

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY

May 26 - June 1, 1969

AFRICAN ASSOCIATES

Yaounde Renewal in 1970

Last week saw further negotiations, if they can be called that, between the six countries of the Community and their 18 African partners in the Yaounde Convention, signed in 1964, which was due for renewal by May 31. However, because of differences in their approach to this problem by EEC member countries, no final solution was reached, saving agreement that there should be a "transitional" period extending up to June 30, 1970. During this time it is hoped that a new convention can be worked out and finalised.

The convention, which provides financial assistance and commercial preferences for the 18 African associates of the Community, has been criticised on various grounds within the Six. Obviously developments in the third world and changes in the attitude taken by the richer countries to their poorer brethren have played their part. There are also suspicions that certain member states benefit unduly from the system as it stands at present. Most of the African countries involved are former French colonies and French influence has remained considerable; in many cases this has meant that French firms seem to win rather more than their fair share of contracts for development projects financed by the Community as a whole. It has even been suggested that because these countries have kept close ties with Paris - and this is unlikely to change greatly with the departure of General de Gaulle - the Community has been subsidising French foreign policy. All of these factors have helped to produce the not-so-edifying picture, which has gradually emerged during the last few months, of squabbles between the Six as to how much and what sort of help they should give to the eighteen states who continue to require financial and technical assistance.

Before meeting the Eighteen last Thursday, the Six had a final session amongst themselves in an effort to hammer out concrete terms for an renewed agreement which they could then offer to the African states. However they had little success, so when the meeting started the next day, the climate was far from promising. Despite this, there was still a sense of urgency in the air, inspired by both the efforts of the Luxembourg President of the Council of Ministers, M. Gaston Thorn and those of M. Diiori Hamani, President of the Niger Republic and spokesman for the Eighteen. He called for the Six to ensure that the Convention was renewed on terms which took into account the changed circumstances of the past five years, whilst maintaining the main principles of the original agreement. For the African states, their association with the Community involved a political commitment which went beyond mere economic or trade links, and it would be regrettable if the Association lost its basic character since it remained "the best example



AGRICULTURE

French Election Promises

The future development of the Common Market as well as the agricultural problems have become important themes in the French presidential election campaign. Both the favourites M. Georges Pompidou and M. Alain Poher, have tried to outdo each other in protestations of pro-European sentiment and sympathy with the demands of the French farmers' union FNSEA. Both repeatedly stated that further development of the EEC was in the interests of French agriculture. While the former Gaullist minister blames difficulties in the EEC on "international technocrats" and involves the European Commission by implication, M. Poher does not spare the former government. On television he said that he could not deny that the somewhat haughty and otherworldly attitude of some ministers towards France's partners in Europe had often created an unfavourable atmosphere. Mutual trust could only be re-established if France's attitude in Brussels were altered. M. Poher warned the country against allowing the next few months to be wasted. He went on to point out that agreements now existing among the partners in the Common Market to permit the financing of French agricultural exports to third countries were due to expire on December 31 of this year, after which France could find herself in an impasse, unable to dispose of surpluses and faced with falling prices, or paying greatly increased taxes in order to cover all the costs which had so far been shared by other EEC partners.

The favourable reception which these views received from many Frenchmen was not missed by the Gaullist candidate. In an interview with *Agra Europe* (Paris) M. Pompidou also stressed the importance of a less haughty attitude in Brussels, saying that in order to retain the advantages of the Common Market and at the same time follow social and economic policies that would meet the needs of French agriculture, France required a government with a sound majority that could speak for the country with authority in Brussels, but without exaggerated complacency. M. Pompidou stated that he attached especial importance to the continuation and further development of the Common Market and was convinced that only the EEC could advance the interests of French agriculture. The views of FNSEA generally coincided with his own. The development of French agriculture must guarantee the farm family a reasonable standard of living. As would be recalled one of his last acts as Prime Minister in June 1968 had been to propose specific subsidies and grants for farmers with low incomes. He recognised that farmers modernising their farms undertook an almost intolerable financial burden endangering their standard of living and income. Consequently in the event of his election he would absolve farmers from the liabilities of the added value tax as from next January. He would further rural education facilities, both general and technical. Children in the country should enjoy the same opportunities as those in the towns. ✓

On the question of an extension of the Common Market both candidates were equally intent on introducing new elements. With no period of duty in the government to compromise him, M. Poher was free to arouse new hope. M. Pompidou has been more constrained, merely saying he was prepared to call an EEC summit conference to discuss

Britain's entry, since a start must be made and talks were urgently needed. The time would come, he claimed, when the separate European states would find a way through one or other form of organisation to meet each other, to exchange opinions and if possible to create a common policy and a common political attitude. This could never be fully achieved and would never be completely successful as long as Britain were outside, declared M. Pompidou, but it would depend primarily on Britain. He thought that agreement with Britain would be possible when she showed that she had really become European and her interests ceased to be wholly orientated outside the continent of Europe.

When they appeared on television the two main candidates both attempted to create the impression that agriculture had always been their prime interest. Speaking to the "six million farmers and their families" M. Poher declared that agriculture must not be allowed to be the Cinderella in the economy because it was of vital importance for the life of the nation. M. Pompidou went even further, saying that the farmer had always provided an element of stability. Farmers had a greater right than any other sector of the economy to state help in the establishment of a viable enterprise. Neither of the favourites tired of promising rural families the same educational opportunities as existed in the cities or of warning them of the dangers of a too liberal economic policy. They were also united in rejecting any plans which did not have at their centre the traditional family farm. On television M. Pompidou declared the family farm was necessary for social balance in France. If he were elected president his government would help the farmer in his battle with international technocrats against whom he had so often protested. His government would protect farmers by rejecting anything in plans, such as recently proposed by Dr. Mansholt and the Commission, which might threaten the French family farms or ruin French milk production.

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COMMISSION

Integration Call from Von der Groeben

Recent events in France seem to have given Europe a fresh opportunity to make positive progress in the quest for integration, and this, which can only be tackled in the context of British entry into the Community, presupposes the strengthening of EEC institutions, the creation of new ones and the democratisation of the same. The unifying of economic and monetary policies, which became essential once the customs union came into being, should also attract the Community into the harmonisation of foreign, defence and arms procurement policies.

This was the gist of proposals put forward by EEC Commissioner Herr Hans von der Groeben at a one-day town-planning conference in Mannheim. These were directed towards a programme for "relaunching" European integration, a vital feature of which would be the supplementation of the fulfilment of the aims of the three existing treaties by the drafting of a new treaty dealing with the objectives, institutions and practices needed to pursue

future political and economic integration in Europe. Under such a system, the Council would have to change its way of working, and become more of a cabinet body than an international ministerial forum, its present de facto role. The European Parliament - which should be elected, wholly or partially, by universal suffrage - would receive further assets, chiefly in the form of budget appropriations and European legislative machinery, the hallmark of which would be its power of veto over Council decisions.

In addition, complementary treaties would be needed, and in particular one concerning the merger of the three Communities, which would also state the aims, usages to be followed and the timetable required for monetary and economic policy, scientific and technical cooperation, future activities in the nuclear sector, and regional and structural policies.

A second supplementary treaty would deal with foreign policy as such, and in particular would cover the formulation of common standpoints on primary political issues such as the creation of a European security system, relations between the Community and the East, ending the division of Germany, relations with African countries and liaison with other international organisations.

There would need to be a third treaty also, for the purpose of bringing in close cooperation in defence and arms procurement. In particular, Herr von der Groeben visualised the creation of a European armaments authority, the main terms of reference of which would be the formulation of proposals for harmonising logistic systems and drafting the concepts of Community strategy.

Time is at a premium, and government leaders will have to decide this autumn to organise an inter-governmental conference to draft the texts of the overall treaty and its supplements. Since the process of adoption of these treaties and their ratification must needs take months or even years, no effort should be spared in the meantime to pursue exhaustively all avenues towards integration opened up within the confines of the existing treaties.

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ASSOCIATION

Turkish Transition Not So Smooth

While delegates of both sides were saying at last month's ministerial meetings in Luxembourg that it would be desirable for the EEC-Turkey association to move into its twelve-year transitional period on October 1 next (see No 492), there still seem to be so many problems outstanding that the original deadline of December 1 seems the more likely date. The issues arising fall into five main categories:

- 1) The Financial Protocol: This annex to the Ankara Agreement is certain to be renewed,

but the question of conditions is somewhat charged. The Turks are pushing for an increase in the overall sum of development loans, better conditions of repayment, and faster progress on the negotiation of the next protocol, which should be ready to operate for December 1. At this time, the Six are trying to pin the amount at its present level, and to provide "favourable" terms (though there is nothing to show that these need even be as favourable as they are at present) and generally keep the protocol as it is.

2) Labour: This is a vital question for the Turks, who hope to secure a preferential regime with the Community for the labour market, as 90% of expatriot Turkish workers are employed in the EEC. The chief point at issue is that Ankara wants there to be complete freedom of circulation for Turkish workers from the start of the transitional period, and not seven years later, as suggested by the Community in what it feels to be a very fair interpretation of those particulars in which the Ankara Agreement is analogous with the Athens Association Agreement with Greece. Ankara further wants for its migrant workers on EEC soil the privilege of "second priority", placing them after EEC nationals in order of preference for employment, but before workers from third countries. Also sought are specific provisions concerning equality of treatment and social security, plus EEC assistance with training programmes instituted by Turkey. The Community has already expressed its rejection of the "second priority" concept, and has let it be known that as yet it has no plans for training such migrant workers within the Community. The possibility of an agreement covering the free circulation of Turkish labour inside the Six, however, could well come to something, although the Six feel that if this happens some sort of action should also be included concerning freedom of establishment and freedom to supply services in the interests of the Community.

3) Agriculture: To reach agreement in this sector will be quite a challenge: whereas Turkey is demanding complete harmonisation of agricultural policies (as was the case with Greek association), the Six, albeit drawing their inferences from rather vague experience, are proposing ad hoc measures on products of obvious importance to the Turkish economy, the effect of which (hopefully) would be to set up currents that would automatically induce Turkey to take steps to approximate her agricultural policy to that of the Community.

The issue becomes no less difficult if we turn to the specific provisions embodied in the Agreement concerning agriculture as from the start of the transitional period: Ankara is seeking a special regime to cover all produce cited in Annex II of the Rome Treaty (those for which community market organisations shall be created), one which will contain no quantitative restrictions at all. The Community will have none of such a system, and proposes instead specific solutions for those products that are of particular interest to Turkey (and carrying quota restrictions). The Six thus hope to be "able to sort something out" for unrefined olive oil, but rule out completely such products as sugar, cereals, certain dairy products and preserved fruit and vegetables.

4) Tariff-Cutting by Turkey: There is at least agreement between the two delegations that for the most part tariff removal should cover the transitional phase of twelve years, and that for certain sensitive items this should be extended to twenty-two years. Where Turkey refuses to go along with the Six, however, is in their attempt to get an "acceleration" of the process for their exports to Turkey of capital goods and raw materials.

There also arises the question of what timetable should be established for the removal of Turkish quota restrictions on Community imports. What the Six seek is the complete disappearance of all such quantitative restrictions, as of customs duties, and that a full and precise schedule be formulated to that effect (although susceptible of modification if this subsequently proved necessary). The Turks have been very chary about this to date, and have conceded only that some sort of timetable might be agreed, but only for the initial part of the transitional period. It would then be up to the Council of Association to agree fresh provisions as these became necessary, lest the country's internal development plans be prejudiced. Not surprisingly, the Six found this far too loose a way of dealing with the matter.

5) Tariff-Cutting by the Six: The Community suggests that it should launch the transitional period with an all-round cut of 60% in customs duties, the remainder to be removed by a further cut of 20% after three years, and the final 20% after six (although with certain exceptions, in particular for textiles). Pleading the vast discrepancies between the economic power of the Community and that of Turkey, Ankara finds this offer altogether inadequate, demanding no less than complete intra-Community status right from the start, with total abolition of both duties and quotas by the Community. (for Turkish economy, see No 479).

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YUGOSLAVIA

In a recent interview given by M. Jean Rey, the President of the European Commission on Yugoslav TV, he stated that a favourable outcome seemed likely to the talks being held between the Community and the Yugoslav government with the aim of establishing a trade agreement. A similar view was put forward by the director-general of external trade in the Commission, M. Edmund Wellenstein.

The main problems between the EEC and Yugoslavia in reaching agreement lie in the rules the Community has adopted with regard to imports of agricultural products from non-member countries, as beef is one of the main Yugoslav exports to the Common Market, in particular Italy (see No 487).

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TRANSPORT

European Conference Meets Next Week

The Council of Ministers of the European Conference of Transport

Ministers, the E.C.M.T. are to meet in Stockholm on Wednesday June 11 under the chairmanship of the Swedish Communications Minister, Mr. Lundkvist. They will discuss problems involved in general transport policy and a number of other matters. These include: studies on the financial situation of railways with particular reference to closer tariff and cost alignment and the effects of containerisation; progress on work on automatic couplings; working conditions and the rest-periods for coach and commercial vehicle drivers; liberalisation measures in the international road transport sector; problems raised by the advent of container transport systems; improving first aid for road casualties; and preparing a European Agreement on road traffic and road signs and signals supplementing the World Convention signed in Vienna in November, 1968.

The E.C.M.T. which was established during 1953 attracts as members Transport Ministers from eighteen European countries.

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SOCIAL

Medical expenses during temporary residence in EEC member states

Under EEC regulations on social security for migrant workers, paid or pensioned insured workers and the members of their families on holiday in a Community country, other than their own, may claim sick benefit if their condition necessitates urgent treatment.

Before leaving for their holiday, the insured persons must apply to the office of the insurance scheme to which they are affiliated for a form certifying that they are entitled to sick benefit. In case of sickness or accident during their stay in the other Community country, they must apply to the nearest health insurance office, presenting the form in question.

Medical expenses which include treatment, medicines, hospital expenses, will be paid or refunded by the office in the place of temporary residence according to the arrangements in force in that country. Normally medical treatment in Germany, Italy and the Netherlands is given free of charge by doctors approved under the insurance scheme; medicines are also free in the Netherlands, but in the other two countries the persons concerned must pay a small charge (Dm 1,00 per prescription in Germany; the charge varies in Italy according to the medicine prescribed). In Belgium, France and Luxembourg, however, the insured person must normally pay directly and then obtain reimbursement from the insurance office at specified rates.

Where the sickness or accident during temporary residence is such as to cause incapacity for work, the daily compensation provided for by the regulations of the

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country in which the worker is insured can be paid. The worker must advise the office in the place of temporary residence, submit a doctor's note certifying his inability to return to work and be prepared to be examined by the office's medical consultant. The latter will then fill out an application for cash benefits to the office insuring the worker, which if he is entitled to them, will pay these benefits by international money order or through the office in the place of temporary residence.

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E.C.S.C.

Steel Orders Lower in April

Total additions to the order books of ECSC steel companies in April came to 7, 171, 000 metric tons, compared with 8, 156, 000 in March and 6, 306, 000 in April 1968 (figures for steel products - for crude, see Nos 509, 512). The drop from the March figure, which was a record, was of 12.1%, but this does not mean that demand as such is necessarily slackening yet, only that companies with already bulging order books may be fighting shy of booking orders too far ahead, or of too great a volume. The decline since March was particularly marked in non-Community markets.

The following tabulation gives the breakdown: Community/extra-Community orders for the steelworks of the ECSC last month (roll, coil and sheet, ingots, semi-manufactures and strip, except where this is for re-rolling inside the country; and excluding special steels):

	E.C.S.C.	Third Countries	Total
April 1969	5, 988	1, 183	7, 171
March 1969	6, 721	1, 435	8, 156
April 1968	5, 081	1, 225	6, 306

Compared with April of last year, there was a marked increase in orders accepted, and this may be attributed solely to the upsurge in internal demand in the Six, as orders from outside countries in fact fell off.

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CUSTOMS & TARIFFS

Yet Another Court Action Against Italy - Textiles

It was announced on May 30 that the EEC Commission was taking the Italian Government before the Court of Justice of the European Communities, with regard to its failure to rescind its system of turnover tax on cotton and other textiles, whereby imports from other member states suffer higher levels of taxation than those produced on Italian soil. These are charges similar to those made last February with regard to Italian taxes on combed and carded wool (see No 499).

Also criticised by the Commission, which in cases like these acts under Article 95 and 96 of the Rome Treaty, is the "excessively high" level of export rebate that the Italian Government offers on the products in question.

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E.D.F.

Another \$ 10 million Granted

The Commission recently decided to approve seven new grants totalling \$ 10,501,000. The projects covered by these grants are as follows:

- Cameroon: \$ 481,000 to pay for the development of small crafts, businesses and farms and to provide instructors in four Cameroon regions centred on Douala, Yaounde, Nkongsamba and Bafoussam.
- Chad: \$ 243,000 to improve the central hospital in Fort Lamy
- Madagascar: \$ 445,000 to finance a feasibility study on the construction of a polder on Lake Alaotra for industrial dairy farming and breeding for slaughter, an agricultural improvement study in the Lower Mangoky area, to map the zone still to be improved and make a land utilisation plan and the continuation of guidance services to render the Andapa Basin profitable.
- Mali: \$ 537,000 to introduce over a period of time the growing of Maryland tobacco in the Haute Vallee area of the Niger.
- Niger: \$ 640,000 to extend the National College of Administration at Niamey to help with the training of office staff and medium-grade civil engineering cadres.
- Senegal: \$ 7,041,000 to cover the fifth instalment of production aid, including price support for production of groundnuts and structural improvements for their cultivation.

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Surinam: \$ 1,114,000 to finance the building of a secondary boarding school in Paramaribo for children whose parents live in rural areas.

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TECHNOLOGY

Dassault-Dornier Jet Trainer Link

Negotiations having taken place last year (see Euroflash, No 492), the French aircraft concern Ste des Avions Marcel Dassault Sarl, Saint-Cloud (see EF No 512) and the German Dornier GmbH group of Ludwigshafen (see No 509) have now agreed to join in the development and production of a twin-jet trainer, to be called the "Alpha-Jet". In its trainer version, this will replace, as from 1974, the Fouga Magister and the T-33, which at present are used for second-stage pilot training (after initial training in prop. aircraft). For training schemes, it will be used by pilots before they graduate to the Franco-British Jaguar for final instruction and practice. The Alpha-Jet will also appear in a tactical support version, in which form it will be equipped with cannon and one ton of armaments. It is designed for a take-off weight of 5 metric tons, and will be powered by two "Larzac" units produced by Snecma, each giving 1,054 kilos of thrust, and combining for a two-hour range.

In charge of the project will be a joint subsidiary, to be formed in Paris by the two participating companies, and which will take the name Alpha-Jet SA. This will coordinate the assembly programme (estimated requirement for France and Germany is 500 craft, at unit cost of F 5 million), which will actually be carried out by Dassault's subsidiary, Breguet Aviation SA, Paris, taken over (80% stake) in June 1967 (see EF No 416). The latter is currently carrying out the major reorganisation occasioned by the Dassault takeover (its chairman, M. Vallieres, is also managing director of Dassault) and is concentrating in Colomiers, Toulouse, where its payroll will now rise to 5,000. It has a 30-acre complex there, and is now building a 35,000 square metre general aircraft assembly hangar on this site.

The Alpha-Jet project is somewhat clouded by the fact that a group comprising Messerschmitt-Bölkow-Blöhm GmbH and Nord and Sud Aviation have announced the start of feasibility studies on the design and construction of a rival aircraft, which would be powered by the same Snecma unit.

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INTEGRATION

Despite suggestions that it might be delayed to allow the new French government time to decide on its policy towards the organisation, the Ministerial Council of the Western European Union will meet in The Hague on June 5 - 6. The boycott of the WEU by the French government, which started in February, continued last week, when the Permanent Council met in London to discuss the agenda for the meeting in The Hague. This was the tenth time that no French representative had taken part, and one effect of the boycott has been to prevent the EEC Commission presenting its economic report to the Ministers. The Commission's invitation to attend is sent in the names of the Foreign Ministers of the Six, but since France will not take part, her argument that the invitation cannot be sent has carried the day. As the next meeting of the WEU Ministers will take place after the summer break, it is hoped that by then the new French government will have adopted the main principles of its foreign policy and will decide to take part again. If M. Poher is elected, and this seems doubtful, France would again be represented, as last week he said that he did not believe in an "empty chair policy". Because of the need to await the new French government, it is unlikely that any major decisions will be taken in The Hague, which will therefore provide a further opportunity for an exchange of views between the Ministers of the Five and Britain.

In spite of French pressure, West Germany has continued to attend the WEU meetings, as Bonn considers that the organisation provides a suitable framework for political consultations between European countries. As in other countries, the official attitude in West Germany is to await the outcome of the presidential election, although in private the now unlikely victory of M. Poher as the more convincing European would be welcomed. One aspect of events in France has been causing doubts in West Germany and that is the attacks launched on M. Poher for being too pro-German. A leaflet put out by the Gaullist organisation, the Centre nationale d'information has on it "Bonn votes for Poher. Paris votes for Pompidou". Nevertheless there is a feeling that the new government will be more amenable to persuasion than its predecessor, and it is hoped that European integration will take a further step forward before the end of the year. As in other countries, it is also felt that if France were to make a gesture to this end, it could help to restore confidence in her European policy, and improve Franco-British relations, a vital element for a successful Europe.

Last Saturday Chancellor Kiesinger, in a speech at Ueberlingen, said that a "fresh major attempt should be made after the French presidential elections to unify Europe". He suggested a political union should be established on a parallel basis with a wider economic community. The political union would involve only those states who were interested in such an aim, whilst the economic union could include all the countries who had applied for membership as well as neutral states. In the long run, the Chancellor felt that a European Federal State would emerge "set up by those countries who dared to leap over their own shadows". It is uncertain whether this view will find an immediate response in Britain, as recent British statements as to the future of European political unity are far from clear.

Furthermore Dr. Kiesinger maintained that there could be no "new Europe" unless West Germany was included, but this did not mean that Germany wanted to establish her hegemony over other states, and he warned his audience against listening to those who held such views.

Whatever the Chancellor thinks with regard to a wider Community, it is certain that West Germany does not want any weakening of the Common Market brought about by its enlargement. In a Brussels speech last week, the West German ambassador to the Communities made this clear and also stressed that the candidate countries should accept the aims and obligations of the Rome Treaty. The fear that an enlarged Community might dilute the achievements made to date is no doubt present in the minds of those who have been suggesting the widening of the EEC to be limited to Britain as a first step, with the other countries who have applied becoming members at a later stage. It is open to argument whether this partial approach is necessarily the best one, as it could prolong the difficulties faced by absorbing new states into the existing structures, and might also serve as an excuse for those who oppose the introduction of majority voting in the Council to maintain their positions. If all four countries joined the Community, majority voting would be a virtual necessity, although in the period before they became full members the organisation of the Common Market would present some difficulties. The length of time needed for Britain to become a full member is likely to be long rather than short. M. Poher has suggested that between ten and twelve years might pass before she could become fully integrated, even if legally she was a full member at an earlier date.

The difficulties to be overcome if Britain is to join, especially those in the monetary and agricultural sectors, should not be underestimated. Although modifications have taken place since 1967, the grounds for opposition still exist and it should not be imagined that the new French president, whatever his colours, will lightly allow French interests to suffer, even if he is willing to start talks. If Britain was going to join, it would make planning for companies easier and might provide an economic and political stimulus for the country. Doubts still exist amongst the Six as to the strength of her European conversion so that if the British government wants to hasten the process, a renewed and clear statement of its views and intentions would help. In any case, European integration and British entry into the Common Market depend largely for their pace upon the political desire to progress in this direction.

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STUDIES AND TRENDS

"Commercial Clairvoyance" in Europe

Part 111 - Ten Years Hence, What Do We Make?

Having, in the two previous parts of this article (see Nos 511 and 512), looked at the forms of "research into research" that are designed to enable companies to prepare themselves for the market conditions likely to be obtaining ten or fifteen years hence, we are now left with the \$64,000 question. Whether we are using the relevance tree of the PATTERN method, or the supporting graph of the C.P.E. system, we cannot escape the fact that the whole construction rests entirely on certain hypotheses. By definition, these are susceptible of proving ill-grounded in the long run, when unforeseen conditions arise. In that event, any forecasts that might have been made would become nonsense, no matter how meticulously they had been pieced together.

However, it is never claimed for any of these systems that the base hypotheses used are anything more than the most plausible at any given time, and indeed neither the PATTERN nor the C.P.E. methods claims for the projections established, even though strict logic and maths are applied, that there is anything absolute or unassailable about them. The essence indeed is flexibility, such that if the major objectives are altered, or the priorities pertaining to them re-appraised, there is always scope to refer back to the relevance tree, re-arrange its format, and reconstruct the logical sequences from there, down through every level of decision-making to the research operations as such.

Moreover, experience seems to demonstrate that even if a modification is made well "up" the tree, the consequent rearrangement of the graphical representation is less arduous than we might at first think. More often than not there are many features that remain common to both the old graph and the redesigned one. After all, whether a radar installation is a ground emplacement, airborne or on board ship, it remains in all circumstances and from any point of view a key means of detection. In other words, there is no reason why the graph in practice should not be revised and updated periodically, and recompiled with the development of the context in which it is formulated and used.

This brings us to another question: does the projection we establish by these means call upon the use of computer techniques? Not in principle, as all we are dealing with are logical methods of reasoning and analysis: indeed, the C.P.E. itself got by for two whole years before EDP was installed, and it was only the sheer complexity and volume of the graphs and relevance trees arising that made its use necessary.

A third question: do these systems of research into research in fact provide those who apply them with the wherewithal for decision-making? This is rather beside the point, in fact, as the purpose behind these systems is merely to elucidate and

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explain factors that might otherwise remain obscure or only implicit. As such, what they do is furnish the decision-makers with more concise data and background considerations, also bringing into relief the weak points in any given programme, and drawing attention to those areas where the research effort needs to be extended or accelerated.

When they embarked upon the venture, the teams at Honeywells who did the development work on the PATTERN system set out, taking account of the national and international situation, to forecast what supplies and types of material would best answer the U.S. Government's needs ten or fifteen years later. The object of the exercise was, when governmental policy decisions were taken, for the company to be better placed than its competitors to supply the needs arising therefrom, in particular in the defence sector. The aim, as ever in business, was therefore to build wider markets, clinch more important contracts, and of course glean greater profits.

The American A.L. Jestic (see part 1), whose contribution to the devising of the PATTERN system was invaluable, in company with the heads of the SINCRO company, which launched the system in France, have explained how its application logically led Honeywell to the conclusion that the Pentagon would, at some future date, requisition a particular type of bomb. This was how the process worked: with steady improvements in guidance systems, it would become increasingly possible to reduce the degree of blast dispersal of a bomb, and thus to reduce the number of sorties required to accomplish a given mission. It would follow that the cost appropriation per sortie would be raised, as fewer attacks would have to be mounted. If one assumed this, however, and only took one's thinking as far as that, improvements in the bomb itself, as far as cost was concerned, would be of no account, for any increase in its effectiveness would provide no real savings. Likewise if the cost of the bomb itself were reduced, albeit with loss of precision in its delivery, there would again be no economising on the overall cost of the operation, as more bombs would be needed to achieve the same result. This meant that the company could safely assume that unit cost savings would be a matter of indifference to the Pentagon.

However, there remained the possibility of unit costs being reduced appreciably, together with improvements in the precision of the bomb, and in this case alone would real savings be made possible in the overall cost of bombing sorties: in this, the Pentagon could not fail to be interested. Now, if the company capable of designing and producing this new bomb was equally able to cut its production costs below a certain critical level, it would obviously win out all down the line: not only would it be in the very best position to secure the Pentagon contract, it would also be geared to maximising its profits from the work accruing from it.

By way of demonstrating the validity of this projection, Jestic threw in some sample figures - all theoretical ones, of course: "If all cost reduction factors and technical improvement opportunities are brought into play, the Pentagon is likely to purchase at least 300,000 bombs, and so to save \$185 million, while the company could be called upon to supply 200,000 bombs, and thus achieve new sales of \$90 million": this would give

the following tabulation:

	Present Situation		Modified Situation	
	Number of Bombs	Cost (\$ million)	Number of Bombs	Cost (\$ million)
Pentagon	500,000	460	200,000	275
Honeywell	0	0	200,000	90

Thus, concludes the author, "this data is of interest not only to teams of research engineers, but also to the marketing side of the business, for it is information of the type that purchasing organisms have to collate before the authorities can feel justified in launching a new research and development programme. This being so, we can trace the whole pattern of relationships, from national objectives down to arms systems, and analyse the whole incidence of these systems on the overall pattern of ordnance and logistics, which in turn will enable us to furnish our engineers with definite parameters upon which to base their approach. Once the company has provided itself with this knowledge and the technical information that must go with it - gleaned from adequate investment in R & D - then it is in a position to embark upon the project with confidence."

There we have the process whereby, starting from what at first seems to be so many abstracts strung together, a company is guided into the most concrete and direct economic activity... bringing with it very real profits. If we substitute for the bomb of our example another item such as transport aircraft, a new TV system or a new building material, then we have got to the very heart of what must be the most vital consideration for any go-ahead and imaginative industrialist today: to discover what product he is going to develop and capture a market for in five, ten, or fifteen years' time.

There is no question as to the usefulness of the technique: where Honeywell showed the way, others have followed, and in taking up long-term projection as a vital service to management, these others may well have eroded much of the substance of Honeywell's lead in this field, and indeed very largely cancelled each other out, in terms of the relative advantages furnished by the technique. What Justice has to say sheds a certain amount of light on the lengths that experts in these systems go to, to keep the details of their work - maybe even the basic principles of the system they are using - a close secret. He demonstrates that competition is now as cutthroat in this sector as in any. This certainly goes for the C.P.E. in France, which takes care that none of the direct conclusions drawn from its graphical method get passed on to industrialists, who would certainly "get one over" on their competitors, if they had this information.

In the final analysis, the value of these systems resides in their use to eliminate for companies as for states most lines of futile research, either because they are superfluous, have too low a cost/effectiveness ratio, or will take too long to be completed. They have their shortcomings, of course, but in this respect they more than justify themselves, for they contribute directly to the optimal exploitation of available resources. Furthermore, the drawing up of a relevance tree or its graphical equivalent, necessarily demands the direct involvement of a good many experts in their fields, representing all aspects of the cycle in question. This elementary groundwork thus tends by its very nature to assail the compartmental structure of a process, and to create the situation where needs and potential are continually being related, one to the other, thus conducing to the better exploitation of talent and a higher level of understanding and rapport between experts from even the most far-flung of disciplines.

Indeed, it could very well be argued that this pervasiveness, the essential trait of these systems, letting the light through from one part of the cycle to another, is one of the most positive qualities of these systems of research into research, and could very well prove a vital asset in a world where adaptation to change is becoming so essential. Yet again, though, any enthusiasm one may feel about developments in this field, so important to the future of nations, is very much tempered by the undisputed and dramatic lead that the Americans, have firmly established. We take for granted here the matter of huge investments needed to mount a full-scale projection service in a company, and U.S. firms' far greater capacity in this sphere, but apart from this, the appearances are that none but the very largest of European companies have even woken up fully yet to the dangers posed by this aspect of the "gap".

As far as survival - both economic and political - is concerned, we should heed well what is now going on in the European Community. It would for instance seem absurd to talk of projections in the context of a single EEC country, for this is a field in which, more than most, close international cooperation is vital, and for the lack of which the long-term interests of all could founder.

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AEROSPACE

** The British mechanical and aeronautical engineering concern FAIREY CO LTD, Heston, Middx (see No 494), through its Belgian subsidiary Fairey SA, Gosselies (see No 473), has boosted the finances of two Belgian affiliates to enable them to expand. Both have had their capital reduced, and then increased, in the case of FAIREY-TRESS SA to Bf 18 million, and in that of LES ATELIERS ROGER LAURENT SA to Bf 17 million. Both firms are based in Gosselies.

BUILDING AND CIVIL ENGINEERING

** Two Belgian building materials concerns, TUILERIES & BRIQUETERIES D'HENNUYERES & DE WANLIN SA, Hennuyeres, and NOUVELLES BRIQUETERIES & TUILERIES CHARLES VESTREPEN & CO - NOVOBRIC SA, Brussels (see No 345) have decided to pool sales. The two firms were previously in open competition, but were linked within Cie Belge du Precontraint - Prebelco SA, Tamise. The new move is aimed at boosting their impact on the market (overall sales for the two of Bf 200m), and rationalising their production. There will be a joint subsidiary to implement the pact, this being a Brussels interest of the latter company, COMPTOIR DE VENTE NOVOBRIC SA, which has had its capital doubled to enable Hennuyeres to take 50%, and its name changed to NOVHYC SA.

Novobric (plant at Wavre, Malines, and Boom) is affiliated to the Italian Fornaci Valdadige SpA, Verona, through the Luxembourg holding company Cerameurope SA. The Hennuyeres group controls two other Belgian concerns, Cerabeton SA, and Ceramanova SA, Hennuyeres, and in France Tuileries, Briqueteries & Ceramiques de Raches, Raches, Nord.

** The Liechtenstein holding company STEINBRECH HANDELS ANSTALT, Schaan, has joined with Sig. A. Bianchi Bonomi of Milan (minority) in forming two property development and building promotion concerns named IMMOBILIARE TAMERLANO SpA (capital Lire 150m.) and IMMOBILIARE POLARIS SpA (Lire 130m.), both sited in Milan with Sig Carmelo Puglisi as director.

** Two Brussels cement groups, SA CIMENTERIES C.B.R. (of the group STE GENERALE DE BELGIQUE SA - see No 508) and CIMENTS D'OBOURG SA, have each taken one-third in forming a new building materials production company (mainly light aggregates to substitute for pure gravel in concrete manufacture) named STE D'AGREGATS LEGERS SA (capital Bf 99m. - chairman M. Jacques Schein). Other backing has been provided by various coal companies operating in the Charleroi field, notably, CHARBONNAGE D'AISEAU-PRESLE SA, and by STE NATIONALE D'INVESTISSEMENTS - S.N.I., Brussels (see "Transport") and NOVOBRIC (see above).

The new concern is to build a new plant at Roselies, at a cost of Bf 150 million, and to employ some 50 people. This will be sited close to the Tergnee works of Charbonnage d'Aiseau, the extraction residue of which will provide its raw material.

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CHEMICALS

** The NCB - National Coal Board (see No 443) has begun negotiations with the Dutch state mines, DSM - NEDERLANDSE STAATSMIJNEN NV, Heerlen (see No 510) with the aim of acquiring a major interest in the latter's 76% British subsidiary, NYPRO (U.K.) LTD, Flixborough, Lincs (see No 462). This is the only British manufacturer of caprolactam, the raw material for nylon 6 and almost all the production will be sold to the two U.K. producers of nylon 6, Courtaulds Ltd and British Enkalon Ltd, itself a subsidiary of the Dutch group, A.K.U. - Algemene Kunstzijde Unie NV (see below). The move by the National Coal Board follows the decision by Nypro to increase its production of caprolactam from 20,000 to 70,000 tons by the end of 1971. A new plant will be built for this purpose and the NCB is expected to provide over £6 million towards the total cost of £10 million.

The 24% stake held by the FISON'S LTD chemical group - through its subsidiary Fisons Fertilisers Ltd, Felixstowe (see No 510) - in Nypro will now be reduced in size.

** CIE DES METAUX D'OVERPELT-LOMMEL & DE CORPHALIE SA, Overpelt subsidiary (see No 498) of the Brussels STE GENERALE DE BELGIQUE SA has raised to Bf 170 million the capital of its Ruisbroek-Sauvegarde subsidiary PRODUITS CHIMIQUES & METALLURGIQUES DU RUPEL SA (see No 278) to back its expansion plans.

Control of this company is shared with Metallurgie Hoboken SA, Brussels; Ste de Prayon SA, Foret-Trooz; Ste Generale des Minerai's SA, Brussels; Romico SA, Liege, and Ste Des Mines & Fonderies de Zinc de la Vieille Montagne SA, Angleur.

** SUDBURY LABORATORY INC, Sudbury, Massachusetts (water treatments) has formed a Berlin subsidiary named DEUTSCHE SUDBURY LABORATORY GmbH (capital Dm 20,000) with Mr. Peter Michaelis as manager.

The American group is already established in Europe with two Zurich subsidiaries, Sudbury Laboratory AG (formed in May 1967) and Sudbury Laboratory Overseas Ltd (formed in December 1968), both with Sf 50,000 capital.

** The Dutch chemical products, foods, glucose and starch extracts concern, KON SCHOLTEN-HONIG NV, Amersfoort (see No 481) has taken over the protein and starch concern NV KON FABRIEK VAN TARWEPRODUKTEN DER FA JACOB DUYVIS, Koog Zaandijk, which has about 50 people on its payroll.

** CIE DU PYRETHRE Sarl (capital F 50,000) a Paris-based company has been closed, and its managers MM. L. Dreyfus, J. Herschel and J. Moulet have been put in charge of finalising this move. The company traded in insecticides and was a joint subsidiary of the MITCHELL COTTS GROUP LTD, London (see No 506) and the French companies LOUIS DREYFUS, HERSCHTEL & CIE SA, Paris and LA MAPPEMONDE Sarl, La Garenne-Colombes, Hauts-de-Seine.

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** STE CHIMIQUE DE GERLAND SA, Lyons (see No 469), a 18.93% affiliate of UGINE-KUHLMANN SA (see No 499) and a 3.2% interest of PRODUITS CHIMIQUES PECHINEY-SAINT-GOBAIN SA (see No 500) has sold its 50% holding in the South African GERSUD (PTY) LTD, which has a factory at Bellvill making vinyl floor coverings. At the same time, it has bought up its associates' shares in the Irish GERNOR LTD, Carrickmacross, which now comes under its 100% control.

Chimique de Gerland (capital F 15m.) makes "Gerflex" plastic floor coverings, "Gerlord" textile products, industrial rubber, road-making products, sealants and chemical products (mainly tar fractions). During the financial year 1968 it turned over F 193 million (before tax). Its main French interests are: 34% in Les Flexibles Gerland (Flexoger) SA, Lyons (controlled by the American I.T.E. Imperial Corp, Philadelphia, Pennsylvania, and American Biltrite Rubber Co, Chelsea, Illinois); 49% in Ste Produits & Engrais Chimiques de la Camargue SA, Port-St-Louis-du-Rhone, Bouches-du-Rhone; 51% in Ste Franco-Anglaise de Plastiques SA, Lyons; 51% in Ste des Carrieres de la Motte - Servolux SA; Ste Rhodanienne de Matériaux Enrobes SA etc. Abroad, its main interests are subsidiaries or affiliates in West Germany, Belgium, Spain, Switzerland, Britain, the United States, etc.

** The Dutch chemical group A.K.U. - ALGEMENE KUNSTZIJDE UNIE NV, Arnhem (see No 510), which continues to draw closer its links with its 75.7% German subsidiary GLANZSTOFF AG, Wuppertal (see Nos 499, 504), plans now to acquire the shares it still needs for 100% control, both of Glanzstoff and of its 81% subsidiary J. P. Bemberg AG, Wuppertal (also a direct affiliate at 8.7%).

Both operations are integral to the internal reorganisation of the group, which will soon become a holding company named A.K.U. NV, in control of the new ENKA NV, Arnhem, which will embrace the group's Dutch manufacturing interests and its business at home and in Italy, Belgium and Austria, combining this with the activities of Glanzstoff and its subsidiaries. These two sister companies will have the same German/Dutch board of directors (equally divided), and any future expansion will take due account of the relative production capacity of either half of the group in Germany and the Netherlands. In addition, a new concern named ENKA INTERNATIONAL NV, Arnhem, will administer to the group's foreign holdings, mainly in the two Americas, Britain and Spain. This will leave the new A.K.U. RESEARCH & ENGINEERING NV to coordinate the group's research activities and its foreign projects.

** The Brussels group U.C.B. - UNION CHIMIQUE SA (see No 510) is to quadruple to Lire 400 million the capital of its Milan subsidiary STA ITALIANA DELLA UNION CHIMIQUE BELGE SpA (see No 267) with the aim of backing its expansion. One particular scheme is the construction at Rho of an acrylic resins plant to replace the one in Milan.

The Italian subsidiary (president M. A. Janssen - run by MM. W. Leistner and M. Molle) has a Milan sister-company engaged in the manufacture of medical and pharmaceutical products, Unione Chimica Italo-Belga - U.C.I.B. SpA and has recently taken over its production following changes in Italian legislation in this sector. U.C.I.B. also holds a licence from the Richardson-Merrel Inc, New York (see also Pharmaceuticals) for the sale of certain products.

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** The Dutch company AIR PRODUCTS NEDERLAND NV, Waddinxveen, the wholly-owned subsidiary of AIR PRODUCTS SA, Schaerbeek-Brussels (see No 512), intends to invest some Fl 40 million in building an industrial gases complex at Terneuzen. Due to come on stream at the end of 1970, this will produce up to 2,000 tons daily of oxygen, nitrogen and argon. The Brussels company is itself the 40/60 subsidiary of the STE GENERALE DE BELGIQUE SA (see No 514) directly and through SIBEKA - STE D'ENTREPRISES & D'INVESTISSEMENTS DU BECKA SA (see No 477) and the American group Air Products & Chemicals Inc, Allentown, Pennsylvania.

The new plant will supply a substantial part of its production to Dow Chemical Nederland NV, Terneuzen, the subsidiary of the American group, DOW CHEMICAL CO, Midland, Michigan (see No 504) and will be linked by pipeline to the plant at Zelzate, Ghent (daily capability 600 tons) of the Belgian, Air Products. Amongst the latter's chief customers are the Brussels steel group, Sidmar - Siderurgie Maritime SA, Brussels (see No 496).

The new plant will be completed shortly after that announced recently by the Dutch state mines - Nederlandse Staatsmijnen NV, Heerlen (see Chemicals and No 511). The latter intends to build a helium, argon and carbondioxide plant in its chemical complex at Geelen in the southern Limburg. Both new schemes will provide competition for the existing manufacturer of industrial gases in the Netherlands, Cryoton v.o.f., whose main shareholders are Kon-Zout-Organon NV, Arnhem (see No 510) with 50%, A. Hoek's Machine- & Zuurstoffabriek NV (30%), Aga Nederland NV (subsidiary of the Stockholm group Aga A/B) with 9.79%, G.L. Loos & Co's Fabrieken NV (7.35%) and NV Zuurstoffabriek de Alblas NV (2.86%).

Air Products & Chemical recently acquired a 50% stake - through its Schaerbeek subsidiary - in the French company, Ste Savoisiennne de Produits Cryogeniques SA, Marseilles, in which its partner is the Royal Dutch-Shell group. In West Germany it has another industrial gases production complex at Höttingen, Essen, which is run by Air Products GmbH, Düsseldorf, itself controlled by the London subsidiary, Air Products Ltd. A major client in West Germany is the steel group, Rheinische Stahlwerke AG, Essen (see No 499).

** MESSER-GRIESHEIM GmbH, Frankfurt (welding equipment and plant, gas liquifaction and industrial gases - see No 514) has formed an almost wholly-owned sales subsidiary in Amsterdam called MESSER-GRIESHEIM NEDERLAND NV (authorised capital Fl 50,000 - 20% issued) which is run by Mr. Jan Glas. A token shareholding is held by Nederlandsche Hoechst Mij NV.

The founder is itself the 66.7/33.3 subsidiary of the Farbwerke Hoechst AG group, Frankfurt-Hoechst and Messer-Industrie GmbH, Königstein, Taunus controlled by the Messer family.

CONSUMER GOODS

** The domestic appliances sales company ADA (HALIFAX) LTD (see No 467), London member of the Dutch group PHILIPS' GLOEILAMPENFABRIEKEN NV,

Eindhoven (see No 510), through its holding company Philips Electronics & Associated Industries Ltd, has for £ 616,000 purchased the 20% that it needed to gain outright control (both direct and indirect) of DAVID H. POUNTNEY (HOLDINGS) LTD. Until now, this was under the 80% control of the subsidiary RETADA HOLDINGS LTD, formed as a vehicle for the reorganisation of the TV trading and rental business of Ada (Halifax).

COSMETICS

** The German cosmetics and hair-care products concern INTER-HAARKOSMETIC-INSTITUT GmbH, Düsseldorf, formed in May of this year with Dm 200,000 capital, has opened a London branch under Mr. Tom Vosdoganes.

DATA PROCESSING

** The American computer leasing (also EDP software and peripherals) concern INTERCONTINENTAL SYSTEMS INC, Palo Alto, Los Angeles, California (see No 506) has formed INTERCONTINENTAL SYSTEMS ITALIA SpA (capital Lire 20 m) to represent it in Italy. Chairman is Sig G.C. Pentigalli, and the move was made through the offices of the Vaduz, Liechtenstein investment company, LAGON FINANCIAL ESTABLISHMENT.

Several months ago, Intercontinental Systems set up its own agency network in Europe, embracing subsidiaries in Neuilly, Hauts-de-Seine, Wiesbaden and London.

** NV PHILIPS GLOEILAMPENFABRIEKEN, Eindhoven (see No 513 and this issue) has expanded its already considerable German interests with the formation of a computer equipment leasing subsidiary. This is called PHILIPS LEASE PLAN DEUTSCHLAND GmbH, Hamburg, has Dm 5 million capital and Herr Hans Kandlbinder as manager.

One of the group's most recent moves in Germany (see No 506) was to take a minority holding in the HT and LT equipment concern Ernst Düllmann KG, Dortmund, through Alldelphi - Allgemeine Deutsche Philips Industrie GmbH, Hamburg.

** The American software firm CYBERNETICS WORLD TRADE CORP (the former subsidiary of the CYBERNETICS INTERNATIONAL CORP, New York) intends to establish a British subsidiary to which will be added before the end of 1969 branches in Frankfurt and Paris. The Bankers' Trust Co group has recently acquired a 40% stake in Cybernetics World Trade Corp (see No 509).

ELECTRICAL ENGINEERING

** The newly-formed London company C.G.E. INTERNATIONAL (U.K.) LTD (capital £ 5,000) has been established with the backing of the leading French electrical group, the C.G.E. - CIE GENERALE D'ELECTRICITE SA, Paris (see No 514).

One of the group's recent moves was to take a 30% stake in the formation in

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Djakarta of a transformer manufacturing concern called UNELEC INDONESIA-UNINDO (capital \$ 2 m) in which the Indonesian electricity distribution concern Perusahaan Listrik Negara has 40% and Alsthom - Ste Generale de Constructions Electriques & Mecaniques SA, Paris, 30%. C.G.E. was already linked with Alsthom within Unelec-Materiel Electrique Industriel de la Cie Generale D'Electricite & de l'Alsthom SA, concern.

** The Frankfurt measuring and control instruments firm VDO TACHOMETER WERKE ADOLF SCHINDLING GmbH has formed a sales subsidiary in Johannesburg called VDO SOUTH AFRICA PTY.

The founder already has a subsidiary in Johannesburg, Automotive Instruments (Pty) Ltd and has just taken control of the West German firm H. Meinecke AG, Hanover (see No 514).

** The Belgian group A.C.E.C. - ATELIERS DE CONSTRUCTIONS ELECTRIQUES DE CHARLEROI SA (of the EMPAIN group - see No 511) has strengthened its West German interests by taking a minority shareholding in the induction heating equipment firm HOCHFREQUENZWAERME SCHMIDT & CO GESELLSCHAFT FUER INDUKTIONSANLAGEN mbH, Reichenbach, Fils (capital Dm 6 m). Until now this was a wholly-owned interest of Elektro-Spezial GmbH, Bremen (see No 267) itself a member of the Dutch group, NV Philips' Gloeilampenfabrieken, Eindhoven.

The Belgian group already has two Dutch subsidiaries, ACEC Deutschland Electro GmbH and Bruncken Elektrofabrikate GmbH, both of which are Cologne-based.

** HEIDOLPH-ELEKTRO KG, Kelheim, and JANKE & KUNDEL GmbH & CO KG IKA-WERK, Staufen-Breisgau, both of which specialise in producing and acting as agents for laboratory equipment, with payrolls of 600 and 200 respectively, have decided to merge their sales networks within a single joint subsidiary named INTERLABORTECHNIK GmbH & CO KG, Staufen, which will use the "Ilt" trademark.

** The German DELTA ELEKTRO GES FUER ELEKTRO- & KUEHL-TECHNIK mbH, Derschlag (electric components for home and industrial refrigeration), headed by Herren F. L. Eberhart of Bergisch Gladbach and Roland Paul of Dümmlinghausen, has formed a subsidiary in Lombardy under the name of DELTA ELEKTRO ITALIANA SpA, Pozzaglio, Cremona, having Lire 1 million capital and Sig Gianfranco Nocivelli as chairman.

ELECTRONICS

** The Luxembourg GUARANTY HOLDING SA, subsidiary of the BANQUE COMMERCIALE SA, Luxembourg (see No 467) has formed TRABROK NV, Amsterdam (capital Fl 100,000), in which GEFIRENDUS SA, Luxembourg has a token stake. The new concern will manufacture and sell electrical, electronic, mechanical and industrial equipment and accessories.

** FAIRCHILD CAMERA & INSTRUMENT CORP, Syosset, New York (semiconductors, integrated circuits, diodes, transistors etc), having just decided to set its European sales HQ in Wiesbaden (see No 514), is forming a sales subsidiary in Paris, FAIRCHILD SEMICONDUCTEURS SA (capital F 200,000). This has M. Alain Barreau as chairman, and its administrators include the Plainview, New York subsidiary Fairchild Credit Corp.

ENGINEERING AND METAL.

** The Brussels industrial plumbing concern AUDCO ROCKWELL BELGE SA (formerly SERCK AUDCO BELGE SA) has been re-named AUDCO ROCKWELL DIKKERS SA with Mr. W. Muller, Delden, appointed as its new director. This move has been made following G. DIKKERS & CO NV, Hengelo (see No 508) acquiring control from the British concern SERCK LTD, Birmingham (see No 483).

The Hengelo firm was itself a few months ago taken over by Rockwell Audco SA, Geneva, the joint subsidiary of the Birmingham group and the American concern Rockwell Manufacturing Co (see No 413).

** The Brussels investment company COMINIÈRE SA (see No 496) has gained control in France - through its subsidiary MATERMACO SA, Brussels (see No 427) - of C.O.M.A.T. SA, Brignais, Rhone, the concessionaire for several civil engineering firms in twelve departments around Lyons. The Belgian group already has a Paris subsidiary operating in this sector, Sovi SA, which is mainly concerned with the sale of civil engineering equipment.

** The French firm LOEB SA, Lille, which supplies metal scaffolding and shuttering for the building industry, has closed down the West German branch at Mascherode which it opened during 1966 (see No 345).

With M. Paul Loeb as president, the French company (capital F 1.07m.) has a stake in the Italian concern LOEB ITALIANA SpA, Cinisello Balsamo, and also has a Branch in Zurich.

** The American electrical and electronic group BENDIX CORP, Detroit, whose subsidiary BENDIX COMMERCIAL SERVICE CORP, Owing Mills, Maryland, recently opened a branch in Wiesbaden (see No 495), has strengthened its stake in West Germany by taking a 49% interest in JURID WERKE GmbH, Glinde, Hamburg (capital Dm 10.6m. - see No 423).

The latter, which makes disc brakes, shock absorbers etc, was until now controlled by Bohlen-Industrie GmbH, Glinde, Hamburg (see No 498). There is a subsidiary in Brussels, Jurid SA, and in Rotterdam, Jurid Handel Mij NV.

** The West German manufacturer of gears, couplings and brakes BERAL BREMSBELAG KG WILHELM BERGES, Marienheide (400 employees), has formed a subsidiary in Vienna called MATIK MASCHINEN-, TEILE, -INDUSTRIE & KFZ-BEDARF GmbH (capital Sch 200,000) with Herr Karl-Wilhelm Berges as manager.

** The leading world manufacturer of agricultural equipment and machinery, the American group DEERE & CO, Moline, Illinois (see No 433) has backed the formation in Mannheim of the sales company JOHN DEERE HANDELS GmbH (capital Dm 20,000), with Herren Wilhelm von Schwanefeld and Hans Weidner as managers. The American group already has a subsidiary in Mannheim, John Deere Lanz Verwaltungs AG (capital Dm 110m.) which has a factory - opened in 1967 - at Zweibrücken.

** The French group CIE PECHINEY SA, Lyons and Paris (see No 512) has decided to rationalise its indirect interests - held through STE D'EXPLOITATIONS & D'INTERETS CHIMIQUES & METALLURGIQUES-SEICHIME SA, Lyons (see No 492) - in the Spanish aluminium production and processing industry (see No 475). This move will involve ALUMINIO DE GALICIA SA, La Coruna (see No 439) taking over the production and processing concerns EARLE ALUMINIO ESPANOL Srl, Madrid; ALUMALSA-ALUMINIO & ALEACIONES SA, Saragoza, and ALUMINIO TRANSFORMACION SA-ALUSA, Madrid. In 1968 these four firms accounted for over 52% of Spanish aluminium production with a total of 47,000 tons.

** The Italian investment company FINMECCANICA SpA (see No 507 - a member of the Rome state group I.R.I.), is to sell its controlling stake in the special steel castings and bolts concern STA BULLONERIA EUROPEA - S.B.E. SpA, Monfalcone, to the Turin steel concern STA NAZIONALE COGNE SpA (a member of the state holdings group - see No 514).

** The French firm CARAVANES STERCKEMAN SA, Seclin, Nord (manufacture and finishing of caravans and car trailers - capital F 520,000) has closed down the branch it opened in March 1967 (see No 403) at St-Josse-ten-Noode, Brussels.

** The West German group NEUNKIRCHER EISENWERK AG, Neunkirchen, Saar (see No 421) has doubled to F 8 million the capital of one of its French subsidiaries SPAC - STE PARISIENNE DE CANALISATION SA, Clichy (see No 413) with the aim of backing the latter's expansion. This was acquired during 1967 by the German group and its Paris subsidiary Neunkirchen-France SA (capital doubled to F 10m. in 1968) and it operates in the heating, ventilation and air conditioning conduit sector.

** The French company STE CONTINENTALE PARKER SA, Clichy, Hauts-de-Seine (coating and processing of metal surfaces by phosphatisation) has increased to 99.87% its stake in the Spanish concern CONTINENTAL PARKER HISPANIA SA, Barcelona, as this has increased its capital to Pts 40.1 million. The French company is a member of the West German group METALLGESELLSCHAFT AG, Frankfurt (see No 514).

** The American group REX CHAINBELT CO, Milwaukee, Wisconsin (see No 506) has strengthened its Common Market interests by taking a 75% controlling stake - through its subsidiary REX INTERNATIONAL INC - in the Belgian plant construction concern O.C.P. SA (see No 404). This specialises, along with its French subsidiary HYDROTEC SA, Le Plessis-Robinson, in supplying and installing water distribution networks.

The American group, which has a wide range of interests, has long been established in Brussels through a branch of its subsidiary Rex International Inc and has recently opened another in Cinisello Balsamo, Milan under Mr. Daniel C. Cole. It also controls the chain manufacturer Rex Regina SpA, Milan (see No 352) and the West German manufacturer of civil engineering equipment Rex Hunnebeck GmbH, Lintorf (see No 501). In 1967 it acquired the American manufacturer of machinery, plant and equipment in the closures sector, Camloc Fastener Corp, Paramus, New Jersey, and as a result controls the West German and French sales companies Camloc Fastener GmbH, Kelkheim, Taunus, and Camloc-France Sarl (see No 370).

** The American concern PRODUCTION TUBE CUTTING INC, Dayton, Ohio, which is headed by Mr. Howard H. Jones, has formed a Paris sales subsidiary called PRODUCTION TUBE CUTTING FRANCE Sarl (capital F 75,000). The two managers of the new concern, MM. Patrick Camp and J.P. Corbiere, each have a 24.4% stake.

** A joint association in Spain between the manufacturer of machinery SUMINISTROS "SHAG" SA, Madrid, and the French concern CONSTRUCTIONS & ETUDES THERMIQUES & CERAMIQUES - C.E.T.E.C., Paris, has resulted in the formation of CETEC IBERICA (capital Pts 1m.) This is based on Suministros' premises.

** The Frankfurt group METALLGESELLSCHAFT AG and the Zurich group SCHWEIZERISCHE ALUMINIUM AG (through METALLWERKE REFONDA, and WIEDERKEHR & CO, Niederglatt, Zurich) have each taken a 50% stake in the light metals foundry METALLWERK OLSBERG GmbH, Essen-Katenberg (capital Dm 3m.). Owned until now by Mmes Inge and Gisels Lange, this has sales offices in Berlin, Hamburg and Stuttgart. In West Germany the two groups are already linked in the construction of an aluminium smelter near Essen (see No 500), which will be run by Leichtmetall GmbH, Essen. The latter's capital was raised in February 1969 from Dm 8.4 to Dm 70 million.

FINANCE

** CREGELUX - CREDIT GENERAL DU LUXEMBOURG SA (see No 513 - a member of the STE GENERALE DE BELGIQUE SA group through BANQUE GENERALE DU LUXEMBOURG SA) has backed the formation in Luxembourg of the investment and holding company LUXTRUST SA (capital \$1.95m.). This has as directors Messrs. Reed Rubin, New York, John Ch. Sorrell (director of the London company HIGH INCOME TRUST LTD) and John W.B. Wimble (director of the London companies JESSEL SECURITIES LTD and CONSTELLATION INVESTMENTS LTD).

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** CIE LUXEMBOURGEOISE DE BANQUE SA (see No 489), the subsidiary of DRESDNER BANK AG, Frankfurt (see No 513), responsible for Euro-dollar issues, has formed an investment company called GENERAL INTEREST SA, Luxembourg (capital Lux F 62.5 m). This will be headed by Herren Rainer Jaeckle and H.J. Schreiber.

** The Paris BANQUE DE L'INDOCHINE SA (see No 510) and its subsidiary LOCAFRANCE SA (equipment and plant leasing - see No 494) have both backed the formation in Paris of BANQUE IMMOBILIERE POUR LE COMMERCE & L'INDUSTRIE-IMMOBANQUE SA (initial capital F 10 m). With M. Gerard Billaud as president, this will lease properties of groups of properties without equipment for industrial and commercial purposes. Other companies represented on the board of the new concern are LA PATERNELLE SA (a 20% affiliate of Banque de l'Indochine), BANQUE DE L'UNION EUROPEENNE INDUSTRIELLE & FINANCIERE SA (see No 510), C.I.C. - CREDIT INDUSTRIEL & COMMERCIAL SA (see No 510), B.N.P. - BANQUE NATIONALE DE PARIS SA (see No 512), BANQUE FRANCAISE DE COMMERCE EXTERIEUR SA (see No 509) and STE CENTRALE DE BANQUE SA (see No 497).

** BANK MEES & HOPE NV, Amsterdam and Rotterdam (a member of the BANK ASSURANTIE ASSOCIATIE NV group - see No 505) has backed the formation in Luxembourg of a mutual fund covering mining and oil securities. Certificates in the new concern will be sold outside the United States by FIRST INVESTORS INTERNATIONAL MINING & PETROLEUM REALISATIONS SA, Luxembourg (capital \$ 10,000). The new company is called FIRST INVESTORS INTERNATIONAL MINING & PETROLEUM FUND SA, Luxembourg (capital \$ 20 m), and other founders include FINIMSA - FINANCIERE & IMMOBILIERE SA (a member of the Kredietbank NV, Antwerp and Brussels, group - see No 509), the New York brokers MERRILL LYNCH, PIERCE, FENNER & SMITH (see No 489), HAMBROS BANK LTD, London (see No 514) as well as FIRST INVESTORS & SAVERS LTD (which since late 1968 has had a subsidiary under its own name in Zug).

** The Paris group BANQUE DE LA CITE SA, which is headed by M. J.B. Dardel (see No 491) has strengthened its interests in South West France. Its subsidiary STE HISPANO-FRANCAISE DE CREDIT (CREDIFRA) SA, Biarritz, whose president is M. R. Toulze and which specialises in financing credit sales, has acquired CREDIT AUTOMOBILE BASQUE - MM. JEAN-MARIE & PIERRE BANQUET & CIE Scs, Bayonne.

** BANQUE POUR LE DEVELOPPEMENT COMMERCIAL (TRADE DEVELOPMENT BANK) SA, Geneva, has formed a Luxembourg holding company FIDELIS SA (capital \$ 75,000) to act as a base for the launching of two Luxembourg investment funds each with a capital of \$ 5 million and each backed by an advisory company and a re-purchase company. The first is called DELTA INVESTMENT FUND SA and has as its aim a high return on investment capital, and the second is called DELTA MULTIFUND SA and will invest in other funds. The finance network backing the two new investment funds is provided by the Geneva bank, by its branches in London, Chiasso and Buenos Aires, by its affiliate in New York, Republic National Bank of New York, and by Banque de Credit National S.A.L., Beirut, Lebanon, and Banque Internationale a Luxembourg SA. Opera Mundi - Europe No 515

** BANCO DI ROMA (FRANCE) SA, Paris (capital F 7.5 m - balance sheet end 1968 F 689.02 m), the subsidiary of BANCO DI ROMA SpA (see No 485), has opened two new branches, one in Paris and the other at the new food distribution centre at Rungis.

** A rationalisation of the investment companies controlled by the Paris banking group VERNES & CIE Snc (see No 505) has resulted in CIE GENERALE PARISIENNE D'ETUDES & DE PARTICIPATIONS - C.O.P.A. SA (formed in 1967 - president M. Pierre Vernes) taking over STE DE GERANCE & D'ENTREPRISE SA (gross assets F 6.73 m) and raising its own capital to F 1.04 million.

** The Milan investment company STA NAZIONALE SVILUPPO IMPRESE INDUSTRIALI SpA (see No 513) has formed a holding company in Luxembourg named SVILUPPO INTERNATIONAL SA (capital \$ 5 m), control of which is shared with its Milan subsidiary FINANZIARIA GESTIONI-SOFIGE SpA (currently being absorbed by another company in the group in Rome, CERRETO ALTO SpA). Sta Nazionale Sviluppo Imprese Industriali SpA a few months ago was taken over by an international group composed mainly of French and British interests.

** CREDIT FONCIER DU BRESIL & DE L'AMERIQUE DU SUD SA (capital F 1.96 m), a finance, mortgage and investment company orientated mainly towards Brazil, is drawing closer links with a similar company, CAISSE GENERALE DE PARTICIPATIONS FONCIERES & INDUSTRIELLES SA (capital F 400,000), with which it already has directors in common.

FOOD & DRINK

** The brewing group STE EUROPEENNE DE BRASSERIE SA, Champigneulle, Meurthe-et-Moselle (see No 433), has acquired a major holdings in two other French breweries, BRASSERIES DE LA MANCHE SA, Paris, (brewery at Eu, Seine Maritime - see No 338) and GRANDE BRASSERIE DU VAL DES CYGNES SA, Valenciennes, Nord.

** The French group GENERALE ALIMENTAIRE SA - G.A.S.A., Neuilly, Hauts-de-Seine (see No 509) has strengthened its interests by absorbing its Nice subsidiary VINAIGRERIE DE NICE SA (capital F 50,000 - see No 282), which brings it gross assets of F 1.38 million.

At the same time the group has raised its capital to F 49.33 million by dint of acquiring a 17% interest in the LOU SA, Grenoble, lingerie concern (capital F 14.43 m).

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GLASS

** The CIE DE SAINT-GOBAIN SA, Neuilly-sur-Seine group (see No 511) is to form an economic interest grouping in the white glass container sector (for pharmaceutical, cosmetic and household products) in conjunction with HENRI DESJONQUERES SA, Paris. The latter's production of some 75,000 t.p.a. at Mers-les-Bains, Somme (see No 504) is equal to that of Saint-Gobain.

Henri Desjonqueres, a family-owned concern (capital F 19.34 m - turnover F 110 m), has negotiated with its new partner an agreement giving the latter a majority shareholding in the glass works at Mers, although the B.S.N. - BOUSSOIS-SOUCHON-NEUVESEL SA group (see Plastics) will remain a shareholder with 32.5%. B.S.N. had previously been unsuccessful in negotiating an increase in its stake.

Saint-Gobain recently formed an economic interest grouping in the household glass sector (see No 505) in association with Verrerie & Cristallerie d'Arques SA, a member of the J.G. Durand & Cie Sca, Arques, Pas-de-Calais, group.

INSURANCE

** MATTHEWS WRIGHTSON & CO LTD, London, Lloyd's insurance brokers, have joined 50-50 with the Italian CAMBIASO RISSO SpA in forming a reinsurance and insurance concern in Genoa named MATTHEWS WRIGHTSON CAMBIASO RISSO SpA (capital Lire 10 m).

The new firm will be concerned in particular with handling international insurance in the civil engineering and machinery erection industry, a sector in which the British parent company specialises. It has a chain of offices covering Europe and the rest of the world, these being sited in: France, Germany, Switzerland and Portugal; the United States, Venezuela, Argentina, South Africa, Australia and New Zealand.

OIL, GAS & PETROCHEMICALS

** The Brussels investment company TRACTION & ELECTRICITE SA (see No 514), member of the group STE GENERALE DE BELGIQUE SA, Brussels, has made over to EBES - STES REUNIES D'ENERGIE DU BASSIN DE L'ESCAUT, Brussels, (see No 496) its minority stake in the gas distribution concern DISTRIGAZ SA.

This company (capital Bf 2,015,290) is under control of three groups: 1) SHELL PETROLEUM NV, The Hague and STANDARD OIL CO (NEW JERSEY), New York (1/6 each); 2) STE NATIONALE D'INVESTISSEMENT SA, Brussels; and 3) a private Belgian group comprising in particular EBES and INTERCOM SA and ELECTROBEL SA, Brussels.

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OPTICAL AND PHOTOGRAPHIC

** The Oberkochen optical and precision engineering group CARL ZEISS (see No 487) has expanded in Britain by forming a new subsidiary named ZEISS IKON LTD, London, to import and sell photographic, optical and scientific equipment. This has £100 capital and Messrs Albert Degenhardt and Trevor Jones as directors.

The German concern headed by CARL ZEISS STIFTUNG, Heidenheim, formed Carl Zeiss (England) Ltd in London in 1964 (see No 257), and then gained outright control of Degenhardt & Co Ltd in 1967 (see No 379).

** The German/Belgian photochemicals group AGFA-GEVAERT, Leverkusen and Mortsel (see No 513) has negotiated the takeover of the U.S. photographic papers concern U.S. PEERLESS PHOTO PRODUCTS INC, Shoreham, Long Island.

In the United States late in 1967 the group, through its local subsidiary Agfa Gevaert Inc, Peterboro, took over the photo-composing machine concern Fotoriter Inc, Chicago, Illinois ("Radio-Print" system - see No 434). Also, it has cooperation links with the American Itek Corp, Lexington, Massachusetts, and its joint subsidiary with this company is to produce "Itek RS" copying film, patented by the latter. Until the plant for this project comes on stream, the product will continue to come from the European group's factory at Mortsel, Antwerp.

PAPER AND PACKAGING

** As part of its rationalisation moves in the paper processing sector, the Paris group LA ROCHETTE-CENPA SA (see No 511) is to make over its manufacturing interests at Schillingheim, Bas-Rhin to SONOSAC SA, Beautiran, Gironde, the subsidiary of the ETS. MORQUIN & MUGUET SA, Vitry, Val-de-Marne (see No 440) and will re-name itself SONALSAC SA.

In December 1968 Morquin & Muguet had negotiated a link-up with Cie Francaise des Emballages & Complexes Isolants - Cofradec SA, Quesnoy, Nord (a 25% affiliate of the Saint-Freres SA group), which will lead to Morquin & Muguet making over most of its interests in Quesnoy.

PHARMACEUTICALS

** The German chemical and pharmaceutical group FARBENFABRIKEN BAYER AG, Leverkusen, has added a sales subsidiary (pharmaceuticals only) to its existing Milan interests. It is called BAYROPHARM ITALIANA SpA and has Lire 10 million capital. The parent company formed a similar concern in Cologne at the end of 1968 named Bayropharm GmbH (see No 481).

** The New York group RICHARDSON MERREL INC (see Chemicals) is strengthening its controlling stake in the French LABORATOIRES TORAUDE SA (see No 507) by making over to the latter various Belgian, French and Luxembourg shareholdings controlled by its wholly-owned subsidiary DRUGS & CHEMICALS INC, New York. These are in PARIS LABO SA (see No 497); FRANCO-DEX SA, Forest-Brussels (formerly FABRIPHAR SA - see No 394), EUROSYNTHÈSE SA and EUPHA SA (both based at Wiltz-Weidingen - see No 417). Toraude, whose capital will be raised to F 16.42 million, will at the same time absorb its subsidiary S.T.E. SA, Montrouge, as well as two other companies LABORATOIRES DESMALES Sarl and EXIMPAR Sarl (both based in Paris), in which it had increased its controlling stake following the acquisition of shares previously held by Drugs & Chemicals.

PLASTICS

** The Ghent firm USINES BELGES VYNCKIER FRERES SA (see No 512), as the result of an agreement negotiated with the backing of R.L. LARCIER & CIE, Brussels (see No 476) and EUROFINANCE Sarl, Paris (see No 500), has sold off its manufacturing and sales subsidiary STE FRANCAISE VYNCKIER FRERES SA, Lille, which operates in France and the Benelux countries ("Vyncoluxe" sanitary ware). This has been acquired by the French injection moulded plastics goods firm ETS. ALLIBERT SA, Monestier-de-Clermont, Isere (see No 498).

Ets. Allibert (consolidated annual turnover exceeds F 200m. - 1,700 employees) is a 33.3% affiliate of the glass group B.S.N. - Boussois-Souchon-Neuvesel SA (see No 511) and it has production facilities at head office, at Meru, Oise and Veynes, Hauts-Alpes. In late 1968 it sold its stake in the French travel and rubber goods concern Superior SA, Besancon, Doubs (formerly Allibert Superior SA) and has just strengthened its stake in Italy - where it has a Milan subsidiary Allibert Italia SpA - by gaining control of the Turin firm Plaster SpA (plastic bathroom products - capital Lire 30m.).

** The Brussels chemical group SOLVAY & CIE SA (see No 503) has strengthened its stake in the Netherlands by acquiring a shareholding in the plastic processing concern WEESP-PLASTICS NV, Weesp, until now controlled by the London group I.C.I. - IMPERIAL CHEMICAL INDUSTRIES LTD (see No 513). Solvay's Rotterdam subsidiary NV Ned. Patent- & Kristal Sodafabriek v/h Dury & Hammes, which has production facilities at Schiedam and Linne-Herten, was recently re-named Natrochemie NV.

The Belgian group has also acquired a 95% interest in a similar Hamburg company, Adretta Werke Weber & Bandow GmbH (PVC sheets - see No 339) from the New York group, W.R. Grace & Co (see No 506), which keeps a 5% stake. The Hamburg concern (capital Dm 22.44m.) has some 500 employees and a subsidiary in Zurich, Adretta AG.

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** The Hamburg concern ALBIS PLASTIC GmbH (processing and sale of thermo-plastic resins) and a subsidiary of OTTO KRAHN KG, Hamburg (see No 410) has raised to F 750,000 the capital of its Paris subsidiary ALBIS PLASTIQUE FRANCE Sarl so that the latter can expand its sales network.

Otto Krahn has two Hamburg subsidiaries selling rubber, plastics and resins, Gangus Rohstoff Import GmbH and KCV - Chemie Vertrieb GmbH. There are also two other foreign subsidiaries Albis Plastic AG, Zurich (formerly Albis Impex AG) and Albis Plastic Co (Great Britain) Ltd, Wembley, Middlesex.

PRINTING AND PUBLISHING

** The Amsterdam printing concern DRUKKERIJ C.A. SPIN & ZOON NV (capital Fl 600,000), subsidiary of the publishing house UITGEVERSMIJ. TROUW NV, Amsterdam, plans to take control of a similar concern, N.V. BOEK- & STEENDRUKKERIJ "DE FAKKEL" v/h B. VAN MANTGEM. It has Fl 151,000 capital and is already its affiliate. DRUKKERIJ C.A. SPIN & ZOON NV has a payroll of 125 whilst its proposed subsidiary employs 50 people.

RUBBER

** A. SCHULMAN INC, Akron, Ohio, American rubber, plastics and allied chemical products concern, has formed a sales subsidiary in Milan named A. SCHULMAN SpA (capital Lire 30m. - chairman Mr. W. Zekan).

The parent company has long been established in Belgium with two Brussels subsidiaries: A. Schulman SA (formerly Rubber & Plastics SA), formed in 1949 and equipped in 1966 with a Paris branch under Mr. H. Frohmann, and A. Schulman Plastics SA, formed in 1962.

SERVICES

** The London concern A. J. HINES & CO has formed an Amsterdam subsidiary to provide assistance in the technical, commercial, administrative, property and management sectors, A. J. HINES & CO NV (authorised capital Fl 100,000 - 20% issued). The director of the new concern is the head of the London firm, Mr. Alfred John Hines.

** The Swedish security concern BEVAKNING A/B SECURITAS, Malmö (see No 433) has formed a Belgian subsidiary called NOUVELLE STE DE SURVEILLANCE & DE SECURITE SA, Schaerbeek-Brussels (capital Bf 250,000). This will provide security transport for cash, bank notes, securities, works of art, jewels etc. The Swedish concern already controls Securicom SA, Schaerbeek, which provides security personnel and this was founded in association with other Swedish security companies and British interests.

June 5, 1969.

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** STE INTERNATIONALE DES ECOLES BERLITZ SA, Paris (rapid language courses - see No 427) has formed a direct subsidiary in Milan called THE BERLITZ SCHOOLS OF LANGUAGES (ITALIA) SpA (capital Lire 10 m) with Mr. R. Montfort as president and run by Mr. Bruno R. Pavia. The founder, which was founded at the beginning of the century by Mr. Maximilian D. Berlitz, was taken over in 1967 by the American group THE BERLITZ SCHOOLS OF LANGUAGES OF AMERICA. This was also founded by Mr. Maximilian D. Berlitz, but in 1966 was acquired by the New York publishing group Crowell, Collier & McMillan Inc.

** The London engineering, industrial organisation and marketing consultants URWICK, ORR & PARTNERS LTD (see No 460) have set up a subsidiary in Amsterdam named URWICK INTERNATIONAL NV (capital Fl 20,000 - director Mr. Heinz Steven Lee).

In 1968 (see No 459), the British firm formed a second subsidiary in Belgium, URWICK INTERNATIONAL Sprl, on the premises of its first establishment, URWICK, ORR & PARTNERS INTERNATIONAL SA, Brussels.

TEXTILES

** Under the link-up recently agreed (see Nos 503 and 509) between the STE FONCIERE & FINANCIERE AGACHE-WILLOT SA (which heads the textile group AGACHE WILLOT SA, Perenchies, Nord) and the SAINT-FRERES SA group, Paris, the former has acquired a 43% stake in Saint-Freres' capital which has been increased from F 64.92 million to F 114.92 million. This will give Agache-Willot a majority on the board, and an effective controlling interest in return for assets valued at F 131 million.

Saint-Freres has thus acquired: 1) a direct 41.5% stake in the cotton spinning concern ETS VANDENDRIESSCHE & FILS SA, St-Quentin, Aisne as well as an indirect 48.5% stake in S.O.P.A.R.G.E. SA, Paris, which it now controls; 2) control of two African cotton spinning and weaving concerns, INDUSTRIE COTONNIERE CENTRAFRICAINE I.C.C.A. SA, Bangui, Central African Republic and SONITEX - STE NIGERIENNE DES TEXTILES SA, Niamey, Niger Republic; 3) a 49.36% stake in ETS LOUIS NICOLLE SA, Wambrechies, Nord (see No 498) the owner of factories which it leases to other companies in the group; and 4) 40.5% in the CONSORTIUM GENERAL TEXTILE SA, Perenchies, Nord (see No 503) the main subsidiary in the group with some thirty factories and 9,000 employees.

** The increase from F 9.78 million to F 10.87 million in the capital of STE DES FILATURES DE LAINES PEIGNEES DE LA REGION DE FOURMIES (S.F.R.F.) SA, Paris (see No 469) will enable the RHONE-POULENC SA group (see No 511) to take a shareholding of around 10%.

S.F.R.F.'s board will now be joined by two new members, MM. Alain Joubert (representing Rhone-Poulenc) and M. Nicolas Thiery (representing the Armand Thiery-Sigrand group - see No 475). Its other main shareholders are the insurance group La Paix SA, Paris (20% - see No 495) and the Omnium de Valeurs Agricoles Industrielles

& Minieres SA, Paris (see No 269). Its main subsidiary is the Ste Commerciale des Files de Fourmies SA, and their consolidated pre-tax 1968 turnover amounted to F 80.2 million.

TOURISM

** The Canadian hotel group SEAWAY MULTI-CORP LTD, Toronto, is about to establish a branch in Rome under M. A. Ben Tovim. This will head and manage the group's operations in Europe.

** The London company THE STRAND HOTELS LTD (see No 487), a subsidiary of the J. LYONS & CO LTD group (see No 509), is negotiating the construction of a 1000 bed hotel in Paris. The Strand Hotels recently backed the formation of STRAND HOTELS (NEDERLAND), Amsterdam in which its parent company has a 25% stake - through J. Lyons (Luxembourg) Holdings SA - with the remainder held by the Dutch airline K.L.M. - Kon. Luchtvaart Mij NV, The Hague (see No 500). This has begun to build a 600 bed hotel in Amsterdam, which is due to open in the spring of 1970.

TRADE

** The Paris CIE GENERALE DE PARTICIPATIONS & D'ENTREPRISES - CEGEPAR SA (see No 504), the holding company for the CIE FINANCIERE DE PARIS & DES PAYS-BAS SA group (see No 513), has acquired a 19.56% stake in STE COMMERCIALE DE L'OUEST AFRICAIN SA - S.C.O.A. (see No 491) after having made over the "Lyonnaise de Madagascar C.L.M." concern. This latter involved the assets of the former Cie Lyonnaise de Madagascar SA, Paris (see No 494), which was recently absorbed by Cegepar.

TRANSPORT

** The leading West German private concern in the transport and international handling sector, KÜHNE & NAGEL SPEDITIONS AG, Bremen (turnover around Dm 400 m - see No 475) has decided to establish a subsidiary in Nairobi.

Outside Europe the founder has subsidiaries or sister companies in New York, Montreal, Toronto, Vancouver, Winnipeg, Hamilton, Mexico, Rio-de-Janeiro, Johannesburg, Beirut, Baghdad, Mosul, Teheran and Hong Kong.

** The Antwerp transport group AHLERS NV and the Brussels STE NATIONALE D'INVESTISSEMENTS - S.N.I. have each backed on an equal basis the increase in the capital from Bf 40 to Bf 10 million of their joint subsidiary HAVEN- & SCHEEPVAART-BELEGGINGSMIJ, NV, Antwerp (see No 509). This manages shareholdings in port, transport and shipping companies.

** CIE DE NAVIGATION MIXTE SA, Marseilles, which is affiliated to C. G. T. - CIE GENERALE TRANSATLANTIQUE SA (16.95%), CIE DE NAVIGATION PAQUET SA and to the insurance group LA FORTUNE, CIE D'ASSURANCES MARITIMES & TERRESTRES SA, has acquired an interest of more than 20% in TRANSPORTS AUTOMOBILES INDUSTRIELS & COMMERCIAUX (S. T. A.) SA, Paris (see No. 498). With a capital of F 14.1 million, this latter has an annual turnover exceeding F 50 million from its activities in the transport and vehicle leasing sector. It has a considerable interest in a number of other transport firms including 21.95% in Ste Generale des Transports Departementaux (Transcar) SA, Paris, whose fleet of over 1,700 coaches operate regular services throughout France. Its new shareholder will enable it to strengthen its position in Southern France through the goods and passenger transport subsidiary it has in Marseilles, Cie Mediterranee de Tourisme & Transport - C.O.M.E.T.T. SA.

Furthermore, the agreement in principle between Navigation Mixte and C.G.T. covering the technical and sales operations of their interests in the Mediterranean (see Nos 491 and 503) will be put into practice by a 35/65 subsidiary which has been formed called Cie Generale Transmediterrannee SA. This project will now be given the go-ahead as M. Marc Fournier has taken over as president of Navigation Mixte from M. Gerard de Cazalet, who was opposed to this link-up.

** An agreement has been made between the Greek shipowner Mr. N.A. Coulouthros Embiricos, London (15 bulk carriers) and the CIE DES MESSAGERIES MARITIMES SA, Paris (see No 505) covering the leasing of oil and bulk carriers, with the exception of liquefied gas. A 40-60 Paris subsidiary called STE NAVIVRAC SA (capital F 120,000) will be formed with M. R. Gueguen as president and representative of the French majority interest.

VARIOUS

** The Finnish tannery FRIITALAN NAHKA OY, Ulvila has formed a subsidiary in Vienna to cover the Common Market countries, Britain, Austria and Switzerland. The new concern is called NORD-ALPINE LEDER- & PELZWARENVERTRIEBS GmbH (capital Sch 100,000) and its managers are Messrs. Pertto Hellemaa, Timo Siukosaaro and Kurt Weiner.

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Banco di Roma	L	Distrigaz	M
Bank Assurantie Associatie	K	Dow	E
Banque de la Cite	K	Dresdner Bank	K
Banque Francaise de Commerce Exterieur	K	Dreyfus, Louis	C
Banque Generale du Luxembourg	J	Drugs & Chemicals	O
Banque de l'Indochine	K	Duyvis, Jacob	C
Banque de Paris & des Pays-Bas	R		
Banque de l'Union Europeenne	K	E.B.E.S.	M
Bayer	N	Earle Aluminio	I
Bendix	H	Electrobel	M
Beral Bremsbelag	I	Empain	G
Berlitz Schools	Q	Enka	D
Bevacknings Securitas	P	Eupha	O
		Eurofinance	O
C.B.R., Cimenteries	B	Europeenne de Brasserie	L
C.E.T.E.C.	J	Eurosynthese	O
C.G.E.	F	Eximpar	O
C.G.T.	S		
C.I.C.	K	Fairchild	H
C.O.M.A.T.	H	Fairey	B
C.O.P.A.	L	de Fakkell	P
Cambiaso Risso	M	Fidelis	K
Caisse Generale de Participations	L	Finimsa	K
Cegepar	R	Finmeccanica	I
Centrale de Banque	K	First Investors International	K

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			U
Fisons	C	Lyons, J.	R
la Fortune	S		
Franco-Dex	O	la Manche, Brasseries de	L
Friitalan Nahka Oy	S	Mappemonde	C
		Matermaco	H
G.A.S.A.	L	Matik Maschinen	I
Gefirendus	G	Matthews Wrightson	M
General Interest SA	K	Mees & Hope	K
Generale de Belgique	C,E,J,M	Merrill Lynch, Pierce, Fenner & Smith	K
Gerland	D	Messageries Maritimes	S
Glanzstoff	D	Messer-Griesheim	E
Guaranty Holding	G	Metallgesellschaft	I,J
		Mitchell Cotts	C
Hambros Bank	K	Morquin & Muguet	N
Haven- & Scheepvaart Beleggingsmij	R		
Heidolph-Elektro	G	National Coal Board	C
Hennuyeres, Tuileries	B	Navigation Mixte	S
High Income Trust	J	Navigation Paquet	S
Hines, A.J.	P	Navivrac	S
		Nazionale Cogne	I
I.C.C.A.	Q	Nazionale Sviluppo	L
I.C.I.	O	Nederlandse Staatsmijnen	C
I.R.I.	I	Neunkircher Eisenwerk	I
Ika-Werk	G	Nicolle, Louis	Q
Immobanque	K	Nord-Alpine Leder- & Pelzwaren	S
Intercom	M	Novhyc	B
Intercontinental Systems	F	Novobric	B,B
Inter-Haarkosmetic	F	Nypro	C
Interlabortechnik	G		
		O.C.P.	J
Janke & Kunkel	G	d'Obourg, Ciments	B
Jessel Securities	J	Olsberg, Metallwerk	J
Jurid	H	Overpelt-Lommel	C
Krahn, Otto	P	Paris Labo	O
Kühne & Nagel	R	Parker, Continentale	I
		la Paternelle	K
Lagon Financial Establishment	F	Pechiney	I
Larcier	O	Pechiney-St-Gobain	D
Laurent, Roger	B	Peerless Photo Products	N
Locafrance	K	Philips NV	E,F
Loeb	H	Polaris, Immobiliare	B
Luxembourgeoise de Banque	K	Pountney, David H.	F
Luxtrust	J		

V

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Production Tube Cutting	J	Traction & Electricite	M
Pyrethre, Cie de	C	Trade Development Bank, Geneva	K
		Trouw, Uitgeversmij	P
Refonda, Metallwerke	J		
Retada Holdings	F	U.C.B.	D
Rex Chainbelt	J	Ugine-Kuhlmann	D
Rhone-Poulenc	Q	Urwick, Orr & Partners	Q
Richardson Merrel	O		
la Rochette-Cenpa	N	Val des Cygnes, Brasserie	L
Rupel, Produits Chimiques	C	Vandendriessche & Fils	Q
		Vdo Tachometer	G
S.B.E.	I	Vernes & Cie	L
S.C.O.A.	R	Vinaigrerie de Nice	L
S.F.R.F.	Q	Vynckier Freres	O
S.N.I.	B, M, R		
S.P.A.C.	I	Weesp-Plastics	O
S.T.A.	S	Wiederkehr	J
Saint-Freres	Q		
Saint-Gobain	M	Zeiss Ikon	N
Schindling, Adolf	G		
Schmidt, Hochfrequenzwärme	G		
Scholten-Honig	C		
Schulman Inc	P		
Schweizerische Aluminium	J		
Seaway Multi-Corp	R		
Seichime	I		
Serck	H		
Shag, Suministros	J		
Shell Petroleum	M		
Sibeka	E		
Sofige	L		
Solvay	O		
Sonosac	N		
Soparge	Q		
Spin & Zoon, Drukkerij	P		
Standard Oil (New Jersey)	M		
Steinbrech Handels	B		
Sterckeman, Caravanes	I		
Strand Hotels	R		
Sudburg Laboratory	C		
Tamerlano, Immobiliare	B		
Toraude	O		
Trabrok	G		

