE PETROLE SA, Antwerp which supplies the Belgian sales network of the state-owned group UGP-UNION GENERALE DES PETROLES SA, Paris (see No 354) - through UGP's subsidiary PETROLEUM IMPORT CO-PIC SA, Anderlecht (see No 336) is building new installations near Zandvleit which should treble current output (900,000 tons).

Albatros (capital increased to Bf 450 million in November, 1965) has as its main shareholders: (foreign) CREDIT VENDOME SA, Paris ("TRUPTIL" group - see No 248); CIE FINANCIERE DE SUEZ SA, Paris; BANQUE DE PARIS & DES PAYS-BAS, Paris; MANCHESTER OIL REFINERY (HOLDINGS) Ltd, Manchester and PICTET & CIE, Geneva; and (Belgian) UNION FINANCIERE D'ANVERS-BUFA NV, Antwerp; INVESTCO NV, Antwerp (KREDIETBANK NV group) etc.

#### OPTICAL & PHOTOGRAPHIC

\*\* The Austrian group EUMIG-ELEKTRIZITAETS- & METALLWAREN-INDUSTRIE oHG, Vienna (photographic lenses, view-finders and projection equipment - see No 364) has formed an indirect Milan subsidiary EUMIG ITALIA Srl to control its Italian manufacturing and commercial interests (patents, licences etc..). The new company has a capital of Lire 500,000, nearly all supplied by the group's holding company IMMATRA AG, Zurich (see No 291) and it is headed by Sig. Pier R. Werdin.

The Vienna group has various foreign commercial interests, including PIERRE COUFFIN & CIE SpA, Paris (see No 266), EUMIG INDUSTRIE GmbH, Stuttgart, EUMIG VERKAUFGESELLCHAFT AG, Zurich.

#### PAPER & PACKAGING

\*\* The largest German paper and card concern, FELDMUEHLE AG, Düsseldorf (see No 367) has formed a sales company 50-50 in Zurich with its wholly-owned subsidiary NORDDEUTSCHE PAPIERWERKE GmbH, Uetersen, Holstein (see No 357). The new firm is called FELDAC GmbH, has Sf 20,000 capital, and is managed by Herr Werner Ness.

Feldmühle is a member of the Düsseldorf group, FRIEDRICH FLICK KG. Its 1965 consolidated turnover was DM 1,700 million. It has various direct and indirect interests abroad, in particular: 25% in PAPETERIE DE BELGIQUE SA, Brussels (an interest acquired in 1965 from the STE GENERALE DE BELGIQUE group - see No 330); and interests in: PAPETERIES DE RUYSSCHER SA and SEBREG - STE D'EXPLOITATION DES BREVETS GRANOFIBRE SA (formed May 1966), Paris; POPYROS HOLDING CORP LTD, Winnepeg and ROTHESAY PAPER CORP, Saint John, New Brunswick, Canada; AMERICAN FELDMUEHLE CORP, Glenbrook, Stamford, Connecticut, USA. It also has a branch in Amsterdam, FELDMUEHLE VERKOOPKANTOOR.

PLASTICS
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\*\* The Munich plastics and rubber group METZELER AG, which has considerably increased its production of urethane foam and expanded polystyrene for the automobile, textile and furnishing industries etc. has enlarged its stake in the Common Market by taking a large share in the GENERAL AUTO SpA, Turin (capital Lire 65 million). This company has been renamed METZELER ITALIANA SpA and its capital raised to Lire 100 million.

\*\* KUSTO AG, Stallikon, Zurich (see No 374) is to set up two German subsidiaries with a capital of DM 20 million each. They will run two plastic materials factories which should be in operation by the end of 1967, one at Warstein (100,000 sq metres), and the other at Ibbenbüren (80,000 sq m) with a basic payroll of 250 each.

\*\* The need for a partial reconversion of the French jute industry has induced two groups of companies which are already associated in two Paris firms (INTERJUTE Sarl - see No 346 - and CITEP-CIE INDUSTRIELLE DES TEXTILES & EMBALLAGES PLASTIQUES SA - see No 291) to set up two projects concerned with plastic processing. SAINT-FRERES SA and COMPTOIR LINIER SA, Paris will form SATES-SA DES TEXTILES SYNTHETIQUES, Paris (capital Ff 1.5 million).

At the same time WEILL & CIE Sca (capital Ff 10.39 million) and ETS CARMICHAEL Sarl (capital Ff 5 million) are about to form CIE D'EXTRUSION DES POLYOLEFINES SA, Paris (capital Ff 2.2 million). M. Philippe Bonneville is president of the latter, which will process polypropylene.

RUBBER
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\*\* FIRESTONE BELGIUM SA, Antwerp (see No 365), a subsidiary of FIRESTONE TIRE & RUBBER CO, Akron has bought control of UNION BELGE & D'OUTREMER (U.B.O.) NV, Antwerp (capital Bf 850,000) from its Swiss sister-firm FABRIQUE DE PRODUITS FIRESTONE SA, Platteln. UBO is now being wound up; Mr. J. Geurts has been appointed liquidator.

SERVICES
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\*\* The Knightsbridge, London management consultancy firm INBUCON LTD is making two moves to increase its business on the Continent. In West Germany it has formed UNTERNEHMEN WISSENSCHAFTLICHE BERATUNGS GmbH (capital DM 20,000), and in Switzerland INBUCON CORP AG, Zug (capital Sf 50,000).

Incubon recently took an interest of 50% in the London firm ERIC WHITE ASSOCIATES (U.K.) LTD, where it is linked with the Australian public relations concern, ERIC WHITE ASSOCIATES, Sydney. Its main London interest is ASSOCIATED INDUSTRIAL CONSULTANTS LTD, while in Amsterdam it holds shares in ASSOCIATED INDUSTRIAL CONSULTANTS NEDERLAND NV, and in Milan in ASSOCIATED INDUSTRIAL CONSULTANTS SpA (see No 257).

In October 1964 it made a contract with FONDATION BEDAUX, Geneva (which has various subsidiaries in the Common Market - see No 278) to form an international consultancy bureau in Switzerland, A.I.C. - CONTINENTAL SA.

\*\* NATIONAL UTILITY SERVICE INC, New York (engineering consultants specialising in energy costs evaluation) has formed a subsidiary in Düsseldorf, NATIONAL UTILITY SERVICE GmbH (capital DM 20,000). The new company is to be managed by the president of the parent firm, Mr. Theodore E. Maynard. The American company opened a subsidiary in London in April 1965.

\*\* BARTON, MAYHEW & TURQUAND YOUNGS, London (accountants, auditors and business consultants) has opened a branch in Milan under Mr. B. R. Clayton. The chief partners in the British firm are Messrs. J. F. T. Nangla, Guildford, Surrey and D. W. Robertson, London: since 1962 it has had an interest in Switzerland, BARTON, MAYHEW & TURQUAND YOUNGS AG, Zurich.

TEXTILES
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\*\* The West German ready-made clothing group ALFINS MUELLER-WIPPER-FUERTH AG, Leichlingen (see No 361) has decided to form a subsidiary which will co-ordinate the activities of its 150 branches throughout the country - MUELLER-UNTERNEHMEN GmbH (capital DM 5 million). The group has 15 factories in West Germany, Austria, Belgium and Italy, and it intends to extend its interests in the near future to France and Switzerland. Its 1965 turnover was DM 145.6 million.

\*\* The Manchester group THOMAS FRENCH & SON LTD (see No 242) has formed RUFFLETTE-BELGIUM SA at St-Josse-ten-Noode, Brussels, to sell its haberdashery and soft furnishing sundries (braid, pleating tape and hanging hooks for curtains etc.). The new firm is directed by a Schaerbeek businessman, M. R. F. V. Mallentjer, and has Bf 600,000 capital.

The British company has been distributing its products in the Common Market countries for quite some time, and has a subsidiary in Paris, THOMAS FRENCH & SONS Sarl (capital Ff 200,000).

\*\* JAMES HARE LTD, London (director Mr. R. Carter) makers of woollen fabrics for men's and ladies' clothing (and not ready-made garments as we incorrectly stated in our recent issue No 374) have set up in Hamburg where they control JAMES HARE (GERMANY) GmbH. The British firm also recently formed HARE OF ENGLAND SA, Ixelles-Brussels (see No 374).

\*\* The American textile concern KLOPMAN MILLS INC (cotton and raw silk factories) has formed KLOPMAN INTERNATIONAL SpA, Frosinone, Italy, for the construction of its first suitings factory within the Six. The new company (capital Lire 400 million) has Mr. William A. Klopman as president and Mr. W. Deitz as manager.

The American company has been an 87% subsidiary, since 1956, of BURLINGTON INDUSTRIES INC, Greensboro, North Carolina through TEXTILE OPERATIONS INC (see No 340).

\*\* S.F.I. -STE FINANCIERE INTERNATIONALE (part of the WORLD BANK of Washington group - see No 365) has taken a 13% interest in the Colombian subsidiary ENKA DE COLOMBIA SA, Medellin (formed in 1964 by the Dutch group A.K.U. NV - see No 375). S.F.I.'s interest is the same size as that held by CORPORACION FINANCIERA NACIONAL C.F.N. FINANCIERA.

Enka de Colombia, whose capital has been increased to Col \$ 115 million will produce some 4,200 tons of nylon, polyester fibres and nylon tyre cord when it commences full production in early 1967. Its other shareholders are six textile concerns in Medellin and CORPORACION FINANCIERA DE CALDAS SA, Bogota in which S.F.I. is also a shareholder. The Dutch group has factories in the U.S. and Mexico, and Enka de Colombia is its first manufacturing subsidiary in South America.

\*\* The negotiations started in Belgium last year (see No 326) by CORONET INDUSTRIES INC, Dalton, Georgia for the manufacture and sale within the Six of its "tufted" carpets and moquettes has led to an agreement being made with the Courtrai group VLA-AMSE TAPIJWEVERIJ NV, headed by M.J. Sable. A joint 25-75 subsidiary, PRADO TUFTED MILLS NV (starting capital Bf 5 million) has been formed, and the Belgian holding is shared by Vlaamse Tapijweverij, VLAMOVAG-VLAAMSE MIJ. VOOR ONRDERENDE GOEDEREN NV, Courtrai and M.J A. Sable head of the company.

Vlaamse Tapijweverij is associated with the French company SION TAPIS MANUFACTURING (ANC. ETS MOULIN & VERNIER SA) Tourcoing in the Belgian concern SION TAPIS MANUFACTURING formed at the end of 1962 in Courtrai and in MANUFACTURE FLAMANDE DE TAPIS V.T.W. Sarl, Tourcoing. In West Germany it has been linked since 1961 with GREFRATH VELOUR AG, (part of the GIRMES-WERKE AG group, Oedt-Krefeld - see No 355) within a common sales subsidiary V.T.W. -GREFRATH GmbH, Grefrath, Krefeld whose capital increased a few months ago to DM 200,000.

\*\* The British textile group D.M. HOLDINGS LTD, Leeds (formerly DARLEY MILLS CO LTD - see No 244) has closed down the branch opened in Milan in 1963 by its subsidiary STANDARD INTERNATIONAL LTD, Leeds and also in Paris. The latter company represents several textile wholesalers and wool manufacturers through NATIONAL WOOL TEXTILE EXPORT CORP, Bradford: PEARSON & FOSTER LTD, Bradford, Y. BAYWOOD & SONS LTD and ROBERT CLOUGH LTD, Keighley.

\*\* MONTECATINI EDISON SpA, Milan (see No 375) and E.I. DU PONT DE NEMOURS & CO, Wilmington have signed an agreement allowing the American firm to use Montecatini patents. As a result, Du Pont will shortly be going into production at Old Hickory, Tennessee where it will make polypropylene chemical textile fibres for use in weaving cords and ropes.

\*\* Co-operation amongst German men's clothing concerns has led to ERES KG HANSEN, KOEPPEN & MATTICK, Hamburg taking an interest in LACO TEXTIL KELLER & CO KG, Hamburg and the formation of a joint sales control for both companies.

TRADE
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\*\* Encouraging sales of articles of jewellery in large German stores has induced the HELMUT HORTEN GmbH group of Dortmund (turnover in 1965 DM 1,528 million - see No 373) to sign a contract for supplies with the ANTOINETTE SCHMUCK AG studio. This was formed in Zurich in May 1966 (capital Sf 250,000) and its products were previously reserved for Switzerland and the USA. Horten has also signed up the Dutch diamond group WILM-LEWIS which also supplies the KARSTADT AG stores in Hamburg.

The Wilm-Lewis group consists mainly of LEWIS DIAMANT MIJ NV, Amsterdam and the import-export firm "ASTON" SCHMUCK-DIAMENTEN GmbH, formed in Hamburg in April 1965 (capital DM 20,000; manager Mr. Renatus Wilm).

\*\* The long-established links between two Belgian distributors of consumer goods GROOTHUIS SA, Forest ("Nopri" shops) and SARMA SA, Brussels has now led to their merger. The new SARMA group (1965-1966 sales of Bf 8,500 million) has some hundred branches and 300 affiliated shops. Since 1963 the two groups have had a common sales organisation.

Sarma and Groothuis have been members of the international association RIMPU (Reunion Internationale de Magasins Populaires et Utilitaires) for five years. Members of the association include some of the leading chain stores in the Common Market, Sweden, Denmark and the USA - MONOPRIX SA, France, MAGAZZINI S.T.A.N.D.A., Italy, KAUFHALLE GmbH, West Germany, HEMA NV, the Netherlands, TURITZ, Sweden, SCHOU, Denmark, AU BON MARCHE, Switzerland, and W. T. GRANT, USA. The two groups also have joint interests in SUPER-MARCHES SARMA NOPRI SA, Madrid (since 1961), in SARMA IBERICA, Madrid (since 1963) and a few months ago obtained interests in TOPS SA, Brussels.

TRANSPORT
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\*\* NOORD-ZUID-HOLLANDSE VERNOER MIJ NV (NZHVM), Haarlem, a subsidiary of the Dutch State Railways (NV NEDERLANDSE SPOORWEGEN, Utrecht - see No 364) has taken a 50% interest in EUROTRANSPORT NEDERLAND NV, Amsterdam (see No 312). The latter was formed at the Hague in 1965 by EUROTRANSPORT SA, Luxembourg, with Fl 100,000 capital, since raised to Fl 2.5 million (20% paid up).

Eurotransport Nederland NV, under the title "Eagle Tours", is for tourist travel, in particular for American tourists who are beginning or ending their trip to Europe at a Dutch port or air terminal. Eurotransport SA, Luxembourg, was itself formed in 1964 (see No 254), and belongs to TRANSCONTINENTAL BUS SYSTEMS INC, through WESTERN SALES LTD, Nassau, Bahamas and the Zug holding company HIGHWAY INSURANCE CO AG.

\*\* The Rotterdam company BANK VOOR HANDEL & SCHEEPVAART NV, (see No 371) has taken a 50% interest in the harbour and warehouse concern MULLER-HANNA'S OVERSLAG- & OPSLAGBEDRIJF BOTLEK NV, Rozenburg and Rotterdam (see No 337) which is now called OVERSLAG- & OPSLAGBEDRIJF BOTLEK NV.

Bank Voor Handel & Scheepvaart is a member of the German-Dutch group THYSSEN-BORNEMISZA (see No 351). Overslag- & Opslagbedrijf Botlek was previously owned jointly by the American mining group HANNA MINING CO, Cleveland, Ohio (see No 270) and the international mining and transport group Wm H. MUELLER & CO NV, Rotterdam (see No 356).

VARIOUS
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\*\* The New York advertising agency, INVESTOR RELATIONS ASSOCIATES INC. which is headed by Mr. Crosby M. Kelly, Düsseldorf, has acquired a 70% interest in the capital (DM 40,000) of RPR-REUTER PUBLIC RELATIONS GmbH. The remainder is held by the founder of the German company Mr. C. Reuter. This move forms part of the American company's expansion programme in Europe.

\*\* The New York public relations market survey and economic studies group, HILL & KNOWLTON INC., (see No 283) has opened two new agencies, one in Rome and the other in London. It already has an Italian subsidiary, HILL & KNOWLTON INTERNATIONAL ITALIA Srl, Milan, and in Britain it is associated with CAMPBELL-JOHNSON LTD, London.

The group's European activities are controlled by HILL & KNOWLTON INTERNATIONAL SA, Geneva, formed in July 1963 as HILL & KNOWLTON SA; its other subsidiaries are HILL & KNOWLTON INTERNATIONAL FRANCE Sarl, Paris, formed in December 1964, and HILL & KNOWLTON GmbH, Hamburg. It has two associates in the Benelux countries, HOLLENDER & VAN DE MEY, The Hague, and ERIC CYPRES & ASSOCIES, Brussels.

\*\* EDITIONS MUSICALES BELGRAVIA FRANCE, Sarl, Paris (capital Ff 10,000), which was formed in December 1965 under the near-100% control of Mr. P. R. Solomon, London (see No 345), and which was managed by M. Gerard Tournier (who heads several Paris firms in this field) has been put into liquidation.

\*\* TIMEMARTS LTD, London, has formed a 95% subsidiary in Paris, TIME-MARTS FRANCE Sarl (capital Ff 13,000). The remaining 5% is held by M. Pierre Fournez, Paris, and the new company will sell jewellery, clocks, watches, etc.

\*\* The Dutch technical teaching and publishing house KON. TECNICUM PBNA (POLYTECHNISCH BUREAU NEDERLAND) NV, Arnhem, has taken an equal share with British interests (belonging to Messrs. K. H. Perry and M. L. Breeden) in the formation of PBNA-NEW EDUCATION SYSTEMS NV, Arnhem (capital F1 500,000). The new company will promote teach yourself systems as well as publishing the courses and supplying related information.

LATE FLASH
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ENGINEERING & METAL: Three Belgian steel groups SA METALLURGIQUE D'ESPERANCE-LONGDOZ, Liege (see No 373) PHENIX WORKS SA, Flemalle, Haute-Liege (see No 332) and STE METALLURGIQUE HAINAUT-SAMBRE SA, Couillet (see No 351) and the latter's French subsidiary, ACIERIES ET TREFILERIES DE NEUVES-MAISONS-CHATILLON SA, Paris have made an agreement to co-ordinate their investments, to co-operate closely in technical and scientific research and to organise joint purchasing and selling. The total production of steel involved is some 3.5 million tons p.a., and the move covers activities from the exploitation of iron mines to the manufacture of sheet metal.

Esperance Longdoz (turnover around Bf 8,000 million) is controlled by the Brussels group EVENCE COPPEE & CIE Scs (see No 362), although the Stockholm group TRAFIKAKTIE-BOLAGET GRANGESBERG-OXELOSUND has a 10% holding (see No 348). Metallurgique Hainaut-Sambre, an affiliate of the Düsseldorf group FREIDRICH FLICK KG (see No 367) and of BANQUE DE PARIS ET DES PAYS-BAS, Paris has a turnover exceeding Bf 5,000 million, whilst its French subsidiary Neuves-Maisons-Chatillon had a turnover of Ff 250 million in 1965. The latter exploits iron mines at Macon and has factories at Neuves-Maisons, Vierzon, Sainte-Colombes and Plaines. Phenix Works (1965 sales of 286,000 tons) is engaged in the construction of an aluminium factory for PHENIX ALUMINIUM SA, at Ivoz Ramet (see No 331) where it is jointly associated with KAISER ALUMINIUM & CHEMICAL CORP, Oakland, California (see No 365).

The agreement is subject to approval by the ECSC High Authority.



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