Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

CONTENTS

March 3, 1966. No. 346

COMMENT
A Letter from Paris

ANTI-TRUST POLICIES II

The European Economic Community has not yet defined its policy towards associations of firms and their effect on free competition. Article 86 of the Rome Treaty has not yet been interpreted either administratively or judicially (see Nos 337 & 338). This is not altogether surprising, because until internal tariff barriers have been completely demolished the large industrial and trading companies can scarcely adapt to a future situation; that situation may appear to be inevitable, but it is by no means known in every particular. Besides, it shows a certain prudence and foresight not to anticipate the coming customs unions so as to be the first to benefit from the new market conditions. To embark prematurely on new arrangements would run the risk of leaving out of account some important and so far unpredictable factors. Hesitation is therefore quite understandable, because as far as anybody can tell at present economic union is most unlikely to be achieved as early as customs union; until it catches up there is no telling to what market conditions firms in the Six countries will need to adapt their businesses.

Taking the aluminium market as an example, there is a "dominant position" in three of the six countries, but they do not appear to have given rise to abuses nor to have aroused their own governments to action. In France Pechiney controls 80% of the market, in Germany Vereinigte Aluminiumwerke controls 77%, and in Italy Montecatini 55% (a further 30% is held by SAVA, a company controlled by Alusuisse, which is linked with Montecatini). In the Common Market viewed as a whole Pechiney will only hold 38%, Vereinigte Aluminiumwerke 26% and Montecatini (including SAVA) 16%; none of these companies will therefore be anywhere near a "dominant position" in the Common Market as a whole.

Imagine, however, that after customs union Pechiney merges with Vereinigte Aluminiumwerke, so that the new combine has about 64% of the aluminium market: at first sight it would be the duty of the authorities in Brussels to take note of the extent of this control (assuming, as is probable,that meanwhile article 86 of the Rome Treaty will have been interpreted so as to embrace "dominant situations", along with the presumption that these may be abused). If, after the Kennedy Round tariff negotiations at GATT had been concluded, and if the Common External Tariff on aluminium had become too small to protect the Common Market from large imports of American and Canadian aluminium, no doubt a more permissive official attitude would be taken towards internal mergers; such a trend would be strengthened if meanwhile, by way of hypothetical example, Alcan of Canada had formed an alliance with Montecatini so that to the latter's modest 16% of the market would be added a great volume of Canadian aluminium (Alcan's production in 1964 amounted to 670,000 tons, or slightly more than the Common Market's entire production of 650,000 tons). Faced with such large imports from across the Atlantic a combine consisting of Pechiney and Vereinigte Aluminiumwerke would look much less alarming: Brussels might even take the view that it looked very healthy and desirable.

Direct mail (selling a large variety of goods by catalogue) is a growing business in which the second largest German firm, Neckermann of Frankfurt, recently sought to establish itself in France. This unsuccessful attempt was not intended to merge the German firm with a French opposite number, pooling their resources, which might have been regarded as foreshadowing the type of merger which will probably take place within the complated Common Market; it was a straightforward attempt to take a shareholding, if possible a majority one, in one of the leading French firms. Although Neckermann's turnover is only a quarter that of the largest German direct mail firm, Quelle (about 8% of the Common Market's 1964 total, compared with 35%) it is still twice as large as that of the biggest French firm, La Redoute de Roubaix (about 4%). Even if Neckermann had succeeded, either by taking a large shareholding in a French firm or by merging with one,in building up a Franco-German group, the combined percentage thus obtained (12% of the Common Market total in the case of La Redoute, or 11% in the case of the second largest firm, Trois Suisses de Roubaix) the figure would still have been well below the limits of the "abuse area", assuming a wider interpretation of article 86. At present Quelle (35% of the Common Market) is planning to set up its own subsidiary in France and if the parent company's supply arrangements and selling know-how enable it to reach the same turnover as the two biggest French firms put together, so that in France and Germany it achieved 40% of the Common Market as a whole, it would still not have achieved, a "dominant position", giving power to restrict competition, although perhaps it would not be very far off.

Selling on catalogue is still in its early days in France (1964 turnover equalled \$300 million, compared with \$1,000 million in West Germany and \$1,400 million in Britain, which is as much as the total for the whole of the Common Market) so it may be expected to grow more rapidly than elsewhere. If the turnover in France doubles in the next three or four years, while that of the rest of the Common Market only rises by 10%, France's share (now 21%) would rise to 33%. In 1964 La Redoute accounted for 19% of French turnover and Trois Suisses 13%. Hypothetically again, their two totals combined with the French subsidiary of Quelle might rise in the year in question to 60% of the French total,or say \$300 million; the German firm might succeed in combining with its two leading French competitors, giving a total trade of \$910 million in France and Germany put together, which would be rather more than 50% of the Common Market total (in the meantime this would have risen to \$1,800 million, according to the above calculation).

Such a high proportion of the market as 60% would of course be contrary to anti-trust doctrine, at any rate according to American practice, but it would be quite a different kettle of fish if Sears, Roebuck & Co, Chicago (1965 turnover \$6,900 million) arrived on the European scene. A subsidiary of this, the largest American direct mail firm, with the full backing of its parent company, would in time represent such a great countervailing power ranged against the (hypothetical) largest European combine, that the Common Market authorities would surely hesitate to apply the full rigour of regulations whose main purpose is, after all, to safeguard competition.

It is uncertain whether, when Europe is fully unified, it will suit mail order houses whose central offices are in other member countries, will be as well placed as local firms to serve a particular country - in this case, France. If they are, the doubts mentioned in the previous paragraph will be justified and there is every likelihood that the Single Commission in Brussels will prevent the combine. It might be, however, that because of local habits or languages, or because long distance transport takes time, mail order firms in the Common Market country itself will have an advantage and Sears, Roebuck, the American firm entering Europe, might set up in Germany for a start. In such circumstances 60% of the French market may be regarded as giving a "dominant position" at first sight, and may require Community or national action in order to safeguard competition.

Article 86 of the Rome Treaty lays down that:-

> "to the extent to which trade between any member states may be affected thereby, action by one or more enterprises to take improper advantage of a dominant position within the Common Market or within a substantial part of it shall be deemed to be incompatible with the Common Market and shall hereby be prohibited".

Regarding a particular territory by itself is therefore quite possible, and has been done in America; it could continue on the basis that the old national frontiers continued to indicate a sub-market within the larger market for the industry concerned. It still remains to be decided whether or not such a "dominant position" leads to abuses, within the meaning of article 86, but that is quite a different question. Nor is it known what policy the Community's authorities will adopt if the ill-effects of abusing a "dominant position" are only felt in the territory of one Member-State. If the letter of article 86 is applied, "to the extent to which trade between any Member States may be affected thereby" Brussels will have no call to intervene directly, but the national authorities will be impelled by the Community's practice to forbid such abuses; except in Germany, these abuses have until now been tackled lukewarmly under national regulations. In the special case of direct mail selling, a decision will have to be taken how far this trade should be regarded as separate for competitive purposes; the alternative would be to consider the whole of retail trade as a single large market in which two techniques (direct mail and point of sale) give each other enough competition to enable one of them to be considered sufficiently countervailed by strong rivalry from the other. (In the USA, according to authoritative sources, the hypothetical merger of two large mail order houses like Sears Roebuck and Montgomery Ward would be a clear case of monopolization. The question whether the mail order market should be considered as a separate market from the retail market for this purpose has not yet arisen).

The circumstances postulated in the case of Sears Roebuck and the mail order business might also arise in some industries where the Americans have a strong foothold in Europe. American anti-trust legislation only applies in USA itself, so a merger of General Motors, Ford and Chrysler is a legal impossibility there, but after all the Common Market customs barriers have been demolished there will be nothing to stop these three great companies starting up a gigantic joint subsidiary company, able to call on the enormous financial and technical resources of its parent companies. In no time at all such a new firm would take the lead in Europe, especially if the Common Market at that time included Britain, where American subsidiaries in the automobile industry are very powerful, just as they are in West Germany. At that point the Brussels Commission would be unable to oppose a merger, say, of Volkswagen and Fiat with Renault, Citroen or Peugeot, even if such an amalgamation led to a "dominant position" within the meaning of the Rome Treaty. It was, after all, in order to combat Kodak's "dominant position" in the European photographic business that the first really European merger was made - the one between Agfa and Gevaert. (see No 261)

Many other instances in various trades and industries could be found to demonstrate that it is facts rather than figures which should decide the Community's anti-trust practice, or rather the figures would enable different conclusions to be drawn for each sector according to the statistical facts. The Commission in Brussels is moving slowly and cautiously, so as to allow the rules to be compiled progressively and pragmatically. This is the only way of escaping from the vicious circle which was set up by the Common Market's method of creation; economic union is not be achieved by applying theories alone, but must take the whole gamut of human activity into account. There is danger therefore in trying to work out the rules too precisely before the union comes into existence. No doubt that is why the authors of the Rome Treaty confined themselves to writing into it (both for article 86 and many others) simply the basic principles, which may be interpreted according to the facts and circumstances at the relative time.

THE WEEK IN THE COMMUNITY
February 21-27, 1966
From Our Correspondents in Brussels

A Policy for Oil and Natural Gas

The Common Market Commission has just sent a preliminary note to the Council of Ministers on the Community's policy for oil and natural gas. This is an interim report and does not prejudice the Common Energy Policy which has been "in irons" for some time. However, until the Common Energy Policy is finally drafted and enforced The President of the Commission, Professor Hallstein (or rather his vice-president M. Marjolin, who is in charge of the matter) considers that consumption trends make it essential to outline some kind of oil and natural gas policy.

The note illustrates this point with the following figures: "From 1961 to 1965 energy consumption rose from 488 million tons of coal equivalent to 623 million tons, average annual growth of 6.3%; but demand for coal itself fell from 240 million tons to 228 million tons, while demand for oil rose from 159 to 207 million equivalent tons of coal. In the case of natural gas, the recent important discoveries in the Netherlands and Germany and the prospects opened up in the North Sea Continental Shelf should mean that from 1970, production should cover 8 to 10% of the Community's energy needs, compared with 3% at present". The "profound change" in the energy market is shown by the following figures: "In 1950, coal represented 75% of power supplies in Common Market countries and oil 10%. In 1965, oil and in addition, natural gas, covered 49% of needs while coal fell to 38%; in 1975, oil and natural gas together could account for 60%, compared with only 24% for coal".

There are two other factors which make an oil policy desirable. First of all, there has been a steady rise in the price of coal produced in the Community while prices of imported coal have been relatively stable and those of crude oil and refined products have tended to fall. This trend has been accentuated by strong competition between the oil companies - not to mention supplies of low-price Soviet oil. Quantitatively, known deposits of oil throughout the world are more than sufficient to meet demand, even at a rapid rate of expansion (known reserves and economically exploitable deposits are estimated at about 900,000 million tons, or 650 years of working at the present rate of production...).

Under a very loose agreement reached in 1964, the Six decided on a policy of guaranteeing supplies of power at reasonable prices and maintaining both price stability and a steady flow of supplies. Unless there is a reversal of the present trend, there is no doubt that oil can meet these conditions. However, the Commission feels that there should be a Common Market policy to ensure that realistic prices and continuity of supplies are maintained.

The Commission considers that Common Market enterprises have already contributed greatly towards supplying the market and keeping prices competitive.

It feels that they should be encouraged, so it intends to study arrangements in other countries for promoting oil prospecting, to examine the effects of policies so far followed towards Community petroleum companies and to find methods (either tax concessions or subsidies) which should ensure that the companies extend and coordinate their research. If necessary, subsidies could be provided to step up the consumption of Common Market oil, which would not be fully competitive with imported crude oil.

At the same time, (and this could be of particular interest to the companies operating in the North Sea) the Commission proposes to introduce consultation on national trade policies. These consultations would deal not only with imports from Eastern European countries, as at present, but with imports from other sources and with medium and long-term prospects. The main idea is to cope with the problem of guaranteeing supplies, which was one of the points covered in the 1964 agreement. This question is all the more urgent because the Community is becoming increasingly dependent on oil and imported oil at that. The policy is primarily intended to forearm the Common Market against temporary interruption of some supply-lines, due to political or economic crises in countries supplying oil.

Increased divers fication of sources of supply is one safe-guard against such a possibility. From this point of view the trend of Common Market imports is encouraging: supplies are becoming less and less dependent on just a few sources. Another way is to lay down sufficient stocks to deal with a short crisis (at the end of 1964 the Commission proposed that stocks should be increased to 65 days' supply). Now it has been suggested that this safety precaution should be supplemented by a permanent inventory of world oil supplies and readily available reserves of productive capacity. This inventory - which will also give a more exact picture of the size of stocks necessary - should be drawn up on the basis of data exchanged between the Six, consultation with the oil companies and permanent consultation with the governments of other consumer countries in similar positions to that of the Common Market, especially the United States and Britain.

The note also discusses another problem of general interest, namely the unification of the Community oil market. It expresses the opinion that at the end of the Market's transition period, it will be impossible to pursue national goals in this field and that instead common objectives will have to be laid down. This substitution is not without complications. National intervention is particularly frequent on matters relating to fuel oils. Free circulation of petroleum products and free competition is not just a question of removing customs duties: existing monopolies must also be adapted to the new market situation.

The French system of importing oil (see Comment, Nos 338 and 345) raises a special problem; it will have to be altered so as to comply with Article 37 of the Treaty (prohibition of monopolies). "The Commission wishes the French Government to advise which objectives it considers should take priority and to explain how it intends to reconcile them with the commitments into which it entered when it signed the Rome Treaty".

Similar but smaller scale questions will crop up with other countries, especially Germany and Italy. Other difficulties will be to make a reality of "freedom of establishment" and to prevent nationalistic discrimination, which can easily occur when prospecting permits and concessions for exploitations are being granted.

The Commission goes on to propose that the Six should co-ordinate their actions and adopt a common policy for transporting oil by pipe-lines, which is bound to have an important bearing on trade inside the Community. Recent discoveries ensure that natural gas will be a major item of trade between the Common Market members, and the Commission asks the Governments not to let situations develop which cannot be harmonized later on. It emphasizes the need for them to agree on pipe-line policy for natural gas, as well as oil.

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The Greeks Pile on the Pressure

While the Common Market crisis was still on, Greece desisted from any complaints that might jeopardise her relationship with the Six, but when it ended, the Greek government came out into the open once more. A detailed memorandum has been sent to the Council of Ministers, and the Greek offensive is now escalating. The last meeting of the Council of Association at ambassador level gave the Greek representative, Mr Tranos, an opportunity to make a sharp attack on his associates. He felt all the more free to do so since the meeting had failed to make any real progress on any of the points at issue. It is, however, quite possible that this violent outburst might now provide the necessary impetus to get things going. In fact a ministerial Council of Association is expected to be convened towards the end of March, and if it does not achieve some really positive result, the situation might well grow appreciably move tense.

Whilst a Common Market concession can be expected on one specific point (Greece's request for a further 10% reduction on tobacco duties), the general situation is rather more involved. The Greek government is, of course, justified in complaining about the Association's delay in implementing its common agricultural policies, which to the Greeks are essential to keep the balance in the Customs Union. On the other hand, the Common Market view is that any scheme to organize the tabacco market on a European scale is especially tricky if only because of the state monopolies which exist in several member countries. As for the other agricultural markets, the problem has been aggravated both by Greece's request to share in the European Agricultural Fund, and by the fact that the Six themselves have not yet agreed about the relevant finance regulation.

The problem could conceivably be solved by setting up a separate Agricultural Fund for Greece, in which the EEC would participate. Again, an attempt could be made to step up measures for financial aid to Greece, which are lagging sadly behind the expected timetable. This particular problem boils down to finding a way for the European Investment Bank, which is responsible for this aid, to apply less stringent tests to Greece's applications for loans than it does in its normal transactions. This concession might be granted in the case of E.I.B. loans which normally receive interest reductions, and of those for intrastructure purposes. For normal loans requested by private firms, however, a solution would be more difficult to find, because the Bank has been consistently strict in its terms when dealing with these.

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State Monopolies

The Common Market Commission has, for the time being at least, withdrawn from using general principles to solve the problem of state monopolies which, according to Article 37 of the Rome Treaty, must be dealt with before the end of the transitional period. The Commission has adopted the more practical expedient of handling them case by case, starting with minor monopolies, and postponing its decisions on the more important ones, such as tobacco,petrol and alcohol. This approach, moreover, is achieving a steady removal of barriers that will, in practice, completely eliminate the juridical aspect.

The Commission is preparing a series of recommendations to deal with monopolies in salt, cigarette paper, lighter flints and matches in Italy; in potash, gunpowders and explosives, and matches in France; and in matches in Germany.

* * *

A Green Light for Nigeria

With the resumption of talks between permanent representatives of all six member countries of the Common Market, M. Boegner (France) has abandoned all his government's reservations on an association agreement between the EEC and Nigeria. Technically, there remain only very secondary objections to the signing of the agreement, but in fact it seems possible that the present political situation in Lagos may delay this event.

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Errata

In No 345 on p 8 the words "France's entire grain exports were then to be taken" should have read "The cost of France's subsidies for grain exports was then to be taken over".

In No 345 p 9 all prices mentioned are per 100 kg, whether so described or not.

(there is no page 9 in this issue)

STUDIES AND TRENDS

THE EFFECTS OF THE ROME TREATY'S RULES GOVERNING COMPETITION ON NON-MEMBER COUNTRIES

by Peter Gloor
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II

A distinction must be made between agreements with selling agents and those with independent traders (see No 344, p).

(1) The Official Gazette of the European Communities, December 24, 1962, states that agreements authorizing agents, to do business for a firm, or for a firm and on their own account, within a clearly defined area of the Common Market, do not come under the ban contained in Art. 85 para 1. It is assumed that the partner described in the agreement as an agent, actually carries out the duties of an agent, and does not act as an independent trader. The main criterion used by the Commission to define the terms "agent" and "trader" is the way the agreement assigns the financial risks; except in the case of del credere business, an "agent" may be defined as the party who in no circumstances has to take the risk involved in selling.

The main reason why an exclusive sales agreement with an agent does not come under the ban is that it is not intended to hamper, restrict, or distort the free play of competition within the Common Market, nor has it this result. In selling, an agent simply plays an auxiliary role, and agreements with agents are therefore not subject to Community rules on cartels and restrictive practices.

(2) It is stipulated in the same issue of the Offical Gazette that agents shall be deemed traders and not agents in cases where (a) they own a large stock of the goods covered by the agreement; (b) they organise and maintain at their own expense a comprehensive free service connected with the said goods; (c) they fix the prices and other conditions applying to the transactions they have been instructed to conduct.

It is clear from various decisions reached by the Commission that it does not exempt from the ban of Article 85 para 1 exclusive sales agreements with traders.

The Commission considers that the exclusive sales clause incorporated in these agreements restricts competition, either by limiting supply (the manufacturer or seller gives an undertaking, in the case of a specific product, to deliver supplies exclusively to a single buyer) or by restricting demand (the buyer gives an undertaking to deal exclusively with one manufacturer or seller, in the case of a specific product). The extent to which such restrictions on competition may hamper free trade between Member States may, of course, vary from one case to another.

As regards the specific cases in which the Commission is prepared to remove the ban contained in Article 85, para 1, its ruling in the Grundig-Consten case (see No 272 p 13) is of the utmost importance, mainly because it is the first decision to be reached in this field. The agreement in question was between the German company Grundig-Verkaufs and the French firm Consten and the exclusive agency clause was accompanied by a further clause granting Consten complete territorial protection this clause made Consten the sole distributor in France for Grundig products, and Grundig had therefore prohibited all wholesalers in the other Common Market countries from exporting its products to France, with the result that French customers could buy the German firm's products only from Consten. When another firm importing the same line of goods attempted to compete with Consten, the latter brought a court action against the importer in order to protect its exclusive sales rights.

The Paris Court of Appeal decided to defer its judgement until the Common Market Commission had decided whether or not the agreement was valid. The Commission took the view that, in the form in which the agreement had been made, it infringed the provisions of Article 85, para 1, and that it was not possible to grant exemption under para. 3 because it impeded the economic freedom not only of the parties to the agreement, but also of other concerns, and also hampered free trade between the Member States. This decision was not aimed at exclusive agency agreements as such, but specifically at a clause granting absolute territorial protection.

This decision was supplemented by another (July 8, 1965 under Article 85, para. 3) to exempt an exclusive sales agreement not containing any clause giving absolute territorial protection. Under this agreement the Dutch company D.R.U. Diepenbrock & Reigers NV granted Ets. Blondel SA in France the exclusive right to sell D.R.U. products in France. Since neither Ets. Blondel nor any other purchaser of these products in any other Common Market country was in any way prevented from re-exporting the goods, so that parallel imports into France were therefore possible, the Commission considered that, while this agreement clearly restricted competition within the meaning of Art. 85, para 1, it nevertheless met the requirements for exemption laid down in Art. 85, para. 3. Blondel's exclusive sales rights did in fact serve to improve the distribution of D.R.U. products on the market and gave users an equitable share in the resulting profit, since it enabled them to obtain their supplies of these products more quickly and conveniently.

The result is that exclusive sales agreements which contain no clause granting absolute territorial protection may be authorized, as is confirmed in Council Regulation No. 19/65 of March 2, 1965, which authorizes the Commission to grant exemptions, not just in individual cases, but by regulation specifying classes of agreement, and applying to bilateral exclusive sales agreements whose restrictive clauses only apply to buying and selling. In other words, firms are entitled to supply certain products intended for re-sale in a specific area of the Common Market only to a single dealer, having exclusive selling rights; the dealer, on his side, undertakes to purchase the goods concerned only from his partner, but is not entitled to prohibit third parties from selling or re-selling in another Common

Market country the products purchased. In exclusive selling agreements with independent traders, the Commission therefore tends to prohibit clauses granting absolute territorial protection and to tolerate restrictive sales and purchasing clauses.

Exclusive selling agreements with firms in non-member countries which restrict competition in the Common Market are still subject, in principle to the rules on cartels and restrictive practices and can only be authorized by special request. Under the procedure introduced by the Commission in 1962, all agreements of this type should be notified to the Commission. It is unlikely that Swiss firms will have approached the foreign authorities, but it may be supposed that their partners in the member countries will have completed the necessary formalities.

If this were not the case, the Commission would inflict fines and cancel the clauses or possibly the entire agreements concerned. Measures of this type may have varying effects on relations between the parties to the agreement: in any event, it now seems unlikely that either of the parties will sue the other for damages, considering the period which has elapsed since the time when the regulations came into force (March 13, 1962) and the fact that no claims have been made up till now.

As has been mentioned earlier, Council Regulation No. 19/65 makes it possible for the Commission, besides authorizing agreements in response to individual requests, to exempt whole classes of agreements from the application of Art. 85, para.1. Exemptions of this type are granted mainly in the case of exclusive selling agreements fulfilling the conditions listed above, and therefore also likely to be authorized by the Commission when deciding whether or not to grant exemptions to individual firms.

The main article of Regulation 19/65 (Art. 1) states that:

> (1) Without prejudice to the application of Council Regulation No. 17, the Commission may issue a regulation, in accordance with Art. 84, para. 3, of the Treaty, to the effect that Article 85, para. 1, does not apply to classes of agreements involving only two enterprises
> (a) - whereby one enterprise undertakes to supply another exclusively with certain products, for re-sale in a specific area of the Common Market, or - whereby one enterprise undertakes to purchase certain products exclusively from another, for re-sale, or - whereby two enterprises, for the purpose of re-sale, make the exclusive supply and purchasing agreements referred to in the two earlier sub-paragraphs,
> (b) - which include restrictions regarding the acquisition or use of industrial property rights, including patents, designs and patterns or trade-marks - or the rights deriving from agreements involving the assignment or transfer of manufacturing processes or know-how relating to the use and application of industrial techniques.
>
> (2) The regulation includes a definition of the classes of agreement to which the regulation applies and gives details of:
> (a) - the restrictions or clauses which may not be included in the agreements;

(b) - the clauses which must be included in the agreements or the other conditions which must be fulfilled.

(3) Paragraph 1 and paragraph 2 apply by analogy to classes of concerted practices involving only two firms.

So a first step has been taken in the direction conceived by the Commission as early as 1962. However, as Italy was opposed to this Council Regulation, the dates when the implementing regulations will be published and when the decision to exempt certain classes of agreement will actually be taken, remain uncertain. It is true that the acknowledged fact that the Directorate for Cartels, which is the department responsible for such matters, has difficulty in coping with the enormous number of applications for exemptions, would seem to favour this solution. The utmost will therefore probably be done in Brussels to put these measures into effect more rapidly - which is the only way of lightening the burden.

From the time when this Regulation comes into force, the provisions it contains will apply to all present and future agreements coming into the category described above. The registration procedure referred to in Council Regulation No. 17 of February 6, 1962 will continue to apply, however, for the purpose of making present and future situations retroactive, although, as far as ordinary agreements and contracts are concerned, retroactivity matters little. At all events, the procedure of exempting certain classes of agreement will clarify matters - which will be appreciated even by firms which, although they are established outside the Common Market, are concerned with the movement of goods within it.

forms ALUMINIUM CONTAINERS, Brussels (aluminium products) 50-50 with UNION FINANCIERE D'ANVERS, Antwerp. Canada: PENARROYA, Paris (DE ROTHSCHILD FRERES group) forms Canadian research subsidiary. France: The French mining equipment makers VENOT buys assets of PIC, Fontainebleau, Seine et Marne and changes its name to VENOT-PIC. Germany: METALLGES, Frankfurt and a subsidiary form 50-50 company LEICHMETAL, Frankfurt. Netherlands: HELDERS-VAN DE WALL, Arnhem takes over another metal firm in Rotterdam HANDEL-MIJ ZWIJSEN. The German company STOLBERGER ZINK and the Dutch one BILLITON join 50-50 in BILLITON-STOLBERG, Arnhem.

J FINANCE

Belgium: The Belgian group EMPAIN buys 20% in ELECTRORAIL, Brussels from D'OUTREMER POUR L'INDUSTRIE, Brussels. France: CICA, Paris joins RAVEAU-CARTIER, Paris in CICA FRANCE. Germany: RHEINISCHE GIROZENTRALE, Düsseldorf and LANDESBANK FUER WESTFALEN, Munster join 50-50 in KOMMUNALE ANLAGEN (to finance communal equipment etc). Greece: SLAVENBURG'S, Rotterdam takes share in FIDESBANK, Athens (merchant-bankers). Luxembourg: The finance and mining group ANGLO AMERICAN CORP OF SOUTH AFRICA, Johannesburg forms Luxembourg investment company. THYSSEN, Duisborg-Hamborn (steel) forms Luxembourg finance company THYSSEN INVESTMENT SA. Netherlands: The Rotterdam holding company BANKIERSCOMPAGNIE increases its capital on entry of new shareholder.

L FOOD & DRINK

Germany: The American deep-frozen foods company OMAHA FOODS forms German sales subsidiary. BUR VERTRIEBSGES is a new Cologne company selling French sparkling wines under M. R. Charmat, Paris (manager). Italy: BISCUITERIES ALSACIENNE, Maisons Alfort, Seine forms Naples subsidiary for its Milan central Italian sales organization. GOLDSCHMIDT ITALIANA, Milan is 50% subsidiary of the import-export group J.A. GOLDSCHMIDT, Paris. Netherlands: The Dutch company T. DUYVIS takes over WILCO CONSERVEN, Assen (preserving of fresh and dried vegetables etc). France: USINOR, Paris seeks to open joint subsidiary with FORGES DE STRASBOURG, Paris.

M IRON & STEEL

Italy: CONSORZIO ITALIANO is formed by seven IRI steel companies to supervise building of steel-plant for SOGESA, Peru. The Venezuelan company CVG SIDERURGICA opens Milan branch.

N OIL, GAS & PETRO-CHEMICALS

Arabia: GENERALE DE GEOPHYSIQUE, Paris seeks to form Arabian surveying company with PETROMIN, Saudi Arabia. Germany: Eighteen German oil-distributors form AG FUER ERDOELPRODUKTE, Hamburg. Netherlands: Seven Dutch harbour-building and dredging firms form NETHERLANDS OFF-SHORE CO, The Hague to cooperate with the American SOUTH EASTERN DRILLING INC (oil-prospecting).

O PAPER & PACKAGING

Belgium: The American group NASHUA buys share of MANETI, Belgium in COMMERCIALE DES ETIQUETTES, Brussels. France: The Belgian paper and card mill BIERMANS forms French subsidiary. The American paper and machine firm DENNISON MFG and its subsidiary form 50-50 Paris subsidiary.

P RUBBER

Belgium: The German drive-belt makers EMIL ARNTZ form Brussels sales subsidiaries.

P SHIP-BUILDING

France: CHANTIERS NAVALS DE LA CIOTAT, Paris (INTRA BANK group) buys ship-yards at Le Trait, Seine from CHANTIERS DE LA SEINE MARITIME, Paris (WORMS group).

P TEXTILES

Belgium: The French company DALAMI has 47.5% in FIBROPLAST, Brussels (textile-waste). France: SAINT FRERES, COMPTOIR LINIER, WEILL and CARMICHAEL join in research company INTERJUTE. Italy: SNIA VISCOSA, Milan (artificial fibres etc) strengthens its links with ALLIED CHEMICAL, New York. BALZARETTI MODIGLIANI, Milan forms 90% Milan sales subsidiary (artificial and synthetic fibres etc). Luxembourg: ORIENTAL MANUFACTURING, Monaco (carpets) forms Luxembourg investment company. Netherlands: TEXTIEL UNIE, Enschede gains control of the textile firm HARDICK, Enschede. The German textile group GOTZ takes full control of the Dutch firm H. ECKMANN (corsetry). Tanzania: RUBBER CULTUURMIJ, Amsterdam and LANKHORST, Sneek (ropes) form joint Tanzanian manufacturing subsidiary.

S VARIOUS

France: The French glass firm SOUCHON NEUVESEL, Lyons is taken over by GLACES DE BOUSSOIS, Paris. Italy: The American bottling company CROWN CORK gains control of the Italian firm FAIB. Netherlands: FIGUREFORM NV, Rotterdam is formed by British interests to set up and run beauty-salons etc.

ADVERTISING

** CPV - COLMAN, PRENTIS & VARLEY, the London advertising agency (see No 311) has expaned in the Netherlands by forming a new subsidiary in Amsterdam, CPV NEDERLAND NV (to be managed by M. Ph.T.Noordervliet Jr). It will be handling, amongst others, the advertising accounts of DU PONT DE NEMOURS, UNIROYAL-ENGELBERT and EAUX MINERALES DU BASSIN DE VICHY.

CPV is linked with the New York agency KENYON & ECKHARDT INC both through cross-holdings and by an agreement. Significant amongst its existing continental interests are CPV BENELUX Sprl, St-Gilles, Brussels; DEUTSCHE CPV AG, Frankfurt; CPV INTERNATIONAL SA, Lausanne; CPV ITALIANA SpA, Milan, and CPV PROMOS SA, Paris. The latter holds 50% of the capital of CONSORTIUM DE TECHNIQUES PUBLICITAIRES SA, Paris. CPV also has correspondents and agents in Austria, Denmark, Finland, Norway, Spain, Sweden and Turkey etc.

AIRCRAFT & SPACE

** NV KON NED VLIEGTUIGENFABRIEK FOKKER, Amsterdam (associate of NORTHROP CORP, Beverly Hills, California; see No 332) is negotiating to buy back the shares which SABCA-STE BELGE DE CONSTRUCTIONS AERONAUTIQUES SA, Brussels (see No 344) holds in AEROBEL-CIE GENERALE BELGE D AERONAUTIQUE SA, Brussels (see No 329). This move follows Fokker's continuing attempts to integrate SABCA'S industrial activities with its own development programme.

Aerobel, which sells aeroplane equipment, has a capital of Bf 15 millions, which SABCA shares with CEGEAC-SA, a member of the CCCI group - CIE DU CONGO POUR LE COMMERCE & L'INDUSTRIE (see No 293).

AUTOMOBILES

** SIMCA INDUSTRIES recently transferred a 93% share in SMA-STE DE METALLURGIE AUTOMOBILE SA, Paris, to STE DES AUTOMOBILES SIMCA SA, in exchange for 10% of its own shares. SMA was formed in December 1965 by Simca Industries, with a capital of Ff 75 millions (see No 335) to take charge of its "Foundries & Smelting" Department which in 1964 had a turnover of Ff 162 millions in its factories at: Bondy, Seine-Saint-Denis; Sept-Fons, Allier; Vieux Conde, Nord and Sully-sur-Loire, Loiret.

Since the SIMCA group as such was divided in 1960 between SIMCA AUTOMOBILES SA and SIMCA INDUSTRIES SA, its activities have tended to regroup around Ste des Automobiles Simca, which accounts for this latest move. The latter was formed in Paris, December 1965, (capital being increased to Ff465,650,000) taking over all the industrial activities of the original group, together with its 22 sales subsidiaries.

Simca Automobiles is 68.9% owned by CHRYSLER CORP, Detroit. Simca Industries retains 6.7% in SMA and various real estate interests as well as its commercial vehicle divisions: "UNIC" lorries at Puteaux and Suresnes, Hauts-de-Seine, and "SOMECA" tractors and agricultural appliances at Bourbon Lancy, Saone et Loire. It is owned by the FIAT and CHRYSLER groups, 32% and 25% respectively, and its almost wholly-owned subsidiary CAVIA-CREDIT POUR L ACHAT DE VEHICULES AUTOMOBILES SA, Neuilly, has amalgamated with SOVAC-CREDIT MOBILIER ET INDUSTRIEL SA, Paris (see No 335).

** RNUR-REGIE NATIONALE DES USINES RENAULT SA, Boulogne, Billancourt (see No 345) has formed a new company in Peru, IAPSA-INDUSTRIA AUTOMOTRIZ SA, which is to assemble anything up to 3,000 Rambler, Renault and Peugeot vehicles a year.

RNUR is making the venture 50-50 with AMERICAN MOTORS CORP, Detroit, for which it has been assembling Rambler cars for several years. The other two makes are included as the result of the recent contract signed in France by Renault and STE INDUSTRIELLE & COMMERCIALE PEUGEOT, Bart, Doubs, (formerly INDENOR-STE INDUSTRIELLE DE L'EST & DU NORD SA; see No 327). The products of the new company are to be marketed by Peugeot's concessionary company in Peru.

BUILDING & CIVIL ENGINEERING

** BRUYNZEEL DEURENFABRIEK NV, Zaandam, the Dutch firm making door panels (chiefly of plywood) and kitchen fitments, has formed a second French subsidiary, BRUYNZEEL USSEL Sarl (capital Ff 200,000). The new firm, which is to build a new production unit in Ussel, Correze, is to be managed by M. P.Llaurens of Orphin, Yvelines, already a director of Bruynzeel s marketing subsidiary in Paris BRUYNZEEL SA (see No 300).

The parent company (managed by M. W Bruynzeel; employing some 1,300 people) has four sister companies in the Netherlands: BRUYNZEEL FINEERFABRIEK NV, BRUYNZEEL SCHAVERIJ NV and BRUYNZEEL VLOERENFABRIEK NV, all in Zaandam, and BRUYNZEEL POTLODENFABRIEK NV in Bergenop-Zoom. The groups also holds shares in the Paris plywood-making firm of STE DE GESTION DE LA CIE FRANCAISE DU GABON SA, and in UNION EUROPEENE INDUSTRIELLE FINANCIERE SA (see No 341: a member of the banking group SCHEIDER & CIE). Through the latter it also has a share in CIE GENERALE DES PLANTATIONS & PALMERAIES DE L'OGOOUE SA (see No 300). Further associated companies are BRUYNZEEL NV in Brussels, BRUYNZEEL ITALIANA Srl in Milan and WALTER & BRUYNZEEL AG in Valterswil, Switzerland (see No 309).

** POCLAIN SA, Le Plessis Belleville, Oise, French maker of civil engineering plant, in particular hydraulic excavators,controls, has strengthened its position in Britain by buying up the shares which WINGET GLOUCESTER LTD held in the marketing firm of WINGET & POCLAIN LTD. The latter was formed in February 1964, and it now becomes Poclain's 100% subsidiary under the name of POCLAIN LTD.

The French company's other foreign investments are in Austria, Italy, the Netherlands, Spain and West Germany (see No 286), and also in Belgium where its subsidiary POCLAIN SA, Aartselaar, recently opened a sales company of its own called SOMADOC NV (see No 334). Its British ex-partner, Winget, which also deals in civil engineering plant, is the head of about 20 British companies, including WINGET (EUROPEAN SALES) LTD; it also has several holdings in the Commonwealth: WINGET-MOXEY PTY LTD, Australia; TRIPLE-JAY EQUIPMENT PROPERTY LTD and WINGET AFRICA (PTY) LTD, South Africa.

** Last January (see No 341) the Lambert family transferred 11.2% of the (Ff 60 millions) capital of LAMBERT FRERES & CIE, their building materials firm in Cormeilles en Parisis, Val d'Oise to the Paris surveying and building firm SECAMO-STE D'ETUDES POUR LES MATERIAUX DE CONSTRUCTION Sarl (capital Ff 12,500,000). They have now taken a further 18% out of the family concern to invest in SORECIM SA, which is being formed in Paris (capital Ff 35 millions).

** PROFIX FRANCE Sarl, Saint-Louis, Haut-Rhin (capital Ff20,000) was recently formed to trade in industrial plastics, especially those used in the building industry. The new firm's capital is shared equally by MM C.Bühler and P.Bühler, who own three companies in Switzerland: KARL BUEHLER (architects), K. BUEHLER AG BAAUNTERNEHMUNG (estate builders) and K & P BUEHLER (building plastics).

** FRIED. KRUPP, Essen, (see No 342), as part of its rationalisation programme, has re-grouped all its building activities (steel and concrete) in one division, FRIED. KRUPP UNIVERSALBAU, Essen. It has also included in the scheme all the prefabricated building processes developed by companies in the group.

** The American insurance company CONNECTICUT GENERAL LIFE INSURANCE CO, Hartford, Connecticut has taken 37.5% in the Belgian property company INTERALIA BRUXELLES SA (see No 279) which recently raised its capital to its original level of Bf 20 million.

Interalia was formed in August 1963 to expand the Belgian property business of the London group N.M. ROTHSCHILD & SONS (which also recently formed another similar firm in Belgium). Mr M.P. Cotton of London has replaced Mr M. Comninos as director of the Belgian company which is still controlled by THE EUROPEAN PROPERTY CO LTD, London (see No 198) which was itself formed three years ago by Rothschild's, its Paris associate MM DE ROTHSCHILD FRERES Snc and the London estate agents JONES, LANG, WOTTON (which has been represented in Brussels since 1965 by a subsidiary of the same name).

** KREDIETBANK NV, Antwerp and Brussels (whose capital will shortly be raised to Bf 1,250 million - see No 339) is about to take over its almost wholly-owned property subsidiary MOBEZIT NV, Antwerp. The operation will show a book surplus of Bf 130 million.

** WEATHERALLS LTD, a property subsidiary of WEATHERALL, GREEN & SMITH, London (surveyors and auctioneers) is forming a Common Market subsidiary. One of its directors Mr J.N.T. Simpson is setting up WEATHERALLS FRANCE SA Paris (starting capital Ff 50,000) to buy, sell and sub-contract the building of property and flats and to supervise their management.

CHEMICALS

** In connection with the large chemical plant being built at Porto Torres (see No 338) SIR-STA ITALIANA RESINE SpA, Milan has set up three new subsidiaries in Sassari which will be directed from Milan. They will each have a capital of Lire 1 million and be directed by Sig N. Rovelli: SARDA INDUSTRIA ETILENE SpA, OXISIR SpA and SICO SpA.

SIR has also recently formed other companies in Sassaris to operate the various units of the new plant in association with one or other of its subsidiaries: OPT-OFFICINE DI PORTO TORRES SpA, Sassari or SALCIM-SOC AN LAVORAZIONI CHIMICHE & IMBALLAGI METALLICI SpA, Milan. The new subsidiaries include SARDA INDUSTRIA OLEFINE SpA, FIBRASIR SpA, VINILSARDA SpA, SIRBEN SpA, SIRAM SpA, SARDAR SpA, SAROIL SpA, SARDAP SpA, STA ITALIANA POLIMERI SpA, SIRFOR SpA, BUTAL, etc (see No 335).

** W.R. GRACE CO, New York, has formed an investment company in Luxembourg, W.R. GRACE (LUXEMBOURG) SA (capital Lux f 1 million).

Grace is a large chemicals group, which has diversified its business and investments in plastics, oil, paper, food etc., and which does a third of its selling in foreign markets (see No 339). It is to share the capital of the new company with its direct subsidiary W.R. GRACE OVERSEAS DEVELOPMENT CORP, which recently provided for its overseas expansion by placing a 15-year, $20 million loan (at 5.75%) in the hands of a European banking consortium headed by WHITE, WELD & CO and S.G. WARBURG.

ELECTRICAL ENGINEERING

** FIMET FRANCE SA, Bois-Colombes, Hauts-de-Seine (see No 341) has been formed by GALVAMO-STE DE GESTION DE VALEURS MOBILIERES SA, Paris (see No 318) 75/25 with FIMET FABBRICA ITALIANA MOTORI ELECTTRICI TORINO SpA, Turin. (Capital Ff 500,000).

Gavalmo is a wholly-owned subsidiary of UNION EUROPEENE INDUSTRIELLE ET FINANCIERE SA (see No 325), a bank in the group SCHNEIDER & CIE.

** American interests, through the good offices of BANQUE INTERNATIONALE A LUXEMBOURG, have formed the investment company WINCHESTER ELECTRICAL HOLDING CO SA, Luxembourg (capital Lux F 150,000). The directors are Mr J.F. Row and Mr R.E. Abraham, of New York, and Mr W.T. Leitner of Easton, Connecticut.

** DOMOWATT SpA, Leyne, Turin, (capital lire 3,000 million; see No 286) has set up a sales subsidiary in London under Mr C.W. Ryan. Domowatt, which until 1964 was controlled STUDEBAKER CORP (see No 252), is a member of the group THE SINGER CO, New York, and manufactures electrical and domestic appliances, washing machines and refrigerators.

ELECTRONICS

** CARLO ERBA SpA, Milan (linked with AMERICAN HOME PRODUCTS CORP, New York - see No 329) has signed an agreement with STE FRANCAISE D'INSTRUMENTS DE CONTROLE & D'ANALYSES SA, Le Mesnil St Denis and will be sole Italian agent for sales of the French firm's scientific, optical and electronic instruments. Francaise d'Instruments is controlled by BAUSCH & LOMB INC, Rochester, New York (see No 340).

ENGINEERING & METAL

** METALLGES AG, Frankfurt (see No 303) and its 56.47% subsidiary VER DEUTSCHE METALLWERKE AG, Frankfurt, are to form a 50-50 company in Frankfurt, LEICHTMETAL GEMEINSCHAFT (capital DM 10 millions). The new company is to build a large aluminium converting plant.

ALLIANZ VERSICHERUNGS AG, Munich (see No 338) holds 25.2% in Ver Deutsche Metallwerke. The new firm will be working with SCHWEIZERISCHE ALUMINIUM AG-ALUSUISSE, Chippis and Zurich, (see No 327) and two of its almost wholly-owned subsidiaries, ALUMINIUM WALZWERKE SINGEN GmbH, Singen, and ALUMINIUM HUETTE RHEINFELDEN GmbH, Rheinfelden, Baden, which will make available its own plant.

This combination will balance that of VER ALUMINIUMWERKE AG, Bonn (see No 339) and ALCAN ALUMINIUM, Montreal, who formed ALUMINIUM NORF GmbH, Norf, (see No 314 - capital recently raised from DM 5 to DM 50 millions; initial production capacity 200,000 tons per annum).

** The mining-equipment manufactuers ETS VENOT & CIE SA, Onnaing, Nord (see No 328) has changed its name to VENOT-PIC SA and increased its capital from Ff 13,990,000 to Ff 15,980,000 after acquiring the manufacturing assets of the engineering company PIC-PREPARATION INDUSTRIELLE DES COMBUSTIBLES SA, Fontainebleau-Avon, Seine et Marne (installations at Forbach, Moselle; Ales, Gard; Echilleuses, Loiret and Lens, Pas-de-Calais). PIC has also transferred a large part of its property interests (mainly at Avon) to SAGIFA SA (formed there last year), whose capital was raised from Ff 10,000 to Ff 9,480,000 and which was then liquidated.

** SAMSON APPARATEBAU AG, Frankfurt, (capital DM 5,250,000) has formed a sales subsidiary in Vienna, SAMSON REGLER & MESSGERAETE VERTRIEBS GmbH (capital Sch 600,000; manager Herr H. Jedliczka).

Samson, Frankfurt, manufactures a wide range of measuring and regulating instruments (temperature and pressure controls for steam, water, gas etc. and such devices as valves, and voltmeters). It gives employment to some 1,200 people, has an annual turnover of about DM 33 millions and already has two subsidiaries abroad, SAMSON REGULATION SA, Villeurbanne, Rhone, and SAMSON CONTROLS LTD, London, in which its respective share holdings are 63% and 83%.

** STOLBERGER ZINK AG FUER BERGBAU & HUETTENBETRIEB, Aachen (see No 283) has joined 50/50 with the Dutch company NV HOLLANDSCHE METALLURGISCHE INDUSTRIE BILLITON, the Hague, which is a wholly owned subsidiary of NV BILLITON MIJ, the Hague (see No 345) to form NV BILLITON-STOLBERG METAALHANDEL, Arnhem (capital Fl 20,000). The new company will trade in lead scrap and is directed by Mr.R.G. Esser and Mr M.J. Kropff, sales directors of the Dutch parent firm. Stolberger is engaged in mining metallic minerals (lead, copper, zinc, spathic iron) making zinc strip and plates etc and is controlled 53.6% by OTTO WOLFF, Cologne, which recently became a limited company while remaining the property of the Wolff family (see No 327).

The German company has large interests in the production of metallic minerals and non-ferrous metals: GEWERKSCHAFT MAUBACHER BLEIBERG, Aachen and its subsidiary GEWERKSCHAFT MERCUR, Bad Ems; VER. BLEIWERKE GmbH, Stolberg, Rhineland; STOLBERGER ZINCOLI GmbH FUER ZINKSTAUB, Aachen etc). It is also concerned with the processing of non-ferrous metals and allied industries (SCHWEFELSAUEREFABRIK BINSFELDHAMMER GmbH & CO, Düsseldorf; BLEI- & KUNSTSTOFFTECHNIK BENSHEIM GmbH & CO KG, Bensheim; C. PELZ GRAPHISCHE KUNSTANTSTALT GmbH, Sigmaringen; HEINRICH ANDRE KG FUER FEUERFESTE ERZEUGNISSE & BAUKERAMIK, Wanne-Eichel; BETONWERK NIEDERRHEIN GmbH etc). In engineering it owns STOLBERG INGENIERBERAETUNG FUER BERGBAU & HUETTENBETRIEB GmbH CONSULTING ENGINEERS FOR MINING & SMELTING, Aachen. Abroad the company controls, among others, IMPROVED METALLURGY, Nassau, Bahamas and MINEX (PTY) LTD, Johannesburg. At the moment it is negotiating with the Bolivian government with a view to joint working of the "Mathilde" zinc mine near La Paz.

** STE MINIERE & METALLURGIQUE DE PENARROYA SA, Paris (see No 344), a member of the MM DE ROTHSCHILD FRERES SA, group, has set up a research subsidiary in Quebec with a head office in Toronto: PENARROYA CANADA LTD (starting capital Can $ 25,000). Penarroya's other most recent foreign operation was setting up a plant in Ireland (see No 329) in association with CONSOLIDATED MOGUL LTD, Toronto and METALLGES mbH Goslar, Bad Homburg (a sales subsidiary of PREUSSAG AG, Hanover).

** HELDERS-VAN DE WALL NV, Arnhem has taken over another metal products firm in Rotterdam, NV HANDELMIJ, ZWIJSEN & CO, and raised its capital to Fl 9,453,000.

Helders itself was formed in 1964 by the amalgamation of A. HELDERS & ZONEN NV, Rotterdam, and G.A.A. VAN DE WALL & CO NV of Arnhem (see No 238). Its business is wholesaling domestic and horticultural products and metal sanitary ware. Its new subsidiary is a similar concern trading in laminates and iron wire.

** NAGELMACKERS FILS & CIE Scs, Liege (see No 302), working through the investment company STE D'ETUDES FINANCIERES & COMMERCIALES-SEFIC SA, Liege, have formed a new company in Brussels 50-50 with UNION FINANCIERE D'ANVERS-BUFA SA, Antwerp (see No 336). The new firm, ALUMINIUM CONTAINERS SA (capital Bf 1 million) will make and sell aluminium products, including wrapping materials and rolling stock.

** STE FRANCAISE DE CONSTRUCTIONS BABCOCK & WILCOX SA, Paris (see No 327) has increased its direct holding in the Belgian company SODEXFER SA, Groot-Bijgaarden (see No 221) to 25% now that the latter has raised its capital to Bf 5 million. Sodexfer was formed at the end of 1963, to sell and handle transport equipment, by ETS CODER SA, Marseilles, Bouches-du-Rhone (building and repair of wagons, trailers and boats - see No 329) and SOTECTRA, Geneva. It is now directly controlled by SOCOFER SA, Marseilles and its sister firms SETT-STE D'EXPLOITATION TECHNIQUE DE TRANSPORT SA and MATRAFER SA, both in Marseilles.

** LA BRUGEOISE & NIVELLES SA, Brussels, (see No 315) and its subsidiary LES ATELIERS DE STRASBOURG SA, Strasbourg-Meinau (see No 200) have long-standing technical and industrial ties with the group CLARK EQUIPMENT CO, Buchanan, Michigan (see No 336). A financial link is now to be added to these: La Brugeoise is to hand over its control of Ateliers de Strasbourg to the American group, which holds an option on a large holding in the Belgian concern, which is linked with STE GENERALE DE BELGIQUE. In exchange it will receive a minority holding in Clark's.

Ateliers de Strasbourg (capital Ff 10 millions) has since 1951 been manufacturing fork-lift trucks ("Michigan", "Powzworker" and "Cavalier" marks) under licence for the American group, which had a minority shareholding in it. Since 1965, under the guidance of CLARK EQUIPMENT AG, Zurich (headed by Mr. M. Graham), it has also been developing Clark's products in France, including articulated vehicles, "Cargo-Van" bodies and light alloy containers.

Clark Equipment is financing its overseas expansion by using its subsidiary CLARK EQUIPMENT OVERSEAS INVESTMENT CO to launch a 15 dollar convertible loan on the international market. This will be placed by a banking consortium headed by STE GENERALE DE BELGIQUE, AMSTERDAM-ROTTERDAM BANK NV, DEUTSCHE BANK AG and MORGAN STANLEY & CO. Clarke also has minority shareholdings in the French firm of EUROPE TRANSMISSIONS SA, Paris, which has a gear factory in Saint-Etienne, Loire and is controlled by STE MECHANIQUE AUTOMOBILE-SO MA Sarl (see No 313), to which it lends technical assistance.

FINANCE

** NV SLAVENBURG'S BANK, Rotterdam (see No 325) has taken a minority share in the Athens firm BANQUE DE CREDIT COMMERCIAL SA (FIDESBANK). This merchant bank, soon to celebrate its first hundred years, is the fourth largest in Greece, with agencies and branches in Pireus, Patra, Sparta, Thessolonica etc. A short time ago two other concerns bought minority interests in it, namely WESTERN BANCORPORATION, Los Angeles (a holding company embracing over five hundred offices belonging to 23 banks in eleven western states of USA) and MANUFACTURERS HANOVER INTERNATIONAL BANKING CORP, New York, the overseas subsidiary for MANUFACTURERS HANOVER TRUST CO, which holds shares in NIBID SA (see No 329), in its turn a subsidiary of BANQUE NATIONALE DE GRECE SA, Athens.

Slavenburg's since 1952, has had a subsidiary in New York, THE SLAVENBURG CORP (see No 266), and a minority holding of shares in BRUBANQUE-BANQUE DE LA STE FINANCIERE BRUXELLOISE SA, in which BANK HOFMANN, Zurich, also holds shares.

** The Belgian group EMPAIN, headed by Baron Edouard Empain (see No 341) has bought 20% in ELECTRORAIL-CIE REUNIES D'ELECTRICITE & DE TRANSPORT SA, Brussels from CIE D'OUTREMER POUR L'INDUSTRIE ET LA FINANCE SA, Brussels (BANQUE LAMERT SCS group - see No 320). Electrorail (see No 296) is the main holding company of the Empain group. Previously TRACTATION & ELECTRICITE, of the STE GENERALE DE BELGIQUE group, was also a shareholder (4.5%).

As a result Empain has increased not only its direct control of Electrorail (in which the other shareholders are FAGAZ SA, Brussels and CIE DES TRAMWAY ELECTRIQUES DE LILLE ET DE SA BANLIEU SA, Lille, Nord) but also its indirect control of several investment companies in Belgium, France and Canada: STE FINANCIERE DU LITTORAL (which in 1964 sold its holding in INTERCOM SA and some of its interest in B.U.P. - BANQUE DE L'UNION PARISIENNE SA); STE HAINAUT LIEGE POUR LE DEVELOPPEMENT INDUSTRIEL & COMMERCIAL (which also sold its holding in B.U.P. to STE BRUXELLOISE DE DEVELOPPEMENT INDUSTRIEL ET COMMERCIAL-BDIC SA, Brussels - see No 282); STE PARISIENNE POUR L'INDUSTRIE ELECTRIQUE SA, Paris; SCHNEIDER ET CIE SA, Paris; BANQUE PARISIENNE POUR L'INDUSTRIE SA (see No 307); CIE INDUSTRIELLE ET FINANCIERE DE PLACEMENT SA (see No 312); CANADIAN INTERNATIONAL TRUST-CIT LTD and ELICAN DEVELOPMENT CO LTD etc.

** CICA-CIE IMMOBILIERE DE COURTAGE & D'ADMINISTRATION SA, Paris, has joined CIE PARISIENNE RAVEAU-CARTIER SA to form CICA FRANCE Sarl, Paris, in which both firms hold 40%. Raveau-Cartier is sacting through STE D'INVESTISSEMENTS RAVEAU-CARTIER SA (capital Ff 2 millions; manager M.L. Simon).

The new firm (capital Ff 50,000) deals in all forms of real estate and mortage loans. It is managed by M.J. Marchand, a director of CIE FINANCIERE DE PARTICIPATIONS IMMOBILIERES SA, Paris, (a subsidiary of CICA), who is a 20% shareholder.

** The Rotterdam holding company BANKIERSCOMPAGNIE NV (see No 190) has increased its capital from Fl 37 million to Fl 37.5 on the entry of a new shareholder, the investment company VER BEZIT VAN 1894 NV, Rotterdam (1.33%). The remainder of the capital is still shared between the MEES & HOPE group, Rotterdam, MORGAN GUARANTY INTERNATIONAL BANKING CORP (of the new group MORGAN GUARANTY TRUST CO) and HONG KONG & SHANGHAI BANKING CORP with 80.03%, 13.3% and 5.34% respectively. Bankierscompagnie's main shareholder is MEES & HOPE, Rotterdam and Amsterdam, a banking group comprising the banks R. MEES & ZONEN, Rotterdam, HOPE & CO, Amsterdam and the insurance company R. MEES & ZONEN ASSURANTIEN, Rotterdam.

** The finance and mining group ANGLO AMERICAN CORP OF SOUTH AFRICA LTD, Johannesburg which is directed from London (president Sir Harry Oppenheimer) has formed an investment company in Luxembourg through its subsidiary EURANGLO (PTY) LTD, Johannesburg. The new company is CIE HOLDING FRANCO SUD AFRICAINE SA (capital Sf 45,000) and a minority in it is held by BANQUE DE PARIS ET DES PAYS BAS for the Grand Duchy of Luxembourg (see No 279).

** In addition to forming THYSSEN HOLDING & FINANZIERUNGS, Zurich (capital Sf 10 million, president M.W. Cordes - see No 345) the steel group AUGUST THYSSEN-HUETTE AG, Duisborg-Hamborn has now set up another in Luxembourg, THYSSEN INVESTMENT SA. Its Lux F 250 million is almost wholly owned by the Zurich company and the rest by three of the group's subsidiaries in Zurich: THYSSEN EISEN- STAHL & ROHREN AG; VEREINIGTE EDELSTAHL AG, Glarus and MARATHON EDELSTAHL AG.

** RHEINISCHE GIROZENTRALE & PROVINZIALBANK, Düsseldorf and LANDESBANK FUER WESTFALEN GIROZENTRALE, Munster have joined 50-50 to form GES FUER KOMMUNALE ANLAGEN mbH (capital DM 4 million) to plan and finance communal equipment (hospitals, schools, sanitation etc).

The Düsseldorf bank belongs equally to the Land of Nordrhein-Westfalen, Landschaftsverband Rheinland and Rheinischer Sparkassen & Giroverband, Düsseldorf - see No 245. The Munster one is owned equally by the same first two partners, with the Westfälisch-Lippischer Sparkassen- & Giroverband, Munster - see No 343.

FOOD & DRINK

** BISCUITERIE ALSACIENNE SA, Maisons Alfort, Seine (see No 330) has extended its Italian sales organization by forming a subsidiary in Naples for its central sales organization in Milan ALSACIENNE BISCUITS ITALIA SpA. The Milan firm was formed four years ago under the name of ALSACIENNE BISCOTTI SpA (see No 149) and is directed by MM M. Theves, J. Berger and M. Sindona.

The French company is a shareholder, along with GENERAL MILLS INC, Minneapolis, USA, in HEUDEBERT SA, Nanterre, Hauts-de-Seine (see No 312). It is represented in Germany by a sales subsidiary ELSAESSISCHE BISKUIT GmbH, Saarbrucken, and is just completing a co-operation programme with P. COSSE, A. LOTZ & CIE, BISCUITERIE NANTAISE SA, Nantes and BISCUITS BRUN SA, Maisons-Alfort, Seine.

** M. J. Martin-Desongle and Sig F. Bandini (with 50%) make up the first board of GOLDSCHMIDT ITALIANA SpA, Milan, a new 50% subsidiary of the food and grain import-export group J.A. GOLDSCHMIDT SA, Paris (see No 345). The new company (capital Lire 10 million) will deal mainly in meat and cattle.

In association with J.A. GOLDSCHMIDT, London(which holds 60%) the French group also recently formed a sales subsidiary in Rotterdam J.A. GOLDSCHMIDT NEDERLAND NV (see No 277). The group also formed SICORES SA, Paris (see No 318) to develop the rural regions of African countries, in association with LEBAUDY FRERES SA, GEVALMO SA (subsidiary of UNION EUROPEENNE INDUSTRIELLE & FINANCIERE) and STE DE RECOUVREMENT & DE GESTION SA (BANQUE COMMERCIALE DE PARIS group).

** KON FABRIEKEN T. DUYVIS JZ NV, Koog-aan-de-Zaan, Netherlands (edible oils etc) is expanding its production as a result of taking over entirely WILCO CONSERVEN NV, Assen the preserving firm (fresh and dried vegetables, fruits etc.). The Assen firm belonged to the Willemsen family; it has a West German sales subsidiary, WILCO HOLLAND CONSERVEN GmbH, Rellingen, and an interest in NV CENTRALE EUROPESE CONSERVEN INDUSTRIEEN, the Hague (see No 248).

The new owners control in the Netherlands a property company DUYVIS WONINGEN NV, Koog and the edible oil firm OLIEFABRIEK "DE TOEKOMST" NV, Wormerveer. It is represented in Germany by KON FABRIEKEN T. DUYVIS JZ GmbH, Hamburg and in France by MAYOLANDE SA, Secclin, Nord, which makes "Benedictin" and "Benedicta" mayonnaise and salad dressings packed in tubes; EECKMAN Sarl, Secclin (edible oils, vinegar and spices) holds shares in the French company.

** OCOMA FOODS CO, Omaha, Nebraska (deep frozen foods) has formed a sales subsidiary in Germany; OCOMA FOODS GmbH, Lübbecke (capital DM 20,000) managers Mr J.S. Richardson, Omaha and Herr R. Stallmann, Lübbecke.

** BUR VERTRIEBSGES. FUER FRANZOESISCHE SCHAUMWEINE mbH, the firm marketing sparkling French wines which was formed recently in Cologne (capital DM 20,000) is to be managed by M. R. Charmat of Paris, who also manages STE FRANCAISE DE FABRICATION DE VINS MOUSSEUX NATURELS in St-Ouen, Seine-Saint-Denis.

IRON & STEEL

** Sig L. Calonaci, representing COSIDER, Genoa has been elected president of the (unlimited capital) consortium CONSORZIO ITALIANO PER LA COSTRUZIONE DELL'-IMPIANTO SIDERURGICO DI CHIMBOTE, Milan. This has been formed by seven steel companies of the IRI, Rome group to sub-contract the building of the Chimbote steel plant for the Peruvian company SOGESA - SOC SIDERURGICA DE CHIMBOTE SA. Besides COSIDER, three other Genoan firms are involved: SIDERFORNI SpA, ANSALDO SpA and ANSALDO SAN GIORGIO SpA; also SANT'EUSTACHIO SpA, Brescia, CMF-COSTRUZIONI METALLICHE FINSIDER SpA, Milan, MECFOND-OFFICINE MECCANICHE & FONDERIE NAPOLETANE SpA, Naples and CRDA - CANTIERI RIUNITI DELL'ADRIATICO SpA, Trieste.

** The Venezuelan company CVG SIDERURGICA DEL ORINOCO CA-SIDORCA, Caracas which has formed a technical association with INNOCENTI SpA, Milan for the construction of the Orinoco steel-plant, has opened a branch in Milan directed by Sen. J.T. Pardo Martinez. This firm is to maintain contact with Innocenti, to engage qualified Italian personnel and to buy the equipment necessary to build the steel-works.

** USINOR-UNION SIDERURGIQUE DU NORD DE LA FRANCE SA, Paris, as part of its amalgamation programme with LORRAINE-ESCAUT SA (see No 345), is negotiating with FORGES DE STRASBOURG SA, Paris, (see No 236) to open a joint subsidiary. Its function would be to take control of the last firm's iron and steel division, which is centred mainly on its 85,000 sq.yds. workshops in Strasbourg-Port-du-Rhin. These make cold-rolled and galvanized sheets in their five rolling mills and two HEURTEY-SENDZIMIR galvanisation lines.

Forges de Strasbourg (capital Ff 34,350,000) still keeps its other three metal-working departments; "Strafor" furniture, "mechanical engineering" and "river and maritime works". It is 53.9% owned by the group CIE INDUSTRIELLE & FINANCIERE DE POMPEY SA, Pompey, Meurthe-et-Moselle, (see No 283), in which 10% has just been acquired by the German group ROECHLING'SCHE EISEN - & STAHLWERKE GmbH, Volklingen (see No 345).

The German group already has a sales subsidiary in Paris, FORGES & ACIERIES ROECHLING VOELKLINGEN SA (capital Ff 12 millions; see No 312), and has links with the French iron and steel industry through its recent agreement with AG DER DILLINGER HUETTENWERKE (FORGES & ACIERIES DE DILLING), to build a 1 million tons per annum oxygen-process steel plant at Dillingen, Sarre. The latter firm is 60% controlled by the French companies CIE DE PONT-A-MOUSSON and CIE DES FORGES & ACIERIES DE LA MARINE, DE FIRMINY & DE SAINT-ETIENNE SA.

OIL, GAS & PETROCHEMICALS

** CIE GENERALE DE GEOPHYSIQUE SA, Paris is negotiating with PETROMIN, the Saudi-Arabian national undertaking to form ARABIAN GEOPHYSICS & SURVEYING CO in Riyadh, Arabia. The new company (initial capital Rials 500,000, to be increased to R 2 millions) is to undertake all types of geophysical and topographical surveys in the Arab countries, especially Saudi Arabia.

Generale de Geophysique, whose principal shareholders are CFP-CIE FRANCAISE DES PETROLES SA and SNPA - STE NATIONALE DES PETROLES D'AQUITAINE SA, recently formed GEOGRAPHEX SA in Paris (see No 338) with MANDREL INDUSTRIES INC, Houston, Texas. Petromin also controls (51%) another company of the same type as itself ARABIAN DRILLING CO (see No 279), the remainder of whose shares are divided equally between FOREX SA (see No 297) and STE DE FORAGES PETROLIERS-LANGUEDOCIENNE-FORENCO SA, Paris (see No 310).

** AG FUER ERDOELPRODUKTE (capital DM 1 million; manager Herr A. Kurty) has been formed in Hamburg as the joint subsidiary of eighteen independent German oil distribution companies. All medium-sized concerns in the business can trade with the new firm, which was formed to supply its shareholders and any other independent companies with "Valvoline" petrols, fuel oils and lubricants, for which it is empowered to grant licences. The first "Valvoline" service stations are shortly to be opened, and they will be undercutting the prices of the international groups by 10%.

** Seven Dutch harbour-building and dredging firms have joined in a large-scale regrouping operation, the object of which is to offer the best possible conditions for a partnership with the Dallas firm of SOUTHEASTERN DRILLING INC, an oil-prospecting concern. Together they have formed NV NED AANNEMING MIJ VAN WERKEN BUITENGAATS (NETHERLANDS OFFSHORE CO) The Hague: (capital Fl 15 millions). Its first objective was to ally itself with the American company in forming a prospecting company, NV NED ZEEBOORMIJ (SEA DRILLING NETHERLANDS), the Hague (capital Fl 5 millions). Both new undertakings are headed by M.J. Fernhout.

The seven firms are: HBM-HOLLANDSCHE BETON MIJ NV, The Hague, together with its subsidiary HOLLANDSCHE AANNEMING MIJ NV of The Hague (see No 323); KON MIJ TOT HET UITVOERN VAN OPENBARE WERKEN "ADRIAAN VOLKER" NV, Rotterdam and its subsidiary NED BETONMIJ BATO NV, The Hague, BAGGERMIJ DIRK VERSTOEP NV, The Hague; BAGGERMIJ BOS EN KALIS NV, Sliedricht, and VAN HATTUM EN BLANKEVOORT NV, Beverwijk.

Until now the Dallas company has had no holdings in Europe: its main activities have been in Louisiana, the Gulf of Mexico and Asia (Borneo, Iran, Pakistan, and Persian Gulf).

PAPER & PACKAGING

** DENNISON MFG CO, Framingham, Massachusetts (paper and paper-making machines) has formed DENNISON Sarl, Paris (capital Ff 20,000 manager M.P. de Vuyst of Neuilly) 50-50 with its subsidiary DENNISON CO, Framingham.

The American company which has a yearly turn-over of almost $ 58 million and employs more than 4,000 workers in USA, already has two foreign manufacturing subsidiaries: DENNISON MFG CO OF CANADA (factory at Drummondville, Quebec) and DENNISON MFG CO LTD (two factories in London) which are controlled 100% and 79.5% respectively by the parent firm. The group also has a Swedish licensee AKERLUND & RAUSING A/B, Lund (see No 338).

** NASHUA CORP, Nashua, New Hampshire (see No 151) has bought the minority shareholding owned by MANETI Sprl, Jette-St-Pierre, Belgium in CIE COMMERCIALE DES ETIQUETTES SA, Brussels. This company is the only Common Market sales subsidiary of PARAMOUNT PAPER PRODUCTS CO, Omaha, Nebraska, (see No 231) which came under Nashua's control a few months ago. The name of the Brussels firm will now be changed to PARAMOUNT INTERNATIONAL SA.

** LEONARD BIERMANS SA, Turnhout, the Belgian paper and card mill (capital Bf 15 millions) has formed BIERMANS FRANCE SA (capital Ff 1,150,000; president M.J. Schmitt) at Marq-en-Baroeul, Nord, where it has made over its factory to the new undertaking.

Biermans recently (see No 331) joined PAPETERIES DE GUYENNE SA, Thiviers, Dordogne to form FLANDRES & GUYENNE-PACOFA & PAPETERIES DE GUYENNE Snc, in which it holds 50.2%. This business was transacted through its 38% French associate PACOFA-MAURICE VERKINDERE & LEONARD BIERMANS SA, Halluin, Nord, the rest of whose capital is held by the paper firm MAURICE VERKINDERE-ETS VERKINDERE & CIE Sarl of Halluin.

RUBBER

** HOEXTERSCHE GUMMIFAEDENFABRIK EMIL ARNTZ KG, Höxter, Weser (see No 293) the German maker of vee-drive-belts, has completed its Common Market sales network by forming VISURGIS BELGIUM Sprl at Anderlecht, Brussels. This firm (managed by M. A.L.Hovestadt of Eindhoven) received 90% of its capital (Bf 100,000) from M.G.Sutro, who represents VISURGIS AG, Zurich, (see No 276), the remaining 10% coming from Herr G.Veith of Höxter, who represents the German firm.

Besides Visurgis, which handles its foreign sales, Arntz has sales subsidiaries in Eindhoven, OPTIBELT NV; in Paris, VISURGIS FRANCE; in Turin, VISURGIS ITALIANA SpA; in Olten, Aargau, MOLTAG AG; in Vienna, OPTIBELT HANDELS GmbH and elsewhere.

SHIP-BUILDING

** An agreement recently approved by the authorities has been signed between CHANTIERS NAVALS DE LA CIOTAT SA, Paris (see No 332) which is controlled by INTRA BANK SA, Beirut, Lebanon (through CEMA-CIE EUROPEENNE DE MATERIELS SA - see No 342) and ATELIERS ET CHANTIERS DE LA SEINE MARITIME SA, Paris (see No 345) of the WORMS & CIE Scs group (see No 344). The result is that Ciotat will buy the shipyards belonging to Chantiers de la Seine Maritime at le Trait, Seine Maritime which have full order-books up to the end of 1967.

A draft agreement of just over a year ago (see No 290) intended to ensure gradual centralization around FORGES CHANTIERS DE LA MEDITERRANEE, La Seyne (present deficit Ff 45 million) has never come into operation so Ciotat has agreed with STE DES CHANTIERS & ATELIERS DE PROVENCE SA, Marseilles (which decided to go into voluntary liquidation at the beginning of February) to buy its yards at Port-de-Bouc. These comprise large property assets, including 80,000 sq metres of land in the port of Marseilles and 200,000 sqare metres at Port-de-Bouc itself. However this agreement does not cover the liquidating company's other business (it showed a loss of Ff 10 million in 1964 and 6 million in 1965) through its subsidiaries: there are PROVENCE INDUSTRIE SA (formerly ELAM-ATELIERS DE PROVENCE) which will still be able to accept sub-contracts, and INEURCO SA, Paris which, it has been decided, will also go into voluntary liquidation (see No 345).

TEXTILES

** STE DES DALLES & PRODUITS AMIANTES-DALAMI SA, Vernouillet, Seine & Oise has subscribed 47.5% of the capital of FIBROPLAST NV, Brussels which has recently been raised to Bf 20 million and which was almost fully controlled up to now by FADEMAC-STE POUR LA FABRICATION DE MATERIAUX DE CONSTRUCTION SA, Schoonaarde, on the Scheldt. Dalami's principal shareholder is SA FRANCAISE ETERNIT, Prouvy, Nord (see No 326).

Fibroplast sells and processes textile waste. Fademac is linked with ETERNIT SA, Kapelle-op-den-Boos and the groups MARLEY TILE (HOLDING) CO LTD, Sevenoaks, Kent and JOHNS-MANVILLE CORP, New York.

** THE ORIENTAL MANUFACTURING CO LTD, Monaco, has formed an investment company OCM (HOLDINGS) LUXEMBOURG SA. The capital for this venture ($ 250,000) has been furnished almost entirely by CREGELUX-CREDIT GENERAL DU LUXEMBOURG SA. The directorate of the new holding company is: M. A.de Portu, Monte Carlo; M. H. Giraud, London and Bardonnex. Geneva and M. G. Rodich, Monte Carlo.

Oriental Manufacturing (formerly ORIENTAL CARPET MANUFACTURERS LTD) is a London group with factories in Turkey, Iran and India making Persian and Indian carpets. It is linked with BUP - BANQUE DE L'UNION PARISIENNE SA, Paris, and with the WESTMINSTER BANK LTD, London, both of which act as its bankers. It has a London subsidiary, OCM (LONDON) LTD, and a number of others abroad (chiefly in New York, Toronto and Amritsar, India).

** VETRERIA ITALIANA BALZARETTI MODIGLIANI SpA, Milan (see No 303) (a member of the French group CIE DE SAINT-GOBAIN SA, Neuilly, Hauts-de-Seine) has formed a 90% subsidiary in Milan to make and sell artificial and synthetic fibres and textiles. The new firm SIL-TEX SpA has a capital of Lire 1 million which the board (president M. F.M. Hennequin) can raise to Lire 500 million. The rest of the capital is owned by the plastics firm PROMOPLAST SpA, Naples.

Last year Balzaretti Modigliani took over another company in the same group SIL-TEX VENEZIANA PRODUZIONE FIBRE FILATI TESSUTI IN VETRO SpA, Venice, which makes fibre-glass and silicone fibres.

** NV RUBBER CULTUURMIJ AMSTERDAM, Amsterdam, and the rope factory NV LANKHORST TOUWFABRIEKEN, Sneek, have formed a joint manufacturing subsidiary in Africa, USAMBARA SPINNING CO LTD, Dar-Est-Salaam, Tanzania. The new company (capital Sh 3 million) will build and operate a spinning plant for sisal fibres by the end of 1966. Only part of the production of the new plant will be absorbed by the local market.

** The German textile group GOTZ AG, Ravensburg, owned by the Gotz family (see No 329) has moved out of Germany for the first time by taking full control of the Dutch firm H. ECKMANN CORSETFABRIEK NV, Alkmar. At the same time it has taken a majority interest (70%) in ETERNA-HERRENWASCHEFABRIK AG, Passau, Bavaria, which gives it indirect control of the Belgian company CHEMISERIE ETERNA SA, Tournai and the Austrian one ETERNA HERRENWASCHEFABRIK GmbH, Linz. A few months ago the German company formed GOTZ INTERNATIONAL GmbH, Ravensburg to manage its future foreign interests.

H. Eckmann makes suspender belts and bras which are sold mainly in Belgium under the trade-marks "Peter Pan" and "Lastina". It employs 500 workers and has an annual turnover of Fl 10 million. Under a recent agreement it cooperates with INTERSTYLE AG, Glarus in producing and selling ladies' underwear in the Common Market. The Eterna-Herrenwaschefabrik group makes men's shirts and has a consolidated turnover of DM 18 million a year.

Gotz's main subsidiaries in Germany are MARGRETWERK GREGOR GOTZ TRIKOTWARENFABRIK, Margret-Hausen, Württemberg; OBERSCHWABISCHE TEXTILWERK AG, Weingarten, Württemberg; GOTZBURG KG, Saulgau, Württemberg; GERMAN GOTZ TRIKOTFABRIKEN Ohg, Lautlingen, Württemberg; COLOFIL GmbH & CO, Teetnaun, Württemberg and CHARMOR AG, Weingarten, Württemberg. The latter makes ladies' underwear and corsetry and manufactures under licence from FORMFIT CO, Chicago, the wholly owned subsidiary of GENESCO INC, Nashville, Tennessee (see No 324).

** Four French firms in the industry have formed INTERJUTE Sarl (capital Ff 10,000; manager M. P. Gillieron) to study potential productivity improvements in the spinning and weaving of jute. The companies concerned are SAINT FRERES SA (capital Ff 64,900,000; see No 324), COMPTOIR LINIER SA (capital Ff 7 millions; see No 333), WEILL & CIE Sca (Ff 10,400,000) and ETS CARMICHAEL Sarl (Ff 5 millions). These four are already partners in a Paris company: Saint Freres hold 50% in CITEP - CIE INDUSTRIELLE DES TEXTILES & EMBALLAGES PLASTIQUES SA (see No 291). CITEP runs a factory in Flixecourt, Somme, the raw material for which is furnished by the Paris company ETHYLENE PLASTIQUE SA (see No 305), which has production units at Mazingarbe, Pas-de-Calais.

Saint-Freres and Comptoir Linier are further linked by joint managership: M. D. Saint is managing director for both, and M. R. Kruer is secretary-general to the first as well as being on the board of the second. Again, both firms are connected through their 51-49 Casablanca subsidiary STE FRANCO-CHERIFIENNE POUR LE COMMERCE & LES TEXTILES SA, and through UNION TUNISIENNE D'EMBALLAGE & DE CONDITIONNEMENT SA, Tunis, in which Saint Freres holds 75% and Weill & Cie is a fellow shareholder.

** NED TEXTIEL UNIE NV, Enschede (see No 343) has gained full control of the textile firm F.E. HARDICK ZIJDEWERIJ NV, Enschede. The latter's production will now be changed over to fabrics for women's clothing, to complement that of the Dutch group's subsidiary KON TEXTIELFABRIEKEN JORDANTER WEEME NV, Haaksbergen (see No 310).

** The major Italian artificial textile group SNIA VISCOSA SpA, Milan headed by Dr F. Marinotti is strengthening its link with ALLIED CHEMICAL CORP of New York (see No 328) which until now was confined to patents and know-how and reciprocal technical assistance (mainly to build a factory producing 20,000 tons a year of lilion (nylon) for the American group at Irmo, Colombia). Dr Marinotti owns a minority share in the Italian company, the other major shareholders being MEDIOBANCA SpA and COURTAULDS LTD (see No 326).

The Italian group, which has greatly diversified its business since the invention of "Merinova" rayon in 1935 and acetate fibres in 1950, is negotiating for funds to expand its investments, mainly in plastics, both in Italy (it obtained a large loan last autumn from CREDITO INDUSTRIALE SARDO-C.I.S. to finance the Villacidro, Sardinia plant), and abroad where its main interests are grouped in the Luxembourg holding company SAPINA SA (see No 288).

The current negotiations are mainly concerned with certain shareholders selling all or part of their holdings in the group (which a few months ago - see No 304 - sold control of the paper firm S.I.A.C.E. Spa, Catania, to CELANESE CORP OF AMERICA although it retained 20% of the Lire 7,000 million capital - see No 326).

This operation will greatly increase the Common Market interests of Allied Chemical's interests in the Common Market, where it has a Munich branch of ALLIED CHEMICAL SA, Zug; shareholdings of 50% in GEMACO SA, Paris (colourings and dye factory at Aubagne, Bouches du Rhone) and in CHEMISCHE INDUSTRIE SYNRES NV, Hook of Holland. The group also has sales subsidiaries: ALLIED CHEMICAL NEDERLAND NV, The Hague; OFACI, Paris; CONSORTIUM INTERNATIONAL PHARMACEUTIQUE ET CHIMIQUE, Paris; NORDMANN, RASSMANN & CO, Hamburg, etc.

VARIOUS

** CROWN CORK & SEAL CO, Philadelphia (see No 333), specialists in bottling and sealing for the food, chemical and pharnaceutical industries, has gained control of the Italian firm FAIB-FABBRICA ACCESSORI IM-BOTTIGLIAMENTO BEVANTE SpA, Latina, which was formed at the beginning of 1963. This company (president Sig T. Giovanni and vice-president Mr A. Pathy) produces about 500 million caps and crown-corks a year.

The American group, which has more than 160 factories throughout the world, has two firms in Milan, CROWN CORK CO (ITALY) LTD CIA TAPPI CORONA SpA (factory at Voghera) and INIZIATIVE INDUSTRIALI INTERNA-ZIONALI SpA (plant at Medassion di Voghera). Mr A.J. Leenaards, Lausanne, Switzerland is president of both these firms and also of the group's subsidiaries in France (STE DU BOUCHONNE COURONNE CROWN CORK CO SA,Vitry-Chatillon) and Belgium (CROWN CORK CO BELGIUM SA, Deurne, Antwerp) etc.

** Mr C. Bowman-Shaw of Toddington, Bedfordshire has subscribed the whole of the capital (Fl 500,000) of FIGUREFORM NV which he has formed in Rotterdam to set up, finance and run beauty salons and homeopathic institutes.

** The first large merger in the French glass industry since the formation of the Common Market has been eased by the personal ties existing between the companies affected. BOUSSOIS-SOUCHON is to be formed when VERRERIES SOUCHON NEUVESEL SA, Lyons (see No 330) is taken over by GLACES DE BOUSSOIS SA, Paris: two directors of the latter, M A. Delloye and M. Doublain, are president and director-general respectively of Souchon, whilst M.G. Roque, who sits on the board of Boussois, is also honorary president of the first company.

Souchon Neuvesel (capital Ff 22,940,000; turnover Ff 250 millions in 1965) makes hollow-moulded glass for packing. Some months ago it took over STE DES VERRERIES DE VALS SA, La Begude, Ardeche, STE DES VERRERIES DE FOLEMBRAY SA, Paris, and ETS SAINT GALMIER (LOIRE) SOURCE BADOIT SA, St Galmier, Loire. The last of these take-overs enabled it to increase to 25% its holding in STE DES EAUX MINERALES D'EVIAN LES BAINS SA, Paris (in which PRICEL SA also holds 25%; see No 330), and also to invest in baby foods through ANC ETS JAQUEMAIRE SA, Villeneuve sur Rhone, which Evian took over towards the end of 1965. The Souchon group also makes plastic wrappings: SEPROSY SA, Paris, has a factory at Lagnex, Ain, which is shared by Souchon 50-50 with CIE DE ST GOBAIN SA. Metal packaging is also produced at the Beaurepaire, Isere, factory of BOXAL BEAUREPAIRE SA, which belongs to the group SCHWEIZERISCHE ALUMINIUM AG: Souchon's share in Boxal Beaurepaire is held through BOXAL SA, Fribourg (see No 327).

Glaces de Boussois (capital Ff 61,810,000; 1965 turnover Ff 303 millions) is the largest French producer of flat glass and the second largest for plate glass after SAINT GOBAIN, with which it shares a number of subsidiaries (see No 321). As well as being associated with PILKINGTON BROS LTD, St Helens, Lancs, for which it is a licensee, Boussois has several large direct and indirect overseas holdings, such as MECANIVER SA and GLAVERBEL SA, Belgium; DELOG AG, Germany, and VIDRIERA DE LLODIO and CELO in Spain.