

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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COMMENT

A Letter from Bonn

Europe - Handle with Caution

Both the leaders of the parties which form the outgoing Grand Coalition, the Chancellor, Dr Kurt Georg Kiesinger of the C.D.U. and Herr Willy Brandt of the S.P.D., Vice-Chancellor and Foreign Minister, have stressed their commitment to the European ideal during their election meetings and have called for real progress to be made in promoting European unification. Thus both sides had a considerable stake in ensuring that the recent Franco-German summit went off without provoking major problems for any of the participants. No spectacular success was expected to emerge from the discussions between the two governments, but both the CDU and SPD feel that some progress was made, what with the forthcoming summit conference of the Six.

Such a conference has long been the aim of the German government. The previous occasion, when the EEC heads of state arrived in Rome for junketings to celebrate the tenth anniversary of the signing of the Rome Treaty, turned out to be far less fruitful than Chancellor Kiesinger had hoped. Since June 1967 he has seized every opportunity to stress the political debility of Western Europe and the fact that despite the important economic and political interests of the Six in the Middle East, the Six were unable at that time to discuss in a concerted manner the repercussions of the Six Days War.

Chancellor Kiesinger feels that the approaching EEC summit conference agenda must give priority to ways and means of harmonising effectively the foreign policies of the Six. His two other main topics are the completion of the Community, and its enlargement to take in Britain and the other candidate countries. Furthermore in his view these two matters are indissoluble from the question of political cooperation. During recent weeks he has been stressing the need for such cooperation more than ever, and his insistence on this point is a reflection of his visit to Washington during the early part of August when he met President Nixon, as well as Senators Mansfield and Fulbright. The Chancellor is convinced that the American withdrawal from Vietnam, allied to a lower level of direct commitment in Asia will have repercussions in Europe. The off-set agreements which the Federal Republic has with the United States may slow down the withdrawal of American forces from Europe, but it will not stop this taking place. Furthermore he has already pointed out the paradox whereby 200 million Americans could well have to defend 300 million Europeans. The solution to this problem is much closer "European" cooperation in the defence sphere.

The adoption the week before President Pompidou's visit of a resolution by the central committee of the CDU - meeting under the Chancellor - saying that the summit conference should work out a flexible formula enabling the Six to adopt a joint approach to

foreign policy questions was hardly surprising. If the right approach is agreed, it could provide a basis for increased cooperation in the defence sphere, and thus lead the way to a European Defence Community. The Chancellor skimmed over these questions during his talks with President Pompidou, and even refrained - under pressure from the Social Democrats - from mentioning the various proposals for a European nuclear strike force, based on a merger of the British and French deterrents. Dr Kiesinger is convinced of the urgent need for a new defence policy for Western Europe, within the framework of the Atlantic Alliance, and if this is to be effective it must first of all be based on permanent cooperation between governments over questions of foreign policy.

If improved cooperation in this sphere is to be established then the Six and the other states must prepare the way for a European security conference. At the same time care must be taken to ensure that all major problems are at least clarified and understood before the conference if time is not to be squandered, and the conference fraught with unnecessary difficulties.

To achieve this aim, the Chancellor proposed to his French guests what might be called an improved version of the Fouchet Plan, Mark Two. Basically this would entail regular meetings between both Foreign Ministers and heads of government - along lines similar to those established by the Franco-German Treaty of Friendship - in order to optimise policy alignment between member states. These consultations in Dr Kiesinger's view should be organised without creating a new European institution with high-ranking national civil servants, while great care should also be taken over the emotional question of supranationality. This means avoiding the old quarrels arising out of intergovernmental conferences of heads of state or foreign ministers discussing economic matters, since all of these are covered by the Rome Treaty. Thus the Commission should take part in all economic discussions at such meetings, since such a move would strengthen - and probably guarantee - EEC structures. When the French President made only vague and polite noises concerning the need for such political cooperation, and made no reference at all to the view that the Commission should take part, despite the importance attached to this in Bonn and the other capitals, there was some dismay. However at last week's meeting of the EEC Foreign Ministers, when they prepared the ground for the summit during November in The Hague, M. Schumann agreed that the Commission should be present, so there are perhaps grounds for hope.

Willy Brandt has been far more forthcoming than the leader of the CDU as to the need for the Community to be enlarged, and it is he who proposed - along with his Dutch colleague, Dr Luns - that the Six should agree in principle to open negotiations with the candidate countries on February 1, 1970. In his view, there should be two negotiating phases between the Six and the Four, the one a summit conference to discuss problems in general and the second involving technical matters and detailed negotiations. However the support for British entry in West Germany may suffer more than it has done, if doubts continue to be expressed by influential circles in Britain, as this places the West German government in an invidious position. Although the French view that the EEC should

put its own internal development before the question of enlargement is gaining increasing acceptance in Germany, this is tempered with the suspicion that France may use these doubts to impose a new veto .

Although both sides were fairly pleased with the outcome of the talks, nothing very solid really came out of these . The French economic situation has reduced the scope for grandiose cooperation schemes, dear to the heart of General de Gaulle, as well as strengthening the position of the German government and its successor . The uncertainty as to which parties will form the next government in Bonn limited to some extent the powers of the outgoing ministers, while it is also certain that President Pompidou would not provoke any unwarranted difficulties during his first meeting under the Franco-German Friendship Treaty . Apart from the summit perhaps the most remarkable event was Chancellor Kiesinger's statement about "weak and unstable states" being unable to build a united Europe . This provoked considerable comment in West Germany and elsewhere, and a number of observers thought he was referring to Britain, although it could well have been a reference to the general situation in Western Europe .

THE WEEK IN THE COMMUNITY

September 15 - September 21, 1969

BRITAIN AND EUROPE

Any Just Cause or Impediment?

"The girl looked gorgeous for a while, but now she's all warts", were the somewhat indelicate words chosen by Edwin Dale of the New York Times to describe growing recoil in the United States against the Common Market. Indeed, in the past few weeks the tide of opinion generally has been turning very much against the Community, and this has been stressed by the autumn campaign in Britain waged by the "anti-marketeers", which has been reflected in some European camps by a distinct cooling of pro-British ardour.

Starting the season of party conferences in Britain, the Liberal Party last week in fact managed to hold fast to its commitment to British membership of the E.E.C., and to as early a start as possible on entry negotiations. The vote was neither unanimous nor unqualified, however: there were those who were hotly opposed, those who demanded that the question be put to referendum, and those who insisted that any bid for entry must be made in the context of higher objectives than the present format of the Community provided: foreign and defence policy harmonisation, assurances about price levels and undertakings as to democratic controls. On the whole, a similar pattern may be expected to emerge at the forthcoming Labour and Conservative Party Conferences.

In the meantime, anti-market pressure groups in Britain have been extremely active, of late, and there can be no questioning the effectiveness of their operations. Two major daily newspapers have published opinion polls demonstrating overwhelming opposition in Britain to the idea of Common Market membership at this time: the Daily Mail investigation of September 15 showed that 33% of those asked were in favour of entry, and 47% were opposed. In the Daily Express poll, carried out by the U.S. Harris Poll, formerly the private poll for the Kennedy Administration, and now the largest in the United States, the finding was that those in favour of entry ranged from 27% of Conservatives approached, to 45% of the 16-20 age group (groups were Voters, 16-20, Conservative, Labour and Liberal). The average proportion in favour was a mere 30%, compared with 54% against. The poll showed that of all those opposed to entry, 69% felt the main reason for staying out was the increased cost of living that would result.

Of course, such figures are only indicative of a mood, and answers given "spontaneously, and without any prompting", which is what the newspaper in question stresses, are not the same thing as decisions well pondered, be they expressed in a vote at a general election or in a referendum - not that there is anything but the slightest likelihood of the latter being chosen as the medium for the British decision on EEC entry. Both within and outside the Community, momentum is always the most vital force: when

things are moving, opinion moves with them, and at the moment the ball is very definitely in the court of the sceptics. It is therefore very natural that when polls are taken at the same time as gloomy, although only "guesstimate" forecasts of the costs of entry are rising to the £ 1,000 million a year mark, there should be revealed a general mood of dissatisfaction with the whole Community idea. As long as such a depressing picture as we have had lately continues to come out of the Community, moreover, we cannot expect public opinion in Britain to shift very much.

A realistic impression of the extent of the British commitment to Europe, and of Europe's real feelings about Britain is not now likely to be formed until well into the New Year. It could be that in the meantime, Mr. Jay at the Labour Party Conference and Mr. Powell at the Conservative Party Conference will make really telling inroads into parliamentary support for the candidature, and certainly even if they fail to do this, their efforts are not going unnoticed in Europe. While Britain's staunchest supporters, the Dutch, continue to demand early British membership (Queen Juliana's speech at the opening of Parliament), Italy, once the next most important ally inside the Community, now seems to be taking stock of its support, and of the constancy of the candidate it chose to back. At the same time, at least one very influential body of opinion in Germany seems to be in doubt as to the desirability or otherwise of Britain. It was in an election poster bearing the face of Franz-Josef Strauss, no less, that Britain, under the Labour Government was where "unemployment reigns. Business and currency stumble from one crisis to the next, since the socialists have been in power" - a conservative indictment of socialism, it is true, but at the same time a biting, and not entirely necessary slight to Britain. This was later censored from the poster and an apology issued, but the significance of the matter is clear enough.

The shrinking back is not, however, a uniform trend on either side of the Channel: the Commission, it seems, is to come down even more strongly in favour of the opening of negotiations in its updated report of the four candidatures for membership, when this is published at the end of the month. Also, M. Pisani's revised version of his report to the Monnet Committee calls again for increased pressure: there is no question but that the politicians must make the next move, and that right quickly if Europe is to progress. He cites specifically the need to solve the present impasse in the farm policy debate between the Six, and here indeed we are at the root of all the present troubles, both within and outside the Six.

Public opinion, indeed perhaps even majority opinion inside the parliamentary parties in Britain is not going to gel until it is known for certain how successfully France is keeping her partners over a barrel on the question of renewing the farm finance regulation. She refuses to budge on restructuring or British entry - this has become clear since M. Pompidou's second press conference - until she is assured that the Community generally will continue to finance her surpluses; even M. Pisani stresses that this principle must continue. It is not until the financial regulation is renewed that we shall see whether France is really prepared to allow progress in the other fields upon which internal strengthening and enlargement of the Community depend.

EURATOM

The Beginning of the End?

While everything looks promising in the scientific and technological cooperation field, (see P. 4) there is a far different story when we come to the vexed question of devising a five-year research and investment programme for Euratom. The national experts that comprise the Atomic Questions Group have had no less than six meetings since they resumed work at the beginning of this month, but any hopes that were entertained before the holidays that changes at the head of the French government might improve matters, have for the most part been dashed. The sad fact is that the more carefully the experts get down to detailed examination of the Commission's proposals, the more unlikely does the possibility of an agreement become. Indeed, even for those projects on which we were promised an overall agreement before the holidays seem now to be threatened, or at least to have had financial and personnel appropriations pruned, such that by any realistic assessment no concrete project worthy of incorporation in the pluri-annual programme as conceived can now really be hoped for. The chairman of the Committee of Permanent Representatives, M. Spierenburg, announced before the recess that he was going to insist that the Euratom question be included on the agenda of the Foreign Ministers Council that met last week, that is if no further progress had been made in the meantime. The discussion of the European summit of course pushed this into the background, and since the ministers had no time to deal with it, he has now requested the Atomic Questions Group to submit its report two weeks earlier than originally planned, which will give the ambassadors three whole weeks to examine it, and make possible its discussion at the general Council meeting, before the Euratom Council scheduled to meet at the end of October.

While all this has been going on, the Commission has approved and submitted to the Council the first draft of its proposed Euratom research and investment budget for 1970. This is of course the merest of formalities, as the proposed budget is based on the proposed pluri-annual programme that it first submitted in April, and is simply a financial breakdown of the costs involved in the first section of this programme. This being so it makes provision for expenditure of \$ 73.278 million, compared with 53 million in 1969, and administrative and research workforce of 2,341, compared with 2,704 in the 1969 budget. Ratification of the pluri-annual programme being such a distant prospect, these draft budget proposals for 1970 are a mere formality that the Commission has had to perform, in keeping with Euratom Treaty provisions. The possibility of these suggestions being approved by the Council is extremely slight.

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TECHNOLOGY

Aigrain Group Resumes Work

The top level delegation appointed by the Council of Ministers to assist the Aigrain Group in the drafting of proposals for scientific and technological cooperation in Europe recently resumed its activities. At this stage, all looks very promising, for there are signs that major fields of action are to be entered, and these will conduce to a real European scientific policy, rather than odd, unrelated cooperative projects appealing only to certain specific groups. Again there really seems to be some will to get somewhere on the part of all six members of the Community, and not just five as one might have feared. By way of approach, the group is trying to place in three main categories the projects submitted to it, according to their incorporation in any programme, i.e. "pilot studies or initial surveys", "public services" and "industrial projects". The virtue of this approach is that it makes possible the definition of wide fields of action rather than separate projects, a process which of itself prevents too detailed a definition of ways and means, that could possibly jeopardise any talks that may have to be gone into with third countries. On October 8 and 9 the permanent representatives group will examine the final report of this top rank delegation, and transmit it to the Council towards the end of the month.

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Cooperation - Not in a Vacuum

Last week there was held in London a conference on European Technological Collaboration, under the sponsorship of the Federal Trust for Education & Research. The picture that emerges from the various speeches and opinions expressed at this meeting is a varied one, to say the least. Satisfaction is at its lowest ebb when we come to assessing in bald figures the record of cooperation to date (for instance the paltry sums that E.S.R.O. has at its disposal, amounting now to only about \$25 million a year for actual satellites and sondes, and the fact of Britain's withdrawal from the European proton accelerator project). Nevertheless enthusiasm remains high in those fields where cooperation has yet to be tried, and a strong case was put by Mr Laurance Reed for Europe to embark enthusiastically upon collaboration in the oceanographic sector, where neither of the super-powers have any noticeable lead. This of course is one of the seven main fields in which the Aigrain group recommends concerted action. Mr Christopher Layton, author of "European Advanced Technology", laid special emphasis on this occasion on the potential for integrating telecommunications systems in Europe.

However, there can be little question that the most significant words of the conference came from M. Jacques Defay, head of the study department of the Belgian Prime Minister's office for science policy programming. Far from the case one was hearing last year for alternative technical cooperation schemes outside the scope of the Rome Treaty, M. Defay sees real technical cooperation as meaningless, save in the context of European federation, no less. It is only in the relationship between government and industry in the USA that the industrial primacy of that country lies: Europe could perhaps gain its single market, but only with Federation would it acquire a Government lead, which is what is really needed. Aero-space, computers and nuclear power were the real key sectors, and Europe had perhaps 15 years in which to ensure her particular strength in these, or become a "second-hand affluent society".

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E.C.S.C.

Door Open to Imported Steel

Between October 1 next and January 31, 1970, member states will raise no customs duties on imports from third countries on a whole series of steel products that are in short supply because of the present state of the ECSC steel market, chiefly ingots, blooms and billets, wide coils, reinforcing bars and hot rolled heavy sheet.

Such a move was proposed by the Commission and was approved on September 15 by the Ministers, who stressed at the time that this was strictly an emergency, interim measure. There was quite a strong body of opinion that during preparatory discussions questioned the usefulness and indeed wisdom of such a decision, and the Italian delegation insisted on there being written into the final protocol its complete disapproval of the measure and the fact that it was endorsing it only for the sake of Community solidarity. It insisted that the use of tariff measures was completely inappropriate for tackling cyclic trends.

Indeed, the Commission itself does not seem to be expecting any signal successes, for suspension of duties has now occurred at a time when not only the Common Market but the world market for the products in question is suffering severe shortages, giving rise to a far higher hike in the price of these than the prices published by the Community. But the Commission does at least hope that the Council's decision will demonstrate to those operating on the steel market that neither the Community's institutions nor member states' governments are unconcerned about trends in the steel market, and this it hopes will in some measure serve to curb the rising trend of prices and to damp down demand, which has now risen far beyond real requirements.

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Steel Production in August

Steel production in the Community last month came to 8.291 million tons compared with 8.659 million in July and 7.759 million in the same month of last year. Blast furnace output of pig iron and iron alloys amounted to 6.383 million tons, as against 6.499 in July and 5.839 in August 1968.

This means that steel output for the first eight months of this year now comes to 71.128 million tons, an increase of 11% over the 64.096 million tons achieved in the same period of 1968. During the same reference periods relative production of pig iron was 52.217 million tons, compared with 46.867 million last year, a rise of 11.4%. The following is a country by country breakdown of these figures:

	Steel		Iron	
	1969	1968	1969	1968
West Germany	29,881	27,191	22,198	19,924
Belgium	8,319	7,461	7,392	6,776
France	14,532	12,731	11,708	10,311
Italy	11,773	11,185	5,514	5,169
Luxembourg	3,612	3,148	3,182	2,803
Netherlands	3,011	2,380	2,223	1,884
	71,128	64,096	52,217	46,867

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France to Build Coastal Steel Works

The Wendel-Sidelor company announced last week that its next steel-making complex is to be sited either at Fos-sur-Mer or Le Havre, and will have a production capacity of 7 million metric tons. The policy of the company was put as follows: the idea is not to undermine the development of this area, but rather a coastal intensification of the continental activities of the company. It is argued that by siting the works on the coast the company (apart from being better placed for imported supplies of ore) will be assuring the position of French companies operating in Lorraine and providing job security for their personnel.

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Major Steel Expansion in Italy.

The state-controlled I.R.I. group has in hand plans to set up its fifth major steel plant, either as a new project, or by doubling the capacity of its Taranto complex by 1975.

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COMPETITION

The Commission Repudiates Anti-Trust

M. Emmanuel Sassen, EEC Commissioner in charge of cartel policy, announced in Washington last week that the EEC had no intention of aligning its policies in this field with the anti-trust system of the United States, neither would it exchange confidential information on international companies. However, the Community had every intention of explaining the Common Market competition policy to heads of American companies, in particular the system of exemption applying to the rules of competition and restrictive practices.

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CUSTOMS & TARIFFS

Italian Lead and Zinc

Italy, which is coping with a whole series of allegations and accusations from the Commission concerning its trade practices, seems to be particularly tenacious about its rights in the matter of protective duties on lead and zinc (see No 525). Its latest move in this particular quarrel has been to send a fresh explanatory note to the Commission concerning its motives in the matter:

- a) The sector is based on two different types of undertakings: mining and processing. Clearly, when the international market is on the down grade, vertically integrated concerns in the Community have no choice but to seek supplies on the international market, because of differences in ore costs, combined with the need to meet competition on the best possible terms. There are economic and social repercussions to such action. Ore extraction companies for instance can disappear completely, and this in turn can undermine supplies to the Community, where consumption of lead and zinc is ever increasing. Again it can cut off supplies from regions where the economy is not strong or where mining is the main source of income.
- b) The present customs regime provides no customs duties for lead and zinc ores, nor for recycled metal and scrap, while a specific duty of \$ 1.32 per 100 kg is levied on the metals as such. Thus the sole effect of this tariff is to protect the processing industry, taking its supplies from the international market, and this militates against the interests of the consumer. It is possible to rate this protection at 24 to 25% of the cost for lead and 12% for zinc, without mining even beginning to take any real benefit from it.
- c) It is the Italian view than any common lead and zinc policy must be directed at protecting the existence of mining concerns in the Community, given that the metal processing sector, which can take supplies at international prices, can always cover itself against untoward market trends.

It is therefore the Italian view that the proper answer to the problem would be suppression of customs duties on the metals in question and its replacement by a proper tax, the amount of which would be lower than that of the present duty. Revenue accruing from the tax (estimated at around \$ 7 million a year) would be used directly for subsidising mining undertakings in the Community. This would in turn make it possible to lower the price of these two metals in the Community and to terminate unjustified profits made by companies processing imported metal, and thirdly to maintain Community output of ore, an objective which the Commission itself favours most strongly. The next step, therefore, claims Italy, is for the Commission to set about organising a multi-lateral meeting as soon as possible to examine this problem in detail.

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MONETARY PROBLEMS

Belgium favours Euro-currency

M. Andre Vlerick, Belgian Secretary of State for regional economics, stated last week in New York that he was in favour of a single Common Market currency, "the only possible way of avoiding recurring monetary crises". M. Vlerick was addressing members of the Belgian-American Chamber of Commerce. He maintained that the root cause of the crises that periodically beset the world monetary system are to be found in discrepancies between nationalistic monetary defence policies fostered by member states of the EEC, wherein there was in fact a close-knit monetary and financial market. "We should direct all our efforts at eliminating these outdated attitudes, and at stimulating the adaptation of existing institutions and organisations where cooperation is pursued, in particular the IMF".

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AEROSPACE

Semi-Autonomous Airbus Company Formed

Deutsche Airbus of Munich (backed by Messerschmitt-Bölkow-Blöhm, Hamburger Flugzeugbau, V.F.W. - now merging with Fokker - Sibel-Werke-ATG, and Dornier), and Sud-Aviation are to form a joint company named Airbus Industrie in Paris with the manager of the German partner, Herr Bernhart Weinhardt as president. This will itself have a subsidiary in Paris named Airbus International, in which stakes will be purchased by Hawker Siddeley and any other companies interested in the project. Government backing for the airbus A 300 B will be channelled by the parent companies into this firm, which otherwise will operate autonomously. The company will be responsible for series production of the aircraft, which will not appear in prototype. The German backer will be responsible for production of the tail assembly, part of the fuselage and moving wing-parts; Sud will provide airframe, central fuselage and cockpit, and Hawker-Siddeley is to assemble the wings.

COMMERCIAL POLICY

Nicely Cushioned

One major item on the agenda of the Council meeting last week was the question of the proposed common commercial policy of the Six. This has always been deemed a major field of harmonisation that the Community must follow through before real integration is achieved. At the same time, as the Franco-Soviet trade pact has shown (see No 518) it is a field in which member states are extremely loth to relinquish the agreements that they have made "on the side", bilaterally, with various other non-member states, in particular countries of the East Bloc. Few of the Six are in any hurry to lose these particular "plums", and the whole thing is conveniently perpetuated by the fact that Communist countries refuse to negotiate with the EEC as a bloc, since they do not recognise it as a valid organisation. Nevertheless, it is easily within the scope of the Six to harmonise all their trade relations with these and other third countries, pending the time when all non-member countries will be prepared to negotiate trade agreements with the Six as a single partner. Procedures, for instance, can be formulated: the Six can align their terms of trade, and trading positions, and so on. At the present time, it is France in particular that is the least willing to lose any degree of her autonomy in this field, possibly because she has the most to lose.

France's obvious reluctance when it comes to commercial policy harmonisation may, however, only be veiling similar motives on the part of her five fellow-member states. Be this as it may, there were the beginnings of agreement at the Council meeting, in that Dr Luns, Dutch chairman of the Council for the second half of this year, offered a compromise which almost all member states agreed was a reasonable basis for starting the CCP, although France did dispute certain basic tenets of what he proposed. The compromise is based on Article 113 of the Treaty of Rome, and calls upon the Council at least to agree that bilateral agreements must be terminated and replaced with Community commercial arrangements. As far as the East Bloc is concerned, if a country refuses to treat with the Community, this should in no way deter the Community from formulating a common commercial policy with that state: what is then required is an "autonomous regime", i.e. a common liberalisation list of products and a common schedule of Community import quotas for non-liberalised items. The trade partners will not have to look upon the Six as a single trading unit under such a system, but the Six themselves will, to all intents and purposes, be operating in such a fashion.

Of course, pending the inception of such a system, there would be certain dangers of a rift occurring in normal trading relations between a member state and a third country (in particular France and the USSR). As part of the compromise, therefore, the chair proposed that there should be a special procedure valid for three years, from the beginning of 1970 to the end of 1972, which would operate as follows:

There should be bilateral negotiations between member states and certain third countries, but these must be authorised by the Council and there must be prior

consultation over them. This consultation is for the purpose of coordinating any arrangements made, so as to assure the smooth running of the Common Market and to take due account of the rightful interests of member states, as regards both imports and exports, and should contribute to the formulation of a uniform common commercial policy provisions towards the third countries concerned. Such considerations should predetermine all provisions laid down in any agreements subsequently made. The Council should thus ratify any trade arrangements negotiated before these are made binding between the countries in question.

The Commission found the compromise somewhat inadequate, but was prepared to accept it for the time being, as were most member states. Germany had only the reservation that the three years time limit might not be sufficient, while Belgium and Luxembourg were concerned that strict consultation between the Six should in no way undermine their own already much liberalised terms of trade with the East Bloc. Italy wanted more clarification as to what bilateral agreements would continue to be allowed during the interim period, e.g. extension of present agreements with an East Bloc country; conclusion of agreements already being negotiated, or about to be; agreements with countries for which a member state is opposed to the forging of a Community agreement as such (in all these cases a member state should be allowed to avoid any rupture in its trade with a given country by continuing to negotiate bilaterally). Granted, all such bilateral agreements would be devised in a manner susceptible of incorporation in the CCP when it was concluded.

France was fundamentally opposed to various of the provisions put forward by the Dutch, in particular the idea that consultation between the Six prior to bilateral trade talks should be a "strictly binding" procedure, and that approval should have to be forthcoming on the part of the Council. Such a limitation of sovereignty was unacceptable, and indeed was hardly likely to go down very well with, for instance, a state trading country, which would certainly not be given the impression that it was really dealing bilaterally with a Common Market country, and that this had anything like a free hand. France maintains that there are other perfectly adequate ways of ensuring that a member state would adhere to the principles and practices of the Community. The French case quite simply is that the opening of trade talks with any East Bloc country should be automatic, and not be decided "each case on its own merits", while prior coordination and consultation should be a matter of "obligation", not "compulsion". The discussion was wound up with a final comment from the Commission, which stated that the three-year period should really be deemed exceptional and should not be protracted. Again there was nothing final about the present attitude of the East Bloc towards the Community and recognition of it, and indeed a greater show of solidarity from the Six might well lead to a shift in the Communist position.

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EXTERNAL TRADE

Britain Gets Sticky over P.T.F.E.

It seems likely that the Board of Trade will soon be imposing anti-dumping duties on imports of PTFE from Italy, the Netherlands and the U.S.A., and possibly other

countries in due course. PTFE, which comes under various brand names (e.g. "Fluon" for I.C.I. and "Teflon" for Du Pont) is of course the abbreviation for polytetrafluoroethylene, the new "wonder material" that since its discovery has found a host of applications in most major industries, mainly because of its combined properties of low co-efficient of friction, excellent electrical insulation and resistance to temperatures of up to 250⁰ C. Although it is not definite, it looks as though the Board of Trade action has been instituted at the behest of I.C.I., which three months ago was forced to reduce drastically its price for the product from 32s 6d to 17s 8d a pound on one grade.

If the Board of Trade does actually impose anti-dumping duties it may reasonably be expected that I.C.I. and Du Pont will take countervailing action, and in the case of their Italian and Dutch subsidiaries this could invoke EEC customs regulations.

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Rapid Growth of Trade with the U.S.S.R. over the Past Ten Years

The Statistical Office of the Communities recently published a schedule of statistical data of the external trade of the Soviet Union with its main trade partners and blocs, including the EEC.

In 1967 the EEC took 8% of Soviet exports, and supplied 7.5% of its imports, the latter proportion in fact being smaller than the relative amount being exported by the Common Market in 1962 (8.4%), although this was higher than the 1960 proportion of 8.2%. Indeed, although there have been fluctuations of Soviet imports from the EEC, exports to the Common Market have remained almost constant, except in the last two years when they have risen slightly. Relative shares apart, however, trade in gross terms between the two partners has grown appreciably since 1958. Imports have in fact risen by 206% and exports from the U.S.S.R. to the EEC are 165.1% up on the 1958 figure. In 1967 alone Soviet imports from the EEC rose by 49.1%. This dramatic increase, surpassed only by the 1960 rise of 56.2%, was explained mainly by tremendous export efforts on the part of Italy and the Benelux countries.

In 1967 exports rose by 15.8%, mainly because of improved Soviet exports of petroleum products to Italy. The following is a breakdown of the relative shares of member states in trade with the U.S.S.R. in 1967:

	Imports	Exports
Belgium-Luxembourg	8.7%	9.5%
France	20.1%	27.7%
Germany	27.2%	26.0%
Italy	32.3%	20.0%
Netherlands	11.7%	-

A product breakdown of the U.S.S.R. trade figures reveals that by far the largest single trade sector is that of machinery and vehicles which in 1967 accounted for 32.4% of its imports.

* * *

TEXTILES

Commission's Findings on French Textiles Aid

On September 1 the EEC Commission published its final decision on the protracted affair of French state aid to the textiles sector. The Commission was acquainted with the facts in May 1966 and the Council took the matter in hand in June of that year, whereupon the aid programmes in question were modified, adapted and extended.

The whole problem hinges on the fact that France levies a parafiscal tax of 0.2% on textiles products sold in or imported into France, and this is not applied to export sales. Revenue from this tax is then used as subsidies, which are transmitted to the French Textiles Institute, for research activities, or to the Textiles Industries Union, which uses them for industrial restructuring. In other words we have a tax affecting textile products from all member states, the benefits of which accrue solely to French producers. The Commission of course found that such practices threaten the pattern of competition by favouring French textiles companies, and so might well distort intra-community trade. By definition, such aid is not allowable under the Rome Treaty (Article 92, paragraph 1) and, according to the Commission, should therefore not enjoy any delayed ban, at least while it remains in its present form.

The Commission does however concede that textiles aid is allowable (under Article 92, paragraph 3, section C) because of the difficulties being suffered by this sector. In the case of France, this particular concession cannot be offered because revenue raised by protection is having the effect of worsening the difficulties being suffered in this same sector in other member states. Therefore such aid will only be deemed admissible when its source is modified. Appreciating that France will need time to alter the manner in which these aids are funded, the Commission has given her until March 31, 1970 to take appropriate action.

This means that as from April 1 next France will have to: (a) either maintain the parafiscal tax in its present form but not use income therefrom for aiding national industries; (b) exclude textiles products originating in other member states from the parafiscal tax or from any other comparable duty. When this is done, then French government aids to textiles would again become admissible, as it would be a straightforward instance of assisting the development of a sector suffering conditions, having "no strings" as far as any other member state was concerned.

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A

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ADVERTISING

** The Paris publisher of advertising material UNIJEP SA has formed a Brussels subsidiary under its own name with a capital of Bf 250,000. With M. Emile Bouvier as president, this will carry out all types of advertising and publishing operations.

AEROSPACE

** Three French aerospace companies have joined in forming the Toulouse concern STE INDUSTRIELLE DE DEVELOPPEMENT DES TECHNIQUES NOUVELLES - SINDETEC SA (capital F 570,000), which is to develop and produce mechanical, electric and electronic equipment used in the aerospace industry.

The three are STE BADIN SA, Paris (pilot and navigational instruments - factory at Toulouse); STE E. LACROIX Sarl, Toulouse (explosives) and MOULAGES PLASTIQUES DU MIDI Sarl, Muret, Haute Garonne (mouldings for the electrical and electronics industries, terminal plates, connection boxes, circuit breakers, commutators etc).

AUTOMOBILES

** The Paris CITROEN SA company (15% affiliate of FIAT SpA, Turin - see No 526) is about to invest some Bf 200 million in the extension of its Forest-Brussels plant, which is to become the group's European manufacturing centre for light utility vehicles (mainly 2CV and 3CV vans). This will be given new plant, with electric welding and metal pressing installations for chassis, and an electrostatic rustproofing assembly for coachwork. As from the beginning of next year, this plant will have a capacity of some 300 vehicles a day.

BUILDING AND CIVIL ENGINEERING

** STE POUR LA FABRICATION D'ISOLANTS & DE REVETEMENTS LIGNEUX - ISOREL SA, Puteaux, Hauts-de-Seine (see No 485) has just acquired a minority holding in the modular construction concern CONSTRUCTIONS NORMALISEES A. CARTOUX, La Begude de Rochefort, Avignon (factory and store premises, schools, offices, motels, restaurants etc - capital F 700,000).

In the prefabricated building sector, Isorel already has a 36.9% stake in Ste Maison Okal SA, Puteaux (see No 469), in association with the French Ets Jung & Fils SA, Schiltigheim, Bas Rhin (20%); Ste de Gestion Parisienne - Sogespar SA, a member of the Banque de l'Indochine SA group (12%); La Paternelle SA (3% - see this issue), and the German Otto Kreibaum Ges für Industriebeteiligungen mbH, Lunenstein (25% - see No 526).

** It has now been decided to go ahead with the recently agreed plan (see No 510) for the largest European plywood producer ROUGIER & FILS SA, Niort, Deux-Sevres, to take over STE MUSSY SA, Paris (wood packaging and chipboard). Rougier will take 90% of the capital of the former, and so raise its own equity to F 33.65 million.

** The Rome concern SACOP - CEMENTAZIONI PER OPERE PUBBLICHE SpA, an affiliate of the British CEMENTATION CO LTD, Croydon, Surrey (see Nos 450, 469) has taken a 40% stake, in association with two other Italian firms in the sector, in tendering for one or more sections of the new "direttissima" railway line between Florence and Rome.

The three have therefore joined in forming in Milan a company named CONSORZIO SACOP - MOVITER CIROLA SpA (authorised capital Lire 500 m), directed by Sig Paslo Berti. The other two backers are MOVITER - IMPRESE GENERALI COSTRUZIONI SpA (see No 498) and COSTRUZIONI UMBERTO GIROLA SpA (30% each).

** PLACOPLATRE SA, Vaujours, Seine-St-Denis, and Chambéry, Savoie (see No 255), which produces building materials, mainly plasters, has formed a sales subsidiary in Milan named PLACOPLATRE ITALIANA SpA (capital Lire 10 m), with M. Philippe de la Barthe as president.

The parent company (capital F 11.1 m), which in 1968 turned over F 45.78 million, is under the joint control of two groups, the British B.P.D. INDUSTRIES LTD (stake 48%) and the French LAMBERT FRERES & CIE Scs (23.55% - see No 520), the third main stake being held by the Paris cement group POLIET & CHAUSSON SA (see No 484).

** The French property development concern STE BERNARD LEVY Sca, Paris, and its subsidiary BOREAL Sarl, have joined with the Belgian DELEC SA, Molenbeek-St-Jean, and its subsidiaries ENTREPRISES L'ECLUSE SA, Molenbeek, and L'ETABLISSEMENT CANAZUR, Vaduz, Liechtenstein, in forming a company at St-Josse-ten-Noode named BERNARD-LEVY-DELEC SA. This has Bf 75 million capital, 72% held by the Belgian founders, and with M. Pierre Descamps as president, it will be active in the same field as its founders.

** The French aeronautics and press group MARCEL DASSAULT, which is reorganising its property interests (see No 500), is to merge GENERALE IMMOBILIERE & FONCIERE Sarl, St-Cloud, Yvelines (gross assets F 61.14 m) and STE FONCIERE & IMMOBILIERE DE MERIGNAC Sarl, Talence, Gironde (gross assets F 48.87 m) within the group's main holding company in Cannes, Alpes Maritimes, the STE CENTRALE D'ETUDES & D'INVESTISSEMENTS Sarl (see No 445), which has F 111.4 million capital and M. Robert Bing as manager.

CHEMICALS

** The American group MINNESOTA MINING & MANUFACTURING CO, Saint-Paul, Minnesota (see No 479) has made into an indirect subsidiary through

MINNESOTA (NEDERLAND) NV, Leyden (capital Fl 500,000) the Dutch concern FILM-ONDERNEMING "IMAGO", Leyden, working on surface treatment, photos and films. This has been acquired from its former owner, Mr. Theodor Van Eechoud, who nevertheless remains manager.

The American groups has some 300 employees in the Netherlands and it first established itself there during 1958 when it gained control of Industrieel Handelsmij. F. Pieterse & Co NV. It intends to spend Fl 36 million on building a "Scotch" magnetic tapes plant at Bergen-op-Zoom. This will employ 160 people to start with, but when finally completed will employ 1,000.

** The Rotterdam group UNILEVER NV (see No 520) plans to expand in France and the Netherlands in the synthetic resins sector, and it has negotiated with the French REICHHOLD-BECKACITE SA, Bezons, Val d'Oise (see No 504), the takeover of its controlling interest in the Paris concern SHEBY SA (see No 496), having first transferred to it all its synthetic resins activities.

Sheby (capital F 1.4 m) has plants at Niort, Bezons and Bergerac and with these turns over some F 18 million yearly. Early this year in the Netherlands - where since late in 1968 Unilever has controlled the plasticisers and adhesives concern Scado-Archer-Daniels NV, Zwolle (see No 498) - it took over the Woormerveer concern NV CHEMISCHE FABRIEK "NAARDEN-KEMI" (see No 467). In France it controls: 70% - the stannous and antimony oxides concern (constituents and pigments for plastics), Ets Migeot Freres - Ste Industrielle & Chimique de l'Aisne - Sica SA, Chauny, Aisne; 60% - Ste Industrielle des Liants Organiques-Silo SA, Paris ("Silumine" trade mark - see No 301). Its parent company, headed by M. J.R. Sartorius, and with research laboratories that cooperate with the groups Reichhold Chemicals Inc, White Plains, New York, Vinyl Products Ltd, Carshalton, Surrey (of the group Unilever Ltd, London) and Dow Chemical International Inc, Wilmington, Delaware, is controlled by the French group Pierrefitte - Ste Generale d'Engrais & de Produits Chimiques SA (see No 327), which itself is currently merging with the group Produits Chimiques d'Auby SA, Neuilly-sur-Seine (see No 516).

** AEROJET-GENERAL CORP (see No 470), El Monte, California subsidiary of the Akron, Ohio group GENERAL TIRE & RUBBER CO, producing solid and liquid chemical propellants for rockets, has decided to wind up its Düsseldorf affiliate ORION - AEROJET GES. FÜR LUFTFAHRTTECHNIK mbH, and has appointed Herr Ernest Groseh as liquidator. This concern was formed in 1963 with Dm 1 million capital as a joint venture with the Düsseldorf group FRIEDRICH FLICK KG (see No 530).

** The New York group JOHNS. MANVILLE CORP (heat shedding and refractory products for insulation, filtration and mineral processing supplies, fibreglass and asbestos wool, rubber and plastic joints, adhesive tape - see No 519) has formed on the premises of JOHNS-MANVILLE DE FRANCE SA a branch to its subsidiary JOHNS-MANVILLE EUROPE CORP, Rueil-Malmaison, Hauts-de-Seine. Johns-Manville de France (capital F 19.61 m), with M. R. Larguier as director, has three factories, at Bellegarde, Ain; Saint-Marcellin, Loire; and Wissembourg, Bas-Rhin.

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** The Paris state-owned group ERAP - ENTREPRISES DE RECHERCHES & D'ACTIVITES PETROLIERES (see No 521) and its 51% subsidiary SNPA - STE NATIONALE DES PETROLES D'AQUITAINE SA (see No 528) have joined 20/80 in forming UNION CHIMIQUE ELF AQUITAINE - U.C.E.A. SA, Courbevoie, Hauts-de-Seine, with F 1 million capital and M. Jean Fouchier as president. This is to produce and trade in organic and mineral products.

** The American oil group CONTINENTAL OIL CO (which has been active on the European chemical products market since 1964 - see No 469) has formed a Brussels subsidiary, CONOCO CHEMICALS EUROPE SA to supervise the storage, distribution and sales activities handled until now by its London and Rotterdam subsidiaries.

The new company, directed by Messrs E.M. Olivier, marketing director of the chemicals division of the London subsidiary Continental Oil (U.K.) Ltd, and W.J.B. Vogel, sales director of Continental Oil (Nederland) NV, Rotterdam, brings under one control all the group's chemical operations in Europe, the Middle East and Africa. The group imports from the United States most of the chemical products that it sells in Europe, although it now has plans for major industrial expansion in the Common Market, where it intends to build a number of factories.

CONSUMER GOODS

** Under a manufacturing and sales agreement signed in Italy between the MERLONI SpA, Fabiano, Ancona, and NUOVA SAN GIORGIO SpA, Genoa, groups (see No 519), the former (annual turnover Lire 25,000m) will take over the washing machines production facilities at La Spezia of San Giorgio's SAN GIORGIO ELETTRDOMESTICI subsidiary. It will also take over sales of the factory's production valued at Lire 5,000 million.

The Merloni group, which is known for its "Ariston" trade name, has production facilities for domestic appliances, kitchen fitments and refrigerators at Cerreto d'Esi and Albacina, as well as controlling four manufacturing subsidiaries: Cisa, Genga; Comesa, Sassoferrato; Sica, Senigallia; and Alia, Milan. It is also negotiating to expand the production of its subsidiary Merloni Aliacentro SpA, Fabiano (refrigerators), in which the FINANZIARIA CENTRO-ITALIA-CENTROFINANZIARIA SpA, Perugia, group (see No 511) is to take a 45% interest, as well as negotiating the acquisition of the assets of the Salamini & Co Sas, San Lazzaro Parmeza, Parma, washing machines group (see No 473). During 1968 a French group tried to acquire control of the latter, when this was placed in the hands of the receiver, but without success.

COSMETICS

** The American cosmetics and perfumes group ESTEE LAUDER INC, already represented in Milan by S.I.R.P.E.A. SpA - STE ITALIANA RAPPRESENTANZE PROFUMI ESTERI & AFFINI (factory at St-Giuliano, Milanese) and run from New York by

Messrs Estee, Joseph and Leonard A. Lauder (see No 502), has formed a subsidiary in Milan named ESTEE LAUDER Srl (capital Lire 30m), directed by Herr Hans Thalmann.

The new firm is for both manufacturing and sales, and is under the direct control of two members of the group in Toronto, Ontario: Estee Lauder Cosmetics Ltd (directly controlling subsidiaries in Paris, Amsterdam, Cologne and Brussels) and Whitman Laboratories Ltd (minority stake).

DATA PROCESSING

** The Cologne manufacturer of desktop calculators and small computers NIXDORF COMPUTER AG (see No 521) has formed its eighth foreign subsidiary in Switzerland. This is based in Berne and is called NIXDORF COMPUTER AG.

The German company manufactured around 4,000 calculators in 1968 for a turnover of Dm 80 million and it expects to produce 10,000 in 1970. Its other subsidiaries are in Paris (Nixdorf Computer Sarl), in Milan, Vienna, Barcelona, as well as in Sweden, Finland and Australia.

** Two American manufacturers of audio-visual and electronic equipment (photostat cards) INTERCONTINENTAL TRADE CORP, Evanston, Illinois, and LA BELLE INDUSTRIES INC, Oconomowoc, Wisconsin, have linked 50-50 in Brussels to form a manufacturing and sales company called AMBEL INDUSTRIES SA. This has a capital of Bf 1.5 million and the president is M. Jacques Moulin.

The first founder already has two representatives in the Common Market, Melodium SA, Paris, and International Copy, Milan.

ELECTRICAL ENGINEERING

** The Bonn company KLOECKNER-MOELLER GmbH (under the 56% control of H. MOELLER AG, Bonn), which makes circuit breakers, auxiliary control equipment, display panels and other L.T. electrical equipment, has set up in South Africa by forming a sales subsidiary in Johannesburg named KLOECKNER-MOELLER SOUTH AFRICAN (PTY) LTD (capital Rands 100,000), directed by Messrs. W.M. Blair, J.T. Mulligan (both of Johannesburg) G. Lessing and H. Wierny.

The parent company employs over 3,000 people in West Germany and it has agents in over 75 countries. In its own name it has a number of foreign subsidiaries, especially in France (Paris), Switzerland (Illnau, Zurich), Belgium (Brussels), Britain (Aylesbury, Bucks) etc.

** The British electrical heating equipment concern DIMPLEX INDUSTRIES LTD, Millbrook, Southampton, has formed a subsidiary at Mönchengladbach named DIMPLEX PRODUCTIONS GmbH to run the radiators factory it recently decided to build in West Germany (see No 519). The parent company has been established in Germany since 1965 (see No 302) with the sales subsidiary Dimplex GmbH, Frankfurt. It has been active for several years in Paris with Dimplex (France) Sarl.

** The Bari electro-magnetic equipment and measuring and control apparatus concern PIGNONE SUD SpA (see No 490), joint subsidiary of the Rome group E.N.I. - ENTE NAZIONALE IDROCARBURI SpA, through the Florence concern NUOVO PIGNONE SpA (see No 500) and the Milan group FINANZIARIA E. BREDA SpA (see No 503), has expanded abroad in the automation sector (chemicals and petrochemicals) by forming a 50% Madrid subsidiary PIGNONE SUD IBERICA SA (capital Pts 2 m), in association with local investors.

The parent company, which has been operating on American soil for several months now with subsidiaries in Buenos Aires and New York (see No 497), has been linked since the beginning of this year with the New York group GENERAL ELECTRIC CO, which granted it a licence for the manufacture and sale of "Gepac" calculators.

** A new Italian domestic appliances company named INDUSTRIE RIUNITE EURODOMESTICI SpA has just been formed at Varese with Lire 1 million capital and Messrs Gerrit Hanneman and Giovanni Curti representing the Dutch group NV PHILIPS' GLOEILAMPENFABRIEKEN (see No 530) to implement the recently agreed (see No 524) merger of the Dutch group's interest in the "white" products sector: refrigerators, washing machines etc, with the Comerio, Varese group IGNIS SpA. President of the new concern is Sig Giovanni Borghi. The Comerio group holds 40% of its share of the equity of the new company directly, while the remaining 10% is held by its subsidiary Ignis Sud SpA, Naples.

ENGINEERING & METAL

** The Frankfurt company WARNER LEWIS JUNIOR INDUSTRIE FILTER GmbH (capital Dm 50,000) has just been established to market filtration equipment and its manager is Mr. W. Lewis Jr., who formed INDUSTRIAL FILTERS INC SA, Geneva, during 1966. The latter company, which has a capital of Sf 50,000, opened a London branch in January 1968 under Mr. Eugene Byrne.

** The West German interests of the British engineering and metal products group GUEST, KEEN & NETTLEFOLDS LTD, Smethwick, Worcs. (see No 519) have been strengthened by the formation of a sales subsidiary in Düsseldorf called GKN INTERNATIONAL TRADING GERMANY GmbH. With a capital of Dm 20,000, this has as managers Messrs Richard Hill and Peter Abegg. The group's direct and indirect interests in West Germany include Uni-Cardan AG, Lohmar, Rheinland (see No 468), R.H. Windsor GmbH, Frankfurt, through R.H. Windsor Ltd, Chessington, Surrey; and Deutsch Stenman GmbH, Heiligenhaus, through GKN Stenman A/B, Eskilstuna, Sweden (formerly Aug. Stenman A/B).

** The Paris automobile shock absorbers concern ALLINQUANT SA (see No 384) plans to absorb ETS DF Sarl, Gentilly, Val-de-Marne, which makes temperature measuring equipment. This will make over to it all its manufacturing business (valued at F 19.392 m), thus enabling it to raise its capital to F 7.296 million.

** The Dutch groups KON. ZOUT-ORGANON NV, Arnhem (see No 530) and NV BILLITON MIJ., The Hague (see No 528) have made an agreement which in due course (March 1970) will give the latter the 50% stake held by the former in the Budel electrolytic zinc concern KEMPENSCHÉ ZINKMIJ NV (see No 496), thus giving it outright control of this company (see No 491).

** The London company RICHARD UTLEY LTD (sealing joints and rings, valves etc for conduits and pipes) has extended its interests to the Netherlands by forming a Dutch sales subsidiary called ACROTUBE NV (capital Fl 50,000).

The founder is headed by Mr Richard J. Utley and it shares control of the new concern with the Swiss investment company AG FUR HANDEL & WARENVERKEHR, Zurich. There is a British sales subsidiary called Eurotube Ltd.

** The French interests of the Dutch group KON. SCHOLTEN-HONIG NV, Amersfoort (see this issue) controlled through ETS PAUL DOITTAU SA, Corbeil-Essonne (see No 396) in the moulded castings sector are to be rationalised and this will strengthen the position of the DOITTAU PRODUITS METALLURGIE - PROMEDO Sarl subsidiary. The latter is managed by Mme. P. Doittau and M. H. Nouveau. This will absorb the affiliated company DOITTAU PRODUITS FONDERIES - FONDO Sarl, Corbeil, Essonne (gross assets F 7.74m - branch in Brussels), which is known for its "Ceca-Fondo", "Fondo" and "Metexo" trade names, and as a result it will raise its own capital to F 3.42 million. In 1968 Doittau Produits Metallurgie absorbed the manufacturer of exothermic castings F.O.M.E.X. Sarl, Rives-de-Gier, Loire, and there is also an Italian affiliate Promedo Italia SpA (see No 298).

The other companies in the Doittau group in the chemical and plastic sectors are Emuldo SA - Entreprise Moderne pour la Distribution, Corbeil (formerly Les Emulsions Doittau), Doittau Plastimer SA, Paris (formerly Doittau Plastugil SA and affiliated to Plastimer SA - see No 495), and Doittau Sopura SA, Corbeil and Courtenay, Loiret, in association with the American group Diamond Shamrock Corp (see No 493).

** The Paris company UNION MARITIME DE DRAGAGES SA (president M. Andre-Henri Rumpler - capital F 200,000) has been formed to manufacture, lease and carry out all operations connected with dredging equipment. The company has been set up as the result of a 50/25/25 association between STE FRANCAISE D'ENTREPRISE DE DRAGAGES & DE TRAVAUX PUBLICS SA, Paris (a member of the BANQUE DE L'INDOCHINE SA group - see No 471) and the shipping companies UNION NAVALE SA, Paris (a member of the FINANCIERE DE PARIS & DES PAYS-BAS group through Omnium de Participations Financieres & Industrielles -see No 514) and NAVALE CAENNAISE SA, Paris (see No 475).

** The Dutch clock and watch wholesaling concern headed by Mr Justus Hart, J. HAART NV, Amsterdam, has formed a subsidiary in Antwerp named HART NV (capital Bf 250,000), which has its own director as president.

** The Swiss holding company INSTEK AG, Zurich (member of the German measuring and control equipment group VDO TACHIMETER WERKE ADOLF SCHINDLING GmbH, Frankfurt - see No 515), has linked 50-50 with the French group SA DES ETS. ED. JAEGER, Levallois-Perret, Hauts-de-Seine (see No 406) to form at the head office of the latter a company named STATIONNEMENT URBAIN RATIONNEL Sarl (capital F 200,000). This is managed by M. Jean Blazy, president of the French founder, and is to make, sell and lease parking meters.

** CIE PECHINEY SA, Paris and Lyons, which continues to expand in America (see No 528) has, through its 46% affiliate HOWMET CORP, New York, taken over the metal trading concern PRIME ALUMINUM & STEEL CORP, Grand Rapids, Michigan.

By way of rationalising its U.S. interests, the French group also plans to make over the aluminium processing activities of its subsidiary PECHINEY ENTERPRISES INC to Howmet, which will specialise in such work in its plants at Lancaster, Pennsylvania; Philadelphia, Delaware; and Dallas, Texas. Now more than 50% controlled by Pechiney Enterprises, Howmet will re-group its activities in the sector of specialised equipment - surgical and dental apparatus - produced by its subsidiaries or affiliates, Luxene Inc, New York (sales subsidiary at Düsseldorf - see No 518) and Holgrath Corp, Waterbury, Connecticut (see No 528), as well as the French Benoist & Girard Reunis SA, Cachan, Val-de-Marne (see No 507) within a new subsidiary where Pechiney Entreprises will have a minority stake.

** The British group THE PLESSEY CO LTD, Ilford, Essex (see No 529) has taken over the West German hydraulic equipment concern HYDRATEC GmbH, Neuss, Rhein (see No 335) and changed its name to PLESSEY-HYDRATEC GmbH FUER HYDRAULISCHE KONSTRUKTIONSELEMENTE, with Mr Eric G. Parramore as director.

This company will distribute in West Germany the machinery and equipment of the hydraulics and dynamics division of the British group and its indirect Italian affiliate, TUROLLA PLESSEY SpA of Bologna, wherein a 50% stake is held by the Zug, Switzerland subsidiary Plessey Handel & Investment AG (see No 430).

** The French PETITJEAN & CIE SA, St-Andre, Aube (see No 529), which makes steel standards and mountings for street lighting, telegraph poles and electricity pylons, has formed a London subsidiary, PETITJEAN & CO (U.K.) LTD (capital £40,000), directed by its own president M. D. Petitjean and by M. Paul Golay. Since April last year the parent company has had a Brussels subsidiary, and it recently set up in West Germany with the formation of another at Rösraath.

** The group of European companies headed by the British industrialist John K. Davies, who lives in Lausanne (see No 508), has been increased by the addition of a new firm in Milan, TERRATEST ITALIA Srl (capital Lire 990,000), for sales of scientific measuring and test equipment for geological, geodesic and engineering surveys. A number of Terratest companies are already operative in Lausanne, Paris and Buchschlag, Hesse.

** The German farm machinery group GEBR. CLAAS MASCHINENFABRIK GmbH, Hersewinkel, Westphalia (see No 490) has gained 97.5% control of a similar company in Saulgau, Württemberg named JOSEPH BAUTZ GmbH (see No 480), which will be directed by Herr Hans Berndt, director of another 75% affiliate of the former, the bearings concern NEUWEG-FERTIGUNG GmbH, Munderkingen, Württemberg.

The Saulgau group, hitherto controlled by the Bautz family (payroll 1,150 and estimated 1969 sales of Dm 42 m) has a major network of sales subsidiaries and agents abroad, in particular at Reno, Bologna; St-Gilles-Dendermonde, Belgium; Pantin, Seine-St-Denis.

** The Chicago group BORG-WARNER CORP (see No 511) is to strengthen its manufacturing stake in West Germany by a link-up with the Friedrichshafen, Bodensee general and automobile engineering concern ZAHNRADFABRIK FRIEDRICHSHAFEN AG (ZF) (see No 306), for production of automatic gearboxes in a new factory, for which a site has yet to be chosen, and which will employ 2,500 people producing initially 5,000 gearboxes a month.

Zahnradfabrik Friedrichshafen itself has an output of 7,300 gearboxes per month, and covers 7% of this West German market: it recently became a supplier to the B.M.W. and PEUGEOT groups.

** The French pressure gauge, thermometer and thermostat concern STE INDUSTRIELLE SOPAC - REGULATIONS SA, Levallois-Perret, Hauts-de-Seine, has set up in West Germany by forming a sales subsidiary at Stuttgart named DEUTSCH SOPAC REGELTECHNIK GmbH (capital Dm 120,000). The parent company has a payroll of about 500 in its plants at head office and Chartres, and turns over more than F 20 million a year, having sales and assembly subsidiaries in its own name at Cinisello Balsamo, Milan (Italy), and Barcelona (Spain).

** BASSE-SAMBRE-ETUDES RECHERCHES-ENTREPRISES SA, Moutier-sur-Sambre (see No 526) has joined 50-50 with ANC. ETS. METALLURGIQUES NOBELS PEELMAN SA, St-Nicolas-Waas, in forming a Luxembourg investment company named FINANCIERE DARNONE SA (capital Lux F 6.8 m - president M. Robert Dartois).

The parent companies are already linked with STE NATIONALE D'INVESTISSEMENT S.N.I. SA, Brussels, and CIE LAMBERT POUR L'INDUSTRIE & LA FINANCE SA within the capital goods, engineering and turnkey factory exporting concern Soberi - Ste Belge d'Etudes & de Representations Industrielles SA, Etterbeek (see No 525).

** The West German automatic car washing installations concern A. ROHE KG, Offenbach, subsidiary of ARO GmbH, Offenbach (itself controlled by Herr Adam Rohe - see No 308) has opened a sales branch in Milan under Sig Mario Bertolini.

The parent company is the West German, Austrian and Swiss licensee of the American CALIFORNIA CAR WASH SYSTEMS INC, Sun Valley, California, with which since 1965 it has shared control of the Frankfurt concern California Car Wash International GmbH.

** The British mechanical, engineering, fire fighting equipment, farm machinery etc group MATHER & PLATT LTD, Manchester (see No 366) has split its French interests in order to enlarge its Paris subsidiary S.A. MATHER & PLATT (capital F 3.8 m). This has made over its manufacturing and sales interests in the food machinery sector (pressure cookers, labellers, gluing and packing machines) to another Paris subsidiary SA MATHER & PLATT (MACHINES ALIMENTAIRES) (capital F 400,000 - president M. J. Gondouin).

The parent company has a number of Mather & Platt subsidiaries abroad (especially in Italy and Spain), and in the Benelux countries and West Germany it owns a number of Grinnell companies (see No 434), which specialise in fire prevention equipment.

** The Rome group E.N.I. - ENTE NAZIONALE IDROCARBURI (see No 530) has formed a Milan subsidiary called SAIPEM SpA (capital Lire 450 m), which will serve as the engineering and chemical and petrochemical installations division ("Saipem" marque) for its subsidiary SNAM PROGETTI SpA, Milan, formerly Saipem SpA (first of the name), which was absorbed in 1962 (see No 289).

Three E.N.I. subsidiaries have an equal stake in controlling the new concern: Snam SpA, Milan (parent company of Snam Progetti - see No 509), Anic SpA, Palermo (see No 527) and Agip SpA, S. Donato Milanese (see No 506).

FINANCE

** Dr. Georg von Opel, Frankfurt, has sold his stake of 11% in the Hanover rubber and plastics group CONTINENTAL-GUMMI-WERKE AG (see No 513), although the Opel family still has a 9% holding, through the DEUTSCHE BANK AG, Frankfurt (see No 528), as well as relinquishing his control of the Frankfurt concern VK - VOLKS-KRAFTSTOFF GmbH (petrol distribution to service stations - 160 sales outlets) to the American group CONTINENTAL OIL CO (see Chemicals).

Apart from these Dr. von Opel has holdings in the Frankfurt automobile distribution concern Autohaus Georg von Opel KG (marques "Opel" and "General Motors") and the plastics processing Techno-Chemie, Kessler & Co GmbH, Frankfurt (see No 333).

** The Franco-British group BANQUE OTTOMANE SA - OTTOMAN BANK, Paris and London, which is still rearranging its structure (see No 518) is making over most of its agency activities in France (Paris and Marseilles) and Switzerland (Geneva) to a F 100,000 Paris administration company named CIE GENERALE DE RECHERCHES SA, which was formed at the beginning of this year under the auspices of the BANQUE DE PARIS & DES PAYS-BAS.

Cie Generale de Recherches will change its name to BANQUE OTTOMANE (FRANCE) SA (capital raised to F 15 m) and will have as its president Lord Aldington, who is chairman of NATIONAL & GRINDLAYS BANK LTD, London (see No 526) - itself a 40% affiliate of FIRST NATIONAL CITY BANK, New York, which will hold a similar interest in the new concern

** A major rationalisation of the Dutch mortgage sector has been agreed by UTRECHTSCHHE HYPOTHEEK BANK NV, Utrecht, which will take over WESTLANDSCHE HYPOTHEEK BANK NV, The Hague (see No 479). The former, made into a holding company called NV WESTLAND-UTRECHT HYPOTHEEK BANK, will be the leading concern in this sector in the Netherlands and will hold mortgages worth a total of Fl 1,310 million. The second ranking company is now Freisch-Groningsche Hypotheekbank NV (mortgages valued at Fl 1,006m - see No 514).

** The New York financial concern MABRO ENTERPRISE LTD has formed in association with its subsidiary MABRO INTERNATIONAL CORP, New York, the Luxembourg INGRO - INTERNATIONAL EARNINGS & GROWTH FUND LTD (authorised capital \$3.75m). This in turn has a re-purchase subsidiary called INTERNATIONAL EARNINGS & GROWTH REALISATIONS SA (capital \$20,000).

** The Tokyo stockbroking concern YAMAICHI SHOKEN K.K. (see No 506) has now completed the formalities of setting up its first Common Market branch at Frankfurt (see No 527) under Messrs Toshihisa Yamamoto and Masatake Seki. This company was already established in Europe with permanent offices in London and also has a New York subsidiary named Yamaichi Securities Co, with a branch in Los Angeles.

** The Paris finance house CREDIT VENDOME SA (see No 530) has made over part of the 25% stake it has held since late 1967 in BANQUE GENERALE DE CREDIT & DE PARTICIPATIONS - SAGA SA (see No 439) to the Paris group MARINE FIRMINY SA, whose controlling stake thus rose to 87.3%.

FOOD AND DRINK

** The British group CADBURY SCHWEPPEES LTD, formed a few months ago by the merger of SCHWEPPEES LTD (see No 438) with the CADBURY GROUP LTD (formerly British Cocoa & Chocolate Co Ltd - see No 462), has rationalised its West German interests by merging its Bremen subsidiary Hanseaten-Schokoladen Werke GmbH (capital Dm 750,000) with its parent company Cadbury-Fry GmbH, Bremen (capital raised recently to Dm 12.6m).

** The Hambourg RUDOLF A. OETKER group (see No 528) is to rationalise its deep-sea fishing interests by merging KOHLENBERG & PUTZ SEEFISCHEREI AG, Bremerhaven (which has two refitted vessels, the "Albatros" and "Karlsburg") into HANSEATISCHE HOCHSEEFISCHEREI AG (see No 480), thus raising the capital of the latter to Dm 3 million.

** The UFICO - UNION FRANCAISE D'INDUSTRIES DE CHOCOLATERIE & DE CONFISERIE, Noisel, Seine-et-Marne, division of the SOURCE PERRIER SA French group (see No 530) has formed a Cologne import and sales company called COLOMBINE SCHOKOLADEN GmbH. With a capital of Dm 50,000, this has as its managers MM Michel Clavel and Yvon Delcourt as well as Herren Hans Albrecht and Frederic Zimmer.

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** The Dutch food group WESSANEN'S KDN. FABRIEKEN NV, Woormerveer, which is already established in Milan with the sales subsidiary WESSANEN COMMERCIALE ITALIANA SpA and in Villanova d'Ardenghi, Pavia with WESSANEN ITALIA SpA (calf feeds) has formed a Milan company named FUNAGRA SpA (authorised capital Lire 100 m), with Mr. P.J.H. Colijn as president.

The new company specialises in credit for independent farming companies (cereals) and stock breeding concerns, and its other founders with 45% each are the Dutch R. VAN SELM (Umkoveen) and G. OVEREEM (Voortlinisen).

** The sugar companies STE INDUSTRIELLE & AGRICOLE DE POINTE-A-PITRE SA, Guadeloupe (of the EMPAIN group - see No 529) and CIE FRANCAISE DE SUCRERIE SA, Paris (see No 254 - linked with the BOUSSAC group) have decided to merge their farming interests in Guadeloupe within two joint (66-33) subsidiaries: 1) STE INDUSTRIELLE DE SUCRERIE SA, Paris (capital F 100,000), which will take over the Darboussier and Blanchet processing plants of Ste Industrielle & Agricole de Pointe-a-Pitre and the Bonne Mere factory of Francaise de Sucrierie, which between them amount to an annual capacity of 75,000 tons; 2) STE AGRICOLE DE LA GUADELOUPE SA, which will control an estate of over 5,000 hectares from which it will be able to meet half the requirements of the new company. When all these moves are complete, Francaise de Sucrierie will still have manufacturing interests on its estate on Reunion, while its partner in the venture will become simply an investment company.

The latter, which recently backed the formation of A.B.R. FRANCE (see No 529), has extensive interests: chiefly Cie Financiere Lisbonne Monceau SA, Paris.

** The Dutch chemical products, foodstuffs and glucose derivatives group KON. SCHOLTEN-HONIG NV, Amersfoort (see No 515) is to rationalise its branded goods operations in the food sector. To do this its NV HONIG MERKARTIKELEN subsidiary will take over and absorb two other subsidiaries, FABRIEK VAN HONIG'S ARTIKELEN NIJMEGEN and NV FABRIEK VAN HONIG'S ARTIKELEN KOOG. After this move Honig Merkartikelen, whose president is Mr. A. Honig and which is managed by Messrs W. Innekel and A.H. Osterholt, will move its head office to Koog. It will also take over management of the printing concern "De Groeneboer", Wormerveer, re-named Honig NV.

** The French food canning group ROYAL CHAMPIGNON SA, Saumur, Maine-et-Loire, has formed a West German sales subsidiary called CHAMPI-FRANCE DEUTSCHLAND GmbH CHAMPIGNONS-GEMUESEKONSERVEN, Mannheim (capital Dm 20,000). This has as its managers M. Georges Guilbaud, its own chairman and managing director, M. Joseph Leboeuf (sales director), M. Gerard Daffas and Herr Knud Aldinger.

The founder (capital F 1.2 m) employs around 1,300 persons in its facilities at head office, Longue, Maine-et-Loire; Montoire, Loir-et-Cher and Bordeaux.

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INSURANCE

** The Paris insurance group LA PATERNELLE SA (linked with the BANQUE DE L'INDOCHINE by crossed minority shareholdings - see Building & Civil Engineering and No 510) is to rationalise its interests within LA PATERNELLE - RISQUES DIVERS SA. This will take in its 71% and 98.7% subsidiaries L'UNITE SA (see No 387) and LA MINERVE SA (see No 340) complete with their insurance portfolios.

MINING

** In Italy the French group STE MINIERE & METALLURGIQUE DE PENARROYA SA (see No 527), member of the Paris group ROTHSCHILD SA, through LE NICKEL SA, which has had a 40% stake there since the beginning of this year (see No 505), has formed an affiliate in Sardinia, MINERARIA DELL' IGLESIENTE SpA, Iglesias, Cagliari.

This has Lire 1 million capital and Sig Ernesto Cianci as president, a position which he holds in another Rome subsidiary of the PENARROYA group, STA MINERARIA & METALLURGICA PERTUSOLA SpA (see No 507), while its main director is M. J.P. Gerin, who is on the board of another Rome affiliate, the zinc sulphide and lead glance concern RAIBL-SOC. MINERARIA DEL PREDIL SpA (see No 302).

OFFICE EQUIPMENT

** The West German manufacturer of office equipment, safes and filing cabinets POHLSCHROEDER & CO KG, Dortmund, has opened a Paris office. It will nevertheless keep as its French agent S.A.T.O. - STE D'APPLICATION DES TECHNIQUES D'ORGANISATION SA, Paris, which was chosen after the Dortmund concern terminated the contract linking it until then with Lloyd Industriel SA, Paris.

Pohlschroeder has around 1,700 employees and a sales network in the United States. Since 1966 (see No 356) it has been linked in the sales sphere with Stolzenberg Büromöbelfabrik Ludwig Mang KG, Baden-Baden, which has a subsidiary in Vienna, Vertriebsgesellschaft der Stolzenberg Büromöbelfabrik Ludwig Mang für Oesterreich mbH (see No 347).

OIL, GAS AND PETROCHEMICALS

** The American on- and off-shore oil drilling concern WHIPSTOCK INC, Midland, Texas, which has been established in Europe since 1966 with its British subsidiary Whipstock (U.K.) Ltd, has formed a company in the Netherlands for North Sea drillings, named WHIPSTOCK EUROPA NV, Ijmuiden (capital Fl 40,000 - president Mr Horace C. Harris Jr).

PAPER & PACKAGING

** The Oslo paper concern ELOPAK A/S (see No 486) has formed a sales subsidiary in Milan named ELOPAK ITALIA Srl (capital Lire 50,000), specialising in card packaging for liquids and packaging machines.

The parent company is licensee of the Detroit group EX-CELL-O CORP, whose "Pure-Pak" trademark it uses for milk packaging. Recently it set up at Terneuzen in the Netherlands its first Common Market manufacturing unit (see No 471), which is run by the subsidiary ELOPAK NEDERLAND NV. It has also been established in Paris since 1967 with Elopak France Sarl (see No 461) and more recently in Düsseldorf with Elopak GmbH.

PHARMACEUTICALS

** The French pharmaceuticals group LABORATOIRES GOUPIL SA, Cachan, Val-de-Marne (see No 302) has made its Düsseldorf branch into a subsidiary called LABORATOIRES GOUPIL GmbH.

The French company, whose products include "Fluocaryl" and "Magnebi-Belladone", has some 200 employees and it is represented in Brussels, Milan, London, Geneva and Barcelona.

** The Paris pharmaceuticals group ROUSSEL-UCLAF SA (see No 527) and STE CENTRALE DE DYNAMITE SA, Puteaux, Hauts-de-Seine (see this issue), which are already linked by joint holdings in France with the German group FARBWERKE HOECHST AG, Frankfurt-Hoechst (see No 529), are having talks with a view to forming a combine. The main pharmaceuticals subsidiary of Centrale de Dynamite is Ste Industrielle pour la Fabrication des Antibiotiques - S.I.F.A. SA (capital F 22.6 m - see No 517), whose main interest is Laboratoires Diamant SA (see No 489).

Farbwerke Hoechst has an indirect 43% stake in Roussel-Uclaf (through its main 51% shareholder Ste Financiere Chimio SA, which it took over in 1968 - see Nos 482, 494) and recently formed links (see No 511) with a subsidiary of Centrale de Dynamite, the chemicals group Nobel Bozel SA (see No 526), which will make over most of its French chemicals and pharmaceuticals interests to Polysynthese SA, which will change its name to Nobel-Hoechst Chimie SA.

** The Belgian U.C.B. group - UNION CHIMIQUE SA (see No 523) has strengthened its pharmaceuticals interests by taking over the Brussels vegetable alkaloids and calcium and potassium iodides etc concern SA PRODUITS BIOS - ETS COUTELIER FRERES.

This employs some 185 people in its laboratories at Schaerbeek-Brussels and Woluwe-St-Etienne, and turns over some Bf 150 million a year, about one-third from exports.

** The French group CASTAIGNE SA (formerly Parcor), Asnieres, Hauts-de-Seine, the capital of which was raised recently to F 18.5 million, has acquired an interest of more than one-third in ETS FEVRIER DECOISY, CHAMPION SA, Paris (see No 499). As part of this M. Castaigne has moved on to the board of Fevrier Decoisy, Champion, whilst the president of the latter, M. Michel Jouenne, has become a director of Castaigne.

Castaigne is a holding company whose shareholders include Ste d'Etudes Fiduciaires & de Participations - Sefon SA (42.8%), Fibag - Handels & Finanz Beteiligungs Ges. (9.2%) and M. Albert Castaigne (13.5%). It has major holdings in Farmadis SA, Cogepri SA (99.92%), Laboratoire Solac SA (99.97%), Laboratoire Perrier SA (99.9%), all based in Toulouse, Laboratoires Thersa SA (97.31%) and Sopharma Sarl (98.4%), Asnieres.

PLASTICS

** LOLA BORSTELFABRIEK NV, Groesbeek (of the group Algemene Verkoop Unie NV, Baarn - see No 319) and WABO PLASTICS NV v/h NIJKERKSCHIE BORSTELFABRIEK, Amersfoort, each of which employs about 50 people in the manufacture of plastic brushes, have agreed to merge, the better to meet competition on the EEC market.

** The Norwegian SELCO A/S, Lysaken, Oslo (fibreglass-reinforced plastic mouldings for radomes and other military applications, tanks, containers, boat hulls etc - see No 466) has formed an Amsterdam subsidiary named SELCO HOLLAND NV (capital Fl 500,000), run by Mr. O.M. Mustad, its own director. In Brussels last year the parent company formed a sales subsidiary, SELCO - BENELUX SA, with Mr. Mustad as president.

** By agreement, the Paris group UGINE KUHLMANN SA (see No 523) and the Tokyo firm of SHQWA DENKO (see No 528), are to build a factory in Tokyo to produce synthetic wood based on polyethylene, polystyrene and PVC. The investment will be financed equally by the Japanese concern and a subsidiary of the French partner, NIHON FRANCOLOR CO LTD, Kobe (through Ste Francaise des Matieres Colorantes SA - see No 391).

Francaise des Matieres Colorantes already has an extensive "Francolor" network, with its main offices in Düsseldorf, Baarn, Netherlands, Brussels, Milan, Boras, Sweden, Woonsocket, U.S.A., Rio-de-Janeiro, and Teheran.

PRINTING & PUBLISHING

** The negotiations which recently started in the Netherlands (see No 527) have now resulted in the NV UITGEVERSMIJ. AE. E. KLUWER, Deventer group (scientific and economic publications - see No 530) gaining control of NV GEBR. ZOMER & KEUNINGS DRUKKERIJ V.A.D.A., BINDERIJ & UITGEVERSMIJ, Wageningen (popular magazines)

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and Mr. R. Zomer has been appointed director of the Deventer group.

Zomer & Keunings is now under Mr. A. Vermeer, who has taken over from Mr. K. Van Houten, newly-appointed to Kluwer's board. It has around 1,000 employees and several subsidiaries based at head office, Utrecht and Kerkrade (see No 513). Its foreign interests include a subsidiary in Belgium (at Berchem, Antwerp) and another in West Germany (at Bielefeld).

** The record publishing concern POLYGRAM SA (see No 422), Brussels member of the Dutch group NV PHILIPS' GLOEILAMPEN FABRIEKEN (through its Baarn subsidiary PHONOGRAPHISCHE INDUSTRIE (see No 368), has formed a 50% subsidiary in Brussels named POLYDISC SA (capital Bf 1 m). This is directed by M. Paul Lebbink, and is to distribute records and other material and equipment in the audio-visual reproduction sector.

The parent company is linked 50-50 in the new concern with the associated POLYDOR SA, St Gilles-Brussels, the capital of which was raised recently to Bf 10 million, and which is controlled by the Hamburg company Deutsche Grammophon GmbH (see No 527), itself the joint subsidiary of the Dutch group and Siemens AG, Berlin and Munich (see No 530).

TEXTILES

** The American manufacturer of work-clothes and sportswear BLUE BELL INC, Greenboro, North Carolina (see No 470) has strengthened its Common Market network by forming a subsidiary in Rotterdam called BLUE BELL (NEDERLAND) NV (capital Fl 400,000). Mr. P.J. van Windergen is manager of the new concern.

The founder has 65 factories and annual sales exceeding \$ 164 million. Its main Common Market manufacturing interests are in Genk, Belgium through its subsidiary Blue Bell SA, Genk (branch in Paris - see No 355), and there is also another in West Germany, Blue Bell GmbH, Sprendlingen (formerly in Frankfurt).

** The Dutch weaving concern NV VAN OERLE & VAN DIJK, Boxtel (see No 303), has joined 50-50 with the London company ALBERTON LTD (of the group MARLING INDUSTRIES LTD - formerly Marling & Evans Ltd), for production in the Netherlands of vehicle seat straps and webbing. They are to form a joint subsidiary named VAN OERLE ALBERTON NV, Boxtel.

** The Dutch ANDEX TEN-CATE NV, Apeldoorn, has gained control of the Rhenen knitwear and hosiery concern TRICOTFABRIEK HARWIC NV, headed by Messrs H.W. Harwic and W.C. Kieboom. An dex was formed in June 1963 with Fl 10 million authorised capital and Mr. Jacob Dapper as president, being the joint subsidiary of KON TEXTIELFABRIEKEN NIJVERDAL TEN-CATE NV, Almelo (see No 525) and TEXTIEL INDUSTRIE ANDEX NV, Uithoorn (see No 521), and the recent cooperation agreement between these two is channelled through it (see Nos 488, 514).

** The Italian cotton group **LEGLER INDUSTRIA TESSILE SpA**, Ponte S. Pietro, Bergamo (formerly Cotonificio Legler SpA - see No 397), which is headed by Sig Matteo Legler, being linked with the Swiss group **LEGLER & CO KG**, Diesbach, Glarus, has made an agreement with the Milan concern **MANIFATTURA TESSILE ERBA SpA**, Treviglio, covering its takeover of the latter's mill at Paesano, Cuneo.

This plant, which specialises in weaving cotton for velvet and sports kit, is to be enlarged and the number of looms doubled to 600 so that by next year it will be capable of producing 8 million metres of fabric, including shirting and shirt-making poplin. Manifattura Tessile Erba still has three other mills, at head office, at Fino Mornasco and at Binago, Como.

TOURISM

** The Antwerp shipping company **CIE MARITIME BELGE (LLOYD ROYAL) SA** (see No 507 - a member of the **STE GENERALE DE BELGIQUE SA** group - see No 530) has taken an 85% stake through its subsidiary **AGENCE MARITIME INTERNATIONALE (A.M.I.) SA**, Antwerp, in the formation of the Brussels travel agency, **TRANSAMI SA**. With a capital of Bf 5 million, this has M. Jacques Le Boeuf as president and is headed by MM. Robert Anciaux and Raymond Simon.

In March 1969 Maritime Belge and A.M.I. both took part along with subsidiaries and affiliates of the former, **Container Marine Belgium SA**, Brussels; **Belgo-British Stevedoring Co NV**; **Stevedoring Co Gylsen SA**, and **Ste Anversoise de Liaisons Fluviales "S.A.L.F." SA**, in the formation of three transport, handling and insurance companies. These are called **Tracto (Liege) SA**, Montegnee, Liege (a 75% stake of Mme Vandenhooft); **Tracto (Brugge) NV** (a 75% stake of Mme Buyst) and **Tracto (Antwerpen-Noord) NV**, Deurne, Antwerp (a 75% interest of M. Maurice Van Loo - see No 504).

** The Memphis, Tennessee hotel chain **HOLIDAY INNS OF AMERICA INC** has formed **HOLIDAY INNS VON DEUTSCHLAND GmbH** in Mannheim with Dm 20,000 capital and Herr Heinz Otto as manager. It plans also to set up two new hotels in Luxembourg and Geneva, having 200 and 300 rooms respectively, plus conference halls.

The most recent moves made by the group, the European expansion of which is controlled by Mr. Charles B. Bland, have been the setting up of **Holiday Inns of Belgium SA**, St-Josse-ten-Noode, Brussels (see No 494), which under Mr. W. Caroll, heads its marketing activities in Europe, the Middle East and North Africa; and **Hotelmij Utrecht NV**, Utrecht, in association with five local companies (see No 500). The group is also established in Switzerland with **Holiday Inns SA**, Glarus, and in Italy with **Holiday Inns of Europa SpA**, Milan.

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TRADE

** France's largest mail-order house, LA REDOUTE A ROUBAIX SA, the capital of which was raised recently to F 41.87 million, while it had before-tax sales in 1968-9 of F 633.78 million (see No 496), has acquired a 50% stake in the Milan and Bergamo catalogue sales concern VESTRO SpA (formerly Vero SpA). This also is the largest company of its type in Italy, with a Lire 6,000 million turnover (mainly from textiles products), a catalogue of which 800,000 copies are printed, and a command of 40% of the market (see No 458).

Vestro is linked with the Swiss textiles group Legler & Co KG, Diesbadh Glarus, the other main interests of which are Legler Industria Tessile SpA, Italy (see Textiles); Legler Textil AG, Zurich, and Sypma GmbH, Augsburg (see No 334). It was until last year a 45% affiliate of the German mail-order group Friedrich Schwab AG, Hanau (see No 485), itself controlled by The Singer Co, New York (see No 529).

** The French company CHAUSSURES UNIC - USINES FENESTRIER - C.U.U.F. SA, Romans, Drome (see No 482), which is affiliated to the Paris furs and cosmetics group REVILLON FRERES SA, Paris (see No 529) through CIE INTERNATIONALE DE BANQUE SA (see No 495), has absorbed two Lyons companies, C.A.P. (COURTAGE ASSURANCES & PUBLICITE) A. & H. GRANDJEAN and STE D'INTERETS INDUSTRIELS & COMMERCIAUX - SINTIC SA (see No 482). It has also acquired two Paris companies H.E. RANDALL FRANCE SA (see No 482) and WILSON SA, and as a result of these moves will raise its own capital to F 1.7 million.

** The Belgian firm BRICHART DE STORDEUR SA, Biez, Brabant (capital Bf 7 m) was recently formed as the result of a link-up between ETS. BRICHART & CIE SA, Marbais, Brabant (see No 265) and USINES DE STORDEUR SA, Wilsele, Louvain (see No 416) with a 35.7% interest each, while VIAMIX SA, Wilsele, has a 14.2% interest. The new concern trades in all types of agricultural products, especially seeds and cereals.

** STE FRANCO-AUSTRALIENNE DE PROMOTION INDUSTRIELLE & COMMERCIALE (S.F.A.P.) SA, Paris, which does survey and promotional work for trade between France and Australia (see No 499), has formed a subsidiary in Sydney named Ste Franco-Australienne de Developpement Industriel & Commercial.

The parent company was formed in July 1968, with the backing of 16 French companies, namely: Banque Nationale de Paris SA (see No 529); Banque Francaise du Commerce Exterieur (see No 526); Cie Francaise d'Importation & d'Exportation - COFIE, Paris; Cie Olivier SA (see No 461); Ste pour le Developpement International du Commerce & de l'Industrie - INTERCOMI SA, Paris; Ste d'Etudes & de Gestion pour le Commerce Exterieur - SEGEX Sarl (see No 526); Bureau Central d'Etudes pour les Equipments d'Outre-mer - B.C.E.O.M., Paris; Alsthom SA (see No 527); Cie Pechiney SA (see No 527); Nord Aviation SA (see No 524); Lebon Industrie SA, Paris; Cie de Pont-a-Mousson SA (see No 520); La Telemecanique Electrique SA (see No 514) and Venot Pic SA (see No 502), all of which have 6.66% stakes, plus, with 3.33% each - Le Nickel SA and Ste Miniere & Metallurgique de Penarroya SA (see No 527).

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** The Yugoslav import export concern JUGODRVO, Belgrade, has formed a subsidiary in Frankfurt called JUGODRVO AUSSENHANDELS GmbH. This has a capital of Dm 20,000 and the manager is Mr. Branko Nikolic.

TRANSPORT

** The Rotterdam transport group Wm. H. MUELLER & CO NV (see No 529) has broadened its indirect West German interests by forming in Düsseldorf a company named W. VAN AMERONGEN GmbH (capital Dm 20,000), for despatch and transport of freight, and this will be under the direct control of the Barneveld subsidiary W. Van Amerongen NV (see No 500).

Wm. H. Müller is already well represented in Germany by a network of subsidiaries: Wm. H. Müller & Co GmbH; Batavier Schifffahrts Agentur & Transport GmbH; Donau-Rhein GmbH; Joseph Hirsch GmbH; Vem Erz & Stahl GmbH; Henry Kröger Transport GmbH; Friedrich Peusch & Co KG; Spetrans Robert W. Rausch GmbH etc.

** A rationalisation of the transport and mineral interests of the Paris WORMS & CIE SA group (see No 518) has involved its subsidiary WORMS CIE MARITIME & CHARBONNIERE SA (see No 506) taking over CIE CHARBONNIERE DE PROVENCE SA, Toulon (assets valued at F 10.3 m).

VARIOUS

** The French ETS DUFOUR, Kervilou, Quimper, which is represented in Spain by the wholesale concern ADEMSA - AUXILIAR DE EXPLOTACIONES MINERAS SA, Madrid, for its hotel and catering equipment, now plans to set up a manufacturing unit in Spain.

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INDEX TO MAIN COMPANIES NAMED

A.B.R. France	M	Cofie	S
A.K.Z.O.	H	Colombine Schokoladen	L
Acrotube	H	Contelier Freres	O
Ademsa	T	Continental Gummi-Werke	K
Aerojet	D	Continental Oil	E, K
Agence Maritime Internationale	R	Credit Vendome	L
Alberton	Q		
Allinquant	G	D.F., Ets	G
Alsthom	S	Darnone, Financiere	J
Ambel Industries	F	Dassault	C
Andex	Q	Davies, John K.	I
Aro	J	Delec	C
		Deutsche Bank	K
B.C.E.O.M.	S	Dimplex Industries	F
B.N.P.	S	Doittau, Paul	H
B.P.D. Industries	C	Dufour, Ets	T
Badin	B		
Banque Francaise du Commerce Exterieur	S	E.N.I.	G, K
Banque de l'Indochine	H, M	l'Ecluse, Entreprises	C
Banque de Paris & des Pays-Bas	K	Elopak	O
Basse-Sambre-Etudes	J	Erap	E
Bautz, Joseph	J	Erba, Manifattura Tessile	R
Billiton	H	Estee Lauder	E
Blue Bell	Q	Eurodomestici	G
Boreal	C		
Borg-Warner	J	F.N.C.B.	K
Boussac	M	Fevrier, Decoisy, Champion	P
Breda, Finanziaria E.	G	Finanziaria Ernesto Breda	G
Brichart de Stordeur	S	Flick, Friedrich	D
		Fondo	H
C.A.P. Lyons	S	Francaise de Sucrierie	M
Cadbury Schweppes	L	Franco-Australienne de Promotion	S
California Car Wash Systems	J	Francolor	P
Canazur	C	Funagra	M
Cartoux, Constructions	B		
Castaigne	P	G.K.N.	G
Cementation	C	General Tire & Rubber	D
Centrale de Dynamite	O	Generale de Belgique	R
Centrale d'Etudes, Investissements	C	Generale Immobiliere & Fonciere	C
Charbonniere de Provence	T	Generale de Recherches	K
Citroen	B	Girola, Umberto	C
Claas	J	Goupil, Laboratoires	O

V

Grandjean, A & H	S	Mather & Platt	K
Guadeloupe, Ste Agricole	M	Merignac, Fonciere	C
		Merloni	E
Haart, J.	H	la Minerve	N
Hanseatische Hochseefischerei	L	Minnesota Mining & Manufacturing	C
Harwic	Q	Möller, H.	F
Hoechst	O	Moulages Plastiques du Midi	B
Holiday Inns of America	R	Moviter	C
Howmet	I	Müller, Wm. H.	T
Hydratec	I	Mussy	C
Ignis	G	National & Grindlays	K
Imago, Filmonderneming	C	Navale Caennaise	H
Industrial Filters Inc.	G	Neuweg-Fertigung	J
Industrie Riunite Eurodomestici	G	le Nickel	N,S
Inglesiente, Mineraria	N	Nijverdal Ten-Cate	Q
Ingro	L	Nixdorf Computer	F
Instek	I	Nobels-Peelman	J
Intercomi	S	Nuova San Giorgio	E
Intercontinental Trade Corp	F	Nuovo Pignone	G
Jaeger, Ets Ed.	I	Oetker, Rudolf A.	L
Johns, Manville	D	Olivier, Cie	S
Jugodrvvo	T	Opel	K
		Orion - Aerojet	D
Kempensche Zinkmij	H	Ottoman Bank	K
Klöckner-Möller	F	Overeem	M
Kluwer, Uitgeversmij	P		
Kohlenberg & Putz	L	Paribas	H
		la Paternelle	N
La Belle Industries	F	Pechiney	I,S
Lacroix, E.	B	Penarroya	N,S
Lambert Freres & Cie	C	Pertusola	N
Lambert pour l'Industrie	J	Petitjean	I
Lebon Industrie	S	Philips NV	G,Q
Legler	R	Pignone Sud	G
Levy, Bernard	C	Placoplatre	C
Ligneux-Isorel	B	Plessey	I
Lloyd Royal	R	Pohlschröder	N
Lola Borstelfabriek	P	Pointe-a-Pitre	M
		Poliet & Chausson	C
Mabro Enterprise	L	Polydisc	Q
Marine Firminy	L	Polydor	Q
Marling Industries	Q	Polygram	Q

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Pont-a-Mousson	S	Union Maritime de Dragages	H
Prime Aluminium & Steel	I	Union Navale	H
Promedo	H	l'Unite	N
		Utley, Richard	H
Randall France	S	Utrechtsche Hypotheekbank	L
la Redoute	S		
Reichhold-Beckacite	D	Van Amerongen	T
Revillon Freres	S	Van Oerle & Van Dijk	Q
Rohe, A.	J	Van Selm	M
Rothschild	N	Vdo Tachimeter	I
Rougier & Fils	C	Venot Pic	S
Roussel-Uclaf	O	Vestro	S
Royal Champignon	M	Viamix	S
		Volks-Kraftstoff	K
S.A.T.O.	N		
S.F.A.P.	S	Wabo Plastics	P
S.I.R.P.E.A.	E	Warner Lewis Jr.	G
S.N.I.	J	Wessanen	M
S.N.P.A.	E	Westlandsche Hypotheekbank	L
Sacop	C	Whipstock	N
Saga	L	Wilson SA	S
Saipem	K	Worms & Cie	T
Schindling, Adolf	I		
Scholten-Honig	H,M	Yamaichi Shoken	L
Schweppes	L		
Segex	S	Zahnradfabrik Friedrichshafen	J
Selco	P	Zomer & Keunings	P
Sheby	D	Zout-Organon	H
Showa Denko	P		
Sindetec	B		
Sintic	S		
Snam Progetti	K		
Sopac - Regulation	J		
Source Perrier	L		
Stationnement Urbain Rationnel	I		
Stordeur	S		
U.C.B.	O		
U.C.E.A.	E		
Ufico	L		
Ugine Kuhlmann	P		
Unic, Chaussures	S		
Unijep	B		
Unilever	D		

