



# *Opera Mundi* **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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## THE WEEK IN THE COMMUNITY

May 23-29, 1966

From our Correspondents in Brussels and Luxembourg

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## THE COMMON MARKET

## EEC Agriculture: More Ups and Downs

The Common Market Agricultural Ministers continued their "relay marathon" from May 25-27. As usual, no decision was reached on any of the main issues (fruit and vegetables, sugar, milk, and the world grain policy). At the same time considerable headway was made on some of these problems although on others no progress at all was made. There would be nothing further to add if the Six had not agreed to stick to a fixed timetable, which affects any effective application of the agricultural finance agreement with its various by-laws and consequently the final relaunching of the EEC. The ministers' latest talks only served to confirm that the agreement in question, on which France is so set, will stay on paper until her partners' own requirements are met. "Synchronisation" is now more than ever the order of the day.

And that is very probably the reason why the Italian delegation is waiting for an arrangement on fruit and vegetables before giving official government approval to the compromise on the finance regulation. It was reckoned that Rome would approve about the middle of June. However, on June 13 and 14 the Agricultural ministers will again be discussing fruit and vegetables and it is felt that a decision will be reached by then. Some progress has been made in this direction. First of all, it has been generally agreed that producers should be encouraged to form groups in order to regulate a sector which is in many places still highly disorganised and liable to all kinds of disruptive practices. It has also been agreed that these groups should receive some form of initial aid either from national or possibly from Community sources. Should they also receive capital assistance, since they will be required, in some cases, to support the market? This point was raised by the French delegation, which once again went to great lengths to find compromise solutions acceptable to both the "North" and "South" of the Community.

Although the EEC Council has made little or no progress on export drawbacks for fruit and vegetables, the position on internal subsidies on the EEC home market has softened slightly, on the basis of the new suggestions put forward by the Commission. The problem was to strike a balance between the Italian point of view, which meant the application of automatic market support like that for grain, and that of the Dutch and Germans, who advocated limiting this support to cases of serious crisis. The system which the Commission has now put forward is distinguished by its complexity but this only reflects the complexity of the problem itself.

The entire system is to be based on the normal market price, which will be calculated on prices operating over a certain period in the surplus production areas of the EEC: so the normal price will not be excessive. If this price falls by a certain percentage it will reach the level of "a withdrawal price" after which the production groups can support the market with their own funds. If a further fall occurs, this eventually leads to a "pre-crisis price" after which the producers will receive Community aid to strengthen their action in the market. If this again is ineffective, the next stage is the "crisis price" which justifies automatic Community support in favour of both of the producer groups and producers which have not formed themselves into groups. The trend seems to be towards an organization of this kind, although some of the delegates are critical insofar as they consider that the system neither encourages producers to regroup nor promotes voluntary organization of production. A lot will depend on the levels at which these various prices are fixed and here the discussions are likely to be stormy again, as the Italians will certainly put up a strong fight.

Another element of the negotiations where this question of synchronization comes into play, this time on the part of France, is the world agreement on grain. M. Edgar Faure is still rejecting the proposals of the Commission and of his partners on the financing of market outlets for world surpluses by the countries which have exceeded their supply quotas. The Dutch delegate Mr. Biesheuvel has labelled the French attitude an "obstruction" which in his opinion is also a contradiction of certain prior undertakings. If Paris does not keep to them, The Hague can not see why the compromise on the finance regulation should be binding. It is likely that here M. Faure will do his best to avoid dropping a card which his opponents would be very happy to pick up. Despite the compromise on May 11, it is clear that the Six are not prepared to give anything away...

\* \* \*

#### M. Spaak Speaks on Europe and Nato

During his speech at Nivelles on April 26, M. Paul-Henri Spaak, the former Belgian Foreign Minister, said that if the Nato Crisis continued to worsen, it could not but resurrect the Common Market crisis, this time to end in absolute stalemate. For M. Spaak, the construction of the Economic Community, with all it implies cannot continue much longer if the Six pursue their divergent, if not contradictory foreign policies. He asked how one could possibly visualize a Community where one partner is an ally of the USA, and another is allied with the Soviet Union.

M. Spaak used very harsh words to describe both the presentation and the basis of France's Atlantic policy. For him, this "irresponsible" policy would end in disaster if it found other supporters, and one of its most disturbing results would be to turn West Germany into Washington's most powerful European ally. The former Belgian Minister's Nivelles speech immediately caused some to say that he "was rejecting any idea of taking over from M. Hallstein, as president of the future European Commission". Even if M. Spaak was a candidate for the post (and he has always denied it), his remarks were not, on the face of it, guaranteed to curry favour with Paris.

It is far more likely that M. Spaak had other and more serious ideas in view. Last year, during the crisis of June 30, his first preoccupation had been to ensure a common front amongst the Five, a vital prerequisite to a reconciliation. Today he is trying to form a similar common front amongst the Fourteen. He may no longer be a Minister, but this does not diminish the importance of his role. As each day passes it seems more likely that Belgium will be called upon to receive the majority of Nato's institutions when they leave France. If Belgium were to refuse them, the crisis could well grow worse. But the transfer of Nato's civil and military bases to Belgium may well provoke local opposition. Although this would be basically emotional, it could be exploited by extremists, especially now, when internal politics are facing a rough passage. The strongest opposition would probably come from the Socialists, where both the Left-Wing and the Walloons are extremely active.

There are good grounds for thinking that M. Spaak was silencing critics from his own party, so as to prevent it from finally opposing Nato's transfer to Belgium, which would be a cruel blow to his own international prestige. He also called for a European political union (on condition that the Atlantic crisis is solved), as an indispensable part of the Economic Community - a view not frowned upon in Paris.

\* \* \*

#### Mobility of Labour

The Commission's annual report on the free movement of workers for last year brings to light the following facts:

- 1) A large increase, compared with 1964, in foreign workers in member-States suffering from a labour shortage (563,000 as against 478,000 for the first nine months of the year).
- 2) The supply of workers from countries outside the Common Market (351,000) is well above the internal Common Market figure (212,000), but the latter figure is 44% above that for 1964. Italians make up 90% of the internal figure.
- 3) A slight decrease in the requirements of member-States suffering from a labour shortage is expected for this year (between 500,000 and 550,000 full-time workers). Italy will be able to supply 55,000 qualified workers, 65,000 skilled workers and 80,000 unskilled workers.

These figures prove that the Common Market has not caused the "mass migrations" which were feared at the outset, since if Italy is excluded, migrating workers form about 0.05% of the total Community labour force. s

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## ECSC

## The High Authority Floats a \$ 15 Million Debenture Loan

Luxembourg: The High Authority has just floated another debenture loan amounting to \$ 15 million on the European capital market. The issue of the loan has been guaranteed by a banking consortium headed by the Banca Commerciale Italiana, and includes several other Community banks, as well as British and American ones. The following are the conditions attached to the loan:

Amount: 15 million dollars

Term: twenty years

Interest Rate: 6.5%

Issue Price: 99.5%

For the time being, only the London and Luxembourg Stock Exchanges will be asked to quote the debentures.

This is the fourth debenture loan that the High Authority has undertaken this year, which brings the volume of 1966 loans to 83 million units of account. If we compare this record with that of the whole of 1965, when only three loans - a total of 54.3 units of account - were floated, we can only conclude that the High Authority is redoubling its activities in the financial field. The High Authority itself maintains in its report that 1965 was a quiet year in the main as a result of measures taken by the American Government, which made for a very strained situation on the capital market. When the Interest Equalization Tax was enforced by the American Authorities in 1963, the New York capital market became all but a closed shop, as far as European borrowers were concerned. The authorities in the USA, however, have also taken other steps with the result that a great many American firms have financed investment by their European subsidiaries, not in the USA but in the European capital markets.

This trend has brought with it the return by these same companies of some of their liquid assets to the USA. Other rulings by the American Authorities have had the effect of limiting strictly the granting of overseas loans by American banks. Lastly, the High Authority notes the appearance of new forms of investment (mainly in the guise of convertible debentures), which at various times have hampered more normal types of investment practices.

Interested parties in the Community are now setting more store than ever before by investment credits granted by the High Authority out of funds raised from previous loans. Thus, considering how difficult things are in the capital markets open to EEC firms, we can be thankful that the High Authority has proved so successful in resuming its financial activities. It now has in its hands requests for investment credits which far outweigh the funds at its disposal.

\* \* \*

#### Four Sales Organisations for German Steel Proposed

Luxembourg: Heads of the German iron and steel industry gathered in Munich on May 31 and June 1 to put the finishing touches to their preparations for a large-scale operation aimed, on the one hand, at improving the discipline of the internal German steel market, and on the other at ensuring a more rational use of existing production facilities, through the achievement of more economical batches of steel strip than could be produced before.

The scheme will be realised with the formation of four selling agencies. These will farm orders out amongst the firms associated with the scheme, and do so in a way guaranteed to make the utmost use of production capacities. Each agency will be able to offer the complete range of steel strip: specialisation will not therefore follow production, but go according to the geographical situation of the factories.

This pooling of sales under four agencies, which are to ensure distribution of German steel throughout the Community, will probably be followed by the setting-up of a joint organisation to handle exports to non-member countries.

The High Authority's officials will no doubt take kindly to the German scheme, which will call for their approval under Article 65 of the Treaty of Paris (Agreements and Concentrations).

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#### EURATOM

##### Enriched Uranium for a German Reactor

The Euratom Supply Agency has just signed a contract with the US Atomic Energy Commission to buy 970 kg. of enriched uranium at a cost of \$ 7.4 million. The uranium, sold under the USA-Euratom agreement, will be used at the Lingen power station (250 MW) built by Allgemeine Elektrizitaets Gesellschaft. Under this contract, the USAEC has put it to the Euratom Commission, that an "ad hoc" barter arrangement should be drafted for the period up to January 1, 1969, when the USAEC will be able to enrich natural uranium supplied by users. If this proposal is accepted, the Supply Agency and AEG will supply the USAEC with natural uranium in part exchange for the enriched uranium which they will receive.

The Euratom communique also underlines that "in the same way as all nuclear materials supplied or produced within the Community, the fuel supplied under this contract is subject to the Euratom control and security system, which guarantees its use solely for peaceful purposes".

## STUDIES AND TRENDS

## THE COTTON INDUSTRY IN THE EEC AND BRITAIN

## Part III

External Trade in Cotton Goods - The development of the European cotton industry's external trade, if studied over a period of time, shows a regular decline though varying in degree from one country to another: in 1951 Europe exported over 18% of its cotton cloth production, but by 1963 this figure had fallen by half to 9%, although overall production had hardly varied during this period.

The countries most affected by this decline was those who had a considerable trade with their overseas territories, mainly France and Britain: in France cotton cloth exports outside Europe fell from 33% in 1951 to 12% in 1963, whilst for Britain the figures are 27% to 15%. It would be wrong, however, to assume from this that overall European exports are also falling off: over the last ten years there has been a considerable growth in inter-European trade in textiles (and especially cotton), and this has to some extent replaced traditional trading patterns. Thus the total sales of EEC cotton cloth to EEC members and countries outside the Common Market increased by about 30% between 1958 and 1963. The main countries responsible for this development, in order of importance, are the Belgium and Luxembourg Economic Union, France and West Germany. The position in Britain, where no similar change in its trading pattern occurred; no increase, that is, in sales within EFTA, was marked by a 40% decrease in cotton cloth sales between 1958 and 1963.

A similar development took place for cotton thread, but with greater differences, since France nearly trebled its sales of thread. The Italians, although quite important producers of cotton thread, have a limited production of cotton goods.

European imports of cotton thread and cloth have regularly increased more rapidly than exports, even when these were rising, and have continued at a substantial level even when exports were declining: Britain nearly doubled its external purchases of cotton cloth between 1958 and 1963, and her purchases of thread increased by 150% over the same period. Even higher figures (including inter-Community trade) are found for the whole of the EEC, the pattern being followed by all its members, although to a lesser degree in the Netherlands.

It should also be added that the development of the American cotton industry's external sales followed a parallel course to Europe, whilst there was little change in Japanese exports. (See tables I and II).

Under these conditions it is hardly surprising that the trade balance for European countries has declined to such an extent that it is now negative for some of them; this is especially so for Britain, who has imposed few restrictions on imports of cotton cloths and threads from her Commonwealth partners. The overall balance for the EEC (which is calculated by the addition of the positive or negative trade balances



of its members) is much healthier, in spite of a drop of 50% in its cotton trade balance with African and Asiatic countries. But there are important variations from country to country; in 1958, the Italian cotton trade balance was positive, but five years later it was negative, whilst in France the trade balance has fallen, although remaining positive, because of a decline in sales to African and Asian countries, though these are still worth more than her overseas purchases. (See tables III and IV).

Asiatic Competition - This has gradually become a danger for the European cotton industry, because of the low break-even level compared with Western producers. But it would be wrong to imagine that this difference in break-even levels is solely due to the low wages paid in Asiatic countries: in reality there are several other reasons:

1) the high proportion of modern equipment, especially in Hong Kong and Pakistan, where two-thirds of spinning machinery is less than 5 years old.

2) the intensive use made of this machinery: spindles and looms work annually, on average, the following number of hours each South Korea: 6,600 and 6,400. Pakistan: 7,200 and 6,000, Hong Kong: 7,100 and 6,300, Europe: 3,500 and 4,000.

3) much greater amalgamation and integration than in Europe, even extending to the production of finished articles, such as shirts.

4) the existence of concerns with a solid financial basis, able to benefit from medium-term loans, at lower rates of interest than those found in Europe.

Basically, the relative weakness of the European cotton industry, when compared with its Asiatic rivals, is not due to factors which it cannot influence (such as wage-levels), the essential reason is its slowness in modernising itself. And on this point, both governments and the cotton industry in the EEC and Britain are aware of the need for changes, if the industry is to escape from the near-stagnation existing at present.

TABLE I

|                      |      | External Trade in Cotton Thread |        |        |        |        |        |
|----------------------|------|---------------------------------|--------|--------|--------|--------|--------|
|                      |      | (Unit : Tons)                   |        |        |        |        |        |
| Country              |      | 1958                            | 1959   | 1960   | 1961   | 1962   | 1963   |
| West Germany         | Im . | 8,665                           | 10,442 | 19,398 | 18,980 | 19,610 | 20,906 |
|                      | Ex . | 2,401                           | 2,667  | 3,140  | 3,227  | 3,013  | 3,631  |
| Belgium & Luxembourg | Im . | 5,459                           | 6,917  | 8,477  | 11,969 | 10,328 | 13,812 |
|                      | Ex . | 16,733                          | 18,781 | 20,809 | 20,456 | 20,589 | 18,118 |
| Netherlands          | Im . | 12,520                          | 14,847 | 16,680 | 18,759 | 16,318 | 15,750 |
|                      | Ex . | 7,153                           | 8,487  | 9,177  | 8,506  | 8,960  | 11,146 |
| France               | Im . | 311                             | 237    | 321    | 442    | 418    | 851    |
|                      | Ex . | 3,617                           | 6,360  | 11,642 | 16,186 | 12,966 | 9,656  |
| Italy                | Im . | 142                             | 152    | 2,177  | 348    | 661    | 723    |
|                      | Ex . | 14,279                          | 18,722 | 19,789 | 27,684 | 21,066 | 20,285 |
| EEC                  | Im . | 20,097                          | 32,595 | 47,053 | 50,498 | 47,335 | 52,042 |
|                      | Ex . | 44,183                          | 55,017 | 64,557 | 76,059 | 66,594 | 62,836 |
| Britain              | Im . | 6,639                           | 9,766  | 17,531 | 19,833 | 14,475 | 16,227 |
|                      | Ex . | 15,777                          | 14,014 | 13,505 | 10,434 | 9,965  | 9,346  |
| USA                  | Im . | 380                             | 626    | 6,943  | 6,403  | 13,013 | 14,861 |
|                      | Ex . | 7,039                           | 6,852  | 5,899  | 4,126  | 3,934  | 3,458  |
| Japan                | Im . | -                               | -      | -      | -      | -      | -      |
|                      | Ex . | 11,200                          | 11,000 | 39,000 | 21,660 | 17,000 | 14,600 |

TABLE II

|                      |     | External Trade in Cotton Cloths |         |         |         |         |         |
|----------------------|-----|---------------------------------|---------|---------|---------|---------|---------|
|                      |     | (Units : Tons)                  |         |         |         |         |         |
| Country              |     | 1958                            | 1959    | 1960    | 1961    | 1962    | 1963    |
| West Germany         | Im. | 15,705                          | 17,596  | 28,738  | 24,505  | 21,543  | 28,505  |
|                      | Ex. | 20,215                          | 24,269  | 28,482  | 28,288  | 25,462  | 27,068  |
| Belgium & Luxembourg | Im. | 6,076                           | 8,781   | 9,573   | 7,833   | 8,013   | 12,191  |
|                      | Ex. | 19,279                          | 21,836  | 27,423  | 26,620  | 27,691  | 29,482  |
| Netherlands          | Im. | 15,678                          | 21,112  | 24,080  | 26,394  | 17,340  | 21,414  |
|                      | Ex. | 26,828                          | 30,488  | 33,995  | 30,702  | 29,679  | 31,198  |
| France               | Im. | 4,118                           | 2,000   | 3,752   | 5,694   | 5,698   | 9,594   |
|                      | Ex. | 30,886                          | 40,622  | 53,286  | 48,444  | 45,527  | 40,957  |
| Italy                | Im. | 1,944                           | 2,358   | 2,968   | 2,964   | 6,924   | 19,037  |
|                      | Ex. | 11,005                          | 9,083   | 11,705  | 11,307  | 9,275   | 7,130   |
| EEC                  | Im. | 45,521                          | 51,847  | 69,111  | 67,390  | 59,518  | 90,741  |
|                      | Ex. | 108,213                         | 126,298 | 154,891 | 145,361 | 137,634 | 135,835 |
| Britain              | Im. | 56,452                          | 78,782  | 102,651 | 104,404 | 82,215  | 94,673  |
|                      | Ex. | 49,697                          | 45,750  | 42,425  | 38,132  | 31,266  | 29,420  |
| USA                  | Im. | 14,179                          | 25,837  | 51,662  | 31,752  | 57,756  | 60,141  |
|                      | Ex. | 63,498                          | 59,369  | 55,000  | 59,000  | 52,000  | 46,000  |
| Japan                | Im. | -                               | -       | -       | -       | -       | -       |
|                      | Ex. | 128,000                         | 135,000 | 152,000 | 150,000 | 153,000 | 129,000 |

TABLE III

| Cotton Thread Trade Balances for the Main Economic Zones |          |         |          |          |         |          |
|----------------------------------------------------------|----------|---------|----------|----------|---------|----------|
| (Exports - Imports)                                      |          |         |          |          |         |          |
| (Units : Tons)                                           |          |         |          |          |         |          |
| Country                                                  | 1960     |         |          | 1961     |         |          |
|                                                          | I        | II      | III      | I        | II      | III      |
| West Germany                                             | - 11,681 | - 1     | - 4,576  | - 12,715 | - 2     | - 3,035  |
| Belgium & Luxembourg                                     | + 11,917 | + 11    | + 404    | + 9,407  | + 2     | - 921    |
| Netherlands                                              | - 9,274  | + 66    | + 1,705  | - 10,821 | - 1     | + 569    |
| France                                                   | + 5,678  | + 873   | + 4,770  | + 10,717 | + 397   | + 4,630  |
| Italy                                                    | + 12,221 | + 83    | + 5,308  | + 14,955 | + 179   | + 12,202 |
| EEC                                                      | + 8,861  | + 1,032 | + 7,611  | + 11,543 | + 575   | + 13,445 |
| Britain                                                  | - 3,404  | + 1,144 | - 1,766  | - 5,455  | + 1,023 | - 4,966  |
| USA                                                      | - 3,745  | + 2,333 | + 368    | - 4,667  | + 2,166 | + 274    |
| Japan                                                    | + 147    | - 9     | + 38,984 | + 53     | + 16    | + 21,586 |

|                      | 1962     |         |          | 1963     |         |          |
|----------------------|----------|---------|----------|----------|---------|----------|
|                      | I        | II      | III      | I        | II      | III      |
| West Germany         | - 13,623 | - 13    | - 2,961  | - 13,422 | - 1     | - 3,852  |
| Belgium & Luxembourg | + 9,578  | - 1     | + 684    | + 6,654  | + 7     | - 2,355  |
| Netherlands          | - 8,436  | - 2     | + 1,080  | - 5,086  | + 1     | + 481    |
| France               | + 5,832  | + 668   | + 6,047  | + 4,475  | + 128   | + 4,202  |
| Italy                | + 13,636 | + 129   | + 6,640  | + 13,632 | + 86    | + 5,844  |
| EEC                  | + 6,987  | + 781   | + 11,490 | + 6,253  | + 221   | + 4,320  |
| Britain              | - 4,275  | + 1,264 | - 1,499  | - 3,697  | + 1,435 | - 4,619  |
| USA                  | - 7,588  | + 1,842 | - 3,333  | - 9,686  | + 1,574 | - 3,291  |
| Japan                | - 5      | + 25    | + 17,040 | - 1      | + 15    | + 14,579 |

- I - OECD European countries excluding Spain  
 II - North America (Canada and USA)  
 III - Other countries (including Japan and Spain)

TABLE IV

| Cotton Cloth Trade Balances for the Main Economic Zones |          |          |           |          |          |           |
|---------------------------------------------------------|----------|----------|-----------|----------|----------|-----------|
| (Exports - Imports) (Units : Tons)                      |          |          |           |          |          |           |
| Country                                                 | 1960     |          |           | 1961     |          |           |
|                                                         | I        | II       | III       | I        | II       | III       |
| West Germany                                            | - 3,944  | + 791    | + 2,987   | + 623    | + 1,143  | + 2,016   |
| Belgium & Luxembourg                                    | + 11,591 | + 1,641  | + 4,618   | + 13,304 | + 1,897  | + 3,585   |
| Netherlands                                             | + 3,367  | + 378    | + 6,170   | + 1,522  | + 470    | + 2,316   |
| France                                                  | + 13,670 | + 2,341  | + 33,523  | + 12,340 | + 400    | + 30,010  |
| Italy                                                   | + 2,236  | + 2,123  | + 4,378   | + 2,541  | + 2,075  | + 3,726   |
| EEC                                                     | + 26,920 | + 7,274  | + 51,586  | + 30,330 | + 5,985  | + 41,653  |
| Britain                                                 | - 17,489 | - 2,215  | - 40,522  | - 20,322 | - 4,900  | - 41,040  |
| USA                                                     | - 18,300 | + 55,500 | + 21,700  | - 10,700 | + 51,000 | + 34,500  |
| Japan                                                   | - 18,218 | + 12,304 | + 120,989 | + 18,712 | + 13,433 | + 117,786 |

  

| Country              | 1962     |          |           | 1963     |          |           |
|----------------------|----------|----------|-----------|----------|----------|-----------|
|                      | I        | II       | III       | I        | II       | III       |
| West Germany         | + 537    | + 868    | + 2,514   | - 3,401  | + 1,792  | + 172     |
| Belgium & Luxembourg | + 13,452 | + 3,032  | + 3,195   | + 14,152 | + 2,388  | + 751     |
| Netherlands          | + 3,487  | + 671    | + 8,181   | + 5,604  | + 396    | + 3,784   |
| France               | + 11,448 | + 434    | + 27,947  | + 10,844 | - 1,031  | + 21,550  |
| Italy                | - 411    | + 2,023  | + 730     | - 4,364  | - 501    | - 7,042   |
| EEC                  | + 28,512 | + 7,034  | + 42,567  | + 22,835 | + 3,044  | + 18,215  |
| Britain              | - 18,784 | - 3,014  | - 36,151  | - 20,346 | - 2,362  | - 42,545  |
| USA                  | - 20,000 | + 46,300 | + 0,400   | - 15,600 | + 39,600 | - 10,800  |
| Japan                | + 13,445 | + 16,114 | + 123,066 | + 9,634  | + 14,220 | + 104,990 |

I - OECD European countries excluding Spain

II - North America (Canada & USA)

III - Other countries (including Japan & Spain)

| Page |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| D    | AIRCRAFT                     | France: BAC, London and LOUIS BREGUET, Paris form SEPE-CAT, Yvelines to build the "Jaguar" military aircraft.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| D    | AUTOMOBILES                  | Netherlands: THE LEYLAND MOTOR CO reorganizes its Dutch interests.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| D    | BUILDING & CIVIL ENGINEERING | Belgium: ROYAL DUTCH SHELL takes 50% in PARKING CITE, Brussels (garages etc).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| E    | CHEMICALS                    | France: The nationalized part of the French chemical industry begins centralization by forming new general sales company CDF-CHIMIE. In the private sector UGINE and KUHLMANN will merge to form a large new group. Germany: PHILLIPS PETROLEUM and PREUSSAG form 50-50 subsidiary HANNOVER RUSS, Hanover (carbon black). Italy: CELENE, Milan gets licence from PHILLIPS PETROLEUM for manufacture of petroleum additives. The Milan subsidiary of FARBWERKE HOECHST takes over ARSA, San Donato Milanese. Luxembourg: OWEL & CO'S INTERNATIONAL TRUST backs CHEMIELUX, Luxembourg to sell chemical and pharmaceutical products.                                                                          |
| G    | ELECTRICAL ENGINEERING       | Belgium: DELAVAN MANUFACTURING, Iowa, USA (measuring and control equipment) forms Belgian marketing subsidiary. France: SAUNIER-DUVAL, Paris transfer its "Public Lighting" Division to VALOISIENNE DE CONSTRUCTIONS, Aisne in exchange for a 20% share. The German HAGENER KUEHLANLAGEN (refrigerators etc) forms K.D. FROID & CLIMATISATION; Lyons (sales). Netherlands: The British VACTRIC CONTROL EQUIPMENT and ROTRON. MANUFACTURING, New York form 51-49 joint subsidiary at Breda (manufacture and sales). The Essen subsidiary of HEINRICH ENGELS forms IMEX NEDERLAND, Bergen and then renames it ALLECTRIC NEDERLAND (sales of domestic appliances etc).                                        |
| H    | ELECTRONICS                  | Belgium: SATCHWELL, GRIGSON PAGE, St Josse-ten-Noode (heating etc) credits Fl 3.77 million to its parent company ELLIOTT AUTOMATION NEDERLAND, Luxembourg on behalf of sister firm SATCHWELL NEDERLAND. Britain: MTE CONTROL GEAR, Leith, Essex becomes British agent for CEA PEREGO, Milan numerical control equipment. France: SOURIAU, Boulogne (electronic components) takes over ETS GUY DANQUIGNY, Colombes, Hauts de Seine (connectors). GEBRUDER GRIESHA-BER, Wolfach, Germany has 50% in new Paris sales firm VEGA TECHNIQUE (gauges etc). The Paris subsidiary of STA GENERALE SEMICONDUOTTORI, Agrate Brianza appoints EUROPELEC Clayes-sous-Bois agent for its electronic components. Germany: |

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The American aeronautical and space engineering group HUGHES AIRCRAFT buys 23% in ELEKLUFT, Bad Godesberg from TELE-FUNKEN, Berlin. Switzerland: LEAR JET, Kansas, USA forms Geneva sales company (electrical and electronic equipment).

## J ENGINEERING &amp; METAL

Austria: CONTARDO, Milan (heating and refrigeration) forms Vienna subsidiary. CONTINENTAL ORE, New York (metal and mining) increases its share in CONTINENTALE DES MINERAIS, Paris. The Saar metallurgical group NEUNKIRCHEN EISENWERK is merging its French commercial interests. ETS ARBEL, FRANCO-BELGE DE MATERIELS DE CHEMIN DE FER and H.K. PORTER-FRANCE sign agreement for railway equipment. NORDBERG MANUFACTURING, USA will make and sell turbines from HISPANO AL-SACIENNE, Bois Colombes. Four French rolling-stock firms: FRANGECO, CIMT-LORRAINE, CODER and NOUVELLE DES AT-ELIERS DE VENISSIEUX are to pool their commercial resources. Germany: The French company SAVIEM (lorries, coaches etc) strengthens its links with MAN, Germany (engines). Germany: AIRFLOW DEVELOPMENT, High Wycombe, Bucks (ventilation) forms German marketing subsidiary.

## L FINANCE

Belgium: ELECTRO-RAIL, Brussels will increase its capital to Bf 800 million when it takes over three other EMPAIN group companies. France: L'IMMOBILIERE-CONSTRUCTIONS DE PARIS makes over its banking interests to SEFFICO, Paris and becomes investment company. Within the BANQUE FRANCAISE group, CIE FRANCE NAVIGATION takes over CONSORTIUM DU NORD and SIFCO. PREUSSAG, Hanover becomes majority shareholder in the French company ALGECO through its subsidiary VTG, Hamburg. GENERALE INDUSTRIELLE POUR LA FRANCE & L'ETRANGER, Paris increases its capital on taking over SOFEPAR, Paris. Luxembourg: Eleven international banks subscribe capital increase of EUROPEAN ENTERPRISES DEVELOPMENT, Luxembourg.

## N FOOD &amp; DRINK

Belgium: IMPORT BOTTLERS, Brussels will now be known as BASS IMPORT BOTTLERS to reflect the controlling interest of the British brewery BASS, RATCLIFF. France: MATTH. HARZHEIM, Cologne (beer) forms French subsidiary. The French interests of the British group CEREBOS complete merger. Netherlands: DI GI-ORGIO-CORP, San Francisco (soft drinks, fruit-juices etc) and TUDO NV form SUNNYLAND NV' Dongen to process and sell orange juice. SCIPIO, Bremen (food import-export) forms Rotterdam import company.

## O GLASS

Netherlands: CORNING GLASS, New York renames its Groningen subsidiary CORNING PYROFLAM NV ("Pyrex" household glass).

- O INSURANCE France: ROYALE BELGE INCENDIE -REASSURANCE opens Paris branch .
- O OIL, GAS & PETROCHEMICALS Germany: VALVOLINE RITZ, Hamburg takes 10% in AG FUER ERDOELPRODUKTE, Hamburg. PRIMAGAZ, Paris takes over WESER -PROPANHANDELS, Bremen and takes share in KOSANGAS, Hamburg. Netherlands: Three Dutch shipping and storage companies form EUROGAS TERMINALS, Rotterdam (storage of natural and liquid gas).
- P PLASTICS Italy: BORG WARNER, Chicago forms Milan marketing subsidiary. Netherlands: THE STANDARD OIL CO, Cleveland, Ohio and STA-ATSMIJNEN IN LIMBURG will form joint manufacturing subsidiary for acrylonitril at Geleen, Netherlands .
- Q RUBBER Germany: CONTINENTAL GUMMI-WERKE AG HANNOVER takes 50% in 95% subsidiary of FELTEN & GUILLEAUME KARLSWERK, Cologne . Italy: The American rubber and tyre group B.F. GOOD-RICH forms Milan sales subsidiary .
- Q TEXTILES France: Two Dutch sister companies ANDEX and CONTRIMIJ form ANDEX -FRANCE to market textile products . Netherlands: The Danish furnishings firm DENBO forms Dutch sales subsidiary .
- R TOURISM Luxembourg: SCHNEIDER & CIE and BANQUE INTERNATIONALE A LUXEMBOURG form holding company FINATOUR, Luxembourg .
- R TRADE Belgium: Three Soviet state organisations back BELSO, Brussels (sales of Russian equipment and goods).
- S TRANSPORT Belgium: The transport group VELDER, Frankfurt backs new agency in Antwerp for its subsidiary CARL PRESSER, Frankfurt . Netherlands: The Dutch transport group FURNESS and the chemical group CINDU form TANKER TRANSPORT SERVICES, Rotterdam . The British international vehicle carriers RUTHERFORD BROS form Rotterdam subsidiary .
- S VARIOUS France: The British company TECHNOVISION (ELECTRICAL PRESS group) and INTER G, Paris will form joint French subsidiary to promote the former's educational systems in France and Spain. MANNHEIMER MASCHINENFABRIK MOHR & FEDERHAFF, Mannheim (cranes etc) forms French sales company . Germany: The Belgian office equipment makers DESOER form Düsseldorf sales subsidiary . Netherlands: ALGEMENE BANK NEDERLAND, Amsterdam forms subsidiary for credit recovery, insurance etc . Switzerland: The Belgian scaffolding import-export concern VECTUR opens Lausanne branch .



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| AIRCRAFT |
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\*\* STE EUROPEENE DE PRODUCTION DE L'AVION ECAT-SEPECAT SA, Villacoublay Yvelines (capital Ff 100,000) has been formed to organise the building of the Anglo-French military aircraft "Jaguar" (see No 359). Mr A.H.C. Greenwood and General H. Ziegler are co-founders of the new company, which has resulted from the agreement made by the two concerns in charge of the project, BAC-BRITISH AIRCRAFT CORP LTD, London, and STE DES ATELIERS D'AVIATION LOUIS BREGUET, Paris.

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| AUTOMOBILES |
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\*\* THE LEYLAND MOTOR CO. LTD, Leyland, Lancs (see No 332) has reorganised its Dutch interests. Its manufacturing subsidiary AUTO INDUSTRIE VERHEUL NV, Gouda (capital Fl 2 million - see No 307) has become LEYLAND MOTOR CORP (NEDERLAND) NV, whilst the administration company LEYLAND-TRIUMPH (HOLLAND) NV, Aalomeer (see No 232) has moved to Gouda (with branches in Amsterdam and Rotterdam) and its name has been changed to BESTUURSMIJ.LEYLAND NV. A third subsidiary, wholly-owned by the new Leyland Motor Corp (Nederland) has been formed with a capital of Fl 10,000, under the name of CARROSSERIEFABRIEK VERHEUL NV, with Messrs J.W. Shirley, A.C. Brooking, W. Smith and Sir Donald Stokes as directors.

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| BUILDING & CIVIL ENGINEERING |
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\*\* As a result of the split-merger being carried out within the Belgian group ETERNIT (see No 358) the group's investment subsidiary STE FINANCIERE BELGE DE L'ASBESTE CIMENT SA, Brussels will increase its capital to Bf 2,500 million on taking over ETERNIT SA, Kapelle-op-den-Bos and will change its name to STE FINANCIERE ETERNIT SA.

\*\* ROYAL-DUTCH-SHELL (see No 339) has taken a 50% interest, through two of its Brussels subsidiaries, BELGIAN SHELL CO SA and SHELL IMMEUBLES BELGES SA, in forming PARKING CITE SA (capital Bf 2 million). The new company will build garages and service stations in Brussels. The other 50% is held by CONSORTIUM DE PARKINGS SA (see No 356) represented by the president, M. C. de Pauw and one of the directors, M. D. de Clerc. The new company's capital comes from four companies within the Consortium de Parkings: PARKINGS ALBERTINE & BOTANIQUE SA, PARKING 58 SA and PARKING SAINT-SAUVEUR SA, all of Brussels, and NV PARKING MEIR, Antwerp (see No 352).

Belgian Shell (president M. J.A.P. Montijn, capital Bf 615 million) is controlled by NV DE BATAAFSE PETROLEUM MIJ, the Hague (52.4% interest), NV NEDERLANDSE INTERNATIONALE INDUSTRIE & HANDEL MIJ, also of the Hague, (24.9% interest) and the SHELL PETROLEUM CO LTD, London (20%). The balance is held by NV PETROLEUM ASSURANTIE MIJ., NV LIGHT & KRACHT MIJ SHELL NEDERLAND VERKOOPMIJ.NV, and DORDTSCHER PETROLEUM MIJ, all of the Hague.

## CHEMICALS

\*\* An agreement has been signed in Italy between CELENE SpA, Milan and Palermo, and PHILLIPS PETROLEUM CO, Bartlesville, Oklahoma, giving the former a world licence for the manufacture and sale of "Pfa 55" anti-freeze and petroleum additives. Celene is an affiliate of UNION CARBIDE CORP (see No 323) and of the MONTECATINI EDISON SpA group (as part of the former EDISON group). With Lire 10,000 million capital, it produces a wide range of petrochemical derivatives (polyolefines, high pressure polyethylenes at Priolo, Syracuse, ethylene oxide, ethyl alcohol etc).

\*\* The holding company OWEL & CO'S INTERNATIONAL REGISTERED TRUST CO AG, Schaan, Liechtenstein (controlled by the Dutch industrialist Mr Hendrik J. Owel - see No 357) has backed the formation of CHEMIELUX GmbH, Luxembourg (capital Lux F. 100,000) to sell chemical and pharmaceutical products. This company is controlled by UNION-MARKET NV, The Hague in association with the Luxembourg subsidiary of the Schaan holding company (see No 296) which has a minority share.

The latter (capital Lux F 1 million) has two other companies in the group as minority shareholders: SAIRIN & CO Vgn, Antwerp and TRANSITO-INTERNATIONAL GmbH, Luxembourg. The Owel group specialises in international trade and has a Belgian subsidiary DREIE-CKHANDELS GmbH, Dolhain-Limburg, which recently opened a Swiss branch at Buchs, St Gallen.

\*\* The first move towards centralizing the state-owned part of the French chemical industry is the formation of a general sales company (except fertilizers) CDF-CHIMIE (expected initial capital Ff 5 million). The equal shareholders of the new company include:

- CHARBONNAGES DE FRANCE, Paris and its wholly-owned subsidiaries HOUILLERES DU BASSIN DU NORD & DU PAS-DE-CALAIS, Douai (see No 344) and HOUILLERES DU BASSIN DE LORRAINE, Merlebach, Moselle (see No 341);
- HUILES, GOUDRONS & DERIVES SA, Paris (see No 230) and FINALENS-STE INDUSTRIELLE & FINANCIERE DU LENS SA, Lille. These two are 50% subsidiaries of HOUILLERES DU BASSIN DU NORD & DU PAS-DE-CALAIS (the former in association with PRODUITS CHIMIQUES PECHINEY-SAINT-GOBAIN SA (see No 351) which owns 8.5%.

CDF-Chimie, which should be operating by October 1966, will sell part of the production of the subsidiaries of Huiles, Goudrons & Derives, especially that of ETHYLENE-PLASTIQUE SA, Douai (see No 305) in which Produits Chimiques Pechiney Saint Gobain and L'AIR LIQUIDE SA own respectively 31.4% and 17.5% - and STE NORMANDE DE MATIERES PLASTIQUES SA, Lillebonne, Seine Maritime (see No 230) in which FARBWERKE HOECHST AG, Frankfurt owns 33%.

\*\* A merger, which has just taken place in Italy, is going to benefit the Frankfurt group, FARBWERKE HOECHST AG (see No 358). HOECHST EMELFA SpA, Milan has taken over AZIENDA CARTE SENSIBILI & AFFINI - ARSA SpA, San Donato Milanese. Hoechst Emelfa (formerly EMELFA CHIMIE Srl), whose president is Sig E. Avanzini, recently increased its capital to Lire 800 million: it has been the representative and distribution agent

for the Frankfurt group in Italy since March 1953, when Sig Avanzini acquired these rights for Emelfa, in which Hoechst became a shareholder in 1954.

\*\* A merger is envisaged in the private sector of the French chemical industry (as opposed to the one involving the organic chemical interests of CHARBONNAGES DE FRANCE which is state-owned - see below) between STE D'ELECTRO-CHIMIE & D'ELECTRO-METALLURGIE & DES ACIERIES ELECTRIQUES D'UGINE SA (see No 356), its 29.09% subsidiary STE DES PRODUITS AZOTES SA (see No 333) and ETS KUHLMANN SA (see No 349). Certain aspects of the operation, mainly those concerning the internal set-up of the resulting group, are still under consideration but it has now been confirmed that the first of these three will become UGINE-KUHLMANN after taking over the other two. The new group, which will have a joint turnover of around Ff 3,800 million (1,960 million for UGINE and 1,410 million for Kuhlmann) will be concerned with chemicals (60% of business) and special steels and alloys (40%). In France it will be the second largest concern in the sector behind RHONE-POULENC SA and will be closely linked - through joint subsidiaries - with several large private groups both in France (PROGIL, NOBEL-BOZEL, PECHINEY-SAINT-GOBAIN, L'AIR LIQUIDE) and abroad (BASF, UNION CARBIDE, VIEILLE MONTAGNE, DU PONT DE NEMOURS, FARBEN-FABRIKEN BAYER, AMERICAN POTASH & CHEMICAL CORP, WYANDOTTE CHEMICALS, H.M. HARPER CO, ASSOCIATES OCTEL CO LTD, etc), and also with Charbonnages de France. On the foreign market, it will occupy a commanding position both through the plants which it runs directly (mainly those at Rieme and Selzaete in Belgium belonging to Kuhlmann) and its subsidiaries and sub-subsidiaries (through LE CARBONE LORRAINE - see No 354; STE CHIMIQUE DE GERLAND - see No 300, etc).

UGINE has its own factory at Vallorbe in Switzerland and several subsidiaries or holdings abroad: STE BELGE DES ACIERIES D'UGINE SA, Uccle, Brussels; STE INDUSTRIELLE DE L'ALUMINIUM-SIDAL SA, Brussels and LAMINOIRS DE L'ESCAUT SA, Burcht-lez-Anvers (both through L'ALUMINIUM FRANCAIS SA, Paris); CAFFARO-SOC PER L'INDUSTRIA CHIMICA & ELETTROCHIMICA SpA, Milan; UGINE-STAHL VERKAUFLAGER AG Zurich; DANAU CHEMIE AG, Vienna (through NOBUGIL SA, Paris); ALUMINIUM DE GRECE SA, Athens (through STEFRANCAISE POUR LE DEVELOPPEMENT DE L'ALUMINIUM EN GRECE SA, Paris); PACIFIC CHEMICAL INDUSTRIES - PCI, Parramatta, Sydney; UGINE-QUIMICA DE HALOGENOS - UGIMICA SA, Zaramillo, Biscay; CIE CAMEROUNAISE D'ALUMINIUM PECHINEY-UGINE - ALUCAM SA, Edea; SOCATRAL-STE CAMEROUNAISE DE TRANSFORMATION DE L'ALUMINIUM SA, Edea, etc.

Kuhlmann which paved the way for the project last year by taking over CIE BORDELAISE DE PRODUITS CHIMIQUES SA (see No 317) - has branches in Brussels, London and New York and a large network of foreign representatives including mainly companies controlled from Düsseldorf (FARBEN & CHEMIKALEN FRANCOLOR GmbH), Milan (FRANCOLOR ITALIANA SpA) and Baarn (see No 338); also in Britain (PATCO CHEMICALS LTD, Bolton, Lancs) and Brazil (CIA SUPERFOSFATOS & PRODUCTOS QUIMICOS, Rio de Janeiro). The group also has interests in Morocco (CHERIFIENNE D'ENGRAIS & DE PRODUITS CHIMIQUES, Casablanca), Belgium (AUXILIAIRE DE L'AZOTE-SADELAZ SA, FOURS A COKE DE SELZAETE SA and STE DES GELATINES HASSELT & VILVORDE SA), Chile (QUIMICA SUD AMERICANA SA), Switzerland (LES FILS D'EDOUARD GEISLICHT POUR L'INDUSTRIE CHIMIQUE), Brazil (CIA FRANCO BRASILIENNE DE ANILINAS), Canada (ENGRAIS SAINT-LAURENT LTD), etc.

\*\* PHILLIPS PETROLEUM CO, Bartlesville, Oklahoma, and PREUSSAG AG, Hanover (see No 344) have now formed HANNOVER RUSS GmbH, Hanover, as the 50-50 joint subsidiary for manufacture of carbon black they decided recently to form in the Anderten district. The new firm, with DM 9 million capital, is managed by Messrs O.K. Austin, Bartlesville; R.J. Hull, Zurich, and W. Haase and G. Sassmannshausen of Hanover.

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| ELECTRICAL ENGINEERING |
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\*\* VACTRIC CONTROL EQUIPMENT LTD, Morden, Surrey (electrical appliances and equipment) has signed a new agreement with ROTRON MANUFACTURING CO INC, New York for the manufacture and sale within the Common Market of electric meters, instruments for controlling and regulating liquids and gases. ROTRON EUROPA NV, Breda has been formed by both groups, and 51% of the capital (Fl 2,150,000) is held by the British concern, which is represented on the board by Messrs M.C. Walker and J.C.R. Prichard. Vactric is a member of THE NEWS OF THE WORLD ORGANISATION LTD.

Rotron Manufacturing has a London associate ROTRON CONTROLS LTD, (factory at Rochester, Kent), which is controlled by ELLIOTT BROTHERS LONDON LTD (part of the ELLIOTT AUTOMATION LTD group - see below), and it has a 40% interest in ROTRON VACTRIC EUROPE LTD. Its associate in Vactric Europe, Vactric Control Equipment, recently signed a reciprocal representation agreement with PRECILEC SA, France (small engines and electromechanical and electronic equipment). UNITED AIRCRAFT CORP, East Hartford, Connecticut has a 20% interest in Precilec.

\*\* SAUNIER-DUVAL SA, Paris (see No 337) is making over its "Public Lighting" division to CIE VALOISIENNE DE CONSTRUCTIONS INDUSTRIELLES SA, Crouy, Aisne in return for a 20% interest in the latter. The remaining interests in Cie Valoisienne are held by RESSORTS DU NORD SA, Levallois-Perret, Hauts-de-Seine (see No 111), an affiliate of DENAIN-NORD-EST SA, which is becoming DENAIN-NORD-EST-LONGWY (see No 354). Saunier-Duval carried out lighting schemes for the Autoroute du Nord, for several areas of Paris, as well as for various large towns, Lyons, Nice, Saint-Etienne, Rennes and Tel-Aviv.

\*\* DELAVAN MANUFACTURING CO, Des Moines, Iowa (measuring, control and regulating heads and instruments for injection, vaporisation, pulverisation and crushing processes in both industry and agriculture) has acquired a direct interest in the Common Market by forming a marketing subsidiary in Belgium. The new offshoot (capital Bf 500,000) is at Saint Nicolas, Brussels, and is called DELAVAN NV: it is directed by Mr F.J. Jeths of Bergen, Netherlands.

The American company also makes signalling apparatus, ultrasonic controls, and mechanical and automatic gauges for showing process overloads, balances and starvations in such industries as oil and chemicals. It already has numerous exclusive agents and distributors in the Common Market: COMPTOIRS IMEX FRANCE, Montreuil, Seine; HUBERT GROENER, Stuttgart etc... and in Britain has a licensee, WESTOOL LTD, Bishop Auckland, County Durham. Since early 1965 it has had a controlling interest in H.T. WATSON LTD, Widnes, Lancs, which thus became its subsidiary with the name DELAVAN WATSON LTD, with Mr N.M. Watson as director.

\*\* K.D. FROID & CLIMATISATION Sarl, Lyons (manager Mme J. Richard - capital Ff 10,000) has just been formed by the West German concern HGENER KUEHLAN- IAGEN, Hagen, to organise the sales in France of its refrigerators, industrial and domestic air-conditioners, and sanitary appliances.

\*\* IMEX NEDERLAND NV (capital Fl 50,000) was recently formed at Bergen, Netherlands by the Essen company SOLL & HABEN ENGELS KG, which is itself a subsidiary of the domestic appliances firm HEINRICH ENGELS ELEKTROGROSSHANDEL GmbH, Essen. The new Bergen company, immediately renamed ALLECTRIC NEDERLAND NV, is a sales subsidiary and wholesale representative. It is managed by Messrs K. Engels and R. Engels, who head the parent company: this runs a factory at Essen-West making radio and TV sets, washing machines etc, has depots at Duisburg and Wesel, and holds shares in ELTKONTOR GmbH, Köln-Lindenthal.

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| ELECTRONICS |
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\*\* M.T.E. CONTROL GEAR LTD, Leith on Sea, Essex, (see No 203) has signed an agreement with CEA PEREGO-COSTRUZIONI ELETTRONICHE AUTOMATISMI & TELECOMUNICAZIONI SpA, Milan (see No 237) and has thus become its exclusive British representative for CEA's numerical control equipment.

CEA is a member of the MONTECATINI-EDISON SpA group, Milan (as it was a subsidiary of EDISON) and it is the agent and distributor for the American concern, BAILEY METER CO, Wickliffe, Ohio which has a British associate, BAILEY METER & CONTROLS LTD, Croydon, Surrey. CEA specialises in electric and electronic controls, automatic and telecommunications equipment, and is linked with CSI-CALCOLATORI SCIENTIFICI INDUSTRIALI SpA, Milan (see No 259) operating in the field of data-handling and process control. The French group CSF is an indirect shareholder in CSI.

\*\* SATCHWELL, GRIGSON PAGE SA, St-Josse-ten-Noode (heating and valve control and regulation equipment - see No 337) is going to credit its mother company ELLIOTT-AUTOMATION CONTINENTAL SA, Luxembourg (see No 341) with Fl 3.77 million - a debt from a sister company, SATCHWELL NEDERLAND NV, Amsterdam, formed last November by ELLIOTT-AUTOMATION NEDERLAND NV, the Hague. The latter is controlled by ELLIOTT-AUTOMATION LTD, London (which recently formed a new British subsidiary, with £100 capital; ELLIOTT-AUTOMATION INTERNATIONAL LTD). The additional credit will mean an increase in the Luxembourg holding company's capital to Lux F. 845 million.

Elliott-Automation Nederland recently took over the Dutch group JONGSTRA (see No 341) and its subsidiaries in Austria, Denmark, and West Germany, which until then were the European representatives for another of Elliott's British subsidiaries, SATCHWELL CONTROLS LTD, Slough, Bucks (air and liquid control systems), such that the latter can now control its sales throughout the Common Market. As a result of this move, M. Z.K.E. Jongstra has joined the board of Satchwell, Grigson Page SA. The minority shareholders of this company are Elliott-Automation Nederland NV, GODART NV, De Bilt, SATCHWELL REGEL-TECHNIK GmbH, Dusseldorf, ELLIOTT-AUTOMATION, Egenbuettel, GODART GES FUER ELEKTROMEDIZINISCHE GERAETE mbH, Egenbuettel and DEUTSCHE VYNCKIER GmbH, Cologne.

\*\* The American aeronautical and space engineering group, HUGHES AIRCRAFT CO, Culver City, California, is expanding its interests in West Germany, with the acquisition of a 23% share in ELEKTRONISCHE & LUFTFAHRTGERAETE GmbH ELEKLUFT, Bad Godesberg (electronic equipment for the aeronautical industry-capital Dm 1.8 million). It has acquired this interest from TELEFUNKEN AG, Berlin (at present merging with ALLGEMEINE -ELEKTRICITAETS-GESELLSCHAFT AEG-TELEFUNKEN - see No 358), but a majority interest (51%) is still held by Telefunken, whilst the balance (26%) is held by the founder, GENERAL ELECTRIC CO, New York (see No 355). Hughes has had interests in West Germany since 1963, when it opened a branch at Bad Godesberg, and since 1964 a 50% interest in ELTRUGHES STRAHLUNGSTECHNIK GmbH, Heidelberg, formed jointly with ELTRO STRAHLUNGSTECHNIK (see No 258).

\*\* The Paris subsidiary of STA GENERALE SEMICONDUCTORI-SGS SpA, Agrate Brianza (see No 320), SGS-FAIRCHILD SA (capital Ff 2 million) has appointed EUROPELEC SA, Clayes-sous-Bois (see No 295) agent for sales of its electronic components. The Italian firm already has a non-exclusive agent in France: JIVECO ELECTRONICS SA, Paris (capital Ff 0.5 million).

EUROPLEC manufactures, mainly under American licences, and distributes high quality electronic components. It has branches in Toulouse and Lyons and has a technical and sales office in New York to maintain contact with the American firms concerned (FAIRCHILD CAMERA & INSTRUMENT CORP, Syosset, New York is a shareholder in Sta Generale Semi-Conductori). The company also has a large network of agents and distributors in Europe: London, Brussels, Düsseldorf, Milan, Oslo, Zurich, Madrid, etc (see No 225).

\*\* GEBRUDER GRIESHABER METALLWARENFABRIK KG, Wolfach, West Germany (electronic controls for engineering processes, such as level-gauges) has contributed 50% to the formation in Paris of a firm to promote sales of its goods; VEGA TECHNIQUE Sarl. The new firm (capital Ff 10,000) is 25% owned by the company which manages it, M. MAX KLINGER KG FRANCE SA (capital Ff 140,000), which specialises in promoting equipment designed for the chemical and mining industries: it is a subsidiary of the Wiesbaden firm, KLINGER KG.

The latter controls the Italian firm ITALKLINGER SpA, Novara, and has a sister holding company in Basle, REGNILK SA-STE D'ENTREPRISES FINANCIERES & COMMERCIALES (capital Sf 500,000).

\*\* LEAR JET CORP, Wichita, Kansas (formerly SWISS AMERICAN AVIATION CORP), has formed LEAR JET STEREO SALES SA, Geneva. The new company (directors M.P. Stierli and M.T. Gerber - capital Sf 50,000) is to promote sales of Lear's electrical and electronic, especially stereo circuits, equipment in Europe, Africa and the Middle East. The American company (chairman Mr. W.P. Lear) concentrates on the construction of executive aircraft, and employs some 5,000 people at its Witchita factory.

\*\* SOURIAU & CIE SA, Boulogne-Billancourt (see No 239) which makes electronic components, has gained complete control of ETS. GUY DANQUIGNY, Colombes, Hauts-de-Seine, which it has been managing for the past year. Danquigny, as an independent unit within Souriau, produces microminiature expanding connectors set in "MINNESOTA DE FRANCE" araldite, as well as isolating pieces and mounting accessories, made from AQUITAINE - ORGANICO's "rilsan".

## ENGINEERING &amp; METAL

\*\* The French company SAVIEM-SA DES VEHICULES INDUSTRIELS & D'EQUIPMENT MECANIKES, Suresnes, Hauts-de-Seine is strengthening its links with MAN-MASCHINENFABRIK AUGSBURG NURNBERG, AG, West Germany. MAN, a 63% subsidiary of GUTEHOFNUNGS-HUTTE AKTIENVEREIN, Nuremberg already supplies diesel engines for several makes of lorries. and coaches assembled by the French company, and from this summer it will be responsible for Saviem's after-sales service in Germany. MAN is also going to organise a sales campaign for Saviem in Bavaria.

ALFA ROMEO SpA (see No 331) a member of the IRI-FINMECCANICA group, recently signed an agreement with Saviem in Milan, for the manufacture in Italy of low-floored vans. Saviem is a member of the RENAULT SA group Boulogne-Billancourt, and affiliated with SA DES USINES CHAUSSON, Paris.

\*\* The Saar metallurgical group NEUNKIRCHEN EISENWERKE AG VORM GEBR STUMM, Neunkirchen (see No 357) is merging its commercial interests in France: NEUSAR NEUNKIRCHEN EXPORT SA, Paris (capital Ff 700,000) has transferred its entire assets - including its interests in COMPTOIR COMMERCIAL DU LANGUEDOC SA, Castres and STE CIVILE IMMOBILIERE NEUFER, Paris which are valued at more than Ff 1 million to NEUNKIRCHEN FRANCE SA which has had its capital raised to Ff 7.7 million. Neunkirchen France has had a minority shareholding since 1963 in association with USINOR SA and DE WENDEL & CIE in the industrial metal and hardware trading firm STE H. LE HENAFF & CIE SA, Paris (formerly at St-Etienne, Loire) which will shortly have its capital raised to Ff 23 million.

\*\* A technical and sales agreement for railway equipment has been signed in Paris between ETS ARBEL SA (see No 344), STE FRANCO-BELGE DE MATERIELS DE CHEMINS DE FER SA and H.K. PORTER-FRANCE SA (see No 253).

Arbel is linked with the bank LAZARD FRERES & CIE Scs, Paris (see No 352) and runs wagon-sheds at Douai, Nord. Since 1961 it has had an agreement with DORSEY CORP, Chattanooga, Tennessee which resulted in the formation of two joint subsidiaries in Zug, Switzerland: DORSEY SA and DORSEY TRAILERS SA (see No 109).

Franco-Belge De Materiels (works at Raismes, Nord) which is taking over the "New wagon construction" Department of ATELIERS DE CONSTRUCTIONS D'EPLUCHES Sarl, Paris (see No 317) is linked with ETS ALFRED HERLICQ & FILS SA, Paris, a group engaged in engineering for the oil, chemical, steel and nuclear industries etc, and is also head of the association being formed to take over the shipyards at La Seyne previously run by FORGES & CHANTIERS DE LA MEDITERRANEE SA (see No 346).

H.K. Porter-France (works at Marpent, Nord; Hallicourt, Pas-de-Calais and Vourles, Rhone) is a subsidiary of H.K. PORTER CO INC, Pittsburgh, Pennsylvania, a steel, metallurgical, electrical and mechanical group with large European interests, especially in the Common Market, including H.K. PORTER DEUTSCHLAND GmbH, Düsseldorf and H.K. PORTER CO (NEDERLAND) NV, Klazienaveen.

\*\* A licence agreement has been signed between NORDBERG MANUFACTURING CO, Milwaukee, Wisconsin, and HISPANO ALSACIENNE SA, Bois Colombes (see No 355) under which Nordberg will manufacture and sell in Canada and the USA, the 3,000 hp and 6,000 hp turbines designed by T.H.M. -STE DES TURBINES HISPANO-MAREP Sarl, Colombes. T.H.M. has been owned outright by STE D'EXPLOITATION DES MATERIELS HISPANO-SUIZA SA, since S.N. MAREP gave up its 50% interest in March 1965. The turbines will be used as power-generators, marine propulsion units, as well as in the gas and chemical industries

\*\* Four French firms building rolling-stock, which have been linked since 1961 in order to meet orders from the SNCF-STE NATIONALE DES CHEMINS DE FER FRANCAIS, are to pool their service, research, purchasing and production planning function. They are: 1) FRANGECO SA, Paris (see No 286); 2) CIE INDUSTRIELLE DE MATERIEL DE TRANSPORT (CIMT-LORRAINE) SA, Neuilly, Hauts-de-Seine (see No 354); 3) ETS CODER SA, Marseilles (see No 346), and 4) STE NOUVELLE DES ATELIERS DE VENISSIEUX SA, Venissieux, Rhone.

The first of these (capital Ff 8 million) is linked with ATELIERS DE CONSTRUCTION DU NORD DE LA FRANCE SA, Crespin-Blanc-Misseron, Nord; with FORGES & ACIERIES DE LA MARINE, DE FIRMINY & DE ST ETIENNE SA, St Chamond, Loire, and with CIE INTERNATIONALE DES WAGONS LITS & DES GRANDS EXPRESS EUROPEENS SA, Brussels. Its factories are at Maubeuge, Marly-les-Valenciennes, Villefranche and Lyons.

Cimt-Lorraine (capital Ff 16.7 million) is linked at 28% with DE DIETRICH & CIE SA (see No 355): its factories are at Luneville, Bagneres de Bigorre etc, and it has an 80% Belgian subsidiary, ATELIERS DE QUEVRAIN SA, Quevrain, Mons (see No 140).

Ets Coder is linked in Paris with STE FRANCAISE DE CONSTRUCTIONS BABCOCK & WILCOX SA, Paris, in a company which leases waggons and tankers, TRANSGAL-STE DE TRANSPORTS DE GAZ LIQUIFIES SA. Numbered amongst its foreign interests are CODER-FAHRZEUGE - & APPARATEBAU-VERTRIEBS GmbH, Köln-Lindenthal; SAMTI SpA, Rome, and SODEXFER NV, Groot Bijgaarden.

Ateliers de Venissieux (capital Ff 5.2 million) is a 50% subsidiary of SAVIEM SA DES VEHICULES INDUSTRIELS & D'EQUIPEMENTS MECANIQUES, Suresnes, Hauts-de-Seine (see No 347), which belongs to the group REGIE RENAULT, together with such parties as H. ERNAULT SOMUA SA, Paris (25%) - itself a member of the SCHNEIDER & CIE group.

\*\* CONTARDO SpA, Milan (heating and refrigeration) has formed CONTARDO KAELE - KLIMA - & HEIZUGNSAPPARATE GmbH, Vienna (capital Sch. 300,000) with Herr H. Fucker as manager. Contardo recently formed a Spanish manufacturing and sales subsidiary CONTARDO ESPANOLA SA, Alcorcon, Madrid. Its other subsidiaries include CONTARDO GmbH, Karlsruhe (see No 237), CONTARDO FRANCE Sarl (see No 282) and CONTARDO NV, Breda (see No 339).



\*\* The metal traders and mining group CONTINENTAL ORE CORP, New York, headed by Henry J. Leir (see No 348) has increased its investment in the French company CIE CONTINENTALE DES MINERAIS SA, Paris, whose capital has been increased to Ff 1,440,000 exclusively by one of the group's holding companies SADI-SA D'IMPORTATION, Lausanne which already had direct 81% control of this business.

CONTINENTALE DES MINERAIS (president M. Lucien Kohn) which in March 1964 raised its capital to Ff 640,000, specialises in brokerage, import and trading in minerals, metals, alloys, carbon derivatives etc. It is a shareholder in STE INDUSTRIELLE & AGRICOLE DE L'ADOUR-FERTILADOUR SA (capital Ff 4 million) in association mainly with GOLESTAN CORP SA, Geneva, CIE GENERALE D'ELECTRO-CERAMIQUE SA, Paris and RENO-ENGRAIS & PRODUITS CHIMIQUES SA, Paris.

\*\* AIRFLOW DEVELOPMENT LTD, High Wycombe, Bucks (ventilation systems) has formed a marketing subsidiary in West Germany, AIRFLOW LUFTECHNIK GmbH, Rheinbach b/Bonn. The new firm (capital DM 50,000) is managed by Messrs A. and N. Wilson of High Wycombe, E. Martin and G. Myles of Hoddesdon, Herts, and W. Rohr of Bad Godesberg.

#### FINANCE

\*\* L'IMMOBILIERE-CONSTRUCTIONS DE PARIS SA, Paris (see No 342) is making over its banking interests to SEFFICO-STE FRANCAISE DE FINANCEMENT DE LA COPROPRIETE SA, Paris (see No 354), and is becoming an investment company. In January, L'Immobilier-Constructeurs de Paris made over its property interests to STE IMMOBILIERE DE LA PLACE DE RIO-DE-JANEIRO "S.I.RIO" SA, Paris (capital Ff 20 million). Seffico is going to increase its capital from Ff 20 million to Ff 32 million; it was formed in January 1962 with M. A. Weil as president (see No 136). Seffico's principal shareholders were Immobilier-Constructeurs de Paris (22.5% interest), SOUS-COMPTOIR DES ENTREPRENEURS SA, Paris (since changed to COMPTOIR DES ENTREPRENEURS, in August 1964), CREDIT LYONNAIS and STE GENERALE, all with a 10% interest. STE DE BANQUE & DE PARTICIPATIONS SA, STE FINANCIERE D'INVESTISSEMENT & DE GESTION SA-SOFIG (which benefited from the recent split-up of ETS MOCH & ODELIN - see No 342), the insurance group L'UNION I.A.R.D., and the bank UNION PARISIENNE INDUSTRIELLE & FINANCIERE SA, Paris, all with a 7.5% interest. Seffico has just acquired Union Parisienne's interests in the newly formed UNAFINA-UNION AUXILIAIRE DE FINANCEMENT SA, Paris, where a 45% interest is held by MIDLAND MARINE CORP, New York (see No 354).

\*\* Within the Paris group BANQUE FRANCAISE SA (capital Ff 1.9 million), CIE FRANCE NAVIGATION SA (capital Ff 3 million) is taking over CONSORTIUM DU NORD SA (Ff 9.3 million) and SIFCO-STE IMMOBILIERE & COMMERCIALE POUR LA FRANCE & L'OUTREMER SA (Ff 2.25 million).

Consortium du Nord (president M. A. Igoïn), which has 82.1% control of Sifco, holds 34% in Banque Française, while its other main interests are: 47.8% in COGIMMO-CONSORTIUM DE GESTION & D'INVESTISSEMENT MOBILIERS & IMMOBILIERS SA (capital Ff 7.5 million), plus a shareholding in COFIF-CIE FONCIERE IMMOBILIERE & FINANCIERE SA (capital Ff 15 million).

\* \* The PREUSSAG AG group of Hanover, through its wholly-owned subsidiary VTG-VEREINIGTE TANKLAGER & TRANSPORTMITTEL GmbH, Hamburg (see No 233) has become the principal shareholder in the French company ALGECO-ALLIANCE & GESTION COMMERCIALE SA, Prisse, Saone & Loire (see No 329) by taking a 25% share in increasing this company's capital from Ff 3 million to Ff 5 million. This operation has also meant the entry of another new shareholder OMNIUM FRANCAIS DES PETROLES SA, Paris (see No 354) a member of CFP-CIE FRANCAISE DES PETROLES SA, with 13.5%. These two have now joined CIE FINANCIERE DE SUEZ SA, Paris and SAMUEL MONTAGU LTD, London which have had their holdings reduced to 20% and 4% respectively.

VTG (capital DM 30 million) which leases road-tankers, barges and depots and runs pipe-lines, employs about a thousand workers in West Germany. Since December 1962 it has been linked with Algeco (see No 178) by a reciprocal cooperation and agency agreement. Its network of German subsidiaries includes NORD-WEST-TRANSPORT GmbH, Neumünster, WEST-TRANSPORT-KONTOR GmbH, Mülheim, Ruhr, OST-WEST-SPEDITIONS GmbH, Helmstedt, HERMANN NEELSEN GmbH, Kiel, WILHELM GRUNER GmbH, Hanover, ADOLF EULER BAHNBEDARF GmbH, Cologne and NVG-NORDSEE VERSORGUNGSSCHIFFFAHRT GmbH, Hamburg. Outside Germany it is already represented by VTG-VEREINIGTE TANKLAGEN & TRANSPORTMITTEL AG, Basle, NV CONTINENTALE MOTORSCHIEPVAART MIJ, Amsterdam, COMOS TANK NV, Amsterdam and CONTINENTALE MOTORSCHIFFFAHRTSGESELLSCHAFT AG, Vienna.

Preussag, whose French interests have up to now consisted only of 50% in UNIPETROL-UNION POUR LA RECHERCHE & L'EXPLOITATION PETROLIERES SAHARIENNES SA, Paris (see No 316) - in association with WINTERSHALL AG, Celle - in 1965 had a consolidated turnover of DM 1,000 million.

Algeco has the largest oil-tanker and goods-waggon depot in France (7,600 units). VTG's stock comprises more than 20,000 tankers and special waggons.

\*\* A fresh injection of capital - out of an authorized total of Lux F 400 million - has been called for by the management and investment company EUROPEAN ENTREPRISES DEVELOPMENT-EED SA, Luxembourg (see No 354) whose paid-up capital has now reached the level of Lux F 314,750,000. The eleven new subscribers include, in decreasing order of importance: CIE BANCAIRE SA, Paris; KUHN, LOEB & CO, New York; IMI-ISTITUTO MOBILIARE ITALIANO SpA, Rome; WORMS & CIE Sca, Paris; NORSKE KREDITBANK A/S, Oslo; BERGENS PRIVATBANK, Bergen; DRESDNER BANK AG, Frankfurt and CREDIT LYONNAIS SA, Lyons.

\*\* CIE GENERALE INDUSTRIELLE POUR LA FRANCE & L'ETRANGER SA, Paris (see No 345) - a member of the group ELECTROBEL-CIE GENERALE D'ENTREPRISES ELECTRIQUES & INDUSTRIELLES SA, Brussels - will increase its capital from Ff 56.8 million to Ff 63.3 million on taking over SOFEPAR - STE FINANCIERE D'ETUDES & DE PARTICIPATIONS SA, Paris. This company was formed in June 1965 (see No 309) with a capital of Ff 100,000 by BANQUE DE PARIS & DES PAYS-BAS SA, which held full control (20% directly and the remainder through its subsidiary STE D'ETUDES, DE FINANCEMENT & D'ENTREPRISES SA, Paris.

Generale Industrielle Pour La France will therefore gain holdings in SA DE MATERIEL DE CONSTRUCTION, Paris, (capital raised to Ff 4.5 million in 1965 on taking over STE DES ETS COCHIN SA, Paris); and in ETS POLIET & CHAUSSON SA, Paris (see No 335).

\*\* The merger of four of the EMPAIN group's investment companies, decided on a few weeks ago (see No 353) is going to raise the capital of the absorbing company, ELECTRORAIL SA, Brussels (see No 357), which will also change its name, to Bf 800 million. The three companies it is taking over are STE FINANCIERE DU LITTORAL SA (capital Bf 100 million), SDIC-STE FINANCIERE DE SERAING POUR LE DEVELOPPMENT INDUSTRIEL & COMMERCIAL SA (capital Bf 315 million) and STE HAINAULT LIEGE POUR LE DEVELOPPMENT INDUSTRIEL & COMMERCIAL-HLIC SA (capital Bf 100 million).

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| FOOD & DRINK |
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\*\* DI GIORGIO CORP, San Francisco, California (soft drinks and fruit juices - see No 317), after several months of negotiations, has just signed an agreement with HANDELSONDERNEMING TUDO NV, Dongen (see No 244) for the processing and marketing of orange juice in the Benelux countries and Sweden. A joint subsidiary, SUNNYLAND NV, has been formed at Dongen with a capital of Ff 1 million, which will be supplied by SUNNYLAND JUICE CORP, Anahem, California. The new company is Di Giorgio's first European investment, although it has several distributors for its frozen foods.

TUDO (soft drink marketing) was formed at the end of 1963, at the same time as the processing concern HOSLI HOUT-BEWERKING NV, by FRISDRANKENINDUSTRIE DONGEN NV, Dongen, and both are controlled by the Tuijn family.

\*\* A merger has just been completed in favour of the French interests of the British group CEREBOS LTD (see No 304) which is represented in Paris by CEREBOS SA (formerly STE POUR LA FABRICATION & LA VENTE DE PRODUITS ALIMENTAIRES SA - see No 257) which has a capital of Ff 12 million. The move involves the fruit and vegetable canning firm CONSERVERIES DE PONT-AVEN Sarl (capital Ff 3.3 million) and STE D'EXPLOITATION DES CONSERVERIES DU BOIS D'AMOUR, ETS ROBERT LE GLOUANNEC Sarl (capital Ff 1,200,000), both at Pont-Aven, Finisterre (see No 303). These two have transferred the whole of their assets (estimated at more than Ff 11 million gross) to ANCIENNE MAISON ESTIVAL KOUDRINE & CIE SA, Ivry Port, whose capital has been raised to Ff 3.34 million.

\*\* IMPORT BOTTLERS SA, Brussels will in future be known as BASS IMPORT BOTTLERS SA. This company is controlled financially by the British brewery BASS, RATCLIFF & GEETTON LTD, Burton-on-Trent (BASS, MITCHELLS & BUTLERS LTD group of London - see No 342) and is also responsible for the latter's promotion, sales and canning in Belgium. The Belgian firm has a capital of Bf 6 million with president M.E. Libott as director M.J. Winand.

\*\* MATTH. HARZHEIM KG, Cologne-Weidenpesch, the leading West German beer wholesaler, has formed a French subsidiary in Strasbourg, THORA Sarl, to promote "Pilsner Urquell" in France. Harzheim has a payroll of some 300 people, and interests in a number of distribution concerns, JOSEF THORA oHG, INTERNATIONALE SPEDITION, BIERBAHN BETRIEBE GmbH, GETRAENKE LANDWEHR-KESSLER oHG, Rheda, and branches in Aix-la-Chapelle, Bonn, Cologne, Düsseldorf, Mulheim (Ruhr) etc...

\*\* The Bremen foodstuffs imports-export group, SCIPIO & CO KG (canned foods and tropical produce) has formed a Rotterdam import company to deal mainly in South American fruit, BRATLANTA HANDELMIJ. NV headed by M.F.O. Gellerich. Another company in the Bremen group, BREMER HANDELSGES mbH has supplied nearly all the capital of Fl. 1000,000. BENEDICT & CO, Bremen is the joint manager of Scipio.

Herr. Dr. H.G. Murke is joint director of several of the Bremen group's company's, HARDER MEISER & CO KG, ATLANTA HANDELSGESELLSCHAFT GARDER & CO, as well as being director of Bremer Handelsges. Other companies in the group are ATLANTA BAUER & CO KG, TRINKHALM INDUSTRIE PAUER & CO, OVERBECK & CO KG (plastics and machinery importer), UNION HANDELS- & SCHIFFFAHRTS GmbH & CO KG (banana merchants).

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| GLASS |
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\*\* CORNING GLASS WORKS CO, Corning, New York (see No 354) has renamed its Groningen subsidiary CORNING NEDERLANDSE FABRIEKEN NV (see No 234) which was formed at the end of 1963 to make "Pyrex" glass for household use. It will now be called CORNING PYROFLAM NV and its board has been enlarged by the addition of the French and Belgian representatives of the associated companies: M.H. Pelliet of La Celle, Saint-Cloud representing SOVIREL-SA DES VERRERIES INDUSTRIELLES REUNIES DU LOING, Paris (see No 323) which distributes highly toughened glass products in Europe under the "Pyroflam" trade mark (see No 269); and MM A.E. Menze and T.E.C. Mees.

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| INSURANCE |
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\*\* The sister company of LA ROYALE BELGE-VIE-ACCIDENT SA, Brussels, ROYALE BELGE INCENDIE-REASSURANCE SA (M.H. Vermeulen is president of both - see No 308) has opened a Paris branch, headed by M.A. Desforges. The Belgian company (capital Bf 60 million) resulted from the merger in 1965 of ROYALE-BELGE (INCENDIE-VOL-REASSURANCES) SA and its 54.5% subsidiary L'UNION BELGE, CIE D'ASSURANCES SA, Brussels whose total paid-up capital was Bf 50 million and net income was Bf 41 million. Both Royale Belge companies form part of the STE GENERALE DE BELGIQUE SA GROUP.

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| OIL, GAS & PETROCHEMICALS |
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\*\* AG FUER ERDOLPRODUKTE, Hamburg has become a 10% interest of VALVOLINE OEL GmbH RITZ & CO, Hamburg (capital Dm 3 million), Erdolprodukte was formed in January of this year by way of regrouping the activities of 18 independent German oil concerns, and in order to undercut the prices of the big international groups.

The group, whose capital is being increased to Dm 5 million, has a network of over 400 service-stations selling "Valvoline" petrol.

\*\* PRIMAGAZ-CIE DES GAZ DE PETROLE SA, Paris, through its Düsseldorf holding company, INTRAGAS GES FUER BETEILIGUNGEN mbH (see No 304), is increasing its West German interests by gaining outright control of WESER-PROPANHANDELS GmbH, Bremen. It is also buying a majority share of 75% in KOSANGAS GmbH, Hamburg, which was hitherto the wholly-owned subsidiary of KOSANGAS INTERNATIONAL A/S, Copenhagen. These moves have placed Primagaz in the top rank of liquified gas companies operating on West German soil. Its existing interests in the country are: MOSECKER-FLUESSIGAS-VERTRIEB GmbH & Co KG, Münster; PRIMAGAS-BERGMAN KG, Kassel, and PRIMAGAS GmbH, Krefeld (see No 298), in which it is linked with LEBON & CIE Sca, Paris (see No 357).

The Copenhagen firm still retains control of its other German subsidiary, KOSANGAS GmbH, Flensburg; and it has numerous other foreign subsidiaries, especially in Europe: Mc MULLANS KOSANGAS (N.I.) LTD, Britain; CYLINDRIC (HELLAS) LTD and KOSMOGAS (HELLAS) SA in Greece; Mc MULLANS KOSANGAS LTD, Eire; KOSAN A/B, Finland, and KOSAN AG at Zurich.

\*\* The newly formed EUROGAS TERMINALS NV, Rotterdam (capital Fl 1.5 million) will be responsible for the management of the natural gas liquification and storage plants at Rotterdam. It has been formed as the result of a two-year old joint agreement between three Dutch oil-shipment and storage concerns: PAKHUIS MEESTEREN NV, Rotterdam (see No 355), NV HANDELS-& TRANSPORTMIJ. VULCAAN (Rotterdam subsidiary of BANK FUR HANDEL-& SCHEEPVART NV - see No 349), and PHS.VAN OMMEREN NV (see No 329).

Transportmij. and Van Ommeren a few months ago formed GASTANKVAARTMIJ. CHEMGAS NV (see No 326) which specialises in the transport and storage of liquid gas, and other oil-based chemical products. The manager is M. F. Klooker.

## PLASTICS

\*\* BORG WARNER CORP, Chicago (see 337) has formed a Milan marketing subsidiary MARBON ITALIANA SpA (president Mr I. Howard - capital Lire 10 million) as part of the expansion of its chemical division. It will market copolymers (thermoplastic resins, similar to polyamids, used for linings and coverings - made by Borg Warner's new Amsterdam subsidiary MARBON NV (see No 307) and sold under the trademark "CYCOLAC".

Borg Warner has another manufacturing plant in Europe at Grangemouth, Scotland, MARBON CHEMICAL (synthetic resins), which has been represented in Milan by the G. FRANCESCATO concern since June 1964. The American group controls another Milanese concern, BYRON JACKSON RIVA SpA (capital recently increased to Lire 100 million - see No 334) formed jointly with RIVA FINANZIARIA SpA, Milan for the manufacture of drilling equipment and centrifugal pumps.

\*\* The STANDARD OIL CO of Cleveland, Ohio (see No 277) has made an agreement with the Heerlen, Netherlands firm STAATSMIJNEN IN LIMBURG (see No 358) for the production of "acrylonitrile". As a result, a joint manufacturing subsidiary will be formed 50-50 at Geleen by the Netherlands State Mines and a Puerto Rican subsidiary of the American group, PROSPECT INTERNATIONAL CA. The new company, which is scheduled to start production in 1968, will employ about 100 people and have an annual capacity of 90,000 tons.

Until now, Standard Oil of Cleveland had no subsidiaries or interests in the EEC countries; only agents holding manufacturing licences for its propylene-based acrylonitrile fibres, such as RUMIANCA SpA, Turin; BASF AG, Ludwigshafen, and ERDOELCHEMIE GmbH, Leverkusen. Staatsmijnen was already linked with it through its own subsidiary STAMICARBON NV, Hoensbroek, Treebeek, whose patents are used in the Lima, Ohio and Juplin, Missouri urea factories of SOLAR NITROGEN CHEMICALS CO, a 50-50 joint subsidiary of Standard Oil Co and ATLAS CHEMICAL INDUSTRIES INC (see No 324).

## RUBBER

\*\* B.F. GOODRICH CO, Akron, Ohio, (see No 306) intends to strengthen its competitive capacity on the Italian tyre and industrial rubber market, where until now it has only had distributors. It has formed a Milan sales subsidiary B.F. GOODRICH Srl (capital Lire 5 million), with Mr G. Alexander as president (he is also president of IBFG-INTERNATIONAL B.F. GOODRICH) and Mr H.E. Heilman, Akron and P.C. Ross, Voorburg, Netherlands on the board.

The American group is a minority shareholder in the Dutch group NV RUBBER-FABRIEK VREDESTEIN, the Hague (see No 214) and since 1964 has had a subsidiary at Frankfurt (see No 243). It has long been linked through licence agreements with MONTECATINI SpA, Milan, and a few months ago new non-exclusive synthetic rubber patents were granted to a subsidiary, B.F. GOODRICH CHEMICAL CO, Cleveland and SIAG-INDUSTRIA ARTICLOI GOMMA SpA, Cirie, Turin (see No 302).

\*\* Several months of negotiations between CONTINENTAL GUMMI-WERKE AG HANNOVER (see No 358) and FELTEN & GUILLEAUME KARLSWERK AG, Cologne (see No 286) - a 67% subsidiary of the ARBED group of Luxembourg (see No 355) - have resulted in the former taking 50% in one of the Cologne company's 95% subsidiaries: FRANZ CLOUTH RHEINISCHE GUMMIWARENFABRIK AG, Nipper, Cologne. Franz-Clouth (capital DM 5 million) in which DIELEKTRA AG, Portz, Rhineland, a subsidiary of Felten & Guilleaume, has a minority share, makes a whole range of goods for industrial use including conveyor-belts, coverings and "Durabilit" anticorrosives, moulded products for cars etc).

Continental Gummi-Werk is also involved in an asphalt and bituminous products firm DASAG-DEUTSCHE NATURASPHALT AG, Escherhausen (see No 336) but its negotiations with the holding company NIEDERSACHSEN GmbH, Hanover (owned by the bank of the Land of Lower Saxony BRAUNSCHWEIGISCHE STAATSBANK - see No 333) which owns 98% of it, have not yet been concluded.

## TEXTILES

\*\* The Danish furnishing fabric concern DENBO-DANISH ARTS & CRAFTS, Hellerup, Copenhagen, headed by M. L.A. Michaelsen (see No 282) has formed a Dutch sales subsidiary, DENBO-INTERNATIONALE NV, Utrecht (capital Fl 50,000), managed by M. E. Jawitz (minority shareholder).

DENBO has already formed several foreign subsidiaries, called DENBO-INTERNATIONAL for the sale of its fabrics and furnishings under the "Scandiform" trademark. The first was formed in Paris in 1963 (see No 169) and was followed by one in Frankfurt in 1965. In February of this year DENBO (GREAT BRITAIN) LTD was formed in London. It is headed by Mr. T.R. Feltoft.

\*\* Two Dutch sister-companies, N.W. TEXTIEL INDUSTRIE "ANDEX" and NV CONFECTIEN TRICOTAGE FABRIEK "CONTRIMIJ", both of Uithoorn and both with a capital of Fl 50,000, have jointly formed ANDEX-FRANCE Sarl, Paris (capital Ff 100,000) headed by M. J. Dubosq for the marketing of textile products (mainly synthetic fibres).

JOHN HEATHCOAT & CO LTD, Tiverton, Devon has been linked 50/50 with Textiel Industrie "Andex" since 1965 in ANDEX-HEATHCOAT NV, Uithoorn, which will build and operate a stretch-fabric plant for under-garments and bathing costumes. The Dutch company has a Belgian subsidiary, ANDEX BELGE SA, Woluwe-Saint-Pierre (capital Bf 100,000).

### TOURISM

\*\* SCHNEIDER & CIE, UNION EUROPEENE INDUSTRIELLE & FINANCIERE SA, Paris (in which BANQUE DE L'INDOCHINE is going to take a 10% interest - see No 354), in association with BANQUE INTERNATIONALE A LUXEMBOURG SA, recently formed the holding company FINATOUR-UNION FINANCIERE INTERNATIONALE POUR LES INDUSTRIES DU TOURISME SA (capital Lux F 1 million. Schneider is already a minority shareholder in the Luxembourg firm, TOURINVEST SA (see No 276). FINATOUR's capital will shortly be increased in two issues to Lux F 100 million. The first, worth Lux F 44 million, has been underwritten by several international groups, and especially by two French banking subsidiaries in Switzerland: PARAMER SA, Geneva and FORCES MOTRICES DE CHANCY-POUGNY SA, also of Geneva.

Banque Internationale a Luxembourg is represented on Finatour's board by its president M. J. Leudenbach, and two of its directors Messrs R. Frank and A. Colas). Other shareholders are COFINIDUS SA, Brussels, the investment company of the "de Launoit" group (see No 355), which has wide interests in tourism; CISIT SpA, Milan (see No 250); STE FINANCIERE POUR LES INDUSTRIES DU TOURISME SA; Paris (see No 334), COGEMOT SA, Ollon, Vaud; LA CENTRALE FINANZIARIA GENERALE, Milan (see No 350); LOMBARD, ODIER, & CIE Snc, Geneva (see No 268) and BANQUE DE BEYROUTH & RIYAD SA, Beirut.

### TRADE

\*\* Three Soviet state organisations based in Moscow, VNESHPOSYLTORG, PRODINDORG and VOSTOKINGORS have together put up 50% (20%, 15% and 15% respectively) of the backing for BELSO-STE COMMERCIALE BELGO-SOVIETIQUE SA, Molenbeek, Brussels. The new company (capital Bf 10 million) imports and sells Russian equipment and goods in Belgium; M. Fernand Delahaut is president (with 10%) and M. Eugene Stamoglou is managing director (also with 10%).

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| TRANSPORT |
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\*\* RUTHERFORD BROS. CONTINENTAL TRANSPORT LTD, North Shields, Northumberland (international vehicle carriers) has formed a Rotterdam subsidiary for its Continental operations, D.A.T. -NEDERLAND-ENGELAND TRANSPORT NV (capital Fl 20,000) with a minority shareholder M.E.J. Vos, Gouda, as director.

\*\* Under an agreement signed in the Netherlands, TANKER TRANSPORT SERVICES NV, Rotterdam has been formed 50-50 by the Rotterdam transport group FURNESS' SCHEEPVAART- & AGENTUR MIJ NV (see No 356) and the chemical group CINDU-CHEMISCHE INDUSTRIE UITHOORN NV, Uithoorn (see No 326). The new company (capital Fl 500,000) will organise container transport for liquids, gases and bulk products, it is managed by M.A.H. Blaauw and C.A. van Tol, representing respectively the Rotterdam and Uithoorn founders.

Cindhu specialises in basic materials for the production of synthetic resins and plastics, and it has recently become linked with GENERAL LATEX & CHEMICAL CORP, Cambridge, Massachusetts for the production of urethane foam. It is jointly owned by UTRECHTSCH E ASPHALTFABRIEK NV, the Hague and TEERBEDRIJF UITHOORN NV, Uithoorn, a subsidiary of the KON.NED.HOOGOEVENS & STAALFABRIEKEN NV group. Ijmuiden (see No 338).

\*\* The transport group VELDER, Frankfurt (see No 187) headed by Herr Karl H. Velder, has backed the formation of CARL PRESSER & CO INTERNATIONALE SPEDITION NV, Antwerp, which will be the Belgian agent and representative for one of the group's subsidiaries CARL PRESSER & CO GmbH, Frankfurt, which is engaged in international transport. The new firm is directed by Herr Rolf Bader and has a capital of Bf 100,000, controlled by the holding company TRANSPORT VERWALTUNGS- & FINANZIERUNGS GmbH, Zug (see No 354). The rest of the capital is mainly owned by SOTRANSID-STE DE TRANSPORTS SIDERURGIQUES SA, Antwerp (31%).

The last-named, directed by Mr J.M. Vermeulen, was formed in 1958 (capital Bf 1 million) by FIDUCIAIRE SUISSE SA, Geneva (66.6%). It has sister-companies in Antwerp: SIDEX NV and FEREX NV. The Zug holding company was formed three years ago to centralize the Velder group's German interests, including CARL PRESSER & CO GmbH, which has had a subsidiary in Zug since 1963: CARL PRESSER & CO SPEDITIONS GmbH, controlled by Frau Presser-Velder; DEMERAG-DONAU-MAIN-RHEIN SCHIFFFAHRTS AG, Nuremberg, controlled 50% by BAVARIA SCHIFFFAHRTS & SPEDITIONS AG, Bemberg - in which Carl Presser & Co has more than 25%: TRANSPORTLADER, NUERNBERG-FUER- THER TRANSPORTGESELLSCHAFT & LADER CORP, Nuremberg, etc.

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\*\* The Belgian scaffolding import - export concern, VECTUR SA, ST. -Josse-ten-Noode, (formed in February 1966 - capital Bf 250,000) has opened a Lausanne branch run by M.H. Kapelke. Vectur is a 20% interest of Miss A. Hunt, Britain, M. Pierre, Belgium and M.A. Heini, Switzerland, and a 10% interest of Frau. G. Freytag, West Germany, Mme E. Adrians, Belgium and M.H. Perrinjaquet, Switzerland, and Sig C. Bacchiega, Italy.



\*\* DESOER GmbH, Düsseldorf, (capital Dm 150,000) with Messrs J. Desoer, A. Liesken and F.K. von Keller as directors, has just been formed as a sales subsidiary by the Belgian manufacturer of office equipment, DESOER SA, Liege.

\*\* TECHNOVISION LTD, Maidenhead, Berks (audio-visual educational equipment and technical publications) has signed an agreement with INTER G SA, Paris (headed by MM. P. Planus and J. Commelin - see No 328) for the introduction and promotion of its methods in France and Spain. A joint subsidiary is being formed in Paris by Technovision and one of the French group's subsidiaries, CETEI-CIE POUR L'ETUDE D'EQUIPEMENTS INDUSTRIELS SA (see No 352) which will have as British representatives Mr. A. de S. Dacre Lacy and Mr. F.C. Charnock, and for the French side M.A. Guillotin. Technovision is a member of the ELECTRICAL PRESS group of London.

\*\* MANNHEIMER MASCHINENFABRIK MOHR & FEDERHAFF AG, Mannheim-Rheinau (cranes, hoists and lifts) has formed a French sales company, MOFAG-MOHR & FEDERHAFF Sarl, Saint-Arvold, Moselle (capital Ff 10,000) run by M.M. Rafflegeau. The German company (capital Dm 3.2 million) is a 53.12% subsidiary of GERBRUEDER STUMM GmbH, Neunkirchen, (see No 357). Its other shareholders include the Mohr family (41.72% interest), and DEUTSCHE BANK AG, Frankfurt, (5.16% interest - see No 356).

\*\* ALGEMENE BANK NEDERLAND NV, Amsterdam (see No 340) has set up a subsidiary called DE FACTORIJ, FACTORBEDRIJF VAN DE ALGEMENE BANK NEDERLAND NV, Amsterdam (capital Fl 50,000) which is directed by Messrs T.L. van der Meer and C.E. de Vries. This company will undertake the recovery of commercial credit, insurance, financing of exports and factoring operations in general.

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