

# Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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# *Opera Mundi* **EUROPE**

**A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET**

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COMMENT  
A Letter from Brussels

A RED-LETTER DAY FOR THE EEC

In the early hours of Sunday July 25, after one of those night-long sessions that the Six seem to go in for, the European Economic Community probably took the biggest step in its history: there are two reasons why one can venture to say this . . .

1) The great 1965 Crisis is well and truly over. Of course, it must have left some taint of resentment in many hearts and minds, and this must have prejudiced the "Community Spirit" - but even in the past, this was not always the EEC's most redeeming virtue. Nonetheless, we need not hesitate to repeat the words of Professor Hallstein: "Our Community has furnished proof of its unshakeable solidarity. It has proved more than equal to even the gravest of the rifts that have threatened it. This has reduced the great Community crisis to the scale of mere growing pains."

2) Apart from one or two secondary commodities, the "Green Europe" so long talked of is now a fact. This is a victory for French diplomacy, but at the same time it represents the forging of a link between her and the Community that is almost impossible to break, by dint of the magnitude of the economic interests that have been invested. This is, too, the first real advance made on the simple customs union: as Hallstein rightly said, "Until now, no international economic group had ever succeeded in achieving such a complete solution to the problem of agricultural policy". Moreover, this step forward for economic union will precipitate others of a similar nature, and the Six have already committed themselves to a number of these in the May II compromise. Now that it has secured the common agricultural policy, the French Government may steer clear of encouraging such a trend, but it cannot prevent it completely, because the unifying mechanism of the Community is now running smoothly again.

A Fly in the Ointment: Fruit and Vegetables:

There was applause when agreement was reached on July 25, and there was evident satisfaction on the drawn faces of all the ministers. One astounding thing was that, for the first time since the Luxembourg reconciliation, nobody insisted that "parallelism" should be respected between the common agricultural policy and the Kennedy Round. Because time was short, the discussion was postponed to July 27: and so confidence, too, exists once more between the Six.

The most paradoxical thing about these negotiations, and it is a vital feature of them, was that they revolved almost entirely around a secondary problem - fruit and vegetables - which could have spelt disaster for the entire operation, and which still turned out to be a persistent thorn in the negotiators' flesh. For hours on end, the whole fate of Europe was linked with the conditions for re-purchase of cauliflours in the instance of falling prices. This problem, although it had been discussed repeatedly in the weeks before the talks, still remained monotonously in the forefront

for three days and two nights while they were going on. Old hands in the Common Market, however, are well aware that this has always been a troublesome front issue: once the writers of the Treaty of Rome almost had to admit defeat over tomato puree.

This whole question of fruit and vegetables can be fairly easily understood. As we have already forecast, the last battle was between the Italians and the Dutch and nearly proved disastrous because of the opposing interests of the two countries. Both are big producers of certain fruit and vegetables (mainly apples, pears, cauliflowers and tomatoes) and would therefore have been pleased to see internal Community frontiers lowered. But whereas Dutch production is highly organised and controlled by producers themselves, Italian production is still out-dated in many areas, especially in the South. The Netherlands could manage without an organization for Community aid, while Italy could not. Furthermore, the Netherlands had every right to feel that this aid (which they were partly financing) would only serve to boost Italian production unfairly and to improve its penetration of the traditional Dutch markets, especially Germany.

But although a certain degree of confidence seems to have been restored among the Six, it must be said that the set-back to Community spirit, resulting from the 1965 crisis, has complicated matters. And that is not merely the opinion of disappointed "supranationalists". In fact, a certain element of nationalism or of righteous self-interest has become more apparent among the public lately than among the leaders. Consequently, the Brussels negotiators are much less free to make the decisions and fine gestures that were previously made in the name of Europe". And when, in addition, the problem being discussed involved important national interests, trying to find a compromise is like trying to square the circle.

This is in fact the case with fruit and vegetables. Apart from the fact of the discussion itself, the future of two governments, or at any rate, of certain ministers, was in question. On the Italian side, Sigs Fanfani and Restivo have received strict instructions from Parliament to be tough. Gone was the accommodating attitude of Emilio Colombo, especially since fruit and vegetables offered the surest means of offsetting Italian contributions to FEOGA for grain, and also because Rome had received formal undertakings from her partners on this score. Any sign of weakness would have been enough to bring down the Italian delegates in Brussels, under a wave of fire from the Parliamentary Coalition led by the Communists and the agricultural deputies.

Unfortunately the Dutch delegation was not in a favourable position for making concessions either. The Dutch government, which had "on principle" been bitterly opposed to the 1965 crisis, was facing serious economic and financial difficulties due to inflation, was even less inclined to give in when there was a possibility of having to face a General Election. Also, being the most efficient agricultural producer of the Six, the Netherlands was being asked to make larger concessions than any of the others. It was already being forced to put up milk prices and to restrict the expansion of its sugar industry more than anyone else. So the sacrifices required in the fruit and vegetables sector now seemed excessive. And in the Dutch capital itself there were ominous signs of a ministerial crisis.

## Community Pressure

Meanwhile, the Palais des Congres was a strange place to be in, for although the negotiations could have dramatic consequences, and the stakes were high, the talks dragged on in the most dull and uninteresting way. After two and a half days, and some half a dozen sessions, the Agricultural Ministers were compelled to call on the Foreign Ministers for assistance, who were thought to have the political initiative. But the latter refrained from involving themselves in the discussions because of the technicalities. M. Joseph Luns did not bother to appear and Gerhard Schroeder did not stay long.

Nevertheless the two antagonists succumbed to Community pressure in two ways. Firstly the four neutrals in the conflict pointed out to the Dutch and Italians that time was not on their side, because they were mistaken if they hoped to get better terms in the autumn, as then the other governments would be involved with budgetary considerations more important than those now under discussion. In particular the German delegation made it clear that it might have to renounce the financial sacrifices it was now prepared to make. Both M. Couve de Murville and M. Edgar Faure shared a similar sense of urgency. The Franco-German twosome, encouraged by the Bonn meeting of de Gaulle and Erhard, did their utmost to achieve an agreement. As the debates dragged on in confusion and with the Ministers unable to make any progress, eyes began increasingly to turn towards the Commission. MM. Hallstein, Mansholt and their colleagues made the most of this situation, and with consummate skill rewrote their compromise proposals in such a way that finally, and possibly because of the prevailing fatigue, the fraternal enemies at last came to their senses. It was the Dutch who made the biggest concessions, but politically they were compensated by having made the largest contribution to the restoration of the moral and political prestige of the EEC Commission. After the action of Professor Hallstein and his colleagues, one cannot but see the problem of merging the executives in a new light. A lot of the stand-offishness must now go by the board, if not immediately, then by the autumn at the latest, and this thorny problem should have found a satisfactory solution.

## A Leap into the Unknown

Having said this, it must be admitted that the agreement between the Six on a common agricultural policy, is based on grounds open to attack from orthodox economists. The most wide-spread criticism will be that it gives too much encouragement to production, and may lead to over-production in some sectors, where the world market is already over-supplied, (this is particularly the case for sugar, whose theoretical "quotas" have been based not on actual production, but rather on very generous estimates of future consumption levels). It would however have been difficult to have acted in any other way. Even if certain "nationalist tendencies" are excluded, the time is not yet ripe for a redistribution of the Community's agricultural production based on realistic economic facts and profit levels. Such a move implies too many sacrifices of interests to be thought viable in the immediate future. It could only be carried out successfully with the introduction of improvements and changes throughout agriculture,

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THE WEEK IN THE COMMUNITY  
July 18 - July 24, 1966  
From our Correspondents in Brussels and Luxembourg

THE COMMON MARKET

Scope of the Agricultural Agreement

The main decisions reached by the Six on the Common Farm Policy are listed below.

**Fruit and Vegetables:** A three year starting period has been agreed on during which the aim will be to organise production, especially in Italy. During this time, FEOGA and the member-state concerned will each pay half of the cost of setting up the producer groups, normally responsible for stabilising the market. As it may be some time before this system can function effectively, provision has been made for FEOGA to intervene rapidly if the market starts to fall. These interventions occur when market prices fall to 70% of the basic price, which is calculated from prices during the three previous years. As such generosity could easily lead to heavy expenditure, it has been agreed in return, that it should be limited to \$40 million annually for Italy and \$20 million for the rest of her partners.

After three years the position is reversed. All limits on support costs are abolished, but the financial responsibility of FEOGA is cut because of the substantial fall in the intervention price level, especially for the four products of particular interest to the Dutch. For cauliflowers and tomatoes it will be 40% to 45% of the basic price, depending on whether the producers are grouped together or not, whilst for apples and pears it will be 50% to 55%. Above these levels, it will be up to the producers to ensure the organisation of market prices from their own resources.

But it is the Italians who will have to make the biggest effort to catch up with the rest of Europe. They have, however, obtained satisfaction as far as reimbursements for fruit and vegetable exports are concerned. These will be equal to the corresponding CET (Common External Tariff) charges, and eventually will include the cost of any compensatory taxes charged by the importing countries.

**Milk:** The price of milk will be 39 pfennings at the farm and 41.2 pfennings at the dairy. When collection costs vary from country to country, the member-States can fall back on whichever of these two prices is nearest to the current national price. In fact it is only an indicative price and not a guaranteed one, but its effect is ensured by the fixing of a butter intervention price and a threshold price for imported products. It has also been agreed to fix an intervention price for powdered milk before January 1, 1968, and Community subsidies will be given to the producers of skimmed milk.

**Sugar:** The principle of unlimited production has been rejected, and a quota system adopted, but so large that it is virtually theoretical. In its last proposals, the commission increased by 200,000 tons of refined sugar the total of quotas granted to

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each existing factory, with the aim of preventing the formation of new production units, but there is really nothing to prevent an existing factory from expanding. The quotas by countries are based not on actual production, but on estimated consumption and the figures (in millions of tons) are as follows:

West Germany 1.75, France 2.4, Italy 1.23, the Netherlands and the Belgium-Luxembourg Economic Union 0.55 each. Furthermore, a 2% tolerance is permitted.

Within these limits, the price of sugar-beet is guaranteed at the fairly high level, especially for France, of \$17 per ton. For production over the quota, up to a limit of 135% of the quota, diminishing support, of around \$10 per ton of sugar-beet, will be granted to the producers. The overall price still more than double the world price.

## ECSC

## Authorisation for Mergers

Luxembourg: The High Authority has just authorised two concentration moves in the French and West German steel industry and one in the coal-selling sector.

In West Germany, it has authorised joint control by August Thyssen Huette Ag and Otto Wolff Ag of Stahlwerke Bochum, which mainly manufactures sheet-steel. The authorisation is conditional on Otto Wolff keeping exclusive sales rights for products made by Stahlwerke Bochum.

The High Authority has also authorised the merger between the two steel companies USINOR and Lorraine-Escaut on the one hand, and the two holding companies Denain Nord-Est and Acieries de Longwy on the other.

The new group will have an annual production of some 6.5 million tons of crude steel, about 7.6% of the Community's total production. The authorisation has been given on condition that the members of the boards of the companies, effected directly or indirectly by the merger should not sit on the boards of companies not involved in the move.

Finally the High Authority has authorised a merger between two firms of West German coal merchants, Winschermann GmbH, Karlsruhe and Menzinger-Fendel Kommanditgesellschaft mbH, Stuttgart.

## Special Charges Allowed for the Saar

Luxembourg: The special charges introduced by the West German State Railways in favour of ECSC products being carried to and from the Saar, have been accepted by the High Authority subject to certain conditions. The charges involved have always been considered by the Bonn Government as potential competition charges, that is charges which can be regarded as competing with the Saar Palatinate Canal, though this is still not built, and probably never will be. The High Authority - though it does not say so openly - considers these as support charges. It thinks that the unfavourable geographical position of the coal and steel industries in the Saar is not a result of its natural position, nor a result of its competitiveness. It is more the result of the canalising of the Main, the Neckar and above all the Moselle, which has also led to the weakening of the competitive position of the Saar industrial basin, compared with those of Lorraine and Luxembourg.

All the same, the High Authority considers that the benefits of such charges should be extended to the frontiers between West Germany on one side and Belgium, France, Luxembourg and the Netherlands on the other, so that any discrimination can be removed.



The authorisation will be valid as long as the conditions upon which the High Authority has based its decision remain unchanged. It would seem therefore to have no time limit, and this should satisfy the authorities in the Saar, who were afraid that a limited authorisation might discourage potential investors.

\* \* \*

#### Financial Help in Building Living Accommodation for ECSC Workers in France and Germany

Luxembourg: As part of its sixth plan for building living accommodation for workers, the High Authority has decided to grant credits of some 27 million F Francs and 6.4 million Dm to help build some 3,500 living units for workers. These credits come from the High Authority's special reserve fund, and have a 1% annual interest rate.

## STUDIES AND TRENDS

Investments in Transport Infrastructure:  
An Appraisal of the position of the Railways  
by A. Adam

Director of Societe Nationale Des Chemins De Fer Belges  
Secretary of the Common Market Railway Administration Group, Brussels

Western Europe devotes one fifth of its total investments to transport. In 1962, the Six Countries of the European Economic Community spent 10 thousand million dollars on surface transport alone: roads, inland waterways and railways.

It may be wondered with justification whether these enormous sums, taken from the limited overall resources of the community, are judiciously utilised. Transport infrastructure having, among the equipment of a modern country, the longest length of life and thus affecting long term economic activity, it is in effect indispensable to avoid all wasteful expenditure in this field, and to define an investment policy which conforms to the general interest.

There is no question of the railways aspiring to take the place of those who have already carried out studies in this connection, whether at the national level within the governmental sphere or at the international level within bodies such as the European Conference of Ministers of Transport, the United Nations Economic Commission for Europe or the European Economic Community. They have, however, considered it opportune once again to state their views on the problem and have just published, to that end, a booklet entitled "The policy of investments in transport infrastructure". Three essential questions are successively examined therein: the choice of investments, ways and means of financing them and the attribution of infrastructure costs to the users.

A sound choice of investments is particularly difficult to make in the case of transport infrastructures. The main reason for this is the variety of administrative systems employed in the field of transport.

In effect, whilst as a general rule the railway undertaking finances its investments out of its own revenue or with its own loans in the same way as industry, the Public Authorities assume responsibility for those relative to the roads and inland waterways without the direct participation of the users. The taxes paid by road-users go into State funds in proportion to the traffic, but they are not allocated to the road budget and there is no direct relationship between their sum total and the extent of the work undertaken. As to inland waterways, for which the users pay certain very limited taxes which barely cover current operating expenses, it may be said that the Public Authorities assume, without counterpart, the responsibility for the investments appertaining thereto. Pressures are consequently all the stronger to obtain the achievement, without security, of big canalisation projects which are extremely costly and which often lead to a veritable squandering of public funds.

The existence of such different systems strongly encourages the responsible bodies to allocate credits variously to the three forms of transport. This allocation is the subject of a separate examination by each of the different Authorities, without coordination, which gives rise to duplication and other economic errors.

The harmonious development of transport infrastructures, which is the determinant factor for the future of the various techniques involved, should be the subject of a concerted plan. For the Governmental Authorities, this means the obligation to prepare a specific overall programme, without it being possible for any form of outside pressure to be exerted, in terms of uniform methods of analysis and of precise criteria. In fact, the latter should not differ appreciably from those applied by any industrial or commercial undertaking to evaluate the profitability of a project. The specific character of the investments envisaged may however imply the necessity of having recourse, depending on the case, to an economic assessment which may take the form of an "internal assessment", as in the case of private undertakings, or of an "assessment extended to the users" or, finally, of a "social assessment", taking account of the overall advantages and inconveniences that any proposed new investment may entail for the community.

It remains true however that, although the means of studying the economic profitability have been developed, the margin of appraisal is still fairly large. How then finally to choose? All elementary formulae must be rejected, for the problem may on no account be reduced to the over-simple application of a single criterion - traditional threshold of profitability, level of traffic, etc - from where all investments should automatically be undertaken. Likewise, care must be taken to avoid a certain enthusiasm for grandiose achievements which sometimes hide private interests and involve, more often than not, a waste of public funds. In reality, there is no solution for the Public Authorities other than to place the final selection in the hands of one single authority having powers of decision and which will carry out thorough studies taking into account the same criteria in relation to the economic profitability of the projects calculated on the same plane of beneficiaries. It is necessary, in short, to arrive at a veritable coordination of investments.

The flagrant disparity which exists in the manner with which the problems of financing the various forms of transport are dealt with is obviously not compatible with the principle of equality of treatment or, in other words, with the equalisation of the conditions of competition, which must constitute the essential objective of any transport policy. Let us add that the expenditure on infrastructures which is not covered by the users is inevitably met by the Public Authorities, that is to say, in the final analysis, by taxpayers themselves, and that it is then a question of a burden all the heavier for the community in the measure that the division of traffic deviates from the optimum and that the overall cost of transport is higher.

In the matter of financing transport investments, economic science certainly does not provide miraculous solutions, any more than a method to the exclusion of all others. Theory at least offers the possibility of estimating the costs and of apportioning

them equitably. In short, the objectives aimed at and, in particular, the anxiety to avoid the waste of public funds, justify the choice of the very conventional system referred to as "budgetary equilibrium" which, effectively, is applied by undertakings of an industrial or commercial character, and to which it is advisable to apply a minimum of derogations. The efficacy of budgetary equilibrium presupposes in effect, that the normalisation of the accounts of the transport undertakings has been carried out beforehand, avoiding distortions of the accounts by external elements which have no connection with the normal activities of the undertakings: general interest, social policy, development of the territory, military requirements, etc. Thus conceived, the budgetary equilibrium constitutes, as in the other sectors of the economy, an efficient safeguard against waste by providing a direct financial sanction in respect of all wrong decisions in matters of investments. It thus places a brake on the aspirations of the users by making them aware they will have to pay the cost thereof, and by limiting their temptation to form pressure groups in order to force the decision of the Commission of the European Economic Community which has proposed to "make attributable to the users of transport infrastructures involving the railways, the roads and the inland waterways, the costs relative to these infrastructures which may be ascribed to them".

We are thus naturally confronted with the problem of ascribing infrastructure costs to the users, which is very difficult to achieve in actual fact, since certain expenditure, such as that relative to the roads and inland waterways, for example, is the subject of an apportionment between different budgets of the States and of the communities. Now it seems inconceivable to remain in ignorance of the total sums devoted by the taxpayers to the infrastructure of their transport media. It is therefore first of all necessary for each State to keep complete and detailed National Transport Accounts, enabling a precise verification to be made of the exact sums spent by the Public Authorities, and consequently by the body of the taxpayers, in that sector of the economy.

The effective expenditure being known, it remains to fix the amount to be apportioned annually for each infrastructure network, and even for each line of communication, the allocation consisting in determining the contribution of each user, in such a way that the total covers the fixed annual costs. Numerous specialists have given attention to this problem and have perfected methods enabling this apportionment to be achieved with satisfactory precision. These calculations call for payment by each user of a portion corresponding equitably to the use he makes of the infrastructure, and to his responsibility relative to the investment.

Whether the method of calculation employed is based on accountable costs or on effective expenditure, the apportionment of charges is a delicate operation, particularly insofar as the roads are concerned, by virtue of the distinction to be applied between the different categories of vehicles. The recent studies carried out in the United States in the scope of the tests undertaken by the American Association of State Highway Officials (AASHO) made it possible, however, to ascertain scientifically that no common measure existed, in the matter of road wear, between the responsibility of lorries and that of private cars, and that the largely inadequate participation of heavy vehicles in expenditure on the construction and maintenance of the road network

inevitably implied indirect subsidisation by private car owners. Moreover, the President of the United States was led to propose to Congress, on 17th May 1965, a modification to the apportionment of taxation affecting the users of transport infrastructures in order to remedy the under-taxation currently existing to the advantage of heavy lorries.

The President added that he would not approve a raising of the limits in respect of the weight and dimensions of road vehicles (in effect, a proposal had been made to Congress in 1964 to raise the weight limited per axle from 8.1 to 9 tons if Congress did not vote an increase in road taxes). It must be noted that, even increased to 9 tons, the limit allowed for the load per axle in the most developed, the richest, the most dynamic and the most motorised country in the Western world is still a long way from the level of 13 tons that certain interests would like to see generalised in Europe.

The realism that is shown in the United States in this matter should serve as an example for the examination of certain currently abnormal situations in Europe. Economic truth thus required, in short, that the case of heavy road transport and that of the private car be dissociated, the one being greatly favoured at the expense of the other. It should be noted, moreover, that the principle of budgetary equilibrium corresponds to a uniform claim on motor vehicle users, who desire that the specific road taxes shall be defiscalised and directly allocated for the construction and maintenance of the roads.

At all events, the present means of information and also the perfecting of economic theory, today enable approximations to be arrived at, which are adequate for the introduction of measures at once simple, concrete and effective.

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- D ADVERTISING Netherlands: SELECTIVE RECLAME-NEDERLAND is formed by Dutch and Swedish interests for advertising, marketing and market research.
- D AUTOMOBILES Belgium and Britain: The Japanese car group NISSAN MOTOR CO negotiates exclusive sales agreements for its "Bluebird", "Oedric Sedan" and "Silvia" cars in Belgium and Britain. Germany: FRIED KRUPP, Essen will assemble and sell FORD lorries in Germany in return for a reciprocal arrangement in the US. Italy: McCORD CORP, Detroit (car parts) signs manufacturing and sales agreement with the Italian producer GALLINO. Netherlands: ROSIER group, The Hague will sell "Gloria" cars for PRINCE MOTOR CO, Tokyo in the Netherlands.
- E BUILDING & CIVIL ENGINEERING Belgium: The Belgian house-builder ETRIMO, Brussels to merge with another property group. France: STE DE GESTION & DE CONTENTIEUX, Paris and ROUTIERE COLAS, Paris form joint company to make materials for cladding. Italy: EDILSTUDIO, Milan is formed for architectural projects, civil engineering etc.
- E CHEMICALS Germany: BAYER, Leverkusen forms subsidiary to make chemical products for building. ASPHALT- & CHEMISCHE ASBITON is formed to make and sell waterproof products. Netherlands: DOW CHEMICAL forms Dutch subsidiary LUREX to centralise part of its Dutch interests. Switzerland: L'AIR LIQUIDE, Paris forms Swiss holding company OXYPAR.
- G ELECTRICAL ENGINEERING France: MATERIEL ELECTRIQUE DE CONTROIE INDUSTRIEL, Paris (measuring and control equipment) takes over similar firm BRION LEROUX. GENERAL MOTORS (FRANCE), Gennevilliers, Hauts-de-Seine (refrigerators - GENERAL MOTORS group) forms wholly-owned subsidiary. Netherlands: AUXITROL, Courbevoie (control and regulating equipment) forms Dutch engineering and sales subsidiary.
- H ELECTRONICS Britain and Netherlands: FABRI-TEX, Minneapolis (electronics and control systems) forms subsidiaries in London and Amsterdam. Germany: RODITI INTERNATIONAL, London (electronic apparatus) forms Hamburg marketing subsidiary. Switzerland: PHILIPS' GLOEILAMPEN forms Swiss manufacturing subsidiary FASEC (electronic circuits etc).
- H ENGINEERING & METAL France: CHAMEBEL, Brussels writes off the losses of its Paris sales subsidiary. CONSTRUCTIONS NAVALES & INDUSTRIELLES DE LA MEDITERRANEE is formed to take over the shipyards of FORGES & CHANTIERES DE LA MEDITERRANEE, Paris. Germany: The German steel group ROECHLING'SCHE EISEN & STAHL-WERKE, Dusseldorf forms subsidiary to export special steels.

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- O OPTICAL & PHOTOGRAPHIC France: FRANSTUDIO, St Maurice, Val-de-Marne (photographic studios) backs new French sales company for photographic and cinema equipment.
- O PAPER & PACKAGING France: The German paper firm FELDMUEHLE buys 20.3% in SEBREG, Paris (granulated fibres) from PAPETERIES DE RUYS-SCHER, Paris. PAPETERIES DE FRANCE, Paris will take over similar French firm PAPETERIES DE L'HERMITAGE.
- O PHARMA - CEUTICALS Belgium: EVERSHARP, Connecticut (shaving kit etc) forms Brussels sales subsidiary. THE GLAXO GROUP, London forms two French subsidiaries for pharmaceutical research and dietary foods. Italy: The London pharmaceutical group BDH forms Milan sales subsidiary.
- P PLASTICS Netherlands: VAN REER, BURCKSEN, Rotterdam (tea, coffee, cotton etc import-export), FEDERAL BY-PRODUCTS, St Louis, USA and S.L. RAPAPORT, Manchester will form joint Rotterdam subsidiary to make and sell plastic packing.
- Q PRINTING & PUBLISHING Netherlands: G.B. VAN GOOR, The Hague (publishers) takes over the Amsterdam publishers R. MEULENHOF.
- Q TEXTILES Belgium: The Dutch carpet manufacturer TAPIJTFABRIEK H. DESSEAUX merges two Belgian subsidiaries. France: Three French linen manufacturers ALBERT MASUREL, HECTOR DEPREUX and COTONNIERE DE MOISLAINS & GOLBEY will merge their sales departments. The Paris textile group SAINT FRERES takes 50% in new Ivory Coast concern SOFITIS (sisal sacks). Germany: The British textile firm PORRITTS & SPENCER forms Salzgitter branch for its German subsidiary. The British lingerie and surgical products firm LASTONET PRODUCTS forms German sales subsidiary. The British terylene manufacturers CARRINGTON & DEWHURST form Frankfurt manufacturing and sales subsidiary. Italy: The Dutch firm making sails etc, JONGKIND ZEILEN forms Italian sales subsidiary. WAIN SHIELL, London (woollen fabrics) forms Florence sales subsidiary.
- S TOBACCO Netherlands: CONSOLIDATED CIGAR CORP, New York takes over the Dutch cigar makers WILLEM II CIGARENFABRIEK.
- S TRANSPORT Belgium: The American shipping concern FEDERAL COMMERCE & NAVIGATION forms new Antwerp subsidiary. The French transport concern MALISSARD FRERES forms Brussels subsidiary. The Amsterdam shipping firm KNSM and the Hague engineering firm VMF form marine engineering consultancy in Amsterdam: SEA TRANSPORT ENGINEERING.
- T VARIOUS Belgium: KONKOMMER increases capital. France: KUHN, Germany (toys) forms French subsidiary. Germany: FUJI PHOTO has German subsidiary. Netherlands: KASSNER, London (printing) forms Dutch subsidiary with local firm.

ADVERTISING
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\*\* SELECTIVE RECLAME -NEDERLAND NV has just been formed in the Netherlands with Messrs B.G. Davidson (Stocksund, Sweden) and M.C. Pluim (Bomekon, Netherlands) as its administrators. The new company is for advertising, marketing promotion and market research: it will cover periodicals and special publications, television and most other media. The firm is under Dutch control, but 49.5% of its Ff 250,000 capital is in the hands of the Swiss holding company, FILM & PRINT CORP AG, Zug, which is representing Swedish interests.

AUTOMOBILES
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\*\* A former Dutch distributor of lorries and cars made by the German group BORGWARD WERKE, Bremen which was wound up several years ago, the ROSIER group of The Hague will now import and sell "Gloria" cars from PRINCE MOTOR CO, Tokyo (see No 356).

The Rosier group, headed by the investment company ROSIER'S BELEGGINGSMIJ NV, The Hague (capital Fl 1 million) comprises two firms, ROSIER'S AUTOMOBIELBEDRIJF NV, Leeuwarden and The Hague (capital Fl 500,000 each) which are directed by Messrs Jean, Albertus Gerard and Fokke Rosier.

\*\* After signing sales agreements for the Netherlands with HART NIBBRIG & GREEVE NV, The Hague (see No 356) for distribution through DATSUM NEDERLAND NV (see No 347) of its Bluebird and Oedric Sedan cars and Silvia sports cars, the Japanese group NISSAN JIDOSHA KOGYO (NISSAN MOTOR CO), Yokohama is negotiating similar exclusive sales agreements in Belgium and Britain.

Having decided to merge shortly with another Japanese motor group, PRINCE MOTOR CO (see below), the Yokohama firm will have a wide market in several European countries thanks to agreements signed mainly in Scandinavia, (Norway, Sweden, Denmark and Finland).

\*\* FRIED KRUPP MOTOREN- & KRAFTWAGENFABRIKEN, Essen (a branch of FRIED KRUPP, Essen - see No 360) is going to cooperate closely with the FORD MOTOR CO LTD, Dagenham, Essex (wholly-owned subsidiary of the FORD MOTOR CO, Deaborn, Michigan - see No 356) in the manufacture and sale of heavy vehicles. The German concern will carry out the final assembly of a range of lorries, started at Dagenham and will ensure their sale through its fourteen West German sales subsidiaries (in Berlin, Bielefeld, Bremen, Essen, Frankfurt, Hamburg, Hanover, Karlsruhe, Cassel, Cologne, Munich, Nuremberg, Sarrebrucken and Stuttgart) and its Brussels subsidiary CAMIONS KRUPP SA. In return, the American group will make available its national sales network to Krupp to promote sales of the latter's heavy lorries (16 tons and over) on the American market. The move may well lead to a common manufacturing and sales programme for commercial vehicles, ranging from "Ford-Transit" vans to 45 ton tipping-trucks.



\*\* McCORD CORP, Detroit, Michigan (automobile parts; especially radiators, lubrication systems, rubber trim etc) has signed a manufacturing and marketing cooperation agreement with the Italian producer V. GALLINO SpA, Turin (with a factory at Regina Margherita, Turin ). The latter (director Sig A. Grubaudi) has conceded the North American manufacturing and distribution rights for its "Gallital" leather, fabric and plastic automobile sundries to the American group, which has a number of factories in the USA and Canada.

### BUILDING & CIVIL ENGINEERING

\*\* STE PARISIENNE DE MATERIAUX ENROBES Sarl has been formed with Ff 750,000 capital at Bonneuil-sur-Marne, Val de Marne to make basic constituents for hydro-carbon-based cladding (especially bonded panels). The new company is the result of a link-up between STE DE GESTION & DE CONTENTIEUX Sarl, Paris (capital raised in December 1965 from Ff 150,000 to Ff 10 million), and STE ROUTIERE COLAS SA, Paris (see No 288). Ste de Gestion & de Contentieux is linked with the group STE CHIMIQUE ROUTIERE & D'ENTREPRISE GENERALE SA, Paris (see No 334), which itself is linked with PETROFINA SA, Brussels, through PETROFINA HOLDING LUXEMBOURG SA.

Routiere Colas has recently been responsible for forming two other companies, similar to the new one in question, RHEMARO-STE RHENANE DE MATERIAUX ROUTIERS Sarl, Mulhouse, Haut Rhin (capital Ff 750,000) and NANCY-ENROBES Sarl, Richardmenil, Meurthe-et-Moselle (capital Ff 200,000).

\*\* The leading Belgian house-builder, ETRIMO-STE D'ETUDES & DE REALISATIONS IMMOBILIERES SA, Brussels (see No 286) is going to extend its business by merging with another property group. The move will increase its capital to Bf 300 million. Etrimo, which controls CREDIT HYPOTHECAIRE & IMMOBILIER DE BELGIQUE SA, Brussels, sold 1,990 units in 1965 (representing a turnover of some Bf 1,298 million) and plans to build 3,000 units in 1966.

In 1964, Etrimo (president M. J.F. Collin - capital Bf 189,300,000) formed a French branch at Antibes and then opened a subsidiary SA ETRIMO FRANCE.

\*\* Srl EDILSTUDIO, Milan has been formed by a Frenchman M. Leon Foulquier, La Celle-St-Cloud, Seine-et-Oise and Sig Luigi Noe, Milan to carry out architectural projects, all types of town building and civil engineering. Sig. M.G. Ciribini has been appointed manager of the new concern (capital Lire 900,000).

### CHEMICALS

\*\* FARBENFABRIKEN BAYER AG, Leverkusen (see No 365) has formed a subsidiary in Leverkusen, BAYER-ANHYDRIT-VERKAUFSGESELLSCHAFT mbH (capital DM 200,000) to promote sales of its chemical products for the building industry (especially for plaster and stucco).

\*\* L'AIR LIQUIDE SA, Paris has formed a Swiss holding company OXYPAR SA, Fribourg (capital Sf 25 million) to handle shareholdings in all types of Swiss and foreign chemical companies. M. A. Vaudan of Bagnes, Valais is president of the new company and M. Louis Domain of Paris is managing director. Until now the French group's only interest in Switzerland was in the engineering concern KUEHNI APPARATEBAU AG, Allschwill, Basle (capital Sf 1 million).

One of its recent operations in France was to form a joint subsidiary with TECHNIP-CIE FRANCAISE D'ETUDES & DE CONSTRUCTIONS SA, Rueil-Malmaison, Hauts-de-Seine (see No 365) for liquefying natural gas.

In Japan, its affiliate (through STE D'OXYGENE & D'ACETYLENE D'EXTREME-ORIENT SA, Paris), TEIKOKU SANSEI KABUSHIKI KAISHA, Tokyo (capital £4 million approximately) has joined up with FUJI IRON & STEEL CO LTD, Tokyo to build an oxygen plant which will be run by a joint subsidiary, SEITETSU OXYTON.

## CHEMICALS

\*\* DOW CHEMICAL CO, Midland, Michigan (see No 363) has reorganised part of its Dutch interest by forming a subsidiary, LUREX NV (capital Fl 8,500,000). The directors of the new concern are Mr Jerry T. Faubion and Prof. Tim H. Toepel, director of DOW BADISCHE CHEMICAL CO, Williamsburg, Virginia, a 50-50 subsidiary with the West German firm BASF, Ludwigshafen (see No 355). Lurex will take over the manufacturing and sales activities of another of the group's subsidiaries, DOBECKMUN EUROPA NV (see No 278) which manufactures "Lurex" plastic and magnesium metallised threads (see No 261). At the beginning of this year Dow transferred its own Lurex production to its affiliate Dow Badische.

The Amsterdam Lurex factory employs some 180 persons and nearly all the production is exported to either Britain or North America. A sister company in Britain LUREX CO LTD manufactures the same product at Kings Lynn, Norfolk. The group has two other manufacturing centres in the Netherlands: 1) Terneuzen (ethylene oxide, propylene oxide, dowanols, styron, amino-ethylenes, styrene and tyry; 2) Botles (S.B. Latex, saran sheets etc). Its other Dutch subsidiaries are DOW CHEMICAL INTERNATIONAL NV, (capital Fl 300 million), DOW CHEMICAL (NEDERLAND) NV, both of Rotterdam and it has an important shareholding in BANKIESKANTOOR MENDESGANS & CO NV, Amsterdam. The American group has also decided in association with BASF OVERZEE NV (Dutch subsidiary of the German group) - to build on behalf of Dow Badische Co, Anderson, South Carolina, an extensive synthetic fibres complex, employing a thousand persons. This is due to start work in 1968 and should produce 30 million lbs of polyester fibre and nylon 6 a year.

\*\* ASPHALT- & CHEMISCHE ASBITON GmbH, Leuth Kr. Kempen-Krefeld has been formed in West Germany (capital Dm 250,000) for the manufacture and sales of asphalt-based water-proof products. It will be managed by the Rotterdam industrialist M. Ernst Laden Mast who is also president of the holding company ASBITON AG, Zurich (capital Sf 100,000).

The Swiss holding company, whose board includes Mr. Robert Ernst of Larchmont, New York the managing director of FILON AG, Zurich, took a 60% share in 1962 in the formation of ASBITON ITALIANA SpA, Varedo, Milan (capital Lire 10 million) where the balance is held by the local company LARES RESINE SpA.

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\*\* FARBWERKE HOECHST AG, Frankfurt is increasing its links with HERCULES INC, Wilmington, Delaware, by taking a 25% interest in the Portuguese polyvinyl acetate emulsions concern RESIQUIMICA-RESINAS QUIMICAS Ltda. This interest has been made over to Hoechst by HERCULES POWDER CO LTD, a London subsidiary of the American group, which still retains 25% of the Portuguese firm's capital. The other 50% is held by the Lisbon concern, SOCER-STAD CENTRAL DE RESINAS LTDA. Hoechst already has one marketing subsidiary in Portugal, QUIMICA HOECHST LTDA, but will make the new affiliate responsible for distributing its "Mowilith" products on the Portuguese market.

Hoechst and Hercules have had a 50-50 joint subsidiary in the USA for a short while, HYSTRON FIBERS INC (see No 358), which is making "Trevira" polyester fibres. Further joint interests are a 50-50 one, taken in 1956 in the West German firm ABIETA CHEMIE GmbH, Gersthofen, Augsburg (see No 355), which makes "Buna" basic constituents for the rubber industry.

In the Iberian Peninsula, the American firm made one of its most recent moves in April of this year, when it increased to 50% its interest in MACAYA AGRICOLA SA, Barcelona, which makes agricultural chemicals and insecticides: it has a sales network consisting of some twenty agencies covering the whole of Spain.

#### ELECTRICAL ENGINEERING

\*\* Two Paris measuring and automatic control equipment firms, MECI-MATERIEL ELECTRIQUE DE CONTROLE INDUSTRIEL SA (see No 342) and ETS BRION LEROUX & CIE SA, are concentrating their business: the former is taking over Brion Leroux. In 1965, MECI, (factories at headquarters and at Issoudun, Indre; laboratories at Plaisir, Yvelines) achieved a turnover of Ff 73 million. Some of its production is done under licence from LEEDS & NORTHRUP CO, Philadelphia, and its chief investments are in: SERIM-STE D'ETUDES & DE REALISATIONS D'INSTALLATIONS DE MESURE-TESTUT ELECTRONIQUE SA, Paris (30% - see No 277); DEUTSCHE MECI-MESS- & REGELAPPA-RATE GmbH, Düsseldorf; MECI ITALIANA SpA, Milan, and MECI HISPANIA SA, Madrid.

Brion Leroux' 1965 sales were of the order of Ff 11 million: it has Ff 1.7 million capital. It is linked with STE CONTINENTALE D'ENTREPRISES INDUSTRIELLES SA, Paris (see No 364), which itself is linked with ELEKTRO-WATT ELEKTRISCHE & INDUSTRIELLE UNTERNEHMUNGEN AG, Zurich.

\*\* GENERAL MOTORS (FRANCE) SA, Gennevilliers, Hauts-de-Seine (capital Ff 1,749,000 - see No 194), a member of the GENERAL MOTORS CORP group of Detroit (see No 356) making "Frigidaire" refrigerators and automobile and industrial equipment, has formed a wholly-owned subsidiary SOBCO Sarl, Gennevilliers (capital Ff 10,000). This new company will be managed by M. Pierre Combe, assistant finance director of the parent firm and will provide commercial, management and credit assistance for the group's concessionaires.

\*\* AUXITROL SA, Courbevoie, Hauts-de-Seine (see No 250) a former control and regulating equipment department of COMSIP AUTOMATION SA, Montesson, Seine & Oise (LEBON & CIE group - No 362, has formed an engineering and sales subsidiary in The Hague:

AUXITROL (NEDERLAND) NV. The new company (capital Fl 100,000 - 25% paid-up) will be directed by Messrs Andre E. Malin, P.F. Marange and J.G. Bueters.

The French company is associated 50-50 with ARCA PREMON-CONTROLE SA, Gentilly, Seine in PROCONCONTROL Sarl, Courbevoie (with a branch in Brussels) and has a subsidiary called CERMAT SA, Courbevoie (formerly in Paris) which recently raised its capital to Ff 100,000.

### ELECTRONICS

\*\* FABRI-TEX INC, Minneapolis, Minnesota which specialises in electronic instruments and apparatus and "Ferrite" control systems, has set up two European subsidiaries, one in the Netherlands and the other in Britain. The former, FABRI-TEX INTERNATIONAL NV, Amsterdam, has a capital of Fl 500,000 and its directors are Messrs W.D. Clinton, M.F. Mickelson, L.V. Ackmann and R.N. Plank. The latter, FABRI-TEX (UK) LTD, London has a capital of £10,000.

\*\* Mr J.J. Schwender, director of PHILIPS AG, Zurich, is vice-president of FASEC AG, recently formed at Neuchatel (capital Sf 100 million; see No 366) under the direct and indirect control of PHILIPS' GLOEILAMPEN-FABRIEKEN, Eindhoven which is also represented on its board (president M. Leo Dupasquier, director of EBAUCHES SA) by four directors.

FASEC, formed with several Swiss watch-making and precision instrument groups or organisations, will put up a factory at Pierrebot, Neuchatel costing Sf 40 million. In its first stage, it will employ about a hundred workers making electronic circuits, and in a second phase, industrial components.

\*\* THE RODITI INTERNATIONAL CORP LTD, London, which specialises in technical and electronic apparatus (especially for lasers) has formed a marketing subsidiary in Hamburg, THE RODITI INTERNATIONAL CORP GmbH (capital DM 20,000) under the management of Herr U. Linnekuhle of Hamburg.

Roditi acts as the British distributor for several American firms in the industry: HAMCO MACHINE & ELECTRONICS CORP, Rochester, New York; MASER OPTICS INC, Boston, Massachusetts; VALPEY CORP, Holliston, Massachusetts etc.

### ENGINEERING & METAL

\*\* The German steel group. ROECHLING'SCHE EISEN- & STAHLWERKE GmbH, Düsseldorf, although it is engaged in the negotiations concerning the reorganisation of structure and distribution in the German iron and steel industry (which will lead to the setting-up of the "Sud" comptoir de vente). has formed a subsidiary to export its special steels. This is called ROECHLING-STAHLEXPORT GmbH, Düsseldorf: it has DM 100,000 capital, and is managed by Herr H.J. Schwepke.

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\*\* AFRISO-WERK, MESS- & REGELTECHN. FABRIKEN, Güglingen, Württemberg (mechanical, pneumatic and electronic measuring and control instruments - particularly for sounding tanks), has formed an administration company in Switzerland, INVESTANA HOLDING GmbH, Vetikon am See (capital Sf 100,000).

The group, which is headed by Herr Georg Fritz, has an annual turnover exceeding DM 10 million, and embraces AFRISO GmbH and EURO-INDEX GmbH FUER FULLSTANDMESS-UNGEN, both at Güglingen. It has numerous overseas interests; EUROJAUGE Sarl, Strasbourg; EURO-INDEX NV, Bunde, Netherlands; EURO-INDEX SA, Lanaken, Belgium; EURO-INDEX srl, Ponte-Chiasso, Italy; AFRISO-WERK, Grundlsee, Austria; EURO-INDEX Sarl, Uetikon, Switzerland; EUROGUAGE CO LTD, East Grinstead, Britain; AFRISO-GAUGE CO LTD Castletown, Eire etc.

\*\* The leading European manufacturer of excavating machinery POCLAIN SA, Plessis-Belleville, Oise (see No 354) has strengthened its West German sales network by giving its Gross-Gerau subsidiary, DEUTSCHE POCLAIN GmbH (capital DM 1,200,000) a new branch in Munich headed by Herr Wolfgang Pieper. It already had branches in Cologne, Hamburg and Kehl and in 1965 it formed the Hamburg distribution and after sales service company CHANCE GES FUER BAUMASCHINEN GmbH (see No 286). Last year 47.6% of Poclain's sales were made in the export market.

\*\* FAEMA SpA, Milan (manufacturer of coffee machines for bars and cafes - see No 353) has formed a sales and maintenance subsidiary in Zurich. The new FAEMA AG (capital Sf 50,000) includes amongst its directors Sig. Alberto Contini of Milan.

The Italian company formed FAEMA GmbH, Frankfurt (capital DM 300,000 - see No 322) in July 1965. In the same year it absorbed three Italian companies in the same sector: FIM-FINANZIARIA INDUSTRIE METALLURGICHE SpA, EMI-ESPRESSO MACHINES INCORPORATED and BARZIO SpA, and as a result increased its capital from Lire 1,000 million to Lire 1,500 million.

\*\* BOSTITCH INC, East Greenwich, Rhode Island has acquired the assets of the West German stitching and binding concern HANS KRAGE & CO GmbH (capital DM 1,600,000). The new concern will carry out both sales and manufacturing operations and it has as managers Herren Walter Kohler of Hamburg, Gerald Keltz of Quickborn and Messrs. Claude Schuler, and William Alexander, both of East Greenwich.

The American concern (stapling, stitching, nailing and packaging machinery), which had a 1965 turnover of \$34 million, already has a West German manufacturing subsidiary, BOSTITCH MASCHINENFABRIK GmbH, Alzenau. It has another in Britain, BOSTITCH LONDON LTD, Edenbridge, Kent and since 1962 has had a Swiss sales subsidiary, BOSTITCH SA.

\*\* LIQUID CONTROLS CORP., North Chicago, Illinois (fluid control apparatus), has set up an administration and sales promotion company on the European scale in Zurich - this realises its first investment in Europe. The new firm is called LIQUID CONTROLS AG (capital Sf. 400,000) and includes amongst its directors Messrs. F. Wacker, North Chicago, and L. Schmidt, Chicago.

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\*\* THE CINCINNATI SHAPER CO, Cincinnati, Ohio, (presses and shearing machines for sheet metal) has extended its interests in the Common Market by forming a wholly-owned subsidiary, CINCINNATI PRESSEN GmbH, Düsseldorf (capital Dm 50,000). The new company will act first as a sales company and then carry out manufacturing operations. It is headed by M. Rene Brunat, Paris, the American company's Continental sales director.

Cincinnati Shaper belongs to the March family. Its French distributor is FORGES DE VULCAIN SA, Paris and it has a Glasgow manufacturing subsidiary THE CINCINNATI SHAPER CO LTD (headed by Mr. Arthur Rae) as well as a Japanese agency.

\*\* A merger is being carried out within the Swedish group SKF -A/B SVENSKA KULLAGERFABRIKEN, Gothenburg: its Italian subsidiary RIV-SKF OFFICINE DI VILLAR PEROSA SpA, Turin (capital Lire 20,700 million - see No 315) will take over MACCRI CUSCINETTI SpA, Turin (capital Lire 250 million) and SOC COSTRUZIONI DRUENTO-SCD SpA (capital Lire 400 million).

SKF's other recent Common Market operations (see No 344) include: 1) France: it has transferred the head office of SKF-CIE D'APPLICATIONS MECANIQUE SA (capital recently raised to Ff 99.29 million) to Clamart, and at the beginning of the year it took control of two bearing manufacturers, ETS ROSSI FRERES Sarl, Levallois-Perret and RKS PASQUIER SA, Vitry, Val-de-Marne and Avallon, Yonne; 2) Netherlands: it increased the capital of its finance subsidiary SKF HOLDING MIJ HOLLAND NV, Amsterdam, formed at the beginning of 1962, to Fl 50 million - See also page T.

\*\* PHILLIPS-RYAN (consumer service industries) has formed a second subsidiary in Milan, MISTER MINIT SERVICE Srl (capital Lire 50,000) headed by Mr Gordon Brownlee. Phillips Ryan specialises in the installation of machinery and equipment for shoe-repairs, dry-cleaners, laundries, and various other types of services, photocopying, clock and watch repairing, stocking-mending, document lamination and binding.

Headed by Mr Donald W. Phillips (of Canadian origin, living in Monte-Carlo - see No 348) and Mr Donald Hillsden Ryan (an American living at Cologne, Geneva the Phillips-Ryan group owns a Luxembourg holding company which heads most of its European interests; INDUSTRIAL & MERCHANDISING SERVICES SA, Brussels, MISTER MINIT SERVICES SA, Brussels, SERVICE ASSOCIATES LUXEMBOURG SA, Luxembourg, SERVIZI ASSOCIATI SpA, Milan, SERVICEBEDRIJF VOOR INDUSTRIE & HANDEL SERVINA NV, Amsterdam, STAVA AG, Zurich, MERCHANDISING INTERNATIONAL SA, Geneva, PHILLIPS RYAN LTD, London and MISTER MINIT SERVICES LTD also of London.

\*\* CHAMEBEL-LE CHASSIS METALLIQUE BELGE SA (Brussels et Vilvorde), which is linked with ALUMINIUM EUROPE -ALEUROPE SA in Brussels (see No 350) has written off the losses (approaching Ff 35 million) of its Paris sales subsidiary ALUMINEX SA, (see No 313). The capital of the latter was first reduced to Ff 3,500, and then raised to Ff 2.5 million; this subsidiary specialises in metal products and sundries for building and civil engineering.

\*\* SA DE CONSTRUCTIONS WELLMAN, Paris (see No 318) and its London parent company WELLMAN ENGINEERING CORP LTD have 30% each in Wellman's new joint subsidiary with PRODEST SpA, Milan: WELLMAN PRODEST SpA, Milan (see No 365). The new company has a starting capital of Lire 1 million and the controlling group will be represented on the board of directors by Messrs A.V. Robin of Paris, A.D. Yapp of London and N.A. Neville of Rochester, Kent. It will be responsible for Italian sales of machinery and complete installations for the metallurgical and steel industries and will manufacture some of its equipment under British licence.

\*\* CIE DES LAMPES SA, Paris (see No 356) has set up a manufacturing and sales subsidiary in Bologna where it was previously represented by Sig Bruno Chelli. The new company LAMPADE MAZDA SpA (capital Lire 50 million) will have a board of directors consisting of MM M. Joseph, A. Monton, R. Couturier and B. Choppin de Janvry.

The French group is controlled by CIE FRANCAISE THOMSON-HOUSTON-HOTCHKISS-BRANDT SA (in which CGE-CIE GENERALE D'ELECTRICITE SA has a 46.9% holding) and makes a wide range of electric lamps and gas or neon valves for producing television, light or sound waves. It has a dozen manufacturing centres in France, two factories in Spain (Madrid and Seville) - where it is represented by CIA GENERAL ESPANOLA DE ELECTRICIDAD SA, Madrid - and agents, distributors and subsidiaries in several foreign countries including: MAZDA LIGHT GmbH, Frankfurt; TRANSELECTRIC SA, Geneva; DENAZAS & TRAKAS SA, Athens; and others in Portugal, Iran, Denmark, Iceland, Turkey, The Lebanon, several South American countries and throughout the French-speaking African countries.

\*\* ETS MONTABERT SA of Lyons (material for mines and quarries and civil engineering machines and plant) has set up a distribution subsidiary in Switzerland, MONTABERT SA, Bienne, (capital Sf 4,000,000). The president of the parent company, M.R. Montabert, will occupy the same position in the new subsidiary.

\*\* CONSTRUCTIONS NAVALES & INDUSTRIELLES DE LA MEDITERRANEE has just been formed in Paris, with M. Herlicq as president, to take over the running of the La Seyne, Var works of FORGES & CHANTIERS DE LA MEDITERRANEE SA in Paris (see No 359). 28% of the Ff 5 million capital of the new company is held by ETS ALFRED HERLICQ & FILS SA in Paris (see No 361); it has a full order book to the end of 1968.

\*\* The French company SA STUDLER, Morlaix, Finistere, has taken 50% in forming STUDLER ITALIANA SpA at Milan to import, assemble and distribute "Broiler" insulators by licence from THE BUXTED CHICKEN CO LTD (a member of the ALLIED FARM FOODS LTD GROUP, Dalton, Yorkshire). It will also handle all types of material, instruments and battery equipment for rearing hens and dairy products.

The president of the new company (capital Lire 15 million) is Mme A. Studler, La Bruyere Le Foeil, C. du N. The board, which includes Messrs. J. de Menou, Pouvern, Finistere and J. Kutzner, Thimory, Loiret, will soon raise the capital to Lire 60 million.

\*\* A reciprocal agreement for exchange of licences and sales agencies has been made between STA METALLURGICA ITALIANA SpA etc Rome and Florence, (see No 352) and the American group, CALUMET & HECLA INC., Evanston, Illinois. This agreement covers all their metal products. The Italian group is more than 40% controlled by GIM-GENERALE INDUSTRIE METALLURGICHE SpA of Florence, (see No 327), while one of its most important shareholders is PIRELLI & CO Sca, Milan.

FINANCE
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\*\* FININCO-FINANCIAL & INVESTMENT CO SA in Luxembourg (see No 318), which is a holding company of STE GENERALE DES MINERAIS SA in Brussels (see No 361), in association with CREGELUX-CREDIT GENERAL DU LUXEMBOURG SA (see No 350) has formed a portfolio company in Luxembourg with \$20,000 capital, under the name of ANTIGONE SA. The managing director of the new firm is M. P. Chevalier, Uccle, Brussels, who is chief accountant of EGENECIM-STE D'ETUDES & DE GESTION DE CIMENTERIES SA in Brussels (formerly CIMENTS DU KATANGA SA) which, like Ste Generale Des Minerais, is linked with the group STE GENERALE DE BELGIQUE SA, Brussels.

\*\* The financial subsidiary HOLDIBEL SA, Brussels (headed by M. R. Gillis, Meysse, Belgium) of the Paris group L'OREAL SA (see No 360) has formed an investment company, sited on the premises of BANQUE INTERNATIONALE A LUXENBOURG SA (which will handle its financial administration). The new firm is called HOLDILUX SA, and has F Lux 4 million capital.

\*\* STE GENERALE ALSACIENNE DE BANQUE SA, Strasbourg (of the Paris group STE GENERALE SA, Paris - see No 359), which already has a branch in Luxembourg (see No 308) has now formed an investment company there, called STE LUXEMBOURGEOISE DE PARTICIPATIONS INDUSTRIELLES & FINANCIERES-SOLUPIND SA (capital F Lux 180 million).

The French bank (capital Ff 15 million) has interests at Luxembourg in the holding companies COVALBA-COMPTOIR DE VALEURS DE BANQUE SA and SEGURA SA (see No 308), while it is active in Belgium through an affiliated company, STE FRANCAISE DE BANQUE & DE DEPOTS SA, Paris (capital Ff 6 million), which has agencies at Anvers, Charleroi, Brussels and Anspach.

\*\* BANK PARAVICINI AG (PARABANK) of Berne, which was formed in November 1963 (with Sf 7.1 million capital, later raised to Sf 12.5 million) and BANKHAUS KIRCHHOLTES & CO KG of Frankfurt (see No 327 - in which BAYERISCHE HYPOTHEKEN- & WECHSELBANK, Munich is a sleeping partner) have placed the formation of a holding company called INTERVALOR SA in the hands of BANQUE INTERNATIONALE A LUXEMBOURG SA. Intervalor, (capital Bf 500,000) has as managing director M. J.F. Paravicini, Bolligen, Berne, president of the Berne bank and of its subsidiary PARAFINANZ AG, Berne. M. R. Hans, Frankfurt is an administrator of the new firm, which will also be supervised by the Board of the Luxembourg holding company STE D'ETUDES POUR LE DEVELOPPEMENT ECONOMIQUE A L'ETRANGER SA, Luxembourg, in which BANKHAUS KIRCHHOLTES holds shares.



\*\* A portfolio and investment company SOC. FINANZIARIA CENTRO-ITALIA SpA has been formed at PERUGIA under the presidency of M.B. Buitoni. Behind this move is a group comprising I.M.I. -ISTITUTO MOBILIARE ITALIANO SpA of Rome (see No 359), BANCA D'AMERICA & D'ITALIA SpA in Milan (see No 351 - which is controlled by BANK OF AMERICA NATIONAL TRUST, San Francisco), I.L.I.I.C. -ISTITUTO LIGURE INTERESSE-ENZE INDUSTRIALI & COMMERCIALI SpA of Rome (of the I.R.I. group through FINSIDER SpA, by which it is fully controlled) and MONTE DEI PASCHI DI SIENA, which is a bank formed in 1472, whose president is M.D. Verzili.

The new company (capital Lire 2,800 million) is for industrial, estate and commercial development in central Italy and particularly in the provinces of Umbria, Southern Tuscany, Northern Lazio and Marche. It will also invest, in this growth zone, in the development of tourism and light industry. Its Board will include in particular Sigs G. Coppoma, A. Tonelli, A. Gandi, N. Rivelli and O. Milella.

FOOD & DRINK
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\*\* ROSS GROUP LTD, Grimsby, Lincs, which heads a large number of firms preparing and distributing food products of animal origin (poultry, frozen fish) or vegetable origin (fruit, vegetables) and making agricultural machinery and equipment, has formed a second sales subsidiary in the Netherlands. The new firm is ROSS DIEPVRIES (NEDERLAND) NV (capital Fl 250,000, director Mr J.M. Kouwenberg).

A few months ago, the British group formed ROSS POULTRY EUROPA NV (authorised capital Fl 1 million) to specialise in poultry-rearing.

\*\* CARGILL INC, Minneapolis, Minnesota (see No 333) intends to carry out an industrial project, previously tried in Italy and France (Saint-Nazaire), in the Netherlands where it is already solidly based with TRADAX GRAANHANDEL NV which has grain silos in Amsterdam (see No 218). A survey is being made with a view to setting up a factory in Amsterdam costing Fl 10 million, to process soya beans. It will have an output of 300,000 tons a year and most of its production will go to Scandinavia and Britain.

Cargill already has a British distributor, VICTOR BLAGDEN & CO LTD, London but the company considers that on account of the present shortage of unloading facilities in English ports for large ships, it would be less costly to process soya-beans into oil and cake in the Netherlands and then re-export them to Britain.

INSURANCE
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\*\* The British group of insurance advisors headed by Mr. W.G. Miller, Wimborough Green, Sussex, has formed a second subsidiary in Belgium, (see No 365), GRAHAM MILLER & CO (BENELUX) SA. The latter, directed by Mr. R. Simon, a consular shipping agent; has Bf 500,000 capital, 51% of which is held by GRAHAM MILLER CO-BELGIUM SA and its registered office is at Woluwe-St-Pierre.

OFFICE EQUIPMENT
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\*\* LAMSON INDUSTRIES LTD, London (office equipment, drawing office materials and data transmission installations) has made over its shares in two of its Common Market subsidiaries (PARAGON NV, Amsterdam and PARAGON BELGE SA, Brussels) to its new financial subsidiary in Amsterdam LAMSON BELEGGIGEN NV (capital Fl 15 million).

OIL, GAS & PETROCHEMICALS
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\*\* NORD-WEST-OELLEITUNG GmbH, Wilhelmshaven (see No 300) has re-organised its Dm 65 million capital, such that the pattern of investments in the company is now as follows: ESSO AG, Hamburg - 34% (down from 47.2%); RUHRCHEMIE AG, Oberhausen-Holten - 2% (down from 3.7%: see No 333); B.P. BENZIN & PETROLEUM AG, Hamburg - 26.5% (up from 26.3%: see No 341); SCHOLVEN CHEMIE AG, Gelsenkirchen-Buer - 15% (up from 7.7%: see No 364); UNION RHEINISCHE BRAUNKOHLLEN KRAFTSTOFF AG, Cologne - 12% (up from 6.8%: see No 299), and FINA RAFFINERIE AG, Duisburg - 10.5% (up from 8.8%). Nord-West-Oelleitung is an oil-transport company, which runs pipe-lines in Northern Germany - in 1965 these moved 18.4 million metric tons of oil, and it is hoped that this year will see that figure raised to 22 million.

\*\* CALOR GAS HOLDING CO LTD London, an affiliate of IMPERIAL CONTINENTAL GAS ASSOCIATION LTD (see No 336) which specialises in the transport, storage and distribution of liquefied gas has formed a new subsidiary within the Common Market CALOR TRANSPORT INTERNATIONAL NV, Utrecht. It will carry out both manufacturing and sales operations and is headed by M.B.M. Scheepmaker. Nearly all the capital of Fl 500,000 has been supplied by another of the group's subsidiaries, LIQUEFIED PRESSURE GASES ANCILLARY SERVICES LTD, Rushden, Northants, and is managed by Mr. M.C. Kirby and Mr. A. Warner of Finedon, Northants.

Apart from its new Dutch subsidiary, Calor Gas Holding has extended its West German sales network at the beginning of 1965 (see No 290) when it gained control of a liquid processing and sales concern in Wuppertal (GPL), which has since become CALOR GAS BECKER & PICKSHAUS GmbH. Since 1963 it has had a Frankfurt subsidiary, CALOR LP GAS INTERNATIONAL GmbH, whose distribution activities have now been taken over by the Wuppertal subsidiary, which today covers all of the Ruhr industrial zone.

\*\* Through its wholly-owned subsidiary DEUTSCHE TEXACO LTD, Dover, Delaware TEXACO INC, New York has now obtained around a 91.5% interest in DEA-DEUTSCHE ERDOEL AG, Hamburg. As a result its vice-chairman Mr James Foley and its vice-president in charge of overseas sales Mr Henry Ryer have joined the board of DEA, as has the president of DEUTSCHE TEXACO, Mr Walter Gilbert.

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\*\* The French company FRANSTUDIO SA, St Maurice, Val-de-Marne (capital Ff 1 million) which runs photographic studios at St-Maurice has backed LABORATOIRES PHOTOGRAPHIQUES DE JOINVILLE Sarl, Joinville-le-Pont, Val-de-Marne. The new company (capital Ff 150,000) will sell amateur photographic and cinema equipment.

Franstudio is owned 63% by STE GENERALE DE TRAVAUX CINEMATOGRAPHIQUES SA, Paris (capital Ff 5.25 million) which has exclusive rights for processing films distributed by STE NOUVELLE PATHE-CINEMA SA, Paris (see No 271). The latter raised its capital from Ff 7.875 million to 8.28 million in December 1965 after taking over STE DES THEATRES CINEMATOGRAPHIQUES PATHE SA, Paris - and STE NOUVELLE DES ETS GAUMONT SA, Paris which between them have control of it with 44.38% and 38.5% respectively.

#### PAPER & PACKAGING

\*\* The major German paper and cardboard manufacturer FELDMUERLE AG, Düsseldorf (see No 352) - a member of the FRIEDRICH FLICK KG, Düsseldorf group) will be the principal shareholder (20.3%) in STE D'EXPLOITATION DES BREVETS GRANOFIBRE-SEBREG SA which was recently formed in Paris (capital Ff 740,000), having bought most of the 21.8% interest in this firm belonging to PAPETERIES DE RUYSSCHER SA, Paris (see No 338). The latter is linked with PAPETERIE DE BELGIQUE SA, Brussels in which the German group holds 25%.

SEBREG will exploit patents developed by M. G. Jacquelin (for obtaining granulated fibres and using them in the building, packing and plastics industries). Its other main shareholders are: LA CELLULOSE DU PIN SA (see No 361), which is controlled 51.2% by CIE DE SAINT-GOBAIN, with 13.5%; SABOREC-STE ALSACIENNE DE BOIS RECONSTITUE SA, Strasbourg (see No 306), linked with STE CENTRALE DE DYNAMITE SA through ISOREL-STE POUR LA FABRICATION D'ISOLANTS & REVETEMENTS LIGNEUX SA, with 16.9%; BALATUM SA, Baisieux, Nord of the BALAMUNDI group (see No 312) with 9.5%; LA CELLULOSE D'AQUITAINE SA, Saint-Gaudens, Haute Garonne, linked with PARSONS & WHITTEMORE INC, New York (see No 362) with 6.7%; FORMICA SA, Paris (see No 276) of the DE LA RUE CO LTD, London group, with 2.7%; PRODUITS CHIMIQUES & CELLULOSES REY SA, Paris (see No 356) with 2.7%; etc.

\*\* STE DES PAPETERIES DE FRANCE SA, Paris, is about to take over CARTONNERIES & PAPETERIES DE L'HERMITAGE SA, Blendecques, Pas-de-Calais. The latter, which makes cardboard (strawboard, grey card, both two- and three-ply), recently had its capital increased from Ff 200,000 to Ff 8 million.

#### PHARMACEUTICALS

\*\* EVERSHARP INC, Milford, Connecticut (shaving kit and accessories, pharmaceuticals, cosmetics and toiletries - see No 327) has completed its Common Market sales organisation by forming EVERSHARP BELGIUM SA in Brussels. The latter (capital Bf 1 million) is a direct subsidiary of the group's Dutch firm, EVERSHARP NEDERLAND NV, Amsterdam (formerly at the Hague).

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\*\* The American group's largest division, SCHICK SAFETY RAZOR CO, has built a new stainless steel razor blade factory in the suburbs of Amsterdam, capable of turning out a million blades a day for the Common Market. A few months ago, SALIK BAN IN BASEL AG, which promotes sales of American products in the Common Market and vice-versa, set up a subsidiary at Woluwe-St-Lambert, Brussels, S.D.L.R. SA, to sell the American group's "Eversharp Schick" articles in Belgium and Luxembourg.

\*\* The GLAXO GROUP LTD, London has recently formed two French subsidiaries in Paris through LABORATOIRES GLAXO-EVANS SA, Paris (see No 357). The first, LABORATOIRES GLAXO-EVANS RECHERCHES SA (president Dr G. Roulot-capital Ff 1, 500, 000) specialises in research in the pharmaceutical, chemical and therapeutic fields and also into various health and beauty products. The second concern LABORATOIRES GLAXO-EVANS DIETETIQUES SA (president Dr G.B. Shirlaw - capital Ff 3 million) is involved in the manufacture, processing and sale of various dietary foods.

When Laboratoires Glaxo-Evans (formerly EVANS SA) was formed in 1954 it was a 51% interest of LABORATOIRES DELAGRANGE SA. Today the British group shares control with two Liverpool subsidiaries, EVANS MEDICAL SUPPLIES LTD and EVANS SONS LESECHER & WEBB LTD.

\*\* The London chemical and pharmaceutical group BDH GROUP LTD, London (a 35% affiliate of MEAD JOHNSON & CO, Evansville, Indiana) has commenced its move into the Common Market with the formation of a sales and distribution company B.D.H. ITALIA SpA, Milan (capital Lire 35 million - see No 352) whose president is Mr Frank W. Griffin (chairman of VESTRIC LTD, a subsidiary owned jointly with GLAXO GROUP LTD). The new concern will be managed by Dr. Gianfranco Fontana, who until now represented the British group's interests through PIERREL ASSOCIATE SpA, Milan (formerly PIERCHIMICA), part of the Turin group PIERREL SpA (see No 339). If future developments are satisfactory the new concern may later commence production of the founder's lines.

## PLASTICS

\*\* VAN REER, BURCKSEN & BOSMAN'S HANDELMIJ NV, Rotterdam (which controls CIB-CIE IMPORTATION DE CAFE EN BELGIQUE), a firm exporting and importing coffee, tea, raw cotton etc, has signed an agreement with FEDERAL BY-PRODUCTS CORP, St Louis, Minnesota and S.L. RAPAPORT (IMPORTEX) LTD, Manchester to make and sell plastic waste packing for industrial and commercial use. They will form a joint subsidiary FEDERAL BY-PRODUCTS (HOLLAND) NV, Rotterdam (director Mr Jan van Rees); each of the founders has paid up 8% of the authorised capital of Fl 500,000.

The American and British firms have already been associated since the beginning of 1965 in a joint subsidiary in Britain, FEDERAL BY-PRODUCTS OF ENGLAND LTD, (capital £7,000).

PRINTING & PUBLISHING

\*\* The G.B. VAN GOOR ZONEN'S UITGEVERSMAATCHAPPIJ NV group, The Hague (see No 350) has taken control of the publishing house UITGEVERIJ H. MEULENHOF, Amsterdam, formed in 1905 - specialising in cheap editions, popular novels, paper-backs, educational books, etc covering over a hundred titles .

Van Goor (more than 3,000 published works) controls various publishing concerns including GEUZE & CO, Dordrecht; GEBR VAN CLEEF, W.VAN HOEVE & KRAMERS, The Hague and the Amsterdam book-binders STOKKING . In Belgium, it has shares in LIBRAIRIE EUROPEENE SA, Brussels and VAN GOOR BELGIE, MANTEAU & EDITIONS LUMIERE, Brussels and Antwerp .

TEXTILES

\*\* The Dutch manufacturer of carpets and floor coverings TAPIJTFABRIEK H. DESSEAUX NV, Oss (see No 315) has centralised some of its Belgian interests by merging ANC . ETS VAN HOORICK & CO-AURORA WILTON CARPETS NV, Waasmunster-of which it recently acquired almost full direct control (see No 306) - with TAPIJTFABRIEK H. DESSEAUX-BELGIE NV, St Gilles-Dendermonde . This has resulted in the former being taken over by the latter which has raised its capital to Bf 67.5 million .

\*\* The Dutch manufacturer of sails, marine textiles and sporting goods, JONGKIND ZEILEN NV, Aalsmeer has formed a sales subsidiary at Bollate, Milan called JONGKIND VELE Srl . The Lire 900,000 capital of the new firm has been almost entirely paid up by the managing director Mr . J.M. Jongkind and the remainder by Mr . T.J. Van Veen .

\*\* An agreement has recently been signed between three French manufacturers of household linen with the aim of merging their sales departments . They are ETS ALBERT MASUREL & CIE SA, Roubaix, Nord, STE DES ETS HECTOR DEPREUX SA, Paris with factories at Luxeuil and Frideconche, Haute Saone and STE COTONNIERE DE MOISLAINS & COLBEY SA, Paris (affiliated with ETS L. & F. MOTTE FRERES, Tourcoing, Nord . A jointly-owned subsidiary has therefore been formed: M.D.M. SA (Capital Ff 120,000) but the three founder companies have retained their technical and financial independence .

The new sales group's share of the French market is 25% for towelling etc, 15% for table linen and handkerchiefs, and the same figure for bed-linen . It produces a total of some 11,850 tons of cloth per year and the 1965 joint turn-over figure for these goods was Ff 170 million . PUBLICIS SA, Paris will carry out advertising and promotional activities on behalf of the new concern .

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\*\* The Paris textile group SAINT FRERES (see No 346) has taken a 50% interest in the newly-formed Ivory Coast concern SOFITIS-STE DE FILATURE & DE TISSAGE SA. Abidjan (capital F.Cfa 50 million). This will be responsible for the construction at Bouake of a sisal sack factory (mainly for coffee-packing) which should come into operation at the end of 1967, after requiring the expenditure of some F.Cfa 120 millions. The founder company is linked with WEILL & CIE Sca, Paris and SOCO CIM-STE OUEST AFRICAINE DES CIMENTS, Rufisque, a subsidiary of STE DES CIMENTS DE MARSEILLE & D'OUTRE-MER SA, Marseilles. It is already associated in several African and French concerns with Weill et Cie (see No 346).

One of Saint-Freres most recent moves was to open a London branch headed by Mr William Young where it has had a subsidiary since 1926, SAINT FRERES LTD.

\*\* The British "Crimplene" terylene manufacturer, CARRINGTON & DEWHURST LTD, Eccleston, Chorley, Lancashire is continuing the expansion of its Common Market interests. It has formed a West German manufacturing and sales company CARRINGTON & DEWHURST (GERMANY) GmbH, Frankfurt (capital DM 1,200,000), headed by Herr Schmidt of Frankfurt. The new company will shortly take a 20% interest in a local synthetic fibre concern. It is directly controlled by CARRINGTON & DEWHURST (EUROPA) NV whose other Common Market subsidiaries are TEXTIMASSE SA, Brussels, and CARRINGTON & DEWHURST (ITALY) SpA, Carlazzo.

The British group is a 15.9% affiliate of ICI-IMPERIAL CHEMICAL INDUSTRIES LTD and a 6.2% affiliate of COURTAULDS LTD, and it controls some thirty British concerns. It recently extended its interests to the Common Market countries in three successive moves: a 39% interest in the formation of KLINGER EUROPE Sarl, Paris (see No 334); acquisition of control (through CHESLENE & CREPES LTD, Macclesfield) of the Italian synthetic fibres manufacturer TORCITURA DI PORLEZZA SpA (see No 354) and the formation of an Amsterdam sales subsidiary CARRINGTON & DEWHURST (EUROPA) NV (see No 360). It also has interests in the Australian company SILK & TEXTILE PRINTERS LTD, Tasmania.

\*\* The British firm LASTONET PRODUCTS LTD, Redruth, Cornwall (lingerie, haberdashery and surgical dressings made from artificial fibres) has set up its own West German sales organisation by forming LASTONET PRODUCTS GmbH in Aachen (capital DM20,000) under the management of Messrs M. Reeve and D. Hallett. Since 1963, Lastonet has had a representative in Germany, PAUL HARTMANN AG, Heidenheim.

The Redruth company is itself a subsidiary of the largest British elastic fabrics firm, JOHN HEATHCOAT & CO LTD, Tiverton, Devon, which recently formed ANDEX-HEATHCOAT NV at Uithoorn in the Netherlands (see No 344), 50-50 with the Dutch nylon textiles concern TEXTIELINDUSTRIE ANDEX NV, Uithoorn. Heathcoat's other overseas subsidiaries are: JOHN HEATHCOAT & CO INC in the USA (see No 310); DOMINION YARNS & FABRICS LTD in New Zealand, and HILTON, HEATHCOAT FABRICS PTY LTD and JOHN HEATHCOAT & CO (AUSTRALIA) PTY LTD in Australia.

\*\* The London woollen fabrics firm WAIN SHIELL & SON LTD, a member of the FINE WOOLLEN CO LTD group of London, has appointed Mr. Walter Otten president of the recently-formed sales subsidiary in Florence WAIN SHIELL ITALY SpA. This new firm has a capital of Lire 6 million and the managing director is Sig Ugo Salvadori.

\*\* The British textiles firm PORRITTS & SPENCER LTD, Rossendale, Lancs, has added to its West German sales network by setting up a branch at Salzgitter-Bad for the subsidiary it formed with Dm 663,000 capital in September 1964, PORRITTS & SPENCER GmbH, Langendam Kr Nienburg, Weser.

The British firm, which has about half a dozen subsidiaries in its own country, also has one interest in Canada and two in the USA: PORRITTS & SPENCER (CANADA) LTD, SKANEATELES FALLS HOLDING CO INC and PORRITTS AND SPENCER (USA) INC.

TOBACCO
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\*\* As a result of trading agreements - including some financial elements - signed a few months ago (see No 335) between CONSOLIDATED CIGAR CORP, New York and the Dutch cigar manufacturer NV WILLEM II CIGARENFABRIEKEN v/h H. HERSTEN & CO, Valkenswaard, the American group has gained 70% control of the Dutch firm, which in return has received a minority share in CONSOLIDATED CIGAR.

WILLEM II (capital Fl 3 million) had a turnover of Fl 61 million in 1965. The group has four factories in the Netherlands and one in Belgium.

TRANSPORT
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\*\* The American shipping concern, FEDERAL COMMERCE & NAVIGATION Co, headed by Mr George S. Pathy, New York and L. Pathy, Greenwich, Connecticut has formed a new subsidiary in the Common Market, NV FEDERAL COMMERCE & NAVIGATION (BELGIUM) Antwerp whose capital of Bf 1 million has nearly all been supplied by the Canadian subsidiary FEDERAL COMMERCE & NAVIGATION CO LTD. Montreal, run by Mr F. Narby. The president of the new concern is Mr Laurence G. Pathy, Westmount, Canada.

At the start of last year, the same group extended its interests to West Germany with the formation of FEDERAL COMMERCE & NAVIGATION (HAMBOURG) GmbH (capital of Dm 20,000) managed by Mr Richard Ritter of New York.

\*\* The recent 50-50 agreement signed by the Amsterdam shipping concern, K.N.S.M. -KON NEDERLANDSCHE STOOMBOT-MIJ NV (see No 356) and the Hague engineering firm, VERENIGDE MASCHINENFABRIEKEN NV (VMF) (see Nl 358) has led to the formation of a marine engineering consultants' bureau at Amsterdam: SEA TRANSPORT ENGINEERING NV. This is to be directed by Messrs W. Beets of Trienhoven, Utrecht, and A. Van Der Toorn, Haarlem: it has Fl 500,000 capital and is managed by Messrs H. Damme and G. Vermeulen.

\*\* The French transport concern MALISSARD FRERES, SAVARZEIX & CIE SA, Paris, has set up a subsidiary at Molenbeek-St-Jean, Brussels, called SAVROPA Sprl. Some months ago (see No 338), Malissard opened a branch at the same site to take over the business of its subsidiary S.A.B. MALISSARD, F. SAVARZEIX & CIE SA, which was formed in 1963 and wound up in June 1965. Savropa is to run transport and goods-marshalling services: most of its Bf 2 million capital has been put up by the main shareholders of the parent company MM A. Savarzeix and J. Dutard.

VARIOUS

\*\* The West German toy wholesaler GEBR. KUHN, Sarrebrücken has formed a French subsidiary, ETS KUHN, HOUETS EN GROS Sarl, Carling, Moselle (capital Ff 12,000) headed by Herr Heinz Braun of Sarrebrücken.

\*\* The British printing house KASSNER ASSOCIATED PUBLISHERS LTD, London and the Amsterdam music publishers W.B. van Vught have formed a 50-50 joint subsidiary in Amsterdam, MUSIEKUITGEVERIJ KASSNER-ALTONA NV (capital Fl 10,000) directed by Messrs David A.S. Dane, Epsom, Surrey and N.L. Boer of Hilversum.

\*\* The commercial holding company ASIAG EXPORT- & IMPORTGESELLSCHAFT ZURICH AG, Zurich (director Dr Adam Reichstein) has subscribed the entire increase to Bf 19.5 million in the capital of the Belgian diamond and precious-stone merchants I. KONKOMMER & ZOON NV, Antwerp. This company (main shareholder Mr Nosef Konkommer of Gravenwezel, has had a London branch since April 1965 under Mr J. Beek.

\*\* The Japanese optical equipment, camera, film and sensitized papers firm, FUJI PHOTO FILM CO, Tokyo (factories at Ashigara Odawara and Imaizumi) has set up a marketing subsidiary in Düsseldorf under the name FUJI PHOTO FILM (EUROPE) GmbH (capital Dm 200,000), which is to be managed by Mr Hiroshi Takeuchi.

\*\* At the same time as it was reorganising its Italian interests, the Swedish SKF group, Gothenburg (see above) was re-shaping its organisation in the Netherlands. NEDERLANDSCHE MIJ VAN KOGELLAGERS SKF NV, Vernendola, which was formed in February 1964, becomes one of the group's manufacturing concerns, with Fl 10 million authorised capital. Three new companies have also been formed, each with Fl 500,000 capital, under the direct control of the Amsterdam holding company SKF HOLDING MIJ HOLLAND NV: all three are directed by Mr. Hans Alrik Lundberg. The first is in Amsterdam, and will import special material, produced in West Germany by SKF KEGELLAGERFABRIKEN GmbH: it is called SKF NORMA NV. The other two are at Voenenoral: a sales company, SKF NEDERLAND NV, and SKF IMPORT NV.



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