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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY
December 27, 1965 - January 2, 1966
From our Correspondents in Brussels, Luxembourg and Geneva

THE COMMON MARKET

Towards a Common Industrial Policy

The Commission has just reached an important cross-roads and defined its attitude towards economic concentration among firms. The scale of American and Japanese concerns to-day points up the need for industrial organization to be conceived on a Community basis. The subject is also significant politically, since in many sectors it entails a whole series of steps to harmonize or even integrate in order to "Europeanize" the industries of the Six. If this stage of a common industrial policy becomes a reality, like the common agricultural policy, their economics would be so interlocked as to guarantee the irrevocability of their political interdependence.

Present circumstances hardly favour a daring advance of this nature, but the facts of productive needs and international competition make it both urgent and imperative. The Six will find their anxiety not to commit themselves for the future outweighed by the need to take steps which may heavily mortgage it. This is no new dilemma and bears out the saying that "The Common Market condemns the Six to live and succeed together."

Coping with the Inevitable

The Commission starts its report by considering whether industrial concentration should be encouraged, and notes that the phenomenon is general among industrialized countries. The Common Market was obliged to accelerate the process by the effect of opening up a market on the European scale for the producers, and by encouraging free trade with other countries. Concentration might be inevitable and in the nature of things, but was it legitimate? The Commission though it was and that, provided competition was not distorted, there was no conflict with the aims of the Rome Treaty; concentration should, of course, ensure technical progress and lower production costs.

The Commission did not attempt the formidable task of defining what should be the optimum dimensions of undertakings in the Community. Neither did it believe that they ought necessarily to become as large as their American and Japanese counterparts in order to reach the highest level of efficiency. It did, however, consider that they should be given similar opportunities for development, and therefore it concluded that the Community should take a positive attitude towards concentration and allow it to become more general, bearing in mind that when concentration is effected by crossing frontiers, it must encourage market integration.

One of the logical consequences of this attitude is that differences between conditions in the various countries which tend to hinder concentration should be removed, and this will require a great effort. First and foremost, there are the legal obstacles:

(1) The economic laws in force among the Six (patents, industrial ownership, unfair competition, etc) should be unified to a large extent, and the Commission has already made proposals on the subject. It emphasizes that there should be a European patent law, for lack of which Community production will continue to be fragmented in spite of the removal of customs barriers.

(2) Company law should come under common rules. Regulations on mergers vary from country to country, and some countries (like the Netherlands) do not recognize merger as a legal procedure. At Community level there are serious deficiencies; for instance, Italian law is the only one which allows companies to be taken over by foreign companies. The Commission also recommends a Community law to govern mergers across frontiers, and recalls its own reports on the formation of Community companies.

Harmonizing Taxes

Setting up a European patent and company law are two formidable tasks; taxation must also be tackled so as to remove obstacles which prevent rational mergers, those based on economic considerations alone:

(1) Fiscal conditions governing the merger itself must be harmonized. Here the Commission is proposing that the member governments should accord to mergers which set up a European company the same concessions as they give national companies, where taxing appreciation in the values of the merging companies is concerned. Also, that these advantages should be standardized throughout the Six countries. Finally the Commission refers to its previous proposal that the stamp duty on mergers should be reduced to 0.5%.

(2) The tax position of the new company resulting from the merger should also be standardized. The proposals already put forward by the Commission for general adoption of the Added Value Tax system is a move in the same direction, but other measures will be needed, in order to eliminate the present double taxation and fiscal penalization of companies involved in a merger. The idea is to prevent factors other than economic affecting the place of the concentration, its size, its legal form etc.

If these obstacles were removed, firms could carry out large-scale re-grouping more in keeping with the size of the European market. But would this be compatible with the "anti-cartel" provisions of the Treaty of Rome? The Commission has also raised this problem, which is complex and entirely new to the Common Market. The following conclusions were reached:

(1) The banning of agreements (by Article 85 of the Treaty) does not apply to concentrations, provided that their real purpose is to acquire full or part ownership of companies or to reorganize their ownership. In fact, according to the Commission, concentration does not constitute an agreement, since an agreement does not entail irrevocable change in ownership but a concerted action between firms. It would in any case be impossible to apply to concentrations

the sanctions against unlawful agreements provided by Article 85. Agreements can be given approval for a limited time and it can always be revoked, but this is not true of concentrations which involve a definitive change of ownership.

(2) However, concentrations may fall within the purview of Article 86, which condemns the abuse of dominant positions. This would be the case if a concentration resulted in the elimination of all competitors.

Small and Medium-sized firms

On the whole, the Commission comes out strongly in favour of industrial combination, but this does not mean that it has forgotten the effects on small and medium-sized undertakings. In order to protect them, it will not be satisfied with invoking Article 86, but proposes a series of measures to provide them with more positive assistance and to improve their competitive ability; first, small and medium-sized firms should have easier access to financial resources and, when required, should be subsidized so that they can adapt themselves to the new market conditions brought about by mergers; second, the authorities should favour the agreements to carry out scientific and technical research jointly. The Commission emphasizes the benefits of the "added value tax" which offsets the effect of the "cascade tax" on turnover.

By and large the policy recommened is intended to promote co-operation between small and medium-sized firms. Specialization, rationalization, re-organization and joint purchasing should all be encouraged by making it easier to draw up appropriate agreements.

* * *

EFTA

A Year of Progress

A report from the European Free Trade Association claims that 1965 was its most active year. Industrial free trade among the eight EFTA countries is only one year away. Work continued on the abolition of non-tariff barriers to trade within EFTA and new plans were put forward for enlarging the scope of the EFTA partnership. EFTA also faced a serious internal problem - the charge imposed on imports by the British Government - which was partly, but not completely, overcome in 1965.

With an eye to EFTA's ultimate objective of a single market covering the whole of Western Europe, much work was done in 1965 to prepare the way for eventual contacts between EFTA and the European Economic Community.

Three Ministerial meetings of the EFTA Council during 1965 provided a focus for all these themes.

The Surcharge

On February 22, 1965, Mr. George Brown, the British First Secretary of State, announced to the EFTA Ministers that the British import surcharge imposed in October 1964 would be reduced in April, 1965, from 15% to 10%. The announcement, widely welcomed, marked the end of the acute crisis that had been brought about by the imposition of the surcharge. The other EFTA countries continued to press throughout the rest of 1965 for removal of the remainder of the surcharge.

The Vienna Initiatives

The centrepiece of EFTA's year was its Ministerial "summit" meeting in Vienna during May, which launched far-reaching studies aimed both at broadening the basis of cooperation within EFTA and seeking means of lessening the adverse effects of the growing trade split in Europe between EFTA and the Common Market. Attended by more than thirty Ministers, including the Prime Ministers of six countries, the meeting drew up two mandates, each calling for extensive studies. The first mandate involved two related questions: the exploration of possible closer contacts with the Common Market, and the subjects which might usefully be raised in such contacts. The second called for full examination of EFTA's internal activities, in order to ensure that the Association would function to the fullest advantage of all its members by the end of the transitional period; to discover possible new fields for internal EFTA cooperation; and to study whether the existing coordination of EFTA activities in other international organizations could be carried further.

In practice, the two mandates proved to be closely related to one another.

There followed several months of intensive work, so that by the time Ministers met again in Copenhagen in October, reports on both mandates were ready for discussion and decision.

On relations with the Community, proposals were avoided that would have no present chance of success; there was concentration instead on concrete opportunities for lessening discrimination between the two groupings for the benefit of European trade as a whole. Of key importance was the problem of tariff discrimination which had been growing more serious as tariffs within each group moved nearer to zero. But it was recognized that as long as hope remained of easing this discrimination through a world-wide reduction of trade barriers in the Kennedy Round negotiations, no move should be made to reduce tariffs on a more restrictive basis; if tariffs were discussed with the Common Market, it should be with a view to getting the best possible advantage from the Kennedy Round. Among other trade problems thought suitable for discussion with the Community were those raised by differences in patent law and industrial standards; although modest in themselves, such matters might lay the basis for gradually increasing economic cooperation among the nations of Western Europe.

In view of the current crisis among the Common Market countries, Ministers recognized that no initiative from EFTA towards the Common Market was likely to be immediately fruitful. Accordingly, they reaffirmed EFTA's readiness for contacts with the Common Market as soon as a settlement of the Common Market crisis would make such moves practicable.

On the development of EFTA's own cooperation, several matters were ready for decision. The Ministers decided that after completion of the free trade area at the end of 1966, EFTA goods traded between the Member countries would not be able to benefit both from EFTA tariff treatment and from drawback. They agreed on the action to be taken if restrictive business practices impeded the development of intra-EFTA trade. And they approved the study of proposals for further expansion of trade in agricultural products within EFTA. On other matters, further decisions are expected during 1966.

Agriculture

Trade in EFTA in agricultural products, which in general do not fall within the scope of the EFTA tariff reductions, continued to grow broadly in line with the increase in EFTA trade as a whole. The second annual report of the EFTA Agricultural Review Committee concluded that there had been a 10% increase in EFTA agricultural trade in 1964 compared with 1963, bringing the total growth from 1961 to 1964 to 37% in value terms. The two EFTA countries most dependent on such trade, Denmark and Portugal, increased their agricultural exports to

EFTA over the four years by 33% and 18% respectively.

EFTA Committees and Working Parties

Other EFTA committees and working parties had a busy year. Apart from the special studies called for under the Vienna mandates, which required meetings not only of the regular standing committees but also of several groups called together specially for the purpose, work continued on the study of non-tariff barriers to trade with the aim of ensuring that these would not hinder the growth of intra-EFTA trade after the removal of tariffs had been completed. The Customs and Trade Experts Committees each held several long meetings, considering problems of trade procedure. The Economic Development Committee held an important meeting in the autumn, resulting in agreement on a new approach to its work; in future it will mainly have a "steering" function, with detailed study of particular problems entrusted to working parties. There were several meetings of the special working party set up to study the British balance of payments situation, in order to keep Ministers provided with up-to-date reports on the background to the continuance of the import surcharge. Finally, there were two meetings of the new Economic Committee; it met for the first time in July, when it carried out a general survey of the economic situation in EFTA and established its future plan of work, and again in December for a special meeting to discuss the balance of payments situation of Finland.

I	FINANCE	Belgium: BRUXELLOISE DE CREDIT, Brussels reduces its holding in COBECA, Brussels. France: COMMERCIALE FRANCAISE, Paris (import finance) forms Paris subsidiary. Italy: CREDITO LOMBARDO, Milan merges with BANCA MASSONE, Genoa.
J	FOOD & DRINK	France: BRASSERIE DE LA MANCHE will sell "Toby" beer brewed by CHARRINGTON, London in France. The French pasta manufacturer MILLIAT FRERES signs sales agreement with USINES REMY, Brabant, Belgium.
J	OIL, GAS & PETRO-CHEMICALS	France: The French subsidiaries of MOBIL OIL and BP take shares in PETROLIER DE NANCY.
K	PAPER & PACKAGING	France: PAPETERIES DE BELGIQUE, Brussels forms 80% French subsidiary ZUPACK FRANCE. PAPETERIES DARBLAY, Paris contributes 45% of SOPALIN's recent capital increase.
K	PHARMACEUTICALS	Belgium: FARMITALIA, Milan forms Belgian subsidiary. France: LABAZ, Paris takes holding in DEROL, Paris. Italy: Italian subsidiary of AVON PRODUCTS, New York buys factory site at Como. Netherlands: NEDERMA, Amsterdam forms subsidiary. The German chemico-pharmaceutical firm EMANUEL MERCK forms VON GLENCK, Uri, Switzerland.
L	PLASTICS	France: DIFFUSION DE POLYETHYLENE DU VAL DE GARONNE is formed at Montauban.
M	PRINTING & PUBLISHING	Germany: The US publishing company THE FAMILY CIRCLE forms Cologne subsidiary. Switzerland: Two Paris subsidiaries of the British music publishers CHAPPELL & CO join to form EDITIONS CHAPPELL Sarl in Switzerland.
M	TRADE	Netherlands: Mr Peetermans of Antwerp makes his grain-dealing business into company.
M	TRANSPORT	Belgium: MALISSARD FRERES SAVARZEIX, Paris opens Brussels branch. France: TRAVAUX & INDUSTRIES MARITIMES, Paris and WORMS, Paris join to form SOMANORD, Dunkirk. Netherlands: AS-AF is formed in Amsterdam for European and Far East transport.
N	VARIOUS	Austria: HERTIE WAREN & KAUFHAUS, Berlin (chain-stores) sells its control in three Austrian retail firms. Belgium: The US consultants P.K.HALSTEAD open Brussels branch.. France; The US firm MANDREL INDUSTRIES (geophysical equipment) and

its Paris subsidiary together have 51% in GEOGRAPHEX, Paris. Italy: The two largest Italian pottery firms CERAMICA RICHARD GINORI, Milan and CERAMICA ITALIANA, Varese have merged. The US company BOSTON CO joins the Milan consulting engineers PIETRO GENNARO in new Milan firm. Netherlands: The US company DOW CORNING forms Amsterdam manufacturing subsidiary.

NB Owing to postal delays, several items have had to be printed under the heading "VARIOUS" in preference to being held over for a week.

CHEMICALS

** The group ETS KUHLMANN SA, Paris (see No. 316) has made an agreement with ALLIANCE DYE & CHEMICAL CO LTD, Bolton and Leeds; after the end of 1966 the British firm will manufacture "Francolor" fabric dyes in a factory to be built at Bolton, Lancashire. It already distributes for the Paris company's "chemical dye" division. A joint subsidiary PATCO CHEMICALS LTD will be formed. It will be 51% controlled by CIE FRANCAISE DES MATIERES COLORANTES SA, Paris, the management company of the French group, which produces numerous types of synthetic colouring matter used in many kinds of industry: textiles, natural and synthetic fibres, leather, rubber, plastics, paint, paper, hydrocarbons, food, etc. There are various factories; its own at Villers-St-Paul, Oise; Oissel Seine-Inferieure; St-Denis and St. Clair-sur-Rhone; subsidiaries such as ACETOSYNTHOSE SA, Paris (jointly with NOBEL-BOZEL), CIA FRANCO BRASILEIRA DE ANILINAS, Jacarei, Brazil and ANILOR SA, St. Avold, Moselle. Other subsidiaries look after Common Market sales: FARSEN & CHEMICALIEN FRANCOLOR GmbH, Düsseldorf, FRANCOLOR (HOLLAND) NV, Baarn, FRANCOLOR BELGE, SA DE MATIERES COLORANTES & PRODUITS CHIMIQUES, Brussels and FRANCOLOR ITALIANA SpA, Milan.

** UNIREP SA, Ixelles-Brussels (president M.E. Raskin) has been put into voluntary liquidation. It was formed in April 1961, and owned 20% by POUDRERIES REUNIES DE BELGIQUE SA, Brussels (see No. 304), 20% by CHIMEXPLO SA, Brussels (in which OLIN MATHIESON CHEMICAL CORP, East Alton, Illinois, is a minority shareholder), and 12% by another group company, SERTRA - STE D'ETUDES & DE RATIONALISATION DE TRAVAUX MINIERS SA, Mons (formerly at Liege).

The Brussels group is itself linked with Olin Mathieson, and its large shareholders include UNION FINANCIERE & INDUSTRIELLE LIEGEOISE SA, Liege, STE GENERALE DE BELGIQUE SA, Brussels, STE CENTRALE DE DYNAMITE SA, Paris, STE DE GESTION & DE PLACEMENTS SA, Neufchatel, STE CARBOCHIMIQUE SA, Ixelles-Brussels, etc.

** The group PETROFINA SA, Brussels (see No. 337) has, because of its geographical position, gained control of RAFFINERIE MERIDIONALE DE PRODUITS PETROLIERS Sarl, in liquidation since last November. The Marseilles firm is licensed by the Paris agency COSYNDIS SA, Paris to import and sell lubricating oil. It has a plant of 6,000 tons a year capacity for over refined oil and petrochemical and detergent products at Le Cannet, with depots at Roubaix, Nord and Limoges, Haute Vienne. The brand names of its products are Ensolfix, Lissofix, Texmol, Solufix, Collafix, Deterfix and Electrofix. The manager is M. Chabrand and the director is M. Schneider.

** The group SIR - STA ITALIANA RESINE SpA, Milan, recently formed three holding companies at Sassari, each with lire 1 million capital and with Sig. N. Rovelli as their sole managing director. This is part of the setting up of a large chemical complex at Porto Torres (see No. 335). The three companies have now opened a branch office at Milan where several of the group's companies already have their administrative offices e.g. SIRBEN, SIRAM, SARDAR, SAROIL, etc. The three companies concerned are SARDA INDUSTRIA OLEFINE SpA, FIBRASIR SpA, and VINILSARDA SpA. Another of the group's companies, SALCIM-SOCIETA AN. LAVORAZIONI CHIMICHE & IMBALLAGI METALLICI SpA, Milan, is a 10% shareholder in each of them.

** KURT HERBERTS & CO VORM. OTTO LOUIS HERBERTS, Wuppertal (see No. 333), the large German manufacturer of paints and varnishes, is simplifying his Italian sales organization. HERBERTS ITALIANA SpA, Trezzano sul Navigo, Milan, has taken over PRODOTTI DR. KURT HERBERTS & CO ORGANIZZAZIONE VENDITE Sarl. Herberts Italiana was formed in July 1961 with lire 5 million capital by the Wuppertal firm, whose "Preglas" varnishes, "Standopral" laminated sheets and "Letron" covering materials are distributed abroad through several subsidiaries: HERBERTS BELGIEN Sprl, Brussels, HERBERTS VERKOOPKANTOR NV, Rotterdam, HERBERTS AG (recently formed at Basle), and DR. KURT HERBERTS & CO SKANDINAVIENBURG, Partille, Sweden, etc.

** FARBENFABRIKEN BAYER AG, Leverkusen (see No. 314) has formed BAYER LEVERKUSEN LTD in Sydney, Australia, to sell chemical products, dyes, synthetic textiles, plastic materials, pharmaceutical products, etc. It already controls FBA PHARMACEUTICALS LTD (capital £ Aust. 25,000) and holds 33.3% in HENRY H. YORK & CO PTY LTD (£ Aust. 510,000) in Sydney.

COSMETICS

** The group L'OREAL SA, Paris (president M. Francois Dalle - see No. 333) has taken a 45% shareholding in COURREGES PARFUMS Sarl, Paris and ANDRE COURREGES, Paris. L'Oreal was represented by SEPM - STE D'ETUDES & DE PROSPECTION DES MARCHES SA, Paris (member of the group BNCI - BANQUE NATIONAL POUR LE COMMERCE & L'INDUSTRIE through one of its holding companies ORGEPRO SA - see No. 330).

Courreges Parfums (capital Ff 200,000 - manager M.D. Guerin) was formed recently and exploits the brand "Courreges" in the cosmetics industry. Andre Courreges (capital recently raised to Ff 11.520,000) is still responsible for the fashion house headed by M. Andre Courreges, who remains the main shareholder.

ELECTRICAL ENGINEERING

** The group TEXAS INSTRUMENTS INC, Dallas, Texas is expanding in Italy and has opened a sales branch in Milan for its subsidiary TEXAS INSTRUMENTS ITALIA SpA, Aversa, Caserta (see No. 163 - directed by Sig. F. Baroni, Sig. Maggioni, and Sig. Rossi). Texas Instruments was formed in June 1957 with the name ITMAC SpA (president Sig. E.O. Vetter, director Sig. Treichler - capital lire 70 million); with the assitance of $640,000 from BEI-BANQUE EUROPEENNE D'INVESTISSEMENT SA, Luxembourg it is building a factory to make electro-mechanical equipment such as relays, thermostats, engine cut-outs, etc. for domestic purposes. The factory will employ 580 people and cost $1,820,000.

The American group makes electrical and electronic inspection and recording equipment, semi-conductors, etc. It has wide manufacturing and sales interests in Europe ; TEXAS INSTRUMENT FRANCE SA, Villeneuve-Loubet, Alpes Maritime with agencies at Vanves and Paris, TEXAS INSTRUMENTS LTD, Bedford, England; TEXAS INSTRUMENTS GmbH, Stuttgart with a diode factory nearing completion at Freising, Oberbayern; TEXAS INSTRUMENTS HOLLAND NV, Almelo (formerly METAPPA NV); etc.

** CLAUDE SpA, Rome (member of the group CLAUDE PAZ & VISSEAUX SA, Paris - see No 248) which recently took over CIA LAMPADE PASTELOR SpA (see No 323), the Milan manufacturer of electric lamps and valves (at the same time raising its capital to lire 293,470,000) has now taken over two more Italian firms in the same industry, having first obtained control of them. The two firms are FULGENS SpA and NITENS SpA of Novo Ligura (capital lire 44 million in each case). Claude's capital has now risen to lire 376,860,000.

** CIE DES LAMPES SA (joint subsidiary of CGE-CIE GENERALE D'ELECTRICITE and CFTH-CIE FRANCAISE THOMSON-HOUSTON) has formed STE NOUVELLE DES FABRIQUES REUNIES DE LAMPES ELECTRIQUES SA (capital Ff 100,000) 50-50 with CIE FRANCAISE PHILIPS SA, Issy-le-Moulineaux, Hauts-de-Seine. Cie des Lampes has for many years past been associated with the French branch of the PHILIPS group of Eindhoven through PHILIPS ECLAIRAGE & RADIO SA.

Philips and Cie des Lampes recently joined the French group CLAUDE PAZ & VISSEAUX SA (see No 323) and the German group OSRAM GmbH (owned 42.77% by SIEMENS AG, 35.78% by AEG, and 21.45% by INTERNATIONAL GENERAL ELECTRIC) to apply American techniques in a new electric light bulb factory at Lommel, Belgium, using "Ribbon machines" which produce 40,000 bulbs an hour.

** ETS JACQUES LEMAL Sprl, Schaerbeek-Brussels has taken over the company of the same name which it controlled at Schaerbeek (formerly COMENA SA, formed in 1954 at Ixelles - see No 288) and raised its capital to Bf 1 million. A short time ago it set up a Rotterdam subsidiary called ZOPPAS NEDERLAND NV (see No 314) to sell on the Dutch market electrical household goods and appliances made in Italy by FERDINANDO ZOPPAS SA, Cornegliano, Veneto.

** The German high and low frequency electrical generator firm LOHER & SOHNE GmbH, Ruhstorg, Rott has formed a Swiss sales subsidiary LOHER ELEKTROMOTOREN AG OLTEN, Olten (capital Sf 50,000). Its president is Herr Gunter Loher, who is joint manager of the German firm, which also has a sales subsidiary in Vienna called LOHER & SOHNE VERTRIEBS GmbH. In France its goods are sold by LOHER FRANCE Sarl, Paris (see No 330) which is 90% controlled by FERROMER SA, Paris.

ELECTRONICS

** BRUEL & KJAER A/S, Naerum, Denmark has set up a sales subsidiary INSTRUMENTS B & K Sarl, Paris. M. Blum is the manager. The capital is Ff 400,000, almost entirely owned by another of the group's companies BRUEL & KJAER EXPORT A/S, Naerum. The Danish firm makes miniature electrical equipment and electro-accoustic measuring instruments used in radio and TV studios and industry.

ENERGY

** Three Belgian electrical companies which have had close technical and financial links are now becoming one: UNION DES CENTRALES ELECTRIQUES DE LIEGE-NAMUR-LUXEMBOURG-UCE LINALUX SA is taking over UCE HAINAUT SA and UGBE-UNION GENERALE BELGE D'ELECTRICITE SA (see No 182) and raising its capital to Bf 1,203 million.

UCE Linalux will shortly take the name of UCE LINALUX-HAINAUT. A few months ago it raised its capital to Bf 861.25 million in order to finance increased capacity to meet the growing demand for electrical power (this was 1,600 million Kw in 1964, or double that for 1959).

The main shareholders are: COCKERILL OUGREE SA, Seraing; UGBE, Brussels; USINES GUSTAVE BOEL SA, Brussels; SOFINA SA, Brussels; ELECTROBEL SA, Brussels; TRACTION & ELECTRICITE SA, Brussels; MINES & FONDERIES DE ZINC DE LA VIEILLE MONTAGNE SA, Angleur; STE DE PRAYON SA, Prayon-Trooz; STE METALLURGIQUE DU KATANGA SA, Brussels, etc.

ENGINEERING & METAL

** ALLSPEEDS LTD, Clayton-le-Moors, Accrington, Lancs. member of the group ALLSPEEDS HOLDINGS LTD (formerly HILARY BLAKE LTD) has formed a subsidiary at Besancon called KOPP FRANCE SA to import, sell and eventually manufacture "B" and "K" type variable and speed-reducing gear. M. M.I. Brumsel is president of the new company, whose capital is Ff 50,000.

Since 1947 Allspeeds has been working under a Swiss patent obtained from M. J.E. Kopp for variable-speed reduction gear eliminating the need to change driving belts. About a quarter of its production is exported, mainly to Benelux and Scandinavia, where the group (which also includes JOHN BLAKE LTD in Britain, manufacturing egg-cleaning machinery) is represented by two subsidiaries: DANALLSPEEDS A/S (formed in Denmark in June 1962) and ALLSPEEDS SVENSKA A/B (formed more recently).

** M. L. Gutzwiller, Paris has transferred the capital held by him on behalf of the Swedish import and agency group A/BCTC, Göteborg to a new company CONSTRUCTIONS TECHNIQUES CALORIFIQUES CTC, Sarl (capital Ff 1,670,000). The Swedish group makes industrial and domestic heating equipment, large washing machines, medical sterilizers, coffee roasters and flour milling machines - see No 238).

The Swedish firm is run by Mr Ljungcrantz, Mr Ljungdahl and Mr Enarsson (export director) and has many foreign representatives and its own sales subsidiaries. These include CTC WAERMESPEICHER GmbH at Hamburg, Frankfurt, Munich and Düsseldorf with a factory at Homberg, Elze; CTC-COSTRUZIONI TERMOTECHNIQUE CALDAIE Srl, Milan; CTC WAERMESPEICHER, AG Zurich - see No 191); CTC HEAT (LONDON) LTD, England; CTC A/S, Oslo; CTC A/S, Copenhagen, etc.

** The shipyard company BREMER VULKAN SCHIFFBAU & MASCHINENFABRIK (capital Dm 36.4 million) is diversifying its business by becoming the largest shareholder in the heavy engineering company PINTSCH-BAMAG AG, Butzbach, Oberhess (capital Dm 12 million - see No 336), which has until now been 86% controlled by the Pintsch family through the holding company JULIUS PINTSCH KG, Berlin. It runs four factories in West Germany and has half a dozen subsidiaries, the largest being PINTSCH OEL GmbH, Hanau, PINTSCH LIGHT GmbH, Munich and TORKRET GmbH, Essen. It wholly controls PINTSCH BAMAG NEDERLAND NV, Amsterdam and TORMAG AG, Zurich.

Bremer Vulkan is 89% owned by THYSSEN BORNEMISZA (see No 335) and employs 5,000 people.

** OFFICINE DI SEVESO SpA (see No 311 - air conditioning, heating appliances, ventilators and refrigerators) has formed a financial subsidiary, FIT-FINANZIARIA INDUSTRIE TERMO-FRIGORIFERA SpA, to take shareholdings in group companies and also to coordinate them technically and financially. The largest of these companies is SEVESO AIR CONDITIONING INTERNATIONAL SpA (see No 122). Sig Pierfranco Mariani is president of the new business, whose capital is lire 100 million, of which 53.76% has been subscribed by the parent company's president and the remainder by Sig. Emilio Mariani.

** DUCATI MECCANICA SpA, Bologna (petrol and diesel engines, pumps, automobiles, machines, etc), has opened its first branch in France at Avignon, Vaucluse. The Italian firm has licencing, sub-contracting and distribution agreements with LEYLAND MOTORS, Coventry, Britain (see No 278) and with ELEKTROLUX A/B, Stockholm, in the latter case for the manufacture and sale of outboard motors: it is a member of the group FINANZIARIA ERNESTO BREDA SpA, Milan.

** CONTARDO SpA, Milan (air conditioning and heat exchangers) has formed a Netherlands sales subsidiary, CONTARDO NV, Breda (capital Fl 50,000). Sig A.Contardo, its sole managing director, has a token shareholding. There are two other subsidiaries: CONTARDO GmbH, Karlsruhe (set up in December 1963 - see No 237) and CONTARDO FRANCE Sarl, Paris (set up in November 1964 - see No 282).

** Acting through its subsidiary FRUEHAUF INTERNATIONAL LTD, New York and Vaduz, Liechtenstein, the Detroit builder of heavy tugs, military vehicles and special transport FRUEHAUF CORP, Detroit (see No 185) has become the sole proprietor of DEUTSCHE FRUEHAUF GmbH & CO KG, Schierling, NBD (capital Dm 1.5 million). The Detroit company had held 50% since the German one was formed in January 1963, and it has now taken over the shareholding of its associate FAHRZEUGFABRIK GEORG UNTERHOLZNER KG, Traunstein, Obb. It also makes trailers and employs about 450 people in its factories at Traunstein and Augsburg. The American firm, which employs more than 12,000 people, also controls FRUEHAUF FRANCE SA, Ris Orangis, Essonne (capital Ff 7.5 million, of which it has 67%) and REMORQUES FRUEHAUF SA, Zug (capital Sf 100,000).

** PORTER PRECISION PRODUCTS CO, Chicago has made an agreement with STE D'ETUDES ET DE VENTE D'ELEMENTS STANDARD SA, Paris (capital Ff 640,000) to form a 50-50 Paris subsidiary SEVES PORTER Sarl (capital Ff 150,000). The new company will sell precision tools in France and other industrial goods connected with engineering and metals. The American shares will be held by their Dutch subsidiary PORTER PRECISION PRODUCTS EUROPE NV (capital Fl 500,000).

** The Swedish group AKERLUND & RAUSING A/B, Lund (see No. 312) is changing its Paris branch AKERLUND & RAUSING Sarl (capital Ff 25,000) into a subsidiary. The Swedish group makes automatic machines for rigid and flexible packaging in paper, cardboard, plastic, aluminium, etc.

The Swedish group has manufacturing or sales subsidiaries at Hochheim-am-Main and Frankfurt in Western Germany; Modena in Italy; Brussels, Belgium; London, England, etc. It was recently taken over by SVENSKA TANDSTICK A/B, Stockholm (see No. 319), but this acquisition did not include its sister company TETRA PAK A/B, Lund (see No. 289) with its subsidiaries and associates in France, Belgium, the Netherlands, etc.

** Recently the group FRIED. KRUPP, Essen (see No. 332) decided to reorganize, and did so by forming FRIED. KRUPP HUTTENWERKE AG, Bochum. Now two other German iron and steel companies are merging: HOESCH AG, Dortmund, is taking over DORTMUND-HORDER HUTTENUNION AG, Dortmund, and raising its capital from Dm 375 million to about Dm 565 million. The Dutch group KON NED HOOGOVENS & STAALFABRIEKEN NV of Ijmuiden, which holds about 42.8% in Dortmund-Horder, will thus acquire a shareholding of about 14.5% in Hoesch.

Hoesch and Dortmund Horder Huttenion have 49,000 and 28,000 employees respectively; their 1964/65 consolidated turnovers were Dm 2,800 million and Dm 1,600 million. They are now forming an entity with a steel production capacity of about 5.7 million tons a year, which is less than the THYSSEN group but more than Fried. Krupp Huttenwerke.

** In order to further its growth abroad, the German firm HORMANN KG, Steinhagen, Westphalia, is going to form a French sales subsidiary and a Swiss holding company to manage its Benelux subsidiaries HORMANN BELGIE NV, Winterslag-Genk (capital raised last year to Bf 7.5 million) and INDUSTRIELE HANDELMIJ HORMANN NEDERLAND NV, Sutten (also formed at the end of 1961). Hormann makes "Berry" sliding doors for garages and has a factory at Freicisen, Saar. It is owned by Herr H. Hormann who also directs it (see No. 168).

** The German hydraulic machinery manufacturer J. SANDT AG, Pirmasen (capital Dm 3 million), whose turnover is about Dm 18 million a year, is setting up a sales subsidiary at Barcelona called SANDT HYDRAULIK IBERICA SA. In July 1963 the German firm formed SANDT HYDRAULIK ITALIA Srl (capital lire 900,000) 50-50 with one of its associates, Herr E. Jekel. It also has interests in the Netherlands and in Austria (SANDT HYDRAULIK, Vienna).

FINANCE

** The import finance company CIE COMMERCIALE FRANCAISE SA, Paris, is going to form a subsidiary, SOPAG - STE DE PARTICIPATION, DE GESTION & D'ENTREPRISES SA, Paris, whose president will be M. A. Guerin. Its initial capital will be Ff 120,000, and its purpose will be to take shares in firms which obtain financial assistance from the parent company on behalf of BALFOUR WILLIAMSON EXPORT SERVICE LTD, London, for which Cie Commerciale Francaise acts as French agent. Balfour Williamson Export Service is the confirming house owned by BOLSA - BANK OF LONDON & SOUTH AMERICA - see No. 317.

BOLSA has a Paris branch, and MELLON NATIONAL BANK, Pittsburgh, will shortly take 15% in it; its largest shareholder is LLOYDS BANK LTD, London.

** STE BRUXELLOISE DE CREDIT SA, Ixelles, Brussels (see No. 326) has reduced its holding in COMPTOIR BELGE DE CREDIT & D'ASSURANCES - COBECA SA, Ixelles (which has increased its capital to Bf 25 million) from 48% to 29.2%. Their joint subsidiary in Luxembourg, OMNINTER - OMNIUM INTERNATIONAL SA, has increased its shareholding in COBECA from 8% to 15.2% and Omninter's president, M. G. Fery, has been appointed managing director of COBECA (president M. A. Corbeau, a new shareholder with 2%).

** The recently-proposed merger between CREDITO LOMBARDO SpA, Milan (of the insurance group CIA DI ASSICURAZIONE DI MILANO) and BANCA MASSONE & CO SpA, Genoa (see No. 330) has taken place. Credito Lombardo has increased its capital to lire 2,200 million.

FOOD & DRINK

** CHARRINGTON UNITED BREWERIES LTD, London (see No. 284) has agreed to allow BRASSERIE DE LA MANCHE SA, Eu, Seine-Maritime, to import its "Toby" draught beer into France for sale there.

The British group has for more than a year had control of the wine and spirit firm ALEXIS LICHINE & CO SA, Margaux, Gironde (see No. 280). It is linked with BRASSERIE DU PECHEUR SA, Strasbourg, whose "Three Star" beer it sells in Britain (see No. 244). It had a licensing agreement with BRASSERIES NORD-EUROPE SA, Armentieres, Nord, member of the DALLE group, before it came under the control of the Belgian group BRASSERIE PIEDBOEUF SA, Jupille.

** The French group of pasta manufacturers ETS MILLIAT FRERES SA, Nanterre, Hauts-de-Seine, has just made a sales agreement with the Belgian firm SA DES USINES REMY, Wijgmaal-Herent, Brabant (see No. 334). The French firm will increase its share of the French market from 15 to 18% by taking over ETS DU SUD-OUEST SA, Montauban, Tarn-&-Garonne (capital Ff 2,025,000).

OIL, GAS & PETROCHEMICALS

** MOBIL OIL FRANCAISE SA, Paris (member of MOBIL OIL CO, New York, formerly SOCONY MOBIL OIL CO - see No. 335) and STE FRANCAISE DES PETROLES BP SA, Courbevoie (member of THE BRITISH PETROLEUM CO LTD, London - see No.335) have each taken 11% in ENTREPOT PETROLIER DE NANCY Sarl, Paris (see No. 263), whose capital has been raised to Ff 1.6 million.

Petrolier de Nancy was formed in July 1964, and now has six shareholders, the original members having reduced their proportions: PURFINA FRANCAISE SA (member of the Belgian PETROFINA group) and ANTAR PETROLES DE L'ATLANTIQUE SA now hold 26% each, while UIP - UNION INDUSTRIELLE DES PETROLES (UGP group) and UCAP - UNION COMMERCIALE D'APPROVISIONNEMENTS PETROLIERS SA hold 13% each.

PAPER & PACKAGING

** PAPETERIES DE BELGIQUE SA, Brussels, has formed an 80% subsidiary, ZUPACK FRANCE Sarl, on the premises of its associate, PAPETERIES DE RUYSSCHER SA (see No. 330). The new company will make and sell packaging in plasticized or metallicized paper to contain liquids. It will also build machinery for this industry under licence from ZUPACK GmbH, Darmstadt (see No. 279).

The new company's capital is Ff 25,000, and it will be managed by M. M. Brissier, secretary-general of Papeteries de Ruysscher. The other shareholders include SODECOM - STE POUR LE DEVELOPPEMENT DES TECHNIQUES NOUVELLES SA, Brussels (4%) and two French paper and cardboard package manufacturers, ETS A. PILLET & FILS SA, Bordeaux, and ETS BARRERE SA, Nancy, with 6% each.

Since a short time ago, FELDMUEHLE AG, Düsseldorf, has held 25% in Papeteries de Belgique through one of its subsidiaries (see No. 337). At the end of 1961, the Brussels group formed another subsidiary there, ZUPACK BENELUX SA, to use Zupack's patents.

In 1961, another firm called Zupack was set up at Selestat (see No. 103) to use the Darmstadt firm's patents. It was controlled by STE ALSACIENNE D'ALUMINIUM SA (which was Swiss-owned), and at the end of 1963 it went into liquidation.

** SA DES PAPETERIES DARBLAY, Paris (see No. 287) has taken its full 45% share in the recent capital increase by SOPALIN SA, Paris. The capital has been raised to Ff 17 million so as to finance the company's growth. It is controlled by KIMBERLY CLARK CORP, Neenah, Wisconsin (see No. 289) and manufactures at Corbeil-Essonne paper and cellulose wadding, "Kleenex" and "Kotex" paper tissues and a wide range of cellulose products for home hygiene.

PHARMACEUTICALS

** AVON COSMETICS SpA (which was formed in Rome in April 1965, by AVON PRODUCTS INC, New York, and whose capital has since been raised to lire 180 million) has just acquired a site at Olgiate, Como, on which it intends to manufacture in a few months' time a wide range of pharmaceuticals and cosmetics: soaps, toothpastes, toilet water, lotions, hair preparations, etc.

The American group has a branch at Milan directed by Sig. A. Bassi, and also owns AVON COSMETICS Sarl, Paris; AVON COSMETICS SA, St. Josse-ten-Noode, Brussels; AVON COSMETICS LTD, Northampton; AVON COSMETICS GmbH, Esching and Munich; AVON COSMETICS VERTRIEBS GmbH, Vienna, etc.

** NV NED. DERMOLIN "MIJ NEDERMA", Amsterdam, which makes and sells pharmaceutical, cosmetic and veterinary products, has formed a subsidiary called TH. VEERKAMP NV, Amsterdam, to take over the business of breeding animals and treating them medicinally from TH. A.E. VEERKAMP, Amsterdam. Half the new business (capital Fl 10,000) is owned by the parent company, and the other half is divided between Mr. J. Swaab and Mr. A.J. Swaab.

** Acting on behalf of FARMITALIA-FARMACEUTICI ITALIA SpA, Milan (see No 210), M. P.J.H. Krantz has formed FARMITALIA BENELUX SA at Etterbeek-Brussels (capital Bf 1 million). It will make, sell and do research into pharmaceutical products, chemicals, veterinary goods, cosmetics, special foods, etc. It will be managed by its founder, with M. J. Segers, Woluwe-St-Lambert and Sig A. Dell'Agnola, Milan.

The president of Farmitalia (capital lire 12,000 million) is Sig C. Faina, representing the majority shareholder MONTECATINI SpA. He is assisted by M. G. Lecomte as vice-president; he represents RHONE POULENC SA, Paris, which holds 49%. It has a West German sales subsidiary, DEUTSCHE FARMITALIA GmbH, Freiburg, Breisgau, whose minority shareholder is the Swiss holding company DIORA SA, Fribourg (see No 134), which formed FERROMAR NV at Antwerp in November 1961.

** STE FRANCAISE DES LABORATOIRES LABAZ SA, Paris has increased its manufacturing capacity by taking a holding in LABORATOIRES PHARMACEUTIQUES DEROL Sarl, Paris (capital Ff 1.1 million), whose annual turnover is Ff 25 million. The former is controlled by two companies each with a 31% shareholding: STE BELGE DE L'AZOTE & DES PRODUITS CHIMIQUES DE MARLY SA (member of the group "de Launoit" - see No 298 - through STE INTERNATIONALE LABAZ SA, Brussels) and ELECTROBEL-CIE GENERALE D'ENTREPRISES ELECTRIQUES & INDUSTRIELLES SA (through CIE GENERALE INDUSTRIELLE POUR LA FRANCE & L'ETRANGER SA, Paris).

Francaise Labaz had a turnover of Ff 90 million in 1964 and employs 1,200 people; its factory at Villeparisis, Seine & Marne, is being moved to Ambares, Gironde, where its new plant will come into service at the end of 1966. Its sister companies abroad are: LABAZ - HOLLAND, HANDELMIJ VOOR CHEMISCHE & PHARMACEUTISCHE PRODUCTEN NV in the Netherlands, WOELM-LABAZ GmbH, Düsseldorf, LABAZ AG, Basle, LABAZ SpA, Milan, LABAZ SA, Barcelona, etc.

** VON GLENCK & CIE has been formed at Altdorf, Uri, Switzerland. The capital is Sf 12.4 million subscribed by the chemico-pharmaceutical firm EMANUEL MERCK oHG, Darmstadt (see No 302) which has transferred to the new firm the entire capital of Sf 3 million of its 100% subsidiary HOLDING AG FUER MERCK-UNTERNEHMUNGEN, Zug. The latter coordinated the German firm's foreign financial interests and recently founded E. MERCK NEDERLAND NV, Amsterdam (capital Fl 250,000 - see No 302). M. Otto von Glenck, of Arlesheim, Basle is a partner in Von Glenck & Cie.

PLASTICS

** DIFFUSION DE POLYETHYLENE DU VAL DE GARONNE (DI.PO.VA.GA.) Sarl (capital Ff 10,000) has been formed at Montauban, Tarn & Garonne, with Mme Marie-Claire de Roaldes, Montauban, as manager. The new firm will distribute "Tupper Ware" plastic goods whose sale in France is controlled by REXALL EUROPE SA (see No 266), a subsidiary which which REXALL DRUG & CHEMICAL CO, Los Angeles, set up in Paris in March 1964 (see No 241).

PRINTING AND PUBLISHING

** Two Paris companies, both members of the musical publishing firm CHAPPELL & CO LTD, London have joined 90/10 to form EDITIONS CHAPPELL Sarl, Volketswil (capital Sf 20,000). They are CHAPPELL SA and EDITIONS SYLVIA SA.

The directors of the new company include M.A.Brunner, Zurich and M. G.Roquiere, St Cloud, Hauts de Seine, the latter also being the manager of the group's newly established Paris firm ANGLO PIC MUSIC Sarl (see No 336). It already had large foreign interests, including CHAPPELL & CO GmbH, Munich, EDIZIONI CHAPPELLE SaP, Milan, CHAPPELL & CO, HOLLAND NV, Amsterdam and CHAPPELL & CO INC. New York as well as interests at Toronto in Canada and Sydney in Australia.

** The publishing company THE FAMILY CIRCLE INC, New York, has set up a subsidiary at Cologne, FAMILY CIRCLE VERLAGS GmbH (capital Dm 150,000). The managers are Mr P.K.Lebermann, Locust Valley, New York, and Mr J.F. Harding, New York, respectively chairman and director of the founding firm.

TRADE

** M. E.A.Peetermans, Antwerp has put his Antwerp grain-dealing business into a company which has been formed called PEETERMANS GRAIN CONTROL CO NV (capital Bf 750,000). He is the minority shareholder, side by side with French interests; CIE GENERALE DE NAVIGATION HPLM SA, Lyons, Rhone (the largest river transport firm, which has more than 10% of the national traffic), a member of the same group called LLOYD RHENAN, STE MULHOUSIENNE DE NAVIGATION DE L'EST DE LA FRANCE SA, Lyons, and the fuel merchants J.KRONBERG & CO SA, Nancy (through a company in its group called J.KRONBERG & CIE SA at Charleroi).

TRANSPORT

** STE DE TRAVAUX & INDUSTRIES MARITIMES SA, Paris (offices at Marseilles, Le Havre, Dunkirk, Sete and Antwerp) has joined WORMS, CIE MARITIME & CHARBONNIERE SA, Paris 50-50 in forming STE DE MANUTENTION DU NORD-SOMANORD Sarl (capital Ff 20,000) at Dunkirk for cargo handling. The managers are M.Raymond Schodet, M. Rosendaël, and M.Maurice Barral, Malo-les-Bains. Travaux & Industries Maritimes is concerned with cargo handling, towage and forwarding; it is linked with SOFIBANQUE HOSKIER, Paris (see No 318), whose capital was raised to Ff 9,437,000 after taking over UNION INTERNATIONALE DE GESTION & DE PLACEMENTS SA, Paris.

** AS-AF has been formed at Amsterdam (capital Fl 50,000) for transport operations between Europe and the Far East. There are four shareholders with equal holdings; Mr H.Rumeugan, Amsterdam, Mr Lo Pui Ying, Hong-Kong, Mr F.H. Heman, Tokyo and Mr H.Eman, Malang, Indonesia.

** MALISSARD FRERES SAVARZEIX & CIE SA, Paris (capital Ff 2 million), the air, sea and rail transport company, has opened a branch at Molenbeek-St-Jean, Brussels, managed by M. C. Clech of Brussels and M. R. Nicholas of Paris.

VARIOUS

** The merger proposed several months ago (see No. 318) between the two largest companies in the pottery industry has now taken place: STA CERAMICA RICHARD GINORI SpA, Milan, has taken over STA CERAMICA ITALIANA SpA, Laveno Mombello, Varese, forming a strong industrial group with 16 factories.

The new company formed, STA CERAMICA ITALIANA RICHARD GINORI SpA (capital lire 6,250 million), either controls or has holdings in a large number of manufacturing and sales companies in Italy and abroad: OMS FONDERIE & SMALTERIE DE SAVONA SpA, Genoa (capital lire 1,500 million); SOCIETA FELDSPATO SpA, Milan (lire 300 million); SUD MINERARIA SpA, Milan (50 million); SOCIETA NAZIONALE DEL CAOLINO SpA, Milan (24 million); BUCHALIT SpA, Milan(12 million); RICHARD-GINORI FRANCE SA and CERABATI RICHARD GINORI SA, Paris (capital Ff 12.6 million); RICHARD GINORI CORP OF AMERICA, New York, etc.

** The public relations, engineering and sales consultancy firm P.K. HALSTEAD ASSOCIATES INC, Larchmont, New York, has opened a Brussels branch directed by M. Verhelst. The American firm is managed by Mr. Reynolds, Mr. Hohn and Mr. Lavecett; it worked in conjunction with Berlin architects SCHWEBES & SCHOSSBERGER in building the large "Main-Taunus" shopping centre near Frankfurt for DEUTSCHE EINKAUFZENTRUM GmbH (see No. 284), which is linked to INTERSHOP HOLDING AG, Zurich (see No. 251).

** BOSTON CO INC has joined the Milan consulting engineers firm PIETRO GENNARO & ASSOCIATE (directed by Dr. P. Gennaro, former sales director of the OLIVETTI group and a professor at Turin University) to form CONSULENTI ASSOCIATI BOSTON SpA (capital lire 1 million) in Milan. Boston Co is a subsidiary of BOSTON SAFE DEPOSIT & TRUST CO, Boston, Massachusetts, which is headed by Mr. W.M. Wolbach and Mr. B.D. Henderson.

** HERTIE WAREN & KAUFHAUS GmbH, Berlin (see No. 286), which heads a chain of stores employing about 19,000 people, has sold its control of three Austrian retail firms: PASSAGE KAUFHAUS GmbH, Linz, Oberösterreich, and the two largest shops in Vienna, A. GERNGROSS KAUFHAUS GmbH (whose sister companies are GERNGROSS & CO TEXTIL- & GROSSHANDELS GmbH and A. GERNGROSS GRUNDSTUECKE GmbH) and A. HERZMANSKY KAUFHAUS GmbH (with subsidiaries A. HERZMANSKY & CO HANDELS GmbH and A. HERZMANSKY GmbH).

These three companies between them have an annual turnover of about Ff 300 million. Control has now been taken by a group consisting of GENERAL SHOPPING SA - STE HOLDING INTERNATIONALE POUR LE COMMERCE DE DETAIL, Luxembourg (see No. 333), TURICUM AG, HOLDING GES. FUER WARENHAUSWERTE, Zurich (member of the group GRANDS MAGASINS JELMOLI SA, Zurich - see No. 182) and CREDIT-ANSTALT BANKVEREIN AG, Vienna (see No. 301). General Shopping already has Austrian interests, including WIG - WARENHAUS IMMOBILIEN GmbH at Innsbruck and EWAG - EINKAUFS & WARENVERTRIEBS AG in Vienna.

** MANDREL INDUSTRIES INC, Houston, Texas (see No. 328) which makes geophysical equipment for sorting and grading, and its Paris subsidiary RAY GEOPHYSIQUE DE FRANCE Sarl (which represents a division of the ROBERT H. RAY CO - see No. 226) have together taken 51% in the new firm GEOGRAPHEX SA, Paris. The remainder of the Ff 100,000 capital is owned by CIE GENERALE DE GEOPHYSIQUE SA, Paris (see No. 297) and its president is M. P. Giraud; it will carry out geophysical studies underground using the "from the surface" method, in the following countries: Austria, Britain, Denmark, Egypt, Spain, Iran, Ireland, the Lebanon, Luxembourg, Portugal, the Spanish Sahara, Syria and Turkey.

Generale de Geophysique is owned 33.33% by CIE FRANCAISE DES PETROLES, GESTION & RECHERCHES SA (CIE FRANCAISE DES PETROLES SA group); SNPA - STE NATIONALE DES PETROLES D'AQUITAINE SA has 15.86%; CIE DE MOKTA SA has 9.76%; STE D'INVESTISSEMENT CHIMIE-PETROLE SA, 7.93%; BUP - BANQUE DE L'UNION PARISIENNE, 5.93%; and BANQUE DE PARIS & DES PAYS-BAS, 4.85%. The French company has been linked with the American group since November 1959 through a joint subsidiary GEOGRAFRANCE SA, Paris (capital Ff 250,000) which operates the "MacCollum" seismic process owned by Robert H. Ray Co. Inc.

In March 1964 AMPEX CORP, Redwood City, California (see No. 328) gained 96% control of Mandrel Industries which already had a French subsidiary MANDREL SAF, Annecy, Haute Savoie (formerly ELECTRO-TECH FRANCE). The company also recently formed MANDREL SA, Brussels (capital Bf 1,250,000).

** Through its holding company DOW CORNING INTERNATIONAL LTD, Nassau, Bahamas, DOW CORNING CORP, Midland, Michigan (see No. 259) has formed an almost wholly-owned manufacturing subsidiary at Amsterdam called DOW CORNING NV (capital Fl 15 million). Three months ago the American silicones group formed DOW CORNING LTD (capital £1,000) in London.

Dow Corning Corp is a 50-50 subsidiary of CORNING GLASS WORKS CO, Corning, New York (see No. 306) and DOW CHEMICAL CO, Midland, Michigan (see No. 337), which is about to form a Zurich subsidiary called DOW CHEMICAL EUROPE SA (president M. Z. Merzzei). This new company is intended to group and coordinate its European and African business. Dow Corning Corp has a Zurich holding company (capital Sf 2 million) which two years ago (see No. 259) obtained 13.5% in BARA - BUREAU D'ANALYSE & DE RECHERCHES APPLIQUEES SA, Issy-les-Moulineaux, Hauts-de-Seine, and a similar shareholding in SISS - STE INDUSTRIELLE DES SILICONES SA, Paris, which is a 60% subsidiary of PRODUITS CHIMIQUES PECHINEY-SAINT GOBAIN. When it was formed in April 1960, it also had a shareholding in STA GENERALE SILICONI & DERIVATI SpA, Milan, which has since gone into liquidation.

des Papeteries Darblay	p.K
Papeteries de Belgique	K
Papeteries de Ruysscher	K
Passage Kaufhaus	N
Peetermans Grain Control	M
Petrofina	D
Philips	F
Pietro Gennaro & Associates	N
Pintsch-Bamag	H
Porter Precision	H
Poudreries Reunis de Belgique	D
Prodotti Dr. Kurt Herberts	E
Raffinerie Meridionale de Produits Petroliers	D
Ray Geophysique de France	O
Rexall Europe	L
Rhone-Poulenc	L
Richard Ginori	N
Sandt, J.	I
SEPM	E
Sertra	D
SEVES	H
Sodecom	K
Sopalin	K
Texas Instruments	E
de Travaux & Industries Maritimes	M
Turicum	N
UCE Hainault	G
UCE Linalux	G
UGBE	G
Unirep	D
Unterholzner, G.	H
des Usines Remy	J
Veerkamp, Th.A.E.	K
Worms	M