

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY

June 3 - June 9, 1968

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THE WEEK IN THE COMMUNITY

June 3 - June 9, 1968

THE COMMON MARKET

The French Crisis: Awaiting the Shockwave

Within the Community, the indications are that the Five will not turn the rancour of months of stalemate over the enlargement issue against France in her present difficulties. Steps are being taken to ease the burden on France, not least in deference to the French decision to abide by the July 1 deadline and the Kennedy Round cut accelerations. The French crisis is bound to present the Five with difficulties, however, and they clearly have it in mind not to let the present social and economic weakness of France pass without turning it to some good effect. This was brought out this week, amongst others, by Hermann Bohle in the Hamburg weekly, "Die Zeit".

To begin with France is not only West Germany's geographical and political neighbour, but she is also the country's biggest trading partner. Over the next twelve months or so prices are bound to rise by some 5 or 6 % in France and wages, in response to the demands of workers right across the French economy, will be going up by between 12 and 16 per cent (i.e. 8 per cent more than originally expected, and 5 per cent above the May 29 settlement, subsequently rejected by the majority of workers). These inflationary tendencies cannot be kept tidily within the national boundaries of France - they are bound like all such tendencies, to be exported, and above all to the countries with which she has the greatest trade links, i.e. West Germany and the other countries of the Community. Up till the present moment France has lost some 130 million working days and more good will in trade than can be calculated. Given all these factors, and the general uncertainty that hangs over the country, France has suddenly ceased to be an inviting country for overseas investors and become one fraught with risks. If foreign investors are unwilling to put capital into the country, France will sooner rather than later find herself left behind by the tide of European expansion. Such a state of affairs would not be conducive to the economic and political unification of the Six European states, and if the crisis limits the extent of France's foreign policy, this will probably be reflected in Brussels, thereby limiting the effectiveness and power of the whole Community's foreign policy.

The next few weeks will evidently be a trying time for all members of the Community. Those who are not European-minded will have added arguments to bolster their opinions; those who believe strongly in the European ideal will find their ideas sorely tested. The two key countries in the Community after France, West Germany and Italy could well do without a crisis, be it economic or politico-economic, at this juncture. West Germany has just pulled itself out of a two-year economic trough and Italy's economic and political stability would be better, left untested.

We have a precedent: in 1963/1964, inflation struck in France and Italy, and the effects were rapidly transferred to West Germany in particular. Prices and wages shot up in France and Italy and the trend was soon passed on to these countries' biggest

trading partners - West Germany and the Benelux countries - leading to overheated demand and rising prices there also. As a result of lessons learnt from this experience, the EEC authorities decided to co-ordinate economic policy within the Community more closely in the future. At that time they decided to set up a system of recommendations for economic and political questions, a framework for consultations at times of devaluation and revaluation and for regular meetings between the governors of the issuing banks, as well as agreeing on making an attempt to standardise the influence that the polity has on the economy in all the member countries.

Experience has shown that these provisions did not go far enough. In the last year or so the tables have been turned and the weakness of the West German economy has had its effect on the French economy and to a lesser extent on those of Belgium and the Netherlands. The explanation is not difficult to find: France is West Germany's biggest client and vice-versa. As a result, France's foreign trade suffered, and her domestic economy began to decline, as reflected in company turnover. With the dismantling of customs barriers within the Community, German industrialists, with lower costs, turned more and more to their export markets, thus putting the burden on French, and to a certain extent, Dutch and Belgian shoulders.

The present crisis is however more serious, and member countries must show more good will to put it to rights; instead of dubious 'recommendations', the EEC must find some real common economic policy. France has been for this for some time now. What is needed is a workable prices and incomes policy, measures to cover economic and currency questions, a viable taxation policy and a social reform programme. Logic has pointed in this direction in the past, but the transition to the economic customs union on July 1 now makes the step unavoidable.

The successful formulation on May 29 of outline regulations for the common dairy and beef markets due to come into effect on July 1, seems at least to indicate that this spirit is present. Fortunately, France was able this time to show the necessary amount of good will and to make the necessary concessions; she is even paying a certain proportion of the support costs herself.

This move by Paris would seem to point to the fact that the good functioning of the Common Market is becoming more and more important to the French as time goes on. The Common Market is now so important to the existence of the French economy that even seemingly unconvinced Europeans like de Gaulle find it unpolitic to stand in the way of its development and expansion. With the forthcoming elections and the present instability of the country, de Gaulle is unlikely to want to do anything as unpopular as hinder the natural development of the Community. It is up to France's partners to recognise this and use it to their advantage.

But there is still the pressing need for the Five to help France get back on her feet, to make her a viable trading partner again. On June 5, against a background of falling share prices (by as much as 10%) on the Paris Bourse, and an equally dramatic rise in the price of bullion on a market now cut off from arbitrage by the Exchange Control, the Common Market's Monetary Committee met in Luxembourg to discuss the economic implications of the French crisis. The Committee, consisting of Central Bank and Government representatives of the Six, as well as members of the Commission, met in secrecy, but it is said that the Five gave undertakings to give aid to France to help her out of her present plight. This will at least take the form of refraining from action likely to aggravate inflation, following the large wave of wage demands. The French situation was also given high priority on the agenda of the Central Bankers' meeting in Basle last weekend, their first meeting since the Bank for International Settlements' annual general meeting.

According to Herr Bohle, now is the time, when France has not the capital to continue her grandiose foreign policies (at least not to the same degree), to point out to de Gaulle that the only way for the old countries of Europe to stay in the race for economic and technological advancement is by following a policy for co-operation and partnership, and perhaps suggest that the traditional European nation-state is now too small a format for the building of a major power. It remains to be seen whether European politicians will seize the opportunity or not.

But there are other possibilities. With French industry overburdened with spiralling costs following the social reforms, the leaders of French industry might demand that their competitors in the Five should also be subject to similar social reform and similar high costs, thus dragging the rest of Community industry down with their own. Such a move could put Community industry out of the running in the world's markets: the situation has its possibilities but also its dangers.

AGRICULTURE

EEC Policy on Changes in Parity Rates

The EEC Council of Foreign Ministers recently settled the question of the policy to be adopted in the event of any modification in parity rates, a question important to the common agricultural policy as well as to the economy of the Community as a whole. As is known the agricultural prices of the Six are expressed in units of account, the unit of account being equal to 0.888671 grams of gold or the gold equivalent of the US dollar. A common regulation already existed to cover the possibility of any modifications in parity rates. This provided for the difference to be adjusted automatically in the national currency in question. Since agricultural prices were not common throughout the Community but varied within certain price margins this rigidity was acceptable. This will not be the case after July 1 when agricultural prices will be common for all six countries. A certain degree of flexibility was considered necessary.

Three hypotheses have been envisaged:-

1. Simultaneous and uniform modification of the parity of all currencies in the EEC (a particular instance would arise if the price of gold were modified). The regulation approved by the Six provides that the gold value of the unit of account will be automatically modified in the same direction and to the same degree.
2. Simultaneous but not uniform modification of all EEC currencies. In this case the value of the unit of account would be modified in the same direction and to the same extent as the smallest change among the member states. This change in the value of unit of account will be automatic unless the Council decides otherwise. In either case the guaranteed gold value allotted to agricultural prices would disappear. The reason given for this is that it would be difficult socially and economically for agriculture alone to be granted this guarantee.
3. This covers all other circumstances in which the parity of one or several currencies of the Six might be modified. In these circumstances the Council of Ministers will decide if there is any reason to change the value of the unit of account. In practice it is more than likely that the Council would take action.

The regulation adopted on May 30 like its predecessor lays down that three days should be taken as the period during which intervening parity changes would be considered as simultaneous and as that during which the Council must meet and take the necessary decisions regarding the value of the unit of account and other related matters. This delay of three days is practical since interest demands that any modifications in parity rates should be announced at the weekend followed by a period during which banks and exchanges would be closed. In any case the value of the unit of account would be in abeyance during this three day period - commercial operation would thus be impossible.

likewise speculation. The Council would be the supreme body in this procedure, maintaining cohesion among member countries in the event of general monetary disturbance.

It is agreed that while the matter is under discussion by the Council limited adjustments can be made to certain agricultural prices without prejudicing free trade. Moreover, if only one member country modifies its parity rate it can take individual interim measures to offset the consequences arising from automatic adjustments in prices expressed in its national currency. Such measures must not infringe free trade or obligations under the Treaty of Rome or the Common Agricultural Policy.

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Proposals for an EEC Fishery Policy

The EEC Commission has just sent member governments its proposals for a common fisheries policy (see Nos 365, 404). The principal country interested is France whose production accounts for more than one half of the total in the Community. In addition France has recently been driven to take unilateral measures of protection, as a result of incidents at Boulogne and the ever-present difficulties which face the Breton fishermen. These events have also stimulated France to make urgent requests to the Commission for the publication of its common policy proposals.

The Brussels proposals are in two main parts; the organisation of the market as such and a policy for the structural improvements which the industry needs. In market organisation the proposals suggest the division of fishery products into several categories, according to the problems peculiar to them. For fresh fish the Commission proposes that certain fish (herrings, mackerel, hake, haddock etc.), the market prices of which do in practice determine the level of prices for other varieties, should be "supported" on a Community basis, according to a system derived from that which is at present in use for fruit and vegetables. An "orientation" price is fixed each year and, at a lower level, intervention or market support prices for a "pre-crisis" and a "serious crisis" stage. Fish would be withdrawn from the market and paid at these prices, later being transformed into fishmeal.

This system of market support would naturally, as in the case of fruit and vegetables, run in parallel with the regulation of quality. For fish products which are frozen (molluscs and sardines), the Commission proposes assistance with storage under certain conditions and for certain types of business. For tunny destined for the canning industry a system of deficiency payments to producers is suggested, this being the counterpart to the complete elimination of duties and restrictions on imports from outside the Community.

In commercial policy the Commission proposes the application of common external tariff rates (except for tunny, sardines and cod), complete liberalisation of trade (this would involve the abolition of minimum prices) and free access to ports. The Brussels authorities consider that some additional guarantee is required; floor prices or reference prices

would be fixed, for canned as well as fresh produce, and if these were undercut by third country exporters imports would be suspended or have a countervailing tax applied to them. Third countries which undertook, after negotiation with the Community, to guarantee respect for the reference prices, would be exempt from these sanctions.

The Commission attaches great importance to the second part of its proposals, dealing with the improvement of fishery structures. It is essential to avoid unrelated development of fishing fleets, to prevent landings of larger quantities than the market can absorb and to develop healthy competition between the Six. . This presupposes the removal of subsidies on products, but does not prevent the granting of assistance for structural reforms. These would, however, have to conform to a Community plan, under which the objectives would be defined and such things as duration of loans, rates of interest, and the proportion of state participation standardised. The agricultural fund (FEOGA) would take part in this exercise to improve the productive equipment. Certain specific steps have already been put forward, for instance action in favour of the cod fleet as a counterpart to the removal of customs duties.

Finally the Commission believes that the Six should come to an agreement about national waters. While each nation would remain in control of its sovereignty, there should no longer be any discrimination between the Six as far as fishing rights are concerned. It would be in the interest of all member countries to adopt a common stand in international negotiations and conferences on fisheries, especially on the subject of the conservation and exploitation of marine resources. The Community as a whole is the fourth largest producer of fish in the world and largest import market.

The Commission believes that negotiations could proceed fairly quickly at Council level and that there should not be any serious difference between the member states.

* * *

E.C.S.C.

Energy, Steel and the Levy

During the past few weeks, the EEC Commission has been working steadily on the common energy policy and a policy for the Community's steel sector. With the first things have gone much as anticipated (see No 454). Apart from the activities of the Commission's experts and Herr Haferkamp's group, there have been regular consultations between the Commission and those concerned in government and industry, and these have been of considerable value. The Commission recently had talks with representatives of the coal industry, and on that occasion stressed that it has no intention of fixing supply or production quotes for Community coal. To do so - to predetermine in figures a nucleus of output for ECSC coalfields as a measure of security for supply - would be unwise without knowing beforehand how much of a burden this would place on the Six. The producers agreed, observing that it is impossible to calculate such an item, since the

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play of competition between Community coal and that of competitors is affected by any number of variable factors, none of which can be anticipated, and which have nothing to do with the Community's coal industry as such. Haferkamp then suggested that both the Commission's staff and the producers (in fact the research committee of the Western European coal producers) should each devise a number of hypothetical price trends for competing sources of energy, and in the light of these consider possible measures for a trading policy for energy imports, at the same time suggesting how community coal production costs might be expected to rise. Haferkamp's approach made it quite clear that the Commission is at pains to avoid any policy decision that could bring spiralling costs into the economy of the Community. The cost explosion brought about by the common agricultural policy has had a very cautionary effect on the Commission, it seems.

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As regards the proposed steel policy, Herr Von Der Groeben's industrial problems group has been pursuing its work in two different but complementary spheres. In the long term, the Commission intends to examine the development potential of the ECSC steel sector, taking in raw material supplies, geographical location, market organisation, the introduction of new technology, optimum scale for both plant and groupings, research and development, and the creation of new products to meet the needs of secondary steel concerns. This will obviously be a major undertaking, and its finding will look forward as far as 1985. Exhaustive preparatory studies will be needed if it is to be as efficient as the importance of the problems demands. Commission experts are already considering their approach to the study.

However, while the restructuring and rationalisation of the steel industry is getting under way - as and when the general state of the EEC economy allows - there are still a number of particular measures urgently required. As Jean Rey emphasised to the European Parliament, (see No 462), the Community must make a concerted and sustained effort to get these measures through, in order to prevent old difficulties from creeping back into the system and bringing back with them all the old hardships. Thus it falls to the Commission to define the objectives of the steel policy, and to suggest how they might be realised. Signor Colonna, the commissioner responsible for industrial problems has been asked to prepare a questionnaire for his colleagues, so that he can get at the essence of the policy decisions that have to be made. The Commission will be hard pressed, if it is to fulfil its undertaking to the European Parliament to play a useful part in July in a major parliamentary debate on all questions concerning the Community steel industry.

Concerning steel again, the Commission has also resumed the action initiated by the former High Authority with regard to certain major steel producing third countries, or those having close affinities with the Community steel market. In addition to regular liaison between Commission experts and third countries' governments, which have been going on for a matter of years, now, in particular with Britain (within the Council of Association), Japan and Sweden, M. Deniau has now taken a delegation to Vienna, where valuable talks were held with the Austrian authorities, on the question of the EEC-Austria steel trade. These contacts will be formalised, and it should here be borne in mind that Austria is the biggest single outside supplier of steel to the Community. It is further known that the Austrian government hopes to be able to extend these purely informative

and consultative contacts to a unilateral "arrangement" with the EEC, covering steel products. This particular side of the dialogue has, however, broken down (last summer), since the Italian minister placed a veto on any further mandate until the Austrian government gives tangible evidence that it is taking action against terrorist activities in the Alto Adige.

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On June 7, the Commission represented by M. Albert Coppe consulted the commissions of the European Parliament on the question of fixing the ECSC levy rate for the current financial year. This in fact was a polite formality introduced by the High Authority, as the ECSC executive has in fact complete autonomy in this matter, according to the Treaty of Paris. With an eye to the harmonisation of the financial years of the three European communities, the Commission will first take steps to align the ECSC's financial year (hitherto running July 1 - June 30) with the calendar year, as followed by the EEC and Euratom. To this end, the present levy rate (0.30%) will be retained until December 31 of this year, when the Commission will again appraise the situation and decide on the levy rate for 1969.

What at present is determining the level of non-administrative expenses on the part of the ECSC is in fact the sum being disbursed for readaptation. The 1967-8 budget made a very modest estimate of \$ 17 million for this category of expenditure, but there seems to be a fair chance that by the end of this month, in view of the fact that readaptation activities have been tending to speed up, and because France and Germany have modified some of their methods of according aid, government requests could rise to \$20 million. For the next six months alone, requests for at least \$ 10 million are anticipated, so that readaptation aid could rise to \$ 30 million for the eighteen month period. This being the trend, the Commission will adhere to the High Authority's decision to peg annual research expenditure at \$ 6 million, when readaptation aid exceeds \$ 15 million. This is not likely to go down well with some members of the Parliament, who would have preferred the Commission to obtain the necessary funds by raising the levy rate. Nevertheless, the Commission will probably be able to win its case, at least for the period up to the end of 1968.

Even though the cost of readaptation is rising apace, the Commission feels that there are three reasons why rise in the levy should not be necessary:

1. Revenue from the levy has also risen appreciably by virtue of rising steel production, such that dwindling coal production returns have almost been offset.
2. During the second half of 1968, the ECSC's research and readaptation budget could be bolstered by other forms of income, rising to \$3 million.
3. There are up to 9.5 million dollars' worth of free reserves in the ECSC that could be used during this period.

It emerged from the talks with the parliamentary commissions that these would not attack the principle of the ECSC levy itself, even though industrialists in the Six are violently opposed to it. Nevertheless there was some hint that when the Treaties are merged, there will be pressure to find a more fair system, as the present one places such a burden on ECSC industries, being the only direct "European" tax on production, obliging them, through the ECSC's readaptation schemes, to finance the restructuring activities of other industries, that do not contribute directly themselves.

Finally, the Commission approved the terms of a medium-term research programme for coal. This covers the period 1968-70, and aims to cull new discoveries, and to develop new methods and plant, in order to:

1. Bring down production cost for coal and its by-products.
2. Improve marketing by the better tailoring of supply to the situation existing in the Community market.
3. Promote greater safety at the pithead and improve working conditions, and
4. Eliminate such nuisances to surrounding districts as smoke, dust and gases.

All these efforts involve both basic and applied research, and the full-scale implementation of new processes and equipment. Research will be directed mainly towards mining methods, maximising profits from, and promoting the utilisation of coal.

The programme also includes plans to encourage the documentation of technical studies and the dissemination of know-how, plus the promotion of exchanges of findings both within the Community and with third countries, especially the USA.

At the same time, the Commission has approved seven technical research projects on coal, the total cost of which will be \$ 3.2 million. The Community will find 1.7 million of this figure, or 53% of the overall expense.

During the last five years, the Community has, on average, placed some \$4 million p.a. at the disposal of those carrying out research on coal, but because of the growing burden on the ECSC budget of readaptation aid, its proportionate share in research expenditure will now have to drop. Whereas during those five years it was able to take on anything from 65 to 85% of the cost of each research project, it will in future only be able to furnish about 60% of the funds needed.

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EURATOM

France Edging Out

The European Commission has just been notified by the French Government in a letter of its intention to buy plutonium and other fissile materials from Canada. The notification was in conformity with Rome Treaty practice, but in at least three other ways, the French are cutting right across the principles of the Community in this affair.

In the first place, France has undertaken not to re-export the Canadian plutonium, even to other EEC countries, but according to the Treaty, the EEC should function as one in this respect, i.e. fissile material supplies should be deemed a community, and not a national import.

Secondly, under the supply contract, the fissile material in question would be subject to Franco-Canadian control of its peaceful application, which again defies the letter of the Euratom Treaty, which gives the Brussels executive exclusive inspection and control rights over all such material on Community soil. Observers, however, have pointed out that both these aspects of the matter are nothing more, on the part of France, than a case of anticipating the Non-Proliferation Treaty (see Viewpoint), which, when it appears (and when France refuses to sign it, as she has warned), it will anyway bring a hiatus between France and the Five, as it were creating a nuclear frontier within the Community.

The third point is that, in this affair, France has completely bypassed the Euratom Supply Agency (see Comment, No 391), which since 1960 has handled all new supply contracts, and administered all previously existing ones. What France has done is to exploit a major lacuna in Community legislation, in that the Treaty's provisions concerning fissile supplies ran out officially in 1964, and the Six have never been able to agree on the form of the renewal of such provisions since that time. France has already ceased to send in the annual reports on inspection covered by this lapsed section of the Treaty, and her present action is simply a further step in this direction.

The whole affair in fact is preconditioned by France's standpoint over the N.P.T., and because of this there is a good chance, even though the Commission is studying the letter closely, that no directive in fact will come out of Brussels to require France to alter the provisions of the Canadian supply contract. Brussels has yet to make any official pronouncement, despite the provisions of the Treaty, on the compatibility or otherwise of the N.P.T. with Euratom.

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E.F.T.A.

Trade Figures for the First Quarter of 1968

Whilst EFTA exports have continued to increase in the first three months of this year, activities within the Free Trade Area itself have slackened, and the decline in intra-EFTA trade that set in in the second half of 1967, after the initial boom started by the commencement of complete free trade, has continued. In fact, from the 14.4% increase in volume in this trade (see No 425) between the first half of 1966 and the first half of 1967, the decline has gone as follows: +10.5%, first nine months, 1966/7 compared; +9.7%, whole of 1966 and 1967 compared (see Nos 437, 451), and, for the comparative figures for the first three months of 1967 and the first three months of 1968 (\$ 2,038 million), an improvement of only 3.5%. This was influenced largely by the 15% drop in British exports, since the figures for the rest of EFTA ranged from a fair 7.6% for Norway to a dramatic 22.5% increase in EFTA trade for Austria.

At a glance, the picture of EFTA trade in the first quarter of this year was as follows:

	EEC	USA	Rest	EFTA	Total
Exports	+ 7.3%	+14%	- 2.0%	\$ 2,038m. +3.5%	\$7,832m. +3.3%
Imports	+ 6.8%	+15%	+ 2.3%		\$9,766m. +5.0%

The table shows that trade within EFTA continues to expand more rapidly than with third countries, but in these first three months only by the tenuous margin of 0.2%. The overall trade gap for EFTA stood at \$1,834 million, compared with \$ 6,779 for the whole of 1967. Only with the EEC has the situation improved. The EFTA trade gap with the Community was 3.9 million dollars in 1967, when over the year imports were 4.0% up, and exports 2.4% down. The improvement so far this year is attributable to Norway (EEC exports 24% higher), Sweden and Switzerland, while Britain in fact imported 17.4% more than in the same period last year.

One aspect of EFTA trade where Britain has pulled her weight is that with the USA, where along with all partners except Denmark (with +5.3%) she managed to improve exports by over 10%, whilst her imports from the United States rose by only 12.7%, the only factor, other than Finland's drop of 25%, no less, that brought the EFTA figure overall to a rise of 15% in U.S. imports.

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E . I . B .

Bond Issue in West Germany

The European Investment Bank will issue bonds, for a total value of 100 million Deutsche Mark (25 million units of account) on the German capital market, which have been underwritten by a consortium of German banks headed by the Deutsche Bank AG and the Dresdner Bank AG.

The bonds will bear interest at the rate of $6\frac{1}{2}\%$ per annum and will be offered to the public at the price of 99% from 6 June 1968 onwards. The 10-year bonds are not redeemable by anticipation.

The bonds, of a nominal amount of DM 500, DM 1,000 and DM 5,000 each, are redeemable at par at the end of the term of the loan. Application will be made for the quotation of these bonds on the Frankfurt, Berlin, Düsseldorf, Hamburg and Munich Stock Exchanges.

The proceeds from the sale of the bonds will be used by the Bank for its general lending operations.

This is the Bank's third public bond issue in Germany.

* * *

Atlantic Free Trade

The movement of opposition to Britain's candidature for membership of the EEC this week advanced, with the launching in London of petition by the newly-formed National Common Market Petition Council. This has 73 members, including MPs of all parties, industrialists and trade unionists, and its Chairman is Sir Arthur Bryant, the historian. In an effort to add weight to the minority in Parliament that opposes the British bid for entry, the petition, which has already attracted 97,000 signatures, is to be submitted to everyone on the electoral roll, and an advertising campaign will also be launched. No target has been set for signatures, but Mr Douglas Jay, one of the leaders of the anti-Common Market movement, stated that a topical moment would be chosen to present the petition to the Queen, and possibly a top cabinet minister. The petition notes a number of now familiar arguments against British entry, notably the burden on food prices and the balance of payments, the adverse effect on trade with the Commonwealth, the loss of sovereignty and the relinquishment by British courts of a degree of their authority to the European Court of Justice.

Meanwhile, from the other side of the Atlantic, interest has been shown in ideas for a North Atlantic free trade area by the U.S. Tariff Commission, one of whose members, Mr Bruce Clubb, is planning a visit to London to sound out British interest in the scheme. He will be present at a conference, to be held on July 1 and 2, organised by Maxwell Stamp Associates, to study NAFTA and other means of liberalising world trade. American industry, Canada and the NEDC will all be represented at this conference.

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GERMANY	VEBA vies with bank/insurance/gas group for stake in V.E.W. SCHLESWIG-HOLSTEIN bank takes over HINRICHS machine tools HOESCH gains 26% stake in STAHLWERKE SUDWESTFALEN FAHR (K-H-D group)and Swiss BUCHER-GUYER plastics plant link	G H I R
ITALY	I.C.I. regroups around IMPERIAL CHEMICAL INDUSTRIES (ITALIA) Domestic Appliances: CASTOR to manufacture for German SCHARPF American JERGENS cosmetics forms sales/manufacturing company HEPPENSTALL-MIDVALE joint materials-handling firm with FOMAS CONTINENTAL ILLINOIS and GREYHOUND: indirect leasing link-up AMERICAN EXPRESS's new subsidiary opens first four branches J.LYONS forms company to promote Wimpy bar development ARNOLDO MONDADORI subsidiary to publish SCIENTIFIC AMERICAN	D F F I M N O R
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ADVERTISING

** The Paris AGENCE HAVAS SA (see No 456), which is reorganising its internal structure, dividing its activities into advertising and overseas business, has formed two F 100,000 administrative companies: STE POUR LE DEVELOPPEMENT D'HAVAS CONSEIL SA (president M. Ch. Chavanon; director M.J.Douce) and CIE UNIHAVAS SA (president M.J.Douce).

Havas has F 27.82 million capital (since June 1967) of which the state holds 56.06%. In 1967 its turnover was F 581 million in the advertising and state monopoly sectors, which until now were grouped activities, plus F 147 million from its travel agency work.

AEROSPACE

** REA INTERNATIONAL CORP., New York, has formed a subsidiary called REA INTERNATIONAL EUROPE NV in Amsterdam to supply, import, export, assemble and maintain aircraft and equipment. This is directed by Mr R. Van Der Goot of Uithoorn, and has Fl 100,000 capital, 20% paid up.

** Further to the Franco-German cooperation over the "Symphonie" project, which has given rise to the formation of SYMCOSAT, a non-capital company (see No 464), CIFAS - CONSORTIUM INDUSTRIEL FRANCO-ALLEMAND POUR LE SATELLITE SYMPHONIE has been formed in Paris with F 14,000 capital. On the French side, this has been backed by CIE FRANCAISE THOMSON-HOUSTON HOTCHKISS-BRANDT SA, C.S.F. - CIE GENERALE DE TELEGRAPHIE SANS FIL SA and S.A.T. - SA DE TELECOMMUNICATIONS, together with the public concerns, NORD-AVIATION - and SUD AVIATION.

On the German side, finance has come from BOELKOW GmbH, Ottobrunn (an affiliate of Nord Aviation) and JUNKERS FLUGZEUG- & MOTORWERKE GmbH, Munich. The board includes MM. Bölkow, N. Henrici (Junkers); J.C.Devin (C.S.F.); E.Guignonis (Thomson-Houston); L. Parce (S.A.T.); J. Crepin (Nord) and L.Giusta (Sud).

The supervisory council of SYMCOSAT includes, on the French side, MM. J.L. Lagardiere (president) and P.Quetard; and on the German, Herren Von Wrangel (vice president), Von Schmoller, Schneider, Kappler, Amlinger and Diebold. Its board of management comprises MM. R. Claudel (Matra) and J.J.Hoffman (AEG-Telefunken).

BUILDING AND CIVIL ENGINEERING

** Under the control of the Dherte family, the Belgian civil engineering and construction company, E.G.T.A. NV, Anderlecht (see No 361) has sold off some of its shareholdings to a new pre-fabricated concrete concern, USIDOUR SA, Dour, Hainaut, in which its controlling interest (62.5%) is shared with two affiliates, Fabribeton SA, Anderlecht and Fibrelaf, Brussels.

Directed by M. Emile Dherte, the new company (capital Bf. 45 m.) is affiliated 37.5% to INVESTCO NV, Antwerp (see No 436), a portfolio company and a member of the Kredietbank NV group of Brussels and Antwerp, which has in turn had a minority interest in Fabribeton (capital Bf. 15 m.) Fabribeton shares with its parent company (capital Bf 60 m.) and with Fibelaf, control of the sales company, COMPTOIR DE VENTES PROMONTA SA, Anderlecht, formed at the beginning of 1967 for the sale of building materials.

** The French quarrying and cement concern, SA DE MATERIAL DE CONSTRUCTIONS, Paris (see No 359) has increased its capital from F 5.51 to F 6.26 million by taking over PLATRIERES DE KLANG-ZEH & GRITSCH SA and obtaining various assets from PLATRIERES LORRAINES-SEMIN & CIE SA. With Banque de Paris & des Pays-Bas SA (see No 461) and Ets. Poliet & Chausson SA (see No 461) as its main shareholders, the company controls Platrieres de Saint-Nicaise, (formerly Ets. Vallee-Bourdet) and Ste pour la Production & l'Exploitation de Materiaux de Construction.

** L'IMMOBILIERE - CONSTRUCTIONS DE PARIS SA, Paris (see No 365) is attempting to strengthen links between itself and its group of subsidiaries and affiliates, and has formed a F 12 million subsidiary called SOFIM - Ste Privee Financiere & Immobiliere SA to purchase holdings in all member companies of the group, including the parent company.

One of the group's most recent moves was the formation in January 1967 by the affiliate SETEC - Ste d'Etudes Techniques & Economiques SA, Courbevoie, Hauts-de-Seine (capital F 50,000) of four companies: in Courbevoie, Setec - Travaux Publics SA (F 50,000) for initial studies on public works (harbours, motorways etc) and Setec-Economie SA (F 50,000) for economic studies; in Bois-Colombes, Hauts-de-Seine, Edi Rapports SA (F 150,000) for printing, reproduction and publishing; and in Puteaux, Setec-Batiments (F 50,000) for civil engineering studies.

CHEMICALS

** CIE DU PHOSPHO GUANO (see No 395), Paris, has acquired certain of the assets of another Paris company in the fertiliser marketing sector, ETS P.LINET SA (see No 325). Cie du Phospho Guano is controlled by the PIERREFITTE - STE GENERALE D'ENGRAIS & DE PRODUITS CHIMIQUES SA, Paris group and its portfolio subsidiary, SOPARCHIM - Ste de Participations Chimiques SA (formerly Ste Financiere Castiglione SA - see No 373).

The move has been amplified by the contribution of assets to Ets P. Linet (also a member of the Pierrefitte group) by Ste des Phosphates & Engrais de Nurlu SA, Paris, and the Ste Nouvelle des Engrais de Roubaix SA (a wholly-owned subsidiary of Pierrefitte) as well as by the take-over of Ste Senonaise de Phosphates & d'Engrais Sarl, Paris and of Ets Clement Vanhove Sarl, St-Martin-du-Tertre, Yonne.

** The Dutch state concern, NEDERLANDSE STAATSMIJNEN NV, Heerlen (see No 451) is taking a 10% share, through its wholly-owned subsidiary in the chemical engineering sector, STAMICARBON NV, Hoensbroch-Treebech (see No 398), in the construction of the first caprolactam factory in Latin America. Caprolactam is an essential constituent in the manufacture of nylon. The factory will be situated in Barranquilla in Colombia and will have an annual capacity of 16,500 tons (metric.) Stamicarbon will be associated with the state concern, INSTITUTO DE FOMENTO INDUSTRIAL and with ECOPETROL SA on the Colombian side (total 45% of the equity), as well as with the Venezuelan public concern, INSTITUTO PETROQUIMICA, Caracas (45%).

Staatsmijnen already has a number of interests in the caprolactam sector - a 76% subsidiary in Britain NYPRO (UK) LTD, Flixborough, Lincs., in association with Fisons Fertilisers Ltd., Felixstowe, Suffolk (part of the Fisons Ltd group - see No 429) and a 50% subsidiary in the United States, COLUMBIA NIPRO CORP. (see No 429), the balance being held by the Pittsburgh Pennsylvania group, PPG Industries (formerly Pittsburgh Plate Glass Co. - see No 419).

** IMPERIAL CHEMICAL INDUSTRIES Ltd, London (see No 456) is re-grouping its Italian interests around IMPERIAL CHEMICAL INDUSTRIES (ITALIA) SpA, with a view to further expansion in the country. The latter is to absorb SESACOLOR SpA, Milan, which will then become a division. ICI (Italia) took over this company in 1967, at the same time as it gained control of Partecipazioni Industriali & Commerciali SpA, Milan, when it raised its capital to Lire 1,000 million. (see No 416).

ICI (Italia) plans by 1968 to have moved into new premises in Milan, where the London parent company's agent for plastics and industrial chemicals, Beghe & Chiapetta, is already established. Also into these premises will be moved the group's Italian synthetic fibres and pharmaceuticals divisions, together with the offices of SOLIPLANT SpA, a company formed, like another affiliate of the ICI group, Solvic Industria delle Materie Plastiche SpA, in association with the Belgian SOLVAY & CIE (see No 463). Solplant came under the complete control of the London group in mid-1967 (see No 420), through the subsidiary Plant Protection Ltd, Fernhurst, Surrey - Solplant, too, specialises in crop protection and pesticides - and it will continue to operate under its own name.

** STREICHENBERGER Sarl, Lyons, which sells solid and liquid fuels, building materials and agricultural supplies has linked 50-50 with the German RUHR-STICKSTOFF AG, Bochum, in forming RUSTIFRANCE Sarl on the premises of the French partner's Paris branch, to sell nitrate fertilizers and all chemical products for farmers. The new concern has F 20,000 capital, and will be managed by M.Rodolphe Streichenberger, who has no financial interest.

Since 1963, Ruhr-Stickstoff has had a sales subsidiary in Brussels, Rustibel SA, a 50-50 venture with Vanden Avenne Gebr. Sprl, Osigem (see No 460). This also markets the fertilizer products of the group Deutsche Ammoniak - Vereinigung (DAV), Bochum, the main shareholders of which are Ruhrchemie AG, Gelsenkirchener Bergwerks AG and Hibernia AG.

** The French firm, LABO INDUSTRIE SA, Nanterre, Hauts-de-Seine (formerly Labo Industrie-J.M.Vacher Cie Sca - see No 255) has formed an almost wholly-owned subsidiary in Brussels, LABO S.A.B., with a capital of Bf 100,000. With Messrs. Jean Vacher (president and founder), G. Voreano and J.Vacherot on the board, the company works in the same sector as its founder, namely that of the manufacture, import and distribution of all kinds of lubricants and allied products for garages and filling stations.

Labo Industrie, the founder company (1967 consolidated turnover F 62.4 million) has in this venture three of its subsidiaries as token associates: Eyquem SA (capital F 1m.) of Nanterre and K.L.G. SA (F. 470,000) of Rueil-Malmaison, Hauts-de-Seine, both of which make spark plugs for cars, as well as Ste Nouvelle des Huiles Minerales SA, Rueil-Malmaison which makes oils for both industry and vehicles.

** FARBWERKE HOECHST AG, Frankfurt, has extended its already numerous French interests (see No 463) by forming a new direct subsidiary in Paris, HOECHST FRANCE SA (capital F 100,000). The president of the new concern is M. Fr Domay, and the vice president M. K. Lanz: it will serve both as an administration company, and to offer technical and organisational consultancy services to chemical companies.

The German group has two subsidiaries in Paris, Hoechst-Peralta SA and Laboratoires Hoechst Somedia SA, as well as stakes in a number of French companies: Union Chimique Continentale SA, Paris; Polysynthese SA, Puteaux, Hauts-de-Seine; Oxochimie SA, Lavera, Bouches-du-Rhone (see No 375); Ste Normande de Matieres Plastiques SA, Lillebonne, Seine Maritime (see No 324) etc.

** By agreement, the French DANTO-ROGEAT & CIE, Lyons, is to make over to STE DE DIETRICH & CIE SA, Niederbronn-les-Bains, Bas-Rhin (see No 359) its activities in the industrial chemical glassware sector, which will now be taken on by the Zinswiller, Bas Rhin factory of DE DIETRICH-CHIMIE SA. Danto-Rogeat will continue to assist with the distribution of these items, but its main concern now will be the manufacture of oil burners. It has F 1.25 million capital, is directed by M. Pierre Vignon, and has a number of affiliates: Cie Francaise de l'Air Pulse, France-Air SA, Lyons (capital F 1.3 m.); Danto-Rogeat Climatisation Sarl, Toulouse, and Les Stratifies Lyonnais (Straly) SA.

De Dietrich (capital F 18.48 m.) achieves about 12% of its turnover (around F 200m.) from the output of De Dietrich-Chimie, with a further 50% from De Dietrich-Chauffage SA (domestic appliances - cookers, central heating etc), and the remainder from De Dietrich-Mecanique SA, which specialises in railway equipment, both rolling stock and static materials, shipfitting and boilers etc. Its other interests are borne by the subsidiaries, Cie Immobiliere & Financiere de Dietrich SA, Ste Algerienne de Constructions Mecaniques & Ferroviaires - S.N.A.F. SA, Niederbronn (with a branch at Bone-l'Allelinck, Algeria) and Anisa SA, Huningue, Haut-Rhin, which processes plastics.

** The American ACHESON INDUSTRIES INC., Port-Huron, Michigan (colloidal dispersions for the chemical, metal and electronics industries - see No 411) has extended its German sales network by opening a branch at Seelze to its manufacturing subsidiary - Deutsche Acheson GmbH, Ulm-Donau (formerly Liqui-MolyProduktions GmbH), which came under its control in 1967 (see No 398).

In Europe the American company has three other subsidiaries: Acheson Nederland NV, Schiedam, Acheson Italiana Srl, Milan, and Acheson Industries (Europe) Limited, London (which itself controls Acheson Colloids Limited, Dukinfield, Cheshire).

** The Frankfurt chemicals and metal group DEGUSSA-DEUTSCHE GOLD & SILBER SCHEIDEANSTALT VORM, ROESSLER (see No 464) has, through its Zurich holding company Leukon AG (capital raised in November 1967 from Sf 7 to 10 m.), acquired an interest of 50% in PERBOR AG which produces sodium perborate.

In Switzerland, the German group also owns Leukon Handels AG, Zurich, and has shares in S.H.D. Elektron Beam Melting GmbH, Zurich, where it is linked with the American Stauffer Chemical Co group and the German W.C. Heraeus GmbH.

CONSUMER DURABLES

** By a manufacturing and marketing agreement, the Italian CASTOR SpA, Turin (see No 453) is to produce automatic washing machines for the German GEBR. SCHARPF KG MASCHINENFABRIK, Stuttgart-Zuffenhausen, and these will be sold in West Germany for less than Dm 800. Castor is also to become distribution agent for its German partner.

The Stuttgart concern (share capital of Dm 5.5 m.) has some 1,200 people on its payroll and in 1967 had a turnover of Dm 80 million. Castor has just raised its capital to Lire 3,500 million by absorbing its associates Industria Motori Elettrici - Imel Srl, Chiusa S. Michele and Casarini SpA, Rivoli. It is already linked by production and trading agreements with various foreign companies, in particular the Hoover Co of North Canton, Ohio (see No 389); G.E.C. - General Electric Co Ltd, London (see No 455); Imperial Domestic Appliances Ltd, London (see No 352) and the Yugoslav Rade Koncar, Zagreb.

COSMETICS

** The American ANDREW JERGENS CO, Cincinnati, Ohio (cosmetics and toiletries, essential oils etc - "Jergens" and "Woodbury" trademarks) has formed a subsidiary in Turin called JERGENS ITALIANA SpA (capital Lire 50 m. - president Franklin G. Meeker, vice president of the parent company; managing director Sig. G. Giraudi) to make and sell its products.

ELECTRICAL ENGINEERING

** Germany's second biggest producer of electricity (annual turnover in the region of Dm 900 m.), VEW-VEREINIGTE WESTFALLEN AG, Dortmund (see No 373) has, in raising its capital from Dm 360 to 480 million, been approached by two companies, each offering to take the full 25% shareholding. The first offer was by the VEBA-VEREINIGTE ELEKTRIZITAETS- & BERGWERKS AG, Bonn and Berlin (see No 461). The second, competing with the first, by a consortium formed expressly for this purpose, consisting of the Deutsche Bank AG, Frankfurt (see No 460), Allianz Versicherungs AG, Berlin and Munich (see No 433), Deutsche Continental Gas Gesellschaft, Düsseldorf (see No 446) - affiliated in particular to the Zurich group, Elektro-Watt Elektrische & Industrielle Unternehmungen AG - and the Landesbank für Westfalen Girozentrale, Münster (at present in the course of merging with the Rheinisch-Westfälische Girozentrale Landesbank - see No 461).

VEW (payroll almost 6,000) has as its principal shareholders the Dortmund (25.37%) and Bochum (6.60%) municipal authorities.

** The Italian group FIMET-FABRICA ITALIANA MOTORI ELETTRICI TORINO SpA, Turin and Bra, Cuneo (electro-mechanical equipment - low voltage motors, pumps, aerators etc - see No 346) has increased the capital of its subsidiary FIMET FRANCE SA, La Garenne-Colombes, Hauts-de-Seine (see No 341) to enable it to expand. The increase was by 200%, to F 1.5 million.

This subsidiary was formed early in 1966 in association with the Paris investment company Gevalmo SA (of the group Trielle & Fiananciere), and shares are also held by the Swiss Ampera SA, Geneva.

ELECTRONICS

** The British RADYNE LIMITED, Wokingham, Berks., has taken over the agency and distribution activities in France for high-frequency equipment held by LE DEVELOPPEMENT DU COMMERCE, Grenoble.

Radyne produces electronic heating equipment for industry and is a member of the Huddersfield, Yorkshire group DAVID BROWN CORP. LTD (see No 378). Since 1962 it has held shares in the Dutch Maxinec NV, Schiedam, the name of which was changed first to Radyne Maxinec NV and then to Radyne NV. It has also a subsidiary in the USA - Radyne International Inc.

** The Belgian COBAR ELECTRONIC NV, Courtrai, (components for radio and TV, and for the electronics industry; especially for control and automation in the textiles industry) has formed a sales subsidiary in France, Cobar Electronic Sarl, La Courneuve, with F 20,000 capital and M.R. Camois as non-associated manager.

** Two vacuum processes concerns, the German ARTHUR PFEIFFER HOCHVAKUUMTECHNIK GmbH, Wetzlar, and BALZERS AG FUER HOCHVAKUUMTECHNIK & DUNNE SCHICHTEN, Balzers, Liechtenstein, have extended their international co-operation by forming HOCHVAKUUMTECHNIK BALZERS & PFEIFFER GmbH, Vienna, with Sch 600,000 capital and Herr Walter Walter Pawlitchek as manager.

The two parent companies have already collaborated in the formation in Milan of Balzer Pfeiffer SpA (see No 420) and in Switzerland quite recently of Hochvakuumtechnik Balzers & Pfeiffer AG, Trübbach-Wartau (see No 450).

ENGINEERING & METAL

** The German WILHELMSBURGER MASCHINENFABRIK HINRICHS & SOHN GmbH & Co KG, Geesthacht, hitherto controlled by the Hinrichs family (machine tools), has come under the 90% control of the LANDESBANK & GIROZENTRALE SCHLESWIG-HOLSTEIN, Kiel, with the remainder of the capital held by Herr Hans Jablonka, former director of the company. It has had its share capital doubled to Dm 2 million: in 1967, with about 400 on the payroll, it achieved a turnover of Dm 13 million.

The Kiel bank is a 50-50 joint interest of the Land of Schleswig-Holstein and of the savings bank group SPARKASSEN- & GIROVERBAND FUER SCHLESWIG-HOLSTEIN. It has Dm 60 million capital, and a number of subsidiaries: Verwaltungs- & Treuhandgesellschaft Intermaria mbH; Widerkaufbaukasse Schleswig-Holstein AG and Schiffshypothekenbank zu Lübeck AG, all of Kiel.

** The Berlin metal holding company RHEINMETALL BERLIN AG (see No 390) has extended its industrial portfolio by gaining a controlling interest in the wire-drawing and bolt-making plant concern, LUDWIG GREFE MASCHINENFABRIK GmbH & Co KG, Lüdenscheid. Herr Herbert Grefe will remain in charge of the company, which employs about 100 people for an annual turnover of close on Dm 4 million.

Rheinmetall itself has Dm 25 million capital, and is affiliated to the Saarbrücken concern Industrieverwaltung Röchling GmbH, a member of the Völklingen group ROECHLINGSCHE EISEN- & STAHLWERKE GmbH (see No 440).

** In Milan, METALCOS SpA (locks and ironmongery) has been absorbed by L.F. BIRAGHI SpA (director Sig. Luigi Biraghi), which makes metal scaffolding and sections.

** LA SALLE MACHINE TOOL EUROPA SpA has been formed in Turin with Lire 1 million capital (president Robert I Sattler; directors J. Good and J.D. Luptak) to import, sell and distribute all types of machine tools.

** The German measuring and control equipment concern LEWA HERBERT OTT oHG, Leonberg-Württemberg has formed an Austrian sales subsidiary LEWA HERBERT OTT GmbH, Vienna, with Sch 300,000 capital and Herr H. Ott as Manager.

** The German heavy engineering group KLOECKNER-HUMBOLDT-DEUTZ AG, Colgne-Deutz, is reorganizing its trading interests in France - except for engines, which will continue to be distributed by Ste Valcke Freres SA, Gennevilliers, Hauts-de-Seine (see No 279). It will first make over the distribution and maintenance of its tractors (as from July 1 1968) to its 55% subsidiary MAGIRUS-DEUTZ-FRANCE SA, Paris, the capital of which will be doubled to F 10 million. This side of the business has to date been the responsibility of Ste Nouvelle Sotradies, Sarl, Paris (see No 406), a minority associate of Magirus-Deutz-France, since the formation of the latter late in 1962.

** The German civil engineering equipment and domestic appliances manufacturer HANS LIEBHERR oHG, Biberach-Riss (see No 369) has expanded in Switzerland by the formation of a new administration company, LIEBHERR INTER-HOLDING AG, Wettingen (capital Sf 50,000). This is situated on the premises of the group's other subsidiaries: Coholding GmbH (capital Sf 2m.), Bischolding GmbH (Sf 2m.), Liholding GmbH (Sf 2m.), Mariso GmbH (Sf 2m.) and Liebherr Export GmbH (Sf 0.5 m.).

The German company has over 5,000 people on its payroll and runs an extensive network of foreign interests, in France, the Netherlands, Austria, Britain, Eire, S.Africa etc.

** HOESCH AG, Dortmund (see No 457) has bought a 26% holding in the iron and steel concern STAHLWERKE SUDWESTFALEN AG, Hütental-Geisweld, Siegen (see No 461) from the Munich banque d'affaires MERCK, FINCK & CO. oHG. With a capital of Dm 40 million, Stahlwerke Sudwestfalen (formerly affiliated to the Flick group) has as its other main shareholders the Munich bank, which still holds a 37% interest in the firm, and the Allianz Versicherungs AG insurance company of Berlin and Munich (see No 458) which has also bought some shares from the Munich bank, thus bringing its shareholding from 5 to 31%.

Hoesch, which is affiliated 14.5% to the Netherlands group Kon. Ned. Hoogovens & Staalfabrieken NV, Ijmuiden (see No 458), has just broken off negotiations with Rheinische Stahlwerke, Essen (see No 451), negotiations which were intended to lead to the close co-ordination of their activities and to the formation of a group with a turnover of some Dm 10,000 million with an annual production of 6.5 million tons of crude steel.

** The American HEPPENSTALL-MIDVALE CO, Pittsburgh, Pennsylvania, (formed in 1890 as Heppenstall Co; absorbed Midvale Co, Philadelphia, in 1955 - see No 298) which makes dyes, forgings, tools, alloys and materials-handling equipment, has joined with the Italian FOMAS-FORGIATURA MODERNA ACCIAI SPECIALI SpA, Osnago, Como, in forming HEPPENSTALL MIDVALE SpA to produce Heppenstall lifting and handling equipment.

The American company has carried out the move through its Swiss subsidiary, Heppenstall-Midvale AG, Zug. It has two other subsidiaries in the Common Market: Acieries & Forges d'Anor SA, in France, and Terni-Heppenstall Srl, again in Italy, in association with TERNI - Soc per l'Industria & l'Elettricità pA (metals), a member of the IRI group through its holding company, Finsider.

** The French PETITJEAN & CIE CONSTRUCTIONS METALLIQUES AUBOISES SA, St-Andre-les-Vergers, Aube, has formed a subsidiary in Brussels, PETITJEAN & CIE - EXTENSION BELGE SA (capital Bf 300,000) to supply public and private lighting, lamp standards and to install and repair electrical equipment. The new firm will be run by MM. D. Petitjean, J. Potel and T. Prinnet.

The parent company (capital F 2m.; payroll 250) specialises in the manufacture of lighting standards and brackets, telegraph and electricity main poles, signal posts, mud-guards for cycles etc.

** The Swedish manufacturer of paper machinery, laboratory equipment, hydraulic presses, equipment for copper refining etc., A/B C.J. WENNBERGS MEKANISKA VERKSTAD, Karlstad, has formed a Brussels subsidiary, C.J. WENNBERG INTERNATIONAL SA (capital Bf 1 m.). Under the direction of two of its own directors, Messrs Curt and Olov Wennberg, this company was formed to trade in, rent out, process and manufacture all kinds of ferrous and non-ferrous goods, mechanical equipment and plant in particular.

The parent company which was linked in the formation of the new company with Wennberg Trading Co. A/B, Karlstad, is represented within the Community by the Ste Generale des Pates a Papier Nordling Mace & Cie Sarl, Paris, Biffar & Jung Ingenieurbüro, Miltenberg, Main, Dott. Ing. Giovanni Goitre, Turin etc.

** The Tokyo engineering and electrical group HITACHI LTD (see No 458) has obtained a licence from the Florence concern NUOVO PIGNONE SpA (see No 448), giving it exclusive rights in Japan for the other's centrifugal pumps for petrochemicals and synthetic fertilizers. These will be distributed by the Tokyo group to China, Taiwan, the Philippines, Thailand, Laos, Vietnam, Malaysia and Indonesia.

** The Italian A.T.I.S.A. - AERO TERMICA ITALIANA SpA, Milan, which makes ventilation and air-conditioning equipment (premises also at Bereggio, Milan - see No 377) has widened the scope of its Atisa-Benelux branch, opened in Brussels late in 1966, and of which M.R. Renard recently became director. It will now extend its sales coverage to Northern France.

** One Belgian and two French woodworking machinery manufacturers, DANCKAERT SA, Anderlecht, Brussels; ETS E GILLET Sarl, Casteljoux, Lot-et-Garonne, and ETS ANDRE VIGNEAU, Vitry-Le-Francois, Marne, have made a production and trading agreement.

The two French firms have long cooperated in both manufacture and sales and recently decided to draw still closer by adopting a single trademark. The Belgian firm has Bf 25 million capital, employs 700 people, and is represented in France by Chambon - Machines a Bois SA, Paris, which is also an agent for several other foreign companies of this type: Rye Machinery Sales Ltd, High Wycombe, Bucks; Brookman Ltd, Rothley, Leics; Hombak Maschinen KG, Bad Kreuznach; Heinrich Kuper Maschinenfabrik & Grosshandel, Rietburg, Glütersloh; Ogam, Reggio Emilia, and Eiben Snc, Pianoro, Bologna.

** POTASSES & ENGRAIS CHIMIQUES - PEC SA, Paris (see No 398), 86.5% subsidiary of the Mulhouse group MINES DOMANIALES DE POTASSE D'ALSACE SA (see No 428), having made an agreement early in 1967 with the German WINTERSHALL AG, Kassel, to build an ammoniac plant at Ottmarsheim, Haut Rhin, has now granted the contract for the plant to the German FRIEDRICH UHDE GmbH of Dortmund, a member of the FARBERWERKE HOECHST AG group of Frankfurt (see No 464).

Friedrich Uhde specialises in the design and installation of such plant, which in this case is to produce initially some 545 tons of ammoniac a day.

FINANCE

** The BANQUE DE PARIS & DES PAYS-BAS, which recently embarked (see No 459) on a major reshuffle of its home and foreign interests, has decided to split these between five companies: 1) a deposit bank having F 550 million worth of its own funds; 2) an investment company, OMNIUM DE PARTICIPATIONS BANCAIRES SA (formerly the Cie Generale du Maroc SA, in which the group had a 17% interest, until it gained control in February of this year), which will be an almost wholly-owned subsidiary of the bank, having the articles of a finance house; 3) a holding company, OMNIUM DE PARTICIPATIONS FINANCIERES & INDUSTRIELLES SA (formerly Ste Financiere & Industrielle Latil SA - see No 543), having funds of F 600 million and delegated to the supervision of the group's industrial, financial, commercial and property interests; 4) a second portfolio company, CIE FINANCIERE DE PARIS & DES PAYS-BAS (the original deposit bank), with funds of F 474 million, holding a 70% majority stake in the deposit bank, and 80% in the Omnium; 5) a new holding company, PARIBAS INTERNATIONAL SA, with funds of F 430 million, wholly-owned subsidiary of 4), and having a 30% stake in the deposit bank: as assets, it will hold the group's shares in companies abroad, in both banking and industrial concerns, as well as those in French home companies, whose main activities are carried out on foreign soil.

In addition, by way of promoting the working relationships between the group's various branches in Europe, exchanges of holdings will take place between the new subsidiaries in Brussels (funds of Bf 900 m.) Amsterdam (Fl 30 m.) and Geneva (Sf 85 m.), to the effect that Banque de Paris & des Pays-Bas Nederland NV will be controlled 80-20 by the Swiss and by the new French bank, while Banque de Paris & des Pays-Bas Belgique SA (formerly Banque de Financement SA - see No 395) will become the joint interest of Paribas International SA and Banque de Paris & des Pays-Bas (20%). Banque de Paris & des Pays-Bas Suisse SA, will likewise be jointly controlled by Paribas International SA, and by the deposit banks in France (20%) and Belgium (20%).

** The SCHWEIZERISCHE BANKGESELLSCHAFT AG, Zurich (see No 464), one of the three major Swiss commercial banks, has announced the creation of its twelfth investment fund, GLOBINVEST, in association with INTRAG, investment trust management. According to Schweizerische Bankgesellschaft, Globinvest is to buy holdings in a number of top companies throughout the world, and also as a temporary measure, is to place a fairly large proportion of its resources in fixed interest investment.

** The American ARCHER DANIELS MIDLAND CO., Minneapolis, Minnesota (see No 440) has chosen the Dutch food trading concern NV GROEP VAN VERENIGDE LEVENS-MIDDELENBEDRIJVEN "UNITED FOOD GROUP", The Hague (see No 342) to market in West Germany its new soya-oil based freeze-dried product, "TVF" - textured vegetable protein. Already, six German groups have shown active interest: the four retail chains, KARSTAD AG (consolidated turnover in excess of Dm 3,000 m. - see No 377); KAUFNOF AG (Dm 2,090 m. - see No 435); HELMUT NORTEN GmbH (Dm 1,720 m. - see No 377) and HERTIE WAREN - & KAUFHAUS GmbH (see No 393), plus the mail order group GROSSVERSANDHAUS QUELLE GUSTAV SCHICKEDANZ AG (see No 455), and the food stores chain of EMIL TEGELMANN HAMBURGER KAFFEE IMPORTGESELLSCHAFT OHG (turnover close on Dm 700 m.).

The American group achieves two-thirds of turnover (about \$ 370 m.) from its agricultural products, and the rest from chemicals. It has numerous interests in the Common Market in the Netherlands, Scado-Archer-Daniels NV, Zwolle (synthetic resins, polymeric plasticisers, polyesters), Nederlandse Castoroliefabriek Necof NV, Gertruidenberg (motor cellulose, special foundry oils) and NV Archer-Daniels-Midland Nederland, Rotterdam; in Belgium, Oleochem SA, Brussels (fatty acids and ethers); in West Germany, Scado-Archer-Daniels GmbH & Co, Hilden (foundry oils); in Italy, Alcrea - Azienda Lavorazione Resine & Affini SpA, Milan (resins, paints and chemical additives) etc.

United Food Group was itself formed only in December 1964 by a 66.6/33.3 link-up between the Dutch NV Ter Beharting Van Handelsagentschappen "United Agencies", The Hague, and the Swiss Holding company Zentravest-Holding Ag, Chur, Grisons.

** CREDIT SUISSE SA, Zurich (see No 458) and 'SCHWEIZERISCHE BANKGESELLSCHAFT', Zurich (see this issue) have formed a consortium to take over AGEMIT, also of Zurich, the administration company for INTERSWISS, the country's leading real estate investment fund. Up till the present time the majority of Agemit's capital has been held by Herr Kurt Schweri, head of Denner, Vereinigte Filialunternehmen AG, the retail subsidiary organisation of IMPORT & GROSSHANDELS AG.

The Swiss Bank Corporation was recently involved in the take-over of the Zurich AKO-BANK (see No 464) a move which it carried out in an effort to cover the small credit sector which up to that time it had almost totally neglected. Credit Suisse has just taken a joint shareholding with the Swedish group, SPONSOR A/B Gothenburg in the Luxembourg finance company EUROPEAN ENTERPRISES DEVELOPMENT CO. -E.E.D.

Last week an announcement was made from Brussels that the two British merchant banks, GLYNN MILLS and the CHARTERHOUSE (see No 388) group had also taken a shareholding in the Luxembourg-based finance company E.E.D. The shareholders in this concern now number 49, including two other British Banks MIDLAND BANK (see No 455) and SAMUEL MONTAGUE (see No 430) and finance houses and banks from 15 other European countries as well as in the United States and Canada. As well as providing

capital for the companies it deals with, EED also keeps in close touch with the companies providing general aid and contacts for marketing and export development. With a capital of \$80 million and M. Jean Gueroult as general manager, the company is at present looking after some 15 European firms. As soon as these firms become self-supporting the capital will be withdrawn, a move which is planned for one company this year.

** BANCA NAZIONALE DEL LAVORO, Rome (see No 459), WHITE, WELD AND CO., New York (see No 432), BANCA COMMERCIALE ITALIANA SpA, Milan (see No 459), S.G. WARBURG AND CO., London (see No 448) and EURAMERICA-FINANZIARIA INTERNAZIONALE SpA have formed an international banking group and have subsequently completed the offering of \$30 m., 6 $\frac{3}{4}$ % Sinking Fund debentures due on June 1, 1988 of ENTE NAZIONALE IDROCARBURI (ENI), the Italian state oil company. (see No 460). The issue price of the debentures is 98%. Substantial demand for the stocks caused the issue to be raised from \$55 million to \$30 million and the resultant capital will be used to help finance ENI's general overseas operations. ENI is one of the six issuers who have raised over \$100 million on the Eurobond market. Since 1966 the Italian state concern has raised a total of \$120 million.

** NEUE SPARKASSE VON 1864 STIFTUNG, Hamburg, and D.S.K. - BANK DEUTSCHE SPAR- & KREDITBANK AG, Munich (see No 315) have joined 50-50 in forming NORDBANK AG in Hamburg with Dm 4 million capital, to come into operation on October 1.

D.S.K. was itself founded in May 1965 with Dm 5 million capital by the Munich banque d'affaires MERCK, FINCK & Co oHG (see this issue), while 1864 Stiftung, which is one of West Germany's largest savings banks, has certain large and varied interests. It controls the insurance company Neue Lebensversicherung Von 1964 AG, Hamburg (100%) and the factoring concern, Factoring Gesellschaft für Wirtschafts-Förderung KGaA, Hanover (see No 424), in association with Bankhaus Wisskirchen & Co KG, Hanover.

** The Chicago bank, CONTINENTAL ILLINOIS BANK NATIONAL BANK & TRUST CO. (see No 454), has backed the formation of a new company in Milan through its affiliate in that country, BANCA PRIVATA FINANZIARIA SpA (see No 453); this new venture is a long and medium term equipment leasing company for American and European firms trading in the Common Market. Called LEASING ITALIANA SpA (capital Lire 300 m.) the company has Dr. Salvatore Magri as president and control is shared between the founder (through Continental International Finance Corp.), its affiliate in Milan (represented on the board by Sig. Francolini amongst others) and the Swiss finance house Greyhound Financial & Leasing Corp. AG, Zug (see No 447), represented on the board by Mr. A. J. Bruen, Lake Bluff, Illinois.

Greyhound Financial, formed in 1965 by the transport company, GREYHOUND CORP., Chicago has been affiliated to the Chicago bank since the end of 1967 and also to the banque d'affaires BANKHAUS SAL. OPPENHEIM JR. & CO. KG, Cologne (see No 342). The company's other chief shareholders are: Charterhouse Japhet & Thomasson Ltd. London, Opera Mundi - Europe No 465

Ottoman Bank Finance Co. Ltd., London, Investco NV, Antwerp, Firma F. van Lanschot, 's-Hertogenbosch and De Neuflyze. Schlumberger, Mallet & Cie, Paris.

** The New York AMERICAN EXPRESS CO. group (see No 450) has increased its banking coverage of Italy by setting up in Venice, Milan, Naples and Florence branches of the AMERICAN EXPRESS BANK SpA, Rome (see No 443), a company formed a few months ago with a capital of Lire 350 million, with a direct 42% interest held by the group's other Rome subsidiary, AMERICAN EXPRESS CO. SpA (specialist in travel and freight organization).

The American group recently formed a finance company in Paris, AMERICAN EXPRESS INTERNATIONAL SA, whose capital (f 2.5 m.) is held directly by W.H. Morton & Co. Inc., New York - stockbrokers acquired in May 1966 (see No 441) - and which as a result had their name changed to American Express Securities SA.

FOOD & DRINK

** The Dutch SONNEVELD NV, Sliedrecht (ingredients for pastry, yeast, fats and plastic products) has formed a sales subsidiary in West Germany at Aachen, Sonneveld GmbH, with Dm 22,000 capital and MM. Cornelius and Gerrit Sonneveld and Hans Stölben as managers. The parent company was itself formed in September 1967, with Fl 1 million capital.

** STE POUR LA PROMOTION DES PRODUITS DE LA PECHE - SO PRO PECHE SA has been formed at Le Portel, Pas-de-Calais with variable capital (initially F 300,000) and MM. Philippe Derome and Pierre Tord as directors, to cover all aspects of fish by-product broking, importing, exporting, transporting and handling, in particular for fish oil and meal for animal feed.

The supervisory council includes representatives of Ste Cooperative de Traitement des Produits de la Peche (C.T.P.P.) SA, Le Portel, and of Ste Boulonnaise d'Armement le Garrec & Cie SA (capital F 2.3 m.); Cooperative Interprofessionnelle de Developpement Regional des Industries de la Peche (S.I.D.R.I.P.), SA (F 140,000); Ste Industrielle du Poisson (S.I.P.) SA (F 700,000) and SA D'Exploitation des Ets Francis Lanoy (F 100,000) all of Boulogne-sur-Mer, Pas-de-Calais.

** STE DES RAFFINERIES DE SUCRE DE SAINT-LOUIS SA (see No 464) has absorbed another Marseilles concern in the sector, the investment company CIE SUCRIERE MARSEILLAISE DE FINANCEMENT & DE PARTICIPATIONS SA (capital F 16.3m), and thus raised its capital by F 6.6 million. The second firm was originally called Cie Financiere de Participations Sucreries & Immobiliere Sarl.

Saint-Louis, which already held a 50.6% interest in Marseillaise, also controls Cie Industrielle des Raffineries de Sucre de Saint-Louis SA (see No 447), being itself just a holding company, and is one of the three backers of Cie Generale Sucriere SA (see No 436).

** J. LYONS & CO LTD , London (see No 453) plans to boost the development of its "Wimpy" catering interests in the Common Market, and especially in Italy by the formation of a company to open Wimpy bars in Rome, Milan, Florence, Capri etc.

The British group already has such establishments in business in some twenty countries, either directly or through licensing agreements. Its international organisation is run by a subsidiary in London, Wimpy International Ltd, and by another in Zug, Switzerland, Wimpy Management AG (capital Sf 250,000). Its interests in the Common Market are supervised by two companies in Amsterdam, Wimpy Service NV and Wimpy Europa NV (see No 441). The "Wimpy" licence is exploited in France by Cie des Restaurants J. Borel SA (an affiliate of the W.R. Grace Co of New York - see No 442); in West Germany it is used by Wimpy Gastronomie Beratungs GmbH, Cologne, and in the Netherlands by Albert Heijn NV, Zaandam.

** The German sugar concern, SUEDEDEUTSCHE ZUCKER AG, Mannheim, (affiliated to the Deutsche Bank AG, Frankfurt and to Ste Generale de Sucreries & Raffineries en Roumanie SA, Brussels - see No 414) has bought back from the Italian group ERIDANIA-ZUCCHERIFICI NAZIONALI SpA, Genoa (see No 453) a tranche of its 15.6% holding in the French company, C.E.I.S. - CIE EUROPEENNE D'INDUSTRIE SUCRERIE SA (see No 453).

C.E.I.S., a portfolio company controlling the RAFFINERIES & SUCRERIES SAY SA (see No 453), is affiliated 33.4% to the group Ste Beghin SA and 51% to European Sugar France SA, controlled (43.3%) by the British group, Tate & Lyle and 56.7% by the Belgian group, Raffinerie Tirlemontoise (see No 456).

GLASS

** THERMOPANE (SCHWEIZ) AG, Biel (capital Sf 1.5 m.), recently formed in Switzerland (see No 461) with the backing of the Belgian glass concern GLAVERBEL SA, Watermael-Boitsfort (of the group B.S.N. - BOUSSOIS-SOUCHON-NEUVESEL SA, Paris), to produce insulating double glazing, is to have the technical assistance of the Belgian firm in setting up its plant, which is due to come into operation in 1969.

The "Thermopane" trademark is of American origin (LIBBEY-OWENS-FORD GLASS CO, Toledo, Ohio), and is used in France by B.S.N. and in Belgium by MECANIVER SA, Brussels, a 90% subsidiary of the French group.

INSURANCE

** I.C.N.A. - INSURANCE CO OF NORTH AMERICA, Philadelphia, which since 1957 has had a branch in Milan, directed by Sig A. Federici, has made a reciprocal representation and cooperation agreement covering all branches of insurance with the Italian STA ITALIANA CAUZIONI SpA - S.I.C. (see No 391), Rome, in which it has further taken a minority shareholding.

The Rome group (capital Lire 150 m.), which is headed by Sig Ugo Mauratini, specialises in credit insurance and in re-insurance. In 1957, two European concerns purchased

minority interests in it: National Borg Mij NV, Amsterdam (also holding shares in the French Caisse Franco-Neerlandaise de Cautionnement SA, Paris) and Schweizerische Rückversicherungs-Gesellschaft, Zurich (see No 403).

** The two London companies, TUDOR & CO. INSURANCE LTD. and SAMSON MENZIES LTD. have each taken a 20% holding in the Franco-British re-insurance company (all kinds of transport risks), LES COURTIERS ASSOCIES DE REASSURANCES-CORAS SA (See No 460), recently formed in Paris with a capital of F 100,000.

The new firm, whose sister company in London is called Les Courtiers Associes de Reassurances (UK) Ltd. (capital £5,000) has the following as its chief shareholders in France (50%): Messrs Robert Malatier and Gerard Malatier (18% and 6% respectively), the latter being the chairman of the supervisory board whilst Mr R. G. Crawford (10%) is president of the management board.

MINING

** The Anglo-American MINING & ENGINEERING TECHNICAL SERVICES has signed an agreement in London with ENTE MINERARIO SICILIANO SpA - E.M.S., Palermo, a joint public and private mining undertaking (see No 435), whereby the two will cooperate in prospecting for and extracting ore in Sicily, and possibly in finding outlets for the material extracted.

The agreement was ratified by Mr R. N. Lambert, managing director of Mets, and by Sigs Graziano Verzotto and Gianfranco Musco, president and general manager of E.M.S. The main point of the agreement is that Mets will take over 49% of the capital of SORIM, a member of the E.M.S. group specialising in prospection, and it is this company's activities in fact that will be extended.

One of E.M.S.' most important activities of late (see No 398) has been its close cooperation with the Montecatini-Edison group and the state's E.N.I. in the field of sulphur extraction in Italy; the present agreement, however, is specifically orientated towards ore mining.

** A French consortium under the UGINE-KUHLMANN SA group, Paris, with 41% of the equity (see No 459) has formed an association with the London group, the ANGLO-AMERICAN CORP. OF SOUTH AFRICA LTD., London (see No 459) so as to set up a nickel production company in Madagascar, SOMINAD SA, Tananarive. With a capital of CFA 100 million, this company has amongst its French associates: Ste Miniere & Metallurgique de Penarroya SA, Paris, (a member of the Rothschild Freres SA group - see No 449) with 21.5%, Cie Financiere Pour l'Outremer-Cofimer SA, Paris (see No 350) with 12.5%, L'Omnium des Mines-Omnimines SA, Paris (affiliated to the Banque de Paris & Des Pays Bas SA - see No 436) with 7.5%, as well as the Madagascar government with 10%.

Anglo-American is also said to be soliciting the cooperation of UGINE-Kuhlman and of other French firms to set up another nickel research centre in Madagascar in the near future.

** In Paris, PECHINEY SA (see No 459) has made an agreement in principle with CIE DE MOKTA SA (see No 410) with a view to cooperation in minerals prospection and extraction, notably for uranium ore in Canada and elsewhere, as a result of which a joint subsidiary will be formed: STE MINIERE PECHINEY-MOKTA.

Mokta is already actively engaged in prospection in Canada through its Montreal subsidiary Mokta Canada Ltd, which itself controls the mining concern Mokta Exploration Quebec Inc., Montreal, which is linked with Cie Francaise des Mineraiis d'Uranium SA, Paris (see No 405) and with Commissariat a l'Energie Atomique, Paris (see No 341) for uranium prospection around Beaverlodge in Saskatchewan. It also holds a 20% interest in the Niger in the exploitation of a uranium deposit controlled by Ste des Mines de l'Air SA, Niamey (capital CFA f 2,700 m.), wherein it is linked with the Niger Government (20%), the Commissariat a l'Energie Atomique (40%) and Cie Francaise des Mineraiis d'Uranium (20%). Shareholders of the latter include the Commissariat, Ste Miniere & Metallurgique de Penarroya SA (of the Rothschild Freres group); UGINE-Kuhlmann SA; Cie des Mines de Huaron SA (Mokta group) and Pechiney & Mines de Kali-Ste-Therese SA of the Rivaud group.

OIL, GAS AND PETROCHEMICALS

** DEUTSCHE SHELL AG, Hamburg (see No 395), German affiliate of KONINKLIJKE NEDERLANDSCHE PETROLEUM MAATSCHAPPIJ NV, (international Shell group) the Netherlands is planning to construct one of the world's biggest Xylol plants at its refinery at Godorf, near Cologne. The annual output of the plant is planned to be 100,000 tons of Ortho-Xylol and 75,000 tons of Para-Xylol, the former being an important constituent in resins and polyester fibres. Deutsche Shell is the second biggest oil company in West Germany, after Esso AG. It has a capital of Dm 800 million and a payroll of 5,300.

PHARMACEUTICALS

** The French MANUFACTURE J.R. BOTTU SA, St-Jean-de-Livet, Calvados, with a branch in Paris is to extend its range of products (it now specialises in medication for rheumatic pains, bronchial disorders, child ailments and antiseptic preparations) by absorbing LABORATOIRES DERRASSE SA, Nanterre, Hauts-de-Seine. The latter (capital F 150,000) made no profit during the last financial year: it specialises in treatments for liver disorders, gastric and dietary problems.

PLASTICS

** The American LIQUID NITROGEN PROCESSING CORP, Malvern, Pennsylvania, has formed a subsidiary named L.N.P. PLASTICS NEDERLAND NV at Breda (authorised capital Fl 300,000), under Mr E.A. Romano of La Canada, California, to trade in, make and process plastics.

** VICKERS-ZIMMER AG, Frankfurt (see No 443), the chemical plant construction and engineering concern and subsidiary of the British group, VICKERS LTD, Millbank, London (see No 408) has signed a contract with the East German state-owned foreign trade concern, INDUSTRIEANLAGEN IMPORT to supply complete plans for the supply of a high density polyethylene plant.

The contract, worth some £3,500,000, is the second large contract won by Vickers-Zimmer with East Germany. The first was for a synthetic rubber plant worth £2,500,000 and like the present contract was signed at the Leipzig Fair. The new contract is for plant using the Sinclair Koppers (Pittsburg U.S.A.) process and the site chosen for the job is Schkopau. The name of the exploitation company is VEB CHEMISCHE WERKE, Buna. During the course of the Fair, Sir Leslie Rowan, the Vickers group chairman, had high level discussions with East German ministers concerning trade co-operation between the Group and the D. D. R.

** The German MASCHINENFABRIK FAHR AG, Gottmadingen, Baden (a 31% affiliate of the Cologne group Klöckner-Humboldt-Deutz AG - see No 448) has made a technical cooperation, trading and manufacturing agreement covering plastics processing plant with the Swiss BUCHER-GUYER AG MASCHINENFABRIK, Niederweningen, Zurich. This will lead to the formation of a joint subsidiary in West Germany, the main activities of which will be centred on thermoplastics. The new concern will take over the German founder's press manufacturing division and gain title to all know-how in this field, also acquiring the patents and know-how accumulated by the Swiss parent company. The latter will however retain its initiative in the field of plastics research, especially for rigid plastics, elastomers and foam.

The Swiss firm has Sf 5 million capital, and specialises in vulcanising and injection presses, and machinery for polyesters and moulding plastics. In France its agent is Savoi Sarl of Paris, whilst that of Fahr is Aune, Mestre & Blatge SA, Thiais, Val-de-Marne.

PRINTING & PUBLISHING

** The SCIENTIFIC AMERICAN INC of New York has made an agreement with ARNOLDO MONDADORI EDITORE SpA, Milan (see No 417) for the publication in Italian, as from September, of the "scientific American" magazine, which will be called "Il Scienze". The immediate work will be carried out by Mondadori's division IL SAGGIATORE SpA. The publication is a 300-page monthly, founded in 1845, and dealing with scientific questions: space, electronics, medicine, biology, nuclear physics, mathematics etc. It is published by Mr. G. Piel, edited by Mr. D. Flanagan and Mr. D. H. Miller Jr is the general manager.

Il Saggiatore was formed by Mondadori in 1958, and has Lire 500 million capital.

RUBBER

** The German GUMMIWERK PASS & SOHN KG, Schwelm, has formed a Dutch sales subsidiary, RUBBERFABRIEK PASS & ZOON (NEDERLAND) NV, Dubbelam. This has Fl 10,000 capital and covers the Benelux countries, France and Britain.

The parent company is owned by Herren Wilhelm and Werner Pass, and employs some 250 people in the manufacture of rubber for industrial use.

TEXTILES

** The Spanish making-up concern MALFE SA, Madrid, has formed MALFE SUYBALEN Sarl in Paris with F 200,000 capital and its own director, S. Alfonso del Barrio Cereso as the main associate, with an 80% interest. The new company is managed by S. A del Barrio Suarez, and will handle Franco-Spanish trading in novelty textile goods, fashion fabrics etc.

** The London group, SMITH & NEPHEW ASSOCIATED COMPANIES LTD (hygienic, pharmaceutical, surgical and textile goods - see No 445) has granted its licence for three-ply plastics to the Dutch KON VEENENDAALSCH E STOOMSPINNERIJ & WEVERIJ NV, Veenendaal. This company, which was recently taken over by the London textile group STAFLEX INTERNATIONAL LTD (76% interest - see Nos 445, 454) will use the licence through a new division, to come into operation at the end of the year, which will sell the product throughout the Common Market.

Smith & Nephew was recently the subject of a bid on the part of the British and Dutch group UNILEVER LTD (see No 452), which hopes to extend its range of products to textiles and hygienic goods.

** DEUTSCHE RHODIACETA AG, Freiburg, Brisgau, a member of the Paris group RHONE-POULENC SA (see Nos 445, 464) has formed, in the interests of its own staff, the insurance company Rhodiaceta-Vermittlungs GmbH, Freiburg, with Dm 20,000 capital and Herr Rolf Jaenecke as manager.

Deutsche Rhodiaceta had a turnover in 1967 of Dm 222 million, and in the same year it absorbed another company in the sector, Rottweiler Kunstseidefabrik AG, Rottweil, Neckar (see No 415). Its main investments are in Rhodia Verkaufs GmbH, Deutsche Rhovyl GmbH, both in Freiburg, and Rhodia-Chemie Handels GmbH, Frankfurt.

TRADE

** By virtue of the fact that he was already a representative for STE FRANCAISE BUNGE SA, Paris (a member of the Belgo-Argentine group Bunge, Antwerp and Buenos-Aires - see No 454), M. Claude Godechot has been chosen as administrator and trustee for STE CEREALEIRE DE BEAUCE SA, recently formed at Bretonville, Yvelines, with a capital

of F 100,000 for all kinds of industrial and commercial operations, both in France and abroad, connected with the assembling and marketing of agricultural products. Under the presidency of M. Bernard Mercier, the new company's board consists of Messrs Georges Ziv and Philippe Buffin.

** The Dutch portfolio company, MARINGSON HOLDING MIJ. NV, Hilversum (see No 435) has formed a subsidiary in the same sector as itself at its own headquarters in Hilversum. The new firm's name is MARIBEMA BE BEERMIJ. NV and its capital is Fl 5 million, of which some 27% is paid up, thanks to assets which it has realised from its holdings in Stemmler-Imex NV, Ingrometaal NV, Handelsmij. Athina NV and Chempetrol NV, all of which specialise in the East European trade and are centred on Hilversum, as well as contributions of assets from Exploitiatiemij. Gem NV, Hilversum, and Chemische Industrie Eriesland NV, Westergeest.

** CARBODONETZ-CIA ITALIANA COMMERCIO CARBONI RUSSI SpA, Milan, specialists in the importation, preparation and marketing of coal from the USSR, has been wound up; Sigs. G. Florio and T. Riccone have been put in charge of the liquidation.

Formed at the beginning of 1960, this company had amongst its shareholders the Milan firms, Luigi Florio & Co SpA and Carboni & Derivati SpA, an affiliate of the Utrecht group, S.H.V. - Steenkolen Handelsvereniging NV (see No 454), as well as Moroni & Keller SpA, Venice, Luigi Monge SpA, Genoa and L. Ferranti SpA, Venice.

TRANSPORT

** Mr. Leonardus Westermeijer of Rotterdam has been named as one of the directors of the new container advisory service firm, IFF CONTAINER SERVICES AG, recently formed in Basle with a capital of Sf 50,000. This new venture (president M. Rene Schweizer) is the brain-child of the transport firm, INTERNATIONAL FERRY FREIGHT LTD, London, which in December 1966 formed Iff Europex NV in Rotterdam (see No 400).

VARIOUS

** Having already formed a subsidiary in Munich called DRAKE INTERNATIONAL SERVICES GmbH (capital Dm 20,000) with Herr Jacob Strobl as managing director, the Canadian firm DRAKE INTERNATIONAL SERVICES LIMITED, Toronto, has set up another in Amsterdam. This one is called DRAKE INTERNATIONAL SERVICES NEDERLAND NV (capital Fl 100,250) and is directed by Mr and Mrs Pollock of Toronto and by Mr J.J. Caron of Amsterdam; its prime object is to find clerical and executive personnel for offices, finance houses and factories.

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Nordbank	M	Stahlwerke Sudwestfalen	I
Nuovo Pignone	J	Stamicarbon	D
		Streichenberger	D
Ott, Herbert	H	Sud Aviation	B
		Süddeutsche Zucker	O
Pass & Sohn, Rubber	S	Symcosat	B
Pec-Potasses & Engrais	K		
Pechiney	Q	Thermopane	O
Perbor	F	Thomson-Houston Hotchkiss-Brandt	B
Petitjean	J	Tudor & Co Insurance	P
Pfeiffer, Arthur	H		
Phospho-Guano	C	Ugine Kuhlmann	P
Pierrefitte	C	Uhde, Friedrich	
Potasse d'Alsace, Mines Domaniales	K	United Food Group, The Hague	L
		Usidour	B
Radyne	G		
REA International	B	V.E.W.	G
Rheinmetall, Berlin	H	Veba	G
Rhodiaceta	S	Veenendaalsche Stoomspinnerij	S
Rhone-Poulenc	S	Vickers-Zimmer	R
Röchlingsche Eisen- & Stahlwerke	H	Vigneau, Ets. Andre	J
Royal Dutch Shell	Q		
Ruhr-Stickstoff	D	Warburg, S.G.	M
Rustifrance	D	Wennberg's	J
		White, Weld & Co	M
S.A.T.	B	Wimpy	O
S.H.V.	T	Wintershall	K

