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Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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May 26, 1966 No. 358

Opera Mundi EUROPE

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COMMENT

COMMENT
A Letter from Japan

THE FUTURE OF E.E.C. TRADE WITH JAPAN

The reluctance, or rather the refusal of two Common Market countries (France and Italy) to allow the EEC Council of Ministers to formulate a common trade policy with Japan underlines the difficulties that the Community faces in trying to weigh up the consequences of the Customs Union, the achievement of which has now been agreed for July 1, 1968. A decision was taken on the matter on April 5 last, but it was only one of a number of measures aimed at the relaunching of the Kennedy Round, and in effect did nothing to further the achievement of a common position with Japan. It was a very sketchy sort of resolution, and so phrased that all it really said was that the Six, having failed to reach agreement, felt unable to embark on talks with Tokyo. The Council simply suggested that the Commission should exchange views with Britain and other countries, and find out what sort of standpoints they were going to adopt on the subject of Japan in the Geneva negotiations. The important thing is that the Council, to all intents and purposes, was asking the Commission to thrash out the Japanese problem with everybody ... except the Japanese.

Before going into the whys and wherefores of this negative policy, however, we would do well to consider what is at stake in round figures. In recent years, trade between the Six and Japan has increased substantially. In comparison with 1958, the Six have more than trebled their imports from Japan, even though these still account for less than 3% of total imports. Their sales to the Japanese market have developed similarly, so that, taking one year with another, the total increase in exports to Japan nearly balances imports. Looking at this trade, now, from the Japanese angle, we see that about 10% of their imports come from Western Europe. (6% from the EEC) and this area takes 14% of Japanese exports (6% again to the EEC); the aim in Tokyo is to increase these shares to something like 20%, because it is felt that the present trade figures between Japan and the USA are far too high - about 35% of exports, and 30% of imports.

The diminution of this relative dependence of Japan on the USA, however, further depends upon her finding a more satisfactory working relationship with Europe. As yet, in the EEC, and especially in France and Italy, the general tendency is to anticipate only restricted trade relations with Japan: the powers that be are bedevilled by industrialists warning them of the dangers posed by Japanese competition in numerous sectors of the economy, such as textiles, transistors, electrical equipment, and electronic components. But there are at least three good reasons why this approach to the question is becoming less and less justifiable. In the first place, it is frequently untrue to say that Japanese firms' competitiveness stems from their low levels of pay. Some time ago, for instance, a delegation of French shipbuilders went to Japan for an on-the-spot study of the factors contributing to the fact that the country's shipyards had become by far the most important ones in the world. They came up with the observation that if Japanese prices were low enough to secure 40% of all orders for ships, it was basically the result of a more rational approach to organisation of work. This will make it more and more difficult to get GATT to accept the continuing discrimination against Japan, which is enabling France, Italy, and even the other EEC countries to go on fixing quotas for imports from Japan of products which were long since freed from the dollar zone. The fourth or fifth world industrial power cannot go on being treated like Hong Kong or Pakistan for ever.

In the second place, it is wrong to see Japan simply as a dangerous competitor: her national income is rising apace, and the higher it gets, the greater will become the demand for imported goods. Even today Japan is no longer a market to be ignored - she buys considerable quantities of machines and heavy plant from the USA, Switzerland and also Germany, whose policies are appreciably less restrictive than those of her EEC partners. There seems little doubt that if they, in their turn, were to take a more positive approach, then Japanese importers would show a lot more interest in what they have to offer. Although Japan has a private enterprise economy, there nonetheless exists a close liaison between the industrial and commercial sectors and the very watchful and influential Ministry for Industry and External Trade (M.I.T.I.). In other words, the development of trade relations depends to some extent on the "nods" given by the political powers. It is not impossible that France, which unwound a little with the trade agreement signed in May 1963, may now be starting to benefit from a greater degree of "understanding" by Japanese heads of industry and State. A few months ago Saint Gobain won a large contract for supplying nuclear material to Japan, in the face of competition from Britain. Whilst one is prepared to admit that this scoop stemmed from the quality of the French firm's goods, it is equally just to say that it could not have happened if the Foreign Affairs Ministry in Tokyo had not requested that the French tender should be considered as seriously as the British one, even though the British firm had longer-established business relations with Japan.

Some years ago, there were considerable differences between the quota lists of France, Germany, Italy and the Benelux countries for Japanese goods. With the passing of time many of these discrepancies have disappeared: even Frane and Italy, the most protectionist countries, finally made large concessions to the Japanese, both reducing the number of items still subject to quotas and extending the remaining quotas. The list of products ("The Negative List") still subject to import quotas consists of some 80 items in France (as opposed to 500 in 1962), about 60 in Italy (formerly 410), 38 in the Benelux (formerly 96) and 32 (as against 105) in West Germany. As the Common Market Commission declared in 1964, the commercial policies of the Six towards Japan have been greatly reconciled.

This being so, one would have thought it no great matter to reconcile these policies and reduce them to a single formula. Far from it ... at the legal level the various standpoints are poles apart. It is worth remembering that when Japan joined GATT most of the industrialised Western countries availed themselves of the benefits of the famous Article 35 of the Agreement, which enabled them to "discriminate" against Japanese products by not allowing them automatically to enjoy free trade conditions as and when these began to apply for the other members of the Agreement. Only three countries refrained from this course of action: the USA, Germany and Italy - the latter two adopting this liberal attitude as a matter of principle, in that the alternative was really to fix quotas, stringent or otherwise. Thus, right from the outset, the EEC camp has been divided on the issue of the concession to Japan - only France and Benelux denied Japan equal rights with the other member countries of GATT.

For a matter of years, now, the thing that the Japanese have fought hardest for in their trade talks with Paris, Brussels and the Hague (not to mention London etc) is that the latter should give up the practice of invoking Article 35. This, they claim, was conceived as means of protection for the advanced countries against competition from low-waged countries, but not from Japan, which is itself an industrial power in its own right. In the end the Japanese won the day: one by one the nations of Europe have decided to renounce the right of invoking Article 35 to stonewall them. In exchange for this, most European countries, France and Benelux amongst them, have managed to get Tokyo to agree to the insertion of a safety clause in their trade agreements, whereby they can temporarily block the free entry of Japanese goods in foreseen circumstances, where their importation might otherwise lead to "disorganisation" of the market.

On November 14, 1962, the EEC Council of Ministers recommended that each member country should draft escape clauses in their trade agreements with Japan. Since they had both foresworn the right to invoke Article 35 in the first place, Germany and Italy had nothing to bargain with, and so they were unable to wrest such clauses from Japan for inclusion in subsequent trade agreements. This means that we are now faced with the following situation: we have two EEC countries bereft of every means of protection (except a few surviving quotas) against the possibility of untoward competition from Japan, and four countries who still do have the whip hand in this regard. In August 1963 the council charged the Commission with the task of evolving a draft plan for a common trade policy with Japan. The Commission's findings were made known to the Governments of the Six on June 24, 1964. The proposed plan contained two elements; that the member states' quota lists should be aligned with that of the country which had the most liberal policy (Germany), and that all of the Six should demand the insertion of escape clauses in their trade agreements with Japan. The Commission anticipated the continuation of individual safeguards, in certain circumstances, during the transitional period.

The Report contained two other major proposals: a) That the Six should agree on a number of Community rules on the handling of quotas. During the transitional period, quotas appearing in the Community's list would be farmed out amongst the national administrations, although some of them would be held back as Community quotas proper, available to all importers based on EEC soil. b) That the Six should seek certain assurances from Japan as to their own opportunities for selling on the Japanese market (progressive extension of Japanese quotas, suppression of discrimination etc). The report closed with the recommendation that preliminary talks be started with Tokyo as soon as possible, in order to bring about an early implementation of this policy.

In the Council, however, these proposals provoked immediate objections from the Italians, who were most reluctant to see their long negative list replaced by a shorter Community one. Rome was even prepared to refute the very principle of treating with Japan on a Community basis. Paris was somewhat less violent in its antipathy towards the Report, but there is little doubt that it felt much the same as Rome. So that was that: the Commission's report was shelved. The current view in France is that by pruning the national quota lists, the Commission is spiking some of its own guns against the day when it decides to negotiate with Japan: it will find it that much more difficult to get the Japanese to accept a "European" escape clause. Apart from that, what interest can France possibly have in such a clause when she enjoys all the safeguards she could wish for, since signing her own bilateral agreement with Japan in May 1963? Again, would not a Community safeguard of this sort, entailing all the legislative machinations of the Brussels institutions, be a far more cumbersome affair than its national equivalent?

The obvious counter to these arguments is that it is all-too-easy to dismiss the Community as no longer being in any position to win a satisfactory agreement from the Japanese Government. For Japan, the development of its trade with Western Europe is an important issue: there is little doubt that she would be prepared to make extensive concessions for the sake of establishing her goodwill with Europeans. Nor is that the end of it: without a common trade policy, there seems to be little chance of the German and Italian markets finding the "cover" of escape clauses. As time goes by, Japanese industrialists are carving out a fair slice of the German market for themselves - and this could not be put in question at a later date. This is a loss to other EEC exporters, moreover, in that they might otherwise have enjoyed a market that has now been seized by Japan. Even in 1964, the Commission was stressing that the achievement of a common trade policy might well be more difficult after 1970 than it is at present.

In the midst of all this, we must not overlook the positive aspects of trading with Japan: even now this country offers considerable scope as a market for the industries of Europe. If she decided to lower her still very high customs barriers (30 to 40%), and to reduce or dispense with a highly complex red tape system, written and otherwise, she would be doing much to encourage the spread of foreign interests within her frontiers. It goes without saying that the Six would stand a much better chance of steadily dismantling Tokyo's powerful protectionist machinery, if only they could arrive at a formula whereby they could go as one to meet the Japanese at the conference table.

THE WEEK IN THE COMMUNITY
May 16-22, 1966
From our Correspondents in Brussels and Luxembourg

EEC Agriculture - The Long Haul

So the chestnut is cracked - the farm finance regulations have been sorted out: but the story of EEC Agriculture is not ready to go into the archives yet. This is borne out by what has happened since the compromise was finally reached on May 11. To understand this, we should avoid putting it down to ill-feeling amongst the Six. It seems that the further they go in their (slow but sure) negotiations, the more they realise just how different their national situations are, how opposed are their vested interests, and how difficult it will be to agree on a truly common policy. This difficulty is all the more acute, because economically, socially and in the long run politically, agriculture as a sector shows a tremendous resistance to change. No matter what the topic, from organisation of markets to single prices, there seem to be snags - sometimes tremendous ones - which the Agricultural Ministers, who met again on May 17 and 18, sometimes seem to be merely nibbling at. This slow progress, which entails very real toil, and which is understandable in the normal run of things, does, however, involve risks on the political level. The agreement on farm finance regulations, for instance, depends very largely on the Six observing a very strict timetable: it is already becoming abundantly clear that they will not manage to meet the ideal, not to say mythical deadline that still stands at July 1, 1966. The real danger is of their failing to sort things out by this autumn, which is when the first deadlines decided on May 11 are due to be met. If in fact they fail then, it is entirely possible that the refered "equilibrium" of the last Brussels compromise will to a large extent be upset.

The following would seem to be the real problems underlying all the hustle and bustle of the discussions:

1) What we might call the Italian problem. This stems partly from the specific nature of certain Italian products, and partly from the structural deficiencies existing in a number of the peninsula's agricultural sectors (this problem does, of course, exist in other countries, but not to the same extent). The products themselves fall into two classes, first those which, to all intents and purposes, are peculiar to Italy: things like tobacco, olive oil, citrus fruits etc. The problem (and the cost) of protecting these "unusual" sectors of Community agriculture does not seem insurmountable, in view of the fact that they are produced in limited quantities, as far as EEC requirements are concerned. Nevertheless, this does not prevent the temptation arising of allowing them to enjoy a "deficiency payments" system, even though this would run counter to the whole tenor of the common agricultural policy. A matter for still more concern is the problem of fruit and vegetables. In this sector, Italian production is far more important, and far more prone to excess, in view of its flexibility and the impossibility of stockpiling. A policy for subsidies here has only to be too generous, or simply too vague, to create the risk of excep-

IN THE COMMUNITY

tionally heavy losses, at the expense of the Community.

The Commission tried to turn the problem by proposing the Community - supported creation of groups of producers whose aim would be to discipline the market - who, in short, would be expected to bear much of the brunt of overproduction. The rest of the burden would be borne by the Community at large, according to a standard formula. These suggestions might however, be difficult to apply. Should FEOGA simply finance the formation of such groups, or should it be held responsible for their management? More important than that, to what extent and in what conditions should the Community intervene on the market? It was on this score that the Germans and the Benelux representatives inveighed against the Commission. The former went so far as to suggest that FEOGA should make a fixed allocation to each member country for "fruit and vegetables", such that the national administrations could distribute it as they saw fit. But this would be a far cry from an Agricultural Community - indeed a far cry from even the free circulation of produce.

The fruit and vegetables sector alone, with its lack of producers' groups, is sufficient to give some idea of the sort of structural weakness from which Italian agriculture suffers. We find this again in the sugar-beet sector, where Germany, too, let it be said, is not in the best of circumstances. This structural deficiency cries out a solution of the sugar problem within the terms of reference of the common agricultural policy. Belgium, which soldiers on almost alone in the struggle for this solution, that is, against indirect production quotas, counter-attacked, as it were, against cane-sugar from French departments overseas. She did not quibble, legally, with the right such sugar has to be included in Community production, but she did stress that the problem of European excesses would be a lot less acute for the EEC without these 800,000 tons of sugar coming in from abroad each year. She also succeeded in winning a promise that a study would be made of the economic implications of the situation. At the same time, a number of delegations demanded that these overseas departments should not be entitled to the benefits of the common agricultural policy without also contributing to the cost of its application, and in particular that they should contribute the proceeds of import levies to FEOGA.

2) At the same time as Italy's partners were reluctant to accede to her requests on grounds of costs, one could not help but notice that they were slightly less economy-minded when it came to matters where their interests were more generally at one. Such an attitude, moreover, was vigorously supported by the European Parliament at its last session, when it carried a resolution favouring the raising of prices for European produce. The only faction to vote against this resolution was the socialist group, which can hardly count on the general support of the peasant electorate, and whose first concern is the lot of the low-income consumers. One cannot, by any means, accuse the Agricultural Minister of pandering blindly to the proletariat. At their last session in Brussels, according to their President, M. Buechler of Luxembourg, they were particularly concerned with the concrete implications of the financial regulations adopted on May 11. From July 1, 1967, export subsidies will be granted on net exports, and will be disbursed by the Community as a whole for all the more important sectors; the bill

for this is beginning to stir some anxiety amongst the Six. In their opinion, if not in the Commission's, FEOGA's costs will eventually be higher than the sum of the Six nations' present agricultural costs.

This, however, did not prevent the Ministers from expressing their approval of a revision clause for the price of milk, which has yet to be agreed. This makes it more than likely that the EEC price of Dm 38 per 100 litres, as proposed by the Com-mision, will not, in the event, be adopted, even though the Commission calculated that any advance on this figure would mean considerable increases in the cost of FEOGA. The Six were impressed by the figures submitted to them, but their come-back was that a rise in the price of milk could automatically affect production - and overprod-uction. This is probably not quite the way M. Faure looks at it, as he is the only one who still thinks that the Commission's prices are quite high enough. Even though the move could adversely affect the cost of living in France, the general opinion is that M. Faure will, in the end, settle for just a small increment. This opinion is based on the fact that, in the endless debate on the agricultural policy, in which at times there are those who seem to be leading the bidding, France has always played the mediator. M. Faure, who has already suggested a "sliding price-scale" as a way out of the sugar problem, proposed last week a further "sliding" device; this time for intervention in the fruit and vegetables sector. We must wait and see whether such a method could be compatible with a real, Community-scale agricultural policy, and whether or not it would prove to be a burden. Both these questions, however, we shall no doubt find occasion to ask over and over again before all is at last settled and there is a real Agricultural Community in Europe.

* * *

ECSC

Giant Franco-German Petrochemical Complex in the Saar

Luxembourg: The High Authority has authorised the joint formation by Charbonnages de France, Houilleres du Bassin de Lorraine and Charbonnages de la Sarre (Saarbergwerke AG) of a giant oil and petrochemical complex, with installations along both sides of the frontier between France and the Saar. This will entail the formation of two French and two German companies, and these are as follows:

a) Saarland Raffinerie GmbH, Klarenthal, Saar. This company will build and operate an oil refinery, and market the various products. The refinery will be supplied with crude oil carried in a pipeline from Alsace, which will be built by:

b) L'Oleoduc de la Sarre Sarl, with its head office in Paris.

c) Sarl de l'Ammoniac Sarro-Lorraine, Saint-Avold, which will build a gas and an ammonia synthesising plant, as well as marketing their products.

d) Harnstoff-und Duengemittel Saar-Lothringen GmbH, Perl. This company will build a urea and fertilizer factory, and will market these and their by-products.

The German companies are a 60% interest of Saarbergwerke AG and the balance is held by Houilleres de Lorraine. For the French companies, the shareholding position is reversed.

* * *

Retraining Loans Granted by the High Authority

Luxembourg: The High Authority has just accored retraining grants of over $ 2 million dollars, for more than 6,700 workers affected by the closure of coal-mines and steel-plants in Belgium, France, Germany, Italy and Luxembourg. The 6,541 workers of the important German coal-mine "Graf Bismarck", are receiving the lion's share of $ 2 million. This mine at Gelsenkirchen belongs to Steinkohlenbergwerk Graf Bismarck GmbH, and in 1965 it produced some 2.7 million tons of coal. It is having to close because of difficulties in finding outlets and wage increases, although it is a relatively high-yielding pit.

In Luxembourg, the 150 workers affected by the closure of the "Katzenburg" iron mine, belonging to the Belgian steel concern Cockerill-Ougree, are being granted $ 100,000 by the High Authority. This is the first time that Luxembourg has requested retraining grants from the High Authority.

The other two instances are of lesser importance. They are the Italian steel concern Busalla, which for 90 workers receives $ 40,000, and Comptoir Belge Des Carbons-Cobechar, where a limited number of workers have been granted loans.

Under Article 65 of the ECSC Treaty, any loans made by the High Authority are automatically doubled, as the governments concerned have to make an equal grant to the company in question.

* * *

EURATOM

Towards Industrial Nuclear Energy

Economic realities, not hopeful visions of the future, have always been the basis of Euratom's development. These are the need for a "nuclear" kilowatt at a competitive price, to supply the Community's expanding energy requirements, and the study of the manufacturing and industrial problems arising from nuclear development. Throughout its existence the Commission has multiplied its contacts with the industrialists and trade unions involved, so as to encourage their understanding of "Nuclear Europe". It might also be thought that these contacts were made to fill the gaps left by some governments, the aim being a Community solution for Europe's nuclear problems.

Euratom's Ninth General Report, which has just been published, confirms this attitude. It points out discreetly that the recent European crisis, although not directly connected with Euratom, could not but affect it, as it was an additional problem to the "inevitable differences" which separate each country from the others. It will be remembered that these differences had already come to the fore, during the discussions on the second research programme, as most of the delegations tried to obtain support for work carried out on a national basis. It would be wrong to imagine that differences did not harden in any way during the interruption due to the crisis. There were various specific problems, as yet unresolved, for which the Commission does not hold out any hope of an early solution. The fact that some countries, with France at their head, have had some success with their "third-generation" fast-breeder reactors begs the question: will this progress not affect the improved "second-generation" reactors, and especially the "Orgel" project being carried out at the Ispra research centre? If these fast-breeder reactors come into service sooner than expected, the temptation to jump a "generation" may arise.

The "nuclear" kilowatt has become competitive as foreseen by the Commission, but earlier than expected. The Commission points out that its first pilot scheme, carefully worked out, will require considerable industrial effort, and that this should strengthen cooperation at Community level. It has taken the initiative and announced that it is working out the main points of a common industrial and manufacturing policy for the nuclear energy industry, based on economic realities.

This will be based on the following principles: 1) to ensure that the Community has sufficient quantities of fissile material at stable prices; 2) to guarantee that the Community's industrialists will be able to produce the maximum amount of equipment needed in building reactors; 3) to ensure as much safety as possible; 4) to ensure a supply of fully qualified and trained personnel for a rapidly expanding industry; 5) to disseminate relevant information as widely as possible. In fact, the Commission want to be sure that there is nothing standing in the way of nuclear progress.

The pragmatic Community philosophy of the Commission is clearly summed up in the Report. This says "Every effort must be made to prevent nuclear industries being restricted to a national market, so that they can benefit from the vast Community market. This does not only apply to the manufacturing industry, but also to the electricity producers, who, because of the marked tendency towards a demand for larger units of power, will be called upon to increase the power carried by grids, and strengthen international link-ups". "This can only be done if a parallel effort is put into research, and this, the Report goes on to say, "is henceforth inseparable from any general and thought out economic policy ... Economic power nowdays is based largely on the quality of research and industry's efficiency. If the European Community becomes, as it can and as we hope it will, one of the most important economic powers in tomorrow's world, then it will make its mark in these two fields".

STUDIES AND TRENDS

THE COTTON INDUSTRY IN BRITAIN AND THE EEC
PART II

The decline in the number of small concerns able to face up to non-European and especially Asiatic competition has favoured the European cotton industry's advance towards rationalisation and mergers. Another factor is that vertical integration of the industry, which for a long time was not possible, has at last begun in some countries: there is no doubt that the West German system of indirect taxation encourages this form of integration. In Belgium in 1963, 24 concerns out of 45, with 45% of all spindles were integrated.

The main feature in France is the disappearance of the small concern which has led to the formation of large combines; however, during the last few years there has been a distinct move towards vertical integration, coinciding with the formation of the combines; medium- and small-sized firms are merging separately, and coming into line with them.

The Italians are still lagging slightly in this sphere, although rapid progress is being made in spinning, as 21% of spinning-mills employ over 500 workers, compared with a figure of 4% for weaving.

In Britain, the five main spinning concerns, three of whom are linked to artificial fibre producers, control 41% of all spindles, a high figure which appears to have stabilised itself over the last few years.

The advantages accruing from the creation of combines and from vertical integration may be looked at in a different light from one country to another, because of historical factors, present-day production conditions, and different financing methods; it is however generally admitted that the formation of small production units grouped within a reasonably important textile concern is the best solution; in fact, the existence of several production units makes it easier for each factory to specialize, ensures that risks due to fluctuations in the market are shared, and makes for flexibility in investments.

PRODUCTION FACTORS:

Investment:

Investments in the cotton industry would appear to have developed at a quicker rate over the last ten years than overall formation of gross fixed capital in each country, but this has largely been due to the need for drastic measures in reorganising the industry, with the aim of cutting labour costs. The cost of a new spinning-mill can be broken down as follows: labour 20 to 30%; depreciation of plant over 7 to 8 years, 30 to 35%; other costs (general expenses, interest, profits, etc..) 30 to 35%.

Although available figures are not always strictly comparable, there has been an extremely rapid increase in investment in Britain, where it has nearly trebled during the last decade, though tending to decrease in Germany. Again, comparable figures show that the Netherlands has had a much higher level of investment than either France and Italy but, there the growth of investment has been fairly steady.

Investment in the Cotton Industry

Units: millions of US $

Country	1955	1959	1960	1961	1962	1963
West Germany (1)	-	-	11.4	7.9	9.1	3.8
Belgium & Luxembourg (5)	-	-	-	15.0	15.0	-
Netherlands	10.6	11.6	14.6	16.1	18.7	-
France (2)	17.1	21.1	20.9	26.9	29.8	29.8
Italy	-	20.5	28.0	26.6	29.3	32.7
Britain (3)	26.6	38.6	50.4	78.4	73.0	-
USA (5)	-	-	170	160	180	-
Japan (4)	21.6	20.0	37.3	35.0	29.3	25.8

(1) Spinning alone and excluding buildings
(2) Excluding buildings
(3) Includes finishing
(4) Spinning only
(5) Approximations

Labour

Though the cotton industry used to be considered as a labour intensive industry such a statement today would be opposite to the truth, as far as Europe is concerned; because of the large investments made, it is now a capital intensive industry, as are the chemical and steel industries. It is significant that the rate, and level of change reached, differs from country to country: thus the average fall in the number of workers in each country (except Italy) was 10% between 1958 and 1963, although it was double this for France. Even in the USA, where the cotton industry was already highly concentrated by 1958, this development has taken place, and Japan with its abundant cheap labour force has also been affected.

In spite of this change in the cotton industry, some companies find it extremely hard to recruit the qualified personnel, who are increasingly needed. These are attracted by the manufacturing sectors, where the wages are above those generally paid in the cotton industry.

Labour Force in the Cotton Industry

Units : 1.000

Country	1958	1959	1960	1961	1962	1963
West Germany	186.0	184.8	185.7	176.2	164.8	154.2
Belgium & Luxembourg (1)	16.7	16.6	16.8	16.8	16.0	15.6
Netherlands (2)	50.2	50.2	51.4	51.5	49.3	47.6
France	122.0	117.9	118.4	110.3	101.8	100.5
Italy	174.5	179.0	184.6	184.4	183.7	183.4
Britain (2)	260.8	259.4	241.1	236.5	213.2	198.1
USA	262.1	259.3	254.0	243.6	240.4	233.6
Japan	279.8	273.2	291.3	294.0	277.9	264.9

(1) Spinning only
(2) Includes artificial & synthetic fibres

The efforts made to modernise production were aimed at achieving a substantial increase in productivity, thus lowering the industry's break-even point. These aims have generally been successful, and especially so in Belgium and France, where productivity increases between 1959 and 1963 were around 30%. But in both Britain and Germany, where considerable efforts had also been made, the results were distinctly lower. Besides, there are still important differences between European concerns; thus a 1963 survey showed that the overall time taken in 500 European factories to produce 100kg of thread was 15.5 hours, but this rose to 20 hours for Italy, falling to 8 hours for two French concerns, and 7 hours for a Belgian factory.

Productivity in the Cotton Industry
(Productivity indices per worker in spinning and weaving)

(1958 = 100)

Country	1959	1960	1961	1962	1963
West Germany	101	106	109	111	113
Belgian & Luxembourg	114	120	123	124	130
Netherlands	104	113	114	116	121
France	97	107	125	131	133
Italy	107	115	115	123	126
Britain (1)	100	107	101	100	112
USA	108	107	109	112	111
Japan	108	114	120	116	128

(1) Base 100 in 1959

Raw Materials

The cotton industry's supply of raw materials since the end of the second World War has been marked by two new factors. Cotton production has increased considerably in the new African states, in Latin America, and in the Middle East, and these areas now supply 50% of the world's raw cotton, around 1,500,000 metric tons p.a. This change encouraged diversification of sources of supply, and it was completed by the cotton industry's continually increasing use of cellulose fibres; it is now becoming more and more a mixed-fibre industry, and can thus find new outlets. On this subject, it is quite striking to find that a quarter of the German cotton industry's raw materials are synthetic fibres, whereas in other countries this figure is between 10 and 20%.

Raw Materials used by the Cotton Industry

Units : Tons

Country	1961 I	1961 II	1962 I	1962 II	1963 I	1963 II
West Germany	359,374	97,763	339,424	99,114	320,492	103,384
Belgium & Luxembourg	119,345	11,509	108,971	14,386	105,857	18,103
Netherlands	86,260	4,842	81,565	5,307	80,695	6,224
France	312,020	31,843	294,712	32,518	295,072	35,391
Italy	237,648	39,829	242,847	47,835	240,872	48,710
EEC	1,114,647	185,780	1,067,519	199,160	1,042,988	211,812
Britain	243,488	61,921	215,638	56,313	263,464	64,279
USA	1,850,000	236,667	1,900,526	302,476	1,906,011	385,457
Japan	600,162	306,331	523,684	299,236	523,471	311,483

I - Raw cotton and cotton waste
II - Obsolete artificial and synthetic fibres

Note: It is a point worth making that the interdependence of different fibres within the same branch of the textile industry, for instance, the cotton industry is found in its other branches, in the sense that the woollen industry includes the cotton industry amongst its suppliers of raw materials.

The cotton industry is therefore the supplier of other branches of the textile industry in fairly important quantities, but these are not increasing, apart from a very slight upswing in absolute value.

Use of Cotton Thread (unbleached, bleached and dyed)
In the Textile Industry

(Units : Tons)

Country	1954 I	1954 II	1954 Total	1962 I	1962 II	1962 Total
West Germany	243,468	41,776	285,244	275,527	45,106	320,633
Belgium & Luxembourg	-	-	81,706	81,550	2,542	90,152
Netherlands	72,068	5,949	78,524	80,039	1,530	81,569
France	-	-	253,157	243,002	18,956	262,818
Italy	-	-	140,017	-	-	158,304
EEC	-	-	838,648	-	-	913,476
Britain	-	-	363,030	-	-	184,799 (1)
Japan	401,707	6,312	408,019	593,119	7,048	600,167

I - Standard cotton thread-ends
II - Waste - cotton thread (carded thread)
(1) Only includes the cotton-weaving, silk, linen, artificial and synthetic fibres industries and hosiery and knitwear industries. (Clothing industry : not known).

(to be continued)

garage appliances) is formed in Rome by SATAM, La Corneuve, Seine. Netherlands: VAN DOORNE'S AUTOMOBIELFABRIEK, Eindhoven, signs manufacturing agreement with VERENIGDE MACHINEFABRIEKEN for road/rail containers etc. NV LIPS, Drunen, gains the finishing and sales rights for the Netherlands of JEAN & FRANCOIS BODART, Anderlecht, Belgium.

J	FINANCE	France: ISRAEL DISCOUNT BANK LTD, Tel Aviv, increases its interest in DISCOUNT BANK (FRANCE) SA. Germany: BANQUE OTTOMANE, Istanbul, opens a branch in Cologne. HESSICHE LANDESBANK & GIROZENTRALE increases its capital and its interest in DEUTSCHE UNIONBANK, Frankfurt. Switzerland: STE DE FINANCEMANT IMMOBILIER opens a branch in Geneva.
K	FOOD & DRINK	Belgium: FROMAGERIE BEL, of the French "LA VACHE QUI RIT" group, takes over COMPTOIR COMMERICAL DE FROMAGES-COFRO, and increases its capital. Britain: DUBONNET, CINZANO, BYRRH forms an import/export company in London. Italy: ISVEIMER, Rome, finances STA AGRUMARIA CALABRESE's construction of a factory for processing agricultural produce. Netherlands: ORANGEBOOM takes 25% in WILSON'S LIMONADE-FABRIEKEN through a subsidiary.
L	INSURANCE	France: SNPA, 80-20 with its subsidiary AQUITAINE-ORGANICO, forms an estate insurance agency.
L	MINING	Italy: BRIQUETTES SpA (minerals and solid fuels) is formed in Milan, with the backing of CANITAL NV, Amsterdam.
L	OIL, GAS & PETROCHEMICALS	Germany: GRISARD is formed at Wyhlen by the directors of AVIA DISTRIBUTION, Lancy, Switzerland (petrol marketing).
L	PHARMA-CEUTICALS	Belgium: BIOSEDRA BENELUX SA, Brussels, the former agent for BIOSEDRA SA, Malakoff, Seine, has been wound up. Italy: ASPRO-NICHOLAS, London, makes Milan its Italian headquarters and moves its Rome subsidiary there.
M	PLASTICS	Austria: BADISCHE ANILIN, Ludwigshafen, Germany, sells the Innsbruck plastic processing company UNIPLASTIK to CONTINENTAL GUMMI-WERKE. Netherlands: FARBWERKE HOECHST, Frankfurt, takes over the Breda polystyrene factory of a former subsidiary of FOSTER GRANT CO INC, Leominster, Mass. USA: HERCULES INC, Delaware, and FARBWERKE HOECHST, Frankfurt, set up the joint subsidiary in the USA that they recently agreed to form.

N	PRINTING & PUBLISHING	France: IMPRIMERIE CHAIZ-DESFOSSES-NEOGRAVURE SA, Paris, is to take a majority shareholding in IMPRIMERIES OBERTHUR, Rennes (diaries, almanacs etc). Netherlands: STURRMAN NV (which publishes "De Typhoon") buys shares in DRUCO-DRUKKERIJ, Leiden (offset litho).
N	RUBBER	France: BTR INDUSTRIES, London, forms a manufacturing subsidiary in France for flexible couplings etc.
O	SHIPBUILDING	Britain: METZELER AG, Munich, in association with Mr W.J. Wardle, sets up a manufacturing and marketing company for small craft at Peterborough. Germany: DEUTSCHE WERFT, Hamburg, KIELER HOWALDTSWERKE, Kiel, and HOWALDTSWERKE, Hamburg, link up in important merger. Italy: ALLIANCE MACHINE CORP, Alliance, Ohio, forms a company at Quarto Altino, Venezia to manufacture pleasure-craft.
P	TEXTILES	France: STE COTONNIERE DE KAYSERBERG, Rouffach, Haut Rhin, takes over VESTRA-UNION and increases its capital. Netherlands: NV NEREENIGDE TOUWFABRIEKEN,Rotterdam, plans to take over the fibres and cords firm VON ZEPPELIN, Apeldoorn.
Q	TRANSPORT	France: INTERLIMBURG, Venlo, Netherlands, forms a subsidiary in Paris.
Q	VARIOUS	Austria: BERTELSMANN VERLAG, Gütersloh takes 40% in the book club, DONAULAND, KREMAYER & SCHERIAU, Vienna, by way of strengthening an existing interest. Belgium: ASTOR NV is formed in Ghent to market domestic appliances etc.

ADVERTISING

** BENTON & BOWLES INC, New York (see No 335) intends to run its Common Market interests through PUBLICONTROL-BENTON & BOWLES SA, Brussels and ANTWERP (formerly PUBLICONTROL SA - see No 282), where it recently acquired a minority interest. Publicontrol has had interests in France since 1962: L.B. & A. LIGER, BEAUMONT & ALJANVIC SA, Paris, whose president is M.J.P. Liger (see No 249), and in the Netherlands since 1964, PUBLICONTROL NV, Amsterdam. It is soon to form subsidiaries in West Germany and Italy.

The American group (annual turnover is $ 140 million) has two London subsidiaries, BENTON & BOWLES LTD, headed by Mr D. Lowndes and NELSON ADVERTISING SERVICES LTD, with Mr R.E. Bett as chairman. It has long been associated with HANNS W. BROSE GmbH, Frankfurt (see No 240), and in 1963 formed GPR GENERAL PUBLIC RELATIONS GmbH with Mr G. Benn as manager and Herr D. Weff and H. Rone, Frankfurt as directors. In Italy it has a minority shareholding in BROSE-R.L.DUPUY-LONSDALE-HANDS-INTERNATIONAL MARKETING ADVERTISING Spa (see No 252). Since the beginning of 1964, it has had a 66% Paris subsidiary, G.P.A. -OFFICE GENERAL DE RELATIONS PUBLIQUES (see No 249).

AUTOMOBILES

** SA DES AUTOMOBILES PEUGEOT, Paris, is shortly to become PEUGEOT SA and increase its capital from Ff 350 million to Ff 420 million, when it acquires shares from ETS PEUGEOT FRERES SA, Valentigny, Doubs, LES FILS DE PEUGEOT FRERES SA and HOLDING DE PARTICIPATION SA, Paris. Further benefits will accrue from the takeover of three of its subsidiaries, STE IMMOBILIERE DU 100 QUAI DE PASSY, STE IMMOBILIERE DU 71 AVENUE DE LAS GRANDE ARMEE and CIE GENERALE DES MOTEURS SA, Paris. Peugeot is in the process of strengthening its links with REGIE NATIONALE DES USINES RENAULT SA, Billancourt, Hauts-de-Seine (see No 354).

Cie Generale des Moteurs (50.37% of its Ff 11.7 million capital is held by Peugeot Sa) will, in the meantime, make over its marketing assets to another of the group's companies, STE RENE GILLET & CIE SA, Paris. Cie Generale des Moteurs was responsible for the marketing of diesel engines made by INDENOR-STE INDUSTRIELLE DE L'EST & DU NORD SA, Bart, Daubs (see No 327), and it had a 29.19% interest in PEUGEOT & CIE SA, as well as interests in STE INDUSTRIELLE AUTOMOBILE DU NORD SA (64%), STE INDUSTRIELLE AUTOMOBILE DU SUD-OUEST SA (50%) and STE INDUSTRIELLE AUTOMOBILE DE LORRAINE SA (48%).

BUILDING & CIVIL ENGINEERING

** APTUS SOL EN FER SA, Paris (president M.J.M. Singer - see No 214) has increased the capital (to Bf 9 million) of its Belgian subsidiary LES MATERIAUX DE LA ROUTE SA, Hourpes, Thein and Charleroi, so that it can continue its expansion. Aptus converts clinker from the steel industry into material for use in building, and road surfacing.

** CONSTRUCTIONS EDMOND COIGNET SA, Paris (prefabricated buildings - see No 324) has gained interests in both Britain and Switzerland. It has formed a 30-70 partnership with MILLER BROS & BUCKLEY LTD (subsidiary of JAMES MILLER & PARTNERS LTD, Edinburgh) to set up MILLER, BUCKLEY & COIGNET LTD in London. The new company, with £100,000 capital, and Messrs A.H. Buckley and A. Pruzan as directors, is to exploit the French company's processes in Britain. In Switzerland, Coignet has taken 20% in forming a market research firm, NORM-ELEMENT AG, Zollikon, Zurich (initial capital Sf 50,000), the balance of the backing being supplied by local interests.

Until now, the French company's interests abroad have been concentrated for the most part in the Common Market, and particularly in West Germany. There, it has BAYERISCHE FERTIGBAU GmbH SYSTEME COIGNET, Munich, HOLZMANN-COIGNET FERTIGBAU GmbH, Frankfurt, and DEUTSCHE FERTIGBAU GmbH SYSTEME COIGNET, Berli. In the Netherlands it has two companies in Rotterdam, DURA-COIGNET NV and INDECO-COIGNET NV, which have a joint subsidiary at Zeist for research and engineering, ONTWERP & CONSTRUCTIEBUREAU VOOR INDUSTRIELE BOUW "INBO" NV, as well as another company at Beringen, NV NEDUCO-INDUSTRIELE WONINGBOUW. In Italy it has SICOP-COIGNET-STA ITALIANA COSTRUZIONI PREFABRICATE COIGNET SpA, Milan. It has further interests in prefabricated building concerns in Israel, Latin America (Mexico and the Argentine) and Africa (Algeria, Togo and Senegal).

** ETERNIT SA, Kapelle-op-den-Bos, Belgium (capital Bf 1.5 million: a member of the ETERNIT asbestos, cement and building materials group, which in turn belongs to the EMSENS group - see No 357) is being taken over. It is making over its manufacturing interests to its subsidiary ETERNIT EMAILLE SA (capital raised to Bf 120 million in April 1964), and is then merging with its main shareholder, SA FINANCIERE BELGE DE L'ASBESTE CIMENT SA, Brussels (see No 168), which is an Emsens holding company.

Eternit SA, whose president is M. J. Emsens, is closely linked with firms of the same name in Genoa, Berlin and Prouvy, France; it is also associated with JOHNS MANVILLE CORP and PATINO MINES, which produces asbestos and supplies the rest of the group. Other shareholders in Eternit SA are: ANCHOR HOLDINGS LTD, Nassau, Bahamas; HOLDERBANK FINANCIERE SA, Glarus, Switzerland; AMIANTUS SA, Niederurnen, Switzerland; STE GENERALE DE BELGIQUE SA, Brussels; CIE D'ANVERS SA, Antwerp; FERRO INDUSTRIAL - & HANDELS ANSTALT, Vaduz, Liechtenstein etc.

** CAMUS NEDERLAND NV has been formed at the Hague to exploit the prefabricated concrete licences of RAYMOND CAMUS & CIE, INGENIEURS CONSTRUCTEURS SA, Paris (see No 314), which are already widely-used in Europe, North and South America and Japan (see No 305). The new Dutch firm (capital Fl 120,000) has been set up, and is controlled by the concrete contractors, Messrs J. Willems, the Hague; W.M. Perquin, Woorschoten, and H. Liefhebber, Schiedam.

CHEMICALS

** PROTEC Sarl, Paris (capital Ff 30,000) whose manager is Mme. M. Marx, Strasbourg-Lingolsheim, Bas-Rhin, has opened a German branch to promote its insulating techniques (mainly for chimney flues). The manager of the branch is M. E. Ebouer.

** Control of STE DES PRODUITS REFRACTAIRES DE SEILLE-ANDENNE SA (formerly USINES BELGES DE LA GENERAL REFRACTORIES SA - see No 330) passed some months ago, by agreement, from GENERAL REFRACTORIES LTD, Sheffield, to BELREF-STE BELGE DES PRODUITS REFRACTAIRES SA, Andenne (of the STE GENERALE DE BELGIQUE group). As a result, MM J. Ancion, M. Vilain and J. Mathot have now joined the board of Seille-Andenne to represent the controlling interest.

Belref has reduced its new subsidiary's capital to Bf 10.6 million: it shares control of the company with: GLAVERBEL SA, Brussels, GLACERIES DE SAINT-ROCH SA, Brussels, UNION CHIMIQUE SA, Brussels, VIEILLE MONTAGNE SA, Angleur, METALLURGIE HOBOKEN SA, Hoboken, CARRIERES & FOURS A CHAUX DE LA MEUSE SA, Seille, and CIE DES METAUX D'OVERPELT-LOMMEL & DE CORPHALIE SA, Brussels.

** The Paris director of the import-export company PIJA Sarl, M.K.S.Cate, has been appointed president of MALLINGKRODT EUROPE SA, Paris, (capital Ff 1,750,000 - see No 345). The new company is to build a French factory to manufacture high grade products used in the electronics and pharmaceutical industries. It is almost totally controlled by MALLINCKRODT CHEMICAL WORKS, Saint-Louis, Missouri, with a token interest held by its Canadian manufacturing subsidiary, MALLINGKRODT CHEMICAL WORKS LTD, Pointe Claire.

ELECTRICAL ENGINEERING

** SIEMENS-SCHUCKERTWERKE AG, Berlin has strengthened its links with the Japanese firm, FUJI DENKI SEIZO, Tokyo (in which Siemens has had a 12% interest since 1963) by widening its licence agreements to include multi-purpose motors, semi-conductors and circuit breakers.

The Japanese company is amongst the first fifty Japanese companies in terms of turn-over. It has a payroll of 16,000 and manufactures a wide range of electrical equipment and machinery.

** The take-over of HOTCHKISS-BRANDT SA, Paris (see No 336) by CIE FRANCAISE THOMSON-HOUSTON SA, Paris (see No 357), decided upon last year, is about to take place. Thomson-Houston, whose capital will be increased from Ff 183,5 million to Ff 239,5 million, will at the same time take-over a 61% subsidiary of Hotchkiss-Brandt, STE BRACHET RICHARD SA, Lyon (capital Ff 1,5 million) as well as BUC AVIATION SA, (owner of the airfield of Buc, Yvelines), and two of its own subsidiaries in which it holds 46.6% and 95% respectively, STE DES USINES DU PIED-SELLE SA, Paris (capital Ff 6,3 million) and COTELEC-STE FRANCAISE D'ETUDES & DE CONSTRUCTIONS ELECTRONIQUES SA, Paris (capital Ff 8 million). Cotelec's aeronautical equipment branch will be taken over by Thomson-Hotchkiss itself, whilst its medical equipment branch will go to THOMSON-MEDICAL Sarl, Paris (see No 305). The latter has had Ff 10,2 million capital since it took over CHENAILLE CHIRURGIE SA, Paris (see No 341).

The Thomson-Houston group wants to keep the name "Pied-Selle" in use, and they have therefore formed a new company STE INDUSTRIELLE DU PIED-SELLE SA, Courbevoie, Hauts-de-Seine, with an initial capital of Ff 900,000.

** AEG-ALLGEMEINE-ELEKTRICITAETS GESELLSCHAFT AG, Berlin and Frankfurt, which is taking over TELEFUNKEN AG, Berlin (see No 357), to become ALLGEMEINE ELEKTRICITAETS-GESELLSCHAFT-AEG-TELEFUNKEN, is taking over a further seven wholly-owned subsidiaries to complete its reorganisation programme. These are: two holding companies - ELEKTROFINANZ AG (capital DM 5.6 million) and NATIONALE AUTOMOBIL GESELLSCHAFT AG, Berlin (DM 3 million); HYDRAWERK AG, Berlin (condensers; DM 2 million); and SACHSENWERK LICHT - & KRAFT AG, Munich (DM 3.5 million), which makes transformers, high tension circuit-breakers and high - and low-tension equipment for transformer sub-stations, lighting installations and motive power supplies. The fifth firm, which will be absorbed at a later stage, is OLYMPIA WERKE AG, Wilhelmshaven (DM 55 million): this makes typewriters, adding, calculating and dictating machines, and EDP equipment; it has various foreign subsidiaries (see No 314), including OLYMPIA ITALIANA SpA, Milan; MACHINES DE BUREAU OLYMPIA SA, Brussels, and MACHINES DE BUREAU OLYMPIA SA, Luxembourg. The sixth firm is LUDWIG LOEWE & CO AG, Berlin (DM 5 million), which makes machine tools, and has had a French subsidiary since April 1964, LOEWE FRANCE Sarl, Paris (see No 251). The seventh, and last scheduled for takeover by AEG, is the cable company VEREINIGTE DRAHT - & KABELWERKE AG, Berlin and Duisburg, which was formed recently when KABELWERKE DUISBURG took over NORDDEUTSCHE KABELWERKE AG, Berlin (see No 355).

ELECTRONICS

** CSM TELL GIRARD GmbH, Fribourg-en-Brisgau, West Germany has been formed by M. T. Girard, Lausanne, president and principal shareholder in the French company COMPTABILITE CSM SA, Paris. M. Girard is joint manager of the new concern (office management - capital DM 20,000) with M. Ph. Girard, Saint-Georges, Eure.

The French company (formed in 1923 - capital Ff 3 million) manufactures a wide range of adding, invoicing, cheque-signing and addressing machines as well as electronic equipment, and it has a payroll of 500. Its marketing areas are France (with agencies in Dijon, Lille, Marseilles, Rheims, Rouen, Strasbourg, Tours), Switzerland and Morocco.

** The American company MELABS, Palo Alto, California whose French representative is TECHNIQUE & PRODUITS, Boulogne-sur-Seine, is about to open a Paris office. The American company manufactures micro-wave equipment (UHF amplifiers and transmitters,) and its British agent is WALMORE ELECTRONICS LTD, London.

** SEALECTRO INC, New York, (electronic components, especially temporary connectors and terminals) is about to extend its interests to France, where TECHNIQUE & PRODUITS SA, Boulogne-sur-Seine (formerly CIE D'EQUIPEMENT ELECTRONIQUE SA - see No 352) is already the agent of its British subsidiary, SEALECTRO LTD, Farlington, Portsmouth, Hampshire, which is headed by Mr. S.G. Westbrook. The British subsidiary is going to form a sales and manufacturing company SEALECTRO Sarl, Paris.

ENGINEERING & METAL

** CERAC SA, Brussels (heating equipment: capital Bf 21 million) has opened a branch in Aachen by the name of CERAC-AUTOMATISCHE HEIZKESSEL & BRENNER, with M. L. Bergs as director.

** An agreement has been signed in the Netherlands between the Belgian concern JEAN & FRANCOIS BODART SA, Anderlecht, and the Dutch NV LIPS, Drunen (see No 345) for the finishing and sale of its industrial equipment, ferrules and metal alloys. This has led to the 50-50 formation of LIPS-BODART-METAALVERWERKING (L.B.M.) NV, Drunen (capital Fl 100,000) with M. J. Bodart as manager.

** The Belgian metal firm LES USINES MAGIC SA, Wanze, has been wound up despite opposition from several shareholders including PRODUITS METALLURGIQUES P. & M. CASSART SA (see No 268) and BAUME, MARPENT & THIRION REUNIS SA, Brussels (see No 350).

P. & M. Cassart was associated with a dozen Belgian metal firms in the cooperative PROSIDER S.C. formed in Brussels in 1960, which was also liquidated a few weeks ago. M. G. Libert has been appointed receiver of the company which is being wound up under the name of "Groupement des Marchands de Fer de Belgique".

** VERENIGDE MACHINEFABRIEKEN NV (VMF), the Hague (see No 349), has gained control of one of its distributors in Belgium, ATELIERS MOES SA, Borgworm, Liege (see No 265). The latter employs 185 people in the manufacture of electrical motors and apparatus, and is linked with SNI-STE NATIONALE D'INVESTISSEMENT SA, Brussels, which took an interest of 24% in it in 1964. VMF is to adapt Moes' installations and use them for the maintenance of the diesel trucks and machines made by its divisions in the Netherlands: GEBR STORK & CO, Amsterdam (see No 298); KROMHOUT MOTOREN FABRIEK NV, Amsterdam (see No 345), and STORK DIESEL MOTOREN ZWOLLE, Zwolle (see No 298).

VMF recently reorganised its extensive interests in the Netherlands: 1) Its Hengelo subsidiary NV MACHINEFABRIEK v/h THOMASSEN (branches at Amsterdam and the Hague) was renamed STORK-WERKSPOOR SUGAR NV, with Fl 1 million capital; 2) Two companies were formed at Utrecht by VMF and its subsidiary WERKSPOOR NV (see No 298), which has control of them: WERKSPOOR-UTRECHT NV (capital Fl 6.5 million) and WESCOJ-WERKSPOOR SERVICES & CONSTRUCTION NV (capital Fl 2 million).

** VAN DOORNE'S AUTOMOBIELFABRIEK NV, Eindhoven (issued capital Fl 42 million, 25% held by the State), through STAATSMIJNEN IN LIMBURG, Haarlem (see No 337), has made an agreement to cooperate on the manufacturing and technical levels with the group VERENIDGE MACHINEFABRIEKEN NV, the Hague (see No 349). The agreement covers the manufacture of towing vehicles for trailers and cargo containers. A subsidiary of the second firm, WERKSPOOR UTRECHT NV, Utrecht (directly controlled by WERKSPOOR NV, Amsterdam - see this issue) will be charged with the design and manufacture of the containers and the material needed for their transport by rail, whilst the motor company will produce the service vehicles and equipment for their conveyance by road.

** Having increased its capital from Dm 9 million to Dm 13.5 million, DEUTSCHE BABCOCK & WILCOX DAMPFKESSEL WERKE AG, Oberhausen (see No 326) has bought an interest of one third in the nuclear research and development concern (mainly reactors for ships), INTERATOM-INTERNATIONALE ATOREAKTORBAU GmbH, Bensburg b. Köln. This firm, until now, was controlled 50-50 by DEMAG AG, Duisburg (see No 355) and NORTH AMERICAN AVIATION INC, Los Angeles, California (see No 331).

Deutsche Babcock and Wilcox is to make over its nuclear department to Interatom in exchange for the shares it is acquiring: it is linked at around 50% with BABCOCK & WILCOX LTD, London, whilst about 10% of its capital is held by BERLINER HANDELSGESELLSCHAFT, Berlin and Frankfurt.

** MEHAKO-METALL-HALBZEUG-KONTOR GmbH, Düsseldorf (mainly trading in non-ferrous metals) has made an agreement with its French counterpart, ETS BROSSETTE & FILS, F. BROSSETTE & CIE Sca, Lyons (capital Ff 14,387 million). The latter has formed BROSSETTE GmbH, Düsseldorf (capital Dm 5,920,000) with the sales manager of the French company, M.A. de Rochambeau as manager.

SOC. COMMERCIALE PRODOTTI PER L'INDUSTRIA & L'EDILLA SpA, Milan was recently formed by the French company (see No 353), and its other foreign interests are in North and West Africa.

** KLOECKNER HUMBOLDT-DEUTZ AG, Cologne-Deutz, (see No 337) has increased its direct interest in the Belgian firm MAGI-BEL SA, Kontich (see No 233), which as well as being its Belgian representative, assembles its engines, vehicles and tractors at Oevel-Geel-Punt, Campina. Kloeckner is a member of the KLOECKNER & CO KG group of Duisburg (see No 348).

The German group has improved the financial position of the Belgian concern by reducing its Bf 24.75 million capital with the aim of raising it later on to Bf 12,5 million, so that expansion can be financed. The German concern now shares almost complete control with three of its German subsidiaries, FAHRZEUG- & FERAETEBAU GmbH, Hamburg, DEUTZ MOTORENGESELLSCHAFT OTTO LEGITIMO mbH, Cologne-Deutz, and ISSELBURGER HUETTE AG, Isselburger-Niederrhein, and SNI-STE NATIONALE D'INVESTISSEMENT SA, Brussels also has an interest.

** SIRAVAM-SOC. D'INSTALLAZIONE, DI RIPARAZIONE, DI ASSISTENZA & DI VENDITA DI APPARECCHI MECCANICI SpA (president - M.F.J. Delanney - capital - Lire 16 million) has just been formed in Rome by the French group SATAM - SA POUR TOUS LES APPAREILLAGES MECANIQUES, La Courneuve, Seine (see No 348). The Rome company will undertake all types of marketing, leasing and manufacturing operations, in connection with pumping and distribution units, and mechanical equipment for service-stations (car-washing, greasing, etc...).

Satam has a number of foreign subsidiaries in Belgium, Britain, Spain and West Germany, where its subsidiary controls the Italian firm GAMA Srl of Brescia (see No 325). Various other important groups have interests in Satam, and these include STE GENERALE D'ENTREPRISES SA, Paris (see No 354), the Belgian group SOFINA (through two of its subsidiaries, UNION FRANCAISE DE CREDIT POUR LE COMMERCE & L'INDUSTRIE SA, Paris (see No 278) and the holding company STE GENERALE D'EXPLOITATIONS INDUSTRIELLES SA-SOGEI, Paris (see No 356).

** ORDIBEL Sprl, Herstal, Belgium, which distributes automatic composing machines for the printing industry under the mark "Ordina Matic", has opened a branch in Aachen under the directorship of Mme H. Winkels. Ordibel itself was formed in January 1961 with Bf 103,000 capital, and is managed by M.R. Meus.

** TOTAL-SOC ITALIANA PER AZIONI, Milan (see No 354) has acquired a large shareholding in MILANOTERMICA SpA, Milan (headed By Sig. G. Casiraghi) which has just merged with PUBLICI SpA. Milanotermica installs heating and air-conditioning equipment, as well as carrying out engineering work, whilst Publici sells heating fuels. This move also gives Total control of CABY ITALIANA SpA, Milan (formed in 1965-president Sig. R. Olgiati) which manufactures and sells heating and "Airtemp" air-conditioning equipment under licence from CHRYSLER CORP, Detroit (see No 352). This is sold in France by CHRYSLER AIRTEMP SA, Paris (formerly OFFICE DE L'AIR CLIMATISE-OLAC).

Total is a member of the French group C.F.P. -CIE FRANCAISE DES PETROLES SA, Paris. It recently took over REDIS-RETE DISTRIBUZIONE SUD SpA Palermo, which in 1965 refined 3.14 million tons of crude oil and achieved a turn-over of Lire 118,000 million, whilst a third of its production was exported.

FINANCE

** ISRAEL-DISCOUNT BANK LTD, Tel Aviv (the second largest Israeli bank - see No 345) is increasing its control of DISCOUNT BANK (FRANCE) SA, (formerly STE FRANCO-AMERICAINE DE BANQUE SA (see No 249), whose capital is being increased to Ff 10 million. Until now the president of Ste Franco Americaine de Banque has been M. M de Botton, the managing director of STE FRANCAISE RALLI SA (see No 345), but now the president of Discount Bank (France) will be M.Z.H. Recanati, president of DISCOUNT BANK (OVERSEAS) LTD, Geneva (see No 345). Ste Francaise Ralli controls the Israeli bank through RALLI TRUST CO LTD, Lausanne (see No 318).

Discount Bank (France) is going to take over its subsidiary STE PROVENCALE DE BANQUE SA, Marseilles, formerly BANQUE COMMERCIALE FRANCAISE DE LA MEDITERRANEE SA (capital Ff 2,5 million), whose president is M.R. Rosa (see No 249). The latter concern controls the Paris finance company UNION GENERALE DE DIFFUSION SA (capital Ff 1 million) which organises the distribution and sale of tickets for the "Loterie Nationale".

** After increasing its capital from Dm 12 million to Dm 14 million, HESSICHE LANDESBANK & GIROZENTRALE, Frankfurt (see No 242) is raising its interest in DEUTSCHE UNIONBANK GmbH, Frankfurt (see No 256) to 25%. The latter is a member of the SVENSKA TÄNDSTICKS A/B group, of Jönköping, Sweden (see No 309).

The Swedish match group has other large interests in West Germany, especially in DEUTSCHE ZUNDHOLZFABRIKEN GmbH, Neu Isenburg, NORDDEUTSCHE ZUNDHOLZ GmbH, SUDDEUTSCHE ZUNDHOLZ GmbH, SAARLAENDISCHE ZUNDHOLZFABRIK GmbH, ARENCO GmbH, Stuttgart, BRANDENBURGERHAUS GmbH, SCHWEDEN STAR WARENHANDELA GmbH.

** STE DE FINANCEMENT IMMOBILIER SA, Choisy-le-Roi, Val de Marne, (formed in 1964 - capital Ff 50,000), whose president is M. V. Remegis, Paris, has extended its interests to Switzerland, where it has opened a Geneva branch.

** BANQUE OTTOMANE SA, Istanbul (offices in London and Paris) has opened a branch in Cologne, OSMANLI BANKASI ANONIM SIRKETI, the directors of which are Messrs Suleymann C. Grin and Edved Z. Arica. This bank (capital £10 million; see No 349) has an extensive network of agencies in the Middle East and East Africa. Towards the end of 1965 (see No 319) it joined, amongst others, ALGEMEINE BANK NEDERLAND NV, Amsterdam (see No 340) in taking shares to form TANZANIA BANK OF COMMERCE LTD, Dar-es-Salaam.

FOOD & DRINK

** ISVEIMER SpA, Rome, is going to supply Lire 1,000 million for the construction of an agricultural products processing plant (fruit juice, jams and tinned fruit, etc.) at Gioia Tauro, on behalf S.A.C. STA AGRUMARIA CALABRESE SpA, Rome. This factory will be exactly similar to the one already built by the promoters of the Rome concern (capital Lire 1 million being increased to Lire 300 million) in Israel last year. The promoters of the Rome concern are CITRUS INVESTMENT LTD, Tel Aviv, and its directors; MM K. Salmin, Givat, R. Meggido, Ramat and A. Machnes, Tel Aviv.

** FROMAGERIE BEL SA, Anderlecht, Brussels, has raised its capital to Bf 12 million by taking over COMPTOIR COMMERCIAL DE FROMAGES-COFRO SA, Schaerbeek, Brussels (formerly MAISON MASSIN - president, M. M. Courtois, Tournai). This move has boosted the Belgian interests (see No 236) of the French group FROMAGERIES BEL LA VACHE QUI RIT SA (capital Ff 35,930,000 - see No 254).

The group plans shortly to make a similar move in France, involving STE DE PARTICIPATIONS IMMOBILIERES & COMMERCIALES Sarl, Paris, and STE FROMAGERE DE LA COTE D'OR SA.

** CDC - CIE GENERALE DES PRODUITS DUBONNET, CINZANO, BYRRH SA, Paris (see No 326), whose British representative has for a long time been SCHWEPPES LTD of London (see No 259) has formed an import-export and marketing company in London, DUBONNET LTD (capital - £1,000). The directors of the new company are M. R. Faye, and M. R. Joel, who are respectively president and managing director of CDC.

CDC's shareholders include PERNOD SA (a 28.7% interest) and CUSENIER SA, Paris (a 28.1% interest). It has numerous foreign interests: CIE BELGE DUBONNET-BYRRH SA, Brussels (see No 202); DUBONNET VERTRIEB GmbH, Flensburg, West Germany; DUBONNET ESPANOLA SA, Spain; PORTUGUESA DUBONNET LTDA, Portugal; S.C.I.A.L., Morocco; DUBONNET SOUTH AFRICA LTD, South Africa; DUBONNET PTY, Australia; DUBONNET INC, Canada; CIA MEXICANA DUBONNET, Mexico.

** VENENIGDE NEDERLANDSE BROUWERIJ D'ORANGEBOOM NV (brewers - see No 344), through one of its subsidiaries at the Hague, NV MIJ TOT EXPLOITATIE VAN MINERALWAATERFABRIEKEN TRIO, has taken 25% in the carbonated drinks concern WILSON'S LIMONADEFABRIEKEN NV, The Hague. The latter (capital Fl 1 million) has a bottling capacity of some 40,000 per hour: it has several depots, at Rosmalen, Rijen etc.

INSURANCE

** SNPA-STE NATIONALE DES PETROLES D'AQUITAINE SA has joined 80-20 with its subsidiary AQUITAINE-ORGANICO SA, Paris (see No 348) to form a land insurance agency. The new company (capital Ff 50,000), STE NATIONALE DES PETROLES D'-AQUITAINE (SNPA) & CIE Snc, Paris, which is managed by M.E. Kauf, has the trade name PETROCOURTAGE-STE DE COURTAGE D'ASSURANCES.

MINING

** BRIQUETTES SpA has just been formed in Milan, with Mr G.J. Beck of Johannesburg as president, for the importing, exporting and processing of minerals and solid fuels. Its (Lire 1 million) capital has almost all been furnished by the holding company CANITAL NV, which was recently formed in Amsterdam by the Canadian company GRAMBECK HOLDINGS LTD, Toronto (see No 355). The authorised capital can be raised to Lire 500 million by straightforward decision of the board, which also includes Messrs C. Nadler (a Briton living in Moltrasio) and P.O. Loughlin (an Irishman from Milan).

OIL, GAS & PETROCHEMICALS

** GRISARD GmbH, Wyhlen (capital Dm 20,000) has been formed by the director (Messrs G.E. Grisard and W.K. Maier) of the Swiss petrol marketing concern AVIA DISTRIBUTION SA, Lancy (capital Sf 1,500,000).

The Swiss concern took part last November, with other distributors of "Avia", (AVIA MINERALOEL AG, Munich, AVIA MINERALOEL AG, Zurich, AVIA MINERALOEL GmbH, Vienna) in the formation of INTEREG, Munich, which coordinates the international purchasing policy of its members.

PHARMACEUTICALS

** ASPRO-NICHOLAS LTD, London, (see No 356) has made Milan its Italian sales headquarters; its subsidiary PRODOTTI NICHOLAS SpA, (see No 227 - president M.P. J. Clememcin), has been moved there from Rome. The latter was formed in 1964 (initial capital - Lire 40 million, since raised to Lire 100 million).

The British group has another subsidiary in Italy, IVERS-LEE ITALIA, Caronno Pertusella, Varese (capital Lire 40 million) formed in 1961, which makes pharmaceutical and chemical packaging. (see No 148).

** BIOSEDRA BENELUX SA, Uccles Brussels (formed in 1962, capital Bf 700,000 - see No 141) has been wound up, with M.M. Robert as liquidator. It was the Benelux representative and marketing agent for the biological cultures, and yeast products ("Calscorbat, Diphebil, Gadeol, Migyl, Gadermyl, Peptex) made by the French group BIOSEDRA SA (see No 309) at Malakoff, Seine, Saint-Maur, Seine and Louviers, Eure.

The French company (capital Ff 11 million) shared control of Biosedra Benelux with BIOSEDRA SA, geneva, and two Belgian concerns: COMPTOIR CHIMICO PHARMACEUTIQUE SA, Brussels (see No 225) and LES LABORATOIRES THISSEN-L.T.B. SA, Uccle.

PLASTICS

** FARBWERKE HOECHST AG, Frankfurt (see chemicals and pharmaceuticals - No 355) has made an agreement with FOSTER GRANT CO INC, Leominster, Massachusetts, to expand the Breda polystyrene factory of the latter's former wholly-owned subsidiary FOSTER GRANT CHEMIE NV (see No 349): this has necessitated an investment of Fl 35 million. Foster Grant Chemie has now become a 50% subsidiary of the German firm, and has been renamed POLYMEERFABRIEKEN BREDA NV (capital now raised to Fl 5 million). It sells its products through branches in Rotterdam, Amsterdam and the Hague, and uses Hoechst's trademark, "Hostyren".

Farbwerke Hoechst has numerous direct and indirect interests in the Netherlands (where its 1965 turnover was Fl 100 million), all in the field of plastics, chemicals and pharmaceuticals. Its chief lines are "Mowilith" for paints, varnishes and glues, colourings and textiles sundries, "Rastinon" antidiabetic, "Synadrin" cardiac drugs, "Lasix" diuretics etc. Its main Dutch shareholdings are in: (1) HOECHST HOLLAND NV, Amsterdam, which employs about 150 people; (2) WEERTER KUNSTSTOFFENFABRIEKEN NV, Weert (formerly TERMOPAL NV - see No 293), and its subsidiary TERCANAL NV, which employs 500 people in the manufacture of thermoplastic and pressure-moulded sheets and plates. Hoechst is linked in the former with HAMER-HOLDING NV, Amsterdam (see No 286), and in the latter with TERCANIT NV, Hoogezand (see No 290), control of which is shared equally by PHILIPS GLOEILAMPEN-FABRIEKEN, Eindhoven, NV EMBA (formerly EMBALLAGEFABRIEKEN & HOUTHANDEL) Amsterdam, and PORSELEIN- & TEGELFABRIEK MOSA NV, Maastricht (see No 290); (3) The two recently-formed Amsterdam companies (see No 293), MESSER-GRIESHEIM NEDERLAND NV and KALLE-NEDERLAND NV (run by HaCeHa - HOLLAN CHEMIE HAARLEM NV).

** HYSTON FIBERS INC has been formed in the USA as the joint subsidiary that HERCULES INC, Wilmington, Delaware, and FARBWERKE HOECHST AG, Frankfurt (see "Textiles" below) decided recently to set up on a 50-50 basis. The new company (capital $ 10 million) is to build a polyester fibre factory at Spartanburg, South Carolina, which will commence its production cycle in the autumn of 1967, having an annual capacity of 15, 000 tons, which will be increased progressively to 45,000 tons. Its buildings and plant will be installed adjacent to the dymethyterephtalate factory, which the American group hopes to put into service some time this month.

One of Hercules' most recent "labours" was its alliance with the RIEGEL PAPER CORP, New York, to form TECHNICAL PACKING NV at the Hague (see No 357).

** BASF - BADISCHE ANILIN & SODA - FABRIK AG, Ludwigshafen, (see No 355) has sold its ownership of the Austrian plastic processing company UNIPLASTIC KUNSTOFF-VERARBEITUNGS GmbH, Voels b. Innsbruck, to the rubber group, CONTINENTAL GUMMI-WERKE AG HANNOVER (see No 344). Uniplastik has a payroll of 50, and its production is going to be increased and integrated with the production of the Hanover group's subsidiary, CONTINENTAL - ISOPLASTICS GmbH, Babenhausen, Hesse. The directors of Uniplastik are Herren R. Beck, of Wiesbaden, G-W. Theurich and H. Wente, of Neu-Isenburg.

Isoplastics, whose capital was recently increased to DM 3.5 million with the aim of financing its expansion, processes, manufactures and finishes products made from polysterene and polyethylene supplied by BASF (which is represented on Continental-Gummi-Werke's board by Dr. B. Timm.) The directors of Isoplastics are Herren R. Beck, G-W. Theurich and H. Wente.

Continental Gummi-Werke (sales reached DM 1,100 million in 1965) whose capital is soon to be increased in two successive moves to DM 270 million, is concentrating a large part of its investments in its Plastics Division: this produces "Contan" floor coverings, and "Floortex" and "Floorbest" plastic floor tiles. A cooperation agreement signed in January with MELANGIT KINSTOFF-FABRIK GmbH, Sinzig am Rhein, (wholly-owned subsidiary of RHEIN-CHEMIE GmbH, Mannheim - see No 203) which makes plastics for the shoe industry, gives Continental Gummi new outlets.

PRINTING & PUBLISHING

** The Dutch printing firm DRUKKERIJ & UITGEVERSMIJ. A. STURRMAN NV, Zaandam which publishes the newspaper "De Typhoon" has taken a holding in the offset printing company DRUCO-DRUKKERIJ & BEDRIJVEN NV, Leiden which has a branch at Leiderdorp. The former controls KRANTENEXPLOITATIE MIDDEN-NOORDHOLLAND NV, Purmerend and it also has a Dutch subsidiary distributing books: BLEES NV.

** IMPRIMERIE CHAIX-DESFOSSES-NEOGRAVURE SA, Paris (capital Ff 20,560,000 - see No 282) is going to take a majority holding in IMPRIMERIES OBERTHUR SA, Rennes, Ille & Vilaine. This company (capital Ff 6 million) in which BANQUE DE L'UNION PARISIENNE SA (see No 350) has held 38% since 1964 specialises in letter and offset printing of diaries, almanacs etc. It has two subsidiaries CALENDRIERS & AGENDAS OBERTHUR SIRVEN and SOFIPRINT Sarl.

Chaix-Desfosses-Neogravure is a subsidiary of L'HYDRO-ENERGIE SA, Paris, in which the main shareholders (with 26.4% and 20.1% respectively) are CIE GENERALE INDUSTRIELLE POUR LA FRANCE & L'ETRANGER SA - linked with ELECTROBEL SA, Brussels - and STE LYONNAISE DES EAUX & DE L'ECLAIRAGE SA, Paris. In 1965 the company had a turnover of Ff 137 million. It recently increased its holding in ETS BRAUN & CIE SA, Mulhouse from 81.5% to 89.6% and transferred to it its equipment for plate gravure printing.

RUBBER

** BTR INDUSTRIES, London, (see No 335) is increasing its investments in the Common Market and forming a subsidiary in France which, like the one it set up in West Germany in 1961 (see No 120) is to produce its "Hi-Flex" joints and couplings for high pressure pipes and ducts. The new company is also to take over responsibility for the distribution in France of BTR's other products, in addition to those mentioned (the company's representative in Paris is Mr S.C. Hayes).

The British group makes rubber and plastic (reinforced and otherwise) straps, bandages, belts, pipes and cladding: its sales reached £14,570,000 in 1965, 17.5% of which came from direct exports. It has two continental manufacturing subsidiaries: BTR INDUSTRIES GmbH, Schönenthal b. Gummersbach (formerly at Cologne), which covers the German market, and BTR INDUSTRIES A/S, Copenhagen, for the Scandinavian market. In Britain it is linked 50-50 with STOWE-WOODWARD INC, Newton, Massachusetts, in STOWE-WOODWARD BTR LTD, Glenrothes, Fifeshire (formerly at Farington) which makes cylinder - and roller blankets for the paper industry.

SHIPBUILDING

** Three German shipbuilding companies have begun a process of amalgamation, which is scheduled for completion by the end of 1968: this will create the fourth largest shipyard in the world (the three largest being Japanese). The three firms are DEUTSCHE WERFT AG, Hamburg (see No 339); KIELER HOWALDTSWERKE AG, Kiel, and HOWALDSWERKE AG, Hamburg (see No 356). Deutsche Werft, which employs 6,000 people, has DM 16 million capital, 53% of which is held by GUTEHOFFNUNGSHUETTE AKTIENVEREIN, Nuremburg (see No 339), whose associate in the shipbuilding firm is (with 30%) AEG - ALLGEMEINE-ELEKTRICITAETS GESELLSCHAFT AG, Frankfurt and Berlin (see No 357). The other two companies, with capital of DM 35 million and DM 12.5 million respectively, belong to the West German State (in the case of Howaldtswerke, Hamburg, through the mining and metal group SALZGITTER AG - see No 357). These three yards account for around 40% of all German shipbuilding, and had a total turnover in 1965 of DM 610 million - 396,000 tons were delivered during the year. Between them, they employ 23,000 people.

When merged, they will become DEUTSCHE WERFT AG, Hamburg and Kiel, with capital shared equally between public and private investments. A greater degree of specialisation will ensue, whereby the construction of larger vessels, particularly tankers, will be concentrated at Kiel, whilst ships of small and average tonnage will be constructed in Hamburg: cold-store ships will also be made here, and the refitting yards again concentrated in the one place.

The new company will take over the investments of the three firms, which means it will acquire such interests as: from Deutsche Werft - 50% in DOCKBAUGESELLSCHAFT VORM PHILIPP VON KLITZING GmbH, Hamburg, and 60% in SIMPLEX TURBULO MARINE CO LTD, London; from Howaldtswerke Hamburg, amongst others - a share in MARINE SCHIFFTECHNIK GmbH (see No 356), which was recently formed in Hamburg as a research establishment for hovercraft and warships.

** The Munich plastic and rubber group METZELER AG (see No 347) has expanded its British interests (see No 334). In association with Wm. J. Wardle, Peterborough, it has formed METZELER MARINE LTD (capital £1,000), which will import, market, and manufacture plastic, wood, rubber and fibre-glass boats, rafts and canoes.

Nearly two years ago Metzeler first extended its interests to Britain by gaining control of KAY BROTHERS PLASTICS LTD, Bollington, Cheshire (see No 279), which itself has a majority interest in PLASTIKADE LTD, Dukinfield, Cheshire (plastic foam for cars). A few months ago, Metzeler bought the "Urethan Foam" Department at Woking, Surrey of P.B. COW (INDUSTRIALS). LTD.

** ALLIANCE MACHINE CORP, Alliance, Ohio, (see No 127) has formed THUNDERBIRD PRODUCTS ITALIA SpA, Quarto Altino, Venezia, which will manufacture small boats and pleasure-craft in fibre-glass and similar materials. The new company is run by Sig. A. Gianquinto with Lire 1 million capital, which the board (Messrs M. Lewis, R. Genth, and F. Weiss) can increase to Lire 200 million.

The American group, whose interests are widely diversified, a few years ago signed a licence and technical cooperation agreement with ATELIERS BELGES REUNIS - A.B.R. SA, Petit-Enghein, (a member of the EMPAIN group through ELECTROAIL SA, Brussels). Under this, Ateliers Belges has a licence to make and sell travelling cranes and gantries for industrial use.

TEXTILES

** After taking over the ready-mades manufacturer STE COTONNIERE DE KAYSERSBERG SA, Rouffach, Haut Rhin (capital Ff 1.4 million, president M. A. Matter) VESTRA-UNION SA, Paris (president M. Ch. Friedrich) has increased its capital from Ff 10.4 million to Ff 10.9 million.

** APELDOORNSE NETTENFABRIEK VON ZEPPELIN & CO NV, Apeldoorn (fibres and cords made from jute, nylon and other natural and synthetic materials - see No 305) is to be taken over by a similar firm, NV NEREENIGDE TOUWFABRIEKEN, Rotterdam (see No 345).

Von Zeppelin (authorised capital Fl 7.5 million) exports around 85% of its output. It has several foreign interests, particularly in Belgium (ANZA GELBIE NV, Ostend - see No 247), in South Africa (40% in APELDOORN-LIGHTHOUSE NET & TWINE (PTY) LTD), and in Portugal (30% in LUSANDESA-FABRICA LUSO-HOLANDESA DE REDES Srl, Lisbon). Nereenidge Touwfabrieken (authorised capital Fl 30 million) is linked with German interests in a factory making sisal binding twine at Dar-es-Salaam, Tanzania. It recently sold two wire-cable companies to the NV LIPS group in Drunen: these were NV NEDERLANDSE KOPERENBUIZENFABRIEK, Rotterdam, and NEDERLANDSCH FRANSCHE METAALWARENINDUSTRIE NEFRA NV, the Hague.

TRANSPORT

** The Dutch international transport company INTERLIMBURG NV, Venlo (president M. G. Helmes) has extended its interests to France with the formation of INTERLIMBURG-FRANCE - TRANSPORTS INTERNATIONAUX, Paris (capital Ff 70,000). M. G.Helmes has a 71.4% interest, M. M. Helmes a 14.3% interest and the remainder of the capital (14.3%) is held by the manager, M. W. Gamain.

VARIOUS

** ASTOR NV, Ghent, has been formed as a marketing company for equipment, domestic appliances, ovens and cookers, with M. E. Eggs as manager. The new company has Bf 500,000 capital, and Messrs K.E. Pfister, Vica, Morcote, Switzerland and M. R. Indermaur have each supplied nearly half.

M. M.R. Indermaur owns ASTORIT AG, ASTOR KUECHEN & MOBELBAU, MAX INDERMAUR AG, all of Zurich and the recently formed ASTOR INTER AG (capital Sf 100,000) of Zug.

** The German entertainments group (books, records, cinema, television and shows) C. BERTELSMANN VERLAG, Gütersloh (see No 349), which is run by Herr R. Mohn, has strengthened its links with the Austrian book club BUCHGEMEINSCHAFT DONAULAND, KREMAYR & SCHERIAU oHG, Vienna, by acquiring a 40% shareholding. The German group already has two Austrian subsidiaries, C. BERTELSMANN GENERALVERTRETUNG FUER OESTERREICH GmbH, Salzburg and ARIOLA SCHALLPLATTEN GmbH, Vienna.