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Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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VIEWPOINT

FINANCING EUROPE'S ECONOMIC GROWTH AND THE OBSTACLES

By Louis Camu
President of the Banque de Bruxelles

In Europe, practically all financing of investments is carried out within national frontiers. The majority of investments are naturally enough financed from savings made by the companies concerned. Between 60% and 70% of reinvestments are financed by savings; without savings no developments could be started or finished. But recent developments in income distribution give ever-increasing importance to the role played by the other source of savings, households and individuals. The direction it is going to take and its impact on investment are factors of increasing importance to the essential selection of expansion on a European scale.

Those living in the EEC think that they are living in an economically - unified Europe; in reality they are living in a regime where nationalism is still supreme in the capital and savings sphere. Economy of comparative costs, the maximum use of resources, choice rationalisation, application of the principles of optimum returns, exploitation of the advantages of scale in marketing, production and labour - the factors which have been used to justify the commercial and industrial unification of Europe, do not appear to have been sufficiently applied to the ideas that control capital and savings. Current parlance - "in" words - so often the mirror of progress, confirms this state of affairs. In each of the EEC countries, one talks about European commerce, European labour, European products; but as soon as capital crosses a frontier it becomes known as "foreign" capital and there is often a hostile meaning underlying the word "foreign".

The basic reason is no doubt pyschological, especially when new savers, only recently created by economic growth and wider income distribution, such as, households and individuals are involved. In their case it is a lack of financial education, an elementary warning reflex and a doubt about something new. But there are other more distasteful reasons.

It seems strange that the Treaty of Rome, otherwise so detailed, makes only a short reference to the movement of capital, where it states that the objective is to suppress discrimination and restriction in the movement of capital to the extent that they hinder the efficient functioning of the Common Market. But the constant and long-term expansion at which the Treaty aims, really demands the opposite statement - that "the expansion of the Common Market depends on the free movement of capital and the best use of resources". At that time, the authors of the Treaty were prejudiced against, if not hostile to the free movement of capital, and this was a hangover from nationalism and fear. The businessman's reflex went thus: "I'll let my goods be controlled by it, but not my money"; the tax authorities: "We are going to tax your income, you can't escape across our frontiers"; the Governments: "We need all the savings we can get to finance our own borrowing, others will have to whistle

for it"; and even the Central Banks thought "These movements of capital are going to upset our balance of payments". Control over their own capital is the last stronghold of their control over their own destinies.

At the time the Treaty of Rome was signed, people talked about "hot money", an expression born in a time of ignorance about monetary mechanism, as if it was some form of ghastly instrument heated in the infernal regions. With this background, Article 67 was an enormous step forward. But what has been done since then? The Treaty of Rome hoped that the market, regulated by a "good conduct code", would harmonise itself and assist economic growth. And despite its imperfections it is the best system, certainly better than a market regulated by bureaucratic interference.

But is there a European capital market? I suggest that you should read an American publication: "A description and analysis of certain European Capital Markets" - a report published by the United States Treasury. A perusal shows that it points out objectively that there is no European capital market, and that the aim of the Rome Treaty - or least, the consequence of the thinking behind it - has not been achieved. A capital market presupposes the meeting of offer and demand, the liberty of choice as to terms and costs, the absence of barriers, difficulties or artificially induced trends. In Europe these conditions do not yet exist. Certainly not to the extent of justifying belief in "an efficient, diversified and integrated" market - the quotation is from an EEC report.

Within the EEC are national markets, and outside there are markets: attracting capital from the EEC and other European countries. Up to just recently this was true of London and New York, and it is still so of Switzerland, and to a lesser degree of Luxembourg. The "turn-table" role played by these financial markets in third countries for the member-States of the Community is important. Switzerland predominates, but is is impossible to know what exactly is part taken by savings from the countries of the Community. And I should add that although each country is making moves to improve the efficiency of its own internal market, the cumulative effect shows no signs of leading to an integrated market.

Apart from the psychological reasons for this state of affairs, there are a number of more insidious reasons, both practical and legal, which tend to isolate the financial markets of the EEC member countries from each other.

In the realm of taxation, there is discrimination between taxes on internal capital, and on that leaving or entering the country. Indirect taxation - for example, stamp duty - affects the raising and movement of capital, as well as credit operations in different ways in each country. The differences between direct taxation affect returns. To these fiscal disparities, can be added the effects statutory regulations governing and controlling the financial markets. Sometimes with a bias towards the Treasury, always dominated by certain public sectors in search of funds, they divide the internal financial markets of the EEC.

The rules governing institutional investors add to the differences: their archaic nature combines with tradition to prevent the most effective use of resources. The various discretionary powers of the administration complete the sketch I have been making: authorisations needed for new issues, regulations governing advertising, permission for stock exchange quotation, limitation of short - or medium - term financial movements, all types of statements and declarations to be made, repeated and made yet again. Other problems are raised by the fertile imagination of bureaucrats, who even go so far as to require a special type of paper for the printing of share certificates. It all leaves one wondering how an international capital market has managed to grow up under this old-fashioned practice.

It seems it has been made possible by its strong foundations: currency convertibility and extensive freedom from exchange controls. The directives of the EEC Council (May 11, 1960 and December 18, 1962) to eliminate exchange restrictions, and the extension of these measures of freedom to third countries, were the first signs of a move towards a unified market. The continuance of "conditional" freedom of movement, especially for securities, financial borrowings and credits is annoying, and it is regrettable that three member-States of the EEC (France, Italy and the Netherlands) have limited the application of the Council's directive. But the achievement to date is an important step forward.

The next development should be to strengthen the flexibility and liquidity of a complete convertibility by building up confidence in the stability of exchange parities. Such stability is a fundamental condition for the integration of a financial zone.

The Common Market countries have proved over the last few years that important structural modifications can take place without harming the stability of exchange rates. Apart from the modest revaluation of the Deutsche Mark and the Florin in 1961 - and that was done more with the aim of falling into line with third countries - rather than with other EEC members - there has been no adjustment of parities, even at the height of the Italian difficulties in 1963-1964. The question is to know whether the moment has not come for the monetary authorities of the Six to make a formal reciprocal agreement to respect the existing parity levels in the future, though at present they appear to need no adjustment.

A monetary union may not only be viable: potentially, it exists already. The recent creation of a Board of Governors of the EEC central banks will probably assist its growth. It should rid the financial markets of their major anxiety complex, but it will take some time yet. In a situation of complete convertibility with fixed parity rates, and complete freedom of movements for capital and credit, national monetary sovereignty is diminished. The fact that there might be balance of payment difficulties, and movements of deflationary or inflationary pressures, would give states a good reason for objecting to such a situation.

The defence of a monetary union, for example, in the form existing between Belgium and Luxembourg requires not just a coordinated economic and fiscal

policy, but also the joint formulation of these policies. Only under a single overall economic policy for the integrated area, can freedom of movement for short - and long - term capital under prevailing market conditions be permitted.

A more vital and rewarding development would be the improvement and stimulation of national capital markets. Their growth and strength could result in the suppression of the divisions which limit the freedom of other financial intermediaries, and would help to direct collective savings towards useful investment.

Normally, the savings of households and individuals, whose ever-growing importance I have already underlined, only take part in investments through financial intermediaries. The majority of such savings go to savings banks, insurance companies, banks and issuers of fixed interest shares. The size of savings collected by each of these groups differs from country to country. In English-speaking countries over half of all savings go to insurance companies, whilst with us 75% goes into savings banks. On the Continent, funds thus collected are used for public, social and construction investment, to the detriment of productive investment in industry.

I think it is important for productive investment that the financial intermediaries should have their strait-jackets removed, but without relaxing security precautions. Then other intermediaries, and investment trusts could become useful channels of funds. The break-up of present compulsory channels of investment would reduce the monopolistic privilege which the State and its surbordinate organs have in the market, and which impede the rational use of savings.

At the same time, encouragement of family savings should be reinforced by fiscal measures. The reforms made in France under M. Giscard d'Estaing, and especially the ten year savings plan, appear to me as an extremely adroit move in this direction.

If the international capital markets could be strengthened by the flow of savings thus freed from obligatory channels, one could start to make the necessary international contracts for the best growth of investment by methods far more orthodox than Euro-issues. Simultaneous parallel issues in several different European markets in each national currency is an example. Since each loan would be issued, underwritten and quoted in each market in the national currency, they would receive stronger support than a Euro-issue. They would also act as "signal lights", to use Pierre Masse's expression, of the amount of confidence in each national currency.

Unfortunately, any improvement or strengthening of national capital markets requires numerous adminstrative and legal decisions. It is not exciting work, but progress is being made. The Lorain Report and the De Voghel Report are having their effect. In Belgium, for example, commercial banks can now hold stocks and shares. The efforts to be made to encourage a more rational use of family savings should not hide the fact that the main supplier of funds is still the company. It is not by chance that our age is re-discovering the necessity for profit. Profit is the basis of savings, a witness to the efficiency and quality of the company, and a guarantee of careful planning for the future.

NOTE

This article is an extract from the report made by Louis Camu to the Seventeenth "Round Table on European Problems", which was held on June 10 and 11 at the University of Alcala de Henares, near Madrid. The theme of the meeting was "Financing Europe's Economic Growth: the Basic Requirements of a European Financial Market". The meeting was presided over by M. Johan Beyen, former Dutch Foreign Affairs Minister. The two other rapporteurs were Herr. Gustav. A. Sonnenhol, director-general of the West German Economic Cooperation Ministry, and S. Mariano Rubio Jimenez, assistant-director of the Bank of Spain's Study and Information Services.

S. Mariano Navarro Rubio, Governor of the Bank of Spain, and the Spanish Finance Minister made speeches at the opening and closure of the meeting, during which numerous European businessman and civil servants also spoke. The report closing the meeting was made by M. Pierre Uri.

THE WEEK IN THE COMMUNITY
June 20 to June 26, 1966
From Our Correspondents in Brussels and Luxembourg

THE COMMON MARKET

All Set for the July Marathon

At the time of going to press, the EEC Agricultural Ministers will have sent the July European marathon on its way. This exhausting trial is unlikely to finish before the end of the month, and possibly not until the beginning of August. Although these experts on the agricultural integration of the EEC are meeting for four full days, from June 28 to July 1, they are unlikely to succeed in hammering out the final package deal, or in reaching agreement on the content of the agricultural regulations still in suspense, and the single prices of agricultural products other than cereals. They lack neither the will nor the ability to make such a break-through, but simply do not have the authority.

For a start, they do not have enough say in the financial dealings of the Community: but the problems they are tackling can all be expressed, in the last instance, in terms of millions of dollars. This reveals a fundamental loophole in the authority of the Agricultural Ministers, who following the old tradition as they often do, may well be only too glad to rid themselves of their conflicting interests by lumping them together. Such a solution is unthinkable: even though the financing of the common agricultural policy must needs prove expensive, it must not go beyond certain limits of tolerance. This, more than likely, will be the message the Finance Ministers will convey to their agricultural colleagues, when they go to join the last lap of the marathon on July 22 and 23. This is almost bound to be their attitude, as at the same time they will be meeting to discuss the state of the Community's economy, and also because they subscribe to Monsieur Marjolin's conviction, as the "public enemy number one" of inflation, that constant, even enforceable vigilance, should be exercised.

The second thing is that the Agricultural ministers have no general political authority, and there is no doubt that their great debate has now reached the stage where political decisions must be made. Even when the general harmony of the Community was at its best, it would have been the same - but now the whole situation is far more complex. The agreement everyone is pursuing does not concern the problems under discussion alone: we must not forget that upon it hangs the ratification of the May II compromise on farm finance regulations; the key to "Green Europe", and to Europe as a whole, given the reservations made then and still upheld by Germany and the Netherlands. Thus the stakes are much higher than the mere price of milk and the organisation of the fruit and vegetable market: the Six have now arrived at the moment of truth in Community experience - they must now make their reconciliation a concrete fact.

The complexion this puts on the future has at least one promising shade: the debate on single prices for produce does not only affect the agricultural policy, so eagerly awaited by France, but also the Kennedy Round, since they will provide the mould in which will take shape the offers the EEC can make at Geneva. This has made for the continuing balance between the various claims made, the best proof of which is the fact that the greatest pressure exerted for the earliest possible definition of single prices has come from Bonn. Most of the delegations, however, if not all, have set off on the marathon with their thoughts wandering far from the needs of the Community. They do not seem to be seeking the most expedient solution for the Six as a whole, which would demand the sacrifice of certain national products for the common good, but rather regulations which would best serve their own particulur interests. On the financial level, such an attitude could prove very costly - politically, it is hardly likely to simplify the issue.

Right now, the traditional reaction for some people, wondering how to restore the community spirit, would be to raise once more the issue of political union. Mr. Joseph Luns has just given his answer to such people, saying that such a move, in the present circumstances, would be particularly insidious, in that, far from smoothing out the differences, it would only emphasise them. This is not only good sense, it is a truism: more remarkable is the fact that the Dutch Minister for Foreign Affairs has not lost heart as a result. He, on the contrary, believes that the Community can and should go on. Its development can only draw France closer to her five partners who, for their part, remain faithful to the principles of supranationality. Mr. Luns, in effect, hopes that at a given moment, under the impetus of real economic integration, Paris in its turn will throw in its lot with a Europe that is "going the whole hog".

It seems that the issue of political union is to be left alone for a time: even its latest devotee, Sig Amintore Fanfani, refrained from bringing it up when he met Mr. Luns in Rome last week. The Italian minister, for the present, would prefer to see a move made towards the closer scientific cooperation of the Six; something more in line with the old "functional" approach, rather than the political one, to the European problem. This impression is also created by the fact that there is to be more talk of Britain's candidature for the EEC - and that, for the time being, this will only be talk. In Brussels it was noted with interest that the recent conference of Commonwealth Trade Ministers studied the problem of Britain's position with a great deal more sympathy than they had shown in the past. Mr. John Marshall, deputy prime minister of New Zealand, gave a fair impression to the Commission's authorities in Brussels that Britain's entry into the Common Market was a real proposition: this leads one to think that Commonwealth problems will now prove to be only a slight obstacle to that entry.

One the other hand, there is a more topical interest in the British economic and financial position. A number of "leaks" which had publicised extracts from studies carried out by the Communities' representatives in London, have been put into their correct context, and the idea of moves unfavourable to Britain is now discounted.

However, the problem still remains, and an increasing number of people on the other side of the Channel think that Mr Wilson has got other problems to deal with before making any moves towards the Common Market. Soundings will continue to be made discreetly, the ground will be cleared, and some problems will be allowed to take their course (for instance, an increase in world cereal prices could help to solve the British agricultural question, though in a manner which Her Majesty's Treasury would not appreciate). But even if the final result of this development is almost certain, a sudden "leap forward" by Whitehall is extremely unlikely. At the start of their July marathon, the Six are not expecting the British or the political union question to come to their rescue. The feeling is that they will manage it without these outside pressures behind them, and that before the summer recess an agricultural policy will have been agreed upon. Whether it is an effective and sensible policy is another question: for the time being, the objective is to cross this hurdle.

* * *

Strangers at the Door

The EEC, and its Commission in particular, already has a large number of dossiers, dealing with external relations, in cold storage. This number is growing all the time, as this rapid run-through of recent developments clearly shows:

Denmark has just delivered a new memorandum to the Commission concerning the development of its agricultural trade with the EEC. Copenhagen points out that the Community system of protection at its frontiers, combined with the policy of subsidising external exports, is affecting Danish exports to the Community and to the rest of the world, especially poultry exports. In support of their argument, the Danish authorities point out that EEC purchases of their agricultural products have remained at the same level, whilst those made in other non-member countries have increased by half since the start of the Common Market. Admittedly, the EEC has tried to find a solution for Danish difficulties within the framework of the Kennedy Round, but Copenhagen believes the proposed solution is too problematical, and in any case too late. Reading this document, it is easy to spot the increasing interest of the Danish Government in the ida of a straightforward adhesion to the Common Market, and it can be asked whether the pressure of economic realities will not make it "take the plunge" if London continues to delay its decision on this question for much longer.

The East African States (Kenya, Uganda and Tanzania) have asked the Commission for the reopening of negotiations with the EEC.

Iceland has sent a memorandum to the Commission, insisting on the necessity of adopting a liberal arrangement for the fishing industry within the scope of Kennedy Round.

The Cairo daily "Al Ahram" has made it known that Egypt is shortly going to try and make an agreement with the EEC, although Brussels has not yet been officially approached on this question.

At the second meeting of the joint Israeli - EEC Commission, the Israeli representatives again asked their opposite numbers to negotiate for a comprehensive agreement, which could develop into a formal association. They pointed out that the existing trading agreement fell short of solving all the trading problems between the two partners. They added that since the signing of this agreement, Israeli exports of manufactured goods to the Community had fallen off, and that even if this had been more than made up for by an increase in exports of agricultural products, these in their turn are still threatened by the future Community regulations for citrus fruit. The Israeli requests for an association have some similarities with arguments found in various Greek government circles, where it is noted that the difficulties in the association between Greece and the EEC are above all else due to an inadequate treaty of association, and the solution put forward to deal with this is simply to join the Common Market. Such a move is all the more likely, because if Britain applies officially to join the Common Market, the Six might forget their Greek partner for a long time.

* * *

A Busy Year for the EIB

The European Investment Bank has just published its annual report, approved on June 21 by the Finance Ministers of the Six at a meeting in Rome. The report shows that in 1965 the EIB granted 32 loans for a total of 150.8 million dollars compared with 106.8 millions the previous year. The total cost of the projects involved rose to more than $ 804 million, which meant that the Bank contributed 19% of the costs. Since it was formed, the Bank has granted a total of $ 508.1 million in loans.

These are the main figures in the report, which confirms that Italy is still the main beneficiary of the EIB (or Southern Italy, to be more precise) having accounted for 80% of the Bank's ordinary business. This is quite in keeping with the Bank's terms of reference, which are that it should be mainly concerned with improving international relations between the member countries and contributing towards the development of the less favoured regions of the EEC. The first of these duties has been fulfilled by its participation in the construction of the Val d'Aosta autostrada; the second by its part in backing the power station at Salerno and the reclamation of the Metaponto plain. The second category also includes the sums granted to projects in Brittany and Normandy, and Schleswig Holstein and Lower Saxony.

In 1965, in addition to 22 European loans, the EIB granted three loans to associated African states (Ivory Coast and the Cameroons) and seven others on special conditions to Turkey. These are principally for the construction of the Keban dam and the cultivation of the Gediz valley. On the other hand, no loan has

been made to Greece during the past twelve months, although in three years of association the Greeks have only drawn 36 of the 75 millions which they would normally have been entitled to borrow.

The EIB itself raised four loans on the exchange markets (in America, the Netherlands, Belgium and Italy) in 1965 for a total of $ 65 million. On December 31, its consolidated debt rose to $ 217.2 million, compared with $ 153.7 million the year before. It should be noted that, with the exception of the Belgian loan, which only provides Treasury facilities, the interest rate paid by the Bank is lower than that charged for loans granted (6.25% minimum since last December). Finally, the EIB is owed a total of $ 488.5 million of which $ 365.6 million has already been paid, which makes its financial position extremely sound.

The 1965 Balance Sheet includes loans which have been approved but not necessarily finalized in that period. Nine of these have now been finalized in Rome. They concern:

- The construction of the entire infrastructure for irrigating approximately 100,000 acres of land in the Metaponto plain (Gulf of Taranto):
- The construction of a 320 MW power plant at Salerno;
- The construction of a plaster and porcelain factory in the Abruzzi, a silica plant in Campania, extensions to a chemical fertiliser plant at Crotone, to a paint and varnish factory in Latium, and electric cable factory in Piedmont, and the modernisation of a paper and pulp factory in Frosinone province.

ECSC

The Need for a Body Politic

It is becoming increasingly obvious that despite the fact that the three Communities have different functions and are governed by different regulations, they are still only parts of a whole, all with the same purpose in view. It is this fact which justifies the merger of the Executives, but the merger in itself is not enough, because it does not fill the gaps left by the material provisions of the Treaties and would not rectify the contradictions existing between them. The merger of the Communities is the only means of achieving this and is therefore one of the prior conditions to the progress of building Europe. These opinions have been expressed by Mr. de Winter in his report on the 14th General Report of the High Authority, which is due to be discussed in a Plenary Session of the European Parliament, on next Thursday, June 30.

The rapporteur adds, however, that the merger of the Treaties will only mean real progress if previous experience of the Communities is taken into account and if it is intended as a step towards a federated Europe.

The development of the High Authority's activities during the past year has been affected by the anomalies of the Treaty of Paris. Indeed, although the Treaty gives real powers to the Community's institutions and especially to the High Authority, it still does not give the Community the power to legislate independently for its industries as the structural crisis in the coal industry clearly proves. This crisis shows that under present conditions, some basic decisions can not be taken independently of the Governments. So it is mainly a question of encouraging the Governments of the member-countries to assess the position from a Community point of view and with Community attitudes.

Taking into account the anomalies of the Treaty, the Community should not be considered as a fait accompli but as a moving force. Mere observance of the obligations imposed by the Treaty are no longer enough, but the Community should demonstrate its ability to cope with the changing situation.

This applies very much to the energy and coal policies, where the Community organizations are faced with a political choice. The measures required in this sector are almost entirely concerned with the fiscal and trade policy and the direct subsidies to the coal-mines. However, action in these fields requires the unanimous agreement of the six governments.

In his report Mr. de Winter emphasises that the European Coal and Steel Community cannot evade the responsibilities assumed by the EEC for underdeveloped countries and he invites the High Authority to start looking into the possibilities of working out a trade policy for the associated countries, especially on long - and medium - term supplies of iron ore.

He strongly supports the High Authority's action in the Kennedy Round negotiations and especially its idea that the negotiations should include all the anti-dumping laws and all measures equivalent to customs duties.

The High Authority Gives Aid for Retraining

The High Authority has decided to give retraining grants to 1,436 workers in German coal-mines, French iron-ore mines and an Italian coking-plant. These workers are affected by the total or partial closure of the firms employing them. The High Authority's total aid has now reached some 500,000 dollars and this amount will be doubled by similar aid from the governments of the member countries concerned.

In addition, the High Authority has signed a fresh agreement with the German government for a considerable improvement in the conditions under which retraining grants are awarded.

* * *

EURATOM

Euratom and the Merger of the Executives

When the merger of the executives of the Community takes place, what is going to happen to the "accumulated human and scientific capital"? This question, often asked, has come to the forefront once again with the openly expressed fears of M. Paul De Groote, a Belgian member of Euratom, and of the scientific and technical staff of Euratom. M. De Groote pointed out that the continued postponments of the merger of the excutives had already given rise to a feeling of discontent amongst the Community's research staff, and that this was all the more regrettable since an "esprit de corps" had been created. This discontent is on the increase because of the uncertainty which the research staff see for the future of scientific, and especially nuclear, research within the Six. If the governments concerned do not make their position clear, the leaders of Euratom are worried lest "Nuclear Europe" be treated as a poor relation by the future single Commission. At the present stage of negotiations this will only have one representative from the former Atomic Commission, M. Sassens of the Netherlands.

The fears expressed by M. De Groote have been spelt out in still greater detail in a memorandum just issued by the staff of Euratom. This underlines the dangers of a massive resignation of researchers and technicians if Euratom is morally or materially reduced to the status of a poor relation when the executives are merged. But they are moved by principles as well as vested interests: Euratom was the first attempt at integrated cooperation in a sphere-that of scientific research - essential to economic progress. The attempt proved itself. Thanks to Euratom, the Six have today a useful instrument: will they realise that it must be strengthened further, or will they be content, as they are unable to get rid of it, "to leave it as a tolerated luxury, of interest to no one"?

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spares for caterpillar tractors. The ATLAS STEELS Division of RIO-ALGOM MINES, Toronto forms Paris sales company. THE KLINGER MANUFACTURING CO, London signs patent agreement with ATELIERS ROANNAIS DE CONSTRUCTIONS TEXTILES. Germany: SCHIESS, Düsseldorf (machine-tools) links with similar American firm GIDDINGS & LEWIS, in sales and technical fields. The Italian laundry equipment firm LA NUOVA MODERNA appoints German agent. J.M. VOITH, Heidenheim takes 50% in DOERRIES, Düren (paper machinery). Italy: FERGAT, Milan (wheels and car parts) buys patents and know-how from SIMPLEX, Detroit for automated car production lines. Luxembourg: The American boiler and heating company COMMERCIAL SHEARING & STAMPING forms second Luxembourg subsidiary. Netherlands: WERKSPOOR AMSTERDAM, DOK & WERF MIJ WILTON-FIJENOORD and KON NED GROFSMEDERIJ merge their heavy casting and rolling mill business. ASSOCIATED SPRING CORP, Bristol, Connecticut (precision springs) takes over the similar Dutch firm TEVEMA, Amsterdam. In the Dutch engineering industry HCW, Leiden (metal beams and frames for building), takes over two allied firms to form large group. The Belgian multi-gas heater connector firm CLAEYS-FLANDRIA and the Dutch ROSSUM'S MOTOREN form joint sales company (bicycles, mopeds etc). USA: The French water-purification firm DEGREMONT signs agreement with RESEARCH-COTTRELL, New Jersey for US development of the French company's techniques. KLEINWEFERS, Krefeld, Germany and the American BELOIT CORP to build joint textile factory in South Carolina.

M FINANCE

Austria: BfG, Frankfurt takes 2% in BANK FUER ARBEIT & WIRTSCHAFT, Vienna. France: EUROFINANCE, Paris has new associate, SKANDINAVISKA BANKEN, Stockholm. Italy: BANCA D'ITALIA, Rome authorises merger of BANCA MASSONE, Genoa and CREDITO LOMBARDO, Milan. Switzerland: Soviet bank opened in Zurich.

N FOOD & DRINK

France: STE-SAINT-RAPHAEL, Paris (MARTINI & ROSSI group) will sell SANDEMAN port in France. Two investment companies controlled by BRASSERIES & GLACIERES DE L'INDOCHINE, Paris will merge. Italy: BUITONI, Florence (pasta etc) acquires Rome finance subsidiary. The Liechstenstein holding company CHEFAR backs KINDERBABY, Milan (health products and foods for children). The German dietary foods firm MILUPA PAULY forms Italian sales subsidiary. Netherlands: UNILEVER, Rotterdam is taking control of TWIJNSTRA'S OLIEFABRIEKEN, Akkrum (edible oils).

O IRON & STEEL

Belgium: COCKERILL-OUGREE and FORGES DE LA PROVIDENCE will merge.

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P	PAPER & PACKAGING	Belgium: CHAMPION PAPER, Hamilton, Ohio, its affiliate INTER-MILLS, Malmedy and PAPETERIES NAVARRE, Paris sign joint sales agreement in Belgium. France: The Belgian MABELPAP, Arlon forms Paris sales subsidiary.
Q	PHARMACEU-TICALS	Netherlands: ASPRO NICHOLAS, London forms Dutch investment company.
Q	PLASTICS	France: DU PONT reorganizes its French sales.
Q	PRINTING & PUBLISHING	Germany: AXEL SPRINGER, Hamburg buys two German magazines: "Twen" and "Der Kicker".
R	TEXTILES	Austria: HOECHST to build "Trevira" fibre plant next to that of CHEMIFASER LENZING. Belgium: EUROFLASH, Koekelberg, Brussels will import and sell textiles. Chad: Franco-German interests will build and run cotton plant in Chad called STE TEXTILE DE TCHAD. France: The British textile firm CUSTO-MAGIC and the French DMR, Paris form 50-50 textiles sales company in Paris. C & A, Amsterdam (department stores etc) forms French subsidiary. Italy: SIDAC, Milan merges with ORSI MANGELLI, Milan.
S	TRANSPORT	Belgium: CIE MARITIME BELGE (LLOYD ROYAL), Antwerp reduces its direct interest in BELGIAN FRUIT LINES, Antwerp.
S	VARIOUS	Germany: BATMAN SPIELZUG, Frankfurt is formed to promote the "Batman" trademark in Germany, Austria and Switzerland. ROCKY MOUNTAIN DENTAL PRODUCTS, (denistry apparatus) forms Paris company in which it holds 20%.

ADVERTISING

** BENTON & BOWLES INC, New York (advertising, marketing and public relations) has formed BROSE & PARTNER PUBLIC RELATIONS GmbH in Frankfurt to take over the business of GPR-GENERAL PUBLIC RELATIONS GmbH (see No 252), which was formed in December 1963 and put into liquidation late in 1964. The move has been made in association with the local agency, with which B & B has long-standing cooperation ties, HANS W. BROSE GmbH & CO KG WERBEAGENTUR: the two firms also share an interest in the Milan concern BROSE - R.L. DUPUY-LONSDALE HANDS INTERNATIONAL MARKETING ADVERTISING SpA (see No 240). Benton & Bowles recently acquired a minority shareholding in PUBLICONTROL-BENTON & BOWLES SA, Brussels and Antwerp (see No 358).

** PUBBLICITA ILLUSTRATI SpA, Milan (formerly SPA PERIODICI - capital raised in November 1964 to Lire 200 million) has formed a sales and marketing promotion subsidiary in Milan, SIDUS SpA (capital Lire 10 million, director Sig Massimo Momigliano).

** Having ended the international cooperation agreement signed in 1964 (see No 272) with COMPTON ADVERTISING INC, New York (see No 345) the Paris advertising agency CONTACT-COMPTON SA, Paris (capital Ff 360,000) has come under the control of SODIPA SA, Paris (president M.P. Bonnin - capital Ff 300,000) a member of the New York group MARS-TELLER (see No 328).

AIRCRAFT & SPACE

** The working association recently concluded (see No 357) between ROLLS ROYCE LTD, Derby and TURBOMECA SA, Bordes, Basses Pyrenees has resulted in the formation of a joint subsidiary ROLLS ROYCE TURBOMECA LTD to manage the programme for the R.B. 172-T260 turbofan engine for the Anglo-French "Jaguar" military aircraft. This aircraft, which will be in regular production in 1970, will be built by SEPECAT-STE EUROPEENNE DE PRODUCTION DE L'AVION D'ECOLE DE COMBAT & D'APPUI TACTIQUE SA in which BAC-BRITISH AIRCRAFT CORP LTD, London and SA DES ATELIERS D'AVIATION LOUIS BREGUET, Paris are also equal partners.

Turbomeca (capital Ff 22 million; president Mr Joseph Szydlowski - who founded the firm) employs 2,700 workers in three plants: at the head office, and at Tarnos, Landes and Mezieres-sur-Seine, Yvelines. In 1965 it had a turnover of Ff 132 million. Since January 1966 it has had a 50-50 subsidiary in Paris with BRISTOL SIDDELEY ENGINES LTD, London (itself equally controlled by BRISTOL AEROPLANE CO LTD, Bristol and HAWKER SIDDELEY GROUP LTD, London - see No 357) to develop and maintain jet-engines for aircraft: BRISTOL SIDDELEY TURBOMECA INTERNATIONAL SA (see No 324).

AUTOMOBILES

** The HINO MOTOR CO, Tokyo, has entrusted the French distribution of its "Contessa" vehicles, directly imported from Japan, to a sales company called DUJARDIN SA, Paris. The Japanese group, in January of this year, appointed another distributor for Switzerland, HINO AUTOMOBILES SA, Geneva (capital Sf 50,000). As well as being linked at the technical level with REGIE RENAULT, Hino has a firm in the Netherlands assembling its $3\frac{1}{2}$-ton lorries, NV AUTOMOBIELFABRIEK NEDERLAND, Vlissingen, which was formed in November 1965 (capital Fl 5 million). This is controlled by a holding company, the main interests in which are European, HINO MOTORS AG, Zug (itself formed in September 1965 with Sf 50,000 capital).

** The VOLKSWAGENWERK AG group of Wolfsburg (see No 356) whose turnover rose to DM 9,300 million in 1965, has decided to supply the Latin-American car engine market from a factory in Spain with a yearly output of 200,000 units. In Latin America, the German group has two manufacturing subsidiaries (100% and 80% respectively): VOLKSWAGEN DE MEXICO SA, Mexico and VOLKSWAGEN DO BRASIL SA, Sao Bernardo do Campo and a wholly-owned sales subsidiary in San Paolo TRANSALME SOCIEDADE DE REPRESENTACOES ADMINISTRACAO & ORGANIZACAO LTDA.

Also in Spain, Volkswagen is continuing its negotiations to build an assembly plant. It also has an interest - through AUTO-UNION GmbH, Ingolstadt, in which its holding will shortly increase from 50.4% to 100% - in IMOSA-INDUSTRIAS DEL MOTOR SA, Vitoria; makers of light lorries.

** The French lorry manufacturers AUTOMOBILES M. BERLIET SA, Venisseux, Rhone (see No 355) - which has just formed a finance subsidiary SORHOFI-STE RHODANIENNE DE FINANCEMENT SA, Lyons (capital Ff 5 million) - has entered the Austrian market by granting an exclusive import and sales licence for its vehicles and equipment to GRAEF & STIFT AUTOMOBILFABRIK AG, Vienna. This company (capital Sch 10 million - 84% held by the Gräf family) employs about 600 workers in assembling buses, special vehicles (tractors and snow-ploughs) and manufacturing compressors. In 1965 it had a turnover of Sch 160 million.

This Austrian operation confirms the French manufacturer's interest in the West European market, where its sales more than doubled in 1965 (1,070 vehicles sold). In 1965 its efforts were centred on Belgium and the Netherlands with the formation of BERLIET-BENELUX SA, St-Josse-ten-Noode (see No 321) and Germany where its subsidiary AUTOMOBILES M. BERLIET DEUTSCHLAND GmbH, Gross-Gerav increased its capital from DM 500,000 to DM 2.5 million last December.

CHEMICALS

** DOW CORNING CORP, Midland, Michigan (see No 354) - a joint subsidiary of DOW CHEMICAL CO, Midland and CORNING GLASS WORKS CO, Corning, New York (see No 361) mainly engaged in producing silicones - has backed the formation of a production and sales subsidiary in Cologne called DOW CORNING GmbH (capital DM 200,000) which will be managed by Herr Walter Oppenhoff, a Cologne lawyer.

The American company has numerous interests in the Common Market both directly and through its holding companies DOW CORNING AG, Zurich and DOW CORNING INTERNATIONAL LTD, Nassau, Bahamas: they include DOW CORNING NV, Amsterdam (see No 338); DOW CORNING SpA, Milan (see No 354); 40% in SISS-STE INDUSTRIELLE DES SILICONES SA, Paris (in association for the remainder with PRODUITS CHIMIQUES PECHINEY SAINT-GOBAIN SA, Neuilly);and a minority shareholding in BARA-BUREAU D'ANALYSE & DE RECHERCHES APPLIQUEES SA, Issy-les-Moulineaux, Hauts de Seine (see No 301) in which its principal partners are ROCKEFELLER BROTHERS & ASSOCIATES, SODECOM-STE POUR LE DEVELOPPEMENT DES TECHNIQUES NOUVELLES SA, Brussels, CFTH-CIE FRANCAISE THOMSON-HOUSTON SA, Paris and SCHNEIDER & CIE Scs, Paris.

** ENKE WERK JOHANNES ENKE KG, Düsseldorf (protective materials for buildings) has formed ENKE FRANCE Sarl at Sarreguemines, Moselle: it holds 5% of the Ff 50,000 capital itself, and the remainder is retained by Herr H.H. Kainzinger, an industrialist from Langenfeld, Rhineland.

** AMERICAN CYANAMID CO, Wayne, New Jersey (see No 348) has appointed the recently-formed LIGTERMOET CHEMIE NV, Rotterdam (capital Fl 3 million - see No 341) as its sole marketing representative in the Benelux countries for its agricultural chemical products, and disinfectants. The American group has long-established interests in the Netherlands, where it has three subsidiaries and affiliates, NEDERLANDSE CYANAMID MIJ NV, Amsterdam, TITAAN-DIOXYDEFABRIEK TIOFINE NV, The Hague and CYANAMID KETJEN KATALYSATOR NV, also of Amsterdam (see No 333).

Apart from its own direct interests, the American group is linked with several local concerns who are either its direct representatives or those of its subsidiary Ned Cyanamid Mij. NV (capital Fl 5 million). The latter is building an acrylamide plant at Botle, Rotterdam (see No 325). The local concerns thus linked are HEYBROEK & CO'S HANDEL MIJ. NV. and NEDERLANDSCHE VERKOOPKANTOOR VOOR CHEMISCHE PRODUKTEN NV, both of Amsterdam.

** The chemical and pharmaceuticals group LEDOGA SpA (see No 351) has decided to simplify and reorganize its internal and commercial structure in its chemicals, tannin and dyes branch: its subsidiary LEDOGA CONCIANTI SpA (chemical extracts of vegetable origin) will take over several firms based in Milan including: XILOCARTARIA SpA (controlled by SAPEC PELLEGRINI ESTRATTI CONCIANTI SpA, Florence and with a factory at Fornoli, Lucca - see No 220), SOC PIEMONTESE ESTRATTI TANNICI GIOGANNI

SARTORI & CO SpA (formerly at Bra, Cuneo and a factory at Casteldelpiano, Grossetto), TANNINI DEL MUGELLO SpA (factory at Borgo San Lorenzo, Florence), TANNINI DI ETRURIA-TANET SpA - being wound up), CASTANEA ESTRACCI TANNICI SpA, SIECC-SOC ITALIANA DI ESTRATTI CONCIANTI & COLORATI SpA and SOC NAZIONALE INDUSTRIE CHIMICHE SpA.

ELECTRICAL ENGINEERING

** After the link-up between NORDDEUTSCHE KABELWERKE AG, Berlin and KABELWERKE DUISBURG, Duisburg which resulted in the formation of VEREINIGTE DRAHT- & KABELWERKE AG (see No 358) - which will be later integrated into ALLGEMEINE ELEKTRICITAETS GESELLSCHAFT AEG-TELEFUNKEN (see No 360) - another merger is about to take place in the German cable industry between two subsidiaries (75% and 94.36% respectively) of the mining and metal group GUTEHOFFNUNGSHUETTE AKTIENVEREIN, Nuremberg (see No 358). This operation, which has been scheduled for over a year (see No 311) will involve HACKETAHLDRAHT & KABELWERKE AG, Hanover taking over OSNABRUECKER KUPPER & DRAHTWERK, Osnabrück.

The former (capital DM 18 million), which in 1965 had a turnover of DM 260 million, employs about 3,500 people in the production of cables, insulating wires and electro-technical equipment. It has full control of another wire-drawing company, KABEL- & METALLWERKE NEUMEYER AG, Nuremberg (capital DM 5 million) and an electrotechnical equipment company in Munich, SCHALTBAU GmbH (capital DM 2.5 million). Its main holdings include FRISCH KABEL- & VERSEILMASCHINENBAU GmbH, Ratingen bei Düsseldorf (94%), BRINKER BAU GmbH, Langenhagen and BRINKER HAFEN GmbH, Langenhagen. The second company (capital DM 18 million), in addition to its manufacture of cables and insulating wires, produces a wide range of semi-finished iron and light alloy goods. With a payroll of more than 4000, it had a turnover of over DM 354 million in 1965.

** FIDENZA VETRERIA SpA, Milan (capital Lire 1,000 million - member of the MONTECATINI-EDISON SpA group as a former subsidiary of EDISON), making glass insulators, diffusers and lighting equipment, has signed an association agreement with SCHREDER TONINI SpA of San Gillio, Turin (capital Lire 185 million) to develop and promote sales of lighting equipment and accessories. A joint subsidiary, FIDENZA SCHREDER SpA (capital Lire 20 million) has been formed in Milan. The directors include M. M. Schreder, a Belgian and M. F. de Turkheim of Paris who represents the Turin firm.

** RADIO CORP. OF AMERICA, New York (see No 350) has sold its 30% shareholding in the French ROYAL CORPORATION SA, Montrouge, Hauts-de-Seine, which makes "Pontiac" refrigerators, to WHIRLPOOL CORP. of Benton Harbor, Michigan (see No 172), which now has full control.

Whirlpool, which promotes "Poly Nett" automatic dry-cleaning centres mainly in Europe, has another wholly-owned subsidiary in Lausanne, WHIRLPOOL INTERNATIONAL CORP. SA (capital Sf 1 million). In 1965 its turnover was $630 million.

** FERDINANDO ZOPPAS SpA, Cornegliano, Veneto (domestic appliances - see No 356) has formed a new German sales company, VERKAUFSGESELLSCHAFT FUER ZOPPAS GERAETE mbH, Düsseldorf (capital Dm 20,000), with M. Jacques Lemal as manager. M. Lemal, of Woluwe-St-Lambert, heads Zoppas' German and Benelux distribution network: in 1962 he formed ZOPPAS DEUTSCHLAND SA, Schaerbeek, Brussels, and took a 55% interest. The other branch of the organisation was formed at Witten in January 1961, and is called DEUTSCHE ZOPPAS GmbH.

M. Lemal also controls ETS JACQUES LEMAL, Schaerbeek (which took over ZOPPAS NEDERLAND SA, Schaerbeek last December - see No 338), ZOPPAS BENELUX Sprl, Schaerbeek, and ZOPPAS NEDERLAND NV, Rotterdam (see No 314).

** AUTOVOX SpA, Rome (car radios, television, domestic and electronic appliances - see No 353) has formed a sales subsidiary in Geneva, AUTOVOX SA (capital Sf 150,000), under the presidency of its own head, Sig Carlo Daroda.

The Italian company (capital Lire 2,000 million) is controlled by LA CENTRALE-FINANZIARIA GENERALE SpA, Milan (see No 359), both directly, and through SIFIR-STA INIZIATIVE FINANZIERE SpA, Rome. It employs about 1,000 people and has a sales subsidiary in New York, AUTOVOX CO OF AMERICA. It is linked with P.R. MALLORY & CO INC, Indianapolis, Indiana (electrical relays, commutators, batteries, circuit-breakers etc - see No 353) in MALLORY TIMERS CONTINENTAL SpA, Rome.

** Two French domestic appliance firms SA DES ETS ED. JAEGER, Levellois-Perret, Hauts-de-Seine (see No 332) and ETS CARPANO & PONS Sarl, Cluses, Hauts-de-Seine (capital Ff 7 million) have combined their sales in a joint subsidiary called STE D'EQUIPEMENTS ELECTRO-MENAGERS CARPANO-JAEGER Sarl. This new company (capital Ff 300,000) will be managed by MM Jacques Casset, president of STE DE PROMOTION DU GROUPE CARPANO & PONS SA, and Jean Blazy, president of Jaeger.

Jaeger, which increased its turnover to Ff 168 million in 1965, has initiated several foreign ventures recently including a 50% subsidiary in Barcelona, ARTES-JAEGER SA which was formed in 1965 (capital Pts 24 million) and the purchase of a share in its Mexican licensee IPA through the Swiss company ED. JAEGER (FABRIQUE D'HORLOGERIE & D'INSTRUMENTS DE PRECISION) SA, Le Sentier, Vaud. Carpano employs about 750 workers in the manufacture of industrial time-switches, switches for domestic electric equipment and refrigerators etc.

** MAI INTERNATIONAL INC, New York has formed MAI BELGIUM SA (capital Bf 500,000), Schaerbeek, Brussels with Messrs W.R. Oreamuno, New York, J.M. Gonzalez, Mamaroneck, New York and C.R. Pite, Fort Lee, New Jersey as members of the board. The new company will import and market all types of electrical, electromechanical and electronic machinery and equipment for use in industry, business, agriculture, etc.

ELECTRONICS

** The Swiss company AUTOMATION CENTER INTERNATIONAL SA, Wettingen, Aargau (see No 237) has decided to expand two of its subsidiaries in Brussels and Paris. The Belgian subsidiary, headed by M.P. Borochberg, has had its capital increased from Bf 1 million

to Bf 20 million, entirely underwritten by the Zurich investment company WALTER HAEFNER HOLDING SA, Zurich (see No 275). An increase will also shortly be made in the capital (Ff 20,000) of the Paris company, AUTOMATION CENTER PARIS SA, headed by M.J.C. Kourganoff.

The parent company specialises in data processing and has around ten "untied" computer centres. The main foreign centres set up by the Haefner group since 1960, after those at Basle, Geneva and Wettingen, are in Düsseldorf, Frankfurt, Grenoble, Hamburg, Lyon, Milan, Munich, Nuremburg, Stuttgart and Vienna.

** The Swiss manufacturer of electric welding machines and electronic equipment, H.A. SCHLATTER AG, Zollikon, Zurich (capital Sf 5 million) has increased the financial assets of its German subsidiary SCHLATTER GmbH, Ruelzheim, Karlsruhe by doubling its capital to DM 600,000. In 1965 the Swiss company formed a sales subsidiary in the United States, H.A. SCHLATTER INC., Lynn; in the same year its turnover rose to Sf 31 million.

ENGINEERING & METAL

** WERKSPOOR AMSTERDAM NV (see No 358), DOK- & WERF MIJ. WILTON-FIJENOORD, Schiedam (part of the WILTON-FIJENOORD-BRONSWERK NV group, Rotterdam - see No 350) and KON.NED.GROFSMEDERIJ NV, Leyden have decided to merge their heavy casting and rolling-mill activities. These will now be combined within a common subsidiary, VERENIGDE GROFSMEDERIJEN NV, which will have several giant presses (from 500 tons to 2.000 tons) and each company is investing several million florins in the new concern: the rest of the capital will come from funds raised on the capital market.

** FERGAT SpA, Milan (wheels and automobile parts), which has long been linked by technical agreements with the Swiss group GEORG FISCHER AG, Schaffhausen (See No 342), has acquired the patents and cooperation of SIMPLEX CO, Detroit to set up automated production lines for the automobile industry.

The Milan company (president M.M. Bersanini, director M.G.S. Simonin) has factories at Turin and Caluso. In 1960, in association with GHIA SpA, Turin, it formed the tourist vehicles company O.S.I. - OFFICINE STAMPAGI INDUSTRIALI SpA, Turin (see No 356).

** ASSOCIATED SPRING CORP, Bristol, Connecticut (precision springs), which is linked with TEMPERED GROUP LTD, Sheffield, has acquired an interest in the Common Market by taking over of of the largest Dutch firms in its business, TEVEMA FABRIEK VAN TECHNISCHE VEEREN NV, Amsterdam.

Technische Veeren (director M. H.J. Hochheimer) employs some 170 people and has numerous foreign representatives and distributors: ANC ETS VAN DEN DORPEL-PROVA SA, Brussels; ING BUERO HANS RICHTER-STUWE, Hamburg; ALFREDO BARROS & IRMAO, Oporto; TRADINCO A/B, Stockholm; W.A. MURRAY & CO, Glasgow; ANGLO ALLIED ENGINEERING (PTY) LTD, Johannesburg etc.

** RHEINISCHE STAHLWERKE, Essen (see No 360) has formed a company in Paris to sell tracks and spare parts for caterpillar tractors. The new company is called SOFREST-STE FRANCAISE RHEINSTAHL SCHMIEDETECHNIK, and has Ff 10,000 capital split 99-1 between SCHMIEDETECHNIK GmbH, Gevelsberg (capital DM 1 million - selling spare parts for tractors, caterpillar vehicles and tracks for excavators), which is a wholly-owned subsidiary of RHEINSTAHL HENSCHEL AG, Kassel (formerly HENSCHEL-WERKE AG - see No 334), and the marketing company ESSEN BOTTROPER HANDELSGESELLSCHAFT mbH (capital DM 20,000), a direct wholly-owned subsidiary of the Essen group.

The latter has an indirect interest in France in the sales company STE FRANCAISE D'ACIERS FINS SA, Paris (capital Ff 250,000; 80% controlled by EDELSTAHLWERKE WITTEN AG, Witten - see No 312), and in HENSCHEL FRANCE SA, Le Plessis-Robinson, Hauts-de-Seine (capital Ff 600,000 - subsidiary of Rheinstahl Henschel Ag), and in STE FRANCAISE RHEINSTAHL HANOMAG SA, Levallois-Perret, Hauts-de-Seine, a subsidiary of RHEINSTAHL HANOMAG AG, Hannover-Linden (see No 339).

** SCHIESS AG, Düsseldorf (machine tools) has linked with a similar American company, GIDDINGS & LEWIS MACHINE TOOL Co, Fond du Lac, Wisconsin, in the sales and technical fields: Schiess is already linked with SHERMAN CAR WASH EQUIPMENT Co, Palmyra, New Jersey, in EURO CAR WASH GmbH, Düsseldorf (see No 353).

Euro Car Wash, which achieved a 1965 turn-over of $ 36 million, has a 51% subsidiary in Western Germany, NASSOVIA WERKZEUG-MASCHINEN-FABRIK GmbH, Langen (capital DM 4,350,000). In Britain, it controls GIDDINGS & LEWIS FRASER LTD, Arbroath, Scotland and GIDDINGS & LEWIS EXPORT SALES LTD, London. The consolidated turn-over for the German group in 1965 was around DM 80 million, and its most recent moves were its take-over, in association with its wholly-owned subsidiary SOEST FERRUM APPARATEBAU GmbH, Düsseldorf, of JULIUS MONTZ, Hilden, Düsseldorf (see No 339), and the acquisition of a 25% interest in the precision reamer company WIEDEMANN KG, Düsseldorf.

** COMMERCIAL SHEARING & STAMPING Co, Youngstown, O. (large boilers, heaters, heat exchangers, reservoirs, and forges for hydraulic equipment etc.) has formed a second (51%) Luxembourg subsidiary, EUROCAST SA, to sell castings and other metal products. The new company (capital F Lux 10 million) has been set up at Grevenmacher and is directed by M. R. Muyser: the American interest is held by the Swiss subsidiary COMMERCIAL HYDRAULICS AG, Lucerne.

For three years now the American group has acted as European representative for STRAN-STEEL CORP, Detroit (of the Pittsburgh NATIONAL STEEL CORP group - see No 362) and it has a sales subsidiary at Diekirch, Luxembourg, COMMERCIAL HYDRAULICS SA (directed by Mr I.C. Jones), and another in Britain, COMMERCIAL HYDRAULICS LTD, Bedford, which is directed by Mr. Don. C. Melcher.

** LA NUOVA MODERNA, Bologna (dyeing, pressing and laundry equipment), has appointed MODERNA-SERVICE BOHLE & MÜLLER MASCHINENHANDELS GmbH, Wehe, Lübeck as its West German sales agent. The latter (capital DM 20,000) was recently formed with Herr B. Bohle as manager.

The exclusive sales agent in France for the Bologna concern is MODERNA PRESSING & NUOVA MODERNA FRANCE Sarl, Marseilles, whose manager is M. T. Valenza.

** The ATLAS STEELS division, Welland, Ontario of RIO ALGOM MINES LTD, Toronto, (a member of the RIO-TINTO-ZINC CORP, London, closely linked with the ROTHSCHILD groups in Paris and London) has formed its own Paris sales company ATLAS STEELS FRANCE Sarl under the direct control of ATLAS STEELS-NEDERLAND NV, Amsterdam (see No 360). As a result of this move it has sold its sales cooperation in France with C.A.F.L.-CIE DES ATLIERS & FORGES DE LA LOIRE SA, which has bought Atlas Steels' interest in their former joint company AFINOX SA, Paris (see No 257). The link-up between the French and Canadian group will still be continued for exports of cold-rolled stainless steel sheets.

** THE CAPE ASBESTOS CO LTD, London (see No 277) is to build a factory in Belgium to exploit the patents for brake-linings and "Capascq" and "Don" gears held by its Manchester subsidiary SMALL & PARKES LTD. A new Belgian subsidiary has been formed to handle the marketing side of the project, DON INTERNATIONAL SA.

The British group, which has had a subsidiary in Uccle, Brussels since 1960, ATI KISMET SA (formerly APPAREILLAGE TECHNIQUE & INDUSTRIEL-ATI SA), has two French subsidiaries, APPAREILLAGE TECHNIQUE & INDUSTRIEL Sarl, Bagneux, and ISOLAMIANTE SA, Paris: in Italy, it controls CAPAMIANTO SpA, Turin.

** The German manufacturer of machinery for the textile, plastics and paper industries JOH.KLEINWEFERS SOEHNE GmbH & Co KG, Krefeld has agreed with the American company BELOIT CORP, Beloit, Wisconsin (see No 320) to build a textile machinery factory near Pendleton, South Carolina. The factory will be run by a joint subsidiary now being formed BELOIT-KLEINWEFERS TEXTILE MACHINERY CORP.

The German concern has two other companies at Krefeld, INDUSTRIE COMPAGNIE KLEINWEFERS KONSTRUKTIONS - & HANDELS GmbH and KLEINWEFERS GRAVUREN GmbH. It also has interest in GERBER & CO GmbH, Krefeld, UNIONMATEX-TEXTILMASCHINENUNION GmbH, Frankfurt, PLASTIMA-ARBEITSGEMEINSCHAFT VON PLASTIKMASCHINENFABRIKEN GmbH, Düsseldorf and in the Swiss concern KLEINWEFERS INTERNATIONAL AG, Zug (formerly DR. SALHOFER PLASTIC AG).

The American group has important manufacturing interests in the Common Market, as it controls the paper machinery manufacturer BELOIT ITALIA SpA, Pinerola (in which CARTIERE BURGO SpA, Versuole and Turin, has a 32.34% interest) and BELOIT FIMSAI SpA, Milan (machinery for the plastics and paper industry-formerly FABBRICA ITALIANA MACCHINE STAMPAGGIO AD INEZIONE) whose capital has recently been increased to Lire 686 million. In Britain it is associated with THE WALMSLEY (BURY) GROUP LTD, Bury, Lancs and it has two subsidiaries in Zurich BELOIT INTERNATIONAL GROUP, Panama, and BELOIT WALMSLEY INTERNATIONAL C.A., Caracas.

** THE KLINGER MANUFACTURING CO LTD, Edmonton, London (see No 362), which is linked with ICI, London, has signed a cooperation agreement with a French firm, ATELIERS ROANNAIS DE CONSTRUCTIONS TEXTILES-ARCT, whereby they will jointly exploit their special machinery patents. The French company (capital Ff 10 million) specialises in thread-preparation and pirn-winding machines and twisting-mills.

** The J.M. VOITH GmbH group of Heidenheim has taken a 50% share in the paper machinery firm O. DOERRIES AG, Düren (see No 285) which is equal to that held by Frau Tilly Dörries. DOERRIES, which has a payroll of 1000 has been linked since the beginning of 1965 by technical and partnership agreements with the paper engineering concern EASTON & JOHNSTON LTD, Taunton, Somerset - a member of the REED & SMITH LTD group of Hele, Exeter, Devon.

The Voith group, owned by the Voith family, has a wide range of interests in metal lurgy and heavy engineering in Germany, Britain, Austria, Brazil, Spain, Switzerland, India etc, (see No 344).

** After some months of preparation a merger is now taking place in the Dutch engineering industry. HOLLANDSE CONSTRUCTIEWERKPLAATSEN -H.C.W. NV, Leiden, (metal beams and frames for the building industry) is forming a group with a payroll of 2,500 workers, by taking over two concerns linked with it: ELECTROLASCH MIJ. NV.-N.E.M., Leyden (a 52% interest already) and APPARATEN- & KETELFABRIEK DEN HAAG NV- A.K.F., Goes.

These will now become subsidiaries of H.C.W., specialising in electric welding and casting. Two of N.E.M.'s directors, Messrs P.S. Stockman and J.H. Dickhoff, have become members of the board of A.K.F., whilst this company is represented on the board of H.C.W. (capital now increased to Fl 4 million) by M.J.P. Benschop. For several years N.E.M. and H.C.W. have had two common subsidiaries: the Liege firm AWANS FRANCOIS SA (in which NV. TEBOLIN, ADVIES- & CONSTRUCTIEBUREAU, The Hague is also a shareholder) and ELECTROTECHNISH INGENIEURSBUREAU ELCONTOR NV, The Hague (since 1961).

** A merger is going to take place in Belgium between ATELIERS DE CONSTRUCTION & CHAUDRONNERIE DE L'EST SA, Marchienne-au-Pont and ATELIERS DE LA LOUVIERE-BOUVY SA, La Louviere, Saint-Vaast (assembly and general engineering). The manufacturing assets of Chaudronnerie de L'Est are being taken over by Louviere-Bouvy (capital increased to Bf 50 million) whose president is M.H. France of Liege. The latter is linked with the BANQUE LAMBERT Scs, Brussels group through BANQUE INDUSTRIELLE & COMMERCIALE DE CHARLEROI SA (see No 355).

** Under an agreement signed between A. CLAEYS-FLANDRIA Pvba, Zedelgem, Belgium and ROSSUM'S MOTOREN NV, Papendrecht, the Netherlands, a joint sales company A. CLAEYS FLANDRIA INTERNATIONAL, Rotterdam (authorised capital Fl 2 million) managedby M.D.A. van Hollebeke has been formed. The new company (directors: M.P.L.L. Claeys, P.M. Noë and J.A. van Rossum will be responsible for selling bicycles, mopeds, small capacity engines, lawnmowers, tricycles and invalid carriages.

Headed by M.A. Claeys and M. I. van Merris, the Belgian concern has factories at Zedelgem and Zwevezele, as well as at Warneton, Nord, France. It has been manufacturing for the past two years multi-gas heater connectors (for portable radiators) fitted with burners made by the British concern GEO. BRAY & CO LTD, Leeds (see No 248).

** The French water-purification, and processing engineers DEGREMONT SA, Rueil-Malmaison, Hauts-de-Seine (see No 324) has signed a technical and financial agreement with the American company RESEARCH-COTTRELL INC, Bound Brook, New Jersey. With the aim of jointly developing Degremont's techniques in North America, the American conern has taken a 30% interest in a subsidiary of the group, now called DEGREMONT COTTRELL INC (capital $ 500,000). The French company is a member of the STE GENERALE DE BELGIQUE, Brussels group through the investment company TRACTION & ELECTRICITE SA (see No 357).

Research-Cottrell (headed by Mr. J.E. Schork) has a British licensee, HEAD WRIGHTSON & CO LTD, Thornaby-on-Tees, Yorkshire. The Degremont group (capital Ff 15,620,000) has centralised the management of its trans-Atlantic subsidiaries (in Argentina, Brazil and Canada) in the recently-formed DEGREMONT INTERNATIONAL CORP. In Europe it has long-established interests in Belgium, Italy, the Netherlands, Spain and Switzerland and West Germany (see Nos 298, 278) and controls the Japanese concern NIPPON-DEGREMONT LTD.

FINANCE

** EUROFINANCE - UNION INTERNATIONALE D'ANALYSES ECONOMIQUES & FINANCIERES Sarl, Paris, which has just backed the formation of EUROCAPITAL SA, Luxembourg (see No 360) has now acquired a new associate: SKANDINAVISKA BANKEN, Stockholm (see No 294). The Stockholm bank will be represented on the trustees' board of the French firm by its Deputy Foreign Manager, Mr Hans Swedberg. Eurofinance can therefore call on 9 European banks and 5 American ones.

The Swedish company, which is one of the five major credit companies in the country, with about 280 branches, controls BANQUE SCANDINAVE EN SUISSE SA Geneva. (capital Sf 1 million - see No 260) and holds 15% in WORLD BANKING CORP, Nassau, Bahamas (see No 253) in association with American and European banks; including: BANK OF AMERICA NATIONAL TRUST & SAVING ASSOCIATION, San Francisco, BNCI-BANQUE NATIONALE POUR LE COMMERCE & L'INDUSTRIE, Paris, BANQUE LAMBERT Scs, Brussels, BANCA COMMERCIALE ITALIANA, Milan, F. VAN LANSCHOT, Hertogenbosch, Netherlands, etc.

** BfG-BANK FUER GEMEINWIRTSCHAFT AG, Frankfurt (see No 348), which increased its capital from DM 120 million to DM 140 million in March 1966, will take a 2% interest in BANK FUER ARBEIT & WIRTSCHAFT AG, Vienna, when the Austrian bank increases its capital from Sch 100 million to Sch 150 million.

BfG, which already held a nominal shareholding in this bank, is also linked with it in INTERNATIONALE GENOSSENSCHAFTSBANK, Basle (see No 289) in association mainly with HOLLANDSCHE KOOPMANS BANK, Rotterdam, COOPERATIVE WHOLESALE SOCIETY, London and BANK HAPOALIM GM, Tel Aviv.

** BANCA D'ITALIA, Rome has authorised a merger, which was planned some months ago (see No 330), between BANCA MASSONE & CO SpA, Genoa, and CREDITO LOMBARDO SpA, Milan (which is linked with the insurance group CIA DI ASSICURAZIONE DI MILANO SpA - see No 339). Assicurazione Di Milano (capital Lire 2,200 million) is to take over Banca Massone and make it a branch.

** A Soviet bank, WOSCHOD HANDELSBANK AG, Zurich (capital Sf 10 million) has been opened as the result of negotiations which have been going on for some time. The shareholders are GOSSBANK, (the Soviet State Bank - a 55% interest) GOSSVNECHTORGBANK (State Bank for External Trade - a 40% interest) and the Savings Bank of the Workers of the Soviet Union (a 5% interest).

There are already two other Soviet banks in Western Europe BANQUE COMMERCIALE POUR L'EUROPE DU NORD SA, Paris (capital Ff 70 million) headed by M. Guy de Boysson and MOSCOW NARODNY BANK LTD, London (capital £ 5 million). The latter acquired the BANK FOR RUSSIAN TRADE LTD, London before the last war, and it is headed by M. A. Doubonossov.

FOOD & DRINK

** The family concern BUITONI, Florence (sweets, pasta, "instant" meals and sauces - see No 352), whose Italian and international interests were until now controlled by I.B.P.O. - INTERNATIONAL BUITONI PERUGINA ORGANISATION, Rome has acquired a financial subsidiary, FINANZIARIA BUITONI SpA, Rome (headed by M. M. Buitoni) which is also an investment company. The shareholders in the new concern (capital Lire 7,500 million) are the five Buitoni brothers (Marco, Giovanni, Luigi, Bruno and Giuseppe) and their sons; M. L. Profili is vice-president. It will now head the group's companies in Italy and abroad (mainly in France, West Germany and the U.S.A.) and those at Perugia, PERUGIA CIOCCOLATO & CONFETTURE SpA (capital Lire 4,080 million) and GIO & F.LLI BUITONI SAN SEPOLCRO SpA (Lire 2,352 million). The group's 1965 turnover was Lire 68,000 million.

** The holding company, CHEFAR AG FUER CHEMIE & PHARMACEUTIK, Vaduz, Liechtenstein has backed KINDERBABY Sas, Milan (share capital Lire 1 million) to make and sell health, dietary and food products for children. Sig. A. Bianchi, Brunate, Como will manage the new company.

** A member of the Turin group, MARINI & ROSSI SpA (see No 325), STE SAINT-RAPHAEL SA, Paris (with depots at Ivry and Sète, Herault) has made an agreement with GEO.G.SANDEMAN SONS & CO LTD, London (see No 329) to sell in France (and on the rest of the Continent through Martini's distribution network) port made by one of the British company's subsidiaries, OFFLEY FORRESTER LTDA, Vila Nova de Gaia, Oporto. Saint Raphael has been given an option on a 50% shareholding in the Portugese company.

Sandeman has three other main subsidiaries in Portugal: SANDEMAN & CO LTDA, Oporto, ROBERTSON BROS & CO LTDA, and SARANO & CA, Oporto. Its other foreign interests include SANDEMAN BROS & CO SA, Spain, SANDEMAN (FRANCE) SA, and SANDEMAN (BELGIUM) SA, Molenbeek-St-Jean, Brussels. Saint Raphael produces aperitifs and other similar wines, as well as marketing the wines produced in Asti by FRATELLI GANCIA & CO SpA, Canelli, Asti (see No 334) and the brandies made COGNAC OTARD SA, Cognac, Charente which have formed part of the group since 1964. Its subsidiary, VINS PRIMIOR-ETS GARNIER & FILS was sold four years ago to SCHENK SA, Sète, a subsidiary of the Swiss group, SCHENK SA, Rolle, Vaud.

** UNILEVER NV, Rotterdam (see No 361) is going to take control of the edible oil producer NV U. TWINJNSTRA'S OLIEFABRIEKEN, Akkrum, with which it is already linked, Twijnstra's Oliefabrieken has a 45% interest in MENGVOEDER UT-DELFIA NV, Maarseen, formed in 1963 in association with NV MIJ TOT EXPLOITATIE DER OLIEFABRIEKEN CALVE-DELFT, Delft for the production of oil-cakes and other animal foodstuffs.

** The West German diet foods concern MILUPA PAULY GmbH, Friedrichsdorf, Taunus has extended its Common Market sales network by forming MILUPA COMMERCIALE ITALIANA Srl, Padua (capital Lire 900,000). The new company, headed by M.S. Monico, will be responsible for the marketing of its founder's food products including "Milupa" ready-prepared meals, "Miluvit" porage oats, "Milumil", a milk and honey drink, "Milfarin" semolina, "Dr. Kousas" jelly, "Milana" flour and "Pulmoll" sweets.

Milupa Pauly has several foreign subsidiaries or branches: in Brussels, Berne and Neuchatel, Switzerland and MILUPA Sarl, Colmar, France.

** Two investment companies controlled by BRASSERIES & GLACIERES DE L'INDOCHINE, SA, Paris (see No 333) - directly and through BRASSERIES DU CAMEROUN SA, Douala - NOVABRA-NOUVELLE SOCIETE DE PLACEMENT EN VALEURS DE BRASSERIES SA (formed in June 1963 - capital Ff 2.71 million) and SOPABRA-STE DE PARTICIPATIONS EN BRASSERIES SA are going to merge. The former is being absorbed by Sopabra, whose capital will be increased from Ff 25,875,000 to Ff 30,735,000.

The main shareholders in Brasseries et Glacieres de l'Indochine are SOURCE PERRIER SA, Vergeze, Gard (see No 345 - 23.9%), BANQUE DE L'INDOCHINE SA (see No 361 - 5.2%) and CIE FINANCIERE DU SUEZ SA (see No 359 - 4.2%).

IRON & STEEL

** A merger plan (pending approval by the ECSC High Authority) has been agreed in principle by two Belgian steel companies with the assistance of the STE GENERALE DE BELGIQUE group. The companies involved are COCKERILL-OUGREE SA, Seraing (capital Bf 4,058.9 million - see No 358) and FORGES DE LA PROVIDENCE SA, Marchienne-au-Pont (capital Bf 2,488 million - see No 334) whose production programmes are already complementary. A new "European scale" concern with an annual production capacity of around 5 million tons will be formed: investments and plant will be pooled, and special products rationalised: rolled steel and machine wire for Cockerill-Ougree, and heavy steel sections, strip-metal, castings and pressings for Forges de la Providence.

The move will allow the new group to increase its shareholding in SIDERUGIE MARITIME-SIDMAR SA, Ghent (see No 354) whose capital (a 41.32% interest is held by the Luxembourgeois group ARBED SA - see No 361) will shortly be increased in two stages to Bf 8,500 million. It will also make possible the rationalisation of the groups in both France and Belgium and possibly lead to their merger. The shareholders in the groups, apart from the main one - Ste Generale - are COFININDUS SA and BRUFINA SA, Brussels (members of the DE LAUNOIT group) and MM. DE ROTHSCHILD FRERES, Paris through CIE BELGE DES MINES, MINERAIS & METAUX.

In 1965 Cockerill-Ougree exported 59% of its production (25% outside the Community)

and it has five Divisions at Ougree, Seraing; Athus, Tilleur and Hemiksem. Its principal interests in France are as follows: a) in the metal industry: HAUTS FOURNEAUX DE LA CHIERS SA, Longwy, Meurthe-et-Moselle (7.93%), LAMINOIRS & ATELIERS DE JEUMONT SA, Jeumont, Nord (9.8%); in iron-mining: STE DES MINES DE FER DE ROCHONVILLERS Sarl, Algrange, Moselle (85%), STE DES MINES D'OTTANGE, Ottange, Moselle (33.3%), MINES DE FER D'AMERMONT-DOMMARY SA, Bouligny, Meuse (31.58%) and MINES D'ANDERNY - CHEVILLON SA, Paris (5.25% - see No 339). Its other main foreign interests are UCE-LINALUX SA. Luxembourg (18.36%), U.K.E.C. NV UNIE DER KEMPISCHE ELECTRISCHE CENTRALES Hasseldt (14.29%): in the sales sector it has absolute control of NV HANDEKMIJ VOOR WALSPRODUCTEN, The Hague and UNITED CONTINENTAL STEELS LTD, London (99.9%). SIDERUR-CONGO Scrl, Leopoldville (47.9%) and UNIMAROC SA, Casablanca (71%).

La Providence (eleven factories, mines and stores) has half of its production in France (1,620,000 tons of steel ingots in 1965, with 840,000 tons produced in Belgium. Its main interests are ACIERIES & LAMINOIRS DE BEAUTOR SA, Nancy, Meurthe-et-Moselle (69.7%), PROFILAFROID SA, Paris and Bailleul-sur-Therain, Aisne (85.69%), SA DE FORGEAGE DE RIVE-DE-GIER, Rive-de-Gier, Isere (67.2%), STE ARDENNAISE DE FORGE (ETS DEMANGEL & MANESTAMP) SA, Charleville, Ardennes (66.6%) and STE DES TUBES DE LA PROVIDENCE SA, Lexy, Meurthe-et-Moselle (84.5%). It has steel works at Rehon (Tiercelet and Hussigny) and mines at Valleroy, Bouligny and Ottange, which it operates in association with Cockerill-Ougree. It also has important interests in INTERACIER SA, Paris, JACQUES MARCHAND & CIE SA, Ivry, Val-de-Marne and, ETS ALFRED CAILLOUS SA, Nantes, Loire-Atlantique.

PAPER & PACKAGING

** CHAMPION PAPER INC, Hamilton, Ohio (see No 321), its affiliate INTER-MILLS SA, Malmedy (see No 361) and PAPETERIES NAVARRE SA, Paris (see No 361) have signed an agreement in Belgium whereby all three will contribute equally to a scheme to promote and pool their sales in Europe, and later on throughout the world, using a system of agencies and regional subsidiaries. They will set up a central subsidiary in Brussels, ICN SA, the American interest in which will be held by CHAMPION PAPER CO LTD, Lucerne, Switzerland.

Count L. de Meeus of Argenteuil is managing director of I.C.N. (capital Bf 30 million). The Directors are Mr K.R. Bendetsen (president) representing the American side and M. F. du Puy of Clinchamps (vice-president) representing the French side.

** MANUFACTURE BELGE D'ARTICLES EN PAPIER-MABELPAP SA, Arlon has formed a Paris sales subsidiary DOREX FRANCE Sarl (capital Ff 10,000) with its own president, M.J. Tempels as manager and minority shareholder. MABELPAP, a member of a Swedish group: MO OCH DOMSJO A/B, Örnsköldsvik (see No 362), holds 42.5% of the Bf 132 million capital (20% directly) and the remainder through its subsidiaries NORDSVESKA BRUK A/B and MODOCELL A/B (see No 274).

The Belgian concern (paper for domestic purposes) supplies the French market from its factory at Stemberg, Verviers, whilst the factory at Balen supplies the Belgian and West German markets.

PHARMACEUTICALS

** The pharmaceuticals and related products group ASPRO NICHOLAS LTD, London (see No 358) has extended its Dutch interests to include a financial and investment company BEHEER - & BELEGGINGSMIJ PHARMA NV, Amsterdam (capital Fl 25,000 almost all of which has been supplied by NICHOLAS NV, Amsterdam). The new company will be headed by ASPRO NICHOLAS (TRUSTEES) LTD, Slough, Buckinghamshire.

PLASTICS

** As part of the moves it is making to reorganise its sales activities in France (of plastic products), E.I. DU PONT DE NEMOURS & CO, Wilmington, Delaware (see No 362), has signed an agreement with S.E.P.P.I.C. - STE D'EXPLOITATION DE PRODUITS POUR LES INDUSTRIES CHIMIQUES SA, Paris, a subsidiary of ALCAN & CIE SA (ALUMINIUM LTD, Canada) under which its warehouses at Sannois, Val d'Oise and the marketing network for plastics are taken over by Du Pont.

DU PONT DE NEMOURS (FRANCE) SA (capital Ff 1.75 million), a subsidiary formed in 1959, will now be responsible for French sales of Du Pont's chief resins and plastics (Derlin, Alathon, Britacite and Lucite) whilst S.E.P.P.I.C. (president M. A. Bondouy) will remain responsible for marketing the group's other products, but not its synthetic textiles and rubber.

PRINTING & PUBLISHING

** Two German magazines, the teenage illustrated "Twen" (circulation 100,000) and the football magazine "Der Kicker" (150,000), published by VERLAG TH. MARTENS & CO GmbH, Munich - recently taken over by HEINRICH BAUER VERLAG, Hamburg (see No 362) have been acquired by the Hamburg group AXEL SPRINGER & SOHN KG, Hamburg and will be run by its associate KINDLER & SCHIRMEYER VERLAG GmbH, Munich. In July 1965, the latter sold the illustrated weekly "Revue" to Th. Martens. After merging with the similar "Neue Illustrierte" this publication will be called "Neue Revue".

With the exception of the weekly "Kristall" and the television programme magazine "Hör Zu", the Springer group had previously no connection with the publication of illustrated periodicals.

Its main publications are the dailies "Bild-Zeitung", "Hamburger Abendblatt", "Die Welt" and "Berliner Zeitung". Under AXEL SPRINGER VERLAG GmbH, Hamburg, the group comprises fifteen or so firms covering all aspects of the book trade (printing, publishing, distribution). Its subsidiary, ULLSTEIN GmbH, Berlin (see No 38) controls ULLSTEIN & CO GmbH, Vienna.

TEXTILES

** The textile firm CUSTOMAGIC MANUFACTURING CO LTD, Manchester and a similar French company D.M.R. SA, Paris have joined 50-50 in setting up a textiles sales company, CUSTOMAGIC EUROPE SA, Paris (capital Ff 20,000).

DMR (capital Ff 10.8 million) was formed in 1965 by the takeover of ETS D. DUCARIN SA, Comines, Nord (capital Ff 5 million) by ETS RICHARD FRERES SA, Cholet, Maine-et-Loire (capital Ff 1.2 million). The latter deals mainly in twill, cotton and rayon fabrics made by TISSAGES NORMANDS Sarl, Fleury-sur-Andelle, Eure (capital Ff 3.35 million) which was a subsidiary of ETS DE MENIBUS SA, Deville-les-Rouen, Seine-Maritime (capital Ff 7.25 million), a cotton and rayon spinning and twisting firm, and ARDA SA, Paris (capital Ff 60,000). The British company has two subsidiaries of its own in Britain: MARINA WHITE LTD and ROBIN MILLS LTD.

** SOC. ITALIANA DI APPLICAZIONE CELLULOSA-SIDAC SpA, Milan (see No 267) has merged with SOC. AZ. ORSI MANGELLI- SAOM-RAJON FORLI SpA, Milan, to increase its capital from Lire 4,000 million to Lire 6, 100 million and change its name to ORSI MANGELLI-SAOM-S.I.D.A.C. SpA. Italiana di Applicazione is an affiliate of UNION CHIMIQUE -UCB SA, Brussels (see No 358) in which SOLVAY & CIE Scs has majority interests.

SAOM is one of Italy's leading rayon and artificial fibre producers with plant at Forli and Rasica. It is headed by Sig. P.O. Mangelli who also heads its sister company OMSA-ORSI MANGELLI CALZIFICIO FAENZA SpA, Milan, (capital Lire 2,800 million) with a factory at Faenza producing stockings, socks and similar products.

** NV ALGEMENE CONFECTIEHANDEL VAN C. & A. BRENNINKMEIJER Amsterdam (ready-made clothing and department stores) has formed a French sales subsidiary, C. & A. FRANCE SA (see No 347), the majority of whose Ff 20,000 capital comes from the holding company UNICENA NV, Amsterdam (owner of C. & A. BELGIQUE SA, Brussels). The other shareholders in the new concern are CENACO NV. MIJ. TOT. ASSURAN-TIEBEMIDDELING ASCA NV., ADMINISTRATIEKANTOR FONDSEN UNIE NV., PRADAM NV., SURREY BEHEERMIJ. NV., AND SUSSEX BEHEERMIJ. NV., all of Amsterdam.

** A joint Franco-German venture has resulted in the formation of a company to build and run a cotton factory in Chad at a cost of C.A. Republic Frs. 1,400 million. This company, STE TEXTILE DU TCHAD-STT SA, Fort Archambault (starting capital C.A.R. Frs 300 million) is 35% owned by the German state-run organization DEUTSCHE GESELLSCHAFT FUER WIRTSCHAFTLICHE ZUZAMMENARBEIT (ENTWICKLUNGS) GmbH, Cologne (see No 326) and 35% by a group of French companies headed by TEXUNION SA, Paris (see No 237), a member of the GILLET group (see No 354), the remainder being held by the States of Chad and the Cameroons.

The same interests made similar investments in 1965 in forming CICAM-STE COTONNIERE INDUSTRIELLE DU CAMEROON SA, Douala (see No 326) to run a textile complex comprising a spinning and weaving plant at Garoua, and a bleaching, dyeing and printing factory at Douala.

** EUROFLASH Sprl (Bf 150,000) has been formed at Koekelberg, Brussels with the object of importing, representing and marketing manufactured textile goods. The manager and main shareholder is M. E. Braunstein, Gallarate, Varese, whilst M. H. Gutstein, an exporter from Holon, Israel is the minority shareholder.

** The agreement made in September 1965 (see No 325), whereby FARBWERKE HOECHST AG, Frankfurt (see No 361) was to build a "Trevira" polyester fibre factory adjacent to the Lenzing, Austria, one of CHEMIFASER LENZING AG, has now been realised. A joint subsidiary has been formed 50-50 under the name AUSTRIA FASERWERKE GmbH: about DM 20 million is to be invested in the building of the factory, which is scheduled to go into production late in 1967.

TRANSPORT

** CIE MARITIME BELGE (LLOYD ROYAL) SA, Antwerp (see No 344) has reduced its direct interest in BELGIAN FRUIT LINES NV Antwerp (see No 310) from 5.55% to 4.76%. Belgian Fruit Lines has just raised its capital to Bf 210 million: it transports perishable goods for the African companies in the STE GENERALE DE BELGIQUE SA group. The capital increase has enabled CAGETRA NV, Antwerp, to take a minority interest, while UNION FINANCIERE D'ANVERS-BUFA NV has now disposed of its shares.

Belgian Fruit Lines' main shareholders are: FRUIT IMPORT NV, Antwerp; LEON VAN PARYS NV, Antwerp; VELLE MAN & TAS NV, Rotterdam; BANANEN IMPORT MIJ-BIMA NV, Rotterdam; STE DE PARTICIPATIONS FRUITIERES-SOPARFRUIT SA, Geneva, and ETS GERARD KONINCKX FRERES SA, Antwerp.

VARIOUS

** BATMAN SPIELZEUG GmbH, Frankfurt has been formed to promote the "Batman" trademark in Germany, Austria and Switzerland (mainly toys). This is the result of an association between Mr Peter Kalisch, holder of the German rights for "James Bond 007" and MERVYN BRODIE & ASSOCIATES LTD, London who holds the world rights for "Batman" (except in America where they belong to LICENSING CORP OF AMERICA, New York).

The hero of "Batman" comics, which were launched in the United States by NATIONAL PERIODICAL PUBLICATIONS INC, New York (president Mr J.S. Liebowitz) has enabled the hundred or so American companies which use the rights for television films, films, records periodicals, toys, gadgets, etc., to reach a turnover of more than $ 50 million last year.

** ROCKY MOUNTAIN DENTAL PRODUCTS Co (dentistry apparatus) has formed ROCKY MOUNTAIN DENTAL PRODUCTS Co FRANCE Sarl in Paris and taken an interest of 20%: the balance of the capital is held by M. Martin Brusse, Littletown, Colorado. Until now Rocky Mountain Dental Products has been represented in France by PYRAMIDE Co, Paris.