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Opera Mundi **EUROPE**

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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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February 16, 1967

No 396

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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COMMENT

A Letter from Paris

THE EUROPEAN CAPITAL MARKET

During their last quarterly meeting on January 16 and 17 in The Hague, the finance ministers of the Six studied a report on the development of a European capital market, a subject to which much importance is rightly attached in Brussels. This was the Segre report, named after the senior EEC Commission official in charge of the studies conducted during the last eighteen months or so by a group of experts from the public and private sectors of the EEC.

The reason why the Commission felt constrained two years ago to call upon the services of such a group was that it was growing uneasy about the way the freeing of movements of capital was lagging behind other aspects of the economic development of Europe. In 1960 and 1963, two directives were issued for this sector, inviting governments to remove the exchange restrictions on certain very important types of transaction, in particular business moves, direct investment and the purchase of stocks and shares. Subsequently, a third directive was studied, but this was not adopted, mainly because France, Italy and the Netherlands still impose some restrictions on the free movement of capital, for instance, on such purely financial transactions as bank loans.

Things are now looking up, however, at least on the face of it, as the French Government recently decided, after a lapse of thirty years, to return to the principle of free movement of capital (and, last week, to the unrestricted transfer of gold as well). This does not mean that the anxiety expressed by the Commission two years ago is no longer justified, as the freeing of movement of capital by each of the member states, while in itself it does not secure the progressive establishment of a European capital market, nonetheless remains a vital condition of it. Furthermore, and this was a point Robert Marjolin brought out when giving his appraisal to the ministers in The Hague, the states could only derive the full benefits of the principle of free movement of capital by adopting a European approach to the solution of those problems that they are finding it more and more difficult to tackle at the national level.

The question is essentially this: why should we want to create a European capital market, or rather speed up the formation of such a market - which is one of the most constructive and dramatic suggestions put forward by the Segre Committee - when there is virtually a spontaneous process, born of necessity and of the actions of banking and other financial institutions, gradually "internationalising" the workings of finance?

One reason is that, in the long term, it would be impossible to go on enjoying the fruits of free movement of labour and goods if capital were still more or less bottled up in national systems. Even though at times very liberal measures have

been adopted, most capital is still pinned down by geographical allocation. In countries like France, Italy and Belgium, a fair proportion of investment in capital equipment is backed, in the medium and long term, by "para-public" institutions, and we have to consider how these might be "Europeanised". The authors of the report harbour few illusions about this, but they do believe it should be possible so to arrange the separate financial circuits now in existence that they can work in liaison. The simplest solution would be to allow establishments like the French Credit National not to lend money directly to German and Italian firms (this, for the time being, would be rather too ambitious), but to raise funds by issuing loans on neighbouring capital markets. At the same time, Italian or Belgian establishments would be able to raise money in France to finance investments in their own countries. The Common Market could only benefit from capital moving freely in this way, as it is of prime importance for financial resources to be available at all times where they are most needed.

Another reason why the establishment of a European capital market should be sought is that with profit margins ever being whittled down, companies have a greater need for outside capital. One of the experts' most important findings was, in fact, that the creation of a European capital market would increase the supply of money, give further scope to investors and improve the running of financial establishments.

The last point merits close scrutiny. In every country, money is borrowed through what the experts call the "transformation" process, meaning that short term savings have to be converted into long term loans, simply because the public prefers to lend on a short term basis, while companies need long term loans. The work of reconciling supplies from investors unwilling to commit themselves for long periods with a demand for long term capital is carried out by banks or establishments (such as the Caisse des Depots et Consignation in France), which convert "on sight" or short term loans into long term ones. The degree of risk incurred by this system is obviously reduced by the fact that the savings come from many sources. Since the plurality of depositors lowers the risk, it becomes possible to invest all the more short term savings on a long term basis.

Similarly, the experts realised that the unstable character of national stock markets, taking them sometimes from near atrophy to sudden spasms of over-activity, which often deters many small investors, is the direct result of their restricted form. In a large capital market, interest rates would probably be far less susceptible to sudden change, and the fluctuations in economic growth between the various European countries would progressively diminish.

If the European capital market is to be established and offer these advantages, however, the national governments must convince themselves of the need to change their attitudes accordingly. On this point, the experts admitted one objection: the formation of a vast financial market would in no way mean the Six could thenceforth commit themselves undefended to its tides and pressures: the agreed objectives, regular growth, sustained full employment and price stability, would become more vital than ever. There would be no call for the governments to change these aims, nor to renounce their right of intervention in order to achieve them, but it would behove them to think again about the ways and means of going about this.

THE WEEK IN THE COMMUNITY

February 6, 1967 - February 12, 1967

From our Correspondent in Brussels

THE COMMON MARKET

Clinching the Customs Union

The EEC Council of Ministers made two important decisions during its last session on February 8 and 9: these will clinch the customs union of the Community, and take it still further towards full economic union. Agreement was reached on the harmonisation of turnover taxes, and the first medium term economic planning programme was adopted. There is nothing new about either of these, for it was two years ago that the Commission studied the problem of suppressing fiscal barriers, and the economic policy programme, for its part, covers the 1966-70 period, and should have been ratified months ago. Slow to come though they were, however, these ministerial decisions remain no less important - and politically important at that. There is nothing now to block the progress of the Community at the stage of mere tariff or customs union, and it can now go on to become a more finished and coherent organism. The six economies and the Six as such will enjoy greater solidarity from now on, and these moves may well give a whole new impulse to the Community at large.

The fiscal measures adopted are the first palpable step towards the abolition of fiscal frontiers, which can be almost as effective as customs barriers in hampering trade and distorting competition. Monsieur Van Elslande, for Belgium, called this "A clear, positive indication of the member states' willingness to press on with the building of the Community", expressed in law by the adoption of two directives for the governments. The first calls upon the Benelux countries and Italy to dispense with their "cascade" turnover tax systems before December 31, 1969, and to adopt a tax on added value system, commensurate with the existing French one and the one that is shortly to be applied in West Germany. The second directive lays down that this "TVA" should follow a Community formula throughout the Six. As we shall see, this is far from being achieved, and it will be a mammoth task to bring about fiscal harmonisation on such a scale.

In the "cascade" system, the tax levied on a product or service at the final stage is related to the number of transactional phases it has passed through. This means that fiscal relates on exports and fiscal compensation on imports, which occur when the item passes the frontier, are calculated as lump sums. Since this is worked out unilaterally and by the exporting state and the importing state, the system is not always balanced: in short, the cascade method makes it possible to apply subsidies in disguise for exports, and duties in disguise on imports. Under the TVA system, the tax is directly related only to the price of the item, and it can thus be calculated

objectively. This is why people claim that this method ensures "fiscal neutrality" in trade. As a further guarantee, the Six agreed on the formal suppression of the lump sum system as from January 1, 1970, at the latest.

The directive, in principle only, makes provision for the application of the TVA system right down the production cycle to the retail stage. In practice, member states have the right to apply their own tax at this level, until the fiscal frontiers are fully-suppressed, i.e. until the rate of the TVA is the same throughout the six countries. Then, moreover, it will be possible to suppress export rebates and import duties (and thus controls on internal community frontiers), because these will cancel each other out. This moment has yet to come, and with the exception of Germany, none of the Six have yet expressed their willingness to set a limit upon its realisation.

A number of exceptions have had to be made in order to secure Dutch assent, and these will be maintained until a date for the abolition of fiscal barriers has been fixed and reached. This situation has to be accepted as the Dutch do not, or only partially, tax transactions with certain mass-consumer goods, and the removal of these exceptions might well result in a considerable rise in the cost of living. The EEC Council has agreed that these are justified when socially beneficial, provided they remain at their present level. But where they have been introduced for other reasons, Community control is planned. If a member state objects to the measures applied by one of its partners (e.g. the tax is not being levied at a certain stage in the manufacture of goods) the Commission will undertake to see whether the measures are justified on technical grounds (e.g. fraud prevention or ease of collection), or whether they really do threaten the abolition of fiscal frontiers and the policy of fiscal neutrality. In the first instance, the measure under discussion could be ratified by a qualified majority of the Council; whilst in the second, approval would require a unanimous decision by the Six. In reality this procedure gives the Commission considerable scope for arbitration.

The move, in short, is not a bold as it might at first seem, since the application of the TVA will only begin eighteen months after the suppression of the last customs barriers between the Six. Even so, the EEC Council has asked the permanent representatives to find solutions as quickly as possible for the various fiscal problems directly related to the formation of a single market. Involved here are excise duties, the harmonisation of fiscal systems liable to influence the movements of capital and the investment. In this sphere at least the Six have an attested sense of urgency, and leading the movement is the French Minister of Finance, M. Michel Debre.

The EEC Council, by starting to stake out the shape of "Fiscal Europe", has undoubtedly strengthened the present and future interdependence of the Common Market countries, and there is a certain logic in the fact that the medium-term economic policy programme has been almost simultaneously legally adopted by the governments of the six countries. The Six already co-operate to some extent in the economic policy sphere, and now they will make their first attempt to do the same over future trends.

We have already discussed the medium-term economic programme in detail (see No 356 - May 10, 1966), but we will run through the main features again. It clearly shows how fragile the economic situation in the Community will be over the next few years, that rapid and steady growth are closely linked to price stability, which is difficult to maintain. In order to strengthen the economic situation, the programme stresses not only that consumption must be kept within reasonable limits, but that supply must be improved through improved availability and quality of materials and labour. It is in this sphere that the Six should be able to achieve concerted action, and we note that in adopting the programme they have not made a formal agreement, but have expressed their intention to act in accordance with the general scheme, which is quite a step forward.

Furthermore, the medium-term economic policy committee (top level national civil servants and representatives of the Commission) has been told to review the programme annually, so that it can be changed if the need arises. The Committee is also to study the medium-term economic policies of member countries and examine them to see whether they are compatible with the common programme. It will also be able to issue warnings on its own initiative. In a press release the Commission sums up its attitude as follows: "Whilst the customs union is being finalised and economic integration is increasing, the aims and instruments, used by member-states, for their economic policies will be compared and co-ordinated in a permanent manner. This is an important step along the road to a true economic union".

Agreement on Sugar

After some haggling, the EEC Agricultural Council has managed to fix the sugar production quotas for each member state during the 1967-68 season, the last transitional season before the fixed regime for this sector is introduced. In order to find a solution, the size of the cake to be shared - i.e. the quota covered by the FEOGA's guarantees - had to be increased. The latter will now cover 6,335,000 tons, whilst estimates for Community consumption amount to only 6 million tons. Thus the bill to be paid for by the Fund will be around \$70 or \$80 million. The quotas granted to the five producing countries are as follows: France - 2.3 million tons; West Germany - 1.7 million tons; Italy - 1.23 million tons; the Netherlands - 575,000 tons; Belgium - 530,000 tons.

The Six also decided that the following measures should apply to imports of frozen beef: levies will be lifted completely until June 30, whilst a 20% customs duty will be applied, except in Italy, where it will be 15%. No decision was reached on the other problems down for discussion. All this goes to show that if the Agricultural Ministers made some progress, it was only in connection with immediate and passing problems. The knotty problems of agriculture in general, which, with the common prices, must be resolved for "Agricultural Europe" really to exist, were not dealt with. All that remained was for the members of the EEC Agricultural Council to decide on the need for further working sessions - and this was agreed.

* * *

EURATOM

Down to Brass Tacks

On February 7, M. Pierre Chatenet, president of the Euratom Commission, presented to the Press the main ideas behind the proposals which the Commission has just laid before the Council of Ministers concerning the future of the Nuclear Community. The proposals break away completely from the traditions set during the first two five-year research programmes, although they are also a continuation, since the second programme comes to an end on December 31st of this year. Since they are certainly less ambitious and less prestige-seeking, they could be seen as the harbinger of a setback for Euratom. In fact they are the expression of an improved adaptation of Euratom's activities to the political and economic realities of the moment. In any case it is clear that a third five-year programme modelled on the earlier ones, would have been thrown out by the Council of Ministers and a mortal blow might well have struck at the Community. Admittedly today the latter is happy to elaborate on work done by the governments, but these have always balked at giving the Community greater scope, and at a time when atomic power is definitely quitting the laboratory for industry, they are probably even less inclined to do so, especially in view of the national vested interests at stake.

But the Commission is not trying to skate round this problem by proposing a whittled-down programme with reduced aims and funds. It prefers to preserve its Community character by searching for new ways of tackling the question. Besides the programme, now merely one of a number of devices, the Commission proposes to use a number of procedures, envisaged under the Treaty, but hitherto neglected. These are far more flexible than the research programme, which requires unanimous decisions with national contributions fixed once and for all, which by their very nature raise the whole question of a "just return" for the financial backing supplied by each member state.

The Commission is therefore proposing to the Ministers that three forms of concerted action should be followed:

- 1) Direct joint community action: Euratom will continue to carry out the tasks over which there is no controversy, such as the dissemination of information, health and safety measures, supplies, economic and technical studies and training. Most important of all, the Joint Research Centre is maintained and the scope of its activities widened. The formation of a new training establishment at Saclay is under consideration. The idea behind this is to allow the Community to keep a research device, which has been effectively fashioned by the passing of time, and which in the future might be very useful in those sectors, where, because of the possibility of low or nil returns, industry has no wish to venture. The aim here is to give the research staff and the technicians belonging to the various establishments of the Joint Centre greater job security than they have had before. This is an essential part of the question, as Euratom's future will depend largely

on the loyalty of its scientific staff, amongst whom has grown up a truly Community spirit of co-operation.

- 2) Participation in certain national projects: this in reality means using the opportunities created by Article 6 of the Treaty, which envisaged that the Community, apart from running certain ipso facto multilateral projects (the joint research programme), might take part in the development of various national projects by means of financial, material or human contributions. These partnerships, which will often be bilateral, are aimed at replacing the former "associations", which formed part of the joint programme and were financed by it. The content of most of these partnerships has been defined - and put into figures - in the Commission's proposals. However, they have left the matter open for the governments to make a decision in a number of the proposals, such as those covering fast and thermal reactors. Once again the Commission is far less ambitious in this sphere than in previous years, but at the same time it is much more realistic. It is now plain for all to see that as soon as reactors reach the stage when their industrial use becomes a reality, when they become a viable long-term investment, then the Community spirit suffers a setback.
- 3) Industrial promotion: The Commission suggests that the Community should give advice and guidance in this sphere. It also proposes a more rational use of the "joint enterprise" principle so as to encourage industry to build new types of reactors, rather than copies of those already in existence. It would like to see the creation of an "Industrial Promotion Fund" allowing the Community to give direct assistance, both financial and technical, in the execution of certain projects. But it should be noted that the Council of Ministers is asked to draw up the working rules for such a Fund, thus giving it greater budgetary freedom than the five-year programme had under the Treaty.

This development of the principles behind Community research work is a clear reflection of M. Chatenet's view of Euratom as a chiefly economic undertaking. Co-operation in the nuclear sector is now only one of the elements of a joint industrial policy, although still an essential one, as it is admitted by everyone that overall economic progress depends in the first place on the development of growth industries.

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- E ADVERTISING** Belgium: The German advertising group TROOST WERBEAGENTUR gives up interest in the Brussels agency VANYPECO-TROOST D'ARCY. France: The New York publishers FAIRCHILD PUBLICATIONS form Paris subsidiary FAIRCHILD NEWS SERVICE (advertising space-selling). Italy: Italian interests form new advertising agency MEDIA Srl, Milan.
- E AUTOMOBILES** Belgium: FIAT closes down its Belgian assembly unit MONTAGE DES AUTOMOBILES FIAT, Waterloo. VOLVO, Gothenburg forms Belgian sales subsidiary.
- E BUILDING & CIVIL ENGINEERING** Belgium: The American AUSTIN CO (industrial engineers) opens Brussels branch of its French subsidiary AUSTIN EUROPE. France: STE DUMEZ, Paris forms Paris subsidiary jointly with the Franco-Peruvian property company ETS FRANGAL. Germany: HUTA-HOCH- & TIEFBAU, Essen (civil engineering) takes over its main subsidiary HEGERFELD. Switzerland: The British engineering group J. BROCKHOUSE takes part in forming BROCKHOUSE CLASP SYSTEM AG, Zurich.
- G CHEMICALS** France: The German paints firm ERNST KILL form Paris sales company. France/Italy: The Dutch chemicals group KON. SCHOLTENHONIG expands in France and Italy. Germany: The American ARMSTRONG CORK CO (insulating materials) forms Düsseldorf branch of its Munster manufacturing subsidiary. Italy: SOLVAY, Brussels forms BRANDER ITALIA, Milan (wood-preserving chemicals). Netherlands: FISON, Suffolk form Dutch pesticide manufacturing subsidiary.
- H ELECTRICAL ENGINEERING** France: CIE COMMERCIALE DE RADIO-ELECTRICITE, Paris (PHILIPS NV subsidiary) buys domestic appliance wholesale business of RUTON FRANCE, Clichy.
- H ELECTRONICS** Belgium/Germany: DYNAMICS CORP OF AMERICA, New York intends to expand its Belgian and German sales subsidiaries. The New York group RADIO CORP OF AMERICA signs licensing agreements with SIEMENS AG and ENGLISH ELECTRIC and ICT. France: WESTINGHOUSE ELECTRIC INTERNATIONAL, Pittsburgh has 78.4% in the French semi-conductor firm CIE DES DISPOSITIFS SEMICONDUCTEURS WESTINGHOUSE. INTEGRA, Dover, Delaware form French manufacturing and sales subsidiary (electronic and precision equipment). The American INFOTRONICS forms Paris engineering subsidiary. CIE COMMERCIALE LITVINE FRANCE is formed in Paris by Belgian interests to sell electronic equipment. Three French companies get patent rights for miniaturising equipment for record-players from C.S. KOEHLIN. Germany: Under negotiations with BROWN BOVERI,

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J ENGINEERING & METAL

SIEMENS, Berlin takes 70% in the German computer firm ZUSE KG. STORNO, Copenhagen (radio-telephones) forms German manufacturing and sales subsidiary. Luxembourg: The Milan electronics group TELETTRA forms Luxembourg holding company.

Belgium: ITALIANA MONTAGGI INDUSTRIALI, Milan (FINSIDER subsidiary) opens Brussels subsidiary. The Belgian group METALLURGIQUE HAINAUT-SAMBRE gains control of SA DES CLOUTERIES ALEX BAUDOU which has raised its capital. The American OMARK INDUSTRIES (chain-saws, cutting-tools etc) forms Brussels subsidiary. SOCONORD, Brussels forms 50% Brussels subsidiary SOCOMEX (materials for pipe-lines, heating etc). American subsidiary of HANNA MINING CO, Cleveland (mineral sales etc) winds up its Brussels agency. France: PROCEDES SULZER, Paris, SPIROTECHNIQUE, ENGIN MATRA and HERSENT form joint Paris engineering company TECHNOCEAN for undersea operations. FORGES & ATELIERS DE LA LOIRE gets licence for manufacture of cryogenic vessels in the EEC from W. P. BUTTERFIELD, Yorkshire. The German industrial varnishing equipment firm ROBERT HILDEBRAND forms Paris sales subsidiary. G.C. BROACH, Tulsa, Oklahoma (heating equipment) forms joint subsidiary in Paris with PETROCHIMIE to manufacture and sell in Europe Africa and S. America. French and German interests form CALITUBE, Nanterre for French sales of steel tubes made by BENTELER, Bielefeld. VALLOUREC, Paris regroups its Italian steel-tube interests. The German metal company HEINZ KETTLER increases its control of the French FILATURE DE BARR. Germany: SIEMENS, Berlin buys 70% in the German computer firm ZUSE KG. DE VILBISS, Toledo, Ohio buys 25% share in its German licensee DEFAG AG. The French engineering group VENOT-PIC winds up its German mineral processing subsidiary PIC SAAR. India: German and Indian interests form DAGGER FORST TOOLS LTD, Bombay. Italy: The British group FRANCIS SHAW widens its agreement with MAINA, Asti to include manufacture of "Intermix" machinery for rubber and plastic processing. SOC ITALIANA RIVETTI & AFFINI, Milan (rivets) forms Milan subsidiary KLIKIT (studs, screws etc). The Belgian welding equipment firm LASTEK forms Milan subsidiary. The British shipbuilders J. SAMUEL WHITE signs reciprocal agreement for ventilators and air-conditioners with EUROCLIMA, Bologna. Netherlands: The Dutch metal group STRUYCKEN buys control of EUROSTAAL NV, which sells tubes, pipes etc. The Dutch subsidiary of SKOINDUSTRIES MASKIN, Stockholm will run new investment company AMMERZODEN INTERNATIONAL NV. USA: SNAM-PROGETTI, Milan (ENI group) forms New York subsidiary for engineering and industrial projects.

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N FINANCE

Belgium: STE DE GERANCE & DE COMMERCE, Geneva forms 80% Brussels subsidiary. BANQUE D'INVESTISSEMENTS PRIVES, Geneva takes 25% in new Belgian company LOCASSUR (debt-collecting, mortgage-broking etc). France: CIE CENTRALE DE FINANCEMENT, Paris and STE FRANCAISE DE PRET BAIL (leasing) reduce their share in STE FRANCAISE DE PRET & CIE-LOCABAIL in favour of CIE EUROPEENNE D'EQUIPEMENT. Italy: BANQUE DE DEPOTS & DE GESTION, Lausanne backs new Milan investment company FERROFINANCIA. ITALMOBILIARE, Milan buys control of BANCA ROMANA, Rome.

O FOOD & DRINK

France: The French wine-traders DMS and ANC MAISON GERBAUD combine trading assets. Germany: The Dortmund brewery DORTMUNDER HANSA-BRAUEREI gains control of RHEINISCHE BURGERBRAEU, Essen. The German grain merchant E. KAMPFFMEYER, Hamburg buys interest in the milling firm VER. KUNTSMUEHLEN LANDSHUT-ROSENHEIM, Bavaria. Netherlands: The Belgian foods firm IMPERIAL PRODUCTS gains control of the Dutch company PUDDINGFABRIEK VERTRIX.

P INSURANCE

Austria: ALLIANZ VERSICHERUNGS, Munich opens Vienna branch. Belgium: The French group L'ABEILLE opens Brussels branch.

Q OIL, GAS & PETRO-CHEMICALS

Belgium: CIE FRANCAISE DE RAFFINAGE, Paris forms two Belgian subsidiaries. Spain: The French group SNPA forms Spanish subsidiary to build petrochemical plant in Barcelona.

Q PAPER & PACKAGING

Belgium: The Swedish paper group MO OCH DOMSJO increases its interest in the Belgian MAMBELFAP. France: The French sugar group STE F. BEGHIN gains control of PAPERIES DE LA ROBERTSAU, Strasbourg. Spain: The French metallised paper concern STE PROVENCALE D'ALUMINIUM takes 50% in new Spanish paper concern PAPELERA DE LOGRONO. USA: CREATIVE PACKAGING, Indianapolis buys manufacturing rights for polystyrene packaging from DEUTSCHE FRIGOLIT, Worms.

R PHARMACEUTICALS

Austria: Viennese affiliate of FARBENFABRIKEN BAYER, Leverkusen changes its name to BAYER-PHARMA GmbH. Belgium: The German surgical concern LOHMANN forms Belgian subsidiary. France: The German pharmaceuticals concern C.F. BOEHRINGER forms Paris sales subsidiary.

S PRINTING & PUBLISHING

Germany: The German publishers CLAASSEN VERLAG are taken over by Dusseldorf concern affiliated to the HANDELSBLATT group.

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S TEXTILES

Belgium: LIBACO INTERNATIONAL is formed to take over textile business of LIBACO SA, now owned by the INTER-CITY, London group. The American BLUE BELL INC (industrial clothing) takes over BELBETRI knitwear factory at Heusden. France: HANS MEHR, Hamburg (international textile traders) forms French subsidiary. BOUCLESA-FRANCE goes into voluntary liquidation. Germany: KLOPMAN MILLS, Rockley, New Jersey (cardboard and polyester fibres) forms Düsseldorf sales subsidiary. Switzerland: BAYER forms chemical textiles sales subsidiary in Basle.

T TOBACCO

Belgium: CARRERAS, Basildon, Essex buys minority shareholding in WELTAB, Brussels (cigarettes). NV TABAKSINDUSTRIE v/h GEBR PHILIPS raises the capital of its Belgian affiliate DUC GEORGE NV. A. PITTACO, Brussels becomes limited company and will import and sell leaf tobacco.

U TOURISM

France: HILTON HOTELS, Los Angeles regroups its French interests.

U TRADE

France: The Liechtenstein holding company KRIS forms 90% Italian subsidiary.

U TRANSPORT

Netherlands: MUELLER & CO'S RIJNVAART, Rotterdam buys 20% in DAMO SCHEEPVAART, Rotterdam. Switzerland: ALITALIA, Rome opens Zurich branch.

V VARIOUS

Austria: The German sign company AUGUST FISCHER opens Vienna branch. BRUEDER WINKLE, Altenstadt, Iller (lasts for footwear industry) forms Austrian subsidiary. The Italian domestic appliance group FERDINANDO ZOPPAS forms Austrian subsidiary. Austria/France: The German mail-order group GROSSVERSANDHAUS QUELLE gains control of the Vienna store KAUFHAUS FALNBIGL and raises the capital of its Paris subsidiary. Britain: RANDSTAND WITZENBUREAU, Amsterdam (temporary staff) opens London agency. France: British interests form HOLT-ALLEN FRANCE, Etampes, Essonnes to import and sell pleasure-craft. Germany: The German laundry firm BOCO WASCHENDIENST ERNST RETHWISCH extends its business to the Frankfurt area. Italy: STE BANCAIRE DE GENEVE and ZILKHA help to form FINEUROP, Milan (investment and finance).

ADVERTISING

** The Düsseldorf advertising group TROOST WERBEAGENTUR GmbH & CO KG (see No 255) has withdrawn its interest from the Brussels agency VANYPECO-TROOST D'ARCY SA, whose capital will now be reduced to Bf 50,000 and name changed to VANYPECO-D'ARCY & MULTI-NATIONAL PARTNERS SA. This was formed in August 1963 with a capital of Bf 600,000 and it will remain controlled by D'ARCY ADVERTISING CO INC, New York (see No 355) and PUBLICITE VANYPECO SA, Brussels.

** The New York publishing group FAIRCHILD PUBLICATIONS INC, New York, headed by Messrs R.F. Fairchild and L.W. Fairchild has formed a Paris subsidiary FAIRCHILD NEWS SERVICE Sarl (capital Ff 10,000; manager Mr G. Dryansky). The new firm will sell advertising space in France and throughout the world on behalf of foreign publications.

The American group specialises in magazine publishing and also has subsidiaries in Düsseldorf and London.

** The board of a new advertising agency formed recently in Milan called MEDIA Srl will consist of Messrs H.E. Roff of London, R. Mantovani of Parma and G.B. Carta of Milan. The new company (capital Lire 900,000) has been founded by Mr R. Mantovani (50% partner) and CIA FIDUCIARIA NAZIONALE SpA, Milan (see No 313).

AUTOMOBILES

** The Fiat group is at present reorganising its smaller industrial units in the Common Market (see No 393) and has decided to close down the Belgian side of the assembly plant of S.A.M.A.F.-MONTAGE DES AUTOMOBILES FIAT SA, Waterloo (capital Bf 76 million; fixed assets Sf 263.5 million). The president of this firm is Sig P. Bonelli of Turin and its director, M. G. Brayda of Brussels. Its "Auto" and "Agricultural Tractor" departments are run by Messrs J. Renard and R. de Drijver respectively. It was formed in 1957 with a productive capacity of 70 vehicles per day, while the group's total Belgian sales in 1966 registered 20,260 units.

** The Swedish car-manufacturer A/B VOLVO, Gothenburg has completed its Belgian organisation (see No 351) by forming a sales subsidiary in Ghent called VOLVO CONTINENTAL NV (capital Bf 2 million). The group has been established in Alseberg since the end of 1963 when it formed VOLVO EUROPA NV there. It has now taken over the workshops of its distributor S.B.M.A. and made them its Common Market assembly centre for heavy vehicles.

BUILDING & CIVIL ENGINEERING

** STE DUMEZ SA, Paris (see No 314) has formed a 65% subsidiary in Paris called STE DE GESTION DU BOSQUET D'ORB Sarl, in association with the Franco-Peruvian property company ETS FRANGAL, Vaduz, Liechtenstein (25%); the DE RIVAUD group, represented by PLANTATION DES TERRES ROUGES SA and STE INDUSTRIELLE & FINANCIERE

DE L'ARTOIS SA (6%) and CIE INDUSTRIELLE & FINANCIERE DES ATELIERS & CHANTIERS DE LA LOIRE SA (4%). The new Dumez subsidiary (capital Ff 500,000) is to re-open and eventually take over the La Tour sur Orbs, Herault factory of INDUSTRIELLE EUROPEENNE DE CONSTRUCTION - INEURCO SA, Paris (second office at Caen), which filed its petition in 1965 (see No 346), and with which Dumez signed a leasing and management contract last autumn.

Ineurco had Ff 9 million capital, and the Herault factory employed about 200 people in the manufacture of building materials for prefabricated schools (see No 345). Some months ago, negotiations were begun with STE INDUSTRIELLE DE BEZIERS (a subsidiary of C.E.M.A. - CIE EUROPEENNE DE MATERIELS SA - see No 380), but these broke down because INTRA BANK SA, Beirut, which indirectly controls it, was undergoing severe difficulties at the time. The Lebanese group had already, through its indirect subsidiary CHANTIERS NAVALS DE LA CIOTAT SA (see No 361), made a partial agreement concerning the shipyards of Ineurco's parent company STE DES CHANTIERS & ATELIERS DE PROVENCE SA, Marseilles.

** THE AUSTIN CO, Cleveland, Ohio (industrial engineers and architects - see No 379) has made its French subsidiary AUSTIN EUROPE SA (see No 360) responsible for its representation in Belgium. The French company (formerly AUSTIN-FRANCE SA, Paris - capital Ff 500,000) has therefore opened a Brussels branch (adjacent to WHINNEU, MURRAY, ERNST & ERNST) headed by Messrs T.B. Sweeney, R. van Biervliet and L. Fagnart.

The Austin Co has numerous subsidiaries and offices outside the USA, which are controlled by AUSTIN INTERNATIONAL, in Milan, Amsterdam, London, Sydney, Melbourne and Buenos Aires.

** The West Bromwich, Staffs civil engineering group J. BROCKHOUSE & CO LTD (see No 375) has taken an interest through its Dortmund subsidiary BROCKHOUSE STAHLBAU-SYSTEM GmbH in the formation in Zurich of BROCKHOUSE CLASP SYSTEM AG, to use its "Clasp" patents for light farm and school buildings etc. The latter has Mr John Brockhouse as president, and one of its directors is M. George Teller of Düsseldorf: it has Sf 100,000 capital.

The British group has also granted its patent rights on the Continent to COSTRUZIONI MODULARI SpA, Milan; to IRCOM SpA, Naples, and to CONSTRUCTIONS MODULAIRES SA, Paris, wherein Brockhouse holds equal shares with ANDREWS-WEATHERFOIL LTD, Slough, Bucks, a member of the London POWELL DUFFRYN group.

** The German civil engineering group HUTA-HOCH- & TIEFBAU AG, Essen (capital DM 10 million has reorganised its industrial and financial structure by taking over its main subsidiary (100%), E. HEGERFELD INDUSTRIEBAU KG, Essen. This company has an authorised capital of DM 5.37 million and a payroll of around 1,400 with an annual turnover of over DM 50 million. The parent company has consequently changed its name to HUTA-HEGERFELD AG.

Huta has over 1,500 employees and a turnover of around DM 53 million. Its main shareholders include the merchant banks BANKHAUS BASS & HERZ KG, Frankfurt and BANKHAUS I.D. HERSTATT KGaA, Cologne (in which the senior partner is Dr Hans Gerling, head of the GERLING insurance group). At a later stage it intends to absorb another wholly-owned subsidiary, WILLY CHRISTIANSEN AG, Schleswig and the Munich subsidiary BEST BAU KG, of Hegerfeld Industriebau.

CHEMICALS

** The German manufacturer of paints and protective metal coatings, ERNST KILL oHG, Gelsenkirchen has formed a sales company in Paris, COLARIT Sarl (capital Ff 20,000). The new firm is owned 49.5% each by Herren Ernst and Klaus Kill, in nominal association with M. Joseph Rusniok, Cran-Chevrier, Haute Savoie.

** ARMSTRONG CORK CO, Lancaster, Pennsylvania (insulating materials and floor coverings) has strengthened its West German interests by giving its manufacturing subsidiary ARMSTRONG KORK GmbH, Münster, a Düsseldorf branch. The Münster concern (formed in 1960 - capital raised from DM 11.4 to 23 million in July 1965) gained control of a Hamburg firm, HANS MAIWALD GmbH, in the same sector during the course of 1963.

The American group has a payroll of nearly 17,000 (1965 turnover \$375 million) and controls several other European subsidiaries: ARMSTRONG CORK CO LTD, London; ARMSTRONG CORK INTERNATIONAL SA, Zurich (with a Paris branch); MANUFACTURAS DE CORCHOS ARMSTRONG SA, Madrid, which has a 66.86% controlling interest in the champagne bottle manufacturer TREFINOS SA.

** The Dutch chemical group KONINKLIJKE SCHOLTEN-HONIG NV, Amersfoort (see No 371), recently made two moves to further its foreign expansion. It increased to 66% its shareholding in ETS PAUL DOITTAU SA, Corbeil, Essonne, France (see No 311) and in Italy formed SEPA-SOC. EUROPEA PRODUZIONE ADESIVI SpA, Bergamo (capital Lire 1 million) with M. F. Roi as president.

Kon. Scholten-Honig, the holding company for SCHOLTEN NV, FOXHOL NV, Foxhol, Groningen, and HONIG NV, Koog-aan-de-Zaan, had a 1966 turnover of Fl 353.8 million and acquired complete control of RESINA CHEMIE NV, Wychen (formerly a 50-50 interest with ISOLA NV, Hilversum). Its other foreign interests - mainly through SCHOLTEN INTERNATIONAL NV - are: 1) USINES VERMYLEN NV, Belgium; 2) EMSLAND-STARKE mbH, West Germany; 3) STARCH PRODUCTS LTD, GORDON STALER LTD, LANCASHIRE CONDENSERIES LTD, BOSTON STARCH & GLUCOSE CO LTD and HONIG (ROCHESTER) LTD, all in Britain; 4) JOHN MOIR (PTY) LTD and VAL-ORANGE (PTY) LTD, both in South Africa.

** The Italian interests of the Brussels SOLVAY & CIE Scs group (see Nos 391 and 392) have been extended with the formation of BRANDER ITALIA Srl, Milan (capital Lire 40 million), which will manufacture and market wood-preserving chemicals. Headed by Herr F. A. Becker, Bochum, Westphalia, and Signor Tullio Vablais, Turin, the new company has branch-depots in Trevisio and Catania, Sicily. It is directly controlled by ORGANA BAUTENSCHUTZ GmbH, Bochum, a wholly-owned subsidiary of DEUTSCHE SOLVAY-WERKE GmbH, Solingen-Ohligs (itself a member of the Belgian group - see No 366).

** Mr. Hans J. Kahn of Dulwich, London, has been appointed director of FISONS NEDERLAND NV, The Hague (capital Fl 10,000), which was recently formed by FISONS LTD, Felixstowe, Suffolk (see No 388) to boost its Common Market sales network especially in the pesticide and insecticide sector: further subsidiaries will be formed in Italy and Germany.

ELECTRICAL ENGINEERING

** A merger has taken place in France which will increase the strength of the position held by PHILIPS' NV, Eindhoven (see No 393), in the French market. CIE COMMERCIALE DE RADIO-ELECTRICITE SA, Paris (see No 339), has acquired the domestic appliance wholesaling activities of RUTON FRANCE SA, Clichy, Hauts-de-Seine (valued at Ff 2.62 million), moved to Clichy and increased its capital to Ff 2.5 million.

The Dutch group has a similar subsidiary in The Hague called RUTON NV (formerly ELECTRISCHE APPARATEN- & METAALWARENFABRIEKEN RUDOLF BLICK NV). Only a short time ago another move involving Philips' interests took place in France when PHILIPS ELECTRO-ACOUSTIQUE SA, Paris (capital raised to Ff 20,000) took over COMPTOIR NATIONAL DE LAMPES & D'EQUIPEMENTS ELECTRIQUES SA, Paris.

ELECTRONICS

** One of the major European manufacturers of fixed and portable radio-telephones, the Danish company STORNO A/S, Copenhagen, has set up in Germany by forming STORNO ELECTRONIC GmbH, Flensburg. This is a manufacturing and sales subsidiary with a capital of DM 200,000, which will be run by Messrs. Niel Bentsen and Søren Larsen of Copenhagen.

The parent firm has a payroll of over 1,200 in its Denmark factories, and already has two foreign subsidiaries, STORNO LTD, Camberley, Surrey, and STORNO A/B, Stockholm.

** The Milan electronic group TELETTRA-LABORATORI DI TELEFONIA ELETTRONICA & RADIO SpA (see No 368) has formed the Luxembourg holding company TELETTRA INTERNATIONAL SA, which will be capable of acquiring shares and managing interests in the electronic, electrotechnical and telecommunications spheres. Control of the \$400,000 capital is shared with its subsidiary ANSTALT FUER ELEKTRONENWERTE & BETEILIGINGEN, Vaduz, Liechtenstein.

Telettra is a shareholder with ING. C. OLIVETTI & CO SpA, Inea, in S.G.S.-STA GENERALE SEMICONDUCTORI SpA, Agrate Brianza. FAIRCHILD CAMERA & INSTRUMENT CORP also holds a one-third interest in the latter (see No 320) and it has a share in COLLINS ITALIANA SpA, Milan, in association with COLLINS RADIO CO, Dallas.

** WESTINGHOUSE ELECTRIC INTERNATIONAL CORP, Pittsburgh, Pennsylvania, (overseas subsidiary for WESTINGHOUSE ELECTRIC CORP - see No 393) has a 78.4% controlling interest in the French semiconductor concern CIE DES DISPOSITIFS SEMI-CONDUCTEURS WESTINGHOUSE SA, which has just been formed at Le Mans, Sarthe (with further premises at Champagne sur Seine, Seine-et-Marne), with Ff 16.1 million capital, as against the 16.5 million originally planned.

A minority interest has been purchased by CIE DE CONSTRUCTION MECANIQUE JEUMONT-SCHNEIDER SA, Paris (a 50-50 joint subsidiary of the French SCHNEIDER group and the Belgian EMPAIN group - see No 380), which has made over a number of assets to the new firm. CIE DES FREINS & SIGNAUX WESTINGHOUSE SA, Paris (see No 380), has not participated in the formation of the new company.

** INTEGRA CORP, Dover, Delaware, has delegated Mr Thomas R. Webb, an American living in Paris, to the formation of INTEGRA FRANCE Sarl at Maiche, Doubs, as a sales and manufacturing subsidiary for electronic and precision equipment. The new firm has Ff 20,000 capital, and is managed by M. Francois Perret of Riche-les-Beaupre, Doubs, who has no financial interest.

** INFOTRONICS CORP, Houston, Texas is about to extend its French interests by forming an engineering subsidiary called ENFONTRONICS SA, Paris (capital Ff 500,000). The American company is headed by Mr H.J. Jones and it specialises in electronics and automation processes. It is already represented on the French market by TECHMACION SA, Paris (capital recently increased to Ff 160,000) whose president is M. J. Bargain.

** CIE COMMERCIALE LITVINE-C.C.L. FRANCE Sarl (capital Ff 20,000) has been formed in Paris by Belgian interests represented by M. Georges Litvine, St.-Gilles, Brussels. It will import and distribute electronic components and equipment from all types of sources.

** The New York group DYNAMICS CORP OF AMERICA (see No 379) intends to reinforce the financial position of its West German and Belgian sales subsidiaries so that they can cope more effectively with the fast-expanding demand for electronic instruments. Both these companies, DYNAMCO, Woluwe-St-Lambert and DYNAMCO GmbH, Frankfurt (see No 377) were formed recently and are directly controlled by the British subsidiary DYNAMCO LTD (see No 307) formed in 1964 to head the British and Continental interests of the American concern.

** The New York group RADIO CORP OF AMERICA (see No 374) intends to increase its interest in the European computer industry which is at present covered by one of its 15 divisions, ELECTRONIC DATA PROCESSING, Cherry Hill, New Jersey, which makes the "RCA" 301, 501 and 601 and the "Spectra 70" computer series.

The American group has just signed licensing agreements in West Germany with SIEMENS AG (see No 285) and in Britain with ENGLISH ELECTRIC-LEO MARCONI LTD and I.C.T.-INTERNATIONAL COMPUTERS & TABULATORS LTD. It is also linked by technical co-operation and sales agreements with CIE DES MACHINES BULL SA (see No 263) but these were modified 2½ years ago as a result of the French firm's links with GENERAL ELECTRIC CO and its new structure.

** The exploitation in France of the licence for minaturising equipment in record players (belonging to C.S. KOEHLIN) will be carried out by three companies. These are MM DE ROTHSCHILD FRERES (through CIE DES CHEMINS DE FER DU NORD SA - see No 328 - which has just merged with S.I. NORD SA), SA D'HORLOGERIE LIP, Besancon and CIE PHONOGRAPHIQUE FRANCAISE BARCLAY SA, Neuilly (see No 368).

SOCIETE D'ETUDES, DE RECHERCHES & DE REALISATIONS SONORES Sarl, Paris (capital Ff 60,000) has been formed to put this agreement into effect and the three companies involved hold interests of 50%, 33% and 17% respectively. Headed by General Frandon, it will produce miniature tape recorders and mass reproductions of recordings.

** Following the negotiations which have been taking place over the past few months between BROWN BOVERI & CO AG, Baden, Aargau and SIEMENS AG, Berlin (see No 393), the latter will take a 70% interest in the German computer manufacturer ZUSE KG, Bad Hersfeld. The Swiss group will maintain an interest in the balance through BROWN BOVERI & CO AG, Mannheim-Käfertal.

ENGINEERING & METAL

** A new engineering company has been formed in Paris under the name of TECHNOCEAN - STE TECHNIQUE POUR L'OCEANOLOGIE Sarl (capital Ff 250,000). This is a joint venture, with equal interests taken by CIE DE CONSTRUCTIONS MECANIKES - PROCEDES SULZER SA, Paris (of the Winterthur group GEBR SULZER AG - see No 374); LA SPIROTECHNIQUE SA (of the Paris group L'AIR LIQUIDE SA - see No 385); ENGIN MATRA SA (of the FLOIRAT group - see No 391), and HERSENT SA (formerly HERSENT -FRANCE SA - see No 384).

Technocean is managed by MM. R. Carriere (representing Sulzer) and D. Renaudin (Worms & Cie), and is to work under the Centre National d'Exploitation des Oceans is studying and applying techniques for oceanology, sea-bed prospection and the exploitation of submarine resources.

** DE VILBISS CO, Toledo, Ohio has gained a 25% shareholding in its West German licensee DEFAG AG FUER SPEZIALARTIKEL DER KRAFTAHRZEUG- & ALLGEMEINENINDUSTRIE, Berlin-Charlottenburg as the latter has increased its capital from DM 1.3 million to DM 2.4 million (see No 250) and its name has been changed to DEFAG-DE VILBISS AG.

The American company, which makes automatic paint-application equipment and employs some 2,000 people, has a turnover of around \$46 million formed in 1966 DE VILBISS-DUERR-TUNZINI LTD in conjunction with TUNZINI SA, Paris and OTTO DUERR ANLAEGEN FUER OBERFLAECHESTECHNIK KG, Stuttgart-Zuffenhausen. It already has a 91.1% interest in AEROGRAPH-DE VILBISS CO LTD, Bournemouth (factory at West House). In France it has a minority shareholding in its distributor ETS TOUSSAINT & CIE SA, Valence, Drome.

** Formed at the end of 1962 by the Swedish company SKOINDUSTRIES MASKIN A/B, Näsbypark, Stockholm as its representative in the Netherlands and the other Common Market countries, SKOMAB NEDERLAND NV, Ammerzoden (machinery and equipment for the cutlery and shoe-making industry is the manager of a newly formed investment company AMMERZODEN INTERNATIONAL NV, Ammerzoden (capital Fl 100,000). It is controlled by Skoindustries Maskin and INDUSTRI A/B SKOMAS, Näsbypark.

** An Indian-West German link-up in the machine-tool manufacturing sphere has resulted in the formation of DAGGER FORST TOOLS LTD, Bombay. Indian interests hold 51% and are headed by INDIAN TOOL MANUFACTURERS LTD, Bombay. The German share is held by the public finance company DEUTSCHE GESELLSCHAFT FUER WIRTSCHAFTLICHE ZUSAMMENARBEIT (ENTWICKLUNGS) mbH, Cologne (see No 393) and OSWALD FORST GmbH WERKZEUGMASCHINEN- & WERKZEUGFABRIK, Solingen. The latter (capital DM 2 million) employs 600 people and it manufactures grinding, drifting and milling machinery ("Enor" trade name).

** An agreement has been signed between C.A.F.L. -CIE DES FORGES & ATELIERS DE LA LOIRE SA (part of the CIE DES FORGES & ATELIERS DE LA MARINE DE FIRMINY & DE SAINT ETIENNE SA (see No 392) and W.P. BUTTERFIELD LTD, Shipley, Yorkshire (see No 339), giving the French group the exclusive licence within the Common Market countries for the manufacture of cryogenic vessels in stainless steel using the British firm's techniques and those of two American firms, whose licenses the Yorkshire concern also uses: COSMODYNE CORP, Los Angeles and Torrance, California and its subsidiary - since April 1966 - RYAN INDUSTRIES INC, Cleveland (which has been linked with Butterfield since 1961).

The special material will be made in the boiler and special steel factory of CAFL at Ondaine, Firminy and it will be marketed throughout the Six by STE FRANCAISE DES TECHNIQUES BUTTERFIELD SA, Firminy, Loire (capital Ff 140,000). This was formed by the French firm (a minority shareholder) in association with W.P. Butterfield and Cosmodyne Corp. The new company's president is M.P. Chave, who heads the "Chemical Engineering" Division of CAFL.

** CIA ITALIANA MONTAGGI INDUSTRIALI SpA, Milan (formerly FERRO-TAIE SpA), a subsidiary of the FINSIDER-SOC. FINANZIARIA SIDERURGICA SpA group, Milan, (see No 385) has opened a Brussels subsidiary with M. Walter Bernoni as managing director and M.R. Parvis as attorney. The Milan group is involved in general engineering and the construction of chemical, petrochemical, electrical and engineering plants.

** The German manufacturer of industrial varnishing and drying equipment ROBERT HILDEBRAND MASCHINENBAU GmbH, Oberboihingen, Württemberg, has formed a wholly-owned Paris sales subsidiary HILDEBRAND-FRANCE Sarl (capital Ff 10,000) with M. Albert Lebron as manager. The founder, whose capital was raised in July 1966 from DM 1.1 to 1.5 million, employs some 350 people. It already has a foreign interest in Canada where it owns a sales subsidiary, ROBERT HILDEBRAND CANADA LTD.

** K.S.H. INC, Saint Louis, Missouri (headed by Messrs S. Lawton Jr. and R.S. Hawes) has linked with ROTIMEX NV, Antwerp (see No 373) by forming a sales and engineering subsidiary dealing in moulds, stamping machines and equipment for the plastics industry. The new company (president M. H.G. Roldan) has a capital of Bf 1 million which the founder shares with its subsidiary, ROLDAN PRODUCTS CORP, St. Louis.

Rotimex has recently become a minority shareholder in CHICAGO METALLIC CONTINENTAL NV, Antwerp, formed by CHICAGO METALLIC CORP, Chicago, Illinois, to sell steel sections and castings.

** The Belgian group STE METALLURGIQUE HAINAUT-SAMBRE SA, Couillet (see No 377) has gained 68.2% control of SA DES CLOUTERIES ALEX BAUDOU SA, Fontaine-L'Eveque, which has had its financial standing improved, and its capital first lowered, then raised to Bf 24,970,000.

Hainaut-Sambre, whose interest in this metal sundries firm previously stood at 19.8% is linked with BANQUE DE PARIS & DES PAYS-BAS SA, through COBEP SA (see No 388), with the Belgian HALLET group (through SOCFIN-SA STE FINANCIERE DES CAOUT-CHOUCS SA, Brussels), and with the German FRIEDRICH FLICK KG, Düsseldorf (through MERCURE CO SA, Curacao - see No 351).

** G.C. BROACH & CO, Tulsa, Oklahoma has signed a 51-49 association agreement with PETROCHIMIE SA, Paris (see No 327) covering the manufacture and sales in Europe, Africa and South America of heating equipment under licence from the American firm. They have formed a subsidiary in Paris called BROACH EUROPE Sarl (capital Ff 20,000) which will be run by Messrs G.C. Broach and R. Berg (president of the French firm).

Petrochimie (capital Ff 2 million) produces a wide range of capital equipment for the oil and petrochemical industries at Woerth-sur-Sauce, Bas Rhin. It has three Divisions: "Instruments" (taps, regulators, valves, alarms, melangeurs, feed-regulators etc), "Pipeline" (clappers, valves, turbines, laying equipment, maintenance and repair equipment), and "Industry" (filter separators, tubes, gas or oil burners). It handles promotion for a number of American firms of which it is also a licensee: GROVE VALVE & REGULATOR CO, Oakland, California (see No 374); DANIELORIFICE FITTINGS CO; GEORGE W. DAHL CO INC; JOHN ZINK CO; SHAFER VALVE CO INC; J.D. WILLIAMSON INC, ROTO HAMER CO, etc.

** The British group FRANCIS SHAW CO LTD, Manchester has renewed and widened the scope of the licensing agreement signed several years ago with the Italian firm MAINA SpA - OFFICINE & FONDERIE MECCANICHE, Asti giving the latter manufacturing rights for a complete range of "Intermix" machinery and presses for processing rubber and plastic materials and sales rights in several Mediterranean and Middle East countries (India, Pakistan etc).

The British group has been represented in Turin since 1961 by an 80% subsidiary FRANCIS SHAW-MAINA SpA. It also has a subsidiary in The Hague, FRANCIS SHAW & CO (NEDERLAND) NV, itself linked by a licensing agreement - covering Benelux and Germany - with MACHINEFABRIEK A. FONTIJNE NV, Vlaardingen similar to the one signed with MAINA.

** A 66.6 - 33.3 Franco-German link-up is the background to the formation of CALITUBE Sarl, Nanterre, Hauts-de-Seine. This firm will distribute steel tubes tooled by BENTELER-WERKE AG, Bielefeld, in France, mainly to the automobile, aircraft and civil engineering industries. The German interest is held by Helmut Benteler and the French by MM Pierre Delrieux and Serge Doulcet (33.3% each) who are respectively president and director of SAIRO-STE D'APPROVISIONNEMENT POUR L'INDUSTRIE ROUTIERE & PETROLIERE SA, Paris. The latter company backed a similar company in 1962, now dormant, BENTELER-TUBES FRANCE Sarl (capital Ff 12,000).

The German company (capital DM 15 million) is equally owned by Herren Erich and Helmut Benteler and employs some 3,000 workers with an annual consolidated turnover of over DM 250 million. It has three wholly-owned subsidiaries, BENTELER PRESS-WALZWERK GmbH, Paderborn (capital DM 1 million), CHAMPION EISEN- & METALLWERK GmbH, Paderborn and DELTA KUHLSCHRANK GmbH, Bielefeld, as well as a 6.3% interest in COMBITEX GmbH, Düsseldorf.

** SNAM-PROGETTI SpA, Milan (see No 385) which already possesses engineering, oil, petrochemical and chemical subsidiaries and branches in Argentina (Buenos Aires) and Brazil (see No 339), has now entered the North American circuit by forming SNAM-PROGETTI USA, New York to plan industrial projects, build factories and provide technical assistance for local engineering firms.

SNAM Progetti is a member of the ENI group as a joint subsidiary (capital Lire 900 million) of SNAM SpA, AGIP SpA and ANIC SpA. It recently opened a branch in Brussels and formed a subsidiary in Paris.

** The Belgian firm LASTEK, Merksen has formed an almost wholly-owned subsidiary in Milan called LASTEK SpA to make metallic powders and electrodes for welding, deoxidisers and equipment for oxy-acetylene and electrical welding. The new firm has a capital of Lire 1 million and its president will be M. A.H. Bekx, a Belgian resident in Luvinate, Varese.

** HANNA COMMERCE CORP, Wilmington, Delaware, a subsidiary of HANNA MINING CO, Cleveland (see No 377) for mineral sales, especially of nickel and iron, is winding up the business of its Brussels agency, and has appointed Mr Sinclair Hyslop, director of the Brussels branch of WHINNEY MURRAY ERNST & ERNST as liquidator. The agency was opened just over two years ago (see No 270) and placed under the supervision of M. J.P. van der Pool.

** The German metal company HEINZ KETTLER, Parsit, Westfalia (Campano-Hüsten trademark) has increased its controlling interest in the French FILATURE DE BARR Sarl, Barr, Bas Rhin, which has increased its capital to Ff 450,000. The French company has been managed by Herr Heinrich Kettler since July 1965 when he replaced M. A. Azoulay, and it has now had its headquarters removed to Lutzelhouse and been renamed KETTLER Sarl.

** J. SAMUEL WHITE & CO LTD, Cowes, Isle of Wight and London (engineering and naval shipbuilders) has signed a reciprocal agreement with EUROCLIMA SpA, Brunico, Bologna covering technical assistance for work done under licence, and representation for ventilators and air-conditioners. The Bologna firm will now make a range of equipment and air-conditioners which at present are not marketed in Italy.

** The French engineering group VENOT-PIC SA, Onnaing, Nord (see No 385) has wound up its German mineral processing subsidiary PIC SAAR GESELLSCHAFT FUER MINERALIENAUFBEREITUNG mbH, Ottenhausen, Sarre. It was formed by P.I.C.-PREPARATION INDUSTRIELLE DES COMBUSTIBLES SA, Fontainebleau-Avon, Seine et Marne before the latter made over all its assets to ETS VENOT & CIE SA (see No 346).

FINANCE

** STE DE GERANCE & DE COMMERCE SA, Geneva, has formed an 80% subsidiary in Brussels called DARICO SA - STE FINANCIERE & COMMERCIALE (capital Bf 5 million), with M. H.D. Toory of Geneva as president. The new firm is for all commercial and financial business concerned with merchandise, and fixed and movable equipment, for financial consultancy and buying shares in all types of company. Minority interests have been bought by MM F. Mattalon (a Brussels banker), N.V. Shmoon of London and V. Pelossof-Arditi, Madrid.

** BANQUE D'INVESTISSEMENTS PRIVES SA, Geneva (formerly ARBITRAGE & FINANCE AG, Basle) has taken a 25% interest in the formation at Mechelen, Belgium of LOCA-SSUR NV, a finance company dealing in debt-collecting, mortgage, discount and insurance broking. It has Bf 2 million capital, and the other main interessees are, with 30% and 10% respectively, COMET NV, Mechelen (formerly COFER SA of Brussels) and STANDING BUILDING NV, Mechelen.

** The Rotterdam metallurgical group STRUYCKEN & CO NV has strengthened its EEC sales organisation by gaining control of EUROSTAAL NV (headed by M. Adriaan de Vries - see No 371) which has opened offices in Duisburg and Antwerp during recent months (see No 369). The latter employs about fifty people in the Netherlands and it specialises in trading in tubes, pipes, joints and accessories for the chemical, petroleum and gas industries.

Struycken & Co covers a wide range of ferrous, non-ferrous metal and cast products through the various companies it controls: BLERICKSCHE BUIZENFABRIEK NV, Blerick, Venlo, INVEM NV, Rotterdam and VERENIGDE STAALHANDEL STRUYCKEN-MULLERSTAAL NV, Rotterdam (formerly MULLERSTAAL NV - acquired in 1963).

** VALLOUREC SA, Paris (see No 393) is going to regroup its Italian interests: FABBRICA ITALIANA TUBI SpA (capital Lire 2.5 million) will take over FERROTUBI SpA (capital Lire 1,000 million) and its name will be changed to FABBRICA ITALIANA TUBI-FERROTUBI SpA. These two companies have steel tube factories in Milan and Sestri Levante (see No 395) and they are controlled by the Luxembourg holding concerns FINATUBES SA and FINAMEUSE SA (on behalf of ESCAUT & MEUSE SA) and by FINALOUREC SA (14% in each), the holding for Vallourec (see No 298).

The French concern will soon become a 50% interest of USINOR-UNION SIDER-URGIQUE DU NORD & DE L'EST DE LA FRANCE (see No 393) - as a result of assets the latter will acquire in the near future - and it will also be controlled by Usinor's 68% parent company DENAIN-NORD-EST LONGWY (see No 391).

** The OMARK INDUSTRIES INC group of Portland, Oregon (see No 380) has increased its Belgian interests by forming a wholly-owned Brussels subsidiary, OMARK EUROPE SA (capital Bf 5 million) to deal with all kinds of business connected with the manufacture and sale of chain-saws, diamond-headed cutting tools, drilling-tools, rivetting tools etc. The new firm will incorporate the factory costing \$1.5 million which the group recently decided to build in Belgium (see No 379).

On buying control of KSM PRODUCTS INC, Moorestown, New Jersey, the group gained control of the Belgian company KSM CONTINENTAL SA, Nivelles (capital Bf 25 million) and another subsidiary in the United Kingdom, KSM STUDWELDING LTD (see No 329). Its other European interests include a subsidiary in Sweden and another in Germany (OMARK INDUSTRIES GmbH).

** The French-Italian rivet manufacturer SOC. ITALIANA RIVETTI & AFFINI-SIREA SpA, Milan (capital Lire 273 million) with a factory in Turin, has formed an almost wholly-owned subsidiary in Milan called KLIKIT ITALIA SpA (capital Lire 3.5 million). Sig R. Avanzini is president of the new firm which will import and sell metallic or plastic products such as studs, nails, screws etc.

** STE COMMERCIALE & INDUSTRIELLE DU NORD - SOCONORD Sprl, Ixelles, Brussels, has formed a 50% subsidiary in Brussels called SOCOMEX SA (capital Bf 500,000) to export material for pipelines, pumping stations, heating, drying, air-conditioning etc.

Soconord is controlled by its managing director, M. Ch Tournay, and by M.E. Albert, and since the end of 1965 (see No 343) it has had a marketing subsidiary of the same name in Milan, directed by M. Jacques P. Focquet, Forest-Brussels.

** BANQUE DE DEPOTS & DE GESTION SA, Lausanne, has backed the formation of a new Milan investment company FERROFINANCIA FINANZIARIA MERCANTILE SpA, whose initial capital (Lire 1.05 million) has since been raised in two stages to Lire 210 million. Mr. G. C. Grobern is president of the new firm, which was founded by Sig. P. A. Giuffrida of Milan. The board includes Mr. G. Kessler of Lugano, president of the Swiss bank.

** ITALMOBILIARE SpA, Milan (headed by Sig. Carlo Pesenti - see No 329), the investment company of the Bergamo group ITALCEMENTI - FABBRICHE RIUNITE CEMENTO SpA (see No 386) has strengthened its banking interests by acquiring a controlling interest in BANCA ROMANA SpA, Rome, from the group SNIA VISCOSA SpA/CISA VISCOSA (see No 361). Banca Romana has Dr. A. Osio as president, and in 1965 it doubled its capital to Lire 1,500 million.

Italmobiliare's existing interests in this sector are chiefly in BANCA DI CREDITO & RISPARMIO DI ROMA SpA (see No 273), CREDITO MOBILIARE FLORENTINO SpA, Florence; BANCA TORINESE BALBIS & GUGLIEMONE SpA, Turin; BANCA DI CREDITO GENOVESE SpA, Genoa; ISTITUTO BANCARIO ROMANO SpA, Rome, and BANCA NAEF FERRAZZI LONCHI & CO, La Spezia.

** The Paris investment company CIE CENTRALE DE FINANCEMENT SA (capital Ff 12.5 million - a subsidiary of BANQUE DE PARIS & DES PAYS-BAS - see No 236) and the French leasing establishment STE FRANCAISE DE PRET BAIL Sarl (capital Ff 10,000 - see No 275) have reduced their minority shareholding in STE FRANCAISE DE PRET & CIE - LOCABAIL Snc (capital Ff 1 million) to a token interest and CIE EUROPEENE D'EQUIPEMENT SA (see No 395) has thus increased its shareholding. Pret & Locabail was formed in 1963 and specialises in hiring out transport and civil engineering equipment.

Cie Europeene d'Equipelement (formed in 1962 - capital Ff 22 million) is itself a subsidiary of Banque de Paris & des Pays-Bas, which specialises in leasing, and an insurance company took a 40.5% interest in it when it was formed.

FOOD & DRINK

** The Belgian food products firm IMPERIAL PRODUCTS NV, Antwerp, has gained control of the Dutch company PUDDINGFABRIEK VERTRIX B.G. GODIJN NV, Alkmaar, which specialises in flour, semolina and powders for pastry, puddings, ice-creams and fruit-juices.

The Antwerp firm is represented on the Dutch market by IMPERIAL PRODUKTEN NV, Amsterdam, (formerly IMPERIAL PUDDINGFABRIEK NV, Rotterdam). It has a capital of Bf 50 million and is directed by M. G. Kreusch. In 1966 it formed a subsidiary in Antwerp called IMPY NV (capital Bf 1 million).

** The French wine groups D.M.S. -DISTRIBUTION DE MARQUES SELECTIONNES SA, Paris (C.D.C. group - see No 382) and AC. MAISON GERBAUD, VINS DU POSTILLON, A.M.A.R., COMBASTET & CIE Snc, Narbonne, Aude, which are already linked by a supply agreement (see No 374) have agreed to combine some of their assets at the trading level (3.25 million hectolitres all told, of which 2.25 million will be marketed by DMS under the "Prefontaines" trade-mark). Gerbaud will transfer its "wine sales" branch to DMS, thus raising its capital to Ff 27.9 million.

** Messrs B. Ljubomir of Milan and B. Zivkovic of Trieste are the founders (with 50% each) of FENIX EXPORT IMPORT Srl, Milan (capital Ff 900,000) which will handle all kinds of sales operations concerned with foods and agricultural or animal produce from Yugoslavia (of which they are both natives) including raw materials and finished products.

** The Dortmund brewery DORTMUNDER HANSA-BRAUEREI AG has increased its output capacity by gaining control of another brewery in Essen, RHEINISCHE BURGER-BRAEU GmbH & CO KG. With its subsidiary (93.75%) LINDEN BRAUEREI GmbH, Unna it produced over 1 million tons in 1966, giving a consolidated turnover of DM 72 million. It also controls three wholly-owned subsidiaries: WESTDEUTSCHE GETRAENKE-INDUSTRIE GmbH, Dortmund; HANSAGASTSTAETTEN GmbH, Bonn and PARKHOTEL & RESTAURANT WITTE-KINDSHOF GmbH, Dortmund as well as a 75% interest in the soft drinks concern SINALCO AG, Detmold.

** One of West Germany's leading grain merchants E. KAMPPMEYER oHG, Hamburg has acquired an interest of more than 25% in the milling concern VEREINIGTE KUNTSMUEHLEN LANDSHUT-ROSENHEIM AG, Landshut, Bavaria. Until now the controlling majority interest was held by Herr Karl Freiherr von Michel who acquired it in 1965 from BAYERISCHE VEREINSBANK AG, Munich (see No 387) and he will keep an interest (also over 25%). The Landshut company (capital DM 1.8 million) has an annual turnover exceeding DM 70 million and has interests in BAYERISCHE KRAFTFUTTER GmbH, Landshut (capital DM 235,000) which makes food concentrates for animals.

The Hamburg concern (owned by Herr Kurt Kampffmeyer) has a sister-company, KURT KAMPPMEYER MUEHLEN, Hamburg (flour-milling) and a wholly-owned subsidiary HOLSATIA GETREIDE GmbH, Kiel-Neumühlen (capital DM 2.1 million).

INSURANCE

** The French insurance group L'ABEILLE SA, Paris (see No 393) has strengthened its Belgian representation network by opening a branch in Brussels headed by M. R. Gailland (former managing director of L'ABEILLE GRELE). The branch is part of L'ABEILLE I.G.A.R.D.SA (capital Ff 33.7 million) formed by the recent merger of L'ABEILLE GRELE with L'ABEILLE IARD (see No 381).

** The leading European life insurance company ALLIANZ VERSICHERUNGS AG, Munich (see No 391) has opened a branch in Vienna.

On the continent the German firm employs over 15,000 workers and has premiums totalling over DM 1,500 million. It also operates in France (branch in Paris) and Italy (branch in Milan). Its major foreign holdings include a 45% interest in MUNICH AMERICAN REASSURANCE CO, Atlanta, Georgia and 11.32% in COMMERCIAL UNION INSURANCE CO LTD, London. Conversely, the latter, whose main shareholder is MUENCHENER RUECKVERSICHERUNGSGESELLSCHAFT, Munich (see No 357) with about 25%, holds a 5% interest in Allianz Versicherungs.

OIL, GAS & PETROCHEMICALS

** The plans (see No 394) of the French group S.N.P.A. -STE NATIONALE DES PETROLES D'AQUITAINE SA to build a petrochemical plant in the Barcelona industrial zone producing 36,000 tons a year of high pressure polyethylene for high transparency film and large, heavy duty sacks will be implemented by a new Spanish subsidiary called AQUITANIA-IBERICA-AQUIBERICA.

This firm will exploit SNPA patents. Its other shareholders are: 1) CATALINA DE GAS & ELECTRICIDAD SA, Barcelona (see No 386) which shares control of ETILENO SA, Barcelona (see No 342) with SNPA; 2) CAMER INTERNACIONAL SA, Barcelona, whose principal shareholders include the country's leading banks and financial groups.

** The commercial expansion of C.F.R. -CIE FRANCAISE DE RAFFINAGE SA, Paris (part of the C.F.P. -CIE FRANCAISE DES PETROLES SA - see No 389) in Belgium has recently furthered the formation of two subsidiaries. The first, MARCOTHERM SA, St-Josse-ten-Noode (authorised capital Bf 5 million, wholly supplied by TOTAL BELGIQUE) has M. J. Bouiller as director, and it will be able to carry out all types of operations connected with ventilation, refrigeration and heating. The second, TOTAL-UNIGAS SA, Frasnes-les-Gosselies (capital Bf 20 million) is also under M. Bouiller; it has been formed as the result of a joint agreement with CARGAS CO SA, St-Josse-ten-Noode, another of the group's subsidiaries, involved in the storage and distribution of liquefied gas (in bottles, cylinders or tanks for domestic and industrial use - over 6,500 in all ranging from 10.5 kg. to 47 kg.) and it has distribution centres in Brussels, Waregem and Corbion.

The French company is already represented in Belgium by TOTAL BELGIQUE SA, St-Josse-ten-Noode, a direct subsidiary of C.F.P.

PAPER & PACKAGING

** The Swedish paper group MO OCH DOMSJO A/B (see No 384) has strengthened its hold on the Belgian MABELPAP SA - MANUFACTURE BELGE D'ARTICLE EN PAPIER, Stenberg and Ixelles-Brussels (formerly at Arlon - see No 363) by increasing its overall interest from 42.5% to 54.6%. It has a direct interest, as well as an indirect one, through its subsidiaries MODOCELL A/B and NORDSVENSKA BRUK A/B.

This move took place recently, when Mabelpap raised its capital to Bf 219 million, at the same time as it issued a Bf 25 million convertible loan to finance its expansion. With two factories at Stenberg (production started last year - capacity of 10,000 tons p.a.) and at Balen, the Belgian firm is the oldest and largest domestic manufacturer of paper for use in the home. An affiliate of the S.N.I. -STE NATIONALE D'INVESTISSEMENTS, Brussels and BANQUE DE PARIS & DES PAYS-BAS, it has subsidiaries in Paris, DOREX FRANCE Sarl and Wiesbaden DEUTSCHE MABELPAP GmbH.

** The French specialist in metallised paper compounds, and their processing for packaging, STE PROVENCE D'ALUMINIUM (SOPAL) SA, Dax (president M. R.H. Gadret) is to take up a 50% share in forming a packaging-paper concern in Madrid called PAPELERA DE LOGRONO SA (capital Pts 4 million).

The French firm (formerly in Marseilles) is jointly owned by PAPETERIES DE GAS-COGNE SA, Mimizan, Landes and LAFARGE EMBALLAGE SA, Calluire, Rhone, a joint subsidiary of CIMENTS LAFARGE SA, Paris (see No 366) and UNION BAG CAMP PAPER CO, New York (see No 345).

** The French sugar group STE F. BEGHIN SA, Thumeries, Nord (see No 392) has increased its interests in the Alsatian paper industry by gaining control - through purchase on the Bourse - of PAPETERIES DE LA ROBERTSAU SA, Strasbourg-Robertsau. This move has been made five years after the acquisition of a majority interest in CARTONNERIE DE KAYSESBERG SA, near Colmar (now CIE DE KAYSESBERG - see No 328).

Papeteries de la Robertsau (capital Ff 5.83 million) makes various types of paper: fine, extra-fine, offset, bristol-board and writing paper, and 15% of its business is involved in the production of cellulose-wadding. Cie de Kaysesberg is expanding its business in this sphere with its "Lotus" and "Vanis" brand-names.

** CREATIVE PACKAGING INC, Indianapolis, Indiana, has made an agreement with DEUTSCHE FRIGOLIT GmbH, Worms, a subsidiary of RENOLIT WERKE GmbH, Worms (see No 390) giving it manufacturing rights for expanded polystyrene packaging made on plant produced by MASCHINENFABRIK BUCKAU R. WOLF AG, Grevenbroich-Neuss (see No 326). The latter has DM 15 million capital, and is a subsidiary of BANKHAUS WILH. WERHAHN, Neuss, Rhine.

PHARMACEUTICALS

** The German chemicals and pharmaceuticals concern C.F. BOEHRINGER & SOHNE GmbH, Mannheim-Waldhof, hitherto represented in Paris by RAVAUD & MOUSCADER SA (see No 349), is now to set up its own sales subsidiary there. This will be called BOEHRINGER MANNHEIM FRANCE Sarl, and will have Ff 200,000 capital and Herr Fritz Junker as manager: he is the head of the parent company.

Herr Junker also manages BIOCHEMIA Srl, which was formed in Milan in 1966 (see No 348). Abroad, the German company (capital DM 35 million) has two other subsidiaries: BOEHRINGER PHARMA SA, Brussels, and BOEHRINGER & SOHNE (NEDERLAND) NV, Amsterdam.

** The German clinical sundries concern LOHMANN KG, Fahr-Neuwied, Rhineland (see No 292) has formed LOHMANN Pvba at Borgerhout, Antwerp with Bf 500,000 capital to sell its bandages, gauze, plaster etc in Belgium.

The parent company, controlled by Herr Kurt Lohmann, already has sales subsidiaries at Hombrechtikon, Zurich and in Vienna. Two years ago it joined with the Dutch KONINKLIJKE PHARMACEUTISCHE FABRIEKEN v/h BROCADES STEEHMAN & PHARMACIA NV, Meppel (see No 347) to form a 50-50 manufacturing subsidiary called BROCADES-LOHMANN NV, Amsterdam.

** The Viennese pharmaceuticals distribution concern PROTOPHARM GmbH, at the same time as raising its capital from Sch 2 million to 3 million, has changed its name to one more indicative of its connection with the Leverkusen FARBENFABRIKEN BAYER AG group (see No 394). It will now be called BAYER-PHARMA GmbH, a name which is already used by a number of companies in the group, especially in Sweden, Iran, Pakistan and Thailand.

PRINTING & PUBLISHING

** The German literary publishers CLAASSEN VERLAG GmbH, Hamburg, (headed by Frau Hilde Claassen) has come under the outright control of ECON-VERLAG, Düsseldorf (capital DM 40,000; managers Herren E. Barth von Wehrehalp and Friedrich Vogel). The latter is affiliated to the Düsseldorf group HANDELSBLATT GmbH ZEITUNGS- & ZEITSCHRIFTENVERLAG, Düsseldorf, mainly known as the publishers of the economic daily "Handelsblatt" and several industrial magazines. This group employs over 300 and has an annual turnover of around DM 17 million.

TEXTILES

** Mr. Helmut Rothenburg of London is president of LIBACO INTERNATIONAL - LISA SA, now formed at Anderlecht-Brussels (see No 393) by Mr. Marius Baumgarten, Uccle, with a capital of Bf 1.5 million, to take over the clothing, textile and leather business of LIBACO SA, which has been bought by the finance group INTER-CITY INVESTMENT & HOLDING CO LTD, London.

** The American manufacturer of work clothes BLUE BELL INC, Greensboro, North Carolina (which already owns BLUE BELL SA, Genk - see No 355) has decided to take over the factory of the knitwear manufacturer BELBETRI NV, Heusden (see No 392) as well as its 200 employees (mainly women). Belonging to the Dutch group NV TRICOTAGEFABRIEKEN v/h FRANS BEEREN & ZONEN, Weert, it was about to be closed due to its owner's financial difficulties.

The American group has a London branch and is represented in Paris by a subsidiary of the Genk firm. In 1961 this was known as THE ADMIRAL CO PvbA, Antwerp, and a 50% interest was taken. It was later made into a wholly-owned subsidiary, the name changed to Blue Bell SA and removed to Genk.

** KLOPMAN MILLS INC, Rockley, New Jersey, specialists in cardboard and polyester fibre processing, has set up in Germany, where it has formed a sales subsidiary in Düsseldorf, KLOPMAN MILLS GmbH (capital DM 20,000; managers Messrs. Ewart White Jr of Princeton, New Jersey, and Rudolf Meuser of Düsseldorf). This is its second European subsidiary, after KLOPMAN INTERNATIONAL SpA, formed at Frosinone in March 1966 (capital Lire 1 million). The latter (president Mr. William Klopman) has invested some 6,000 million Lire in the construction of a weaving plant which will come into service in 1967 with an initial staff of 400 (see No 377).

The American company is itself controlled (87.09%) by TEXTILE OPERATIONS INC, Delaware, a wholly-owned subsidiary of the major American weaving group BURLINGTON INDUSTRIES INC, Greensboro, New Jersey. This group (last year's turnover: \$1,313 million) is already well-established in Europe through agreements with the PRICEL SA, Paris, and SCHAPPE SA, Geneva, groups. It is also directly involved (or through BURLINGTON INTERNATIONAL AG, Glarus) in INTERGLAS-TEXTIL GmbH, Ulm; TISSAVERRE SA, Paris (controlled by PRICEL), STOFFEL AG, St-Gall; and CYRIL LORD LTD, Belfast.

** The international textile trading firm HANS MEHR KG, Hamburg has set up in France where it has just formed HANS MEHR FRANCE Sarl. The Ff 10,000 capital of the new firm is held by its own shareholding partners Herren Hans Georg and Rudolf Dieter Mehr. Hans Mehr was formed in 1925 and it specialises in transactions with West Africa where it has several subsidiaries: STE HANS MEHR, REPRESENTATION REGIONALE, Abidjan; HANS MEHR (NIGERIA) LTD, Lagos; HANS MEHR (GHANA), Accra and HANS MEHR (SIERRA LEONE) LTD, Freetown.

** FARBENFABRIKEN BAYER has chosen Switzerland as the home of its first foreign subsidiary for distributing chemical textiles: it has formed BAYER-FASER AG in Basle with Sf 100,000 capital, and placed it under the supervision of Mr Walt Wilhelm, a board director of the parent group.

The group's main manufacturing locations in this sector are centred around Dornmagen, where it makes various fibres: "Perlon" (caprolactam based), "Dralon" (polyacrylic nitrile) and "Dorlastan" (polyurethane elastomers).

** BOUCLESA-FRANCE Sarl (see No 260) has gone into voluntary liquidation. It was formed in Paris in 1964 (with a branch at Sars-Poteries, Nord) by German interests held by Herr Edgar Brandt, Lengerich-West to import and sell carpets, furnishing fabrics and similar goods.

TOBACCO

** CARRERAS LTD, Basildon, Essex (see No 335) - linked with the South African group REMBRANDT TOBACCO CORP SA, Stellenbosch (see No 379) - and the third largest cigarette manufacturer in Britain, has secured a production base in the Common Market by buying a large minority shareholding in its opposite number WELTAB Sprl, Ixelles-Brussels. This company covers about 10% of the Belgian cigarette market and sells its brands (mainly "Visa" and "Armada") throughout the EEC.

Carreras markets, amongst others, the "Guards" brand. It has also owned a 50% share, since 1962 in the Dutch cigar firm SCHIMMELPENNINCK SIGARENFABRIEKEN v/h GEURTS & VAN SCHUPPEN NV, Wageningen. It manufactures under the latter's trademarks at its Belfast factory and distributes throughout the world through SCHIMMELPENNINCK SIGARENFABRIEKEN (EXPORT) LTD, London (see No 319).

** NV TABAKSINDUSTRIE v/h GEBR. PHILIPS, Maastricht (see No 290) has increased its Belgian investments and thus strengthened its affiliate DUC GEORGE NV, Etterbeek-Brussels, by raising its capital to Bf 500,000, through SIGARENFABRIEKEN VELASQUES BELGIE NV, Etterbeek.

The Dutch manufacturer of tobacco and cigars had linked with VELASQUES NEDERLAND NV, Beldhoven in 1962. The latter controlled SIGARENFABRIEKEN VELASQUES BELGIE, VELASQUES DEUTSCHLAND GmbH, Lübeck, DUC GEORGE SIGARENFABRIEKEN NV, Zeelst, North Brabant (and its similarly named subsidiaries at Etterbeek-Brussels and Lübeck). In the Netherlands it also controls NV SIGARENFABRIEKEN LA BOLSA v/h C.J. BOELE, represented since 1962 in Brussels by LA BOLSA BELGIE NV.

** The private company A. PITTACO, Brussels, has become ANTOINE T. PITTACO Sprl with Bf 500,000 capital, and will import and distribute leaf tobaccos and allied products. The new firm is headed by MM. A. S. Pittaco and V. Francotte, and in particular will be the agent for the following foreign companies: CIE IBERICO-AMERICANA DE COMERCIO SA, Nassau, Bahamas; CIE DE TABACOS QUIESQUEVA CA, Santiago, Chile; EDWARDS GOODWIN & CO LTD, London and Liverpool; ALFRED SMITH, New York, and W. A. ADAMS CO INV, Oxford, North Carolina.

TOURISM

** HILTON HOTELS CORP, Los Angeles (see No 370), which decided a few weeks ago to merge with T.W.A.-TRANS WORLD AIRLINES INC, has regrouped its French interests by merging two of its subsidiaries; STE HOTELIERE DE PARIS SA will absorb STE HOTELIERE DE L'AEROPORT D'ORLY SA (gross assets of Ff 31,120,000 - see No 277). The merger will result in the formation of HILTON (FRANCE) SA with Ff 12 million capital.

In France, through its HILTON HOTELS INTERNATIONAL subsidiaries in New York and Panama, the group also controls MOBERGE Sarl, Paris, which sets up tourist establishments, chiefly in Lyons and on the Cote d'Azur, combining American-style catering with French cuisine. The same company has also begun work on a hotel at Fort-de-France in Martinique.

TRADE

** The Liechtenstein holding company KRIS AG, Mauren (see No 373) has formed a 90% Italian subsidiary KRIS ITALIA SpA, Milan (capital Lire 20 million) with Signor Livio Rivolta, Monza, as president. The new venture will carry out all types of operations connected with the selling - and possibly manufacturing - of finished products, raw materials and foodstuffs.

About six months ago the same interests formed KORATRON TECHNIQUE ITALIE SpA, Milan (capital Lire 20 million) to distribute and control in Italy the patents held by KORATRON INTERNATIONAL CORP (see No 362), which make clothes crease-proof by use of a baking process.

TRANSPORT

** A merger will take place in the Netherlands in the international transport sector between Wm. H. MUELLER & CO'S RIJNVAART MIJ. NV, Rotterdam (a subsidiary of Wm. H. MUELLER & CO NV - see No 392) and DAMCO SCHEEPVAART MIJ. NV (a former Rotterdam subsidiary of the Wiesbaden group DYCKERHOFF ZEMENTWERKE AG). As a result, Wm. H. Müller & CO NV will have a 20% interest in Damco Scheepvaart.

The latter belongs to the Amsterdam group NEDERLANDSCHE SCHEEPVAART UNIE NV (see No 375) through STOOMVAART MIJ. NEDERLAND NV, Hilversum (see No 392).

** The Italian state airline ALITALIA-LINEE AEREE ITALIANE SpA, Rome (see No 357) has opened a branch in Zurich. Alitalia is under the 96.2% control of I.R.I. - ISTITUTO PER LA RICOSTRUZIONI INDUSTRIALE SpA, Rome (see No 384); it has Lire 30,000 million capital, and its network covers over 100,000 miles with a fleet of some 60 aircraft. Its turnover approaches Lire 130,000 million.

VARIOUS

** The German sign and hoarding company AUGUST FISCHER KG, Wetter, Ruhr, (active partner Herr Alfred Kusserow), which is mounting a sales drive on the Austrian market, has opened a branch in Vienna.

** BRUEDER WINKLE KG, Altenstadt, Iller (wooden and plastic lasts etc. for the footwear industry) has set up a subsidiary with its own name at Johannisthal b Schwanenstadt in Austria, headed by Herren Helmut, Reinhard and Richard Winkle and Erich Wähler.

** NV RANDSTAND WITZENBUREAU, Amsterdam (see No 313 - temporary staff agency) has set up an agency in London and a subsidiary, RANSTAD LTD (capital £100), directed by Messrs. G. Dalebout and F. J. D. Goldschmeding.

The parent firm was formed seven years ago and it now covers about 60% of the Dutch market in this field. It has had a subsidiary in Belgium for the last eighteen months: INTERLABOR NV, St Josse-ten-Noode.

** Messrs. Beechter Moore and Tony Allen (both of London) have formed HOLT ALLEN FRANCE Sarl, Etampes, Essonne, to import and sell sail-boats and accessories for pleasure-craft. The new firm will be run by Mme. A. Cardine and the two founders will share control of the Ff 20,000 capital.

** The leading German laundry, dyeing and dry-cleaning firm BOCO WASCHEN-DIENST ERNST RETHWISCH KG, Hamburg, is to extend its activities to the Frankfurt-Mannheim area under a co-operation agreement with the main laundry firm in that area: WIENER WASCHEREI LUDWIG LANGER, Mannheim. The Hamburg company was formed in 1912 and employs over 1,100 workers with an annual turnover of around DM 16 million: it has a subsidiary called WELSCHER WASCHEREI GmbH, Hamburg.

** Sig Camillo de Benedetti of Rossignano Monferrato has been appointed president of FINEUROP-FINANZIARIA EUROPEA SpA, an investment and finance company recently formed in Milan (capital Lire 100 million) with the backing of several groups including STE BANCAIRE DE GENEVE SA (see No 388) and ZILKHA (represented by M. Elie Zilkha, a minority shareholder in BANQUE EUROPEENNE DE FINANCEMENT SA - see No 393).

The founders of Fineurop are: 1) with 40%, SOGEMI INVESTMENT LTD, Nassau, Bahamas, represented on the board by Messrs. Jouri Lawi and M. E. Picciotto, directors of Ste Bancaire de Geneve; 2) with 25% each, UFITEC AG UNION FINANCIERE, Zurich (see No 325), and PRAGMA HOLDINGS SA, Luxembourg; 3) with 10%, PARTISA-STE DE PARTICIPATION ET DE GERANCE SA, Geneva, subsidiary of Ste Bancaire de Geneve.

** The largest German mail-order group GROSSVERSHANDHAUS QUELLE GUSTAV SCHICKEDANZ AG, Furth (see No 393) is strengthening its Austrian interests by gaining control of the Vienna department store KAUFHAUS FALNBIGL ohG. The group's Austrian business is co-ordinated by GROSSVERHANDHAUS QUELLE AG, Litz (capital Sch 1 million).

Quelle, whose 1966 turnover reached the DM 2, 120 million mark, has also increased its interests in France, where its Paris subsidiary QUELLE SA (1966 turnover of around Ff 16 million) has raised its capital from Ff 2, 180, 000 to Ff 2, 262, 000 by absorbing ORLEANS MONTJOIE SA, Saran, Loiret. This gave it further land and property in Saran, where its own warehouses are sited.

** The Italian domestic appliance group FERDINANDO ZOPPAS SpA, Cornigliano Veneto (see No 379) has formed an Austrian subsidiary ZOPPAS ELEKTROGERATE GmbH, Vienna to import and market its refrigerators, dish-washers and washing-machines. The founder holds 90% of the capital of Sch 2 million, with the rest held by its Swiss holding company ELEKTROINVEST SA, Roveredo, Grisons, formed in October 1965 (capital Sf 60, 000).

In Austria the group already controls a distribution company: GROSSHANDEL MIT HAUSHALTS UND GROSSKUCHENGERATEN DR. KARL POMPER & MARIA POMPER GmbH, Vienna formed in March 1965 (capital Sch 100, 000 - see No 306).

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Imperial Products	O	Provencale d'Aluminium	Q
Indian Tool Manufacturers	J	Pudding Fabriek Vertrix	O
Ineurco	E		
Infotronics	I	Quelle	W
Integra	I		
Inter-City Investment	S	R. C. A.	I
Italcementi	O	Radio-Electricite, Cie Commerciale	H
Italmobiliare	O	Randstand Witzenbureau	V
		Ravaud & Mouscader	R
K. S. H.	K	Renolit	R
Kampffmeyer, E.	P	Rethwisch, Ernst	V
Kaufhaus Falnbigl	W	Rheinische Burgerbrau	P
Kettler, Heinz	N	Rivaud	E
Kill, Ernst	G	Robertsau, Papeteries	R
Klopman Mills	S	Roldan Products	K
Koehlin, C.S.	I	de Rothschild Freres	I
Kris	U	Rotimex	K
		Ruton	H
Landshut-Rosenheim, Kuntsmuhlen	P		
Langer, Ludwig	V	S. N. P. A.	Q
Lastek	N	Sairo	L
Libaco	S	Schickedanz, Gustav	W
Litwine-C. C. L.	I	Scholten-Honig	G
Locassur	N	Shaw, Francis	L
Lohmann	R	Siemens	J
Loire, Industrielle & Financiere	F	Sirea, Milan	M
		Skomab	J
Mabelpap	Q	Snam-Progetti	L
Maina	L	Snia Viscosa	O
Maskin, Stockholm	J	Soconord	M
Matra	J	Sogemi	V
Mehr, Hans	T	Solvay	G

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Spirotechnique	J
Standing Building	N
Storno	H
Struycken	M
Sulzer, Procedes	J
T. W. A.	V
Technocean	J
Telettra, Milan	H
Total	Q
Troost Werbeagentur	E
Ufitec	V
Usinor	M
Vallourec	M
Vanypeco	E
Velasques	T
Venot-Pic	N
Volvo	E
Weltab	T
Werhahn, Wilhelm	R
Westinghouse	H
Whinney, Murray, Ernst & Ernst	F, N
White, J. Samuel	N
Wirtschaftliche Zusammenarbeit	J
Wolf, Buckau R.	R
Zilkha	V
Zoppas, Ferdinando	W
Zuse	J