Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

CONTENTS

Ref files

September 29, 1966. No. 376

COMMENT

A Letter from Paris

THE COURT OF JUSTICE ON AGREEMENTS

IX - A WORD FROM THE WISE

The Common Market Commission in Brussels has undertaken a study in depth of the differences between agreements and concentration: The question is not a purely academic one: it is a matter of finding out for sure whether, how and when articles 85 and 86 should apply to concentration. An agreement demands some specific performance from the contracting parties, on the one hand of a transaction between themselves, and on the other of a move affecting the market. Concentration, for its part, involves actual internal structural changes in the companies concerned. The establishment of the EEC has produced a unique situation, demanding two complementary courses of action from industry: that firms should adapt themselves to the scale of the Common Market, and that in each sector they should effectively meet competition from large American companies with interests in the EEC area. In view of this, the Commission has consulted a group of professors, to ascertain whether Article 85 might apply to concentration.

Most of the group thought the Article should apply, when the firms concerned remained legally independent of one another. The dissenting minority argued that concentration has nothing to do with companies' actions, but always takes the form of structural change. Both sides, in fact, were basically in agreement, because when a concentration is absolute, that is when it leads to a merger, it involves a definite transfer of ownership: when it is only partial, that is when each party continues to exist independently, the move becomes more of an agreement than a concentration in the strict sense of the word.

We should point out that the consultants are here making an extension at Community level of national "anti-trust" legislation: in the countries where it exists, this implies measures against agreements far more often than against concentration. In these countries, prohibitions of agreements have so far been the rule, and those of concentrations the exception. In fact, concentration is only being vetoed when it oversteps the bounds of economic power.

Another reason why Article 85 should not apply to concentration is that it always makes for the complete elimination of competition between the companies concerned: the rules of competition can hardly be imposed upon firms which, by definition, have suppressed all competition between themselves. The case for applying the Article is no stronger when it comes to concentration which, instead of resulting from a voluntary merger, stems from a Stock Exchange transaction whereby one company acquires a controlling interest in another.

The findings of the professors, in consequence, are explicit: Article 85 should not be applied to contracts achieving the acquisition of property of companies or parts of companies, or the reorganisation of company property by merger, purchase of shares or acquisition of assets. The only exception to this would be cases where, after concentration, companies remaining economically autonomous not only made certain property modifications, but also contracts or concerted practices covered by Article 86, paragraph 1.

As regards the application of Article 86 (referring to dominant positions), the consultants are of the opinion that it is immaterial whether concentration involving companies enjoying dominant positions results from mutual agreement or from take-overs resulting from the buying up of the company's shares on the Stock Exchange. What matters is the economic effect, as we are here concerned with companies which already enjoy dominant positions in the Common Market or some part of it. Neither should we overlook the fact that firms registered outside the EEC can hold such positions inside it: the determining factor is the state of competition, taking even imports into account. At the same time one must bear in mind that Article 86 admits in principle the existence and even the achievement of dominant positions: its sole aim is to prevent the abuse of these.

The most frequent abusive practices in this field are:

1) Pricing policies designed to squeeze out of the market competitors which do not have the wherewithal to keep selling below break-even price for very long.

2) The use of dominant positions for imposing mergers, i.e. takeovers, on other firms either against their will or in unfavourable circumstances.

3) Takeovers by companies in dominant positions of other firms, in order to eliminate competition and create virtual monopolies: the consequences here are Malthusian, inasmuch as they frequently lead to shortened production and the removal of incentives to pursue technical development.
This is how the professors put it in their excellent conclusion: "In general .... the more a company in a dominant position approaches a state of monopoly through concentration with other firms, thus restricting the choice of customers, middle-men and final consumers, the more likely it is that such a company should enter into the sphere of abuse".

We could wish for no better final word to this series of articles than this resume of the report the consultant professors submitted some months ago to the Brussels Commission. In all the Common Market countries, and, of late, in Britain (especially in the aero-engine industry), the mood, indeed the panic to concentrate and form European- or even international-scale combines has become so insistent that the Commission will probably adopt the professors' theories and recommendations. Between agreements and concentration, the only difference is one of scale - the basic principles are the same.

Clearly, the Treaty of Rome and the rules for its application have been drafted sufficiently broadly and flexibly to allow the most objective and meticulous experts to interpret it for themselves in the most realistic and optimistic way: life, movement and progress have provided the pointers. As long as true competition is prevented by the absence of concentration, and by the multiplicity of too-small companies in a great number of industries, the advance towards concentration can proceed fairly freely. All that is asked of companies is that when concentration inside the EEC reaches international scale, it should not give rise to monopoly situations, and that the newly-acquired dominant positions should not be exploited to suppress competitors and competition. This would also show that the Treaty need not be revised, nor the Community's institutions catering for this field be added to or replaced by new departments.

THE WEEK IN THE COMMUNITY

September 19 - September 25

From Our Correspondents in Brussels and Luxembourg

THE COMMON MARKET:

Fresh Winds from Scandinavia

The problem of enlarging the Common Market is becoming a topical question once more. It is not that the attitude of the Six, or rather that of the Community, has changed a great deal: the new outlook is found in certain non-member states, especially amongst some members of the European Free Trade Association. These trends have been noted with a lot of interest in Brussels. Although it is unlikely that they will bear fruit in the near future, there are signs of the constantly increasing attraction of the EEC, evidence that outsiders believe the "European Crisis" to be over, and finally the harbingers of new pressures which could influence Britain's decision.

For the Community, the Commission's attitude (which one may assume to be shared by the majority of member states) was redefined in the answer it has just given to a question put by Mme Käte Strobel, leader of the Socialist group in the European Parliament. She was asking what was its position on the constantly repeated calls of the EFTA Council for talks at ministerial level between the two European blocs. Even though the Commission itself examined these proposals "with the greatest interest" and a year ago informed the Council of the Seven that "the objective of greater integration covering a larger area is constantly borne in mind, it is still true that discussions on the basis of the problem have not been finished by the only competent authority, the EEC Council. The least one can say is that the Six are not in a great hurry (the first approaches by their neighbours were made in May 1965), even if the June 30 crisis is an excuse for part of the delay. The Commission for its part has only formally acknowledged the EFTA Council's message.

Professor Hallstein and his colleagues could have hidden behind the silence of the Ministers if they didn't want to say any more. Nevertheless, they saw fit to add that in their opinion, the efforts made by the Six to ensure the success of the Kennedy Round "form a sort of dialogue eminently suited to reducing existing differences between the different countries or groups in Europe". The use of the word "dialogue", taken from the EFTA proposals, the absence in the Commission's text of any allusions to the possibilities of "bridge-building" or "tunnel-digging", all add up to the view that the Seven cannot hope for more than the tariff concessions arising out of the Geneva negotiations, unless they are willing to join, or in some cases become associates of, the Common Market. We should dismiss any idea that the EEC could become a member of the Free Trade area as a single entity. Although Mme Strobel did not ask the Commission's opinion on the point, the latter has stated that "it welcomes" and watches with the greatest attention, the "increasing" interest being shown during the last few months by certain EFTA members "in an examination of the necessary conditions for closer links with the Community". For the European executive this would be the ideal solution.

None of this is very new, but if repeated often enough, it should help the development of some members of the Seven, who despair of breaking the instransigeant orthodoxy of the EEC. In this situation, the attitude of Denmark, always at the head of efforts for closer links with the Common Market for both political reasons (widespread "Europeanism") and economic ones (its agricultural trade with the Six) has occasioned comment in Brussels. It seems that Copenhagen is trying to speed up the process of bringing the problem to a head. Two things should be noted in connection with this.

1) The nomination as head of the Ministry of Trade of Mr. Tyge Dahlgaard, the present Danish representative to the Communities, and the convinced supporter of more contacts with the Common Market. Further, Mr. Dahlgaard is going to take on responsibility for European economic affairs, until now the province of the Foreign Affairs Ministry.

2) The confirmation by the Danish Minister of Economic Affairs, Mr. Ivar Nörgaard that soundings have been carried out in Oslo and Stockholm in connection with the proposal that the three Scandinavian countries should be prepared to join the Common Market, if necessary without waiting for a British decision. The question will be on the agenda of the Danish and Swedish "summit meeting" due for the beginning of next month.

Mr. Nörgaard has made it clear that the change in attitude of the Scandinavian countries (if there has been a real change, as there are still some doubts in Oslo and Stockholm) has been brought about by "the impatience of Danish agriculture, and the onset of preoccupations about the future amongst Swedish manufacturers". For Swedish industry, whose dynamism and even expansionist tendencies are well known, does not take lightly the difficulties which it will face and is already facing within the Common Market. Although overall trade between Sweden and the EEC has risen, the picture is less cheerful for a number of manufacturing sectors, now starting to feel the backlash of the existence of the Six.

Nobody in Brussels has many illusions that this process can suddenly be speeded up. It is thought unlikely that anyone will take any decisive steps before having at least an idea of the outcome of the Kennedy Round. In any case the question is hedged with so many difficulties, including political ones (Swedish neutrality for example), that negotiations, if there are negotiations, will take a long time. Even the Danes would not want to leave EFTA suddenly. Thus the inevitable delays would give Britain sufficient time, if she so wanted, to make the necessary adjustments before joining the Common Market.

Although all this is still fairly vague, it is clear that Britain's partners are no longer content to let her make the running as far as contacts with the Six are concerned. During her first attempt, only the Irish showed their independence, and once again they have shown the same attitude as the Irish Ministers of Foreign Affairs and Finance, who have expressed to the Commission their country's desire to become an EEC member. The talks took place in an atmosphere stated to be "cordial and constructive", but it does not seem as though they will rapidly bear fruit, as it was agreed that there should be meetings "from time to time". Today it seems that there are also others unable to accept easily the hesitations of the Wilson government. But between this impatience and an overt act of "treason" is a long step. Still, this change in attitudes, however slow, shows that for some of the Seven, the attraction of the Community is stronger than that of Britain and from the long term political standpoint this is of considerable importance.

* * *

Keep on Running...

The first Autumn session of the EEC Council was memorable not for the importance of the matters decided but for its length. In fact it turned into another marathon, going on until 4.30 a.m. on September 23rd, which is unheard-of at this time of the year. It is also significant more for the number of problems raised than for those solved.

Problem No 1: deadlines. The Agricultural Ministers were faced with the job of putting the great July compromise into practice, no easy matter considering the rigid deadlines involved. They had agreed to make a decision by October 1 on rebates to agricultural producers of grain starch and potato starch. Important interests were involved here (especially because of the wide use of these products in processing industries) and on occasions these were not entirely similar, mainly because of the various sources of these products: maize, soft wheat, potatoes or even synthetic substances. This was not only a difficult question: it had also been hanging around for over two years. And it was to the Six's credit that they did not put it off yet again, even at the price of a sleepless night.

So from the outset there was no reneguing on the July compromise. Better still, it was put into definite linguistic and legal terms, although not without some difficulty. Some of the interpretations differed considerably, especially on the question of fruit and vegetables, and sugar, where the Germans and Italians seemed inclined to argue the toss on some of the concessions. And considering the famous "global stability" of the 1966 agricultural agreements, they could have brought the entire structure tumbling down. It took a lot of wrangling to prevent this disaster.

Now that the agreements have been ratified, the deadlines are obviously more critical than ever. The question is, can they be adhered to as tightly as the ruling on starch? The ministers have already decided to risk their necks for the cause, because they will be holding several often lengthy meetings between now and the end of the year. Will this dedication be enough? There are two difficulties: the first could be a direct result of this exaggerated enthusiasm on the part of the ministers. The last Council meeting showed that the ministers were wasting a lot of their time discussing secondary and technical points instead of sticking to important political decisions as they normally do. In other words, (and some of the member countries sided with Sicco Mansholt when he complained about this) their "Excellencies" should change their working methods and give more authority, equal to that of the Permanent Representatives, to the "Special Agricultural Committee". If the way is not properly cleared there is a danger that the Council will never succeed in tying up "Europe verte" within the specified time-limit.

Such a reform would appear to be even more urgent because of the monumental task involved in putting the July agreements into operation. Dr Mansholt reckons that anything up to three hundred enabling regulations will be required. Clearly the ministers cannot afford the luxury of going through all the texts with a fine toothcomb. At the same time they must be prepared to allow the Commission the basically physical means of preparing them. To get things ready in time Dr Mansholt asked for 300 extra officials, 80 of them high-ranking. Without going into the accuracy of these figures any further, it is certain that the Six will have to be more generous with their budgetary contributions than heretofore, that is if they really want a "Europe verte".

Such measures as transferring authority to non-ministerial organisations and increasing the Commission's powers, if not revolutionary, are nevertheless politically significant. It also looks as if the current situation will force the Six to take a further political decision on the matter of the merger. Without prejudging whether the merger will finally take place or whether they will settle for a formal renewal of the Commission and High Authority mandates, it is difficult to see how the present uncertainty can be allowed to continue. No sooner was the compromise reached than the EEC was inundated with a pile of urgent problems and it seems absurd that the only people capable of solving these problems should be kept in a state of permanent insecurity. Apart from problems arising directly from the July agreements, the last Council meeting revealed a series of further difficulties (for example, the question of egg-stamping and protecting this market from unfair imports from the East; the Community programmes for improving agricultural structures; the German anxiety to ensure an easy passage from the national markets to the single grain market; etc). And as usual the ministers look to Dr Mansholt for a way out of their difficulties.

* * *

An EIB Loan on the Italian Market

The Cassa di Risparmio Delle Provincie Lombarde has subscribed to the whole 15,000 million Lire loan that the European Investment Bank is issuing on the Italian market. The loan extends over twenty years, is repayable as from 1972, and carries an interest rate of 6%. This is the fourth loan issued by the EIB in Italian Lire, total issues in which now total 60,000 million, or $ 96 million. The EIB's consolidated debt has now reached the $ 342 million mark, but we should note that $ 128 million of this was borrowed during 1966 alone: this shows the rapid acceleration of the Bank's activities.

ECSC:

The Consultative Committee Endorses New Moves

Luxembourg: The High Authority's worries about the increasing seriousness of the problems facing the ECSC industries and their markets were reflected by most of the members on the Consultative Committee, who welcomed the recent moves by Executive to find Community solutions for these problems. All the members thought that the national schemes under consideration or in operation, in sectors as vital to the cohesion of the Common Market as coke, threaten to wreck the Coal and Steel Common Market and seriously endanger the Common Market as a whole. The High Authority has therefore been invited to work out new proposals suggesting Community solutions to the problem of ensuring uniform coking coal supply conditions for each iron and steel industry. A scheme for financial aid on a Community basis having been rejected by the Council of Ministers (mainly as a result of the French veto) it was suggested that other formulas should be tried and M. Picard proposed a system similar to the French one used for dealing with the import and distribution of imported coal. This involves the use of an equalization scheme, based on internal production, outlets available and coordination of import policies for all types of coal.

It has become clear in the debate on the economic and structural evolution of the steel market that all the interested parties are worried by the serious consequences which will occur if no Community solution is found. This is because of the real threats to the balance of competition; discrimination in the conditions under which coking coal supplies are obtained (an important cost factor for the iron and steel industries); differences in fiscal legislation (encouraging some member countries to import steel, and discouraging others); and finally the different national conditions governing investment in the iron and steel industries.

It is also essential that investments should be coordinated in order to prevent the gap between supply and demand widening.

In its discussions on the evolution of the economic situation within the steel market, the High Authority stresses that for the first time for many years there is not only a fall in actual steel consumption by the steel processing industries, but also a fall in total steel consumption in some countries. This is all the more serious since production capacity has expanded considerably and revenue has fallen to such a level that it has given rise to considerable anxiety. The steel industry can no longer wait. The time for studies and negotiations has passed: rapid and efficient solutions are needed right now. All the same, it would be wrong to speak of a "sick" steel industry as its largest units are capable of meeting internal and external competition, provided distortions in competition are eliminated and its organisation is reshaped. This applies not only to the Community's internal market but also to the world steel market, where tariff protection and anti-dumping rules should be the same for all major steel exporters.

One can but hope that the support given to the High Authority by all those represented on the Consultative Committee; the producers, the consumers and the workers, will strengthen the executive's position in the new talks it has just begun with member governments.

Page		
I	ENGINEERING & METAL	Belgium: SKF, Gothenburg opens Brussels branch for its Dutch subsidiary. KOMATSU MANUFACTURING, Tokyo (plant and machinery) will build assembly plant near Antwerp. LUPTON MANUFACTURING, Philadelphia takes 24% in new Brussels light metals company SIMEC-LUPTON in association with L'ALUMINIUM FRANCAIS (indirectly) and others. Belgium and Britain: The Belgian machine-tool firm LVD signs manufacturing and sales agreement for Britain with E. W. HUDSON (LEICESTER). France: SA DES HAUTS FOURNEAUX DE LA CHIERS, Longwy-Bas, Meurthe & Moselle transfers wire-drawing mill formerly owned by TREFIMETAUX to TREFILERIE & CABLERIE DE BOURG. GIRLING, Birmingham (braking-systems etc. for cars) establishes assembly plant in Calais for equipping PEUGEOT cars. ETS CHARLES COQUILLARD, Froges, Isere (aluminium sheets) transfers its subsidiary RECIPAL (aluminium containers) to CENTRALE DES EMBALLAGES ALUMINIUM, Paris. PROMECAM SISSON-LEHMANN, Paris forms foreign sales subsidiary PROMECAM INTERNATIONAL. ATELIER DE CONSTRUCTION DE MATERIEL POUR LA RECHERCHE DU PETROLE, Cosne sur Loire becomes exclusive French agent for IDECO drilling-plant (DRESSER INDUSTRIES, Texas group). Ireland: AVOCA MINES LTD is formed by international combine to exploit copper mines there. Luxembourg: FORMVAC INTERNATIONALE is formed in Luxembourg to buy shares in packing and plastics machinery firms. Netherlands: TECHNISCH BUREAU VAN MAL & RUMP, Groningen (heating engineers) joins the OGEM group, Rotterdam as new affiliate of WOLTER & DROS, Amersfoort. MOTOBECANE, Pantin, Seine (Mobylette motors) will take share in new Dutch company UNIKAP to be formed by the merger of two cycle and engine firms. The German company MAHLE and the French FLOQUET-MONOPOLE (piston-rings and valves) join two Spanish companies in forming Barcelona firm to make castings for motor vehicles.
L	FINANCE	Luxembourg: EUROFINANCE, Paris forms Luxembourg company to act as agent and fiduciary for shareholders. SIEMENS EUROPE-FINANZ, Luxembourg is authorised to raise its capital.
L	FOOD & DRINK	Belgium: The Belgian company GLUCOSERIES REUNIES and the RAFFINERIE TIRLEMONTOISE sign agreement on sugar mixes and sweeteners. France: RICARD, Paris (aniseed-based aperitifs) is taking over the brandy firm BISQUIT DUBOUCHE. The French sugar-processing concern SUCRERIE CENTRALE DE CAMBRAI is taking over its subsidiary SUCRERIE DE BOHAIN. Netherlands: DELI MIJ, Amsterdam forms association with VAN REES, BURCKSEN, Rotterdam (tea and coffee traders). MARS INC, Washington forms Dutch subsidiary EFFEM (cat and dog foods etc.).

Page		
N	OFFICE EQUIPMENT	Germany: The Cologne subsidiary ASKO of the Finnish furniture maker ASKON TETHAAT opens new shops in Germany.
N	OIL, GAS & PETROCHEMICALS	Italy: ENI forms AGIP SAUDI ARABIA, Milan to find and sell Saudi Arabian hydro-carbons. W. R. GRACE, New York forms another Rome subsidiary.
N	PAPER & PACKAGING	Germany: J. A. SCHMALBACH, Brunswick now controls NIEDER-SAECHISCHE KUNSTOFF.
O	PHARMACEUTICALS	Israel: JOBA NV, Amsterdam (base chemicals and pharmaceuticals) forms sales subsidiary in Jerusalem.
O	PLASTICS	Austria: BASF and OESTERREICHISCHE STICKSTOFFWERKE will form DANUBIA OLEFIN to build and run Austrian polyethylene factory. Belgium: STE ANVERSOISE DE GOUDRONS & ASPHALTES, Antwerp (tar-based and water-proof products) forms new company RESIPLAST (products for insulation etc.) with its subsidiary ANTWERPSE TANK-OPSLAG. France: ALBIS PLASTIC, Hamburg forms Paris subsidiary. The French asbestos products company EVERITUBE, Paris is taking over ETS GLACICA SA (polyester panels). Spain: MONSANTO, St Louis, USA; SOLVAY, Brussels; and HOECHST, Frankfurt will participate in new Spanish polyvinyl chloride plant.
P	RUBBER	Belgium: PIRELLI, Milan increases the capital of its Brussels subsidiary.
P	TEXTILES	France: SAINT-FRERES, Paris will strengthen its links with COMPTOIR LINIER, Paris. Italy: Two Italian wool firms LANIFICIO FILIPPO GIORDANO, Turin and LANIFICIO DI SOMMA, Milan merge. Netherlands: MANHATTAN SHIRT CO, New York (underwear and clothing) gives licence for Benelux to the Dutch group CONFECTIEBEDRIJF TRENCO, Breda.
Q	TRANSPORT	Belgium: The Luxembourg holding company SOFER subscribes capital increase of TERRE (BENELUX ITALIA), Brussels. The New York shipping firm MOORE McCORMACK forms Belgian subsidiary. France: The Dutch transport firm L. VAN NAMEN forms French company.
R	VARIOUS	Belgium: The PHILLIPS-RYAN group forms company to make and sell wigs, etc. CASE & CO, New York signs 50-50 agreement with CEGOS BENELUX to form CASE-CEGOS, Brussels. France: The owners of BOFFI ARREDAMENTO (furniture) share capital of BOFFI FRANCE. Germany: The Italian marble concern ENI-DI EGANGHELOS TSINGHIRIDIS, Carrara forms German sales subsidiary. Italy: STE GENERALE DE LITERIE & DE MECANIQUE, Paris changes its Milan sales agency into subsidiary.

ADVERTISING

** The British advertising agency COLLETT DICKENSON, PEARCE LTD, London has extended its interests to France with the formation of SERVICE FRANCAIS COLLETT DICKENSON, PEARCE SA (capital Ff 30,000). The new concern immediately changed its name to COLLETT DICKENSON PEARCE SA, and it is headed by M. Jean Feldmann, Paris.

AUTOMOBILES

** Following the negotiations started when Dr. M. Mancini visited Malaysia at the end of 1963, INNOCENTI-SOC. GENERALE PER L'INDUSTRIA METALLURGICA & MECCANICA SpA, Milan (see No 369) and its Malaysian distributor KIAN GWAN MALAYA, Kuala Lumpur have agreed that a Lambretta scooter assembly plant should be built near Johore, where SHARIKAT CO (sister company of Kian Gwan) is building a FIAT assembly plant. The scooter plant should become operational at the start of 1967.

INNOCENTI is represented in the Far East by AUTOMOBILE PRODUCTS OF INDIA, Bombay, VINACO, Saigon and YUE LOONG MOTOR CO, which since 1962 manufactures Lambretta scooters under licence in Taiwan.

** R.N.U.R.-REGIE NATIONAL DES USINES RENAULT SA (see No 335) is going to supply LOTUS CARS LTD, Cheshunt, Hertfordshire with gear-boxes and 1470 cc engines for the latter's new sports model intended for the European market. The British firm is linked by sub-contracting agreements with the FORD MOTOR CO, Dearborn, Michigan (see No 374), and its main makes of car are the "Lotus", "Elan", "Seven" and "Elite". Its French agent is ROYAL ELYSEES SA, Paris (part of the SOFIDEL-STE FINANCIERE DES ETS CH.DELECROIX SA - see No 305).

Renault is also investigating the possibility of using fuel cells for its vehicles: it has therefore made a joint study agreement to carry out studies in this sphere with CSF-CIE GENERALE DE TSF SA (see No 374), LE CARBONE-LORRAINE SA (see No 359) and L'IN TITUT FRANCAIS DU PETROLE, Rueil-Malmaison, Seine-et-Oise (see No 365).

BUILDING & CIVIL ENGINEERING

** A merger is taking place in the Italian cement industry within the CEMENTIFERA ITALIANA FIBRONIT SpA group (capital Lire 1,220 million; factories at Broni, Apuania and Stradella). The parent firm will take over its subsidiary MILANESE & AZZI SpA (capital Lire 700 million; factories at Borgo Val di Taro, Ozzano Morferrato and Casale Monferrato).

The Fibronit group, headed by Sig Eugenio Milanese also controls ADRIATIC PRODOTTI IN COMENTAMIANTO SpA, Bari (capital Lire 6 million) whose sales are run from Casale Monferrato. The group is also linked with CEMENTERIE APUANE-CASA SpA, Apuania and Bergamo, a member of the Bergamo group ITALCEMENTI-FABBRICHE RIUNITI CEMENTO SpA (see No 354).

** The agreements made between REDLAND HOLDINGS LTD, Reigate, Surrey and UNION SIDERURGIQUE & INDUSTRIELLE- U.S.I., Paris (see No 357) for the manufacture and sale in France of "Deckon" concrete pipes under patents belonging to REDLAND-PIPES LTD, are going to be extended to other European countries: Belgium, Netherlands, Luxembourg and Eire.

The British group is involved in three manufacturing schemes on the Continent: 1) in France with STE FRANCAISE REDLAND SA, Paris (factory at St-Jean-le-Blanc, Loiret - see No 373); 2) in Austria with BRAMAC DACHSTEINWERK GmbH, Vienna (factory at Pöchlam - see No 368) where BRAAS & CO GmbH, Frankfurt (a 56.4% subsidiary of REDLAND TILES LTD) is jointly associated with the local firm EBENSEER BETONWERKE GmbH (factories at Ebensee, Sollenau, Reidling, Waodhofen, Traun b. Linz, Salzburg and Wörgl); 3) in Switzerland where a factory is being built at Döttingen, Zurich by BETONZIEGEL AG (see No 368) in which three Swiss building firms have an interest: ZUERCHER ZIEGELEIEN AG, Zurich (capital Sf 12 million) - also a shareholder in SALPI-SA LATERIZI PIEMONTESE SpA, Turin and in ZIEGELWERK MUEHLACKER AG, Mühlacker, Wurttemberg - KELLER & CO AG, Pfungen, Zurich (Sf 300,000) and PREFAB AG, Binningen, Basle (capital Sf 170,000).

** Two subsidiaries of the FIAT SpA group, Turin: SOC UNIONE CEMENTI MARCHINO & CO, Casale-Monferrato (capital Lire 6,500 million) and IFI-ISTITUTO FINANZIARIO ITALIANO SpA, Turin (capital Lire 30 million) own 10% and 5.8% respectively in the new Milan company PROCEM-SOC PER LA PROMOZIONE DEGLI IMPIEGHI DEL CEMENTO SpA, Milan. This company (capital Lire 1 million) will promote the use of concrete and hydraulic ties in building.

PROCEM (president Sig Carlo Pesenti) is the result of a move by three of the largest Italian cement and building materials groups who share control with 46.5%, 20.6% and 17.1% respectively. They are ITALCEMENTI-FABBRICHE RIUNITE CEMENTO SpA, Bergamo (see No 345), CEMENTIR-CEMENTERIE DEL TIRENNO SpA, Rome (controlled by FINSIDER SpA - see No 353) and SOC ITALIANA PER LA PRODUZIONE DI CALCI & CEMENTI DI SEGNI SpA, Rome.

** The Antwerp civil engineering group AVANTI NV, Antwerp, controlled by the De Vel family of Borsbeek has formed a subsidiary in Antwerp AVANTI BRABANT SA. It will market pre-mixed concrete and concrete building materials at Bousval-Court-St Etienne. The new firm's capital (Bf 1 million) is shared by the Antwerp firm, its subsidiary AVANTI BETON CENTRALE NV, Antwerp and the owners of the group.

** A merger has taken place in the Italian ceramics industry between two companies in the Milan group CEDIT-CERAMICHE D'ITALIA SpA, which has a factory at Erba, Como (see No 355): CERAMICA TRINACRIA SpA, Trimestricri, Messina (ceramics for building) has been taken over by CEDIS-CERAMICHE DI SICILIA SpA, Palermo. The former was formed in 1957 and uses mostly imported British clay.

CEDIS has had control since 1959 and prior to this latest operation had reduced its capital to Lire 245 million. It has now raised it to Lire 302.7 million: the Board is authorised to raise it further to Lire 490 million.

CHEMICALS

** The Paris group ROUSSELOT SA (24.99% linked with PRODUITS CHIMIQUES PECHINEY-SAINT-GOBAIN SA - see No 375) recently extended its overseas interests by taking majority shareholdings in two associated companies, one in Belgium and one in Britain: 1) ROUSSELOT SA, Forest-Brussels (factories at Selzaete, Ghent and Tournai), which makes gelatines and various synthetic products: interests in this company were formerly held by CIE DE SAINT-GOBAIN SA and UNION CHIMIQUE-CHEMISCHE BEDRIJVEN SA, Brussels; 2) ROUSSELOT GELATINE LTD, Clifford, Gloucester, which makes edible and photographic gelatines, and controls two London firms: STERLING GELATINE CO LTD and ASSOCIATED ROUSSELOT TRADERS LTD.

Rousselot (capital recently raised to Ff 30.3 million - see No 351), has five factories in France making glues, gelatines, organic chemicals and products for animal feeds, and achieved a 1965 turnover of Ff 123.8 million (42% of which was on products for which the company only acts as sales agent). It has various subsidiaries representing it abroad: ROUSSELOT AG (formed at the end of 1962 in Lucerne); ROUSSELOT CORP, New York; SOC ITALIANA ROUSSELOT SVILUPPO INDUSTRIALE SpA, Milan etc.

** GEBR HUETTENES KG, Düsseldorf-Heerdt - controlled by KERN & FORMTECHNIK GmbH, Düsseldorf - has taken a 45% share in the newly-formed HUTTENES ITALIANA SpA which will manufacture and sell resins, lubricants and binding materials for foundries under the Hüttenes patents. The new firm (president Herr G. Rantz of Milan who owns 10%) has a capital of Lire 15 million the remainder of which is shared between RIGHETTI & FILS Snc, Milan and SATEF DI MARIO CASTAGNARO Sas, Creazzo, Vicenza with 22.5% each.

The German firm has had a Paris sales subsidiary for the last four years, HUTTENES-FRANCE Sarl (capital since raised to Ff 300,000) and another in Brussels, HUETTENES BENELUX Pvba which recently raised its capital to Bf 900,000.

** BASF-BADISCHE ANILIN & SODA-FABRIK AG, Ludwigshafen (see No 375) has formed BASF-AGRITALIA SpA, Milan (Herr Franco Scherren, managing director) to make and sell agricultural chemicals in Italy. SOC ANILINE SOLVENTI & AFFINI SpA - SASEA, Milan (capital Lire 490 million) has a 20% share in the new firm (capital Lire 50 million) which is directly controlled by BASF HOLDING AG, Zurich.

** The Frankfurt metallurgical group DEGUSSA-DEUTSCHE GOLD- & SILBER SCHEIDEANSTALT VORM.ROESSLER (see No 369) has extended its interests to Japan by signing an agreement with MITSUBISHI METAL MINING CO LTD, Tokyo (a member of MITSUBISHI HEAVY INDUSTRIES - see No 266). A new company will be formed 50-50, NIPPON AEROSYL CO LTD making around 100 tons of silica gel a month.

COSMETICS

** NV JEAN A. DU CROCQ JR, Huizen (aromatic products and essential oils - capital Fl 600,000) has expanded its West German sales network by opening a second branch at Rees. Its first branch, in Hamburg, was opened several years ago.

** The German group MARIA CLEMENTINE MARTIN KLOSTERFRAU KG, Bensberg (cosmetic, textiles, dietary and pharmaceutical products) has increased the capital of its Brussels subsidiary KLOSTERFRAU INTERNATIONAL SA (see No 334) to Bf 75 million in order to finance the latter's expansion. This move follows that made in March 1966, and has been carried out on behalf of the principal shareholder Herr Wilhelm Doeremkamp, Cologne (with KLOSTERFRAU VERTRIEBS GmbH, Cologne) by the Zurich bank MAERKI BAUMANN & CO AG.

** The West German group FARBENFARBRIKEN BAYER AG, Leverkusen (see No 370) has formed HAARMANN & REIMER SA, Barcelona (capital Pts 1.5 million). The new concern will carry on the same business as Bayer's wholly owned subsidiary HAARMANN & REIMER GmbH, Holzminden (capital DM 10 million) does: the manufacture and sale of aromatic products, perfumes and basic essences. Direct shareholders in the new concern are the Toronto holding company BAYER FOREIGN INVESTMENTS LTD and BAYER HISPANIA SA, Barcelona (itself a 75% interest of the Canadian concern) with the remainder held by PRODUCTOS ELECTROLITICAS SA, Barcelona (see No 339). The German company also has a minority shareholding in UNICOLOR SA (see No 374) Barcelona through its Canadian subsidiary.

** A merger in Italy within one of the leading manufacturers of toilet products soaps and toothpastes has caused IGAP-IMPRESA GESTIONI ADMINISTRATIVE PATRIMONIALI SpA, Milan whose president is Sig G. Bolchini (president of GENERALFIN SpA) to change its name to INTERNATIONAL CHEMICAL & COSMETIC CO SpA-I.C.& C. CO and increase its capital to Lire 225,000 million. The move has involved CHLORODENT SpA, Rome and five Milan companies: S.A.P.P.A. SpA, DURBAN'S SpA, SAPONIFICIO DURBAN'S SpA, IMMOBILIARE RITENELLA SpA and P.M. AGENZIA DI PUBLICITA & MARKETING SpA.

ELECTRICAL ENGINEERING

** Under the terms of an agreement signed between SOUTH WALES SWITCHGEAR LTD, Aberbargoed, Monmouthshire (part of the ABERDARE HOLDINGS LTD group, Aberdare, Glamorgan) and OFFICINE ELETTROMECCANICHE GALILEO DI BATTAGLIA TERME SpA, Milan (factory at Battaglia Terme) the former has acquired the sole British manufacturing and selling rights of the Italian company's "Galileo" high voltage circuit breakers. The agreement also gives the British company the right to export the products to most other countries.

The Italian company is headed by Dr. A. Alocco, and it is a 30% interest of the Milan group NAZIONALE SVILUPPO IMPRESE INDUSTRIALE SpA (see No 355). It has numerous sister companies specialising in electrical instruments, contactors, medical and precision electrical equipment. These include OFFICINE GALILEO SpA, Florence (formerly OFFICINE GALILEO DI MILANO SpA - see No 255), OFFICINE GALILEO DI MARGHERA SpA, Milan with a factory at Morto Marghera and OFFICINE GALILEO DI SICILIA SpA, Milazzo, Sicily (formerly at Messina). Previously controlled by the electrical supply company S.A.D.E. SpA (now SADE-FINANZIARIA ADRIATICA SpA - see No 327), all these companies are now owned by the MONTECATINI-EDISON SpA group (see No 375).

** BRITISH DOMESTIC APPLIANCES LTD, London has formed a direct West German interest BRITISH DOMESTIC APPLIANCES IN DEUTSCHLAND GmbH, Krefeld (capital DM 20,000) whose manager is Mr. Robert Harrow of Maidenhead. The British group's subsidiary MORPHY-RICHARDS LTD, London recently made a reciprocal agreement with the West German domestic appliances concern ROBERT KRUPS ELEKTROGERAETE- & WAAGENFABRIK KG, Solingen (see No 374).

The British company holds second place in the British electrical domestic appliance market (behind HOOVER LTD, Greenford, Middlesex, a member of the HOOVER CO of North Canton, Ohio - see No 352). It was formed as a result of the merger in May 1966 of the relevant divisions of E.M.I.-ELECTRIC & MUSICAL INDUSTRIES LTD, Hayes, Middlesex and A.E.I.-ASSOCIATED ELECTRICAL INDUSTRIES LTD, London. These two groups already had West German interests: E.M.I. had stakes in the record and record-player concern ELECTROLA GmbH, Cologne and CARL LINDSTROEM GmbH, Cologne as well as in (now through MORPHY-RICHARDS) in the household equipment firm VERKHAUS GmbH in association with MAYBUAM ELEKTROGERAETEFABRIK, LUDWIG MAYBAUM, Sundern Sauer, and A.E.I. had interests in SUNVIC REGLER GmbH, Solingen which itself controls BIRKA REGULATOR GmbH, Berlin (see No 303).

** PROGRESS VERKAUF GmbH DER FIRMA MAUZ & PFEIFFER, Stuttgart-Botnang has backed a new Milan firm PROGRESS ITALIA Srl formed to sell electrical and domestic appliances (radio, TV, etc.). The parent firm has direct 46% control of the Lire 390,000 capital. The remainder is shared equally between its president, Rudolf Dieter Han and Herr H. G. Woityka of Doffingen, Stuttgart.

Since the end of 1964 the German firm has shared a Belgian sales subsidiary, PROGRESS-BELGIUM SA (see No 287) with ELECTRO-INDUSTRIELLE PANTEX SA, Ixelles.

** After buying the entire privately-owned holding (6.64%) in SEL-STANDARD ELEKTRIK LORENZ AG, Stuttgart-Zuffenhausen (see No 360), INTERNATIONAL STANDARD ELECTRIC CORP, New York (one of the foreign holding companies of the New York group ITT-INTERNATIONAL TELEPHONE & TELEGRAPH CORP) now has full control of this enterprise.

SEL (capital DM 1.5 million) had a consolidated turnover of 1,062 million in 1965. It employs some 37,000 workers in the field of telecommunications, data processing, radio and television. It owns shares in a dozen German firms - including the recently formed MEG-MARINE ELEKTRONIK PLANUNGS GmbH, Hamburg (see No 360) which is concerned with electronic research for ship-building. Its direct foreign interests are LMT-LE MATERIEL TELEPHONIQUE SA, Boulogne-Billancourt, Hauts de Seine (17.91%); RADIOFABRIK INGELEN FIGER & CO (see No 350) - 100%; and STANDARD TELEPHON & TELEGRAPHEN AG CZEIJA, NISSEL & CO (2.56%) in Vienna; STANDARD ELECTRIC PUHELINTEOLLISUUS OY, Helsinki (95.39%) and STANDARD ELECTRIC IRAN AG, Teheran (100%).

** The Yugoslav electrical engineering company RADE KONCAR, Zagreb - represented since 1963 by RADE KONCAR ELETTROMECCANICA SpA, Milan formed by Sigs U. Antoniuzzi of Rome and G. Spiaggia of Milan - has signed a reciprocal manufacturing agreement with the CASTOR SpA group of Turin (see No 352). The agreement is for a period of five years and involves expenditure of approximately Lire 18,750 million: the Yugoslav firm will make 1,500,000 electric motors and 2,500,000 heating units for automatic washing machines: the Italian group will provide all remaining supplies necessary.

Castor is headed by Sigs G. Accornero, F. Casarini and Stardero and is controlled by WASHING MACHINES HOLDING AG, Lugano (see No 350). It also signed another agreement recently with a Spanish group including DOMAR SA and COMERCIAL COMET SA, Barcelona for the manufacture of washing machines.

ELECTRONICS

** BURROUGHS CO, Detroit, Michigan has formed a new Brussels subsidiary to organise the construction (already under way) of an electronic, accounting and management systems plant at Seneffe (see No 375). The new company called CIE BELGE BURROUGHS SA (managing director M. Lucien Fradin and capital Bf 250,000) is owned by the American group and six of its subsidiaries: BURROUGH INTERNATIONAL CO, BURROUGH FINANCE CORP, G. & Z. REALTY CO, THE TODD EXPORT CO and THE IMPRESS CO, all in Detroit.

ENGINEERING & METAL

** The Gothenburg firm A/B SVENSKA KULLAGERFABRIKEN - SKF (see No 367) has increased its representation in the Benelux countries by opening a Brussels branch for its Dutch subsidiary SKF-HELLEFORS-HOFORS STAAL NV, Veenendaal. The latter was formed by SKF two years ago, together with its own subsidiary HOFORS A/B (see No 282), under the direction of Mr. J. Klumper to trade in metal products such as steel tubes, annular seals etc. The new branch in Brussels will be directed by Mr. Frans Van Erp.

** SA DES HAUTS FOURNEAUX DE LA CHIERS, Longwy-Bas, Meurthe-et-Moselle (see No 357) is to make over to TREFILERIE & CABLERIE DE BOURG SA, Bourg-en-Bresse, Ain (which recently came under its control) the wire-drawing mills in Le Havre which it acquired at the end of 1965 from TREFIMETAUX SA, Paris, when it was merging with PECHINEY-CIE DE PRODUITS CHIMIQUES & ELECTROMETALLURGIQUES SA (see No 365). Trefilerie & Cablerie de Bourg, mainly as a result of taking over ETS BESSONNEAU, Angers, Maine-et-Loire in 1965 (see No 335) is the largest French producer of wire and high tensile steel cables: it had a 1965 turnover of Ff 77 million. As a result of the present move it will increase its capital from Ff 11.3 million to Ff 18.45 million and become TREFILERIES & CABLERIES DE BOURG & DU HAVRE.

** The Belgian firm L.V.D. CO Sprl, Gullegem (see No 354), which is well-known for its machine tools for sheet-metal working (hydraulic presses, embossers, benders, folders, score-guillotines etc.) has made a sales and manufacturing agreement in Britain with E. W. HUDSON (LEICESTER LTD, Leicester. The latter will now become L.V.D. HUDSON LTD to produce machines under Belgian licence and will be responsible for their promotion throughout the Commonwealth.

L.V.D. CO is linked by agreements with THE McKAY MACHINE CO, Youngstown, Ohio, for the sub-licence manufacture and sales in Europe of "Warco-McKay" presses (see No 335) as well as with WEAN-DAMIRON SA, Paris for that of machines for automatic metal strip cutting. Some months ago it formed a subsidiary in West Germany DEUTSCHE L.V.D. GmbH, Krefeld.

** FORMVAC INTERNATIONALE SA has just been formed in Luxembourg for the purpose of buying interests in firms making machines for packaging and plastics. The new company's first board consists of Messrs Leopold Dreifuss, director of FORMVAC vorm HYDRO CHEMIE AG, Zurich; Ch Sharps, director of the bank S.G WARBURG & CO LTD, London; J. Landenbach, president of BANQUE INTERNATIONALE A LUXEMBOURG SA, and Sigs Renzo Ferrari and Carlo di Robilant, both of Milan.

Most of the new concern's Lf 33 million capital has been put up by Banque Internationale a Luxembourg and by CIE TRANSMARITIME D'INVESTISSEMENTS SA (see No 320), the initial $ 1 million capital of which was increased in September 1966 to Lf 50 million.

** The French group ATELIERS DE LA MOTOBECANE SA, Pantin, Seine, which makes "Mobylettes" motors at Pantin is to take an interest in SAMENWERKENDE RIJWIEL & MOTORINDUSTRIE UNIKAP NV (authorised capital 3 ,450,000 Florins) which is soon to be formed (see No 371) by the merger of two bicycle, motor cycle and small engine companies in the Netherlands. The firms concerned are MOTORRIJWIELFABRIEK KAPTEIN NV of Utrecht and Arnhem (which is headed by the Amsterdam company KAPTEIN'S HANDELSONDERNEMING NV, and in which the French group already holds shares - see No 372) and UNION RIJWIELENFABRIEK NV, Den Hulst a/d Dedemsvaart.

Ateliers de la Motobecane is chiefly comprised of the sales company LA MOTOCONFORT SA (capital Ff 6 million 310,000) and LA POLYMECANIQUE SA (capital Ff 8 million 860,000).

** The Japanese firm KOMATSU MANUFACTURING CO, Tokyo, which makes civil engineering and heavy construction plant (factory transport, presses, pumps, farm tractors etc) and which has become well established on the European market is negotiating the construction of an assembly factory in the Antwerp area. Komatsu Manufacturing has sold several hundred bulldozers in Europe, particularly in France, Italy, the Netherlands, West Germany (through its representative HERBAG of Mannheim), Switzerland, Spain etc.

The Japanese group has made agreements for the assembly of its equipment in Australia (with AUTOMOTIVE & GENERAL INDUSTRIES OF AUSTRALIA) and in the Lebanon (with its Beirut affiliate KOMATSU OVERSEAS CO). It holds the rights to a number of foreign patents, especially American ones (CUMMINS ENGINE CO INC., BUCYRUS-ERIE CO INC., JAMES S. ROBINS & ASSOCIATES INC., INTERNATIONAL HARVESTER CO., BLAUWKNOX CO INC, etc) and German ones (MAYPRESSENBAU GmbH, MASCHINENFABRIK WEINGARTEN AG).

** LUPTON-MANUFACTURING CO, Philadelphia has become 24% linked with L'ALUMINIUM FRANCAIS SA (controlled by PECHINEY and UGINE) in forming a company in Brussels to which it is contributing technical know-how in the sphere of processing light metals for civil engineering, transport, industry and crafts. The new firm, SIMEC-LUPTON SA, has M. Feron as president and is directed by M. J. Greant: its capital is Bf 4 million.

The French group is represented in the new company by the largest aluminium firm in Belgium, STE INDUSTRIELLE DE L'ALUMINIUM SA-SIDAL, Brussels (see No 359), which has a 17.5% interest in Simec-Lupton. It is further represented by three other companies (same headquarters) which are closely linked: LA METALLO-CHIMIQUE SA (specialising in the electrolytic refining of copper) STE D'ETUDES, DE RECHERCHE & DE CONSTRUCTIONS SA-SERECO and SICOMET SA (18.7% each).

** The German company MAHLE KG, Stuttgart-Bad Cannstatt and the French company FLOQUET-MONOPOLE SA of Poissy, Seine & Oise (which has piston-ring and valve factories at Dreux, Liancourt and Poissy) are about to join with the two Spanish companies, FUNDICIONES INDUSTRIALES SA and MONOPOLE S.A.E. in forming a company in Barcelona (capital Ptas 120 million) to make castings for motor vehicles under licence from DANA CORP. Richmond, Virginia.

The American company (headquarters at Toledo, Ohio) will hold an interest in the new company. Its PERFECT CIRCLE PRODUCTS, Hargestown, Indiana division is the largest piston-ring manufacturer in the USA and Floquet-Monopole (which is linked with it) is its exclusive agent for Europe; it is mainly represented in the Common Market by PERFECT CIRCLE HOLLAND NV, The Hague, an old established firm.

** ETS CHARLES COQUILLARD SA, Froges, Isere (see No 365) which makes aluminium sheets has transferred its wholly-owned subsidiary RECIPAL SA, Froges (capital Ff 700,000) making aluminium containers for the canning industry, over to STE CENTRALE DES EMBALLAGES ALUMINIUM SA. Paris (see No 340). This company (capital now raised from Ff 11,675,000 to Ff 12,670,000) is also part of the PECHINEY-CIE DE PRODUITS CHIMIQUES & ELECTRO-METALLURGIQUES SA group (now merging with TREFIMETAUX SA).

** PROMECAM SISSON LEHMANN SA, Paris formed in 1964 by the merger of ETS A. SISSON - LEHMANN SA. Paris (mechanical engineering, boiler making sheet-metal work etc) and the hydraulic presses and jacks manufacturers ETS PROMECAM-LES PROCEDES MECANIQUES MODERNES SA, Saint Denis, Seine St Denis, has formed a subsidiary to expand its foreign sales. The new firm is called PROMECAM INTERNATIONAL SA (capital Ff 100,000). The parent firm itself has a capital of Ff 4,494,000, and runs factories at Charleville, Ardennes and Dannemoine, Yonne. It also has a branch in Belgium at St Josse-ten-Noode, Brussels.

** ATELIER DE CONSTRUCTION DE MATERIEL POUR LA RECHERCHE DU PETROLE SA, head office and factory at Cosne sur Loire, Nievre (capital Ff 1.6 million - controlled 66.9% by the group headed by M. Andre Cendre) has acquired the exclusive French agency in the drilling plant, etc produced by IDECO, Beaumont, Texas, a Division of the DRESSER INDUSTRIES INC group of Dallas, Texas. The latter is directly represented in France by a wholly-owned sales subsidiary DRESSER FRANCE SA, Paris and a 50% shareholding in DRESSER DUJARDIN SA, Lille (in association with the VALLOUREC SA group of Paris).

Vallourec recently took over ATELIERS MAZELINE, Le Havre which had been previously run by FORGES & CHANTIERS DE LA MEDITERRANEE SA, Paris (see No 361).

** TECHNISCH BUREAU VAN MAL & RUMP NV, Groningen, specialists in engineering and installation of heating and air-conditioning etc has joined the Rotterdam group OGEM-NV OVERZEESE GAS- & ELECTRICITEITSMIJ NV, Rotterdam (see No 295) as a new affiliate of WOLTER & DROS NV, Amersfoort (see No 374). The latter assembles air-conditioning, refrigeration and heating installations and came under the group's control in 1953.

One of Wolter & Dros's subsidiaries INGENIEURSBUREAU VOOR GASTECHNIK AMGAS NV (see No 307) also in Amersfoort, only recently joined BURNHAM CORP, Irvington, New York in a joint subsidiary (49/51) BURNHAM-EUROPA NV specialising in heating apparatus and burners.

** AVOCA MINES LTD is the name of a company being formed to re-exploit the Avoca copper mine in Co. Wicklow, Eire. The shareholders include IRISH BASE METALS LTD (subsidiary of NORTHGATE EXPLORATION LTD, Toronto, Canada), TARA EXPLORATION & DEVELOPMENT CO, CANADIAN SUPERIOR EXPLORATION LTD, GORTDRUM MINES LTD and METALLGESELLSCHAFT AG, Frankfurt (see No 372).

The latter already forms part of a group exploiting lead, zinc and silver deposits at Tynagh, Galway (see No 329). This group includes STE MINIERE & METALLURGIQUE DE PENARROYA SA, Paris (see No 363), BERGMETALL GmbH, Goslar, Bad Homburg (an absolute subsidiary of PREUSSAG AG, Hanover - see No 373), the Belgian STE GENERALE DES MINERAIS and CONSOLIDATED MOGUL LTD, Toronto, Ontario, Canada.

FINANCE

** UNION INTERNATIONALE D'ANALYSES ECONOMIQUES & FINANCIERES-EUROFINANCE Sarl, Paris (see No 360) which heads a number of European and American banks, has formed EUROTRUSTEE SA, Luxembourg (capital $1,000). The new company will act as an agent and fiduciary protecting the interests of stock and shareholders during the issue of new stocks or shares.

The French company, whose managers are MM Marc Alexandre and Anthony E. de Jasy, formed EUROCAPITAL SA, Luxembourg, (capital $2 million) a few months ago for the private and public placing of transferable securities on behalf of financial or similar concerns.

** The Board of SIEMENS EUROPA-FINANZ AG, Luxembourg (see No 375) has been given the power to increase its capital when it thinks fit, from Sf 100,000 to Sf 10 million. Siemens Europa-Finanz AG is presided over by M. J. Lydenbach (president of BANQUE INTERNATIONALE A LUXEMBOURG SA) and it is subsidiary of SIEMENS AG, Berlin.

The Berlin company intends to issue a DM 100 million loan at 7% through an international banking consortium to finance its European investments outside West Germany. It recently formed Siemens Europa-Finanz AG for this purpose, and the latter is directly controlled by its holding company, SIEMENS EUROPA-BETEILIGUNGEN AG, Zurich.

FOOD & DRINK

** The Belgian company GLUCOSERIES REUNIES SA, Molenbeek-St-Jean (an affiliate of A.E STALEY MANUFACTURING CO, Decatur, Illinois - see No 324) and RAFFINERIE TIRLEMONTOISE SA, Woluwe-St-Pierre, the leading sugar producer in Belgium (see No 335) have signed a joint agreement covering research into sugar mixes and sweeteners. It also covers all types of operations -plant construction, processing, packaging, storing - connected with these products.

A joint subsidiary SWEETMIX SUGARS SA, Woluwe-St-Lambert, has been formed as a result with M. R. Rolin Jacquemyns as president: the managing directors are MM R. Tomsin and G. Dupont. Raffinerie Tirlemontoise's interest in the capital of the new company (Bf 1 million) is shared with two of its subsidiaries, SUCRES INVERTIS DE TIRLEMONT SA, Tirlemont, and RAFFINERIE BELGE SA, Brussels (5% each).

** DELI MIJ NV, Amsterdam (see No 371) has made an association agreement with the Rotterdam tea and coffee-trading concern VAN REES, BURCKSEN & COSMAN'S HANDELMIJ NV, whereby it will pool the business of the latter with that of its tropical food products division. Only a few months ago, in this sector, Deli Mij took over VAN DUIN & CO NV, Rotterdam, cocoa importers and traders.

** The French sugar processing concern SUCRERIE CENTRALE DE CAMBRAI SA, Paris (capital Ff 11.853 million) with a factory at Escaudoeuvres, Nord is taking over its 99.65% subsidiary SUCRERIE DE BOHAIN, Bohain, Aisne, (capital Ff 1.2 million). M. Pierre Hannebelle is president of both companies.

Only a short time ago a similar operation occurred in the French sugar industry within the STE F. BEGHIN SA group of Thumeries, Nord (see No 372).

** MARS INC, Washington, D.C. (formerly FOOD MANUFACTURERS INC) has formed a subsidiary in Amsterdam called EFFEM NV to launch its programme for making and selling foods for cats, dogs and birds in the Netherlands. EFFEM has an authorised capital of Fl 1 million and its directors are Messrs Günther R. Klein and H. H. Meier who head the German subsidiary TIERFEINKOST-WERKE VERDEN AG, Verden, Aller (see No 360). The American group already has a sizeable stake in the Netherlands: they include a chocolate and confectionery firm MARS CHOCOLADEFABRIEK NV, Veghel, Noord-Brabant (see No 369) and a sales enterprise MARS VERKOOPMIJ NV which was also formed at Veghel in 1965 (see No 306). These two companies are directly controlled by the British subsidiary MARS LTD, Slough, Buckinghamshire and London (director Mr. C. E. Pratt).

In addition to German and Dutch subsidiaries specialising in foods for domestic animals MARS INC controls several European firms in the same line such as PETFOODS LTD, Melton Mowbray, Leicestershire with branches in Zurich and Paris; PETFOODS ITALIA, Milan; PETFOODS BELGIUM SA, St-Josse-ten-Noode, Brussels (formed at Essen in 1962) etc.

** RICARD SA, Paris (see No 334) is in the process of taking over the brandy concern, BISQUIT DUBOUCHE & CIE SA, Jarnac, Charente (capital Ff 5.37 million). The Paris concern (capital Ff 55.475 million) last year produced over 30 million litres of aniseed-based aperitifs, and recently its foreign sales network has been extended to include Switzerland, Senegal and Mauritania. Bisquit Dubouche, whose president is M. Francois Laporte-Bisquit, is linked by sales agreements with the Dutch distillery ERVEN LUCAS BOLS NV, Amsterdam (see No 371).

** The Paris company UNION EXPORT SA has wound up the activities of its subsidiary formed in Milan at the beginning of 1965 with the aim of developing the export of French agricultural products and food produce to Italy.

Union Export is linked to SOFIDECA-STE POUR LE FINANCEMENT & LE DEVELOPPEMENT DE L'ECONOMIE AGRICOLE SA, Paris and both companies have the same president - M. Paul Driant. With a capital of Ff 5 million it has a Swiss branch in Geneva and a German branch in Frankfurt headed by M. Robert Bonnet.

OFFICE EQUIPMENT

** The Finnish office furniture concern ASKON TETHAAT OY, Lahti, has extended its representation in West Germany: its Cologne subsidiary ASKO GmbH has opened a shop in Hanover and is about to open another in Frankfurt.

The Finnish group, which employs about 10,000 people, has subsidiaries in: Paris, ASKO-FRANCE SA (see No 296); Brussels, ASKO FINN INTERNATIONAL SA, in Sweden, in the USA, and several sales offices in the USSR.

OIL, GAS & PETROCHEMICALS

** Sig Ital Ragni has been appointed president of AGIP SAUDI ARABIA SpA, Milan, a new subsidiary of the E.N.I.-ENTE NAZIONALE IDROCARBURI SpA group which will carry out all operations connected with the development, export, and the sale of Saudi Arabian hydro-carbon products. The capital (Lire 10 million) of the new company is shared between two subsidiaries of E.N.I., AGIP SpA (95% - see No 362) and SNAM SpA (5% - see No 339).

** W.R. GRACE CO, New York (see No 354), a large, diversified group (chemicals, packaging, plastics, paper, foodstuffs, transport, oil etc), through its subsidiary GRACE PETROLEUM CORP, has formed another subsidiary in Rome, SIVAL-SOC IDRO-CARBURI VAL LATINA SpA (director Mr. Plummer). The latter, using Rocca S. Cassiano permits, is to do prospecting work in the provinces of Forli, Ravenna and Florence (48,927 hectares): under Bagno di Romagna permits it will do similar work in Forli and Arezzo (35,030 hectares).

In 1965 the American group made over to AMERICAN PETROFINA its controlling interest in COSDEN OIL & CHEMICAL CO (see No 366), in exchange for which it acquired a minority shareholding in the former, which is a subsidiary of the Brussels PETROFINA SA group. It is further linked (24.5%) with SINCLAIR OIL CO and STANDARD OIL CO OF NEW JERSEY, for the exploitation of drilling permits for Libya, which in 1965 gave them a yield of 95,000 barrels a day.

PAPER & PACKAGING

** J.A. SCHMALBACH AG, Braunschweig (see No 292) has gained complete control of NIEDERSAECHISCHE KUNSTOFF GmbH, Celle. The latter (270 employees) specialises in moulded plastic products, and until now was managed by Herren John Busch and Joachim Cornehl.

Schmalbach had a 1965 turnover of DM 445 million and employs 10,400 people in its five factories (Berlin, Hanover, Hassloch, Lübeck and Velbert). Its main shareholders apart from the Schmalbach family (43.3%) are CONTINENTAL CAN CO INC, New York (30% - see No 349) and GUENTHER WAGNER HANNOVER PELIKAN-WERKE KG, Hanover (10% - see No 374). It is an important licensee of ALUMINIUM CO OF AMERICA-ALCOA, Pittsburgh (see No 372) and has interests in J.A. SCHMALBACH GmbH, Vienna, EUROPEMBALLAGE SA, Paris and STE BELGE D'EMBALLAGES METALLIQUES INDUSTRIELS-SOBEMI SA (see No 343).

PHARMACEUTICALS

** JOBA NV, Amsterdam (base chemicals and pharmaceuticals) has formed a sales subsidiary in Jerusalem, JOBA ISRAEL LTD, which will distribute the following products in Israel: caffeine, alkaloids, antibiotics, strychnine, insecticides, pesticides, barbiturates, hormones and their derivates, bismuth etc.

PLASTICS

** BADISCHE ANILIN- & SODA FABRIK, Ludwigshafen (see No 375) and OESTERREICHISCHE STICKSTOFFWERKE AG, Linz (see No 369) are to form DANUBIA OLEFIN-WERKE to build and run a high pressure polyethylene factory with an annual capacity of 50,000 tons. The new firm will be a 50-50 joint subsidiary, and the factory will be at Schwechat, Vienna: the initial investment required will be in the region of DM 230 million, and it is hoped that production will commence in the first quarter of 1969.

** ALBIS PLASTIC GmbH, Hamburg (preparing and trading in thermoplastic resins) has formed a wholly-owned Paris subsidiary, ALBIS PLASTIC FRANCE Sarl (capital Ff 100,000), under the management of M. Roger Korenblitt. The German company, which is managed by Herr Reinhard Krahn, employs about 100 people, and has agencies in Düsseldorf, Frankfurt, Hanover, Munich and Stuttgart: its annual turnover is just short of DM 2 million.

** STE ANVERSOISE DE GOUDRONS & ASPHALTES NV, Antwerp (all types of tar-based and water-proof products, jute, cardboard, glass-fibre) has formed with its subsidiary ANTWERPSE TANKOPSLAG NV, Antwerp a new company RESIPLAST NV (capital Bf 3 million) responsible for all operations connected with the industrial applications of tar-based and plastic products for insulation and corrosion prevention.

** The second French producer of asbestos cement materials, (behind the ETERNIT group - see No 359), EVERITUBE SA, Paris (see No 274) is negotiating the takeover of the reinforced polyester panels manufacturer ETS GLACICA SA, La Haye-Descartes, Indre-et-Loire (capital Ff 900,000). Both concerns belong to the CIE DE PONT-A-MOUSSON SA group, Nancy (see No 362).

In October 1965, Everitube began operating a factory near La Haye-Descartes, and it will soon start to operate another at Andancette in the Drome. Its capital of Ff 35 million is controlled by SAPE-SA DE PARTICIPATIONS & D'ETUDES (formerly UNION BANCAIRE & INDUSTRIELLE - see No 364) and by L'INDUSTRIE LORRAINE SA, Nancy. It has numerous foreign affiliates and licensees: ORANIT, Algeria, IBERIT, Spain, IRANIT, Iran, MEXALIT, Mexico, CANALIT, Venezuela, TUBOS BRASILIT, Brazil, MONOFORT, Argentina. In France it has a 20.3% interest in STE MINIERE DE L'AMIANTE SA, Paris (a 60% interest of Eternit) which is virtually the only French producer of asbestos in its factory at Canari, Corsica.

** MONSANTO CO, St Louis, Missouri (see No 307), SOLVAY & CIE Scs, Brussels (see No 375) and FARBWERKE HOECHST AG, Frankfurt (see No 375) will be indirectly involved in a new polyvinyl chloride plant in Spain. A new company has been formed for the purpose in Barcelona: VINILO SA. The main shareholders (80% of the starting capital) are HISPAVIC INDUSTRIAL SA, Torrelavega, Santander and ETINO-QUIMICA SA, Monzon, Huesca.

Hispanic specialises in vinyl resins. It has a capital of Pts 8 million shared between Solvay (74.5%) and SA CROS, Barcelona (see No 300). Hoechst is a minority share in SA Cros and is associated with it in ELECTROQUIMICA DE FLIX SA, Barcelona. Etino-Quimica is a subsidiary of AISCONDEL SA, Barcelona (factory at Sardanola) in which Monsanto bought 50% three years ago.

RUBBER

** PIRELLI SpA, Milan (see No 374) is to consolidate its departments on its Belgian sales and manufacturing subsidiary PIRELLI S.A.C.I.C., Anderlecht, Brussels (president M. Louis Van Hege) and double its capital to Bf 200 million.

TEXTILES

** The Paris SAINT-FRERES SA group (see No 367) is intending to strengthen its links with COMPTOIR LINIER SA, Paris (see No 346) by making a public offer for a 39.3% share in the latter's capital of Ff 7 million. This is the first such bid under the new rules of the Paris Bourse.

The two companies share directors (MM. Daniel Saint and Roger Kruer, who are respectively assistant managing director and secretary of Saint-Freres, are also directors of Comptoir Linier) and have common interests in numerous textiles concerns, especially in jute spinning and weaving: INTERJUTE Sarl, Paris (see No 346), CITEP-CIE INDUSTRIELLE DES TEXTILES & EMBALLAGES PLASTIQUES SA, Paris (see No 291), STE FRANCO-CHERIFIENNE POUR LE COMMERCE & LES TEXTILES SA, Casablanca, UNION TUNISIENNE D'EMBALLAGES & DE CONDITIONNEMENT SA, Tunis. Comptoir Linier is associated with several French and foreign companies through joint subsidiaries: ORMYLES SA, Paris (with PRODUITS CHIMIQUES PECHINEY--SAINT-GOBAIN), CILSOR SA, Paris (with ELECTRIC PARTS CORP., Georgetown, Kentucky - see No 266) TRIFELT SA, Tele, Ghent (with ETABLISSEMENT RUNTON, Vaduz, Liechtenstein - a member of the OILFIELD LTD group, London). Abroad it has interests in IBENSA SA, Bilbao and CIE CHERIFIENNE DES TEXTILES SA, Casablanca (65%).

Saint-Freres had a 1965 turnover of Ff 245 million and it has extensive foreign interests. Four wholly-owned subsidiaries; SAINT-FRERES BELGIQUE SA, SAINT-FRERES LTD, London, SACTAL-STE D'ASSISTANCE TECHNIQUE & COMMERCIALE SA, Geneva and SAINT-FRERES OCEAN INDIEN SA, Tananarive, Madagascar. It has a 44.9% shareholding in CIE TEXTILE DO L'OUEST AFRICAIN SA, Dakar, Senegal and a 50% shareholding in SOFITIS-STE DE FILATURE & DE TISSAGE SA, Abidjan, Ivory Coast. Its most recent move in France was the acquisition in March 1966 of about 15% of the capital (Ff 30.9 million) belonging to PRENATAL SA, Seine-St-Denis (see No 349) which specialises in ready-made women's clothes, baby clothes, toiletries, etc.

** The New York underwear and clothing concern MANHATTAN SHIRT CO (see No 289) has granted a licence for producing its making-up fabrics for the Benelux market to the Dutch group CONFECTIEBEDRIJF TRENCO NV, Breda.

Trenco (which is controlled by the van der Wal family) comprises the Breda investment company BELEGGINGSMIJ BISON NV and the sporting textiles firm NV TRENCO SPORTKLEDINGINDUSTRIE NV. The group has sales subsidiaries in Belgium (TRENCO NV, Brussels, which controls the property company VALORE NV, Etterbeek) and West Germany, TRENCO GmbH, Düsseldorf. For its part, Manhattan Shirt has thirteen factories, whose exports cover the world: in 1960 it formed a sales subsidiary in Brussels, MANHATTAN SHIRT CO OF BELGIUM. The latter was bought up by ANC ETS GUSTAVE MEUNIER SA, Renaix, and it then became MANHATTAN SHIRT CO OF BENELUX SA, Renaix: at the beginning of 1965 this was given a Paris subsidiary MANHATTAN SHIRT CO OF FRANCE Sarl.

** A merger has taken place between two Italian family firms LANIFICIO FILIPPO GIORDANO SpA, Turin (Fracassi family: capital Lire 407 million) and LANIFICIO DI SOMMA SpA, Milan - directed from Somma Lombardo (Westerts family) - which has a capital of Lire 900 million. The former firm will take over the latter thus forming a new production centre for fine linen.

Di Somma specialises in woollen fabrics and blankets and it recently joined up with SCOTLAND-SOC COMMERCIO TESSUTI LANIERIE DRAPPERIE SpA, Milan for sales of its "Open Air" fabrics.

TRANSPORT

** The Luxembourg holding company SOFER SA (see No 365) has subscribed the whole of the Bf 11 million increase in capital of TERRE (BENELUX ITALIA) SA, Brussels (formerly TERRE TRANS EUROPE RAIL ROUTE EXPRESS-BENELUX ITALIA - see No 353). The latter was formed some months ago by CIE LAMBERT POUR L'INDUSTRIE & LA FINANCE SA, Brussels (see No 375), to organise rail-road freight container convoy services.

Sofer was formed last May by Cie Lambert in association with BANQUE EUROPEENNE DE LUXEMBOURG SA (which is a member of the same group). Cie Lambert was also behind the formation of the transport, container and rolling-stock concerns RENT-A-VAN (BELGIUM) SA and STRICK EUROPE SA, formed last April in Brussels (see No 357). Strick Europe is directed by Mr S. Katz, Fairless Hill, Pennsylvania, who was formerly the head of the STRICK TRAILERS CO division of the Detroit FRUEHAUF CORP, which the latter was compelled to give up at the beginning of this year (Fruehauf appealed to the Chicago courts against The Federal Trade Commission's decision that it should also sell up its Fort Worth, Texas division, HOBBS MANUFACTURING CO.).

** The New York shipping agency, MOORE-McCORMACK has formed a Belgian subsidiary MOORE-McCORMACK BELGIQUE SA, St-Gilles-Bruxelles (capital Bf 250,000). A few months ago it organised for MOORE-McCORMACK LINES a regular container freight service between the East Coast of the USA and a number of European ports: Antwerp, Rotterdam, Oslo, Gothenburg, Copenhagen.

Moore-McCormack already has six container ships and last February it ordered another four ($15 million each) due to go into service during 1968.

** The Dutch transport firm L. VAN NAMEN INTERNATIONAL TRANSPORT, Zwijndrecht has formed TRANSPORTS INTERNATIONAUX VAN NAMEN FRANCE Sarl (capital Ff 10,000, manager Mr. A. van Melle) at Chalette-sur-Loing, Loiret, France.

VARIOUS

** Sigs. Edoardo, Pier and Paulo Boffi, of Milan, all of whom head BOFFI ARREDAMENTO Srl, Milan (furniture units and kitchen equipment) share equally the capital of Ff 12,000 of the newly formed BOFFI FRANCE Sarl, Courbevoie, Hauts-de-Seine. With Mme Francoise Sarfati as manager it has opened a Paris sales stores and will sell furnishings and kitchen equipment for private houses and institutions.

** The Italian marble concern E.N.I.-DI EGANGHELOS TSINGHIRIDIS, Marina de Carrara has formed a West German sales subsidiary ELIT NATURSTERIN VERKAUFS GmbH, Ludwigshafen (capital DM 20,000) and the manager is M. E. Tsinghiridis.

** M. Andre Viton of Paris is the director of TOVAR BELGIQUE SA recently formed in Brussels - simultaneously with TOVAR TRESSES-GREAT BRITAIN LTD, London (capital £15,000) - by the PHILLIPS-RYAN group (see No 372) to design, make and sell chignons, hair pieces, wigs, etc. The new firm, of which Mr. Verstuyft is managing director, has a capital of Bf 500,000 mainly shared by Mr. Donald W. Phillips of Monte Carlo and Mr. D. Hillsdon Ryan of Cologny, Geneva.

Mr. Ryan's interests all come under the Luxembourg holding company PHILLIPS RYAN INTERNATIONAL SA in which KREDIETBANK NV, Antwerp recently bought a shareholding through INVESTCO NV, Antwerp. The group was already represented in Belgium by two subsidiaries with the same head office in Brussels: MISTER MINIT SERVICES SA and IMS-INDUSTRIAL & MERCHANDISING SERVICES SA.

** CASE & CO INC, New York - headed by Messrs H. Keener and A. Bergfeld both of Stamford, Connecticut - which specialises in scientific management and labour organisation in firms and private and public institutions, has signed a 50-50 agreement with the Belgian firm CEGOS-BENELUX SA, St-Josse-ten-Noode, Brussels (see No 350) to form CASE-CEGOS CONSEILS DE DIRECTION D'ENTREPRISES INDUSTRIELLES SA (capital Bf 100,000) on the CEGOS premises.

The Belgian partner, formerly S.O.E. CEGOS SA (capital Bf 700,000) is owned jointly by CEGOS-COMMISSION GENERALE D'ORGANISATION SCIENTIFIQUE, Neuilly sur Seine and two other French companies: IDET SA, Neuilly sur Seine and AUROC SA, Paris.

** STE GENERALE DE LITERIE & DE MECANIQUE Sarl, Paris (capital Ff 450,000 - see No 288) has changed its Milan sales agency formed in 1964 into a subsidiary under its own name (manager M. G. Finessi). Ste Generale de Literie is a member of the French TRECA group (controlled by the Moritz family - see No 293) and specialises in chairs, spring-mattresses and bedding.

INDEX OF MAIN COMPANIES NAMED

Monopole S.A.E.	K
Monsanto	P
Moore-McCormack	Q
Morphy-Richards	H
Motobecane, Ateliers	J
Niedersächische Kunstoff	N
Oesterreichische Stickstoffwerke	O
Ogem	K
Pechiney-Saint-Gobain	E, I, J
Phillips Ryan	R
Pirelli	P
Pont-a-Mousson	O
Procem	E
Progress Verkauf	H
Promecam	K
Rade Koncar	H
Raffinerie Tirlemontoise	L
Recherche du Petrole	K
Redland Holdings	E
Renault	D
Ricard	M
Righetti & File	F
Rousselot	E
Saint Freres	P
Sasea, Milan	F
Satef de Mario Castagnaro	F
Schmalbach, J. A.	N
Siemens Europa Finanz	L
Sisson-Lehmann	K
SKF	I
Sofer, Luxembourg	Q
Solvay	P
South Wales Switchgear	G
Sucrerie de Bohain	M
Terre (Benelux Italia)	Q
Tovar	R
Transmaritime d'Investissements	J
Treca	R
Trefimetaux	I
Trenco, Confectiebedrijf	Q
Ugine	J
Union Export	M
Union Rijwielenfabriek	J
Union Siderurgique	E
Van Mal & Rump	K
Van Namen Transport	R
Van Rees, Burcksen & Cosman's	M
Warburg, S. G., London	J
Wolter & Dros	K