Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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CONTENTS

EUROFLASH: *Business penetration across Europe*

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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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COMMENT

A letter from Paris

Thoughts on the wider Free Trade Idea

Britain's candidature for EEC membership having been shelved, to all intents and purposes, the mood has been set for an enthusiastic return, amongst its devotees, to airing theories about strengthening economic links between the nations of the North Atlantic. The concept of NAFTA, the North Atlantic Free Trade Area, has found many champions over the years, especially in Canada, which for obvious reasons is keen to strengthen its economic links with both the USA and Britain.

Falling within a very similar camp are those who favour the creation of a free trade area covering practically all advanced countries in the world, and including Japan, Australia, New Zealand and the Common Market, which would be invited as such to take part. Zealous efforts have been made to elaborate on this concept by Britain's Douglas Jay, M.P., former president of the Board of Trade, and in the USA by Senator Jacob Javits and former Senator Paul Douglas, while the eminent British economist Maxwell Stamp has produced a major study of the economic advantages that Britain could reap from such an organisation.

The countries of the European Community, however, have distinctly mixed feelings about this sort of plan, not least because of the ambiguities involved: does a "free trade area" imply some sort of administrative institution, or at least an international economic organisation, or does it relate merely to the economic philosophy of free trading?

If we take the first reading, then bad memories are immediately stirred in the Community, which will recall the time when Britain, for both economic and political reasons, attempted to dissuade the Six from forming their Common Market, and to persuade them to join a wider European free trade area. That was the time of Reginald Maudling's somewhat pathetic efforts to establish such a bloc, despite his icy reception in Europe, where it was only too clear how diametrically opposed such thinking was to the very concept of a common market. There was never any doubt that Maudling was backing a loser, simply because he was trying to get the Six to renounce their plans for building themselves into a greater single entity, to strangle their brainchild at birth. Thus in Europe this is the bell that rings when "free trade areas" are mentioned, and this explains the Six's chary attitude to the latest round of discussion on the topic.

Strangely enough, however, if we interpret the phrase in its second, more general sense, the reaction is quite the opposite in the Community. After all, since the concept was first mooted by Adam Smith, free trade has been one of the basic objectives of progressives around the world. This applies equally to Europe, not least perhaps because it is in keeping with the theories, amongst others, of the French physiocrats, well known to

Adam Smith. Thus it has always been deemed rich in potential, the very opposite to protectionism, with its aura of narrow-mindedness and selfishness, reactionary and unadventurous, running counter to the tide of history.

While the English mind was much more susceptible to free-trade economic theories than that of most continentals, the founding fathers of the EEC were nevertheless deeply influenced by these, right from the beginning. They set much store by the idea that the more dynamically trade expands, in every sense, the greater the returns for all concerned: the wider the bounds of the field within which trade can be pursued unhampered, the greater the prosperity for everyone.

Political considerations were certainly not lacking in the creation of the Coal and Steel Community, and it was the aim of Robert Schuman for one to bring about the neutralisation of the Ruhr by this means. Both he and his colleagues foresaw the eventual formation of a great European federation, the nucleus of which would be an economically united common market - but where economic considerations came into the issue, there could be no doubt that they were essentially rooted in the free trade philosophy. The founders of the EEC were in no way betraying this when they decided that there was no alternative to surrounding their community by a common external tariff wall.

The situation in fact is in many ways analogous to that which existed when the United States of America were first coming into being. After the unhappy interlude of the confederal constitution, under the Articles of Confederation, as they were called, the way chosen of removing finally those disparities that persisted between the economic and monetary policies of the thirteen federated states was to bring in a free trade regime, but at the outset this had to be protected by an external customs barrier. It is vital to remember this point of comparison when we are faced with the recurrent confusion between the concept of the Common Market, the skeleton of the federation that will eventually and of necessity bind the Six, and that of a free trade area, which is a simple customs arrangement for boosting international trade.

Past experience has shown that while they have a certain functional value, free trade customs regimes must of necessity remain limited in duration, for the very reason that they fail to go far enough along the road to economic integration. If such regimes are not directed towards the achievement of real economic union, divergencies in the production conditions between member countries are sure, sooner or later, to set up such distorsions in the play of competition that there is nothing for it but to terminate the arrangement. This is just what happened with the celebrated Cobden-Chevalier experiment of 1860, now almost forgotten.

Against the better judgment of many of his ministers, Napoleon III, an avid follower of Richard Cobden's free trade theories, delegated Professor Michael Chevalier to the negotiating with Britain of a trade treaty that would very largely liberalise the trading regime between the two countries. This sparked off a whole series of such trade agreements all round Western Europe, all based on the free trade philosophy, and all aimed at reducing customs barriers to merely token levels. Nothing alas was done at the same time to harmonise production conditions in the countries concerned, and the net result was that those which enjoyed industrial superiority came to the fore, such that in no time there was outcry mongst the other nations against what were adjudged far too liberal trade conditions. Thus it was that between 1880 and 1890 each and every such arrangement had to be broken off, and the free trade boom, after an auspicious beginning, ran right out of steam.

If the truth be known, the Six have made less progress so far towards economic integration than was hoped, but they have at least remained true to their original principles and kept their sights stedfastly on economic integration of the whole of the territory embraced by the CET. Abroad, and especially in Britain, France tends to be singled out as the one which repeatedly insists on this aspect of the EEC venture, but this is not fair comment, as the Six are completely agreed on this objective, as essential to their plan. In continental Europe it is most unusual for any leading statesman, though Professor Erhard has had one or two lapses on this point, to exhibit any of the sort of confusion that seems often to exist in British minds between free trade areas and economic unions. Certainly such an error could never have been imputed to Chancellor Adenauer, nor to any member of the present German Government.

Thus while the Six are adamant in their refusals to allow their Community to degenerate into a mere free trade area, they have no regrets at all about what has taken place within EFTA. True, this was at first looked on with some scepticism in the Community, and it was felt that its achievements would be minimal, again because there was no in-built machinery for creating any sort of "economic nation" like the EEC, still less a federation of states politically integrated. The lie has now been given to these doubts, and the Six look upon the economic achievements of the Seven with satisfaction. Indeed there are even those in the EEC who regret the fact that EFTA did not receive a more closely knit economic format nor move towards closer political cohesion, both of which facts are largely explained by individual members' bids for EEC membership.

By the same token, no hostility is felt in the Community against moves to intensify the liberalisation of international trade, and the point has often been made that the existence of the CET betokens no sort of opposition to general movements towards greater free trade. This is borne out by the fact that the Six were so willing to join the Kennedy Round talks, right up to the final negotiations: something that they most certainly would not have done if their motives were merely protectionist.

Even these few observations should enable us to make a fairly safe assessment of the line the Community would take, should a Wider Free Trade Area ever come into being, one embracing all the Atlantic states, and towards which the Six would be obliged to state their position. We shall move on to this side of the question in the next Comment.

- To Be Continued -

THE WEEK IN THE COMMUNITY

September 2 - September 8, 1968.

THE COMMON MARKET

Back to Work

From our Brussels Correspondent.

This week it's back to work for all the various sections of the Community. Urged on by the turn of events, by problems that they have been content to leave alone for too long now, the Six have no longer the time to enjoy a pleasant "running-in period", as they normally do during the month of September. The Commission, the Committee of Permanent Representatives, the Special Committee and the Agricultural Co-ordination Committee have begun to meet in Brussels, whilst in Rotterdam the Ministers of Finance have just brought their quarterly meeting to a close, following their preparatory meeting the previous week in the Community capital of the Monetary Committee.

This vigorous return to duty by the various authorities in the Community can easily be explained when one considers that the "great problems" of the Community have to be resolved within the year: such problems as enlargement, the common agricultural policy, the future of Euratom and of scientific and technological co-operation, economic and monetary integration and the final merger of the treaties, a problem which cannot really be solved until next summer. This says nothing of the multitude of "minor" problems, nonetheless vital to a successful Community, such as Mediterranean countries, the problems of the Coal and Steel Community, and completion of the customs Union.

What is the reason for the accumulation of all these tasks, a situation which the commentators find so explosive? In the first place there is the fact that the Six have for months now been back-pedalling on the solution of questions which they have found particularly delicate, such as those concerning Euratom and British candidacy, for fear of precipitating a complete break-down. Have the Six then retreated to such a position so that they can gain greater momentum for the eventual onslaught? Only the next few months can tell.

Secondly, we are rapidly coming to the end of the transition period enacted by the Rome Treaty, the deadline being December 31, 1969. By this time a number of things must be achieved, such as the renewal of the agricultural finance regulations, a subject that breeds misgivings in many a European heart. Finally, the merger of the three executives in July 1967 has made the fusion of the three Community treaties a top priority: this question has become a central issue in all the questions which the Six will have to discuss. A formidable question and one which has already provoked a certain amount of apprehension on all sides; the outcome of this problem, both in political and in institutional terms, could easily make or break the Community.

In particular the question of the merged treaties will come up very soon at the meetings of the Council of Ministers, sooner than many people would have expected. At this very moment the Commission is putting the finishing touches to a document containing its first suggestions on the fusion of the three European treaties (the Common Market, Euratom and the ECSC). The actual contents of the document remain however a closely guarded secret, but there is reason to believe that this time it will not pull the punches, especially when it comes to discuss the Community's own resources, by which is meant the Community's political power and its control of this power. For the time being both France and Germany have not hidden the fact that they would prefer the fusion to be reduced in form to a re-alignment of the Market Treaty, to which two new chapters would be added: one on energy and the other on nuclear questions. It has however become apparent that this is not the opinion of the Commission, which feels itself in a position at this time to swing an important political coup. It may of course go too far, but it cannot be denied that the Community has got itself in a position where a new "leap forward" in the political sphere is desperately needed. There is a strong lobby in Brussels of the opinion that a mere patching-up of the old treaties is no longer enough; what is really needed so they think is the negotiation of a completely new treaty. All the serious problems which have come before the Community for discussion - agriculture, enlargement, nuclear and technological cooperation, - can by and large be resolved into the one major problem - the fusion of the three treaties.

Even the question of economic integration, which is becoming more and more crucial within the Six can be traced back to this fundamental question, because it affects progress in the monetary sphere. And things are progressing in this sphere but very quietly as this is a very sensitive zone of discussion. Such debates rarely reach the light of day, governments being content to discuss such matters in private whilst the lime-light is turned upon other matters. The Commission, and M. Barre in particular, are putting gentle but firm pressure on this debate, and it is quite likely that before long a break-through could easily be reached in the direction of monetary integration.

* * *

ENLARGEMENT

The season for discussing the possible form of any eventual links between Britain and the Common Market has now come into full swing again. The ministers of the various countries involved, and especially the foreign ministers are off on their visits to each other's capitals. Rumours are heard that such a minister has said this, whilst another reports a change in the attitude taken by what the departing British Ambassador from Paris, Sir Patrick Reilly has described as "the principle obstacle in the way of British entry - the obstacle which is here in France". In fact the past week has been almost unparalled for the fulsome words coming from the French government, although these have been measured. M. Debre, the new French Foreign Minister said, "The problems raised between France and Britain were proof of the existence of two nations and of their common destinies....... old England remains the exemplary land of balance, of financial capacity, of diplomatic skill and of patriotism", whilst General de Gaulle in a farewell dinner for Sir Patrick Reilly on Tuesday, claimed: "for mutual esteem and friendship, cooperation in important progress and finally in action for world peace .... I do not believe that in reality our two peoples have ever been closer than they are now".

The French President had previously said that this closeness did not stop the two countries having their own geography, personality, interests and policies. If Britain could join "a certain Common Market constructed between certain states on both sides of the Rhine and Alps", these national differences might disappear, so the West German government is once again confronted with a difficult task in its attempt to build a bridge between those favouring British entry into the EEC and the French view that some limited trading agreement is the most that can be allowed. Last Saturday saw the visit of Herr Willy Brandt to Paris to discuss European problems with M. Debre, as well as to prepare for the visit of General de Gaulle to Chancellor Kiesinger in Bonn at the end of the month as part of the six-monthly meetings between the heads of France and West Germany under the Treaty of Friendship. Britain and the Common Market will again be on the agenda. The Paris meeting does not seem to have brought Herr Brandt much sucess, a fact which he tacitly admitted in an interview on West German radio later. He then maintained that just because the opening of negotiations could not take place at present, it was no reason for letting matters slide. Herr Brandt envisaged that the ultimate aim in this particular case would for the time being be best achieved by hastening the advent of an effective economic union within the Six, and secondly by agreeing a series of practical measures aimed at enlarging the EEC at a later date. These measures would be based on a "common denominator" between the French and West German proposals and those of the other Four, covering in particular lower tariff barriers for industrial goods between the Six and the four candidates, as well as "special agreements on agriculture and technology".

The lack of encouragement which Herr Brandt met with in Paris can hardly have been changed by General de Gaulle's press conference on Monday. His references to Britain again seem to dash any hopes of strengthening the internal workings of the Community. "While we cooperated in the Common Market, we refused for the Six a supranational organisation of Europe which would have had no other policy than that which came from across the Atlantic. The same determination to avoid the risk of absorption by the United States is one of the reasons that led us, to our great regret, to defer the entry of Britain into the present Community". The West German Chancellor would like to have another political summit of the Six to discuss the merger of the treaties, but the tone of General de Gaulle's remarks about supranational organisation would be unlikely to find support from the Belgians, Dutch or Italians. Furthermore they may harden some sections of West German opinion against the French attitude, especially those who would like to see stronger support given to the Benelux Plan for cooperation between the candidate countries and those of the Six, but outside the existing Community framework.

It was Herr Brant's turn to be visited on Monday, when the Belgian Foreign Minister M. Pierre Harmel arrived for discussions on Community and other European matters. They discussed enlargement and technological cooperation between the Six, as well as the effects of the Czech crisis. In fact the latter event was seen by both ministers as a reason for enlarging the Six and thereby strengthening the political nature of the EEC through the admission of the Four. Despite the action taken by Moscow and the blow to the detente policies of Western Europe, it was agreed that the search for a detente would be continued. Although General de Gaulle also supports such a policy, the effect of the Czech crisis has proved to him that the two super-powers still continue to control spheres of influence. His condemnation of this "politique des blocs" may well find acceptance amongst some West Germans, although in practice Chancellor Kiesinger would like to see a strengthening of the Atlantic Alliance. This is not necessarily intended to reproduce a cold war situation in Europe, but is envisaged as a counter-measure to the new political climate reigning amongst the Warsaw pact countries, as well as to their military dispositions.

On Sunday, the West German Finance Minister, Herr Franz-Josef Strauss appeared to rally to the support of General de Gaulle's view during a television interview. He said that there was need for as many European states as possible to join the alliance of France and West Germany in order to create a solid, unified Europe capable of facing up to the USSR. He did not consider that the Americans were able to dictate policies in Europe as they had in the fifties. However General de Gaulle would certainly not wish Bonn to take the same attitude towards NATO as he had done. The policy of trying to achieve a detente with Moscow was right, but it was difficult in view of Soviet opposition to anything which might lessen the Russian hold on the satellite countries. The way to negotiate with Moscow was to create a unified Europe, which could remove the dread of a strong reunited German state. Any changes in Europe should be achieved peacefully but that did not mean being weak militarily; however German sovereignty, even military sovereignty could be renounced in favour of a united Europe, with the aim of providing a solution.

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Policy Reappraisal for the Community

It is becoming increasingly clear that the EEC is facing a major reappraisal of the agricultural policies which it has pursued since 1962, (See Comment No. 475). The nature of the practical problems which have to be solved by the Commission and the Council is such that it leads almost inescapably to such a re-examination, even without the impulse in this direction which M. Mansholt and his agricultural directorate are obviously keen to provide. The three main problems - common prices for next season, the institution of a structural policy and the financing of market support - are so closely linked that it will be impossible to deal with any one in isolation. But it is not likely that these three problems can be studied at once. The question of prices is urgent - the price of pigmeat for example, must be settled by November 1. And the report which the Commission is preparing on structural policy, though well advanced, is unlikely to pass through all the necessary stages before it is formally presented to the ministers before the end of October or the beginning of November.

So far as the common prices are concerned it is more than probable that the Commission's recommendations will advocate a standstill in present prices, or at most minor adjustments of a policy nature. How this will be received by those countries with a powerful farming lobby is another matter. France, with the recent increase in wages and new guarantees of minimum incomes for farmers fresh in the public mind, has already indicated, through her minister of agriculture, that she would support a standstill. But it will obviously be easier to put this across to the agricultural communities if they can simulataneously be shown that the policy of structural reform is more than just a catalogue of pious hopes.

This policy, if carried out in full, is itself likely to be very expensive for the Community; figures of two, three and four thousand million dollars are being bandied about in Brussels. Nor is it yet known whether the Commission will recommend that the Community should undertake this from its own funds, or whether they are thinking only in terms of co-ordinating national policies and letting the government themselves decide on an acceptable level of expenditure. Whatever the projected cost it is certain that it will bear little relation to the funds at present allocated for a similar purpose under the "guidance" section of the present European agricultural fund (FEOGA); as is known the council agreed, in the spring of this year, that these funds should be limited to 285 million dollars a year. In these circumstances it might seem inappropriate to examine the present situation in detail or to try to devise means of limiting expenditure on market support, when the whole of the Community's agricultural budget may have to be recast. Little sympathy for this point of view can be expected from Germany and Italy who have, for a long time, been the most vocal of the Six in demanding a ceiling to this expenditure. They would rather take action now to restrict spending than wait for a reformed budget, the nature of which is still problematical. They have some precedent for this approach, in that the council agreed last June that the financial problem would have to be reviewed if expenditure for market support in the dairy sector in the 1968/69 season looked like coming to more than 630 million dollars. The Commission, though aware that the whole financial complex must be studied sooner or later, believes that there is no great hurry, since the agreements reached in the spring of this year have laid down what is to be done up to the end of 1969. At the meeting of the EEC finance ministers on September 9, in Rotterdam, however, Dr. Walter Grund, Secretary of State at the Federal Finance Ministry expressed his country's growing impatience with the present system, whereby the German taxpayer is in effect subsidising marginal French farmers. All the ministers were moreover agreed that the Community's present policy-making machinery should be overhauled to lend greater weight to the financial side. Dr. Grund suggested that a programme should be drawn up covering the cost of the CAP over the next few years, but this idea got no further than general discussion, being of a fairly inflammatory nature, and the matter will now be placed in the hands of the Budgetary Committee, to furnish proposals on this matter for the next ministers' meeting.

The mounting expense of the common agricultural policy is the result of over-production, encouraged partly by too attractive prices and partly by market regulations which are ill adapted to conditions within the Community's agricultural industry. Apart from dairy produce, there are three other sectors where some revision of the existing regulations seems indicated. Fruit and vegetables, where the destruction of unsaleable produce at the Community's expense has become a considerable problem this year; but the Commssion does not seem to want to recommend more than a partial revision in this sector. Fats and oils, where the expenditure on olive oil and oilseeds is too high, without at the same time giving real satisfaction to the beneficiaries - and here Italy is especially meant. In addition the regulation is not so framed as to treat the market as a whole, but only piecemeal and the results have been poor. The Commssion has undertaken to examine this matter. Finally the system of high prices and production quotas for sugar, adopted in 1966, has encouraged the production of surpluses, without encouraging the main weight of productive capacity to gravitate to the two countries most fitted to produce beet efficiently, namely France and Belgium. With the present low world prices, exporting the surplus is recognised by all as financial idiocy. The present sugar regulations, extremely liberal in character, were only accepted by the council under very great pressure from the Germans and Italians and it seems probable that the question will be reopened this winter.

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Belgium Out of Her Depth

It has taken only a month of the common agricultural market for Belgian farmers and producers to realise the magnitude of the dangers posed for them by the CAP in its present form. Fruit growers are one section of the food-producing community in Belgium who are finding themselves edged out of the market under present

EEC regulations, which they feel do not work equitably over the whole Community area. Still worse is the lot of the dairy farmers, as is borne out by the fact that in the last month alone, fighting a losing battle against imports "at dumping prices" of competing Dutch goods, Belgian cheese production has slumped by the mammoth margin of 60%.

Naturally, farmers' and producers' organisations in Belgium have been lobbying the government to take whatever action it can to alleviate their plight, and it has now demanded of the Commission a reappraisal of the dairy products regulations so hard fought over, up to their adoption on May 29. On September 11, therefore, the special committee - the so-called "Concertation Committee" meets in Brussels to discuss the problem: this was first convened in July 1967 at the behest of M. Edgar Faure, to discuss pressing problems of this type. What the Belgian Government hopes is that the meeting will be able to achieve some sort of agreed position between member states for the agricultural ministers to act upon when they meet on September 23 and 24.

Belgium appears to have two main quarrels with the dairy regulations, both of which received a generous airing when the debate was dragging its way through the early months of this year.

1) The rules allow Dutch producers of cheese to flood the Belgian market - and indeed the French market. Belgium only entered production of its own version of Gouda about twenty years ago, and the market now is on the verge of folding up under this extreme pressure. The rules of course do not include any specific support price for cheese, but Belgium accuses the Dutch of flouting the rules, slashing prices and so creating an abnormal form of competition. The problem would appear to stem directly from the liberalisation of the market, and from the lack of weight of the dairy products regulations themselves. In addition, of course, the Dutch cheese industry is far more powerful and competitive than that of Belgium, but there is nothing new about this.

2) Belgium goes on from here to declare that the experience of the two months past shows clearly that the market support system as it stands is totally incapable of ensuring the 39 pfennigs per kilo income to producers that is cited as the indicator price in the regulation. This can harly be disputed, but the indicator price is not a guaranteed price as such, and we have all known since May that it could not be consistently obtained by producers.

It would seem that Belgium's main aim in the matter is to obtain some sort of modification of the "corrective" systems for prices exercised by the various member countries of the Community, in favour of its own peasant farmers. The very fact that prices are differentiated from country to country in fact bears witness to the state of incompleteness still existing in the "common" dairy market, with the levying of compensatory monies at frontiers that is still going on. The Community, however, is not suffering from undue distorsion on the whole, and it must be the aim of all parties to graduate towards a true single price, not drift away from it as the Belgian producers seem to want.

Renewal through Enlargement?

The future for Euratom has now been in doubt for the best part of two years, and it would seem to most observers that the time has come to do away with the system based on the "fair return" principle. The efforts made since October 1967 by Belgium, Italy, and the Netherlands to revitalise this principle would seem to be misplaced. The problem, according to the same observers, is no longer to blame France as the sole member responsible for the plight of Euratom. The organisation itself has run into difficulties, because its methods of working were not effective. It might well be said that the real responsibility for the present mood of pessimism lies with the states, who are unwilling to accept the reforms designed to revitalise Euratom.

The need for cooperation in the nuclear energy sector is a vital necessity for the Six if they wish at least to have a reasonable share of one of the major industrial markets during the next few years. In fact the need for cooperation is so patent that it is hard to believe they will not finally manage to agree to keep Euratom alive, despite their difficulties. But the chances of making any real progress remain slight if the search for a solution is limited to the nuclear sector. Admittedly the "fair return" principle has been criticised, but in a community it is only reasonable that each should fulfill the task to which he is best suited. This however requires the area of cooperation to be sufficiently large, and in the case of the Six it would be difficult to achieve such an objective within the nuclear sector alone. But if the area of cooperation was extended to key industrial sectors, in other words it was to include the so-called technological sector, then the "fair return" principle would probably fade away, since the field of cooperation would then be large enough to even out existing differences.

The renewal of Euratom, for its disappearance would be a disaster for the EEC, requires the establishment and practical application of an effective R&D and technological policy by the Six. At present the proposals made along these lines are blocked by the Netherlands and Italy, due to France's refusal to allow Britain to join the Community. Two conclusions can be drawn from this: firstly that intra-community cooperation in this sector is wrongly linked by some with the question of British membership, and secondly that the activation of an effective R&D and technological policy will require major institutional changes. The latter will no doubt be a focal point in the discussions soon to start on the merger of the three Community treaties.

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FRANCE

Administration of Quotas

In reply to a request from the Commission the French Government has recently supplied further details as to the administration of the import quotas applied, after the May-June crisis, in a certain number of sectors. The position in early August was as follows:

1) Cars: Import licences covering 84.5% of the total quota had been distributed, and Italian cars accounted for 44% of this figure. It is understood that the West German government has complained to the Commission that the French have been unduly generous towards Italian manufacturers.
2) Domestic appliances: Some 65% of the quota licences had been taken up covering fridges, washing machines and cookers.
3) Steel products: The quota permitted under the ECSC Treaty had been nearly used up; altogether licences covering some 1.1 million tons had been issued.
4) Textiles: Despite the adoption of more flexible working methods in this sector by the French authorities, the granting of licences has tended to take longer.

In the reply sent to the Commission, Paris states that it was in the process of going through some 13,000 requests for licences in early August, or around 65% of the total quota figure. Furthermore there is a problem still outstanding in the textiles sector: France had decided to place imports of carded wool on the import quota list, but the Commission has not authorised this decision. The Commission's staff is now at work on drawing up the documents, which will enable the EEC's executive to review the situation of the French economy. This move was decided upon in July.

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Belgian complaints

The decision by France to impose import controls on textiles has had repercussions in the Belgian clothing industry. According to the National Federation of Clothing Industries, no import licences have been granted in this sector for the past two months, and it states that since September 5, a number of licences authorised by the French government have been rejected by the customs services. It seems that other dubious methods are also being used to control clothing imports. The Belgian Federation has already asked its government and the EEC to look into the matter, and threatens various forms of retaliation if it does not get some satisfaction.

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FINANCE

Goodwill Towards Sterling

Meeting on Sunday last at Basle, the world's leading central bankers came to agreement on the new arrangements to offset fluctuations in the sterling balances held by the Sterling Area countries. Agreement in principle on these arrangements was originally reached at the July meeting of the Bank for International Settlements, the past two months being used for intensive discussions both in Basle and in the various sterling countries affected by the deal.

Under the new arrangements the BIS, backed by the central banks of Austria, Belgium, Canada, Denmark, Germany, Italy, Japan, the Netherlands, Norway, Sweden, Switzerland, and the United States, acting where appropriate on behalf of their governments, will make available to the Bank of England a medium-term facility for the equivalent of U.S $2,000 million. The new arrangements are to be brought into effect immediately.

This is heartening news for Britain but certainly does not solve all her monetary problems. As Sir Leslie O'Brien, Governor of the Bank of England was heard to comment after the announcement of the agreement, it merely changes one debt for another. The great importance of the dollar loan was that it would "allow the sterling system to evolve so that in the future sterling will be less important as a reserve." As the alternative could easily have been chaos, he was "delighted to have concluded the deal with the cooperation of about fifty countries." Sir Leslie conceded that Britain's performance since devaluation had been disappointing, but added that the new credit would go a long way in helping the country's debt. The final solution was still a long way off, but there was now much less to worry about than before.

France's position regarding the new arrangements remains however somewhat anomalous. As announced in July, France does not wish to participate in the loan, which for the EEC amounted to some $800 million (German share - $400 m. Belgian share $70 m.). The Five joined Professor Schiller, the German Economics Minister, in condemning the French action, the Dutch and the Belgians being particularly irked at having to underwrite part of the French share of the standby. M. Ortoli, the new French finance minister, did however go so far as to express "the sympathy with which France views the agreement reached in Basle and indicated that his government did not exclude future French participation in this agreement." As the other five EEC partners pointed out, the French government has however been drawing attention to the problems presented by sterling balances in the past, and French refusal to help in this loan, due to "balance of payments difficulties" comes as a harsh doctrine after all the exhortations General de Gaulle has given Britain to reduce the reserve role of sterling.

France therefore remains the only member of the Community, and the only major European industrialised nation not to accept the logic of the situation - not to cooperate in stemming the devaluation of one of the world's leading currencies. So writes Tuesday's Le Monde editorial: "Less than one year ago our country opposed the entry of the United Kingdom into the Common Market on account of the existence of large sterling deposits by Commonwealth countries, which render the pound extremely vulnerable. The argument now appears to hold less water, but is Paris ready to face the logic of the situation and to change its attitude on the entry of Britain into the European Community?" Even France appreciates the plausibility of this argument but the official French view is unlikely to change.

EUROFLASH - HEADLINES

ARGENTINA	DEUTSCHE UBERSEEISCHE BANK opens second branch	I
BELGIUM	American FERRO-UNION forms metal trading company	F
	REED PAPER GROUP extends its POLYFILLA brands interest	M
BRITAIN	Dutch PETROGAS sets up £ 20,000 installation consultancy firm	F
	Dutch VAN DER LELY forms farm machinery sales subsidiary	I
	NATIONALE-NEDERLANDEN forms investment administration company	L
	CAIRD to open mill to use German SCHROERS textiles licence	O
	GEORGE GIBSON, German HANSA to amalgamate shipping services	P
	SCHIEDAMSCHE LEDERWAREN to lease factory	Q
EUROPE	BROOKE BOND takeover of LIEBIGS; effects on continent	J
FRANCE	SOLVAY-BAYER links extended: wood preservatives venture	C
	British POLLARD bearings to build two new factories	I
GERMANY	IMPERIAL INTERNATIONAL cutlery etc forms Witten subsidiary	F
	WARNER & SWASEY cranes agency goes to SCHMIDT & KOCH	H
	I.O.S. PANAMA to publish new economic magazine	N
	American COMMONWEALTH UNITED CORP takes 50% in NORA films	Q
INDONESIA	HOOGOVENS to form metal trading company with local backing	F
	ALGEMENE BANK NEDERLAND opens first Dutch branch in Djakarta	J
ITALY	ANIC to make chloroprene synthetic rubber under B.P. licence	C
NETHERLANDS	British BUCKHAM machinery forms sales subsidiary	F
	CLINTON ENGINES grants licence to LAURA MOTOREN	G
	British INBUCON consultancy to form Amsterdam subsidiary	N
U.S.A.	German ZETTLER relays grants licence to FILTORS (Deutsch)	D

CONTENTS

BUILDING AND CIVIL ENGINEERING

** The French company, C.E.C.-CARBONISATION, ENTREPRISE & CERAMIQUE SA, Montouge, Hauts-de-Seine has formed a new civil engineering and tunnelling concern in Uccle-Brussels called BELFOND SA (capital Bf.1 m.). The new venture will be almost wholly-owned by C.E.C., the token shareholder being the local (Uccle) firm BUREAU INDUSTRIEL P. CHARLIER SPRL.

A 34% affiliate of the Cie des Compteurs SA. Paris (see No 458) - itself linked to the American group, Robertshaw Controls Richmond, Virginia - the parent company specialises in the manufacture of coke and industrial ovens, sanitary ware, refractory materials etc. In July 1968 (see No 470) it took control of the refractory products concern, Ste Nouvelle des Ets Emile Muller SA of Ivry, Val-de-Marne (capital F.10.04 m.).

** A 70-30 link up between the Dutch firm AANNEMINGSMIJ D. BLANKEVOORT & ZOON NV, Bloemendaal (see No 468) and the French ENTREPRISES H. COURBOT SA, Montrouge, Hauts-de-Seine has resulted in the formation of the Dutch COURBOT-NEDERLAND NV, Bloemendaal (authorised capital Fl 50,000- 20 % issued). This is under M.J.J.E.A. Courbot, Neuilly, Hauts-de-Seine and Mr. D. Blankevoort Jr., Bloemendaal. It will enable the Dutch firm to undertake civil engineering projects in France, and the French partner will be able to do similar work in the Netherlands.

** M. Claude Lamarque, Nice has been appointed president of CENTHROPHON GREEN FRANCE-C.G.F.SA, recently formed in Paris (capital of F 100,000) to carry out all types of technical studies related to property construction and development. It is the almost wholly-owned subsidiary of the Luxembourg industrial and property development concern CENTROPHON SA, Luxembourg (formerly Centrophon Green SA - see No 467).

The latter adopted its present name following the withdrawal of the British firm, Sydney Green & Sons (Contractors) Ltd, Henley-on-Thames, Oxfordshire (a member of the English China Clays Ltd group, St. Austell, Cornwall). It remains controlled by its two other founders, Centrovincial Estates Ltd, London and the Luxembourg-based holding company Xenophon Trust SA, which was itself formed in early 1967 by a group headed by the Luxembourg, Banque Commerciale SA.

** SOGETRAM-STE GENERALE DE TRAVAUX MARITIMES & FLUVIAUX Sc (see No 471) (formed in July 1952 with the backing of the BANQUE COOPERATIVE DES SOCIETES OUVRIERES DE PRODUCTION DE FRANCE Sc, Paris to develop underwater work by divers), has made over its assets to a new company bearing its name, SOGETRAM SA (capital F 2.5 m). In return it has acquired a 50 % shareholding with the remainder held by the Dutch company DIVCON INTERNATIONAL NV, The Hague.

This was formed in March 1965 (see No 309) by Messrs W.A.Thompson, M.D. Black and S.N.Campise (professional American divers) to carry out underwater construction operations. In 1967 it formed a London sister company called Divcon International Ltd (£1,000 capital). The first Sogetram SA formed a West German subsidiary during 1961, Sogetram Allgemeine Gesellschaft Für Meer Flussarbeiten GmbH, Kehl (capital Dm 50,000). It also has an interest in Atlas Diving Co Sprl, Molenbeek-St-Jean, Belgium.

CHEMICALS

** Agreements made at the end of 1967 (see No 417) to cooperate in the chemical products sector (wood protection agents) between SOLVAY & CIE SA, Brussels (see No 472) and FARBENFABRIKEN BAYER AG, Leverkusen (see No 477) have been extended. The two firms are to form a joint subsidiary in France called PROTECTION DU BOIS SOLVAY-BAYER SA, Paris (capital F 100,000 - M. Jena Belorgey is president).

A similar Dusseldorf subsidiary was formed in August 1967 called Desowag-Bayer Holzschutz GmbH (capital Dm. 20,000).

** ANIC SpA, Milan and Rome (see No 457 - a member of the State oil group, E.N.I., Rome,) has acquired from BP Chemicals (UK) Ltd., London, the company which runs THE BRITISH PETROLEUM CO. LTD's (see No 477) chemical activities, a licence to use its synthetic rubber manufacturing processes in Italy (monomeric and polymer chloroprene). Before this agreement comes into force, Anic will take on the distribution in Italy of these same products, at present manufactured in the company's factory at Champagnier, Isere by Distigil SA, Paris (see No 301).

The latter company was formed by The Distillers Co Ltd, Edinburgh (see No 469), which recently sold off its 50 % holding to BP. The firm's other shareholders are: Plastugil SA, Paris (25%), a joint subsidiary of Progil SA and Ugine-Kuhlmann SA); Rhone-Alpes SA, Feyzin, Isere (controlled by the State concern, E.R.A.P. -Entreprises de Recherches & d'Activites Petrolieres - see No 475) with 15 %; and E.R.A.P. with 10 % directly.

** The French manufacturer of polyester tiles and plastic building materials DELTACHEMIE SA, Marseilles (see No 301) has formed a Milan sales subsidiary called DELTITALIA Srl (capital Lire 10 m) with M. Henri Chausse as president. Control of the new company is shared 80-20 with Mme E. Hermann-Michelotti.

The founder (capital F 2.6 m) has a factory at Nice. Its main shareholders are Raffineries de Soufre Reunies SA, Marseilles, Ugine-Kuhlmann SA, Paris (see No 475) L'Acetylene Dissous Du Sud-Est SA, Marseilles (a 55.4 % subsidiary of L'Air Liquide SA-see No 471), Procida SA, Marseilles (a 99.4 % subsidiary of Roussel-Uclaf SA - see No. 477) Ste Marseillaise Du Sulfure de Carbone SA (see No 384).

** R. & I. RAMTITE FEUERFESTE BAUSTOFFE GmbH Essen (formed in January 1968 - capital Dm 20,000 - see No 454) with Mr. John Reed as manager to sell "Ramtite" refractory products and insulating materials, has opened a branch in Essen under the "FERRODYNE" sign.

The founder is headed by the Belgian company R. & I. Ramtite Europ SA, Jupille whose main shareholders (40 % and 30 % each) are two American firms: Combustion Engineering Inc, New York (see No 466) and The S. Obermayer Corp., Chicago.

COSMETICS

** The Dutch manufacturer of aromatic products and flavourings NV CHEMISCHE FABRIEK "NAARDEN", Naarden (see No 473) has extended its interests to Italy, the only member of the Six in which it was not established (see No 467) by gaining control of a Bologna firm in the same sector: LAVORAZIONE ETERI ESSENZE PRODOTTI ESTERI NAZIONALE - LEEPEN & CO SpA. This has been renamed NAARDEN-LEEPEN SpA and the Dutch firm's own capital has been raised to Fl 121.6 million.

The group's other Common Market subsidiaries include SA Naarden France, Levallois-Perret, Hauts-de-Seine; Naarden S.A.B., Brussels and Deutsche Naarden GmbH, Hamburg-Durenstedt.

** FARBWERKE HOECHST AG, Frankfurt (see No 477), which recently gained control of the Dusseldorf beauty products firm MARBERT - KOSMETIK INGRID SENDLER (see No 466), intends to boost the latter's foreign sales, which until now were concentrated on an Austrian subsidiary MARBERT KOSMETIC GmbH and a branch at St. Gall in Switzerland (see No 331). As a first move in the new expansion programme, a subsidiary called MARBERT ITALIA SpA has been formed in Milan.

In Italy, the West German group's interests are concentrated around Hoechst Italia SpA, Milan (formerly Hoechst Emelfa) whose 1967 turnover amounted to the equivalent of Dm 200 million.

** PACO RABANNES PARFUMS SA, Paris (capital F 1.5 m. - see No 472) which was recently formed with the backing of the Spanish perfumery, soap and cosmetics firm ANTONIO PUIG SA, Barcelona, is 90 % controlled by the Puig y Planas family (also owners of the Barcelona firm). The new company's president M. Alfred Morille has a 5 % stake as does the Quercia family (which also runs Flaminaire, Marcel Quercia SA, Paris).

ELECTRICAL ENGINEERING

** ALOIS ZETTLER ELEKTROTECHNISCHE FABRIK GmhH, Munich (electrical equipment, especially relays and commutators) has granted the American firm, FILTORS INDUSTRIAL PRODUCTS INC (a subsidiary of the Los Angeles group, DEUTSCH CO, Los Angeles, - see No 263) the licence for the manufacture of its micro-relays. It will however continue to sell its own products in the United States through its subsidiary American Zettler Inc, Costa Mesa, California.

Alois Zettler (capital Dm 5 m. - 5,000 on payroll) is the wholly-owned subsidiary of the Vaduz, Liechtenstein holding company PROFIL-TREUEUNTERNEHMEN. Within the EEC there are a number of subsidiaries: Zettler-Belgique SA, Brussels; Alois Zettler Elektrotechnische Fabrik (Nederland) NV, The Hague; Zettler-France Sarl, La Garenne-Colombes, Hauts-de-Seine (formerly at Asnieres - capital recently raised from F 50,000 to F 300,000), and Zettler Apparechi Elettrici SpA, Milan. Its sole EFTA company is Elektro-Apparate AG, Mollis, Glarus, Switzerland.

** The West German manufacturer of electrical relays, switches, electro-magnets and telecommunications accessories, H. KUHNKE ELECTROTECHNISCHE FABRIK GmbH, Malente-Gremsmühlen has set up a Swiss sales company called H.KUHNKE ELEKTROTECHNIK GmbH.Büttikon. The capital of Sf 20,000 is directly controlled by Herren Rolf and Karl Kuhnke.

** The West German electrical and electronics group GRUNDIG-WERKE GmbH, Fürth (see No 468) which recently gained control of the Austrian manufacturer of radios and television sets, MINERVA RADIO, W. WOHLEBER & CO SPEZIALERZEUGUNG FUER RADIOAPPARATE & BESTANDTEILE Vienna, has formed a subsidiary in the same city called AUSTRO-GRUNDIG GmbH, (capital Sch 100,000). This will sell and maintain electrical equipment and at a latter date will take over as the Grundig representative in Austria. At present this is the responsibility of Elektrabregenz, Bregenz, a member of the Swiss group, Brown Boveri & Cie AG, Baden, Aargau.

ELECTRONICS

** The Danish manufacturer of head-phones and hearing aids, DANAVOX TRADING & INVESTMENT A/S, Copenhagen has increased its coverage of West Germany - where it already had a subsidiary, Aditone Twermoes KG - by setting up a sales subsidiary in Krefeld, DANAVOX GmbH, (capital Dm. 70,000 - managing director Mr. Vagn Bror Tvermoes).

The Danish company recently closed down its Milan subsidiary, Danavox Italiana (see No 457), which was under the direct control of its Liechtenstein holding company, Danavox International Europe AG, Vaduz. Its other interests abroad consist of a subsidiary in the Netherlands, Audium NV, Arnhem and another in Britain, Danavox (Great Britain) Ltd., London.

ENGINEERING AND METAL

** The director of the BANQUE NORDIQUE DE COMMERCE SA, Paris (see No 469), M. Jean-Claude Gabriel, has been made president of ACIERS WELBOND SA, recently formed in Paris (capital F. 100,000) as a subsidiary of the Swedish metals company, HALMSTADS JAERNVERKS A/B, Halmstadt. Formed in token association with A/B KAKAM, Halmstadt, the new firm is to trade in metal products.

Formerly called Union Intercontinentale de Banque SA, the Paris bank was taken over in December 1967 (80 %) by a group of Scandinavian banks which were already grouped together within the Zurich concern, Nordfinanz-Bank AG; these were the Svenska Handelsbanken A/B, Stockholm, the Den Norske Creditbank A/S, Oslo, the Kjøbenhavens Handelsbank A/S, Copenhagen and the Kansallis-Osake-Pankki, Helsinki, each with 20 %. The balance of the equity is held by their associate, Cie Continentale (France) SA, Paris, a member of the Continental Grain Co. of New York.

** NV PETROGAS INGENIEURSBUREAU & CONSTRUCTIEBEDRIJF, Rotterdam, the Dutch advisory firm for chemical, gas and hydraulic installations and equipment directed by Mr. George Popovici, has formed a new company in London called TECHNOGAS (U.K.) LTD., (capital £20,000)

In January 1968 (see No 446) it carried out a similar move by forming Technogas NV, Antwerp (capital Bf. 500,000), token shareholdings in which are held by its Rotterdam associates, Technogas NV, Petrogas Machinefabriek NV and Transport-Handel- & Agentuur Mij. "Transcom" NV.

** IMPERIAL INTERNATIONAL CORP., New York (household goods espeically cutlery) has formed a West German sales subsidiary called IMPERIAL INTERNATIONAL CORP. HAUSHALTSWAREN GmbH, Witten (capital Dm 20,000) with Messrs Albert Baer, Felix Mirando, Hubert Eckermann, Peter and George Lekish as managers.

The founder has two British affiliates, both of which are in Sheffield: Richards Brothers & Sons Ltd and Richards Imperial Ltd. It is a division of the New York group, Imperial Knife Ass. Co Inc (see No 457). The latter has itself a direct 50 % interest in the West German concern, J.A. Henckels Imperial GmbH, Solingen in association with J.A. Henckels Zwillingswerk AG, Solingen.

** BUCKHAM AG, Zug (capital Sf 50,000) which was formed in June 1967 by British interests represented by Mr. Arthur H. Buckham, Alton, Hampshire, has established an 87.5 % subsidiary in Amsterdam called BUCKHAM (HOLLAND) NV (capital Fl 20,000). The remaining interest in the new company is held by Mr. J.E. de Goede, Amsterdam and it will trade in machinery, plant installations and patents.

** TUNZINI-ENTREPRISE SA, Paris (capital F 20.5 m) which took over most of the heating, ventilation, air-conditioning and refrigeration interests of TUNZINI SA, Paris before the latter merged with AMELIORAIR SA (see No 468) has now opened a Brussels branch under M. Eugene Rellier. This is based on the premises of the recently opened branch of Air Industrie SA, Paris (see No 476) also a member of the Tunzini Ameliorair group.

** FERRO-UNION EUROPE SA, Brussels (capital Bf 1 m) has just been formed to deal in steel and metal products. It is a wholly-owned subsidiary of the American firm FERRO-UNION CORP, Dover, Delaware, which is headed by Mr. Amos Melamede.

** The Dutch steel group KON. NED. HOOGOVENS & STAALFABRIEKEN NV, Ijmuiden (see No 476) intends to make an agreement with the Indonesian concern, BAKRIE & BROTHERS - headed by Mr. A. Bakrie - which will result in the formation of a joint Indonesian subsidiary called TALANG TIRTA making piping.

The group's most recent foreign moves include the agreement - along with The Hague group, Billiton Mij. NV - made with the American Metal Climax Co, New York to jointly exploit bauxite deposits near Kimberley, Australia.

** Following an agreement between the American company, CLINTON ENGINES CORP., Maquoketa, Iowa and the Dutch company, LAURA-MOTOREN NV, Eggelshoven (see No 459). Clinton has granted the latter a licence to manufacture and to distribute exclusively in the Common Market its stationary engines (for pumps, machines etc.); in exchange it has been granted the exclusive distribution rights for Laura engines in Europe.

Formed at the beginning of 1968, Laura Motoren is a 75 % subsidiary of the Brussels company, Laura & Vereeniging SA (a member of the Societe Generale de Belgique group) and is affiliated (25 %) to the Rotterdam concern, Anker Motoren Mij. NV (a joint subsidiary of NV Beleggingsmij. Laura & Vereeniging, Eggelshoven and the Rotterdam group Anker Kolen Mij NV), having acquired its cycle and outboard etc. motors department. Its American partner has a number of distribution companies in Europe including Clinton Concessionaries Ltd., Brighton, Sussex, Rudolf Warme Aussenhandel, Frankfurt and Matim SA, Montesson, Yvelines.

** Three mechanical engineering companies one German, two Dutch have gone into association to set up a joint subsidiary in the Netherlands, BMD-TEMPO NV, Woudenberg. The three firms concerned are: BADISCHE MASCHINENFABRIK GmbH SEBOLDWERK, Karlsruhe-Durlach, NV TEMPOX NEN. TRANSPORTWERKTUIGENFABRIEK, Zeist and W.J. SCHUILING'S HANDELSONDERNEMING NV, Hengelo, and the new company, with a capital of Fl 150,000, is to work and trade in automatic foundery equipment.

With a capital of Dm. 7.7 million, the German parent company has a payroll of some thousand people and produces amongst other things installations for the iron and steel industry, dust extractors and equipment for the leather trade (tanning etc). The Hengelo firm is associated 50-50 (see No 421) with the French concern, Ets. Ballu Sarl, Paris, in Produits Ballu-Schuiling SA of Villeneuve-la-Garenne, Hauts-de-Seine and has recently opened a sales subsidiary in Belgium, at Braine-le-Chateau (see No 424).

** WALTHER & CIE AG, Cologne-Dellbrück (see No 436) boilers, dust extractors and fire extinguishers) has acquired a majority interest in the thermal and mechanical plant concern BERATHERM-BERATUNGSGES. FUER THERMISCHE & MECHANISCHE VERFAHRENSTECHNIK mhH.

Walther is a 25 % affiliate of Maschinenfabrik Buckau R. Wolf AG, Neuss (controlled by Bankhaus Wilh. Werhahn, Neuss - see No 396) and L. & C. Steinmüller GmbH, Gummersback (see No 364). In 1967, Walther had a turnover of Dm 82.98 million; until now its sole West German subsidiary was Walther Staubtechnik GmbH, Cologne-Dellbrück, whilst its foreign interests are Walther-France Sarl, Nancy and Walther Italiana Srl, Milan.

** M.H. WILKENS & SOEHNE AG, Bremen is now going through with the complete take over of its 58 % subsidiary in the metal coatings sector, BREMER SILBERWARENFABRIK AG, Bremen (see No 473). Wilkens & Söhne is now to be called WILKENS BREMER SILBERWAREN AG (capital of Dm. 3.495 million) and it will also be affiliated to Württembergische Metallwarenfabrik AG, Geislingen, Steige, which was formerly a shareholder in Bremer Silberwarenfabrik.

** Under the 51.02% control of the Frankfurt group, DEGUSSA-DEUTSCHE GOLD - & SILBER SCHEIDEANSTALT VORM. ROESSLER (see No 476), the German air equipment, drying and surface treatment concern, SCHILDE AG, Bad Hersfeld (see No 406) has taken control of another firm in the sector, TROMAG, TROCKENAPPARATE & MASCHINENBAU GmbH, Bebra, which employs some 500 people.

Schilde (capital Dm. 8.5 million) has some 1,800 persons on its payroll and a turnover of some Dm. 70 million per annum. In Germany it already has a subsidiary, Elektrophorese GmbH, Bad Hersfeld (formerly at Wendlingen, Neckar), and abroad its interests consist of the companies Schilde-Wien GmbH, Vienna and Schilde Italiana Srl, Milan. The company plans to expand further in the near future by setting up subsidiaries in France and Spain.

** WARNER & SWASEY CO. Cleveland, Ohio (see No 431), the American mechanical engineering concern, (machine tools, civil engineering plant and textile machinery) has chosen the German SCHMIDT & KOCH GmbH ERDBAUGERAETE, Bremen as its exclusive agent for its "Gradall" extending cranes in West Germany.

The German company already acts as exclusive agent in Germany for numerous American firms in the civil engineering equipment sector; these include such companies as Allis Chalmers Manufacturing Co., West Alles, Wisconsin (see No 476) and the Martin Marieta Corp., Baltimore, Maryland (see No 420).

** A.H. DEN DEKKER & ZONEN LOODGIETERSBEDRIJF NV, The Hague (see No 400) has backed the formation of DEN DEKKER AARDGASTECHNIEK NV, The Hague (capital Fl. 50,000), which with the object of manufacturing and trading in gas burners, is under the direct control of its subsidiary, Sanitaire Service Unie NV, also of The Hague. The new venture is directed by Mr. Hendrikus K.M. den Dekker, who is also president of the Belgian subsidiary, Den Dekker Ombouw Aardgas Belgie NV, Brussels, formed in March of last year with a capital of Bf 1.5 million to convert equipment and plant from coal to Dutch natural gas. The firm has a sister company, Den Dekker Ombouw Aardgas NV, The Hague.

** As part of the reorganisation of a number of heavy engineering and machine-tool companies in Berlin within DIAG-DEUTSCHE INDUSTRIEANLAGEN GmbH, the BERLINER MASCHINENBAU AG VORM. L. SCHWARTZKOPFF has made over to the former its shareholding in KARL RITSCHER GmbH, Sprötze.

Diag recently (see No 477) increased its capital from Dm 1 million to Dm 65 million following the acquisition of shareholdings in Fritz Werner Verwaltung GmbH and Schwartzkopff.

** The OGDEN CORP, New York (equipment for the chemical, mining, food and shipbuilding industries as well as for aerospace research) has established a Dusseldorf sales subsidiary called OGDEN GmbH (capital Dm 20,000) with Mr. Owen Hirsch as manager. The new concern is on the premises of THE EIMCO GmbH formed in 1966 (see No 366) by the group's Salt Lake City division, The Eimco Corp.

In Europe, the group controls a number of companies: Eimco Italia SpA, Milan; Ogden Europe SA, Paris and Eimco (Great Britain) Ltd, London.

** With the aim of strengthening its position within the Common Market, the London based company, POLLARD BALL & ROLLER BEARING CO LTD (see No 292) has decided to build two new French production units. These will be at Meaux, Seine- & Marne and due to come into service during 1969. The company's existing French subsidiaries are Pollard Roulement SA, Paris and White House Industries France SA, Asnieres, Hauts-de-Seine.

The London firm's other main foreign interests are subsidiaries in Dusseldorf, Pollard Kugellager GmbH and Vienna, Pollard-Frank, Kugellager- & Kraftübertragungs-Vertriebsgesellschaft mbH (formerly R & J. Dick GmbH). There are also two subsidiaries in the United States and two in Canada.

** The Dutch agricultural machinery manufacturer, C.VAN DER LELY NV, Maasland (see No 393- fertiliser spreaders, tedders, elevators and mowers) has formed a British sales subsidiary called LELY IMPORT LTD, St. Neots, Huntingdonshire (capital £ 1,000). This is headed by Messrs Cornelis and Ary van der Lely. The new company is the latest addition to a sales network of Lely concerns in Alençon, France; Milan; Florian, Austria; Zug, Switzerland; Delaware, USA and shareholdings in Canada and Brazil.

** The American firm, MOUNT HOPE MACHINERY CO, Taunton, Massachusetts has formed a wholly-owned Brussels sales subsidiary called MOUNT HOPE SA (capital Bf 100,000). The founder (president Mr. J. Douglas-Roberston) which makes equipment for the paper, plastics and textile industries, already had a European subsidiary: Mount Hope Machinery Ltd Dartford, Kent.

FINANCE

** EUROFINANCE Sarl (see No 460), the Paris financial and economic studies specialist has gained a new associate, the BANK OF NOVA SCOTIA LTD., Halifax (see No 432). Under Messrs. J.S. Burchell and G.J. Tonchie, the Bank of Nova Scotia is one of Canada's leading banking houses, and has European branches in Brussels, Rotterdam and Dublin.

Directed by M. Marc Alexandre, the French company is now affiliated to some fifteen banks (nine European and six North American).

** The DEUTSCHE UBERSEEISCHE BANK, Berlin and Hamburg (see No 429) - the subsidiary of the DEUTSCHE BANK AG, Frankfurt (see No 477) - has opened its second branch in the Argentine under the name of BANCO ALEMAN TRANSATLANTICO at Roasrio.

The German bank is already represented in a number of Latin American countries including Brazil, Chile, Colombia, Mexico and Venezuela. Its main European shareholdings are in Adela Investment Co SA, Luxembourg (0.5 %) and in Banco Comercial Transatlantico, Barcelona (under 25 %). It also has a 4.1 % stake in the Brazilian, Banco De Investimento & Desenvolvimento Industrial SA, Sao Paulo.

** A.B.N.-ALGEMENE BANK NEDERLAND NV (see No 440), Amsterdam is the first Dutch bank to open a branch in Djakarta, Indonesia. It will be run by the man who has acted as local representative of the A.B.N. since September 1967, Mr. C.H.J. van Vuurden.

Three other Amsterdam banks, Amsterdam-Rotterdam Bank NV (see No 469) Pierson, Heldring & Pierson (see No 459) and the Nederlandse Overzee Bank NV (see No 476) have representatives in Djakarta, the first of these sharing with Deutsche Bank AG, Frankfurt, the Ste Generale de Banque SA, Brussels and the Midland Bank of London.

** EUROFACTOR -STE EUROPEENNE DE FACTORING SA (capital Bf 55 m.) has just been formed in Brussels to carry out all types of factoring operations. It will draw on the experience acquired in this sector by AUXIFINA-CAISSE AUXILIAIRE DE FINANCEMENT SA, Brussels, which has a 9.09 % stake. Its other shareholders are STE GENERALE DE BELGIQUE SA (27.27 % - see No 475) and its affiliates SOFINA-STE FINANCIERE DE TRANSPORTS & D'ENTREPRISES INDUSTRIELLES SA (25.12 % - see No 469) along with CIE BELGE D'ASSURANCES-CREDIT SA (see No 362), ROYAL BELGE VIE ACCIDENTS SA (see No 455) and CIE BELGE D'ASSURANCES GENERALES CONTRE LES RISQUES D'INCENDIE SA (see No 408) each with 9.09 %. The remainder is shared (4.54% each) between FIDELITAS SA, Antwerp and the bank NAGELMACKERS FILS & CIE Scs (see No 428).

FOOD AND DRINK

** The take-over of the British food firm, LIEBIG'S EXTRACT OF MEAT CO. LTD. ("Viandox" beef extract) of London by the tea and coffee concern, BROOKE BOND & CO. LTD., London - now Brooke Bond Liebig Ltd. - has engendered a significant growth in the latter's interests on the Continent, where up till now it has had only one affiliate, Ed. Messmer in the Federal Republic.

Liebig has a number of interests in Europe: in Belgium, Usines Liebig SA and Cie Liebig SA, Antwerp; In France, Cie Francaise des Produits Liebig SA, La Courneuve, Seine-St-Denis and Vaucluse and Ste d'Expansion & de Diffusion Industrielle & Commerciale SA; Nederlandse Oxo Mij. NV, Rotterdam; Cia Italiana Liebig SpA, Milan and Tortona; in West Germany, Liebig GmbH; and in Switzerland, Produits Liebig SA, Basle.

** UNITED FOOD DARMSTADT GmbH, Darmstadt has been set up as the West German subsidiary of the Dutch firm, NV GROEP VAN VERENIGDE LEVENSMIDDELENBEDRIJVEN "UNITED FOOD GROUP" (see No 474). The new firm has a capital of Dm.20,000 and Messrs. Günter Hansen and Paul Stange as directors.

Known principally for its dried and deep-frozen foods (vegetables, fruit, meat etc.), the Dutch company also sells in the Netherlands a new soya oil based product known as textured vegetable proteins, which has been developed by the American group, Archer Daniels Midland Co., Minneapolis, Minnesota (see No 475). This product is supplied to them by the Geneva concern, Tradasec SA (formed in 1965) which has the exclusive distribution rights for the EEC and for EFTA.

** EURO-BACK GmbH, Hanover (capital Dm 100,000) which was formed in late 1966 (see No 399) to coordinate the technical link-up between two West German bakeries RIX-BROT- & MUEHLENWERKE KG, Bordesholm and BROTFABRIK WERNER BOEKER oHG, Göttingen has now acquired five new backers. It will thus coordinate a group with 21 production plants and 2,700 employees with a turnover of around Dm 120 million. In the near future the group will undertake the promotion throughout West Germany of a dietary bread, and at a later date it intends to extend its activities to other European countries by linking up with foreign firms.

The five new partners are: 1) KARL JAUS & SOEHNE BROT- & BACKWARENFABRIK, Stuttgart-Zuffenhausen (owned by Herren Erwin and Albert Jaus) which also controls Gebr. Jaus AG, Stuttgart and Steinmetz-Backhaus & Neckar Brotfabrik Friedrich W. Müller KG, Mannheim; 2) BROTFABRIK SCHERPEL, Wanne-Eikel; 3) MARXLOH-HAMBORNER BROTFABRIK ERNST IN BRAHM, Duisburg and Krefeld; 4) HERMANN-BROT GmbH, Cologne and 5) DINGES-GLOCKENBROTFABRIK KG, Offenback. Of the original partners Rix-Brot controls Norderstedter Brotwerke KG, Friedrichsgabe, Hamburg and Bremen and Christiansen Brot, Fleugsburg, whilst Brotfabrik Werner (production at head office, Kassel and Holzminden) controls Wülfeler Brotfabrik, Hanover.

** P. FERRERO & CO. SpA, Alba, Cuneo, the Italian confectionary concern known for its "Mon Cheri", "Nutella", "Duplo", "Naturella" sweets, has formed a sales subsidiary in Sweden, FERRERO SCANDINAVIA A/B, Malmo, which is to sell throughout Scandinavia.

Abroad, the Italian group has subsidiaries in Britain, Ferrero Ltd., London (see No 375), in France Dulcea SA, Villers-Esalles, Seine-Maritime and in Germany, Ferrero GmbH, Allendorf.

** The Bavarian brewery BRAUEREI LIEBHARD, Aying has taken a sleeping share in another Bavarian brewery, HOELLBRAU KG, Traunstein whose annual production is around 10,000 hectolitres. The Aying brewery is owned by the Inselkammer family and has itself an annual production of around 120,000 hectolitres with a turnover of some Dm 11 million. There is also an affiliate Brauerei Palugbraü, Dornhau, Wurttemburg with an annual production of around 12,000 hectolitres.

** The Amsterdam distilling group, NV AMSTERDAMSCHE LIKEURSTOKERIJ "T" LOOTSJE" DER ERVEN LUCAS BOLS (see No 474) has extended its already considerable interests in the Netherlands by taking control of the wines and spirits concern, WED. G. OUD PZN & CO.NV, Haarlem. With a capital of Fl 450,000, the payroll runs into some hundred persons.

Recently, the Amsterdam group also took control of the spirits firm, De Franscher Doon.. Distilleerderij v/h Hartevelt & Zoon NV, Leiden by buying shares to the value of Fl.10 million.

** The Hamburg group RUDOLF A. OETKER (see No 476) has extended its brewing interests by taking control - through the Kassel brewery HERKULES BRAUEREI AG (78 % directly controlled by Binding-Brauerei AG, Frankfurt - see No 449) of a majority stake in HOMBERGER GESELLSCHAFTSBRAUEREI Homberg, Efze (capital doubted to Dm 500,000). With some 50 persons on the payroll, it has a turnover of Dm 2.5 million and an annual production of around 30,000 hectolitres. The Oetker group's most recent moves in the brewing sector have been - through Binding Brauerei - to gain control of Brauerei Heinrich Fels GmbH, Karlsruhe and the acquisition of a 25 % stake in Allgaüer Brauhaus AG, Kempten, Allgaüer.

INSURANCE

** The largest Dutch insurance group NATIONALE-NEDERLANDEN NV, Delft, has formed a subsidiary in London under the name Nationale-Nederlanden (U.K.) Ltd (capital £ 100). This will service the group's holdings in Britain: 1) a majority in The Life Association of Scotland Ltd, Edinburgh, provided that present negotiations (see No 474) secure this; 2) 46% in The Orion Insurance Co Ltd, London, with which the group is linked 74-25 in The Commercial Life Assurance, Toronto; The Halifax Insurance Co, Halifax, Canada (74-25); Associated National Insurance Co, Sydney (67-33), and Bastion Insurance Co and Nederlandse Assuransie Mij Van Suid-Afrika, Johannesburg (59-9).

Abroad, the other main interests of the group, which is linked with Schweizerische Rückversicherungs-Gesellschaft, Zurich (see No 391), are in Belgium (De Vaderlandsche NV and De Nieuwe Vaderlandsche NV), Norway (Agder Assuranceselskab, Trondheim), Australia (Australia Netherlands Holding Pty Ltd, Canberra; Australia Netherlands Investments Pty Ltd, Sydney, and Australia Netherlands Properties Pty Ltd, Melbourne) and Venezuela (Delta-Union, Caracas) etc.

** STANDARD LLOYD AG, Cologne, a member of the GERLING KONZERN, Cologne insurance group (see No 459), has added two new holdings to its portfolio, one of 18% in the Hamburg banque d'affaires, GLOBAL BANK GERLING & CO. KG · (capital Dm .7 m) and the other in the BANK FUER ALLGEMEINE FINANZIERUNG AG, Cologne (25 % - capital Dm .2 m.).

Its other main holdings are in the airline and holiday concerns, Air Lloyd Flugservice GmbH, Porz (100 %), Air Lloyd Deutsche Planzenschutz Flug GmbH, Porz (51 %), Air Lloyd Luftfahrtversicherungs AG (48 %) and Euro Lloyd Reisebüro GmbH & Co KG, Düsseldorf (48 %).

OIL GAS & PETROCHEMICALS

** The German petroleum products dealer, ERNST BOIE, Lübeck has become a shareholder in the Munich-based AVIA MINERALOEL AG (capital Dm 1 m - see No 431). This acts as a central purchasing agency for some thirty independent oil concerns bearing the "Avia" brand name, and which control some 1,300 service stations throughout West Germany (1967 turnover Dm 127 m.)

PAPER & PACKAGING

** The Belgian interests of the London-based REED PAPER GROUP LTD (see No 404) have been extended through the formation of NV POLYFILLA PRODUCTS SA, Machelenx, Brabant (capital Bf 100,000), which is directly controlled by two Dutch subsidiaries ALABASTINE NV and POLYFILLA NV, Ammerzoden. The new company will make and market a complete range of "do-it-yourself" supplies and cleansing products, thus taking over the interests of the former Anderlecht subsidiary, Polyfilla Belgium SA dissolved in March 1967.

The British group (55,000 employees - £ 240 m. turnover during last financial year), also has two other Belgian subsidiaries : Poly-Crown SA, Anderlecht (formerly Manucolor SA, since changed to The Walpamur Co (Belgium) SA before adopting its new present name in March 1967), directly controlled The Walpamur Co Ltd, Darwen and Inter NV, Mont-St-Amand, Ghent (formerly Papiers & Diagrammes A. Richelle) a member of the "Charts" division of the London subsidiary, Spicers Ltd. (rolls for teleprinters, reels for accounting machines, graph paper rolls, control recording supplies).

PLASTICS

** The German synthetic resin, rubber and plastic wall and floor coverings concern DEUTSCHE LINOLEUM-WERKE AG, Bietigheim, Württemburg (see No 398) has extended its European sales network by forming three new subsidiaries, one in the Netherlands, D.L.W. (Nederland) NV, another in Britain, D.L.W. (Britain) Ltd, Poole, Dorset, and the third in Norway, D.L.W. Norge A/S, Oslo.

The parent company has Dm 45 million capital, employs 4,700 people, and in 1967 turned over Dm 370 million, 21 % from exports. It already has subsidiaries in Paris, Milan, Etterbeek (Brussels), Helsinki, Stockholm etc.

** The French plastic toys concern FRYD SA, Paris, has formed a sales company in Milan under the name of FRYD SpA, the Lire 1 million capital of which is shared equally between Sigs Angelo Lomazzi and Ermanno Sollini of Milan. Its board includes M. Isucher Ber Frydman, president of the French company, and Mme Fanny Grojewska of Paris.

** RUBSEAL-FRANCE Sarl, Paris (capital F 50,000) has just been formed with M. Jean Lemmet as manager to sell plastic and rubber products in France and French-speaking Africa, especially industrial waterproof joints. The new concern is backed 65 - 35 by SALPA SA, Paris (see No 470) and RUBSEAL SA, Geneva.

Salpa makes rubber products for the car and domestic appliance industries, as does its subsidiary, Les Isolants Francais-L.I.F. SA, Songe-le-Canelon, Sarthe. It recently opened a British branch at Littleborough, Lancashire to coordinate and boost its sales.

PRINTING AND PUBLISHING

** I.O.S. - INVESTORS OVERSEAS SERVICES LTD., Panama (see No 472) is planning to publish a new economic magazine in West Germany, the production of which will be carried out in conjunction with its Geneva subsidiary, Geneva Weekly Tribune SA, publishers of "Business Digest" and the "Geneva Weekly Tribune."

The Panama group recently formed a new portfolio company in Switzerland called IOS Holding SA, Fribourg (capital Sf.100,000); the president of this new venture is M. Jean de Muralt, who is also the president of the subsidiary, IOS Administrative SA, Geneva, as well as of Editions Rencontre SA, (see No 392). The company has just formed a new subsidiary in Britain, Investors Overseas Services (UK) Ltd. (president Mr. Roy Kirkdorffer, who is also president of the subsidiary Investors Overseas Services Ltd. Bahamas) in order to sell its share certificates in Britain.

RUBBER

** DUPOL-RUBBERMAID GmbH FABRIK FUER GUMMI- & KUNSTSOFFERZEUGNISSE, Sprendlingen, Frankfurt, which makes moulded plastic and rubber goods intends to expand its sales by setting up an office in France.

The German company (capital Dm 1.2 m) is the subsidiary of the American firm, Rubbermaid Inc, Wooster, Ohio, which recently established a direct Amsterdam subsidiary, Duppl-Rubbermaid NV (see No 470). The Sprendlingen firm also has a manufacturing subsidiary in Austria, Dupol-Rubbermaid GmbH, Vienna.

SERVICES

** The London management consultancy firm, INBUCON LTD (see No 377) is continuing to expand its Common Market interests with the formation of an Amsterdam subsidiary called INBUCON CORP. (CONTINENTAL) NV (capital Fl 100,000 - 25 % issued). Directors of the new concern are Messrs K.G.Henrick and N.A.Ferguson and it will deal with all types of financial operations connected with management consultancy, taking over the interest of the Swiss-based INBUCON CORP. (CONTINENTAL) AG, Zug closed down in 1967.

Apart from a subsidiary in West Germany, Unternehmenswissenschaftliche Beratungs GmbH, Frankfurt belonging to a London subsidiary, Management Sciences Ltd, the British group also has two other Common Market subsidiaries: Associated Industrial Consultants Nederland NV, Amsterdam and Associated Industrial Consultants SpA, Milan which have a London sister-company, Associated Industrial Consultants Ltd.

** SERVINTER AG, Zug, the Swiss management consultancy concern, has backed the formation of a similar company in Belgium, SERVINTER BELGIUM Sprl, Auderghem, the capital of which (Bf.250,000) is shared 50-50 between Messrs. William Tregea and Guy Goulet of Geneva. The Swiss company was itself formed in December 1965 with a capital of Sf.50,000.

TEXTILES

** The West German textile group GOETZ AG, Ravensburg (see No 477) has sold to the American group GENESCO CO INC, Nashville, Tennessee the remaining 50 % stake it held in the Swiss holding company GENESCO INTER-STYLE AG, St-Gall, which is now called GENESCO EUROPE AG; Goetz first sold a 50 % stake in the Swiss firm to Genesco in January 1968 (see No 445).

As a result of this move, Genesco is a now direct competitor in Europe of another American textile group, BURLINGTON INDUSTRIES INC, Greensboro, New Jersey, which controls a considerable number of European interests through its subsidiaries, Stoffel AG, St-Gall and Schappe SA, Geneva. The St-Gall holding controls Charmor GmbH, Weingarten, Eterna Herrenwäsche AG, Passau and Bohne Morgenröcke Martha Uebel KG, Berlin, all in West Germany; Perfect-Form SpA, Tavernerio (corsets, children's clothes) in Italy; Sodec SA (corsets, swimwear) in Monaco; H. Eckmann Corsetfabriek NV, Alkmaar, the Netherlands (swimwear and corsets); Samital AG, St-Gall; Samital GmbH, Dornbirn, Austria and Textima Textingo Sarl, Matisinhos, Portugal.

Goetz recently began to diversify its interests by gaining control in Switzerland - through another St-Gall holding, Interindustrie AG- of the zip fastner manufacturer Ri-Ri AG and the acquisition in West Germany of a 50 % stake in the Baden-Baden air charter firm, Südwestflug GmbH (see No 450).

** The German textile firm TEXTILAUSRUESTUNGS-GESELLSCHAFT SCHROERS & CO. KG, Krefeld - which employs some 1,500 and turns over some Dm.50 million per annum - has just made an agreement with the British firm, CAIRD (DUNDEE) LTD., Dundee, Angus granting it a licence to use its carpet thread dying process. Cairds will be opening a new factory at the beginning of next year where this process will be used.

** NV EXPLOITATIE MIJ. WINNIPEG, Helmond, joint subsidiary of the Helmond textile groups, TEXOPRINT NV (see No 467) and HATEMA NV (see No 439), is planning to buy up from the holding company, Textielindustrie Andriesse NV, the 30 % interest which it needs to assume complete control of VERENIGDE TEXTIELINDUSTRIEEN AMATEX NV, Maasluis. Formerly called NV Maasdekenfabriek, the latter company changed its name in 1962 after having obtained the manufacturing assets (bed covers) of Textielindustrie Andriesse, which subsequently became a holding company. In addition, the firm has entered into negotiations with another company in the sector, Polydaun NV, Zevenaar - with which it already has links for joint buying (together with NV Gebr. Knottenbelt, Enschede) - with the intention of forming a number of joint sales subsidaries (under the name Polytex) in the Netherlands, Belgium and West Germany.

Formed in 1966, Polydaun is a 90 % subsidiary of the Swedish sleeping bag and bed clothes concern, Bergs Sängkläder A/B, Lagen, and recently formed a sales company at Emmerich, West Germany (see No 477).

** The success of the Vienna sales office run by PRINCLE OF SCOTLAND STRICKWARENHANDELS GmbH, Vienna the subsidiary of the British knitwear firm PRINGLE OF SCOTLAND LTD, Hawick, Roxburgshire (a member of the Bradford group JOSEPH DAWSON (HOLDINGS) LTD) has induced Pringle to go ahead with the establishment of similar sales offices in Düsseldorf, Amsterdam and Toyko.

The Hawick firm already has subsidiaries in Australia, Canada and the United States. Its parent company controls two Swiss firms: Joseph Dawson AG, and Windlestrae Textiles AG, both in Zug.

TRADE

** Herr Klaus Seemuth, a German national living in Paris has joined 88.2 - 10 with the Vietnamese M. Van Son Hoang of Paris in forming PLASTIMEX SA in Paris with F 100,000 capital to trade in finished products and base materials. Its president is M. Jean-Pierre Pech.

** The Amsterdam group A. KREYMBORG & CO NV (see No 403) has taken over the clothing shops chain of MAGAZIJN NEDERLAND KATTENBURG NV and so raised the number of its outlets from 25 to 34, the total payroll for which is 540.

Kattemburg was until now controlled by the family holding company of NV OUD-BEYERLAND, Amsterdam, and itself controlled Society Fashion, Rotterdam.

** The Frankfurt mail-order group NECKERMANN VERSAND KGaA (see No 450) has carried out its plan to set up in the Netherlands by forming NECKERMANN NEDERLAND NV with Fl 750,000 capital and Herr Peter Lang of Frankfurt as director. This firm will take over most of the business interests of the Hulst catalogue sales concern. TEXTIELCENTRALE HULST NV, with which the German group already had close links at the technical and trading levels. It will at first employ about fifty people, and the 220,000 copies of its 1968-9 catalogue will be devoted solely to textile products.

** A & O GROOTHANDEL DEZO, Enschede, and A & O GROOTHANDEL BEIJER of Terbora, both members of the food retail and wholesale chain A & O INTERNATIONAL of Utrecht (see No 466), have agreed in principle to merge, and thus pool their resources of 16 supermarkets and 72 self-service stores (mainly groceries).

The main European members of the Utrecht group are A & O Nederland, Baarn, and A & O Lebensmittel Grosshandlung Gerloff & Co, Brunswick, A. & O Italiana SpA, Milan, and Ste A & O France SA, Paris, having both been wound up quite recently.

TRANSPORT

** DEUTSCHE DAMPFSHIFFAHRTS GESELISCHAFT "HANSA", Bremen (see No 475) and the British GEORGE GIBSON & CO LTD, Edinburgh (see No 398) are, by agreement, to run jointly the regular service they have hitherto provided independently three times a month between Portugal, France (Dunkirk) and Scotland.

Gibson's main services provide regular links between Scotland, North West England, the Netherlands, Belgium, France and Portugal, and in Britain it controls half a dozen shipping companies. Hansa is mainly active in the Middle East, but has also interests in the Netherlands (Nederlands Scheepvaartbedrijf "Hansa" NV and Felshaven NV, Rotterdam) and Belgium (Havenbedrijf Mabesoone NV, Antwerp).

** Four German shipping agencies and shipbroking concerns have joined in forming a container transport company named "TRANSCO" TRANSIT-CONTAINER CONTOR GmbH & Co KG, based on Hamburg, Bremen and Bremerhaven. The four are HERM. DAUELSBERG and GEBR. SPECHT of Bremen, KNOEHR & BURCHARD NFL. and ROB. M. SLOMAN JR. REEDEREI, SCHIFFSMAKLER & REISEBUERO KG of Hamburg (see No 434).

The last named is linked with the Hamburg banque d'affaires Slomanbank KG (see No 454), the main backers of which are Rob. M. Sloman & Co, and the Danish bank Privatbank Kjøbenhavn A/B. It has a sister company, R.M. Sloman Jr Schiffahrts KG, Hamburg.

** With the aim of blocking the take-over bid by NED. OVERZEE BANK NV (headed by the holding company, Bank & Assurantie Associatie NV - see No 475) on behalf of Norwegian and Swiss interests for the Rotterdam shipping company, VAN NIEVELT, GOUDRIAAN & CO'S STOOMVAART MIJ NV (see No 432), the Utrecht transport and fuel group S.H.V.-STEENKOLEN-HANDELSVEREENIGING NV (see No 475) has gained a 45 % stake in Van Nievelt. The latter has an issued capital of Fl 34.65 millions.

VARIOUS

** The Dutch company NV SCHIEDAMSCHE LEDERWARENFABRIEK, Tilburg (see No 355) intends to begin manufacturing operations in Britain, by leasing a factory at Harthill, Lanarkshire which will employ around 100 persons. In the Netherlands, the Tilburg firm has two factories employing some 750 persons where it makes leather, metal, plastic and wooden cabinets for record-players, TV sets and typewriters. It also acts as the representative there of the American travel goods firm, Schwayder Bros. Inc., Denver, Colorado (see No 361).

** Operating in the film industry through its subsidiary, TELEVISION ENTERPRISES CORP., the New York group, COMMONWEALTH UNITED CORP. - whose other interests are in the oil, property and insurance sectors - has taken a 50 % interest in the West German NORA FILMVERLEIH GmbH & Co. KG, Munich (see No 452) and HAPE FILM GmbH & Co. The first of these specialises in film distribution and the second in production.

Nora recently passed into the hands of the Swiss property investment company (especially in California), California Land AG Zurich, having been previously (up to 1967) under the control of the Vienna municipal authorities, Wiener Stadthalle, Stadion Betriebs- & Produktions GmbH, when the German publishing firm C. Beryelsmann Verlag, Gütersloh sold out its interest.