

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY

July 21 - 27, 1969

THE COMMON MARKET

Mediterranean Pressures

Apart from their lengthy discussions on the enlargement and internal strengthening of the Community, the Foreign Ministers of the Six during their meeting on July 22 - 23 also dealt with a number of outstanding problems.

The question of Spain's proposed links with the Community was discussed and they agreed that they would probably be able to give the Commission a second negotiating mandate during September, which should lead to the conclusion of a preferential trade agreement with Madrid. A good deal of their time was, however, spent on the question of links with Israel, which also wants a preferential trade agreement. Five of the Common Market countries have accepted this in principle, but until now France has blocked any progress on political grounds. Paris' alternative was the continuation of the existing pact with certain modifications. During last week's meeting, however, M. Schumann made it clear that he considered a preferential agreement was possible, provided the Five were also willing to discuss the possibility of a similar pact with other Mediterranean countries, in other words, Israel's Arab neighbours. The U.A.R. has made it clear that it would welcome such an agreement, and its Foreign Minister, M. Mahmoud Riad, discussed this during his recent visit to Brussels. Although the French suggestion was welcomed by the other representatives, the West Germans stated that they would have to undertake a detailed examination of the question, a reference to the problems caused by the "Hallstein Doctrine" and the recent decision by several Arab States to recognise the East German Government. Some observers feel, however, that the Six may agree on proposals for links with Israel in the near future.

The Ministers also reviewed the progress - or lack of it - over links with Yugoslavia. The French Government continues to oppose the idea of preferences for Yugoslav beef imports, but progress may be made if the Agricultural Ministers reach an agreement on the question of beef prices during the September meeting. A few days before the Brussels session, the Yugoslav Foreign Minister, Mr. Mirko Tepavac, criticised the length of time taken to conclude a trade pact between his country and the EEC. Mr. Tepavac said that the Yugoslav Government had informed the Council that it would welcome rapid progress on this matter and that certain governments which had expressed doubts should agree to a compromise in order to maintain friendly relations. He said that the negotiations had been at a standstill since October 1968 following the clash between the Six over agricultural problems. The delay in arriving at an agreement was much more serious for Yugoslavia than for the EEC, as it made it very difficult for the Yugoslav authorities to

draw up their medium-term economic development plan covering the years 1971 - 75 .

The proposed introduction of the common commercial policy on January 1 1970 gave rise to a clash between France and her partners . Paris has recently signed a five-year trade agreement with the Soviet Union, but under the rules of the Rome Treaty and 1961 Council decisions, bilateral agreements are not permitted in principle to continue after January 1, 1970, the end of the transitional period . In some cases, exemptions to this rule are allowed, and these have already been granted by the Council in a number of instances, but only for a limited period . The conflict between the French move and the Rome Treaty is further complicated by the fact that the Soviet Union does not recognise the existence of the European Community . France had hoped that this meeting of the Council would grant her exemption, but because of her delegation's attitude this did not go through . Some other delegations also criticised what they consider to be the inadequate consultations between France and the other countries, when she was working out the terms of the trade agreement, knowing full well that it would clash with the workings of the Treaty .

The Commission proposed a compromise approach, and although this was not accepted by the French the main points were the following . Such exemptions should not become part and parcel of the CCP, the Council should agree as to the workings of the CCP before the end of 1969, the Six agree to trade agreements with third countries being negotiated on a Community basis as from the start of 1970 . Furthermore exemptions from the 1961 decisions should only apply to state-trade, i.e. Eastern Europe, countries and should be limited in time . The French have claimed that as the Franco-Soviet Treaty contains annual review clauses, the CCP might be eventually incorporated, but as to how this would be done no one is certain .

The special aspect of this case is the importance attached by Paris to promoting a detente between East and West, which means that the French government does not want to have its hands tied politically in this sphere . There is also the fear in Paris that if France gave way to pressure from the Five and the Commission, the Soviet Union might decide to reduce her purchases from France, and switch to more attractive trading partners at a time when the French economy can ill-afford to lose any export orders .

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AGRICULTURE

EEC Seeks International Oil Agreement

The EEC Commission has been working on proposals to be put forward in Geneva on a possible world agreement for trade in fats and oils. The main object would be to stabilise prices by means of a tax on imports, the money thus raised being used to help the less prosperous oil producing countries. At present oilseed prices can fluctuate quite considerably, though the general trend is downwards. This means that the many producer countries are forced to support their farmers in one way or another, which can be exceedingly difficult for developing countries and leads to ill feeling even among rich producers such as the United States.

The American House of Representatives has been agitating for the last six months over the EEC Commission's proposal to impose an internal tax on oilseed and oilseed products in order to switch consumption as far as possible to butter, of which the Community has an embarrassing and expensive surplus. This would deal a heavy blow to exports of soya beans and their products, which now form the third largest cash crop grown in America. Last year 31% of the total United States soya bean exports went to the Common Market and as much as 70% of soya bean meal exports, the two accounting for a third of total US exports to the EEC. Both houses of Congress agree that if the EEC's proposed consumption tax were to be put into effect this would constitute a major blow to American growers, processors and exporters of oilseed, as well as violating trade agreements between the Community and the United States, and would invite retaliatory action by the exporting nations concerned leading in turn to serious disruption of world trade. There are hints that reprisals might be on a scale to make the chicken war of 1963 seem no more than a skirmish.

Many countries export edible oil of one kind or another, but only an industrial country can afford to react to the EEC's proposed internal tax and the consequent loss of outlets in the Common Market by reducing industrial imports from the Community. Some developing countries have no other source of foreign currency - Senegal, for example, with its groundnuts - and this has influenced the EEC in its desire to see international agreement on fats and oils. It is proposed to exclude butter and olive oil by levy a tax on all other fats, rather than try to stabilise the market in fats through quotas or price control as international agreements normally do. Only imports from industrialised countries will be subject to the tax, if the EEC Commission's ideas are accepted. The actual amount of the tax would have to be agreed among the Six, and would probably differ from one product to another; it should not be so high as to affect consumption seriously. A minimum price would be needed, with help from the proceeds of the tax for developing countries whose exports fall below it. The tax would also finance the creation of a stabilising reserve made up primarily of oils from the developing countries. This should prevent excessive price fluctuation.

The EEC charges no customs duty on oilseed (unlike the United States and the United Kingdom with rates of up to 10% from countries outside the Commonwealth) but oils from countries other than the EEC's associated states are liable to duty between 10% and 15%, or much the same rate as other importing countries charge. If the duty on oil from other sources is reduced the EEC Commission proposes to compensate the associated states for their loss of preference.

Meanwhile the Commission has made a further cut, from \$4 to \$2.7 per 100 kilograms (16s 11d to 11s 5d per cwt) in the compensatory charge on sunflower seed oil imported from Eastern Europe in response to further price adjustments made by the state trading countries in response to the big drop in prices reported from Brussels at the start of the summer.

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No Marathon This Time

When the EEC Ministers of Agriculture arrived in Brussels on July 28 it was expected that some progress would be made with regard to dairy and beef prices for 1969 - 70, as well as on fruit and vegetables. An agreement on these prices was originally due at the end of April, but as a result of both technical and political difficulties the Six have been unable to come to any firm agreement since then. The same story repeated itself this time, when the Ministers decided to return to their capitals after meeting on Monday afternoon, and for an hour on Tuesday morning. The reason for the lack of progress was the unresolved Italian political crisis, which has now been dragging on for three weeks. The other five countries were apparently ready to go ahead, but the Italian Minister, Signor Valsecchi said that he could not in the circumstances commit his government to any major policy decisions.

It was therefore decided that the existing dairy and beef price structure should remain effective until midnight on November 2. M. Jacques Duhamel, the French Minister proposed that they should hold another meeting in September rather than waiting till October and suggested September 15, 16, and 17. It was agreed that this should be altered to September 16, 17 and 18, as the Foreign ministers of the Six are due to meet in Brussels on the fifteenth of the month to prepare the ground for the summit conference of the EEC heads of state and governments. In an effort to ensure that this next meeting will be fruitful, the Dutch President of the Council, Mr. Lardenois, announced that he would visit the capitals of the Six between now and then to try and prepare the ground for the mid-September meeting. Although the West German elections take place on September 28, informed observers feel that this should not prevent at least an agreement in principle being reached.

The ministers did however make one decision of some importance. Angered by the United States and Canadian decisions to ignore the international wheat agreement

by setting their prices below the level fixed in 1967, the EEC ministers have authorised "temporary" increases in export subsidies of Common Market wheat. The subsidies will come into force on July 31 and remain in being at least until the next ministerial session. If however the United States and Canada are prepared to review their attitude, the EEC may also change its position, but in the meantime the Commission will be preparing - at the ministers' request - a report on the world wheat market for consideration at the September meeting.

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Italian FEOGA Infringement

The Commission has just decided to take Italy before the Community Court of Justice as the Italian government continues to refrain from paying the subsidies due under Community regulations to exporters of agricultural produce to third countries. These aids are repaid by the FEOGA - the Common Market's Agricultural and Guidance Fund.

During February and July 1968, the Commission asked Italy to fall into line, but without success. In February 1969, the Commission sent a reasoned opinion to Rome which apparently fell on deaf ears, and it has therefore decided to take the matter before the Court of Justice.

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AFRICAN ASSOCIATION - New Yaounde Convention Signed

One month after the Six and the Eighteen associated African states, which include Madagascar, finalised the renewal negotiations, a new Convention was signed in Yaounde, the capital of the Cameroun Republic on July 29. The new agreement covers aid and trade between the EEC and its African partners until January 31, 1975. Ratification by the national governments of the countries involved is still needed, and this is not expected to be completed before the early half of 1970.

The Eighteen during the negotiations for the renewal of the previous Yaounde Convention asked for sums much higher than the Six were prepared to make available, and finally had to settle for a technical \$ 1,000 million. The discussions were further complicated by the deterioration in terms of trade for the African countries, and the pressures exerted for all developing countries to have similar access rights to industrialised markets with no special preferences, as a result of the 1968 UNCTAD conference.

COMPETITION

Go-Ahead for Dutch Paint Firms Export Pact

The Commission has recently taken, under Article 85 of the Rome Treaty, a favourable decision concerning an agreement concluded by virtually all the Netherlands manufacturers who export paint and varnish to other countries throughout the world, including the Common Market. These businesses belong to the Exportgroep Verf, a section of the trade association "Vereniging van Vernis en Verffabrikanten in Nederland", which notified the agreement in question. In order to safeguard the good reputation of Netherlands paint products on foreign markets, the businesses in the group have undertaken in particular to adhere to certain minimum quality requirements.

The agreement originally contained other clauses, some of which concerned minimum prices and conditions of sale, but these proved to be incompatible with the Community rules of competition. Following comments by the Commission, the firms concerned agreed to waive these clauses for their exports to the other countries of the Common Market.

The Commission considers that the only obligation which the agreement still imposes on the businesses in the group as far as their exports to other EEC countries are concerned - the adherence to minimum quality requirements - does not in fact cause any appreciable restriction of competition. It has thus been possible to give a negative clearance decision, which means that there is no cause to intervene against this agreement.

The decision shows that although Article 85 may contain clauses dealing with restrictions on free competition of prices and sales conditions, Community rules of competition will not hinder manufacturers efforts to improve product quality by some degree of standardization, provided this brings a real advantage to the consumer.

*

First Specialization Pact Approval

The Commission has reached its first - and favourable - decision on an agreement concerning specialization. The agreement is between Clima Chappee, of Lauissiere, France, and Buderusche Eisenwerke, of Wetzlar, Germany, and concerns air-conditioning equipment for apartment buildings. Such a decision had been expected since earlier this year (see Opera Mundi - Europe No 495).

The parties intend to rationalize their production and sales through specialization, each producing only specific types of equipment. Each firm will be the exclusive distributor in its home market for the products of its partner, and will therefore be able to offer clients the full range of products of both firms.

Such agreements fall within the scope of the anti-trust rules of the Treaty of the European Economic Community. They have the object and direct effect of restricting the freedom of the contracting parties and the choice of the consumers, who are from now on confronted with one supplier instead of two. When these agreements are concluded between firms from EEC states, they also have an automatic effect on intra-Community trade because the firm that undertakes not to produce certain types of goods can obviously no longer export them.

The Commission has arrived at the conclusion that this particular agreement enables the parties to rationalize their production. Moreover, since a larger market will be opened to them, they can expand their production times and therefore decrease their costs. One can assume that their increased capacity to compete will benefit the consumers. On the other hand, all the restrictions in the agreement are indispensable to the rationalization and do not enable the participating enterprises to remove themselves from the intense competition in their field.

This first decision on a specialization agreement shows that the Commission considers this kind of agreement to be generally beneficial to the economy of the Common Market.

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Franco-German Clock Specialization Agreement Accepted

An agreement made in 1967 in the field of large clockwork products, between the French company, Jaz, Paris, and the German Peter-Uhren GmbH, Rottweil, Baden, has been approved by the Commission. Jaz manufactures electric clock mechanisms, and Peter-Uhren large mechanical alarm clocks. The agreement concerned is one for specialization, linked to an exclusive mutual supply and purchasing agreement for France and Germany. Clearance for this agreement was indicated by the Commission in late 1968.

As in the Clima Chappee - Buderusche case, the Commission considers that the various procedures for co-operation between the two partners produce certain restrictive effects on the operation of competition within the Common Market. Firstly, these procedures prevent the firms concerned from resuming manufacture of their abandoned lines, and directly marketing their specialized articles in the partner's country under their own trade marks and trade names. Secondly, they limit the consumer's choice. Moreover, as this agreement was concluded between enterprises in two different member states, it is likely to alter the flow of intra-Community trade.

Nevertheless, the Commission considers that the agreement can be exempted from the ban of Article 85 (1) of the Treaty because it not only allows the parties to increase their productivity in a broader field through specialization and the regular exchange of technical information, but it also has considerable advantages for users, who

profit from more sophisticated articles and more advantageous prices. Furthermore, the restrictions on competition will not be excessive. Finally, effective competition in this field exists in the Common Market, because of the large number of manufacturers of clocks and watches, and because of the substantial imports from non-member countries.

This decision confirms the fact that the Commission takes a favourable view of agreements for co-operation of this kind, and warrants the supposition that other specialization agreements between firms in different member states, with advantages comparable to those described above, might also be encouraged.

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\$ 500,000 Fine on Quinine Cartel

For the first time since the establishment of the EEC, the Commission has fined six European concerns for operating an undisclosed price-fixing and market-sharing cartel in quinine. These six firms control around 80% of the Community quinine market as well as over 50% of the world market. The agreements for which the firms have been fined are, in the Commission's view, illegal under Article 85 of the Rome Treaty. The companies and fines involved, which depend to some extent on each company's market position and degree of responsibility for infringement of Article 85 are as follows.

Nedchem of the Netherlands (\$ 210,000); Boehringer, West Germany (\$ 190,000); Buchler, West Germany (\$ 65,000); Pointet-Girad and the Nogentaise de Produits Chimiques (\$ 12,500 each) and Pharmacie Centrale de France (\$ 10,000).

Although the companies knew that their agreement was contrary to the Rome Treaty, as they had obtained expert legal opinion, they made no effort to notify the Commission as they were required to do. Instead they attempted to cover up the agreement, and attempted to destroy incriminating documents. In 1960 they agreed to coordinate purchases of raw materials and the sale of quinine on all world markets. In 1962 the changes in the supply of raw materials brought this cooperation to an end, but the agreement on sales of quinine became even more important for the six companies. They decided to charge common prices for all countries, and in 1964 they raised these prices by 50%. Furthermore steps were taken by the members of the cartel to protect their markets against imports from other member countries. Export quotas for all countries were established, while the French companies were not allowed to manufacture quinine.

Apart from violating a number of basic concepts of the Rome Treaty with regard to price-fixing and market sharing, the entente also clashed with the public health sector's requirements, for there is no substitute for quinine in the treatment of certain types of malaria.

*

Commission Fines Chemical Cartel

It was learnt at the beginning of the week that 10 European chemical companies had been fined a total of \$ 485,000 (£ 202,000) by the Commission for alleged violation of Community price-fixing rules under the Treaty of Rome, in particular under Article 85. The ten firms are reported as having made "joint price increases" for aniline-dye stuffs on a number of occasions between 1963 and 1968. Originally there were some sixty companies involved, but some changed their attitude during the Commission's investigations, while others appeared to have made the increases because they had no alternative.

Although no official statement, as to which companies are involved, has so far been made, they are understood to include Bayer, Hoechst, Basf and Cassella of West Germany and Ste Francaise des Matieres Colorantes (all fined \$ 50,000); Acna of Italy, which did not put all the price increases into effect, was fined \$ 35,000; and four non-Community groups, Imperial Chemical Industries, and the Swiss-based Ciba, Geigy and Sandoz (fined \$ 50,000).

This is the first time that a fine has been imposed on concerns from non-member countries, and it has been suggested that legal difficulties may arise over payment if this is refused. Furthermore some of the companies are considering an appeal to the Communities' Court of Justice.

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TARIFFS

Italians New Lead and Zinc Proposals

The Italian Government has asked the Commission to maintain, on a temporary basis, certain customs duties levied on zinc and lead imports. Italy has also suggested that these duties on metal imports should be abolished, and replaced by a fiscal tax with rate lower than that of existing duties. The revenue thus obtained would be used to maintain, develop and modernise lead and zinc mines. According to the Italian Government, this approach would reduce the price of such metals for industrial users, and at the same time safeguard the Community's mining industry.

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FREEDOM OF ESTABLISHMENT

Architects and Engineers

The recent proposals by the Commission to the Council for a three-part directive dealing with freedom of establishment for agricultural economists, architects,

biologists, surveyors and patent agents, which also covers the coordination of legislative and administrative rules in the Six dealing with the training of engineers, have been discussed by the Energy, Research and Nuclear Problems Commission of the European Parliament. One particular factor which came to light was the difficulty in making a clear distinction between the role of the engineer and architect. The directive is only the first step towards freedom of establishment for persons providing the services in question, and does not therefore include the reciprocal recognition of qualifications. Instead it sets out the minimum qualifications needed by engineers, who are classified in three sub-categories.

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E.C.S.C.

Steel Over-Investment Threat

The strong world-wide steel demand which has existed since the autumn of 1968 has resulted in the noticeable rise in investments by Community steel firms. During the first six months of 1969 the Commission was informed of new projects valued at \$985 million, a rate which if maintained for the whole year, would result in new investments valued at \$1,970 million. Since there are normally two or three years between the time when the Commission is informed of investment projects and the time when expenditure takes place, it is expected that 1971 - 72 will be a record year for investment expenditure by the Community steel industry, when the sums involved are likely to exceed the previous record figure of \$1,479 million set in 1963. This trend started during last year and it is likely to continue during the rest of 1969, a fact illustrated by the following table:

Investment Expenditure by E.C.S.C. Industries (\$ million)

Sector	Annual average 1954-59	1963	1964	1965	1966	1967	1968	1969 *
Coal Industry	434	325	291	278	250	243	277	272
Briquette and lignite semi-coke	5	9	8	8	4	5	4	4
Iron Mines	39	28	24	25	17	16	21	26
Steel Industry	581	1,480	1,315	932	848	730	822	1,099
Total	1,059	1,842	1,638	1,243	1,119	994	1,124	1,401

* 1969 figures estimated

During the last few years investment expenditure in the Community's coal industry has remained reasonably constant, and this has been concentrated on conventional power stations and mining facilities, while investment in iron mines has been very low and mostly concentrated in Lorraine. Investment expenditure in the steel industry has, however, undergone considerable changes, with proposed investments being declared during years of high economic growth, but expenditure taking place when the steel market has become slightly calmer. This sometimes means that there are difficulties in financing investment projects planned during boom periods, and furthermore these projects can result in an excess of capacity over demand. The Commission tries to prevent this occurring and during its latest report on investment in the coal and steel industries of the Community, it warns producers against the increase in production capacity which would take place if all the proposed projects came to fruition in the hot strip, and especially cold strip sectors.

The report says that on the basis of actual and proposed investment expenditure on January 1, 1969, Community steel production capacity will amount to 132.2 million tons annually in 1972, compared with 114.8 million tons in 1968, an annual increase of 3.6%. At the same time the structure of the Community's steel industry will have undergone a major change, with pure oxygen steels accounting for some 52% of overall production capability in 1972, compared with 32% in 1968, thus bringing about a decline in the production of Thomas and SM steels. It seems that there will be a fall off in investments for long products, whilst sheet production capability will be increased. Production capability for sections is expected to increase by only 1.2% annually between 1968 and 1972 to a total of 48.8 million tons, although production capability for sheet products will rise by 3.6% between 1968 and 1972 to a Community total of 51.8 million tons. The number of decision centres in the Community's steel industry are being reduced through mergers, allied to rationalisation and modernisation schemes. However, production units are continuing to increase, and by 1972 the production capacity of continuous and semi-continuous facilities will amount to 69.5%, compared with around 60% today.

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INDUSTRY

Saint-Gobain to Merge with Pont-a-Mousson

The reorganisation of France's industrial structure into international size units, which has already resulted in a strengthening of the electrical engineering industry through C.G.E. - Thomson-Brandt and the decision to create a leading European chemical group out of Rhone-Poulenc, has now been extended to take in a merger of the Cie de Pont-a-Mousson, Nancy and the Cie de Saint-Gobain with the backing and assistance of the Cie Financiere de Suez & de l'Union Parisienne. Saint-Gobain will take over Pont-a-Mousson, thus strengthening its own financial position, while Financiere de Suez, in which the British government has a 17% stake, will have an interest broadly similar (between 15%

and 20%) to its existing stake in Pont-a-Mousson in the new combine. In a connected move, the Nancy group will make over to Financiere de Suez the stake of between 7% and 8% it has in the Credit Industriel & Commercial, thus raising its stake to around 33% and giving Suez effective control (see also Euroflash).

The merger has undoubtedly been prompted by the takeover battle at the end of 1968 and in early 1969, when Saint-Gobain pulled out all the stops in a successful, but expensive effort to defeat a bid from its smaller French rival, B.S.N. - Boussois-Souchon-Neuvessel. The cost of victory put a serious strain on Saint-Gobain's finances however, and talks with Pont-a-Mousson are reported to have begun shortly afterwards, although these were kept secret. Some observers also suggest that the proposed sale to the Corning Glass Co of Saint-Gobain's stake in Sovirel, which makes the glass for the French "Secam" colour TV, is linked with this aspect of the group's financial position. A leading role in the merger was played by M. Georges Picot, the president of Financiere de Suez and a director of Saint-Gobain, who has also been the vice-president of Pont-a-Mousson since 1966. M. Picot helped to organise the purchase of Saint-Gobain's shares at the time of the B.S.N. bid, with the aim of defeating the latter's move.

If the merger goes through, and it will require the approval of the French government, it will involve crossed shareholdings with five Pont-a-Mousson shares being exchanged for eleven Saint-Gobain, although to do this Saint-Gobain will have to make a new share issue. Apart from strengthening the latter's financial position, it will enable both groups to benefit from their complementary interests in the housing construction, heavy equipment, acoustic and thermal insulation and fluid treatment sectors. At the same time, M. Robert Martin, 53, who joined Pont-a-Mousson in 1948 and became its president in 1964, is expected to take over management of the new combine from the retiring president of Saint-Gobain, M. Arnaud de Vogue. M. Martin is also a director of the Financiere de Suez, of the Societe Generale, of the Electricite de France and the vice-president of Wendel-Sidelor, and he is a member of the international board of the Morgan Guaranty Trust.

Since taking over Pont-a-Mousson in 1964, M. Martin has been re-organising the group's interests in the light of marketing considerations. It has an annual turnover exceeding F 5,000 million and employs more than 80,000 people. Net profits during 1968 amounted to F 20.6 million compared with F 16.9 million in 1967, and the breakdown of turnover includes F 2,200 million from mining and steel, F 1,300 million from castings, plumbing, conduits and plastics, and F 1,500 million from its housing, air-conditioning and water-purification interests. The group is the world's biggest producer of steel tubes and conduits and ranks among the top five producers of asbestos cement. Through its stake in Tunzini-Ameliorair it is one of the leading European air-conditioning firms, while it also controls 25% of the French plumbing market through its interests in such concerns as the Ste Commerciale des Appareils Industriels, Sapag and Generale de Robinetterie Comap. Through Halbergerhutte, Guinard, Pleuger it ranks as the second European manufacturer of pumps, and it is well-placed in the French prefabricated dwelling units market with Balency, Schuhl and Phenix trade names. It is also an important steel

concern through Wendel-Sidelor and Dilling, while in the water-treatment sector it has direct stakes of 37% in Socea-Eau & Assainnement and 21.3% in Degremont. Pont-a-Mousson also has a 6% interest in Ste Lyonnaise des Eaux de l'Eclairage, which in turn has Degremont as a shareholder.

Saint-Gobain is the leading European glass group and had a 1968 consolidated turnover of F 9,480 million compared with F 8,600 million in 1967. Its glass interests accounted for 43% of this amount, chemicals 30%, oil 20% and paper 6%. The group has 143 plants in some twelve countries and these include the Glacerie de Franiere SA, Glacerie de Saint-Roch and Isoverbel in the Benelux countries, American Saint Gobain Corp (16% of US window glass market); Verinigte Glaswerke in West Germany, as well as a range of indirect interests. There are also numerous other interests in Brazil, France, Italy, Madagascar, Portugal, Senegal, Spain, Sweden and Switzerland. Its joint French chemical subsidiary with Pechiney, Pechiney-Saint-Gobain (F 1,600m turnover) is about to come under the control of the enlarged Rhone-Poulenc chemical group, and this move will include the 53% subsidiary which Saint-Gobain recently took over, Les Soudieres Reunies.

Financiere de Suez became an investment company after the nationalisation of the Suez Canal in 1956 and in 1967 it took over the Banque de l'Union Parisienne. It has considerable interests in over a hundred French and foreign companies, and its assets are 70% in the franc area, 15% in the sterling area, 7% in the dollar area with another 7% in Europe. Its banking interests include 80% in l'Union Parisienne - C.F.C.B., 40.3% in the Cie Francaise de Credit & de Banque, 50% in the Banque de Suez & de l'Union des Mines, 57% in the Ste Francaise de Banque, and after the Pont-a-Mousson - Saint-Gobain deal a 33% stake in Credit Industriel & Commercial.

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TECHNOLOGY

American Bid for French Colour TV Firm

In a move which may lead to the first decision by the new French Government to block a foreign takeover bid, the American group Corning Glass Works Co, Corning, New York, is negotiating the acquisition from the French group Cie de Saint-Gobain SA of the latter's 48% stake in Sovirel - Ste des Verreries Reunies du Loing SA, Levallois-Perret, Hauts-de-Seine, which is already its 48% affiliate and licensee.

Sovirel, which specialises in the production of "Secam" colour television tubes developed by Cie Francaise de Television - C.F.T. SA, Paris, was formerly an interest of the B.S.N. - Boussois-Souchon-Neuvelles SA group. Saint-Gobain is also a 25% shareholder in C.F.T. (see also Community). The Secam system has already been chosen by the Soviet Union, Hungary, East Germany and Poland, while both Spain and Italy are now

evaluating it alongside the West German "Pal" system, adopted by most of Western Europe .

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Franco-American Helicopter Deal

The American company L.T.V. Aerospace Corp, a division of the Texan conglomerate Ling-Temco-Vought Inc, Dallas, which recently signed a helicopter sales and production agreement with the French aerospace group Sud-Aviation SA, Paris, has formed a subsidiary called Vought Helicopter Inc, with Mr. Forbes Mann as president. The new company will market, sell and maintain in the United States and Canada the "Alouette II" and "III" light helicopters, as well as the "SA. 341" helicopter, which the French group is developing in conjunction with the British company, Westland Aircraft, for the British and French armed forces. It is envisaged that at a later date Vought Helicopter will draw on the French group's research and experience in the helicopter sector, and in cooperation with its own parent group will develop new equipment and materials for helicopters.

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Anglo-Italian Jet Trainer Planned

The B.A.C. - British Aircraft Corp Ltd has signed a Memorandum of Understanding with the Italian manufacturer of light aircraft, Aeronautica Macchi SpA, which is headed by Dr. Ing. Paolo Foresio. This covers the study in detail of the joint development of two military trainer aircraft for the seventies. At present both companies manufacture similar aircraft, the BAC-167 and the Macchi-326, and they intend to exchange technical information and plan joint marketing of a basic jet trainer which will be built by the Italian firm, while an advance trainer to meet a more sophisticated requirement will be manufactured by B.A.C. This is expected to come into service around 1975, and the market for such an aircraft, which is unlikely to clash with the Anglo-French Jaguar made by B.A.C. and Breguet, now part of Dassault, is expected to run into several hundreds, or even thousands of aircraft.

The American aerospace group Lockheed Aircraft Corp, Burbank, California, whose latest aircraft include the giant C5A and the L-1011 Tristar airbus, has a minority shareholding in the Italian firm through its subsidiary Lockheed Aircraft International SA, Panama.

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Rolls-Royce - Fiat Jet Engine Deal

The long-standing links between the Bristol Siddeley Engines Ltd division of the Rolls-Royce Ltd group for the manufacture of "Orpheus" engines with Fiat SpA, Turin, will now be extended to take in the development and production of the new Rolls-Royce Bristol Viper 600 series engine. Joint production will start in 1971 and the Viper 600 will replace the existing Viper 500. The 500 series, which has a take-off thrust of 3,360 lbs in its latest variants (522, 526, 535 and 540), is used by jet trainers belonging to some 21 nations, as well as in the Italian PD 808 business aircraft made by the association between Piaggio & Co SpA, Genoa, and the American Douglas Aircraft Co, a member of the McDonnell Douglas Co group. It is also used in the MB326G jet trainer built by Aeronautica Macchi SpA, Milan.

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Siemens Stake in Aerospace Group

The West German electrical group Siemens AG is about to take a 10% stake in the aerospace group formed from the link-up of Messerschmitt-Bölkow in Southern Germany and Hamburger Flugzeugbau. This move has long been expected and has received the backing of the Land of Bavaria. At present it is unknown whether Messerschmitt-Bölkow group's capital will be increased, or whether the interests of its existing shareholders will be reduced. The Messerschmitt-Bölkow group came into being last November and is the leading West German aerospace concern with around 12,300 employees. At present its main shareholders are the Messerschmitt family (33%) and with around 15% each, Herr Ludwig Bölkow, the Bavarian Government, Boeing and the French aerospace group Nord-Aviation.

Messerschmitt-Bölkow manufactures light aircraft and helicopters and is responsible for the production of the third stage of the "Europa" rocket, as well as taking part in the construction of the A300B airbus in association with France. It is also involved in the design and development of the MRCA or Panther swing-wing aircraft being developed by Britain, West Germany and Italy, and due to fly around 1975. It was announced on Monday that the Dutch Government had decided to withdraw from the MRCA project on the grounds that the aircraft was too complicated and expensive for its country's needs, and it is being suggested that the Italian Government may now re-consider its position, and if this occurred the future of the whole project could well be jeopardised. Italian sources however do not consider a decision along these lines likely in the near future.

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Daimler-Benz Jet Engine Pact with MAN

The 1968 agreement covering the joint development of jet engines for the aerospace industry between Daimler-Benz AG, Stuttgart-Untertürkheim, and MAN - Maschinenfabrik Augsburg Nürnberg, Augsburg (a member of the Gutehoffnungshütte Aktienverein, Nuremberg group) will be based on the Man-Turbo GmbH, Munich-Allach factories (100% subsidiary of Man), and the Mercedes Benz Motorenbau GmbH facilities belonging to Maybach Mercedes-Benz Motorenbau GmbH. This latter was formed by the 1968 merger of Mercedes Benz Motorenbau and Maybach Motorenbau GmbH, Friedrichshafen.

Man-Turbo will raise its capital from Dm 31.63 to Dm 63 million and acquire from Daimler-Benz its majority stake of around 84% in Maybach Mercedes-Benz, as well as taking over the activities of the administration company formed by Man and Daimler-Benz as Entwicklungsgesellschaft für Turbo-Motoren mbH, Munich. Man-Turbo will thus become a 50% interest of each of the two founder groups and will be known as Motoren- & Turbinen Union München GmbH (abbreviated to MTU München GmbH), and its subsidiary Maybach Mercedes-Benz Motorenbau will become Motoren & Turbinen Union Friedrichshafen GmbH (abbreviated to MTU Friedrichshafen GmbH). The two companies will together employ around 10,000 workers, and their initial turnover is expected to amount to Dm 500 million.

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Spanish Stake in Dassault "Mercury"

The decision by the leading private French aerospace group Ste des Avions Marcel Dassault Sarl, St-Cloud, Hauts-de-Seine, to build the twin jet "Mercury" 130 seater short-haul aircraft will involve the cooperation of aerospace firms in other European countries. It has recently been announced that the Spanish, C.A.S.A. - Construcciones Aeronauticas SA, Madrid, which is affiliated to the American group Northrop Corp, will take a 5.8% stake in building the "Mercury". This is to be powered by Pratt & Whitney J.T.8.D. engines.

Since October 1968 the Turin group, Fiat SpA, has been linked in this project with Dassault and it will contribute 10% of the costs.

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OECDTable ITOTAL POPULATION AND LABOUR FORCE IN THE OECD AREA 1956-1967

Millions

	OECD Total		North America		Japan		European OECD		E.E.C.		E.F.T.A.	
	1956	1967	1956	1967	1956	1967	1956	1967	1956	1967	1956	1967
Total population	593	676	185	220	90	100	318	356	165	185	87	95
Total labour force (including unemployed and armed forces)	263	289	75	89	43	50	145	150	76	76	41	43
Civilian employment	249	275	69	82	42	49	138	144	71	73	39	42
Agriculture (including forestry, hunting and fishing)	63	46	7	4	16	11	39	30	17	11	5	4
Industry	87	101	25	28	11	17	52	57	29	32	17	19
Other activities	99	128	37	50	15	21	47	57	25	30	17	19

Table IICHANGES IN THE PATTERN OF THE CIVILIAN EMPLOYMENT, SECTOR BY SECTOR

Percentages

	OECD Total		North America		Japan		European OECD		E.E.C.		E.F.T.A.	
	1956	1967	1956	1967	1956	1967	1956	1967	1956	1967	1956	1967
Total civilian employment	100.0		100.0		100.0		100.0		100.0		100.0	
Agriculture, forestry, hunting and fishing	25.1	16.7	10.4	5.5	38.5	23.1	28.5	20.9	24.5	15.4	13.3	8.9
Industry	35.0	36.8	35.8	33.7	25.0	33.5	37.6	39.7	40.8	43.7	44.6	44.6
Other activities	39.9	46.5	53.8	60.8	36.5	43.4	33.9	39.4	34.7	40.9	42.1	46.5

ENLARGEMENT

Preparing the Autumn Campaign

The mood in European circles after last week's meeting of the Foreign Ministers in Brussels is one of renewed hope that some progress may be made over the internal strengthening of the Community and its enlargement, through mutual concessions between the Six, an essential pre-requisite for any moves. Furthermore there is a feeling that the overall atmosphere within the Community has also improved, for although the new French government continues to use terms which are very similar to those used by General de Gaulle's governments, the way they are expressed and the slight nuances which seem to be attached indicate a willingness to at least adopt a more flexible attitude.

After the meeting, the Dutch President of the Council, Dr. Luns said "We have made real progress", somewhat fulsome praise for a ministerial session. There are however doubts which still exist as to what France intends by her proposal to hold a summit conference, probably in The Hague. This may become clearer when the Foreign Ministers meet - earlier than planned - on September 15th to try and agree an agenda for this summit. Some observers have suggested that it will be the occasion for further French delaying tactics, although recent developments in Britain tend to show that the French government may be able to draw on a stockpile of reasonable doubts as to Britain's attitude. These could be fired off one by one, so as to keep the pressure on the rest of her EEC partners, and ensure that if negotiations do start, the British representatives will be faced with some very tough discussions. Obviously a main objective from the French standpoint is to ensure that the discussions over the future financing of the common agricultural policy are tied up as much as possible, before enlargement talks start.

The favourable reception given to the French summit proposal, and Dr. Luns' decision to drop the proposed call for a declaration of intention from the Six with regard to the opening of negotiations with Britain, does however have some bounds. The French proposal for a meeting of the EEC heads of government and states does not include the participation of the Commission, but the Five are likely to press for the Commission - or at least its President, M. Jean Rey - to be present on all topics involving Community questions, which amounts to most of the problems likely to be down for discussion. Furthermore the permanent representatives of the Six in Brussels are going to have their summer holidays shortened, since they will be working on the agenda for the Foreign ministers meeting to establish the direct and indirect relationships between the three French guidelines for the summit "completion, fulfillment and enlargement". This means that the September 15 session should enable conclusions to be drawn as to the future of French policy in all three directions as it will involve the discussion of practical problems which can no longer be put off "until the next meeting". Of course the tasks confronting the Community, which need to be resolved at least in principle before the start of 1970 are enormous, but it seems to be a factor of Community life that the Ministers appear to like working under pressure in an effort to produce the necessary results.

After a meeting of the French Cabinet on July 23, it was announced by a Government spokesman that President Pompidou would head the French delegation to the Common Market summit. "A summit conference brings together those who hold the highest responsibilities in their respective countries, and it goes without saying that the President of the Republic could under such circumstances lead the French delegation." On the evening of July 22, M. Schumann the French Foreign Minister said that he was confident the Six would be able to overcome all the obstacles they are faced with, and end the transitional period on time. He repeated that France had no objection in principle to enlargement provided this did not weaken the Community. So far however there has been no change in the French attitude to the meetings of the Western European Union's permanent council. This held its last session before the summer break in London on July 25. One of the subjects for discussion was the next meeting of the WEU's Ministerial Council due in London during September. Because of West Germany's parliamentary elections on September 28 this is now likely to take place in Brussels during October. The WEU comprises the Six and Britain, thus providing a useful if perhaps symbolic link, and another reason for delaying the next session is that it would allow Paris a greater length of time to decide on whether or not to continue its boycott, which has been effective since February.

Pressure against British entry has been building up in the House of Commons on the grounds of the cost, and because of fears that Britain would have to give up some of her sovereignty to federal institutions. Attempts have also been made to show that the Foreign Secretary and the Prime Minister view the question differently, but basically the British attitude would seem to be aimed at adopting a pragmatic approach towards the question of political unity. An idea of the attitudes of the three main political parties to British entry emerged from speeches made at a European dinner in the Guildhall on July 29. This was given by the British Council of the European Movement, which has recently merged with "Britain in Europe", and whose chairman is Lord Harlech, a former British ambassador to Washington.

The leader of the Liberal Party, Mr. Thorpe said that Britain must make it clear to "our future partners that we are not trying to create a sort of super European Free Trade Association". He said that if Britain joined the Community she would not be turning her back on the rest of the world "On the contrary, the strength, both political and economic, which will come to her through participation in the Community will enable Britain and her European partners to play their part in world affairs". With the growing power of the Commission and the weighted majority voting system, there would have to be a strengthening of democratic control through the development of the European Parliament, and eventually this could result in direct elections. However "the pace of these changes could not be predicted. It will depend on events and pressure both among the Six and the candidate countries". Mr. Thorpe said that "the time of stagnation is over and the European tide is rising again", and warned his audience and fellow politicians to prepare the British public for the real issues faced by joining the Community. Furthermore British governments should not say one thing to the EEC

countries and then try and say - or imply - something different to the British electorate.

Mr. Heath said that in overcoming the obstacles she was faced with, Britain should not lose sight of her long-term aims. He stressed that care should be taken to ensure that this time there was a successful outcome, for "a third failure might indeed prove to be a shipwreck". The doubts and worries about Britain's role in Europe amongst the public should be met, and such action was more essential than "the niceties of constitution-making". Mr. Heath stated "Near the surface is the economic worry, the fear that British membership of the European Economic Community would place upon our cost of living and upon our balance of payments a burden which would, quite simply, prove intolerable. To be fair, it is an anxiety which is well recognised and to some degree shared among the Six"... However "the level of obligation which the agricultural policy will lay upon Britain, will depend on the way in which the policy is being operated not now, but at the time of entry". This would depend on negotiations during entry and amongst the Six over the financing of the CAP, due to be resolved by the end of the year. "But every citizen is entitled to have the fullest information available on these and other implications of membership of the Community". The leader of the Conservative Party stressed that if everyone on both sides of the Channel thought they would get the worst of British entry, all the opportunities they were confronted with would never be realised. "We must meet these worries, not by arguing about institutions, but by looking together at our fundamental purpose, the unity of Europe to which all can contribute. We must concentrate on the actual tasks which have to be done and on the indisputable fact that they are better done together".

For Mr. Wilson "No one can foretell tonight the direction, still less the pace or institutional arrangements of future moves towards the unity of Europe, particularly when the argument takes on a federalist tinge". He quoted Hugh Gaitskell seven years ago who said "The creation of supranational, federal, political- or defence-institutions is not a reality for 10 or 20 years". However the Prime Minister did say "The immediate task of this generation is to work, as we are pledged to work, for that degree of political unity within our immediate grasp. That is our task in the months and years that lie ahead of us". If Britain's bid to join was successful, and the government had been right not to be discouraged "As Europe's economic strength grows its political strength will grow, and this will underline the need for Europe to speak with a more united voice in the councils of the world". Britain had in any case clearly accepted all the political provisions of the Rome Treaty, and this had been stressed again in the Anglo-Italian declaration signed in April.

July 31, 1969

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ADVERTISING

** The Amsterdam agency RECLA-JANSSENS ADVERTISING (RJA) NV, Amsterdam (capital Fl 251,000 - see No 452), which was formed by the merger of the Recla NV and NV Adviesbureau voor Reclame Janssens & Co agencies, has linked 50-50 with D.D.M. DESIGN & ADVERTISING, Amsterdam, to form RECLA INTERNATIONAL HOLLAND NV, Amsterdam (capital Fl 51,000). This is headed by Mr. Albert W. de Groot. Recla-Janssens, which is headed by Messrs J.A. van den Houten and E.A. Ph. Wessing, is directly represented in the new company through its Swiss subsidiary, RECLA INTERNATIONAL SA, Montreux, Vaud (see No 494).

BUILDING & CIVIL ENGINEERING

** The Brussels group CONSORTIUM DE PARKING SA (see No 522) has taken over the property company CENTRE INTERNATIONAL DE COMMERCE - C.I.C. SA, Brussels (see No 502), controlled by its own main shareholder M. Charles de Pauw. As a result it has raised its own capital to Bf 665 million and has changed its name to C.D.P. SA. The company which has been taken over was formerly Ste Immobiliere de Nivelles SA, Charleroi, and it recently absorbed Centre International de Commerce SA, Charleroi (the first of this name) before taking the same name.

** The Dutch company NV GRESWAREN INDUSTRIE TEEUWEN, Tegelen (cladding and insulating materials for the building industry) has opened a branch in West Germany at Kaldenkirchen.

The founder (capital Fl 500,000) also has a stake in Enkave NV, 's-Hertogenbosch (formed in 1965 - see No 361) on an equal basis with Van Neerbos' & Handelsmij NV, Vlaardingen, and Chemische Producten Im- & Export "De Tunnel" CV, 's-Hertogenbosch.

** The Paris civil engineering group S.C.R.E.G. - STE CHIMIQUE ROUTIERE & D'ENTREPRISE GENERALE SA has acquired assets from TRACTION & ELECTRICITE SA, Brussels (its 11.1% shareholder) from UNION DE PARTICIPATIONS DE FRANCE & D'OUTRE-MER SA, Paris as well as from PETROFINA SA, Brussels (its 12% shareholder) and the latter's French subsidiary PETROFINA FRANCAISE SA, Paris. As a result it now has large shareholdings in two African concerns, SECRAC SA, Yaounde, Cameroun and STE D'ENTREPRISE CHIMIQUES & ROUTIERES DE L'AFRIQUE EQUATORIALE SA, Brazzaville.

S.C.R.E.G. has at the same time absorbed four subsidiaries whose total overall assets are valued at F 8.3 million (gross): STE INDUSTRIELLE DES BITUMES & LIANTS PLASTIQUES SA, Fontains-sur-Saone, Rhone; ENTREPRISE NANTAISE DE TRAVAUX PUBLICS SA; ENTREPRISES LE GUILLOUX Sarl, St-Brieuc, Cotes-du-Nord and DIOT & CIE Sarl, Orbais-l'Abbaye, Marne. As a result its own capital will be raised to F 38.37 million.

** A merger in the French building materials and equipment industry will involve MATERIEL DE MANUTENTION POUR L'ENTREPRISE & LE BATIMENT-MANUBAT SA, Paris, taking over its parent company TECHNIQUES MECANQUES NOUVELLES DU BATIMENT (TMNB) SA (capital F 300,000) as well as STE NOUVELLE D'EXPLOITATION DES ETS. BOILOT PETOLAT (SNEBP) SA, Dijon (capital F 2 m). These will make over to it assets valued respectively at F 5.46 and F 6.7 million (gross). In late 1965 Manubat absorbed Pelles & Chargeurs SA, Neuilly, Hauts-de-Seine, and as a result raised its capital to F 400,000.

** The STE FINANCIERE D'INVESTISSEMENT & DE GESTION - SEQUANA SA, Paris (see No 392), a member of the Basle group STE DE BANQUE SUISSE SA (see No 509), has formed the CENTRE EUROPEEN DU BATIMENT SA on its premises (capital F 1 m). This will run a permanent exhibition and provide information relating to building techniques and improvement schemes. MM. Lucien Pettelat and Pierre Guillemain are respectively members of the supervisory and management boards of the new concern.

CHEMICALS

** The Milan petrochemical plant construction concern ORONZIO DE NORA IMPIANTI ELETTROCHIMICI Sas (see No 479) has made an agreement with the Tokyo group MITSUI & CO LTD (see No 512). This will involve the manufacture in Japan - using the Italian concern's licences - of metal electrodes used in the chemical and electrolytic industries.

A joint Tokyo subsidiary, PERMELEC ELECTRODE LTD (factory at Katsuji) will be set up with a capital of Yen 360 million. The Italian stake will be shared between the Milan firm (20%) and its subsidiary in Panama, CHEMNOR CORP (30%). The Japanese stake will be split between the Tokyo group (40%) and its subsidiary MITSUI SHIPBUILDING & ENGINEERING CO LTD (10%).

** The Dutch SLIJPSTEEN INDUSTRIE DE MAAS NV, Cuyk (abrasives, milling products and cutting equipment for metal and stone - 125 employees) has been taken over by FERRO (HOLLAND) NV, Rotterdam (formerly Ferro Enamels Holland NV). This has over 600 persons on its payroll and is itself the subsidiary of the American FERRO CORP, Cleveland, Ohio, which makes a wide range of products for the ceramics, plastics and enamel industries, as well as supplying plant for the enamel industry. The group also has other European subsidiaries including those in Britain (Ferro Enamels Ltd, Wimbourne), in France (Procedes Ferro SA, St-Dizier, Haute-Marne) in Switzerland (Ferro Holland AG, Zollikon, Zurich), as well as a Spanish affiliate, Ferro Enamels Espanola SA.

** NOUVELLES SAVONNERIES FRANCAISES & FOURNIER-FERRIER SA, Paris, has made an agreement with the Zurich concern FRIEDRICH STEINFELS AG SEIFENFABRIK under which it will acquire the latter's trade names, manufacturing processes and know-how in the detergent, textile washing and institutional dishwashing sectors. The Paris firm is at present being taken over by its parent company, UNIPOL - Union des Industries de Produits Oleagineux SA, Marseilles (see No 505).

** The New York synthetic resin manufacturer SCHENECTADY CHEMICALS INC has formed a Cologne sales subsidiary, SCHENECTADY CHEMICALS GmbH (capital Dm 50,000), with Messrs Alexander MacCormick and J.C. Salomon as managers. Through its Canadian subsidiary, Schenectady Chemicals Ltd, the founder has 98.2% control of Schenectady de France SA, Essars-les-Bethune, Pas-de-Calais (capital F 3m - see No 290).

CONSUMER GOODS

** The French television rental firm LOCATEL SA, Levallois-Perret, Hauts-de-Seine (see No 494) has gained an important shareholding in a similar company, L.T.V. - CIE EUROPEENNE DE LOCATION D'APPAREILS DE RADIO-TELEVISION SA, Paris (see No 250). Until now the latter was the 50/25/25 subsidiary of the London group THORN ELECTRICAL INDUSTRIES LTD (see No 516) and the French groups CIE FINANCIERE DE PARIS & DES PAYS-BAS SA and THOMSON - C.S.F.SA (see No 522).

A few months ago Locatel formed Locatel Service SA (capital F 100,000), which rents domestic appliances and on whose board is represented Cie Centrale de Placements SA, the holding company of the Lazard Freres & Cie Scs group (see No 494), one of its own shareholders. The other main shareholders are Credit Mobilier Industriel - Sovac SA (affiliated to Lazard and Banque Rothschild SA) and the Chargeurs Reunis SA, Paris group (see No 510).

** The Italian domestic appliances group INDUSTRIE A. ZANUSSI SpA, Pordenone (capital Lire 6,500 m - see No 517) is to merge with its own subsidiary GRUPPO INDUSTRIE ELETTRODOMESTICI SpA, Pordenone. The latter, whose president is Sig Lambert Mazza (capital Lire 1,500m) was formerly called STICE - Sta Toscana Industria Cucine Economiche SpA, Milan. It manufactures "Nordton" refrigerators (distributed by a network of independent "Nordton" representatives outside Italy) and "Turbinball" washing machines. This move will help to extend Zanussi's manufacturing capacity and recently it linked with the Castor SpA, Rivoli, Turin group with the same purpose in mind (see No 514).

** The West German HEINRICH BECKERMANN KG, Cappeln, Oldenburg, has made its French branch at Dettwiller, Bas-Rhin, into a subsidiary called BECLA-FABRIQUE DE MEUBLES BECKERMANN-LAGER Sarl (capital F 250,000). The parent company has some 300 employees and a turnover of around Dm 25 million. It specialises in the manufacture of kitchen furniture and the installation of fully-equipped kitchens.

DATA PROCESSING

** The New York GRANITE EQUIPMENT LEASING CORP (computer and industrial equipment leasing - see No 521) has extended its Common Market sales interests through GRANITE LEASERVICES INTERNATIONAL INC, Garden City, New York, by forming a new subsidiary in Amsterdam (see No 513).

The American group recently formed two subsidiaries under the Granite Leaservices International name in Milan (capital Lire 75 m), whose president is M. H. Granat, and another in Paris (capital F 10,000), headed by M. J. Bock. These were in addition to its existing

subsidiaries in Frankfurt (see No 510) and in London, as well as the Luxembourg finance company, Granite Equipment Leasing Corp. International SA.

** The Italian interests of the Berlin group SIEMENS AG (see Nos 520 and 487) have been strengthened by the formation of a Milan affiliate, SIEMENS DATA SpA (capital Lire 1m), whose president is Herr Hans Verlohr and which will be run by Herr Heinz Wagner. The new concern will sell and lease computers and data processing equipment, manufactured by the group in Augsburg and Munich.

For over five years now the West German group has controlled in this sector, Zuse KG, Bad Hersfeld (see No 417). Its main Italian interests are Siemens Elettra SpA, Milan, along with its affiliates A.C.E. - Adriatica Componenti Elettronici SpA and Baruffaldi Frizioni SpA (see No 403), as well as the medical electronics concern Gorlo Siana SpA, Milan.

ELECTRICAL ENGINEERING

** The British electrical cables firm PIRELLI GENERAL CABLE WORKS LTD has signed a sales agreement covering high tension cables with ENFIELD STANDARD CABLE LTD, Birmingham (a member of the Delta Metal Ltd group - see No 451). The latter will cease manufacturing this form of conductor, which will now be made by its new partner in its factory at Eastleigh, and will be sold through a joint subsidiary, Pirelli Enfield, in which Enfield-Standard has a 25.5% stake.

Enfield-Standard is a member of the Italian rubber group Pirelli SpA, Milan (see No 522) through the Basle holding company Ste Internationale Pirelli SA and is also a 5% affiliate of the London group, The General Electric English Electric Cos Ltd (see No 506).

** CIE GENERALE D'ELECTRO-CERAMIQUE SA, Paris, has signed an agreement with the Czechoslovak concern ELECTRO PORCELANA, Louny, granting the latter manufacturing and sales rights for its "Spirelec" porcelain insulators in Czechoslovakia and other countries.

Cie Generale d'Electro-Ceramique is the 58% subsidiary of the Paris group C.G.E. - Cie Generale d'Electricite SA (see No 520) and an 18.11% interest of B.S.N. - Bousois-Souchon-Neuvesel SA, Paris since 1968 when this made over its insulating interests (see No 520).

** The London PLESSEY ANSAFONE LTD (telephone recording and reply equipment) has formed a Milan sales subsidiary, ANSAFONE ITALIANA SpA (capital Lire 4m) with Mr. H.G. Reichmeuth, and there will also be a branch office in Rome.

The London company has been the joint subsidiary since 1967 (see No 400) of ANSAFONE HOLDINGS LTD, Camberley, Surrey and London, and THE PLESSEY CO LTD, Ilford, Essex (see No 470).

ELECTRONICS

** Mr. A. T. Sharman, who heads the British RECOGNITION EQUIPMENT LTD, Maidenhead, Berks, the manufacturing subsidiary of the Texan electronics group RECOGNITION EQUIPMENT INC, Dallas (see No 471) has been appointed head of the newly-formed Amsterdam company RECOGNITION EQUIPMENT NEDERLAND NV. This will represent the electronic, electrical and technical equipment made by the American group and its affiliates in the Netherlands. With an authorised capital of Fl 100,000 (25% issued), the new company is a subsidiary of the finance company Beheermij. Pharas NV, Amsterdam (see No 511). At the same time the latter has extended its interests through the formation of a property and patent exploitation subsidiary, Kangol (Nederland) NV, The Hague (authorised capital Fl 250,000 - 20% issued). This has two previously established sister companies, Kangol (Trading) NV, The Hague, which was formed in February 1969 to trade in safety belts and crash helmets, as well as the property and textile products trading company Beheermij. Firsim NV, Amsterdam (formed in April 1968).

** The American manufacturer of electronic measuring and scientific equipment, GENERAL RADIO CO, West Concord, Massachusetts, has formed its own Italian sales subsidiary called GENERAL RADIO ITALIA SpA (capital Lire 5 m) with Mr. Donald B. Sinclair, Concord, Massachusetts as president. The American group was already represented in Italy by Ing. S. & Dr. Guido Belotti Srl, Milan, the sister company of Ing. S. & Agostino Belotti Srl (see No 501).

Since 1961 the Massachusetts firm has had a subsidiary in Zurich and last year it acquired a large shareholding in the Paris, Ets Radiophon SA (see No 360), which was its French representative, before re-naming it General Radio France SA. It has also had a British subsidiary since 1964, General Radio Co (U.K.) Ltd, Bourne End, Bucks, which took over the business of its former agent, Claude Lyons, Hoddesdon, Herts.

ENGINEERING & METAL

** The American ALVEY CONVEYOR MANUFACTURING CO, St-Louis, Missouri (materials-handling equipment - see No 331) now has a Paris sales office.

It already has a 60% Belgian subsidiary, Alvey Conveyor Europe NV, Breendonk, which was formed in late 1965 in association with Femont NV, Breendonk.

** The capital of the Luxembourg LEVIVIER HOLDING SA has been reduced to Bf 5 million and then raised to Bf 15 million, and this has enabled S.F.A.C. - STE DES FORGES & ATELIERS DU CREUSOT SA, Paris (see No 496) to acquire a 66.6% interest. S.F.A.C. is a member of the SCHNEIDER SA group and until now Levivier Holding was a subsidiary of another company in the group, Cie Financiere Delattre-Levivier SA, Courbevoie, Hauts-de-Seine (see No 501).

** The Rotterdam INTERNATIONAL CREDIET- & HANDELS-VEREENIGING "ROTTERDAM" - INTERNATIO NV (see No 509) intends to extend its central heating interests by gaining control of NV INDUSTRIEEL MIJ. ZUTPHEN, Zutphen (authorised capital Fl 4 m - 20% issued). With some 250 employees, this is mainly engaged in the manufacture of metal sanitary ware and plumbing accessories.

The Rotterdam group already has a subsidiary in this sector, Flamco NV, Gouda (see No 428), which itself controls the West German sales subsidiary, Flamco Vertriebsges. für Heizungs- & Installationsbedarf mbH, and is linked 55/45 with the American company Eclipse Fuel Engineering Co, Rockford, Illinois, in the Dutch, Flamecon NV, Gouda. The latter has a sister company in Cologne, Flameco GmbH, selling industrial gas and oil burners.

** STE METALLURGIQUE DE LA JATTE SA, Neuilly, Hauts-de-Seine (capital F 360,000) is to take over A.M.E.C.A. - LES ATELIERS DE MECANIQUE APPLIQUEE SA, La Courneuve, Seine-St-Denis (capital F 288,000), which specialises in cutting, stamping and sheet-making, as well as manufacturing equipment used for these purposes. As a result of this move, Metallurgique de la Jatte will receive assets valued at F 3.77 million (gross).

** A link-up between the Paris company SEQUIPEC - STE POUR L'EQUIPEMENT DES INDUSTRIES PETROLIERES & CHIMIQUES SA (see No 510) and the Luxembourg CHAUDRONNERIES HOLDING SA, has resulted in the formation in The Hague of NV MIJ. VOOR PETROCHEMISCHE UITRUSTING "PETRUMIJ" (capital Fl 50,000 - 20% issued). Headed by MM. Max Vintejoux and Henri Jamon, this will manufacture and supply equipment for the chemical, petrochemical and petroleum industries.

The French company was formed in 1959 when thirteen concerns supplying services and equipment for the petrochemical and petroleum industries decided to link through the backing of Banque Alexandre de Saint-Phalle & Cie Sca (see No 500). It recently took a 5% stake in the formation of Cie Industrielle & Technique d'Echangeurs de Chaleurs Sarl, whose main shareholders are the West German Koerver & Lersch oHG, Krefeld (49%), and the French Ste Financiere des Constructions Metalliques de Provence SA. Cie Industrielle & Technique d'Echangeurs de Chaleurs took over the tubular exchanger production interests of Citec - Constructions & Installations Techniques Sarl, Paris, also one of its shareholders. For its part the Luxembourg company (capital Lux F 2 m) was formed in April 1969 with the backing of Finimsa - Financiere & Immobiliere SA, Luxembourg, a member of the Antwerp and Brussels Kredietbank NV group (see No 522).

** A link-up between R. STAHL MASCHINENFABRIK KG, Stuttgart-Wangen (see No 354) and RHEINSTAHL EGGERS KEHRHAHN GmbH, Hamburg, will result in the formation of the leading West German manufacturer of hoists and lifts.

Rheinstahl Eggers Kehrhaahn is the wholly-owned subsidiary of the Rheinische Stahlwerke, Essen group (see No 497) and with a capital of Dm 6 million has around 1,500 employees, as well as a branch in Brussels. R. Stahl Maschinenfabrik, owned by the Stahl and Zaiser families, has over 3,000 employees. Its network of foreign subsidiaries includes Stahl Italiana Sas, Genoa; R. Stahl Trading GmbH, Basle; P. Ch. Damaskos SA, Athens; as well as those in Belgium, Spain, Denmark, Norway and Sweden.

** The Paris group ETS. ARBEL SA (headed by M. Pierre Arbel - see No 504) has made over its metal processing activities at Douai, Nord, valued at F 60.3 million (gross) to its subsidiary STE NOUVELLE DE GESTION DES WAGONS SPECIAUX (SOGEWAS) SA, Douai (capital raised to F 40m), which has since been re-named ARBEL-INDUSTRIE SA, with M. Robert Trimbach as president. Arbel has nevertheless kept its transport and rolling stock interests (1,640 units), which are run by Ste de Gerance des Wagons de Grande Capacite - S.G.W. SA (see No 279). The latest turnover figures for the group amount to F 141.49 million, of which its "trucking" interests accounted for 48% and its "stamping" interests accounted for 38%. Arbel also has a Paris holding company, Ste Industrielle, Financiere & Immobiliere - S.I.F.I. SA, as well as various other shareholdings, including 55.2% in Lormafer - Ste Lorraine de Materiel Ferroviaire SA, Creutzwald; 33.3% in Secathem SA, Sarre-Union, Bas-Rhin (also affiliated to Ets Ziemann-Hengel & Cie Sarre-Union, and to Vallourec SA); and 23.3% in S.P.A.I.R. SA, Douai. Other shareholders in the latter are Ste d'Exploitation Commerciale d'Ivry-sur-Seine SA (formerly Naviking SA, Ivry-sur-Seine) and its parent company Bazar de l'Hotel de Ville SA, Paris.

** The British company ROBERTSON GEOTECHNICAL SERVICES LTD, Glasgow and Llanddulas, has formed an Amsterdam subsidiary to provide consultancy services in the technical and scientific sectors, ROBERTSON RESEARCH LABORATORIA NV. The new concern has an authorised capital of Fl 30,000, with some 20% issued.

** TRAITEMENT DE L'AIR & DE GAZ PRAT-DANIEL-POELMAN SA, Rueil-Malmaison, Hauts-de-Seine (see No 504), a subsidiary of the Paris TUNZINI-AMELIORAIR SA (see No 517) has formed a Madrid air-conditioning and cleansing subsidiary called PRAT-DANIEL SA (capital Pts 3.5m). The founder (formerly Prat-Daniel SA) has received the industrial extraction interests of two of Tunzini-Ameliorair's subsidiaries, Ste Air Industrie SA and Ste Schneider Poelman SA. Its existing foreign interests include Ste Belge Prat-Daniel SA, Etterbeek-Brussels, which was formed in 1960.

FINANCE

** BANQUE DE L'UNION PARISIENNE - C.F.C.B. SA, Paris (capital F 80m - current account F 924m - portfolio assets F 1,640m at end 1968) has gained 50.7% control of its former 27% affiliated BANQUE J. JOIRE SA, Tourcoing, Nord (see No 518) after having made over to it its wholly-owned Lille subsidiary BANQUE PAJOT & MARTIN SA (gross assets F 25.92m), as well as various property interests. The Tourcoing bank, which has been re-named BANQUE J. JOIRE, PAJOT & MARTIN SA, as a result of this move, (capital raised to F3.65m) has M. R. Quentin-Bauchart as president, and is run by Messrs Roger Minet and Francis Pajot.

** The London subsidiary ASTRAL INVESTMENT HOLDING LTD of the banking group SAMUEL MONTAGU & CO LTD (see No 512) has underwritten the increase to \$2.035 million in the capital of MONTAGU HOLDINGS SA, Luxembourg, an increase which has been backed by the acquisition of an interest in MONTHOLDING S.A.H., Luxembourg. Recently Astra Investment made over to Montagu Holdings a 45% stake in Guyerzeller Zurmont Bank AG, Zurich (see No 487).

** The CIE FINANCIERE DE SUEZ & DE L'UNION PARISIENNE SA group (see No 521) is to raise to over 30% its stake in the Paris banking group CREDIT INDUSTRIEL & COMMERCIAL - C.I.C. SA (see No 520) by taking the 7.2% interest held by CIE DE PONT-A-MOUSSON SA, Nancy (through U.B.I. - UNION BANCAIRE & INDUSTRIELLE SA - see No 502) in the light of the latter's proposed merger with the chemical and glass group Cie de Saint-Gobain SA, Neuilly-sur-Seine (see "Community").

U.B.I., which is controlled by Pont-a-Mousson (directly 4.83% and indirectly 79.5% through SA de Participations & d'Etudes - S.A.P.E. SA, its 61.4% subsidiary) has a 6.5% interest in Cie Financiere de Suez (6.05% directly), which in turn holds 20.12% in Pont-a-Mousson, 10.56% in U.B.I. and 23.16% in C.I.C.

** The Berlin ADCA - ALLGEMEINE DEUTSCHE CREDIT-ANSTALT (see No 501), a member of the West German QUANDT group (see No 516) has gained a 51% controlling stake in BANKHAUS PREUSKER & THELEN KG, Bonn (share capital raised from Dm 5 to 8 m). This has assets of Dm 60.6 million, as well as a shareholding in Orbis Bank GmbH, Munich (capital Dm 4 m) where the remainder is held by I.O.S. - Investors Overseas Services Ltd, Panama (see No 520).

The latter recently decided to link with the Banque Rothschild to manage and sell a new investment company, Rothschild Expansion SA, Paris (see No 519), with an authorised capital of F 250 million.

** CONSORTIUM DE FINANCEMENT IMMOBILIER A LONG TERME - IMMOFFICE SA, Paris (capital F 15 m) has just been formed to lease unequipped industrial and office premises. The president of the new company is M. Jean-Claude Aaron, who also heads JEAN-CLAUDE AARON, MAURICE BERTRAND & CIE Sarl, Paris.

Companies represented on the board include a number in the insurance sector, as well as U.C.I.P. - UNION FINANCIERE POUR LA CONSTRUCTION IMMOBILIERE PRIVEE SA, Paris (see No 519), BANQUE EUROPEENNE DE FINANCEMENT SA, Paris (part of the New York group American International Bank - see No 509), STE DE L'OUENZA SA, Paris, the HOTTINGUER & CIE Snc bank (see No 501) and BANQUE LOUIS-DREYFUS & CIE SA.

** Through its subsidiary MARINE MIDLAND OVERSEAS CORP, New York (see No 518), the American group MARINE MIDLAND BANKS INC has taken a 15% stake in BANKHAUS BURKHARDT & CO (see No 501 - balance sheet total around Dm 700 m). Since 1965 this has been a 14.5% affiliate of Cie Financiere de Suez & de l'Union Parisienne SA, Paris (see No 520). It recently became the majority shareholder in the consumer credit bank, Kundenkreditbank KHAA, Düsseldorf (see No 516), as it provided a 25% stake in forming this, along with the Düsseldorf bank C.G. Trinkaus (15% - see No 493) and the Luxembourg holding company General Shopping SA (7% - see No 516).

The American bank, which is already represented in Frankfurt, has other European interests in France (20% in Banque de l'Union Europeenne Industrielle & Financiere SA, Paris - see No 407), in Belgium and in Spain. It also has representatives in Paris and Madrid, and a London agency.

** The newly-formed HILL SAMUEL OVERSEAS FUND SA (authorised capital \$10m) and its management subsidiary, HILL SAMUEL OVERSEAS HOLDING CO SA (capital \$50,000) have been established with the backing of FINIMSA - FINANCIERE & IMMOBILIERE SA, Luxembourg (a member of the KREDIETBANK NV, Antwerp and Brussels group). The new companies are headed by Mr. Douglas S. Allison, director of the London Hill Samuel & Co Ltd (see No 494), Mr. Michel Menzies, president of Hill Samuel Inc, New York, M. Walter Ruegg, president of the Berne bank, Von Ernst & Cie AG, itself a subsidiary of the London bank, as well as M. Philippe Duvieusart.

FOOD AND DRINK

** The Rome liqueur manufacturer DISTILLERIE DELL'AURUM SpA, (factory at Pineta de Pescara) which is headed by Sig G. Molle, is to take over the investment company ALFINA SpA (branches at Florence and Milan), whose president is Sig A. Alecce. As a result Distillerie Dell'Aurum will raise its capital to Lire 450 million.

** The recently decided merger within the Rome group FINANZIARIA BUITONI SpA (see No 520) of GIO & F. LLI BUITONI-SANSEPOLCRO SpA, Perugia (pasta and childrens' foods) and PERUGINA CIOCCOLATO & CONFETTURE SpA. (confectionery) has now taken place. This has resulted in the formation of I.B.P. - INDUSTRIE BUITONI-PERUGINA SpA (capital Lire 9,000m).

With a turnover exceeding Lire 71,000 million, the new concern will be the leading food company in Italy (pasta and baby foods manufacturing facilities in San Sepolcro, Aprila and Foggia, with confectionery and packaging facilities in Perugia, employing some 6,500 persons). There are also additional manufacturing interests in France (see No 420) and in the United States (see No 403).

GLASS

** The Brussels company PITTSBURGH CORNING DE BELGIQUE SA has formed a subsidiary in Düsseldorf, DEUTSCHE PITTSBURGH CORNING GmbH (capital Dm 800,000) with Messrs Alphonse Eykens, Michel de Borchgrave d'Altena and Otmar Mayer as managers. This move was carried out at the same time as it formed the London company Pittsburgh Corning (U.K.) Ltd (capital £1,000 - see No 520). The founder, which specialises in cellular glass insulators "Foamglas "; is a member of the American group P.P.G. Industries Inc, Pittsburgh.

MINING

** The French mining company DENAIN ANZIN MINERAUX SA (clays, fluorspath and feldspath - 1968 sales F 22.56m - see No 516), which is the wholly-owned subsidiary of the Paris group DENAIN-NORD-EST-LONGWY SA (see No 505), has taken over four French kaolin sand and clay firms with assets totalling F 3.37 million, and as a result

will raise its own capital to F 9 million. The companies involved are: 1) DALPA SA, Paris (quarried at Lachy and Sessanne, Marne - 1968 production 14,000 tons); 2) MATERIAUX & PRODUITS INDUSTRIELS SA, Fleury-sur-Loire, Nièvre (independent of the firm of the same name in Antwerp, belonging to the G. & C. Kreglinger NV group - see No 520); 3) COMPTOIR DES TERRES REFRACTAIRES DE NORMANDIE Sarl, Gournay-en-Bray (quarries at Ferriere-en-Bray, Seine-Maritime - 1968 production 7,000 tons); 4) STE AUDOISE D'EXTRACTION-SAUXEX Sarl, Toulouse (quarries at Ste Colombe, Aude).

Denain-Anzin Mineraux's three main production centres are at Escaro, Pyrenees-Orientales (134,000 tons in 1968), Provins (181,000 tons) and Tournon-St-Martin (19,000 tons), to which should be added the 1968 production of its subsidiary Ste Generale des Feldspaths & Mineraux SA, St-Chely, Lozere (15,000 tons), which has since been absorbed. Its main interests are: 1) 51% in Comifluor SA - Concentration des Minereaux Fluores, Paris (factory at Las Bastide-Olette, Pyrenees-Orientales) with the remainder shared equally between the Produits Chimiques Pechiney-Saint-Gobain SA, Neuilly-sur-Seine, and Ugine-Kuhlmann SA, Paris groups; 2) 50% in Ste d'Extraction & de Traitement d'Argile pour la Ceramique - S.E.T.A.C. Sarl, Paris, in association with Blanchisserie & Teinturerie de Thaon SA, Thaon, Vosges (formerly Tival SA - see No 394), the subsidiary of Pricel SA (a member of the "Gillet" group - see No 521).

OIL, GAS AND PETROCHEMICALS

** The London group STEVINSON HARDY & CO LTD (see No 469), which imports and markets petroleum products and lubricants, has made into a subsidiary called STEVINSON HARDY ITALIANA SpA (capital Lire 1m), the branch it opened during 1968 in Milan. This is directly controlled by STEVINSON HARDY INTERNATIONAL LTD.

PLASTICS

** A licensing and technical assistance agreement has been signed between two Italian companies, DEL MONEGO SpA, Milan (see No 364) and MAZZUCCHELI CELLULOIDE SpA, Castiglione Olona (see No 517), with the Czechoslovak state concern TECHNOEXPORT, Prague. This covers the manufacture in Czechoslovakia of "ABS" synthetic resin using an Italian licence.

The rubber and plastic materials concern KAUCUK, Krapully, Moldavia, will use Mazzucheli Celluloide's know-how to manufacture "Sicoflex" resins in a new 8,000 t.p.a. plant, which will be built by Del Monego, a chemical plant construction concern.

** The Dutch group BILLITON MIJ.NV, The Hague (see No 521), which recently acquired the Naarden firm KRITERION NV (plastic injection moulding), has decided to make over the latter's activities to its subsidiary SYNPRODO NV, Wychen (see No 476), which specialises in polystyrene foams.

** The London REED PAPER GROUP LTD (see No 498) has backed the formation in West Germany of POLYCELL KUNSTSTOFF GmbH, Donaustauf. This will sell plastic materials and chemical products and has a capital of Dm 20,000. The manager of the new concern is Herr Karl Tschurtschenthaler.

The British group already has two West German subsidiaries, Moltofill GmbH, Grenzach, and Key Rohr GmbH, Essen.

PRINTING & PUBLISHING

** The Luxembourg firm TEACHING INTERNATIONAL SA has formed an Amsterdam subsidiary called FORWARDNESS INSTITUTE NV (capital Fl 20,000). This will manufacture, trade in and publish educational books and materials and is run by M. Philippe A. Jacquemin, Rhode-St-Genese, Belgium.

SERVICES

** The French companies AUTOMATISME & TECHNIQUE SA, Arcueil, Val-de-Marne (see No 468) and CIE FRANCAISE D'ORGANISATION, CO-FR-OR Sarl, Paris, are both represented on the board of COFRAT SA (capital F 150,000), which is based on Automatism & Technique's premises. This has M. Gerard Bardet as president and will act as a management consultancy and prepare reports for operations in the production, distribution and general management sectors.

TEXTILES

** The Dutch manufacturer of felt tiles and floor-coverings, EERSTE HOLLANDSE VILTFABRIEK GEBR. VAN HEUGTEN NV, Amersfoort (see No 440) has strengthened its interests in Switzerland by forming two new companies. 1) VAN HEUGTEN RESEARCH AG, Malters (capital Sf 50,000) with Mr. Dirk Snippe as president; 2) the insurance broking concern DE WESTERLAAK AG, Lucerne (capital Sf 200,000), whose president is M. Albert Friedrich.

In Lucerne the Dutch group already has a number of subsidiaries, Van Heugten Western Hemisphere AG (international management), Van Heugten Export AG (international trading), and Geroma Service AG (marketing).

** MANUFACTURE FRANCAISE DE LA MAILLE SA, Arras, is represented on the board of the newly-formed SA CIE GENERALE DE BONNETERIE (capital F 5 m - president M. Robert Lefebvre). This will manufacture and process knitted goods made from natural, artificial and synthetic fibres.

Manufacture Francaise de la Maille is a member of the French textile group FILATURES PROUVOST-MASUREL & CIE LA LAINIERE DE ROUBAIX SA (see No 520), through its holding company Intexal - Ste d'Interets Textiles Allies SA (see No 499).

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** Talks are taking place in the Netherlands between two manufacturers of suitings, WOLLENSTOFFENFABRIEKEN J.J. KRANZ & ZOON NV, Leiden, and J.A. BLOMJOUS NV, Helmond, with the aim of merging the two companies. The Helmond concern is a subsidiary of Kon. Textielfabrieken J.A. Raymakers & Co NV, Helmond (see No 507), which employs 1,000 persons in the manufacture of suitings, knitwear and furnishings. This latter recently sold its 51% interest in the tufted carpets concern Raventa NV, Helmond, to its partner in this venture, Veneta - Verenigde Nederlandse Tapijtindustrie NV, Hilversum.

** BESMER FRANCE Sarl, Croix, Nord (capital F 20,000) has been formed as an import and sales subsidiary of the West German manufacturer of carpets and floor-coverings, BESMER TEPPICHFABRIK MERTENS KG, Hameln. Its manager is Herr Wolfgang Mertens, a managing partner in the founder.

The latter (annual turnover exceeds Dm 100m - 1,000 employees) has two main West German subsidiaries Curlan-Teppichwerk GmbH, Hess, Oldendorf, and Vereinigte Wollwarenfabriken GmbH, Hameln. Both of these are its partners in the Belgian company Besmer International NV, Waregem, formed during 1965 (see No 317).

TRADE

** Swiss interests represented by M. Hans Wiedmar, Berne, (30%) and Hans Born, Zollikofen, Zurich (10%), have backed the formation in Paris of the trading company VIDMAR FRANCE SA (capital F 200,000). The remainder is held by MM. Jose Agusdin, the manager of the new concern, and Pierre Blanc.

** A rationalisation move within the French mail-order group FILATURES DES TROIS SUISSES SA, Croix, Nord (capital F 13.2m) will involve J.J. TOULEMONDE & CIE SA, Croix, taking over four companies with a capital of F 10,000, STE ECO SA, VENTEX SA, MAGITEX SA and DIFFUTEX SA, all of which are based in Croix.

TRANSPORT

** STE EUROPEENNE DE CONTAINERS SPECIAUX - EUROTAINER Sarl, Paris (capital F 300,000) has been formed with MM. R. Bas, R. de Blegiers and R. Saunal as managers. This is backed by three French firms in the materials-handling and transport equipment sector, and the new company will lease specialised and standard containers, as well as carry out design and development work for specialised containers used by the metal, chemical and food industries.

Two of the founder companies are affiliates of STE DE BANQUE & DE PARTICIPATION SA, Paris (see No 518): these are S.T.E.M.I. - Ste de Transports & Manutentions Industriels SA, Paris (11.82%) and LOTRASID - Ste de Location de Materiel & de Transports pour la Siderurgie SA, Paris (10% see No 485) while the third founder is SITRAM - Ste Industrielle & Commerciale de Transports & de Manutentions SA, Paris.

****** A link-up between four Rotterdam off-shore supply services companies has resulted in the formation of A.O.S.T.S. - ASSOCIATED OFFSHORE SUPPLY & TRANSPORT SERVICES NV, Wijnhoven, which will be run by its founder SCHEEPVAART & AGENTUUR MIJ. NV (SEAM).

Partners with the latter in the new concern are: 1) CORNELIS SWARTTOUW'S STUWADOORSMIJ. NV (see No 499), a member of the Rotterdam group Furness NV (see No 518); 2) NIEHUIS & VAN DE BERG'S SCHEEPSREPARATIEBEDRIJF NV; and 3) COMAR SCHEEPVAART- & HANDELMIJ. NV, which was formed in late 1961 by a link-up between the British groups Erlebach & Co Ltd, London; C. Czarnikow Ltd, London; and William Dickinson & Co Ltd, Newcastle-upon-Tyne (a member of the London group Williams Hudson Ltd); as well as the Dutch concern Scheepvaart Bedrijf "Gruno", Amsterdam.

TOURISM

****** CIE NATIONALE AIR FRANCE SA (see No 497) has backed the formation and taken a direct 45% stake in a new Tunisian company, STE AUXILIAIRE FRANCO-TUNISIENNE DE COOPERATION TOURISTIQUE SA (capital Dinars 50,000). This has M. M. Kraien as president and M. P. Marion as vice-president, and it is to promote the development of tourism in Tunisia, especially through air transport. The new company will also provide technical assistance and help with the organisation of holidays and hotel development projects. Partners with Air France in the new concern are STE DE TOURISME AERIEN INTERNATIONAL (SOTIAR) SA, Paris (5% - capital F 2.5 m), a subsidiary which specialises in organised holidays, as well as STE TUNISIENNE DE L'AIR (TUNIS AIR) SA, Tunis, a 49% affiliate, which has a 50% stake in the new company.

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Kredietbank	J	S.E.C.R.A.E.	B
Kriterion	K	S.F.A.C.	F
		S.G.R.E.G.	B
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		Savonneries Francaises	C
Magitex	M	Scheepvaart & Agentuur Mij	N
Manubat	C	Schenectady Chemicals	D
Marine Midland	I	Schneider	F
Materiaux & Produits Industriels	K	Sequana	C
Mazzucheli Celluloide	K	Sequipec	G
Metallurgique de la Jatte	G	Siemens Data	E
Mitsui	C	Slijpsteen Industrie	C
Montago Holdings	H	Sogewas	H
Montholdings	H	Sotair	N
		Stahl Maschinenfabrik	G
Nantaise de Travaux Publiques	B	Ste de l'Ouenza	I
Niehuis & Van de Berg	N	Stevinson Hardy	K
		Synprodo	K
Oronzio de Nora	C		
		T.M.N.B.	C
Participations de France & d'Outremer	B	Teaching International	L
Permelec Electrode	C	Technoexport	K
Perugina	J	Terres Refractaires de Normandie	K
Petrofina	B	Thomson - C.S.F.	D
Petrumij	G	Thorn Electrical	D
Pirelli General Cable	E	Toulemonde	M
Pittsburgh Corning de Belgique	J	Traction & Electricite	B
Pléssey Ansafove	E	Trois Suisses	M
Pont-A-Mousson	I	Tunis Air	N
Polycell Kunststoff	L	Tunzini-Ameliorair	H
Prat-Daniel	H		
Prohovost-Masurel	L	U.B.I. - Union Bancaire & Industrielle	I
		U.C.I.P.	I
Quandt	I	Unipol	C
Recognition Equipment	F	Van Heugten	C
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Recla-Janssens	B	Vidmar France	M
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Banque J. Joire	H	Forwardness Institute	L
Banque Louis-Dreyfus	I	Francaise de la Maille	L
Becla - Meubles Beckermann	D	Francaise d'Organisation	L
Besmer Teppichfabrik	M	Franco-Tunisienne de Cooperation	
Billiton	K	Touristique	N
Bitumes & Liants Plastiques	B	Friedrich Steinfels	C
Blomjous	M		
Buitoni	J	General Radio Italia	F
		Generale de Bonneterie	L
Centre Europeen du Batiment	C	Generale d'Electro-Ceramique	E
Centre International de Commerce	B	Granite Equipment Leasing	D
Chaudronneries Holding	G	Greswaren Industrie Teeuwen	B
Chemnor	C	Gruppo Industrie Elettrodomestici	D
Cofrat SA	L		
Comar Scheepvaart	N	Heinrich Beckermann	D
Consortium de Parking	B	Hill Samuel	J
Cornelis Swarrtouw	N	Hottinguer & Cie Snc	I
Credit Industriel & Commercial	I		
		I.B.P. - Industrie Buitoni-Perugina	J
Dalpa	K	Immooffice	I
D.D.M. Design & Advertising	B	Industriele Mij. Zutphen	G
Del Monego	K	Internatio NV	G
Denain Anzin Mineraux	J		
Deutsche Pittsburgh Corning	J	Kaucuk	K

