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Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

AO MP

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V. H. P. Lynham

V.H.P. Lynham
Director

COMMENT
A Letter from Paris

TOGETHER AGAIN?

Following the Luxembourg agreement and the De Gaulle-Erhard discussions, and a few days before General de Gaulle's new press conference, can it be said that the Common Market is now well and truly under way again? The answer is yes, if one takes the view that the main thing is that France should have abandoned its empty chair policy without tampering with the Rome Treaty. The answer will be no, if one considers that the "gentleman's disagreement", as it is called by two German newspapers, leaves untouched the basic differences which are preventing the Common Market from making real progress. The answer is again yes if one thinks that, having "saved our bacon for a few years", as one highly-placed Commission official put it, sufficient respite has been gained for the Community to experience a second spring-time with the advent of a new member - Britain. The answer is yet again no if it is considered that the General's nods to Britain are merely wishful thinking. Yes, too, if one believes that the President of the Republic is convinced that a final break would spell disaster for the French economy, and that the German leaders wish primarily to obviate a vacuum in Europe.

These alternate affirmative and negative replies clearly show the large number of different interpretations which may be given of the new modus vivendi between the Six. They are now determined - or condemned - to live with a suitably admonished Commission; they are also committed to using voting procedure which, in theory, has two Janus faces - the first unanimous voting for France, and the second majority voting for the Five.

It has been widely said that the "code of good conduct" imposed on the Commission by the Six has in no way altered the role and importance of this driving force behind the Community, which retains its essential right of initiating proposals. This is all very true, and extremely fortunate, but the fact remains that the Commission, (either with most of its members, as at present, or even more so if it includes new faces), will for a time prefer to avoid making proposals which look too daring, even if the Governments are consulted beforehand. In other words, in order to avoid causing new crises, the Commission may possibly move forward too timidly in future towards the integration to which common policies should lead.

The contradictory "decision" reached by the Six on voting procedure in the Council of Ministers (see No 342 p 1) was inevitable. If another country, and particularly a big country such as Germany or Italy, had found itself in a minority, who can be sure that in spite of all the fine declarations of faith, it would not have insisted that the right of veto be maintained? One indisputable fact remains: by agreement with the Commission, France has for a long time past carried her partners along so that the Community made progress, but she has often been in a minority over foreign policy, especially that concerning USA.

This lack of agreement caused the downfall of the Fouchet Plan, because if there had been a common policy on defence and foreign affairs the supranationality of the Community institutions would have been a secondary matter. The disagreement became more apparent during the crisis caused on January 14, 1963 by General de Gaulle's double "No" to Prime Minister MacMillan on Britain's entry into the Common Market and to President Kennedy on nuclear defence. It became even more so since the French government became the only one in Wester Europe to disapprove and even publicly condemn American foreign policy, especially in South-East Asia. This basic disagreement on attitudes towards USA reappears, and is bound to do so, over the question of American investments, which is being negotiated in the Kennedy Round, and again over the common trade policy - especially in relation to East European countries.

To ask that a country in a minority position should give way to the majority in all circumstances would reduce the Common Market to chaos: the Community could not carry on if it were possible for decisions considered important by one member state to be taken without that country's consent. This of course can lead to a vicious circle because if one member, without revising the Treaty, can twist or get round one of the major clauses, the precedent can be used on another occasion by one of the other present or future member-states.

The Luxembourg compromise, which was backed up by the De Gaulle-Erhard conference, shows a common determination to survive despite differences of opinion. Apart from essential matters - the completion and financing of the Common Agricultural Policy demanded by France, and the Kennedy Round negotiations demanded by Germany - there is little hope of rapid progress on the common policies on energy, transport, trade, economics or planning. But whatever fresh crises occur, neither of the two main countries will accept responsibility for the break-down.

The reason why France accepted that the voting procedure should be carried out according to the Treaty was that the Government realized what a disaster it would be for France, both from an agricultural and industrial point of view, if she were to withdraw from the Common Market, in spite of her prior declarations to the contrary. In the three weeks which preceded the Luxembourg agreement M. Michel Debre, the Economics and Finance Minister (who is known to be "anti-European"), had the nature of that catastrophe brought home to him in daily conversations with economic and social representatives. The farmers for their part stressed to their new minister that 40% of French exports go to Common Market countries and that Germany alone takes 23%; of agricultural exports, Germany's share is as high as 30%. So economic necessity, in the event, tempered political obduracy, and Dr. Erhard was pleasantly surprised to find in General de Gaulle such a relaxed opposite number.

The German Government's reasons for letting France keep her "right of veto" were, however, political. Unlike France, Germany sends nearly two thirds of her exports out of the Community. Again, it is Germany which will bear most of the cost of the common agricultural policy, and France which will derive most benefit. The Common Market has been of great economic advantage to Germany, but her industries and her trading pattern are such that if she had to she could manage without the Common Maret more easily than France could. The German Government knows, however, that from the ashes of the Common Market might arise the flame of nationalism, which might seek allies outside Europe to help it toward its aim of re-unification, which is at present something to be denied but not an obsession. The richest country in the Community will not cease to feel herself the victim of discrimination in matters of strategy and defence until national sovereignties in general merge into a single whole. For Germany, allowing the Common Market to break up would have meant throwing away all its future can hold for her, and also stirring up the embers of nationalism, so in her case it was political necessity which prevailed over immediate economic interest.

Of course, this does not mean that political union is in the air again, either under the Fouchet Plan or in another forum. At no time since the war ended have the foreign policies of France and Germany diverged so widely; besides, Germany relies on USA alone for her security. So General de Gaulle's dream of a Europe which shall be independent of USA is not going to materialize overnight. The main purpose of political union is to bring about a joint foreign and defence policy; it is far better to wait patiently rather than build a facade of unity which would only mask the divergences and be worse than the present position.

The other mistake would be to believe that Britain would replace France in the event of a break; no such belief has gained any hold either in Bonn or in London. The Germans cannot conceive a European Community without France and the British only dare think of joining when all the Six are in harmony, both with each other and with Britain.

While the crisis lasted, the idea cropped up that France was considering backing Britain's entry as a counter-weight to German influence, and so as to strengthen the faction which opposes "supra-nationalism". The subject will be coming up again soon; meanwhile, those of the British who are expecting a signal to be given at the General's press conference on February 21 are likely to be disappointed.

THE WEEK IN THE COMMUNITY
February 7 - 13, 1966

ECSC

Steel in Difficulties

Both the Community's and the world's steel markets are still suffering from the gap between actual consumption and production capacity. Since the Treaty of Paris strictly forbids agreements restricting production, the makers must adapt their production capacity to demand voluntarily, but it would seem that, in spite of the repeated exhortations of the High Authority, it is extremely difficult to reduce supply in a balanced manner, since a number of enterprises prefer to sell their products at all costs, even if the prices charged do not enable a profit to be made. As far as these enterprises are concerned (and this is true for the iron and steel industry as a whole) the main problem is that of using production capacity in a profitable manner and of rationalizing rolling programmes. Such an attitude can only accentuate the imbalance between supply and demand and thus serve to damage the price structure even more seriously. Thus, according to High Authority experts, the Community iron and steel industry's financial position took a turn for the worse in 1965 compared with 1964. The downward trend of prices, which began during the first six months of 1965 and speeded up towards the end of the year, led to a drop in turnover; costs and wages rose, and the saving from rationalization and lower prices for certain raw materials were not enough to balance the adverse factors.

The result is that the Community's steel-makers must be at greater pains than ever to adapt production to actual consumption. It will be seen during the coming months whether the High Authority's recommendations (which steel-makers as a whole consider justified) will be complied with and whether the profession will be able to exercise enough discipline to abandon behaviour which, in the long run, can only have ill effects on the Community's steel industry.

However, there is some improvement on the horizon, although this is purely due to a cyclical trend, since over-capacity in world steel production remains as serious as ever; this can be seen from the recent movement of market prices, and particularly of export prices in non-member countries. The fall in prices over the past few months has slackened since December 1965 but the effects of this should not be over-estimated, bearing in mind how far prices have fallen since the beginning of the year, as will be seen from the following table:-

Recent Price Changes (Dollars per 1,000 Kg.) (Net FOB Common Market Port)			
Products	Beginning January 1965	Beginning January 1966	February 9, 1966
Steel Bars for Reinforced Concrete	80-81	73-74	76-78
Wholesale Rolled Steel	91-93	83-84	85-86
Steel Sections	84-86	74-75	74-76
Machined Wire	89-92	76-77	80-81
Hot-Rolled Strips	92-95	81-82	84-85
Heavy Sheets (Thomas)	98-100	82-83	86
Medium Sheets (Thomas)	99-100	83-84	87
Thin Cold-forged Sheets	109	100-101	196

Price falls over a period of twelve months varied, according to the various products, from $7 to 16 per ton. The January 1966 prices however were not the lowest recorded for the year; in October-November 1965 prices were from $1 to 2 lower again. But the recent recovery is still too slight to balance the losses and at the moment none of the rolled products have regained the price levels of the beginning of 1965.

Nevertheless this stronger trend is having a salutary effect on sales and since December there has been an increase in fresh orders. For the twelve months of 1965 however, new orders were down by 1.5% on those of 1964 as can be seen from the following table:-

New Orders for Rolled Products in 1965 (in 1,000's of metric tons)			
	ECSC	Other countries	Total
1965	46,998	13,628	60,626
1964	50,000	11,040	61,560
%Difference	-6.7	+23.4	-1.5

In January 1966 orders received by Common Market steelworks reached an all-time high with a total of 5,742,000 tons, compared with 5,559,000 tons in December 1965 and a previous record of 5,655,000 tons in March 1965. Another significant factor has been the recovery in internal sales in the Community, which normally carry higher prices than those fetched on the world market and therefore give a greater return to the firms concerned.

Progress of Orders during the Three Months November 1965 - January 1966
(in 1,000's of metric tons)

Rolled Steel	ECSC	Other countries	Total
January 1966	4,558	1,184	5,742
December 1965	4,382	1,177	5,559
November 1965	3,769	1,190	4,959

In 1965 production of raw steel reached a new record with an increase of 3.7% over 1964. The situation varies somewhat from country to country: in Italy and the Netherlands production increased by 28.5% and 17.2% respectively, while in Belgium there was an increase of only 5%; in Luxembourg production stayed at practically the same level but in Germany and France production fell by 1.4% and 0.9% respectively.

Production of Raw Steel in 1965
(in 1,000's of metric tons)

	Germany	Belgium	France	Italy	Luxembourg	Netherlands	ECSC Total
1965	36,817	9,163	19,612	12,581	4,586	3,118	85,887
1964	37,339	8,725	19,781	9,793	4,559	2,659	82,856
% + or -	-1.4	+5.0	-0.9	+28.5	+0.6	+17.3	+3.7

This gap between orders and production results from the continued reduction in orders; they no longer represent even two months' deliveries. In the case of rolled steel this means increasing difficulty in making up batches of economic size. Also there is the possibility of stocks piling up in the hands of merchants and users, which depresses prices because consumers are inclined to hold back their orders in anticipation of a fall in prices. The last few months, however, have seen this trend reversed and it appears from the increase in new orders that users are increasing their orders in anticipation of the present rise being maintained. It is hard to tell if this increase in purchases really reflects increased demand, so there is a danger that prices may fall again if stocks held by users and merchants get too big. As regards the development of consumption and stocks, the High Authority officials have come to the following conclusions for the year 1965: the rise in steel consumption by the Community's processing industries slowed down during 1965. Whereas in 1964 this increase amounted to 3.5 million tons of crude steel, it dropped to a little more than 2.5 million in 1965.

The biggest increase in consumption in 1965 took place in Germany, where the growth rate amounted to 6.1% over 1964, but in 1964 it had been 11.2%. Consumption in the Benelux countries increased by 1.7% in 1965 (5.6% in 1964). In the Netherlands, too, the growth rate dropped from 4% to 2.3%. The cyclical slower rate of growth was more marked in France where, after the big increase of 8.3% in 1964, consumption dropped by 0.3% in 1965 compared with the previous year. In Italy, on the other hand, there was a recovery in 1965; 1964 consumption had been 12.7% below the 1963 level, but it rose in 1965, and business improved considerably in the course of the year.

Consumption trends varied in different processing industries. Expansion was most marked in the electronic and electrotechnical industries, in which only Italy formed an exception. In the automobile industry, the differences are also clear between one country and another. There was a strong recovery in Italy. In Germany the upward trend in car production, which continued throughout 1964, slowed down in 1965. In France, production made only slow progress. In the primary processing industries (forges, foundries, cold rolling-mills, wire works, and tube factories), there was satisfactory progress in all countries except France. Building, however, made most progress there. In the other Community countries, there was only a slight increase in production, although it did not actually drop.

For the future, the experts consider that if the weather is reasonable and if the Italian recovery is maintained, the growth rate of actual steel consumption in the Community may be slightly over the 4.5% rate of the first quarter of 1966. In absolute terms, consumption might amount to 18,100,000 tons crude steel equivalent, or 800,000 tons more than during the first quarter.

* * *

The High Authority not aware of a Cartel

In reply to two written questions from Dutch parliamentarians, the High Authority has stated that it is not in a position to confirm the existence of a manufacturing cartel within the common steel market. However, the High Authority is perfectly aware of the need for the Community's steel-makers to cut back their production by adapting it to actual demand, and it is following market developments very closely, in close cooperation with all concerned. Whenever it has the opportunity, it stresses with the utmost vigour the need to achieve a balance between supply and demand, as indicated in the quarterly forecasts published under Article 46 of the Treaty. So as to enable enterprises to adapt their manufacturing programmes to forecasts more exactly, the quarterly forecasts will be drawn up a month earlier and will be circulated more rapidly.

* * *

ECSC has led towards a Social Policy

During its thirteen years, the High Authority has managed to pave the way towards a constructive social policy which, within its limitations, may have achieved the first steps towards a European labour community. This is the conclusion reached by M. Fohrmann, of the High Authority, in his statement to the European syndicate meeting held by the ECSC in Menton last week. M. Fohrmann stressed the difficulties that will stem from the merging of the Treaties, and he noted the social import of a number of clauses in the Treaty of Paris which should be retained in the future single treaty.

ECSC's methods of spreading information deserve mention. Although articles 46 to 48 of the Treaty of Paris have not been operated to the full, they still constitute the vital basis of the mission which the High Authority has the right and the duty to carry out. In spite of its practical limitations, article 46 in particular would appear to be more effective in its application and more precise in its wording than the equivalent articles in the Treaty of Rome (articles 117 and 118). The Common Market Commission, under the conditions and limits fixed by the Council (article 213), can only collect certain kinds of information, while in the best interests of the Community it should be able to put foward suggestions in full knowledge of the facts.

By virtue of articles 54 and 55 the High Authority is fully responsible for financial aid for productive investments and for various types of research. Article 56, paragraph 2 empowers it to co-ordinate Community action in the vital fields of re-training labour and of company and regional re-development. Generally the purpose of such action is to alleviate various untoward effects arising from unavoidable economic changes. M. Fohrmann goes on to state that article 56, paragraph 2 is especially important to the Community in that it relates to interventions made by the High Authority in association with the governments. In contrast to the provisions for the European Social Fund (articles 123 and 128), the ECSC can intervene before and not after the fact, which enables it to deal in good time with economic changes.

M. Fohrmann remarked: "It goes without saying that the High Authority's own financial resources have greatly helped it to put the original, essential provisions of the Treaty of Paris into effect. We should therefore attach particular importance, when revising the Treaties, to defending the notion of a Community Executive having sufficient financial autonomy; the more so because this basic principle is already included (potentially, at any rate) in both the Common Market and Euratom Treaties".

* * *

A Request from the Italian Shipbreakers

The Italian Shipbreakers' Association has requested the High Authority to consider the possibility of convening the ECSC Special Council of Ministers. It is hoping for measures to be adopted that will ensure priority purchase of ships' scrap iron, in preference to material from countries outside the Common Market, when there is no difference in quality. It has drawn attention to the worsening situation: production of scrap iron in Italian yards has fallen from 250,000 tons in 1962 to 80,000 tons in 1965. This situation is all the more regrettable because the breakers' yards are equipped to employ over a thousand workers in the very areas (the coast between La Spezia and Genoa) where unemployment is rife.

The Italian Government's representative seems to share the Association's view, and the shipbreakers of the other member countries would probably lend their support to such a request.

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THE EFFECTS OF THE ROME TREATY'S RULES GOVERNING COMPETITION ON NON-MEMBER COUNTRIES

by Peter Gloor,
Secretary General of the "Syndicat des Compagnies Suisses
de Commerce Mondial", Basle

I

In the eyes of Swiss law, the existence of cartels or other organizations of this type pre-supposes collusion between several partners with a view to restricting the free play of competition.

On the other hand, the Rome Treaty's rules governing competition do not insist that the infringement shall be collective, but even condemn measures taken by individuals to restrict competition, such as exclusive distribution agreements, for instance. In other words, unlike Community law, Swiss law bases its definition of "cartels" on the concept of individual interests combining to restrict competition in a manner profitable to all concerned, with the result that Swiss firms do not come within the purview of anti-trust legislation in their own country if they adopt a sales system based on the principle of exclusive distribution, whether direct or indirect. Thus, it is worth while devoting careful study to the effects which Community law may have in non-member countries, such as Switzerland.

As matters stand at present, the EEC's rules governing competition are applicable only to dealings within the Common Market. It must be borne in mind, however, that in the long run this jurisdictional field is very likely to be extended as other countries either join the Common Market or become associated with it. Moreover, there is little reason to suppose that there will be any change whatsoever in the basic features of Community law as it is being worked out at present. It is more probable that the principles laid down in Brussels will be adopted by regional groups which may be formed in South America and Africa, more or less consciously on the model of the Common Market. The example of Greece, which is associated with the Common Market, clearly shows that Brussels intends to impose its views on this subject, since the Association Agreement lays it down that Greece shall adopt the rules governing competition which apply to the Six. This being so, firms as a whole, even those which have no direct business interests in the Common Market, would be well advised to familiarize themselves with the problem and its future developments.

It is stated in Article 8 of the Rome Treaty that the Common Market shall be progressively established in the course of a transitional period of twelve years, divided into three stages of four years each. On 1 January 1962, the Common Market therefore entered its second stage, and the purport of the rules governing competition is defined in the Action Programme published by the EEC Commission on 24 October 1962 in the following terms: "Hence, competition is not only an important tool in the building of the Common Market during the transition period, but will have an essential role to play in the control of the economic process on the European markets established with its aid."

The result is that the Community rules are not simply concerned with protecting Common Market firms against any distortion of the free play of competition so as to ensure that they derive the utmost possible benefit from customs disarmament and the removal of all other barriers hampering free trade, but is also aimed at controlling the economic process, as a whole, by initiating a competition policy, in the full sense of the word. One of the questions which arise is whether this policy will be applied strictly to exclusive agency agreements, whereas, according to the legislation in force in the majority of Member States, this type of agreement is not subject to any prohibition.

In the case of firms established in Switzerland, the reply to this question is of direct interest only in cases where Common Market legislation is aimed at enterprises established in non-member countries and is liable actually to affect them. Now, the Commission has specifically made provision for cases of this kind, since it does not regard the fact that one of the parties is domiciled outside the Common Market as barring the application of Article 85 of the Rome Treaty if the agreement thus made has repercussions within the Community. This is indeed the lesson to be drawn from the decisions reached by the Commission on 11 May and 1 June 1964. The first decision concerned an agreement between a French manufacturer and a Swiss dealer; the Commission first of all investigated whether the agreement in question hampered, restricted, or distorted the free play of competition in the Common Market, and, after examining the facts of the case, decided that it did not. The fact remains, however, that in the Commission's view, sole agents domiciled in a non-member country may, in certain cases, restrict free trade between Member States. It is true that the Commission's decisions in the field of competition can, in principle, take effect only within the context of the de jure situation of partners who are nationals of Member States, but it may nevertheless happen that firms established in non-member countries suffer harm as a result.

Article 85 of the Rome Treaty, which lays down the basic principles governing competition in the Common Market, reads as follows:

1. The following shall be deemed to be incompatible with the Common Market and shall hereby be prohibited: any agreement between enterprises, any decisions by associations of enterprises and any concerted practices which are likely to affect trade between the Member States and which have as their object or result the prevention, restriction or distortion of competition within the Common Market, in particular those consisting in:

(a) the direct or indirect fixing of purchase or selling prices or of any other trading conditions;

(b) the limitation or control of production, markets, technical development or investment;

(c) market-sharing or the sharing of sources of supply;

(d) the application to parties to transactions of unequal terms in respect of equivalent supplies, thereby placing them at a competitive disadvantage; or

(e) the subjecting of the conclusion of a contract to the acceptance by a party of additional supplies which, either by their nature or according to commercial usage, have no connection with the subject of such contract.

2. Any agreements or decisions prohibited pursuant to this Article shall be null and void.

3. Nevertheless, the provisions of paragraph 1 may be declared inapplicable in the case of:

any agreements or classes of agreements between enterprises,
any decisions or classes of decisions by associations of enterprises, and
any concerted practices or classes of concerted practices which contribute to the improvement of the production or distribution of goods or to the promotion of technical or economic progress while reserving to users an equitable share in the profit resulting therefrom, and which:

(a) neither impose on the enterprises concerned any restrictions not indispensable to the attainment of the above objectives;

(b) nor enable such enterprises to eliminate competition in respect of a substantial proportion of the goods concerned.

Thus, the general rule is contained in Paragraph 1, while Paragraph 3 gives the Commission the option of declaring the rule inapplicable and, if it does so, of granting "exemptions".

As regards these "exemptions", the Commission is normally called upon to give a ruling in each individual case, but the Treaty leaves it open to the Commission to grant exemptions by classes of agreement. The Commission alone is responsible for deciding whether or not Article 85 is applicable. It decides whether or not to grant exemptions on the basis of requests for exemption submitted for this purpose either by all the parties concerned or by one of them. Before a decision can be reached, a number of conditions must be fulfilled: the agreement between the parties must contribute to the improvement of the production or distribution of the goods concerned or to the promotion of technical progress; it must be of advantage to consumers, if only indirectly, by satisfying demand more quickly, by making it easier to keep a check on quality standards, and so on; it must not impose on the enterprises concerned any restrictions not indispensable to the attainment of these objectives; it must not enable enterprises to eliminate competition in respect of a substantial proportion of the goods concerned. It is clear that this procedure leaves a great deal to the discretion of the competent authority.

If the decisions already reached on this subject by the Commission are examined, it is easy to see its fundamental policy, particularly as regards exclusive distribution agreements.

(To be continued)

Page		
D	AIRCRAFT & SPACE	Belgium: FOKKER, Amsterdam takes over SABCA, Brussels raises its own capital and will combine the industrial assets of the two companies.
D	AUTOMOBILES	Italy: LANCIA, Turin acquires all the capital of its subsidiary CARROZZERIA DI BOLZANO.
D	BUILDING & CIVIL ENGINEERING	Italy: Three Zug holding companies BEHELAN, MORINELL and ENNETON form Milan property subsidiaries. FORNACI VALDADIGE, Verona takes over the brick firm FORNACI VALBEVERA, Milan (linked with BASTOGI).
E	CHEMICALS	France: LA CARBONIQUE FRANCAISE (subsidiary of LA CARBONIQUE, Paris) and POTASSE & ENGRAIS CHIMIQUES, Paris (POTASSE D'ALSACE) combine to form CAPEC (machines for making liquid carbonic anhydrides etc). Germany: PREUSSAG, Hanover and the American company PHILLIPS PETROLEUM will build joint factory to make carbon black. PREUSSAG, Hanover increases its holding in KIAG, Düsseldorf from 33.3% to a majority. INTERORGANA, Cologne opens Munich branch. Italy: TITO GALLOTI, Milan becomes exclusive Italian agent for products of SCHWEIZERISCHE SPRENGSTOFF, Dottikon, Switzerland (munitions, explosives etc).
F	COSMETICS	Germany: HENSIUS VON MAYENBURG, Frankfurt sells the entire assets of its subsidiary FRANKFURTER TUBENFABRIK (tubes) to TUBEX, Rangendingen.
F	ELECTRICAL ENGINEERING	France: The German firm ANTON KATHREIN ALTESTE (aerials and lightning-conductors) forms French sales company. Germany: The American group GENERAL ELECTRIC buys controlling interest in KUBA TOMMOBEL.ETC, Wolfenbuttel, Germany (radiograms, radios etc)
G	ELECTRONICS	France: MOTOROLA SEMI-CONDUCTOR PRODUCTS (sales subsidiary of the American group MOTOROLA) is setting up liaison offices in France, Italy and Scandinavia.
G	ENGINEERING & METAL	France: Two Paris nuclear engineering groups INDATOM and SEEN merge and will form STE POUR L'INDUSTRIE ATOMIQUE. TECMODEN, Courbevoie forms research subsidiary. METALLURGIQUES R. WORMS, Nancy forms GESTION & PARTICIPATIONS METALLURGIQUES on the premises of its Paris branch. SKF, Paris (SKF, Gothenburg group) takes over two large French ball - and roller-bearing companies: RKS PASQUIER and ETS ROSSI FRERES.

Germany: The British group WHESSOE (plant etc for the chemical and other industries) now has 75% control of the similar German firm STRICO. The Swedish pump-makers IMO form German sales company. The German group J. M. VOITH buys majority holding in EMIL BLASCHKE, Stuttgart (machine-tools for the plastics and synthetic fibre industries). HEINKEL, Stuttgart (motors, scooters etc) forms HEINKEL-TENNER MASCHINEN, Berlin with a local firm ARMIN TENNER (minority shareholder). Germany: MAGNET AG, Zurich takes over HAHN-MAGNET, Messkirch (magnets, magnetic tools etc). Italy: The Swiss company MECHANOTEX forms MEC-MOR, Milan (textile machinery). FINMECCANICA Rome (IRI group) is merging two of its metal-processing companies, NAPOLITANA FABBRICA MACCHINE INDUSTRIALI, Naples and MECFOND, Naples. MINERALI & METALLI, Milan makes non-exclusive sales agreement with ALUMINIUM FRANCAIS (owned 80/20 by PECHINEY and UGINE). Netherlands: The British firm QUINTON HAZELL (parts and equipment for cars etc) forms Dutch subsidiary.

K FINANCE

Belgium: BANKERS TRUST, New York takes 33.3% in BANK G. & C. KREGLINGER, Antwerp which has increased its capital. France: CONTINENTALE DE BANQUE (closely linked with LIBRAIRIE HACHETTE) forms FINACONTI (investment and capital management). LA HENIN, Paris exchanges most of its 5% holding in CIE BANCAIRE, Paris for 30% in PARISIENNE DE REESCOMPTE. Greece: The Dutch bank SLAVENBURG'S takes minority share in the Greek commercial bank BANQUE DE CREDIT COMMERCIAL. Italy: ISTITUTO FINANZIARIO ITALIANO transfers property to CAPITALIZZAZZIONI & ASSICURAZIONI, Rome (insurance).

L FOOD & DRINK

France: Belgian companies have a majority shareholding in EUROPEENNE DE VINS & SPIRITUEUX (FRANCE) Paris (sales). UNILEVER, Rotterdam forms Paris canning subsidiary HARTOG FRANCE. Four French preserves firms MAISON OLIDA, SAUPIQUET, WILLIAM SAURIN and ETS UNGEMACH will form joint research company. The Dutch poultry concern EUROPEESE PLUIMVEE (owned by EPU, Hamersveld) subscribes capital increase of HAMERSVELD FRANCE. GENERALE ALIMENTAIRE, Neuilly (vinegar) takes 18.5% in new company VINAIGRERIE NORMANDE. Netherlands: BROUWERIJEN D'ORANJEBOOM, Rotterdam (brewing) gets licence from SKOL INTERNATIONAL to distribute and sell "Skol" beer.

C

N	INSURANCE	France: The Swiss insurance company SCHWEIZERISCHE RUECKVERSICHERUNGS forms COTEBA, Paris (market research and insurance consultancy). The American insurance company AETNA LIFE (all-risk) and the Italian group ASSICURAZIONI GENERALI DI TRIESTE ETC will form joint company covering Europe, North and South America, Africa and Asia. The German-American re-insurance agency NECKURA takes 20% in the Italian credit company CIA ARETINA INVESTIMENTI.
O	IRON & STEEL	Italy: FINSIDER, Rome signs mutual technical and know-how agreement with Japan's largest iron and steel firm YAWATA SEITETSU, Tokyo.
O	OIL, GAS & PETRO-CHEMICALS	Belgium: COPAREX, Paris forms new Benelux sales subsidiary SOMATROL, Brussels. The first stage of the financial re-organization of RUHRGAS, Essen (gas sales) is now complete.
P	PAPER & PACKAGING	Belgium: The Dutch company KON NED PAPIERFABRIEK and its new Canadian shareholder POWELL RIVER set up two new factories, one for paper at Lanaken, Belgium and the other for cellulose and pulp at Algeciras, Spain. Germany: The British group COPE ALLMAN (engineering and packaging) and the German one GEBRUDER KOLLISCH (metal packaging) form joint subsidiary EUROPACK to be run by Cope Allman's Nuremburg subsidiary. Netherlands: The American company AVERY PRODUCTS (paper, sticky-tape, machines) forms wholly-owned Dutch subsidiary ROTEX.
Q	PHARMACEUTICALS	France: BAYER, Leverkusen is re-organizing its French interests. The American pharmaceutical chemists CARTER WALLACE forms Luxembourg investment subsidiary. The Dutch group ZWANENBERG ORGANON forms wholly-owned manufacturing subsidiary in Spain.
R	PLASTICS	France:The French plastics manufacturer SPAIR gains control of MARITIMES CROISICAIS (pleasure-boats).
R	PRINTING & PUBLISHING	Germany: RICHARDS GmbH is formed in Munich to represent the German interests of the American publishers GROLIER INTERNATIONAL.
R	TEXTILES	France: The German ladies' wear manufacturers GOETZ forms French subsidiary. Netherlands: The British elastic textile makers JOHN HEATHCOAT forms Netherlands manufacturing subsidiary with local firm. United States: CONFECTIONS ELEGANTES EUROPEENNES, Colmar, Haut-Rhin signs agreement with COUTURE IMPORT, New York to increase its American sales.

S	TRADE	Italy: ASCA, Milan, CONSORZIO CARBONIFERO, Genoa and CONSUMATORI CARBONI INDUSTRIALI, Rome form POLC-ARBO to import and sell Polish coal.
S	TRANSPORT	France: LOFTLEIDER, Luxembourg (air-transport) turns its Paris agency into 98% subsidiary.
S	VARIOUS	Belgium: The American scientific instrument makers WILKEN opens Brussels branch for its Netherlands subsidiary AERO-GRAPH HOLLAND. The American company GENESCO takes 61% in the Belgian firm ENTREPRISES ET MANUFACTURES DE L'ESCAUT. The Dutch advertising agency RECLA forms Belgian company through its Swiss subsidiary. France: The Danish furniture manufacturer FRANCE & SON HANDELS increases the capital of FRANCE & SON, Paris. The managers of the British company KASPARIANS (UK) take 35% each in new Paris furniture import/export company KASPARIANS INTERNATIONAL FRANCE.

AIRCRAFT & SPACE

** The negotiations between the aircraft firms NV KON NED VLIEGTUIGEN-FABRIEK FOKKER, Amsterdam (see No 332) and SABCA - SA BELGE DE CONSTRUCTION AERONAUTIQUE, Brussels, which have lasted several months, have now resulted in a development policy agreement being signed between the two companies. Their industrial assets will be combined and the two companies will exchange shares so that the Dutch firm will take over the Brussels one completely and raise its own capital from Fl 18,050,000 to Fl 21,050,000.

The main share-holders in SABCA, which thus become minority share-holders in Fokker, are BRUFINA (which belongs to the De Lannoit group and owns 20%) and STE GENERALE DE BELGIQUE, which has the absolute majority (14.8% directly owned since it acquired 17,800 shares from its own subsidiaries, and others indirectly through a group of companies including CIE MARITIME BELGE, FABRIQUE NATIONALE D'ARMES DE GUERRE and CIE DU CONGO). The majority of Fokker's shares are in the hands of the Dutch royal family, and a 22.2% holding in it belongs to NORTHROP CORP., Beverly Hills, California.

AUTOMOBILES

** LANCIA & CO FABRICA AUTOMOBILI SpA, Turin (see No 336 - capital Lire 10,800 million) has acquired all the Lire 160 million capital of one of its subsidiaries CARROZZERIA DI BOLZANO SpA (formerly OFFICINE VIPERTI BOLZANO - see No 325). Lancia is the third largest Italian automobile manufacturer and is linked with ITALCEMENTI - FABBRICHE RIUNITE CEMENTO SpA, Bergamo.

BUILDING & CIVIL ENGINEERING

** Sig. G. Brailanti of Milan has formed and will manage three Milan property companies, BEHELFAN ITALIANA Sas (capital lire 40 million), MORINELL ITALIANA SpA (capital lire 30 million) and ENNETON ITALIANA Sas (capital lire 15 million) on behalf of three Zug holding companies, BEHELFAN AG, MORINELL AG and ENNETON AG.

** FORNACI VALDADIGE SpA, Verona (see No 231 - capital ire 2,240 million) has taken over the brick and bond-stone firm FORNACI VALBEVERA SpA, Milan (factory at Castella Brianza, Como. This company is linked with BASTOGI SpA (see No 336) and makes tiles and building materials. It has several Venetian factories and controls LATERIZI VICENTINI Spa (formerly FORNACI VENETE RIUNITE ING P.TREVISANI), in which Bastogi holds the minority.

It also has interests in COMMISSIONNARIA INDUSTRIE LATERIZI & AFFINI SpA. Though the holding company CERAMEUROPE SA, Luxemborg (formerly KERAMO EUROPE SA - see No 182) it also has Belgian interests: PREBELCO SA with a factory at Tamise and NOVOBRIC SA, with factories at Wavre, Malines and Boom.

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CHEMICALS

** LA CARBONIQUE FRANCAISE Sarl (see No 237), which is a subsidiary of LA CARBONIQUE SA, Paris (President M. R. Fievet), and POTASSE & ENGRAIS CHIMIQUES SA, Paris (see No 300), have combined to form CAPEC-CARBONIQUE FRANCAISE-POTASSE & ENGRAIS CHIMIQUES SA (capital Ff 500,000) to make machinery for liquefying carbonic anhydrides and solid carbon dioxide from crude gas (by-product in the manufacture of ammonia. Potasse & Engrais Chimiques is 86.5% controlled by MINES DOMANIALES DE POTASSE D'ALSACE, Mulhouse, Haut-Rhin (see No 336), the remainder of the shares being in the hands of MINES DE KALI SAINTE - THERESE SA, Paris (which belongs to the RIVAUD & CIE Snc group (see No 340).

** PREUSSAG AG, Hanover intends to manufacture carbon black and has made an arrangement with PHILLIPS PETROLEUM CO, Bartlesville, Oklahoma (see No 342). A joint factory will be built at Anderten, Hanover and supplied with the basic petroleum products from the near-by refinery of GEWERKSCHAFT ERDOEL-RAFFINERIE DEURAG-NERAG, Hanover, in which Preussag holds 38%. Much of the new factory's output will be taken by the rubber group, CONTINENTAL GUMMI-WERKE AG, Hanover (see No 204), whose plant is also close.

German carbon black production is expected to grow. DEGUSSA - DEUTSCHE GOLD - & SILBER - SCHEIDEANSTALT VORM ROESSLER, Frankfurt (see No 291) means to increase its capacity. COLUMBIAN CARBON CO, New York (through COLUMBIAN CARBON DEUTSCHLAND GmbH & CO KG, Hamburg - see No 326) and UNITED CARBON CO, New York (through DEUTSCHE UNITED CARBON CO GmbH, Frankfurt - see No 329) are both planning new carbon black factories.

** INTERORGANA CHEMIEHANDEL GmbH of Cologne (see No 146; capital DM 250,000; manager Herr W. Paulus) is extending its activities on the German market: to its existing branches in Duisburg and Hamburg it has added a third in Munich.

Interorgana represents the New York chemicals firm STEUBER & CO INC in Western Germany, and which is represented in France by PROCHIMAR of Paris. Since November 1965 (see No 333) the American firm has had a sales subsidiary in Schaerbeek, Brussels; STEUBER CO EUROPE SA.

** By virtue of a trade agreement in Italy between the Swiss chemical company SCHWEIZERISCHE SPRENGSTOFF-FABRIK AG, Dottikon, and TITO GALLOTI & CO, Sarl, Milan, the latter company has acquired the exclusive agency for the first named company's products, particularly for gun powder, explosive charges and explosives for munitions, public works etc.

** PREUSSAG AG, Hanover has raised its shareholding in KIAG-KOHLENSAEURE INDUSTRIE AG, Düsseldorf (see No 289) from 33.3% to a majority by acquiring shares from a bank, C.G. TRINKHAUS, Düsseldorf. This bank belongs partly to SUTOR VERWALTUNGS AG (an associate of Preussag) and to Dr. E. Schneider, the German industrialist who is president of DIHT.

KIAG makes carbonic acid (mainly for the chemicals and aerated drinks industries), pharmaceuticals and cosmetics; it also has interests in iron and steel. Its main subsidiary making carbonic acid is AGEFKO KOHLENSAEURE WERKE AG, Düsseldorf, which it owns entirely. It owns CATISA (COROMINA-AGEFKO-TIKKO SA), Barcelona, 50-50 with COROMINA INDUSTRIAL SA of that city; also ACIDE CARBONIQUE NATUREL SA 50-50 with CEODEUX SA, Lintgen, Luxemborg.

In pharmaceuticals and cosmetics it owns more than 75% of LINGNER-WERKE AG, Berlin, which has a number of subsidiaries in West Germany and abroad making and selling "Odol" products. In iron and steel KIAG holds shares in HEIN, LEHMANN & CO AG, Düsseldorf, STEFFENS & NOELLE AG, Berlin and HILGERS AG, Rheinbrohl, in which Preussag and GEBRUEDER STUMM GmbH of Neuenkirchen, Saar also have holdings.

COSMETICS

** HEINSIUS VON MAYENBURG VERWALTUNGSGES GmbH, Frankfurt, an investment firm which manages the funds of the German family von Mayenburg, has liquidated its subsidiary FRANKFURTER TUBENFABRIK GmbH, Frankfurt. This is a tube manufacturing company, whose industrial assets have been sold to TUBEX GmbH, Rangendingen, which is in the same industry.

The liquidated company has work mainly to serve its sister company LEO-WERKE GmbH, Frankfurt, which makes cosmetics and toilet articles and has general sales in West Germany and West Berlin for the Paris houses BOURJOIS SA, BARBARA GOULD SA and JEAN D'AVEZE SA and also for the Liechtenstein company INTERNATIONAL CLEOPATRA COSMETICS LTD, Vaduz.

ELECTRICAL ENGINEERING

** ANTON KATHREIN ALTESTE SPEZIALFABRIK FUER ANTENNEN & BLITZSCHUTZAPPARATE, Rosenheim, which employs about 1,000 people making aerials and lightning conductors, will now be represented in France by STE DE DISTRIBUTION DES ANTENNES KATHREIN Sarl (capital Ff 10,000), which has been formed for this purpose at Marseilles; the manager will be M. C. Rochu.

** The American group GENERAL ELECTRIC CO, New York (see No. 329) has paid Dm 80 million for a controlling interest in KUBA TONMOBEL & APPARATEBAU, Wolfenbuttel, previously owned by Herr G. Kubetschek, which makes combined radiogram-TV sets, transistor-radio receivers, stereo transmitters, etc. The German firm employs about 4,000 workers and has an annual turnover of more than Dm 200 million; it controls the following German companies: IMPERIAL RUNDFUNK & FERNSEHWERK GmbH, Osterode, Harz; KUBA TONMOBELWERKE GmbH, Brunswick-Waggum, and GERHARD KUBETSCHEK MOBELFABRIK GmbH, Wolfenbuttel. Since September, 1964 (see No. 273) it has had a large distributor in France, KUBA FRANCE Sarl, Paris, which became a joint-stock company in December, 1965, with a capital of Ff 320,000 (as compared with Ff 20,000).

General Electric's last big operation in Germany was in May, 1965, when it set up GENERAL ELECTRIC HOUSEWARES GmbH, Frankfurt (capital Dm 1,200,000) to sell electrical household equipment (see No. 309). In addition to shareholdings in AEG - ALLGEMEINE ELEKTRICITAETS-GES AG (10%) and OSRAM GmbH (21.45%) the American group has large interests in Germany: INTERNATIONAL GENERAL ELECTRIC GmbH, Frankfurt; INTERNATIONAL GENERAL ELECTRIC OPERATIONS AG, Bad Godesberg; ESGE GmbH & CO ELEKTRO-GERAETEFABRIK, Neuffen, Württemberg; WUERRTEMBERGISCHE HAUSGERAETE GmbH, Reutlingen; PROMETHEUS-ELEKTRISCHE GERAETE HEIZEINRICHTUNGEN GmbH, Eschwege, and direct minority interests with AEG in KRT - KERNREAKTORTEILE GmbH, Frankfurt (see No. 308) and ELEKTRONISCHE & LUFTFAHR GERAETE GmbH, Bad Godesberg (see No. 298).

ELECTRONICS

** MOTOROLA SEMI-CONDUCTOR PRODUCTS INC, Illinois, sales subsidiary of MOTOROLA INC, Franklin Park, Illinois, is planning to set up a liaison office in France and others in Italy and Scandinavia. It recently opened a Geneva branch to supply the European market with semi-conductors through MOTOROLA SEMICONDUCTOR PRODUCTS SA, which was formed at Meyrin in May 1965 (see No. 308).

The American group was already represented in France through a 33.3% shareholding in a company making electronic alternators, lighting and semi-conductors for cars, SEV-MOTOROLA SA, Issy-les-Moulineaux, Hauts-de-Seine (capital Ff 10,230,000) in which another shareholder is SA POUR L'EQUIPEMENT ELECTRIQUE DES VEHICULES - SEV MARCHAL, Issy-les-Moulineaux (see No. 243).

ENGINEERING & METAL

** The British company WHESSOE LTD, Darlington, Durham, which makes plant, equipment and apparatus for the chemical, gas, oil and nuclear industries, has now bought 75% control of the German firm STRICO GES. FUER METALLURGIE & WAERMETECHNIK, Gummersbach, Cologne, which is engaged in similar activities.

Whessoe's subsidiaries are: EXPRESS TOOLS LTD, Chessington, Surrey, WHESSOE ENGINEERING LTD and WHESSOE ENGINEERING SERVICE LTD in Britain; also WHESSOE SA was formed in Paris at the beginning of 1961, with a factory at Calais.

** TECMODEN - STE DE DEVELOPPEMENT DES TECHNIQUES MODERNES DANS L'ENGINEERING SA, Courbevoie(founded in December 1965; capital Ff 50,000: president M. A. Malezieux du Hamel) has formed PROTEF - STE POUR LA PROMOTION DES TECHNIQUES FRANCAISES SA, Courbevoie, on which it holds 88% of the Ff 50,000 capital. The new firm will be concerned with a wide range of research as well as industrial processes and techniques; its president will be M. H. de Pontaud.

TECMODEN is a subsidiary of SAINT-GOBAIN TECHNIQUES NOUVELLES SA, Courbevoie, Hauts-de-Seine (capital Ff 26.5 million), itself controlled by CIE DE SAINT-GOBAIN (see No. 342).

** QUINTON HAZELL LTD, Colwyn Bay, Denbighshire, which makes parts and equipment mainly for car engines, trucks and tractors, has now carried out its plans for the Netherlands (see No. 340) by forming a new company, QUINTON HAZELL NEDERLAND NV (capital Fl 100,000), under the management of M. R. La Chapelle. Like its French sister company QUINTON CIMEX SA, Le Bourget, Seine-Saint-Denis, it is controlled by the group's Belgian subsidiary, QUINTON HAZELL-REMAX EUROPE SA, Etterbeek-Brussels (see No. 313), which thus confirms its role as the British group's trading and manufacturing base on the Continent.

In addition to these subsidiaries on the Continent, and those it has formed in India, Ireland, South Africa, and Australia, Quinton Hazell has very wide interests in Britain itself. In particular, it heads W.H. BRISCOE & CO, Birmingham, BEARINGS & ACCESSORIES LTD (which holds 50% in COLRAY ENGINEERING CO LTD), E. STEINER LTD, Birmingham, WALT. BENNETT (SPARE PARTS) LTD, Manchester, SMITH & CO LTD, Birmingham, REMAX LTD, GLISSAN & SON LTD, Coventry, HENRY MEADOWS LTD, Wolverhampton (40% subsidiary), etc.

** ETS METALLURGIQUES R. WORMS SA, Nancy (capital Ff 2.4 million) has formed on the premises of its Paris branch CIE DE GESTION & DE PARTICIPATIONS METALLURGIQUES SA (capital Ff 800,000); the first directors of the new firm are M. R. Worms, M. P. Getty and M. A. Gardan. Worms deals in metals and imports machine tools, most of which are manufactured by about thirty German, Italian, and Japanese firms.

** MECHANOTEX AG, Mesocco, Grisons (capital Sf 50,000) has formed MEC-MOR SpA, Milan, which sells textile machinery, mainly for stocking manufacture. It was formed itself in November, 1965, to manage investments in the engineering and textile industries and holds 75% of the lire 1 million capital of the new company; the other 25% belongs to Sig. A. Vanati of Milan.

** A/B IMO-INDUSTRI, Stockholm, a subsidiary of ZANDER & INGESTROM A/V, Stockholm, has formed a German sales company IMO-PUMPEN GmbH, Hilden (capital Dm 20,000: manager Herr E. Enneper of Vorst, Neuss).

Imo-Industri (capital Kr 4 million) employs about 250 workers in the manufacture of industrial pumps, valves, and computers. Since January 1964 it has had a subsidiary in Zurich, IMO PUMPEN AG (see No. 237). Its principal licensees are TERMOMECCANICA ITALIANA SpA, La Spezia; MIRLEES ENGINEERS LTD, Glasgow; KAWASAKI DOCKYARD CO LTD, Kobe, and DE LAVAL TURBINE INC, Trenton, New Jersey.

** SKF-CIE D'APPLICATIONS MECANIQUES SA, of Paris, (capital Ff 82.74 millions) a member of the group SKF - SVENSKA KUGELLAGER FABRIEKEN A/B of Gothenburg, has taken over RKS PASQUIER SA of Vitry, Val-de-Marne, which employs some 400 people in its factories in Avallon, Yonne, and Vitry, and does an annual turnover of about Ff 25 millions; and ETS ROSSI FRERES Sarl of Levallois-Perret, Hauts-de-Seine (capital Ff 2,034,000) which makes conical roller bearings (turnover some Ff 4 millions a year). Since October 1963 RKS has had a subsidiary in Milan (see No 224), called RKS PASQUIER ITALIANA SpA, (capital lire 10 millions).

SKF's French subsidiary accounts for more than half of the ball and roller bearings produced in that country. It has factories in Gennevilliers and Bois-Colombes, Hauts-de-Seine; Aubervilliers, Seine-Saint-Denis; Ivry, Val-de-Marne and Saint-Cyr-sur-Loire, Indre-et-Loire. Since 1963 (see No 245) it has had 80% control of ADR: LES APPLICATIONS DU ROULEMENT SA in Paris (factories in Thomery, Seine-et-Marne and Champigny, Val-de-Marne), and also a majority share in ETS MALICET & BLIN SA of Aubervilliers.

** The FINMECCANICA group, Rome, a member of IRI (see No 342), is merging two of its metal-processing machine companies: STA NAPOLITANA FABBRICA MACCHINE INDUSTRIALI SpA, Naples (in which the parent firm owns the whole of the lire 800 million capital) and MECFOND-OFFICINE MECCANICHE & FONDERIE NAPOLETANE SpA, Naples (see No 255) whose capital (shared 51-49 between Finmeccanica and IRI) was reduced last July to lire 1,500 million.

Mecfond, which operates in close connection with Napoletana, has had a sales subsidiary in Hanover since the beginning of 1964 and has shareholdings of 33% in B.BIONDI & CO SpA, Milan (see No 171); in WALWORTH EUROPA-WESPA, Patti, which is controlled by WALWORTH CO, Oakland, California (see No 305) and in CTIP - CIA TECNICA INDUSTRIE PETROLI SpA, Rome (of the FASCO group - see No 343).

** STE POUR L'INDUSTRIE ATOMIQUE will be formed shortly as a result of the merger of two Paris nuclear engineering groups, INDATOM Sarl (capital Ff 2.7 million) and SEEN - STE D'ETUDES & D'ENTREPRISES NUCLEAIRES Sarl (capital Ff 1 million - see No 312).

Indatom is owned 10% each by BANQUE DE PARIS & DES PAYS BAS SA and nine industrial companies: STE FRANCAISE BABCOCK & WILCOX SA, CIE DES ATELIERS & FORGES DE LA LOIRE SA, CIE ELECTRO-MECANIQUE SA, CGE - CIE GENERALE D'ELECTRICITE SA, CSF - CIE GENERALE DE TSF SA, FORGES DE CHATILLON - COMMENTRY & NEUVES-MAISONS SA, ETS NEYRPIC SA, CIE PECHINEY SA and SAINT-GOBAIN TECHNIQUES NOUVELLES SA.

SEEN was formed in June 1965 under the wing of the SCHNEIDER group by SFAC - STE DES FORGES & ATELIERS DU CREUSOT SA and SENTA - STE D'ETUDES NUCLEAIRES & DE TECHNIQUES AVANCEES Sarl (30% each), SCHNEIDER & CIE Sca, UNION EUROPEENNE, INDUSTRIELLE & FINANCIERE SA and STE DE CONSTRUCTIONS ELECTRO-MECANIQUES JEUMONT-SCHNEIDER SA (10% each), CERCI - CIE D'ETUDES & DE REALISATIONS DE CYBERNETIQUE INDUSTRIELLE SA and ETS KUHLMANN SA (5% each).

The new grouping's only remaining competitor in France will be GROUPEMENT ATOMIQUE ALSACIENNE ATLANTIQUE SA (capital Ff 5 million - see No 221) which was formed in November 1959 50-50 by SACM - STE ALSACIENNE DE CONSTRUCTIONS MECANIQUES & CHANTIERS DE L'ATLANTIQUE (PENHOET-LOIRE) SA. This joint company is to build the future Franco-Spanish atomic power station.

** J.M.VOITH GmbH, Heindenheim, West Germany (see No 292) has acquired a majority holding in EMIL BLASCHKE, Endersbach, Stuttgart (makers of machine tools for the artificial and synthetic fibre and plastics industries for 40 years) and turned it into a limited company (GmbH).

Voith is controlled by the family of that name and heads a diversified group comprising: VOITH GETRIEBE KG, Meindenheim, which co-operates with its Glasgow subsidiary VOITH ENGINEERING LTD to make hydro-dynamic controls, gears, refrigerators and ventilators; VOITH TURBO KG, Craibsheim, hydro-dynamic calculating machines and special electrical couplings; VOITH MUELLEX GmbH, which was formed recently at Heindenheim to build waste recovery plant (some of it under licence from DOOR-OLIVER INC, Stamford, Connecticut); and DEUTSCHE GETRIEBE GmbH, Berlin (gears and controls for railway rolling stock).

Voith holds 34% in DEUTSCHE EFFECTEN- & WECHSEL-BANK, Frankfurt and 25% in DEUTSCHE CONTINENTAL-GAS GES, which manages mining, power and electrical investments; other shareholders in it are ALLIANZ VERSICHERUNGS AG, Munich (25%), ELECTROWATT ELEKTRISCHE INDUSTRIELLE UNTERNEHMUNGEN AG, Zurich (11%) and "INDELEC" - SCHWEIZERISCHE GES FUER ELEKTRISCHE INDUSTRIE, Bashe (6.4%).

Abroad it has subsidiaries as follows: J.M.VOITH AG, St Pölten, Austria; VOITH SA MAQUINAS & EQUIPAMENTOS, Sao Paolo, Brazil; MAQUINARIA J.M. VOITH SA, Tolosa, Spain; VOITH-EXPORT AG, Zurich, Switzerland and UTKAL MACHINERY LTD, Rourkela, India.

** ERNST HEINKEL AG, Stuttgart-Zuffenhausen (see Nos 294 and 281) has formed HEINKEL-TENNER MASCHINENFABRIK GmbH, Berlin - Mariendorf, jointly with a local firm ARMIN TENNER (minority shareholder), which makes lifts, hoists and electrical generators. The new company's object is to develop Tenner's business.

Heinkel is owned by the family of that name; it makes motors, scooters and gears and maintains reactors etc. Its two main direct subsidiaries at Stuttgart-Zuffenhausen are ERNST HEINKEL WOHNUNGSBAU GmbH (property) and ERNST HEINKEL SOZIALHILFE GmbH (company fund).

The Heinkel family also controls ERNST HEINKEL MOTORENBAU GmbH, Karlsruhe, and has had interests in VER FLUGTECHNISCHE WERKE GmbH, Bremen (see No 294) since that company took over the aircraft firm ERNST HEINKEL FLUGZEUGBAU, Spire.

** The Swiss family Wipf owns MAGNET AG, Hausen, Zurich, which has taken over entirely HAHN-MAGNET KG, Engelwies, Messkirch. Both firms make magnets and magnetic tools and equipment.

** MINERALI & METALLI SpA, Milan (see No 302) has made a non-exclusive sales agreement with ALUMINIUM FRANCAIS, Paris,the joint sales office owned 80-20 by the PECHINEY and UGINE groups (see No 332).

The Milan firm is a member of the group STE MINIERE & METALLURGIQUE DE PENARROYA SA, Paris,which belongs to DE ROTHSCHILD FRERES SA (see No 329). It recently made a similar agreement with INTERNATIONAL METALS SA, Luxembourg(see No 105) which, like SA DES MINERAIS SA, Luxembourg,belongs to CONTINENTAL ORE CORP, New York (headed by Mr.H.J.Leir).

FINANCE

** NV SLAVENSBURG'S BANK, Rotterdam (see No 325) has taken a minority shareholding in the Greek commercial bank BANQUE DE CREDIT COMMERCIAL SA (FIDESBANK). This firm was founded almost a hundred years ago and is the fourth largest firm in Greece, with agencies and branches in Piraeus, Patras, Sparta, Thessalonika etc. The bank also recently acquired two other minority shareholders: WESTERN BANCORPORATION, Los Angeles (a holding company with more than 500 offices belonging to 23 banks in eleven Western States) and MANUFACTURERS HANOVER INTERNATIONAL BANKING CORP, New York. The latter is the foreign subsidiary of MANUFACTURERS HANOVER TRUST CO, a shareholder in NIBID SA (see No 329) which in turn is a subsidiary of BANQUE NATIONALE DE GRECE SA, a privately-owned firm in Athens.

Since 1952 the Dutch bank has had a subsidiary in New York (THE SLAVENBURG CORP - see No 266) and a minority shareholding in BRUBANQUE -BANQUE DE LA SOCIETE FINANCIERE BRUXELLOISE SA, Brussels, in which BANK HOFMANN AG, Zurich is also a shareholder.

** ISTITUTO FINANZIARIO ITALIANO SpA (president Sig G. Soster), Rome, with branches in Naples, Palermo, and Bari, is to transfer property to the insurance group CIA DI CAPITALIZZAZIONI & ASSICURAZIONI Spa, Rome, with branches in Paris, Brussels, and London, etc. The company has a capital of lire 350 million and holds 50% in the hotel company SOGEAT, Cave dei Tirenni, Palermo, which was formed in cooperation with LLOYD INTERNAZIONALE Spa, Rome, and SOGEMO - SOC GESTIONI MOBILIARI, Rome, each of which holds 25%.

** The holding company UNION DES MINES LA HENIN SA, Paris (which recently transferred its banking business to BANQUE DE SUEZ ET DE L'UNION DES MINES in which it has a 50% interest - see No 326) has given up almost its entire 5% holding in CIE BANCAIRE SA, Paris (see No 326) in exchange for 30% in CIE PARISIENNE DE REESCOMPTE SA, Paris (capital Ff 10 million) which deals in short-term discount; its main shareholders are CIE GENERALE FRANCAISE DE CREDIT SA (formerly BANQUE NATIONALE FRANCAISE DU COMMERCE EXTERIEUR) and MM DE NEUFLIZE-SCHLUMBERGER MALLET & CIE Scs (see No 335) which also holds about 30%.

Parisienne de Banque's other main banking interests are in France, where they include BANQUE MONOD-LA HENIN SA and CAISSE DE GESTION MOBILIERE SA (controlled by La Henin with 56.5% and 51% respectively); and abroad in REMBOURS & INDUSTRIE-BANK NV, Amsterdam; BANQUE DU BENELUX NV and BRITISH AND CONTINENTAL BANKING CO LTD, London with respective holdings of 49.9%; 33.3%; and 44%.

** BANKERS TRUST CO, New York has taken a 33.3% holding in BANK G. & C. KREGLINGER NV, Antwerp (see No 325) which has increased its capital. At the end of 1964 the American bank transferred its 2.5% holding in L'UNION DES MINES LA HENIN SA, Paris (which became a holding company after transferring its banking business to BANQUE DE SUEZ & DE L'UNION DES MINES) to the holding company BANKERS INTERNATIONAL LUXEMBOURG SA (see No 326). Bank Kreglinger, which three years ago increased its capital to Bf 40 million, was then owned 25% each by WORMS & CIE Scs, Paris and L'Union des Mines La Henin - through REMBOURS & INDUSTRIEBANK NV, Amsterdam (see No 258) which then bought Worms's shareholding. Rembours is also linked with OMNIUM FRANCAIS DES PETROLES SA (CFP group) and MINES DOMANIALES DE POTASSES D'ALSACE.

Bank Kreglinger has greatly increased its own funds (Bf 100 million) mainly by the above-mentioned increase in its capital to Bf 81 million which was subscribed to one-third each by the American bank and the French group, the rest being put up by G. & C. KREGLINGER NV, Antwerp (capital Bf 75 million) and PLOUVIER & CIE SA, Antwerp. M. G. Plouvier (see No 332) and M. J. Grutering are to be respectively president and managing director of the company, which is changing its name to BANQUE DU BENELUX SA.

The Kreglinger group is associated with the Plouvier group in CFI-CIE FINANCIERE & IMMOBILIERE SA, Antwerp (a 50% shareholder in the holding company TRIGINTER SA, Luxembourg - see No 265) and includes the following firms: AGENCE D'ASSURANCES KREGLINGER NV; CIE COMMERCIALE KREGLINGER SA; CIE SUD-AMERICAINE KREGLINGER Ltda SA; MATERIALEN & INDUSTRIELE PRODUKTEN NV; KREGSPEDI NV; STE DE CULTURES & DE FINANCEMENT SA etc (all in Antwerp).

** CIE CONTINENTALE DE BANQUE SA, Paris (formerly BANQUE GENERALE POUR LE COMMERCE ETRANGER SA), has formed an investment and capital management subsidiary, FINANCIERE & CONTINENTALE FINACONTI Sarl (capital Ff 200,000) of which M. G. de Roquemaurel and Mme H. van den Bossche are joint managers. The parent company is closely linked with the LIBRAIRIE HACHETTE SA, Paris (see No 336) group, which has a direct shareholding and an indirect one through ETS BRODARD & TAUPIN SA.

FOOD & DRINK

** Belgium companies have a majority shareholding (93%) in STE EUROPEENNE DE VINS & SPIRITUEUX (FRANCE) SA, Paris, a sales company recently formed with a capital of Ff 100,000 (President M.R. Boyer of Paris). The company is 77% directly controlled by STE EUROPEENNE DE VINS & SPIRITUEUX SA, Brussels which was formed in December 1960 (see No 91), the majority of the capital being held by Belgian companies. CHAMPAGNE DE CASTELLANE SA, Epernay, Marne (capital Ff 7.5 million) and REID WRIGHT & HOLLOWAY LTD, London have 6.6% each. Among the other shareholders, each with 1%, are J. & W. NICHOLSON & CO LTD, London, which is represented in Bordeaux by the whisky and gin importers NICHOLSON FRANCE & CIE SA (capital Ff 60,000), NV v/h FA G.C. VAN SCHIE, Turfmarkt, Netherlands and HOREAU, BEYLOT & CIE, Libourne, Gironde.

** UNILEVER, Rotterdam (see No 333) has formed a third European canning subsidiary in Paris: HARTOG FRANCE SA (capital Ff 50,000) on the premises of the sales promotion company "Potages Royco" (one of the group's trade-marks). Unilever already has two wholly-owned subsidiaries canning meat, vegetables and pork-meat: one in the Netherlands, NV H. HARTOG'S FABRIEKEN, Oss (capital Fl 4,020,000); and the other in Belgium - through NV MARGARINEFABRIEK "GRONINGEN", Rotterdam - HARTOG'S LEVENSMIDDELEN NV, Merksem, Antwerp, (capital Bf 25 million).

** Four French preserves firms will shortly be forming a joint subsidiary to coordinate their research and productivity efforts and to increase their sales abroad, particularly of frozen foods. The companies concerned are (1) MAISON OLIDA Neuilly, Hauts-de-Seine (capital Ff 40.8 million), whose factories are situated in Paris; Levallois-Perret, Hauts-de-Seine; Epinay-sur-Seine, Seine-Saint-Denis; Le Cygne d'Enghien, Val d'Oise; Strasbourg; Lyons; Saint-Symphorien-sur-Oise, Rhone and Brussels (see No 263); (2) CIE SAUPIQUET SA, Nantes (capital Ff 6.24 million) which is affiliated to UNION FINANCIERE DE PARIS Scs (see No 243) and runs factories in La Turballe, Loire Atlantique; Concarneau and Quimper, Finistere; Belle-Ile, Gourin; Quiberon and Varnes, Morbihan; Cholet, Maine and Loire; Flaucourt, Somme; Croix-de-Vie and Les Sables d'Olonne, Vendee; Setubal and Portimac, Portugal; (3) CONFITURERIES & CONSERVERIES WILLIAM SAURIN Sarl, Saint-Thibault-Lagny, Seine & Marine (capital Ff 2.54 million - see No 284); and (4) ETS UNGEMACH -STE ALSACIENNE D'ALIMENTATION SA, Schiltigheim, Bas-Rhin (capital Ff 4.15 million).

** VER NED BROUWERIJEN D'ORANJEBOOM NV, Rotterdam (see No 337) is the third European brewing group to sign a licensing agreement with SKOL INTERNATIONAL LTD, Hamilton, Bermuda (see No 302) for the production and distribution of "Skol" beer. Recently this has also been done by the Austrian company BRAUEREI SCHWECHAT AG, Vienna and the Portuguese one SOCIEDADE CENTRAL DE CERVEJAS LTDA, Lisbon.

Skol International was formed two years ago as the equally-owned subsidiary of UNIBRA SA, Brussels; PRIPP-BRYGGERIERNA A/B, Gothenburg; ALLIED BREWERIES LTD, London and JOHN LABATT LTD, London Ontario (which is linked with JOS. SCHLITZ BREWING CO, Milwaukee, Wisconsin. Its purpose is to promote the brewing and sales of "Skol" beer on an international scale. In Europe it operates mainly through a Brussels office and the Italian company, SKOL ITALIANA SpA, Milan. Skol Italiana was formed through an agreement with MEDIOBANCA-BANCA DI CREDITO FINANZIARIA SpA, Milan and is directly controlled by one of the bank's subsidiaries: FIDIA-STA FINANZIARIA ITALIANA DI INVESTIMENTI AZIONARI SpA, Milan.

** The Dutch poultry farming concern NV EUROPEESE PLUIMVEEFOKKEBEDRIJF "HAMERSVELD" (see No 330), which is owned by the holding company EPU-EUROPEESE PLUIMVEE UNIE NV of Hamersveld, has directly subscribed to the Ff 10,000 increase by which HAMERSVELD FRANCE Sarl, of Baux-de-Breteuil, Eure is bringing its capital up to Ff 110,000. The French company was formed in December 1964 (see No 291) 50-50 by Messrs A. Scholtz and F. Andreu. As its other chief foreign interests the Dutch firm has two subsidiaries in Switzerland, HAMERSVELD AG and WELP-LINE AG, in Murten.

** GENERALE ALIMENTAIRE SA, Neuilly, Hauts-de-Seine, which already covers over 50% of total French vinegar production (particularly since 1965 when it took over DESSAUX FILS SA, Orleans, GRANDES VINAIGRERIES CHALONNAISE SA, Chalon-sur-Saone, and ETS. J. CATELAIN Sarl, Grenoble - see No 327) has extended its manufacturing capacity still further in this industry by taking 18.5% in a new company VINAIGRERIE NORMANDE Sarl, Sotteville-les-Rouen, Seine Maritime. M. Jean Levivier, who holds the remainder of the new company's capital (Ff 440,000) has put into it his vinegar plant at Sotteville.

INSURANCE

** With a view to giving American companies abroad a more comprehensive and varied service throughout the world, AETNA LIFE INSURANCE CO, Hartford, Connecticut, one of the largest all risk insurance companies in the USA (investments estimated at over $160 million), has made a mutual association agreement with the Italian group ASSICURAZIONI GENERALE DI TRIESTE & VENEZIA SpA, Rome and Trieste (see No 335). On account of its large world-wide network of branches and subsidiaries and the recent cooperation and shareholding agreement with MUENCHENER RUECKVERSICHERUNGS AG, Munich and its associate ALLIANZ VERSICHERUNGS AG, Berlin and Munich, the latter company will form with the American group, a group covering the majority of European, North and South American, African and Asian countries. The American group includes AETNA CASUALTY & SURETY CO and its subsidiary STANDARD FIRE INSURANCE CO, which is concerned with transport, fire and various insurance risks.

** The German-American re-insurance agency NECKURA-NECKERMANN VERSICHERUNGS AG, Frankfurt recently took a 20% share in CAI-CIA DI ASSICURAZIONE ITALIANA SpA, Rome (see No 324) and has now taken a similar holding in the credit company CIA ARETINA INVESTIMENTI SpA, Rome. This company (capital lire 60 million) is controlled by CAI and deals with finance for official and local government operations (its parent firm acts in a similar way in life insurance).

CAI (capital lire 500 million) was formed in 1964 by FIAMINA NUOVA SpA, Rome (see No 340) in which LAURENTIDE FINANCIAL CORP LTD, Vancouver has had a minority shareholding since two years ago (see No 218). Neckura is 51% owned by NATIONWIDE MUTUAL INSURANCE CO, Columbus, Ohio which formed it at the end of 1964 (capital Dm 4 million) after signing an agreement with the German mail-order group NECKERMANN VERSAND KGaA (see No 275).

** SCHWEIZERISCHE RUECKVERSICHERUNGS GES, Zurich, which is represented in France by SA FRANCAISE DE REASSURANCES SA, Paris, has now formed COTEBA Sarl, Paris to undertake market research and consultancy in the insurance business. The Swiss group controls 90% of the Ff 100,000 capital, 5% being held by PRUDENTIA AG FUER REVISIONEN, Zug.

IRON & STEEL

** YAWATA SEITETSU, Tokyo, Japan's largest iron and steel firm, has made a mutual agreement with FINSIDER SPA, Rome (see 339/27) for technical co-operation and the exchange of know-how for the manufacture of cast iron and steels. Since the end of 1962 YAWATA has been using patents taken out in USA by REPUBLIC STEEL and NATIONAL LEAD CO for the chemical treatment of iron ore (without passing through a blast furnace). YAWATA is also linked with DEMAG AG, Duisburg, to which it has granted several licences, including some for the recovery of gases from oxygen converters and for dust removal in industry, developed by LOFTUS ENGINEERING CO, Pittsburgh.

OIL, GAS & PETROCHEMICALS

** The financial re-organization of RUHRGAS AG, the Essen gas sales company, (see No 343), which is scheduled for completion in 1967 with an increase in capital to Dm 150 millions, has just completed its first phase. Its purpose is to allow various natural gas production companies to become shareholders in view of the growing importance to the German economy of this source of energy (see No 334). The company's capital, which has to date been controlled by 32 Ruhr mining companies, is at present held as follows:

(1) The original held by GBAG-GELSENKIRCHENER BERGWERKS AG of Essen (see No 343) has dropped to 25% .

(2) GEWERKSCHAFT BRIGITTA of Hanover (a joint subsidiary of ESSO AG and of DEUTSCHE SHELL AG of Hamburg), has had reserved for it 25%, which will be paid up as the natural gas distributing network spreads through Western Germany.

(3) With the same proviso, but only until 1967, a third 25% of the capital is reserved for ERDGAS-VERKAUFS GmbH of Münster, a joint subsidiary of GEWERKSCHAFT ELWERATH, Hanover (see No 343), of DEUTSCHE SCHACHTBAU & TIEFBOHR GmbH, Lingen, Ems (full subsidiary of the state group SALZGITTER AG - see No 208), of PREUSSAG AG of Hanover, of WINTERSHALL AG, of MOBIL OIL AG IN DEUTSCHLAND, Hamburg (member of SOCONY MOBIL OIL Co INC - see No 343), and of DAIMLER-BENZ AG of Stuttgart-Untertürkheim (see No 323).

From now until the end of the interim stage (1967), all the company's shares (with the exception of the 25% held by GBAG) will be held by a holding company in Essen formed for this purpose under the name of BERGEMANN AG.

Ruhrgas sells 5,000 million cubic yards of coke gas and 1,000 million cubic yards of home-produced natural gas a year. Brigitta will provide it with 2,600 million cubic yards of German natural gas each year, to which will be added 3,000 million cubic yards of Dutch gas, delivered as from 1966 by N.A.M. - NED AARDOLIE MIJ, the Hague (50-50 subsidiary of BAATAFSCHE PETROLEUM NV, which belongs to the ROYAL DUTCH SHELL group, and of the STANDARD OIL Co of New Jersey).

** COPAREX-CIE DE PARTICIPATIONS, DE RECHERCHES ET D'EXPLOITATIONS PETROLIERES SA, Paris (see No 294) has added to its interests in Benelux a new sales subsidiary SOMATROL-STE DE MARKETING PETROLIER SA, Brussels (president M. H. D'Orglandes, director M. L. de Caffarelli, capital Bf 4 million).

Early in 1964 Coparex obtained 50% in GIP - GROUPEMENT DES IMPORTATEURS INDEPENDANTS DE PRODUITS DU PETROLE SA, Brussels, whose distribution has been reorganized and improved; the new company has been formed on its premises.

PAPER & PACKAGING

** AVERY PRODUCTS INC, San Marino, California (see No 284) has formed at Leyden ROTEX NV (capital Fl 500,000), a 100% subsidiary, for sales and manufacture. Its existing Dutch interests are a manufacturing subsidiary, FASSON (NEDERLAND) NV, Leyden and 50% in FASSON PRODUKTEN VERKOOPMIJ NV, Leyden, in which the other 50% belongs to VAN REEKUM PAPIERGACY NV (see No 275), member of the group NV GEMEENSCHAPPELIJ BEZIT VRP-PAPIER.

Avery Products makes paper, film, sticky tape and machinery for their manufacture (group turnover about $30 million). Its other 100% subsidiaries in Europe are FASSON ITALIA SpA, Milan, AVERY ETICHETTE ITALIA SpA, Cinisello Balsamo (formerly EUGENIO HEUSSER Srl), AVERY ADHESIVE PRODUCTS LTD, Hemel Hempstead, Herts and ANTONSON AVERY A/B, Gothenburg, Sweden. It also controls ORGANISATION DE VENTE DES PRODUITS FASSON Sarl, Boulogne, Hauts-de-Seine and FAR HANDELSGES FUER SELBSTKLEDEPRODUKTIE mbH, Düsseldorf (formerly FASSON SELBSTKLEDERZEUGNISSE VERTRIEBS GmbH).

** The indirect co-operation established some years ago between the precision engineering and cosmetic-packaging group COPE ALLMAN & CO LTD, Bournemouth (see No 232) and the metal package manufacturers GEBRUDER KOLLISCH AG, Nuremberg (see No 326) has now become direct; the German firm is transferring its aerosol and cosmetic packaging business to a joint subsidiary EUROPACK GmbH. The British group already has a sales subsidiary in Nuremberg, DEUTSCHE AEROSOL VENTIL GmbH, and will control the new firm.

In France Cope Allman controls ETS REBOUL SA, Creteil (which has become REBOUL SOFRA SA, Paris) which is associated with the German firm through organizing its distribution; they have a joint subsidiary GEBR KOLLISCH FRANCE Sarl. The British group also controls STE METAFIX SA, Paris; REBOUL & PLAS ELEC Snc, Montreuil; REBOUL ANNECY Sarl, Creteil; REBOUL ANC. ETS PROMETTER & REBOUL & CIE SA, Marseilles; COPE ALLMAN FRANCE SA, Paris; (the largest, with a capital of Ff 13,360,000); STORAPRO SA, Beaune La Rolande, and G. BARDIN & CIE SA.

** As part of its general policy of expansion abroad, carried out in conjunction with its new 36% shareholder MACMILLAN, BLOEDEL & POWELL RIVER LTD, Vancouver, British Columbia, KON NED PAPIERFABRIEK NV, Maastricht (see No 326) is about to invest some Fl 120 million in two industrial projects. The first of them, at Lanaken in Belgium, where the Dutch company has crossed shareholdings in PAPETERIES DE BELGIQUE SA (see No 338), was an investment of Bf 1,000 million for the manufacture of some 60,000 tons per year of paper.

The second project, to be carried through jointly with the Canadian group, will involve the investment of Fl 35 million in a cellulose and pulp factory at Algeciras. This factory will be run by a firm known as CELUPAL SA (capital Ptas 125 million, 40% of which was held by the Barcelona cotton group RIVA & GARCIA-GARCIA DE OLALLA, SAEZ-DIEZ & CIA and 30% each by the Maastricht and Vancouver groups.

PHARMACEUTICALS

** FARBENFABRIKEN BAYER AG, Leverkusen (see No 339) is reorganizing its French interests. Consequently LABORATOIRES PHARMACEUTIQUES BAYER SA, Neuilly, Seine has taken over the pharmaceutical manufacturing and sales assets of LABORATOIRES DE SPECIALITES PHARMACEUTIQUES BAYER SA, Monaco (gross assets estimated at Ff 4,870,000): the former has therefore increased its capital to Ff 2,600,000.

The rest of the German group's industrial and sales interests in France (see No 314) consists mainly of BAYER FRANCE SA, Paris, SODEVI-STE DES EMAUX VITRIFIES SA, Collonges Au Mont, Rhone and PBU-PROGIL-BAYER-UGINE SA, Pont de Claix, Isere. Under an agreement signed last year with LABORATOIRES SARBACH SA, Chatillon, Ain the latter now represents the group's veterinary department.

** CARTER WALLACE INC, New York (formerly CARTER PRODUCTS INC: see No 288) is to boost its overseas expansion in Europe by forming an investment subsidiary in Luxembourg, CARTER WALLACE Sarl (capital $ 7 millions, managers Messrs D.C.Ogilvie and C.O. Hovt.

The American group produces pharmaceutical chemicals (antibiotics, vitamins, depuratives etc) toileties, cosmetics and thermo-electrical products. It has had a branch in Brussels for two years, and in Paris controls LABORATOIRES LINCOLS SA and CARTER PRODUCTS STE AUXILIAIRE FRANCAISE. Its main industrial interests in Europe, however, are centred in Britain with: CARTER WALLACE LTD, Folkestone; WALLACE LABORATORIES LTD, Folkestone; PRETESTED PRODUCTS LTD, Rickmansworth, Hertfordshire; and BEACON HOUSEHOLD PRODUCTS LTD, Folkestone (in association with THE BEACON CO of Cambridge, Massachusetts).

** The NV KON ZWANENBERG ORGANON, Oss, group (see No 325) has extended its industrial and business organization abroad by forming a wholly-owned subsidiary in Spain. It will be manufacturing all kinds of pharmaceuticals (including hormones, vitamins, etc...), as well as veterinary products and pesticides. The new company's capital amounts to Ptas 60 million.

PLASTICS

** SPAIR-STE POUR L'APPLICATION INDUSTRIELLE DES RESINES DE SYNTHESE SA, Douai has gained control of ATELIERS MARITIMES CROISICAIS, Le Croisic, Loire Atlantique (manager M. J. Paul), which employs about 50 people building plastic pleasure boats.

SPAIR (capital Ff 4.45 million) has HOUILLERES DU BASSIN DU NORD & DU PAS DE CALAIS (see No 343) as its largest shareholder. 25.9% is held by ETS ARBEL SA, Paris (see No 187), which has links with LAZARD FRERES & CIE Scs (see No 335). SPAIR runs a factory at Donai using plastics in the manufacture of bins, curtain-walls, transportable huts for building sites, mining equipment etc.

PRINTING & PUBLISHING

** RICHARDS GmbH (capital DM 40,000, manager Herr A. Narotzky) has recently been formed in Munich, and is to represent the West German interests of the New York publishing house GROLIER INTERNATIONAL INC. (see No 332) and its subsidiary THE RICHARDS CO INC.

The American group (educational publications, encyclopaedias, dictionaries etc.) already has GROLIER INTERNATIONAL (ITALY) Srl - formerly GROLIER INTERNATIONAL INC. ITALIANA (see No 297) in Milan and GROLIER INTERNATIONAL (BELGIUM) SA (see No 332) in Brussels.

TEXTILES

** In order to overcome the labour problems which are hampering its expansion the German firm GEBR. GOETZ of Urach, Württemberg, which manufactures ladies' ready-to-wear apparel, has formed a French subsidiary under the title of ATELIERS DE MANTEAUX & TAILLEURS POUR DAMES-AMTA FRANCE in Hüttenheim, Bas-Rhin, (capital Ff 10,000). At first it will provide work for some 30 people, which number will be steadily increased to a hundred. Its directors will be Herren R. & W. Götz of Urach, owners of the parent firm - which has no connection whatsoever with the textile group GOETZ AG of Ravensburg, Württemberg (see No 329).

** JOHN HEATHCOAT AND CO LTD, Tiverton, Devon (elastic textiles) has finally formed ANDEX HEATHCOAT NV (capital Fl 200,000) at Uithoorn in the Netherlands 50/50 with the local knitted nylon manufacturer, TEXTIEL INDUSTRIE ANDEX NV (see No 310). The new company will make special materials, especially for swimsuits.

The French company recently made an agreement with DEERING MILLIKEN INC, New York (see No 328) to set up a 50/50 manufacturing subsidiary in USA.

** CONFECTIONS ELEGANTES EUROPEENNES Sarl, Colmar, Haut-Rhin (ready-made jersey dresses and suits) has signed an agreement with COUTURE IMPORT INC, New York which will greatly increase its American sales. The French firm is a subsidiary of the German one, JERSEY WERK ECHING GmbH & CO KG, Eching and was founded in March 1965 (capital Ff 300,000). Up to now the greater part of its production went to the Germnn market.

TRADE

** The same companies which formed POLCOM SpA, Milan (see No 293) at the beginning of 1965 to import and sell Polish coal, have formed on its premises and to carry on the same business POLCARBO-SOC. ITALIANA COMMERCIO COMBUSTIBILI POLACCHI SpA (capital lire 15 million). The companies concerned are ASCA-AZIENDA SCAMBI COMMERCIALI AZIONARIA SpA, Milan, CONSORZIO CARBONIFERO ITALIANO SpA, Genoa, and AZIENDA NAZIONALE CONSUMATORI CARBONI INDUSTRIALI SpA, Rome, each of which have one-third.

TRANSPORT

** LOFTLEIDIR ICELANDIC AIRLINES, Luxembourg (subsidiary of LOFTLEIDIR A/S, Reykjavik) has turned the Paris agency, which it has had since 1964, into a 98% subsidiary, LOFTLEIDIR FRANCE Sarl (capital Ff 50,000). The other 2% belongs to M. G. Alant, the manager.

VARIOUS

** The American scientific instrument makers WILKEN INSTRUMENT & RESEARCH INC, Walnut Creek, California - see No 303 - (chromatographs) has opened a branch in Brussels for its subsidiary AEROGRAPH HOLLAND NV, Haarlemmermeer; the branch will be run by Mr. P. Trinler and Mr. R.M. Schippers.

The Dutch company was formed at the beginning of 1965 and is directly controlled by the group's Basle subsidiary WILKENS INSTRUMENT & RESEARCH AG (see No 181) which also incorporates AEROGRAPH FRANCE SA (formerly AEROGRAPH INTERNATIONAL Sarl, Paris) St Cyr L'Ecole, Seine et Oise and WILKENS INSTRUMENT & RESEARCH DEUTSCHLAND GmbH Darmstadt.

** GENESCO INC, Nashville, Tennessee (see No 324) has taken 61% in ENTREPRISES ET MANUFACTURES DE L'ESCAUT SA, Dendermonde, Belgium, formerly known as CHAUSSURES DE L'ESCAUT SA. The Belgian company, in which the majority belonged to the Vermeersch family, now has its capital increased to Bf 20.4 million. The American holding is in the hands of Genesco, 21% directly and the remainder by two of its associates INTERCONTINENTAL SHOE CORP, Kingston, Jamaica, and FORMFIT INTERNATIONAL SA, each of which holds 20%.

** The advertising agency, RECLA NV (formerly RECLATECNICA/RECLA-STUDIOS NV), Amsterdam (see No 309) has formed RECLA-INTERNATIONAL BELGIUM NV, Antwerp (capital Bf 200,000 - director Mr E. Eyskens) through its Swiss subsidiary, RECLA INTERNATIONAL SA, Montreux.

The Dutch agency has agencies in London, RECLA INT. (GREAT BRITAIN) LTD, and at Cologne, RECLA INT. (DEUTSCHLAND) WERBE GmbH, and associated companies all over the world. Its largest European clients are NATIONAL CASH REGISTER CO, Amsterdam, GABA NV, Hilversum, AMERICAN EXPRESS CO, Amsterdam, FELDMUEHLE AG, Düsseldorf, MOLY-KOTE SA, Brussels, EISENWERK ROTHE ERDE, Dortmund, BX PLASTICS LTD, London, etc.

** The Danish furniture and furnishing fabric manufacturers FRANCE & SON HANDELS A/S, Hillerod, has subscribed an increase of capital from Ff 25,000 to Ff 325,000 in FRANCE & SON SA, Paris, a company selling furniture and formed in July 1963 by Messrs P. Dollfus, Paris, C.W. Fearnly France, Hillerod and P.A. Lillelund, Hellerup. The Danish company, which also has interests in Britain (C.W.F. FRANCE & SON LTD), controls FEARNLY FRANCE FABRICS A/S, FRANCE & SON A/S and INDUSTRIAKTIE-SELSKABET FRANCE, (both at Hillerod), in its own country.

** Mr. H. Zilesnick, London and Mr. R. Zilesnick, Chigwell, Essex, who manage the British company KASPARIANS (UNITED KINGDOM) LTD, Southend have each taken 35% in a new import and export furniture company in Paris (mainly seats designed by Mr G. Kasparian, Los Angeles, California), KASPARIANS INTERNATIONAL FRANCE Sarl (capital Ff 10,000). The remainder of the shares are held by M. M. Bronstein, Paris, who has been appointed manager.

	p.
Aetna Life Insurance	N
Aluminium Francais	K
Anton Kathrein Alteste	F
Aretina Investimenti	N
Armin Tenner	J
Assicurazioni Generali	N
Ateliers & Forges-Loire	I
Avery	P
Babcock & Wilcox Francaise	I
Bank G. & C. Kreglinger	L
Bankers Trust	L
Banque de Paris & des Pays Bas	I
Bastogi	D
Bayer, Farbenfabriken	Q
Behelfan	D
Blaschke, Emil	J
Brufina	D
Carbonique	E
Carter Wallace	Q
CGE	I
Columbian Carbon	E
Confitureries & Conserveries William Saurin	M
Continentale de Banque	L
Coparex	P
Cope Allman	P
Daimler-Berry	O
Degussa	E
Electro-Mechanique	I
Enneton	D
Entreprises & Manufactures de l'Escaut	S
EPU	M
Erdgas-Verkaufs	O
Esso	O
Ets Metallurgiques R. Worms	H
Ets Neyrpic	I
Ets Rossi Freres	I
Ets Ungemach	M
Europeenne de Vins & Spiritueux	L
Europeese Plurmveefokkebedrijf "Hamersveld"	M
Fasson	P
Finmeccanica	I
Finsider	O
Fokker	D
Forges de Chatillon-Commentry	I
Fornaci Valbevera	D
Fornaci Valdadige	D
France & Son Handels	T
Frankfurter Tubenfabrik	F
Gebruder Kollisch	P
Gelsenkirchener Bergwerks	O
Generale Alimentaire	N
Generale de Belgique	D
General Electric Co.	G
Genesco	S
Gewerkschaft Brigitta	O
Goetz	R
Grolier International	R
Gummi-Werke	E
Hartog	M
Heathcoat	R
Heinsius Von Mayenburg	F
Heinkel	J
Houilleres du Bassin de Nord	R
Imo-Industri	H
Indatom	I
Interogana Chemihandel	E
Italcementi	D
Kasparians	T
Kuba Tommobel Apparate-Bau	G
Lancia	D
Librairie Hachette	L
Loftleidir Icelandic Airlines	S
Macmillan, Bloedel & Powell River	Q
Maison Olida	M
Mecfond	I
Mechanotex	H
Minerali & Metali	K
Mines Domanicales	E
Mobil Oil	O

Morinell	p. D
Motorola	G
Napolitana Fabbrica Macchine	I
Neckura-Neckermann	N
Papeteries de Belgique	Q
Papierfabriek, Maastricht	Q
Pechiney	I, K
Phillips Petroleum	E
Potasse & Engrais Chimiques	E
Preussag	E
Quinton Hazell	H
Recla	T
RKS Pasquier	I
Ruhrgas	O
Rothschild Freres	K
Saint-Gobain	H, I
Salzgitter	O
Saupiquet	M
Schneider	I
Schweizerische Rueckversicherungs	N
SEEN	I
S.K.F.	I
Skol International	M
Shell, Deutsche	O
Socony	O
SPAIR	R
Steuber & Co.	E
Sutor Verwaltungs	F
Tecmoden	H
Tubex	F
Ugine	K
Unilever	M
Union des Mines la Henin	L
Union Financiere de Paris	M
Ver Ned Brouwerijen d'Oranjeboom	M
Voith, J.M.	J
Wilken Instrument	S
Wintershall	O
Whessoe	G
Yamata Seitetsu	O
Zander & Ingestrom	H
Zwanenberg Organon	Q