

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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Prof. Sevette

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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A Letter from Bonn

SOUNDING IN TROUBLED WATERS

When it was first planned, Mr Wilson believed that his and Mr Brown's visit to Bonn - the fourth of their trips to the EEC capitals to take soundings about Britain's proposed membership of the Common Market - was going to be plain sailing. Indeed, the British Prime Minister knew that the West German Government would be for Britain's entry, and he had had confirmation of this in what Chancellor Kiesinger said in his Paris talks with General de Gaulle last December. The word then was that enlargement of the Community would directly serve the economic interests of the Federal Republic. Britain was also counting on the pro-British attitude so long demonstrated by influential politicians in the SPD and the CDU alike, and on the fact that it was felt that the British military presence on German soil would do much to persuade the Germans to intercede on Britain's behalf with her five partners in the EEC.

In the event, however, the more rosy of these hopes failed to be realised. True, when the talks ended Mr Wilson was able to say that the German Government had confirmed the country's support for British entry, and that all the problems connected with the issue had been examined in detail, but he left without any conviction that the Federal Republic would speak for Britain when she came to make her bid for Europe.

Mr Wilson's visit also made it very clear to him that, while Dr Kiesinger's cabinet has a very open mind about British entry, there are at least three aims of far more vital interest to it, and these are, in order of importance:

- 1) To secure even closer co-operation with France under the Franco-German consultation treaty: the West German Government does not want Britain's Common Market policy to interfere with this co-operation.
- 2) To go on building the Community according to the timetable laid down in the Treaty of Rome. The customs union and the common agricultural policy should both be established on July 1, 1968, and the economic union should be realised on January 1, 1970. Thus the Federal Government made it quite clear to their British guests that they must not only sign the Treaty, but also accept all the decisions taken by the EEC Council of Ministers on economic policy since January 1, 1958. While it is perfectly in order for Britain to secure interim facilities to ease her entry into the Common Market and the adaptation of her own economic policy to that of the Six, there is absolutely no question of these in any way altering the substance of the existing ties between the Six.
- 3) To prepare for the extension of economic co-operation to the alignment of foreign policy, even to the eventual establishment of a common defence policy. Shortly before Mr Wilson arrived, Chancellor Kiesinger was officially saying that his Government expected "a minimum of co-operation in foreign policy" from its partners in the EEC, and he alluded to this again in the talks, reminding Mr Wilson of his firm personal conviction that an "organised Europe" should one day be able to stand alone in defence of itself.

On reflection, perhaps the German Government's views on British membership of the Common Market did not come as a complete surprise to Wilson and Brown. Bonn had become very wary about this a few days before, during Mr Kosygin's visit to London, particularly with regard to three of the proposals made at that time. The first of these was that there should be a joint, two-phase buying and selling agreement between Soviet and British industry, covering the period up to 1975: the view in Bonn is that no member country of the EEC can throw in its economic lot, even modestly, with the USSR in this way, without contravening the medium-term economic planning of the Community. Mr Kosygin's second proposal, that a treaty of friendship should be signed between the UK and the USSR, created the danger, to the German way of thinking, of a rift between Britain and NATO, and brought the added risk should Britain join the Community, of impeding the co-operation the Six hope to achieve in foreign policy. As for the Soviet leader's insistence on getting West Germany's signature at whatever cost to the non-proliferation treaty for nuclear weapons, this, to Bonn, seemed like an attempt to expose the country to quite intolerable international pressure.

Further surprise was occasioned by the British Government's failure to stave off Soviet attacks on West Germany's "reactionary" policy, and some bitterness was stirred up by what appeared to be Mr Brown's ill-pondered remarks on the issue, still a nagging one for internal German policy, of the Oder-Neisse Frontier and the East German regime. This welter of untimely words and events obviously had such a damaging effect on the political climate that the British leaders' visit to Bonn could do little to repair the mess.

At the technical level, there seemed to be good grounds for British fears that the balance of payments, now barely restored, would plummet once more under the burden imposed by the common agricultural policy. Nevertheless, there are certain discrepancies between the calculations made by the German experts and those worked out in Britain: the former do not believe British expenditure on agriculture would show any increase on the figures at present obtaining for the "deficiency payments" system, which total DM 3,300 million (app £300 million) per annum. Bonn, however, attaches far less importance than Paris to the problem of sterling.

Britain's offers in the field of technological co-operation were accepted with some reservation by the Germans, as Mr Wilson and his experts gave no very positive recognition of the close relationship between, on the one hand, this sort of co-operation and the strengthening of Euratom, and on the other the non-proliferation treaty for nuclear weapons. Nevertheless, Mr Wilson did undertake to have the matter discussed by British and German experts.

Britain's attitude to this treaty, however, may yet induce Bonn to think again about the stand she has taken over Britain's entry into the Common Market.

THE WEEK IN THE COMMUNITY

February 13, 1967 - February 19, 1967

From our Correspondents in Brussels and Luxembourg

THE COMMON MARKET

Coming out of Hibernation

Today, for several well known reasons, the European Community is having to mark time before it can hope for a further phase of politically motivated progress. Even though they must wait for this new impetus, however, the institutions and governments of the Six no longer seem to be suffering from the mood of inactivity, almost atrophy, which characterised them throughout the latter half of 1966.

The reasons for the pause are known to all. Harold Wilson has to round off his visits to the Common Market capitals and come to a decision. People are waiting for the results of the French legislative elections, and in the last few days a governmental crisis has arisen in the Netherlands, as a result of the elections on February 15. This will probably follow Dutch political tradition and require some time before it can be settled. Its solution, moreover, may change the policies governing Dutch diplomacy for many years, as both the major parties and a number of accepted ideas seem to have suffered a considerable setback. The fact that a new party, "Democraten 66", which is youthful, progressive and in favour of closer relations with Eastern Europe, has been very successful, is a point worth bearing in mind.

Towards the Merger

The "European Summit" in Rome on April 5 (though it may be postponed to April 20) should see an end to all these delays, and the outlook for this meeting of heads of State or governmental leaders is now hopeful. The agreement reached in Luxembourg on February 16 over the question of coking-coal has helped to clear the air generally. Not only does the agreement show that there has been a revival of the community spirit, but it also illustrates how far Paris has gone since last summer to meet the demands of Bonn. In another sphere, recent debates in the permanent NATO council have stressed the unanimous support for the ideas of M. Pierre Harmel, the Belgian Foreign Affairs Minister, who would like to see the alliance adapted to suit the new conditions existing in Europe, and in the relations between Washington and its allies of the Old World. Such harmony is also likely to make the climate for the Rome meeting a favourable one.

As for what the "summit" may produce, it seems, first of all, that the Six will finally settle the question of the merger of the executives. It is now generally accepted that Dr. Walter Hallstein will be nominated as head of the new single Commission for a short space of time, although the exact length is still under discussion -

but his mandate will, in any case, probably expire on July 1, 1968. His successor may well be nominated at the same time, and once again the name of Signor Emilio Colombo has come to the fore. If he were appointed, it would be a significative choice, as the young Italian Christian Democrat leader is extremely competent, politically important and strong in his European convictions, but commentators remain guarded in their forecasts.

In itself, the merger of the executives would do much to get the Community moving again, and there is no need to dwell on this point. It would also start proceedings for the merger and rationalisation of the three European treaties, which Herr Willy Brandt would very much like to see. The question of political union can also be included in such a move, which may well go far beyond the mere technical rewriting of the treaties.

Most people believe the Rome "Summit" will lead to a renewal of the periodic meetings of Foreign Ministers, dropped after the failure of the "Fouchet Plan" in April 1962. The question of whether Britain - and later on other countries - should take part in such talks will probably come up. This suggestion may well be defended by the Benelux countries, who, according to certain of M. Harmel's proposals might propose a revival of the WEU or the formation within the Atlantic alliance of a "European group" responsible for co-ordinating and preparing discussions with Washington. The "British problem" may also arise in connection with technological co-operation, and by the time the summit arrives, the dossier on this problem, opened last December by Signor Fanfani, will probably be ripe for discussion at the political level. The three Community executives have already started to draft a joint working document in connection with the question.

Naturally enough, any solution of these aspects of the "British question" will depend considerably on the overall question of British membership of the Common Market. If, by then, Mr. Wilson has made his position clear, it will be difficult for the Six to avoid giving him a reply. In any case, the question will be an inevitable subject for discussion during the summit, and the draft non-proliferation treaty for nuclear arms now promises to provide a further topic (see EURATOM).

Business is Brisk

If, as a result of the Rome summit and even more through the merger of the executives, the European Community succeeds in gaining new impetus, it will find itself faced with a number of already well-documented problems. Business is brisk today at Commission headquarters, at the Committee of permanent representatives, and within the various joint committees of experts. The following short summary will give an idea of the matters under discussion:

Freedom of movement for Capital: The Commission has laid before the Council a draft directive, proposing the easing of exchange controls in France, Italy and the Netherlands and the abolition throughout the six countries of administrative, legislative

and other restrictions on the free movement of capital. The first three countries are asked to authorise the issuing and placing on their national markets of stocks belonging to companies from other member countries, as well as the granting of medium and long-term loans and credits totalling less than \$1 million. But even so, the overall total of these credits will only be very small, amounting to 1.5% of internal capital formation (e.g. \$275 million in the case of France). In fact, these proposals fall short of the recent measures announced by the French government for the removal of exchange controls. The abolition of restrictions is aimed in substance at suppressing all types of discrimination between nationals and non-nationals regarding the issue of foreign stocks on national exchanges and the issue and placement of stocks on the capital market. Furthermore, provided certain guarantees and conditions of security are observed, financial establishments will be authorised to buy foreign stocks.

Commercial Policy: The permanent representatives are once again studying the draft anti-dumping regulation. The various attitudes now seem to be closer and the EEC Council may take a decision in the near future. However, the establishment of lists of liberalised products and the common control of quantitative import quotas faces opposition from interested parties and from differences over the principles involved. The French are the strongest in defence of the argument that the Treaty does not envisage the introduction of a common commercial policy until after 1970. Any agreement on these questions is therefore unlikely, even though the Commission's draft proposals are not very ambitious.

European Companies: The various efforts over the past few years to arrive at a first step in co-ordinating the different national company laws seem unlikely to achieve any concrete results in the near future, but the studies being carried out by experts to see how a convention creating a "European" company might be introduced (it would be treated in the same manner in all six countries) are making good progress.

Transport Policy: At their meeting on October 20, 1966, the EEC Council decided against dealing with this problem by individual measures and asked the Commission to draw up a programme dealing with all aspects of the transport policy. M. Lambert Schaus, the member of the Commission responsible, has consulted the six governments, and the study has been completed: The new "Schaus Plan" changes the order of the proposals: the measures adopted for the formation and advertising of tariffs will no longer influence the content of the non-tariff measures, but the latter will now affect the tariff clauses of the common policy. In substance, the new draft recommends accelerated organisation of the transport community (by controlling transport capacity and regulations governing admittance to the trade), as well as increased harmonisation of the conditions affecting competition, including the charges arising out of infrastructure costs. This would give greater freedom in the formation of tariffs, although it would have to be accompanied by more advertising. The "Schaus Plan", with the aim of preventing further upsets in the common transport policy, envisages its introduction in two stages, the first being completed in 1970 and the other in 1972. At the same time, he would like to see the common policy applied to international transport within the Community as from July 1, 1968, the date of the free circulation of industrial goods.

EURATOM

The Niceties of Non-Proliferation

In accordance with the co-operation agreement between the United States and Euratom, the Washington government has just notified the Euratom Commission of a proposed article 3 (organisation of control) to the draft international treaty on non-proliferation of nuclear weapons. The Commission immediately registered a strong objection with the Euratom Council, and also with the six member countries. This reaction, however, came as no surprise (see No 391).

The Commission has reminded the Six; 1) That they could not sign the Treaty in question without first weighing its consequences since this question of control affects part of the Euratom Treaty (the states concerned must thus take the Commission's remarks into account, unless there is a contrary ruling by the Court of Justice); 2) That any change in the Euratom Treaty to bring it into line with any other agreement must receive the unanimous approval of all six member countries.

The Commission also made it plain that the draft non-proliferation treaty, as regards control (which would be the responsibility of the International Atomic Energy Agency) was incompatible with the provisions of the Treaty of Rome concerning the control of member countries' nuclear installations, and the supply of fissile materials to them. Consequently it put forward the following arguments:

- 1) While France, a nuclear power, would not be subject to inspection by the International Authority, her partners would be. This discrimination would not only be unpalatable from a political point of view, but would also tend to disrupt the economic unity of the Nuclear Community, if, for example, France refused to allow her fuels to be sent to another member country, in order to avoid inspection of these by the Authority;
- 2) Supplies of fissile materials by non-member countries to the EEC countries and control of the peaceful use of these materials are already covered by the Community under the conditions of the supply agreement itself. This system, which also applies to the non-member states, would no longer be applied if control by the I.A.E.A. were to come into operation, because this is effected within the countries signing the non-proliferation treaty.

The only possible solution seems to be an agreement with the I.A.E.A., under which control of the Community countries would be delegated to Euratom. It must be said that this alone would not solve the economic problems raised by the draft non-proliferation treaty, which has excited violent opposition, especially in Germany.

* * *

ECSC

A System for Coking-Coal and One in the Offing for Steel

Luxembourg: The ECSC Council of Ministers achieved a signal success last week when it at last devised a system of aids for coking-coal sales. The issue had been hanging over coal and steel circles within the Community for some months, and needed a rapid and effective solution to meet the progressive failure of the steel common market. Faced with growing economic and structural difficulties, the Community's steel industry believed that distortion of competition in the ECSC stemmed largely from diligent supply conditions in the steel industries of member countries, and in several states governments had asserted that in the absence of a Community solution they would have to consider introducing national measures. That such steps have been avoided does credit to the High Authority's inventive spirit and bears witness to the mutual understanding shown by the governments within the Council of Ministers.

However, the task has not been an easy one, as President Del Bo pointed out after the end of the ministers' meeting. There were two difficulties: first of all it was necessary to arrive at a Community arrangement for a sector which for several years has been suffering from a structural defect, and this made it hard to find equitable remedies for all member countries. On the other hand, member countries' interests had never been so diligent - not even in agriculture - as they were in the steel coking-coal sector. The fact that a Community solution was possible, said President Del Bo, shows that it should also be possible to work out common solutions in other sectors of the economy, where community policies are still lacking.

As a result of the decision adopted by the Council of Ministers, member states are now authorised to grant aids to coal producers which will even enable them to cut the price of coking-coal used in the Community's steel furnaces. The aid will be paid to coal producers and the states can opt for one of the two following forms of aid:

- 1) A flat rate aid amounting to a maximum of \$1.7 per ton.
- 2) A sliding scale aid based on an average total, equal at the most to \$1.7 per ton, without the aid per ton exceeding \$2.2.

In practice the aid will result in a drop of \$1.7 per ton of coal barometer prices in force on January 1, 1967.

Coking-coal and furnace coke delivered to the steel industries of the coal-producing countries will have all their aid paid by their own government. For coking-coal involved in intra-Community trade there will be a multilateral compensation fund backed by contributions from two sources. The producing country will supply up to 40% of the necessary funds, with the remaining 60% borne by the six countries as follows:

West Germany	28%
Belgium	11%
France	28%
Italy	14%
Netherlands	10%
Luxembourg	9%

A ceiling of up to 22 million units of account has been decided for the total subsidies to be paid out on coking-coal and oven-coke in intra-Community trade. According to the share of each member country in the total deliveries of coking-coal and coke to other member countries, the coal producing countries will share the subsidies as follows:

Germany	\$20.1 million
Belgium	\$ 1 million
France	\$ 0.3 million
Netherlands	\$ 0.6 million
Total	<u>\$22 million</u>

The Ad Hoc Committee will Outline Concrete Proposals on Steel at the Next Council Meeting

The Council of Ministers has instructed the ad hoc "Steel Problems" Committee to complete its report, particularly on the structural modifications required, the financial situation in the industry as a whole, the prospects for consumption and development in the various regions of the Community, and the statistical trends in trading, especially within the Community.

At the next Council meeting, which has been fixed for April 27, 1967, the ad hoc Committee will submit to the Ministers concrete proposals in accordance with the objectives and provisions of the Treaty, also taking into account the short-term aspects, particularly social and regional problems, and long-term prospects for the steel industry and market.

The Ministers emphasised the need for concrete and immediate measures. Here it is expected that the French delegation (which, it must be said, has done everything possible within the Council to allow unanimous agreement among the six countries on the coal problem) will try to make its point that the whole root of the steel problem is premature development of the intra-Community steel trade, such that the only answer is to enforce measures to "stabilise" this trade. Among the Six, France alone has up to now held this view, and the High Authority itself does not envisage any possibility of intervening in intra-Community trade without encroaching on the letter and spirit of the Treaty, which expressly states that every producer can, under the Treaty, find a place in the common steel market according to its competitive position. However, it is

quite possible (as M. Catroux, a Gaullist Deputy, declared before the European Parliament) that France may resort to protectionist measures of a national character if a Community solution is not found in the coming months. The efforts of the ad hoc Committee will reveal to what extent this scarcely-veiled threat will affect Community efforts to work out measures for dealing with the current situation while safeguarding the unity of the Common Market.

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- E ADVERTISING Belgium: AGAB, Zurich, forms Brussels advertising and consultancy firm. Germany: The German agencies WERBUNG and IFI will merge.
- E BUILDING & CIVIL ENGINEERING Belgium: GROUPE I, PARIBAS-COBEP, FINANCIERE LACOURT, from Belgium and OMNIUM TECHNIQUE, and two of its affiliates, from France and BREDERO, Utrecht, form joint planning firm in Brussels. France: GRAY FILM, Paris, forms SANFIT, Paris, (sanitary installations). Germany: CARL GRAB, Ludwigshafen, (building materials) owns 50% in EUROPEAN TILING, Brussels, recently formed to develop and sell building materials. The French POLYBOIS and local interests form POLYBOIS-HOELZER, Hagen, to sell plywood panels. Netherlands: Five leading Dutch civil engineering firms form joint tendering subsidiary VERENIGDE AANEMERS NEDERLAND, Rotterdam. SYSTEEM- & MONTAGE-BOUW TILBURG is the 50-50 construction subsidiary of two Tilburg firms, NAMECO and ZEEBREGTS' AANEMINGSBEDRIJF. Switzerland: ALGAFLEX, Milan (metal doors and partitions), opens Swiss branch.
- F CHEMICALS Belgium: OLIN MATHIESON, New York, sells its holding in POUDRERIES REUNIES DE BELGIQUE, Brussels. France: ADHE-SIFS & PROCEDES INDUSTRIELS SAUTER, Bellegarde (adhesives and coatings: subsidiary of JOHNS MANVILLE, USA) becomes division of STE JOHNS MANVILLE DE FRANCE. In the RHONE-POULENC group LA CELLULOSE DE CONDE (celluloid films) is taken over by LA CELLOPHANE, Paris (similar). BASF gives manufacturing licence for engine cowlings to ELECTRONIQUE & D'AUTOMATISME, Paris. Germany: The German chemicals firm CHEMIE GmbH raises its capital. U-E CHEMICALS, Düsseldorf, is a new sales subsidiary of UNILEVER-EMERY, Gouda. Italy: Belgian interests form BOND ITALIANA, Milan, to import various water-proof products. Netherlands: MONSANTO forms Dutch sales subsidiary.
- H COSMETICS USA: INKA COSMETIC GmbH forms New York sales firm.
- H ELECTRICAL ENGINEERING France: CUTLER HAMMER, Milwaukee, and METAL INDUSTRIES, Glasgow, form 50-50 Paris subsidiary (measuring and control instruments). CIE DES COMPTEURS, Paris, forms FINALEC, Paris (investment and finance). STE CONSTEN, Courbevoie, French agent of GRUNDIG-WERKE, Fürth, Germany, changes its name to GRUNDIG FRANCE. FRATELLI ONOFRI, Milan, (electrical domestic equipment) forms French subsidiary. Sweden: The Stockholm group L. M. ERICSSON (signalling equipment, etc.) takes over another Swedish firm GYLLING & CO (radio and electronic equipment). Switzerland: HANS STILL, Hamburg (generators, machinery, etc.) opens Swiss branch.

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J ELECTRONICS

Belgium: The American COMPUTER SCIENCES CORP (production programming) will form joint Brussels subsidiary with NV PHILIPS, Eindhoven. Germany: CTS CORP, Elkhart, Indiana, forms German subsidiary (micro-electronic components). AUTOMATION TECHNOLOGY, Washington (data processing) opens Frankfurt branch.

K ENGINEERING & METAL

Britain: The Dutch engineering company, GEBR STORK opens London branch. Canada: Four German companies join the BRITISH NEWFOUNDLAND EXPLORATION firm in consortium to seek uranium in Labrador. France: ORGANISATION ECONOMIQUE MODERNE, Paris, (FORGES DE STRASBOURG subsidiary) gets European licence from the American SUPREME STEEL EQUIPMENT CORP (office equipment). The Grenoble family firm BOUCHAYER & VIALLET (hydro-electric sluices, etc.) gains control of RESOLAC, Argentieres (milk churns and containers). ALCA-TEL and HEURTEY form joint subsidiary for research and development of electronic bombardment furnaces. OLIVETTI UNDERWOOD, New York, dissolves its Paris subsidiary. FIVES LILLE-CAIL, Paris (heavy engineering) buys interests in NOUVELLE DES ETS EDMOND DENIS and the German KOCH TRANSPORTTECHNIK. The director of the Swiss PYROS AG forms GERBER SA, Paris, to import and make components for heating etc. DOSAPRO, Pont-St-Pierre, Eure, takes over PROCEDES S.E.M., Cachan, and becomes a second PROCEDES S.E.M. (blending, separating and charging equipment). SOLLAC, Paris, gets YAWATA licence for manufacture of chrome-plated steel sheeting. ETS BERRY, Lille, and ETS RATEAU, Paris, combine their "Power Station Extractor Fan" departments. Germany: HARTUNG KUHN, Düsseldorf, buys manufacturing assets of SCHULTE-MASCHINENBAU, Düsseldorf, (plastic machinery). METRON INC, Chicago, winds up its Frankfurt sales subsidiary (clutches, gear-boxes, etc.). The American control instrument manufacturers SUNDSTRAND CORP gives licence to the German J. P. SAUER & SOHN. Italy: SA FRANCAISE DE FERODO, Paris, backs the expansion of its Turin subsidiary VALEO, (clutches). Mexico: STE NOUVELLE DE ROULEMENTS Annecy (RENAULT subsidiary), will put up 40% of capital for Franco-American roller-bearing plant in Mexico. Spain: WESTFALIA SEPARATOR AG, Celde, forms Barcelona subsidiary (dairy equipment).

O FINANCE

Belgium: ALGEMENE FINANCIERE, Antwerp, forms Antwerp banking firm EVRAL-BANK with three of its affiliates. Ethiopia: BANCO DI ROMA forms new banking firm in Asmara with Ethiopian banking and finance groups. France: BANQUE DE L'INDOCHINE, Paris, and CIE FINANCIERE DE SUEZ exchange crossed shareholdings. CREDIT UNIVERSEL, Paris, forms Paris subsidiary for

Page	factoring business. Italy: Two Liechtenstein holding companies, REPATUR and REGULIR, contribute initial capital of new Milan investment company ASSOCIAZIONE BENI EUROPEI LOMBARDI.
P FOOD & DRINK	Netherlands: NEDERLANDSE MELK UNIE, The Hague (processed dairy produce), gains control of the dairy DORDRECHTSE MELKINRICHTING. COURAGE, BARCLAY and AMSTEL BROUWERIJ, Amsterdam, form joint Dutch promotion subsidiary.
Q GLASS	Italy: The Italian investment company SOC. ESERCIZI SARDI forms STA VETRO-CERAMICA TURRITANA to reorganise the Sardinian glass industry.
Q OIL, GAS, & PETROCHEMICALS	Australia: FRENCH PETROLEUM CO (AUSTRALIA) gets 50% of WAPET concessions for 33,000 km. in West Australia. France: S.N.P.A. transfers its 20% interest in STE FINANCIERE DES PETROLES D'IRAN, Paris, to its subsidiary AQUITAINE IRAN. Italy: PHILLIPS PETROLEUM forms Milan administration company. Netherlands: Seven European and American companies form NETHERLANDS NORTH SEA GROUP to seek and develop oil and gas in the North Sea.
R PAPER & PACKAGING	Germany: Germany's leading paper producer FELDMUEHLE forms close links with PAPIERFABRIK SUNDERN (crepe-paper, handkerchiefs, etc.).
R PHARMACEUTICALS	France and USA: LABORATOIRES TORAUDE, Paris (pharmaceuticals, dietary products, etc.) strengthens its links with RICHARDSON-MERREL INC, Wilmington, Delaware, of which it is a licensee. Netherlands: Three major Dutch pharmaceuticals firms have combined under a joint holding company ACF (AMSTERDAM CHEMIE PHARMACIE), Amsterdam.
S PLASTICS	Belgium: SOLVIC, Brussels (subsidiary of SOLVAY and ICI) raises its capital again. France: STE DES DALLES & PRODUITS AMIANTES and STE A. DAWANT form joint sales company for their floor- and wall-covering interests. Germany: FORMPOLSTER GmbH (plastics) and UNION MITTELAND, Hanover, form plastic foam concern BESINA, Hamburg. USA: MONSANTO is obliged to sell its holding in MOBAY CHEMICAL CO, Pittsburgh to its co-founder BAYER.
T PRINTING & PUBLISHING	France: G. RICORDI & CO, Milan (records, record-players, etc.) buys up EDITIONS MUSICALES NUANCES, Paris.
T RUBBER	Spain: The Spanish subsidiary of CIE FINANCIERE MICHELIN, Basle, will build factory in Burgos.
T TEXTILES	Germany: BASF buys about 37% in PHRIX-WERKE, Hamburg, (synthetic fibres, etc.). R. & A. BECKER, Stuttgart (ladies' clothing) gains control of similar German firm RAWE RHEDA-

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BEKLEIDUNGS. BAYERISCHE HYPOTHEKEN- & WECHSELBANK, Munich, increases its holding in THURINGER WOLLGARNSPIN- NEREI, Schongau. Netherlands: VAN HEEK, TEN-CATE, TEXTIEL- UNIE and TEXOPRINT form joint export co-operative.

V TOURISM

France: REST AG, Lucerne, opens Paris branch. Germany: The Anglo-Indian restaurant chain KWALITY forms Frankfurt holding subsidiary.

V TRANSPORT

France: WORMS & CIE, Paris, co-ordinates its shipping interests. SAGA-SA DE GERANCE & D'ARMEMENT, Paris (MM ROTHS- CHILD FRERES group) and two subsidiaries form river transport firm for gases.

V VARIOUS

France: LUIGI FRANCHI, Brescia (sporting guns, etc.) forms Paris sales subsidiary. HOHNER, Württemberg (accordions and harmonicas) has its Paris subsidiary take over MANUFACTURE FRANCAISE D'HARMONICAS & D'ACCORDEONS (musical instru- ments). The German shoe-manufacturer ERICH ROHDE opens Nantes sales subsidiary. Italy: SCHOLL ITALIANA, Milan (sub- sidiary of SCHOLL MFG CO, London: orthopaedic equipment) is wound up.

ADVERTISING

** Negotiations are under way about the merger of the German advertising agencies WERBUNG GmbH, Wiesbaden, owned by Mr Alfred Drews, and IFI-INSTITUT FUER INDUSTRIEWERBUNG WERBEAGENTUR GmbH, Mainz which was formed in November 1965 with a capital of DM 20,000 by Herr Erich Friedrich.

** NV AGAB SA MARKETING PUBLICITE BRUXELLES has just been formed in Brussels (capital Bf 500,000) to handle all types of consultancy, marketing and advertising budget control business. The shareholders are the Zurich company AG FUER ABSATZWIRTSCHAFTLICHE BERATUNG-AGAB (10%) and AGAB's directors, Herr and Frau Schmid-Preissler of Munich (20% each).

BUILDING & CIVIL ENGINEERING

** GRAY FILM SA, Paris (director M.R. Chevries) has backed the formation of SANFIT SA, Paris (capital Ff 250,000). The new company will manufacture and sell sanitary installations using the processes and patents of SANFIT HOLDING AG, Baden (subsidiary of SANFIT AG, Ossingen, Zurich. Messrs E. Leandri and S. Gabardi are co-founders of the new firm.

** A major link-up between a French and Belgian group of building finance and consultancy firms has led to the formation in Brussels of a 50-50 joint subsidiary called STE DE COORDINATION & DE PILOTAGE-ICOPI SA (capital Bf 1.5 million), for assisting project heads, architects and contractors in co-ordinating and planning work on buildings, roads and various types of network construction (highways, sewers, canals etc). The new company has MM. R. Vanes and H. Claeys as chairman and managing director respectively, and the two groups behind it are composed as follows: 1) GROUPE I-GROUPE IMMOBILIER BELGE SA (see No 364), plus its two largest shareholders, CIE BELGE DE PARTICIPATIONS PARIBAS-COBEP SA and FINANCIERE LACOURT SA, and 2) OMNIUM TECHNIQUE-OTH SA, Paris (see No 341), together with its affiliates STE D'ASSISTANCE TECHNIQUE POUR LE BATIMENT-ATEBA SA, Paris and COPIBAT SA, Paris (in which CABINET TECHNIQUE LORRAIN SA, Metz, also holds shares), and VERENIGDE BEDRIJVEN BREDERO NV, Utrecht (see No 391).

Bredero is also linked 50-50 with group I in their building promotion company STE DE DEVELOPPEMENTS DE PROJETS-IPEO SA, Brussels (see No 331), and has a minority interest, and is linked with almost the same firms as in Icopi, in OMNIUM TECHNIQUE DE LA CONSTRUCTION- ITH SA, formed late in 1965 in Brussels.

** Five Dutch building and civil engineering firms have taken equal interests in forming a joint subsidiary in Rotterdam to pool their tendering arrangements. The new firm is called VERENIGDE AANNEMERS NEDERLAND NV (authorised capital Fl 1.5 million) and the five founders are: VISSER & SMIT'S AANNEMING-MIJ NV, Papendrecht; AANNEMERS- & WEGENBOUW- MIJ v/h FIRMA J. HEIJMANS, 's-Hertogenbosch; BAGGERMIJ HOLLAND NV, Hardinxveld-Giesendam; AANNEMING MIJ J.P. VAN EESTEREN, Rotterdam, and VAN SPLUNDER'S AANNEMING MIJ, Ridderkerk.

** ALGAFLEX S.C. DI ALBERGATI RUGGERO GIULIANA GASPARINI FLAVIO, Milan (metal doors and folding partitions) has opened a Swiss branch at Bellinzona under Sig. Miro Vescovi. The Italian firm's processes are used in France by ALGAFLEX Sarl, Voiron, Isere, which is backed by French capital, and it is represented in Tunisia.

** Herr Carl Brune, Edingen is the associate manager of EUROPEAN TILING Sprl formed at Ixelles-Brussels to manufacture, process and market all types of building materials as well as carrying out related studies. Herr Brune occupies the same position in CARL GRAB GmbH, Ludwigshafen, Rhineland, which deals in materials for the building industry (tiling, ceramic supplies, "Unilan" PVC floor coverings, mosaic facings for buildings, and prefabricated sections). The new company (capital Bf 500,000) is 50% controlled by the Ludwigshafen firm through its associate managers, Herren Fritz L. Brune, Mannheim, Carl-Horst Brune, Edingen, Jens F. Brune, Viernheim and Pit J. Brune, Grossachsen.

Carl Grab employs 600 people in its factories at Ludwigshafen, Mannheim and Kaiserlautern and has warehouses in Berlin, Bochum and Munich with several subsidiaries in West Germany: BRUNE GmbH, DEUTSCHE ASPHALT GENERALVERTRIEBS GmbH and BAUSTOFFINDUSTRIE GmbH all in Mannheim, and LUFTBEFEUCHTUNGS GmbH and LUG-RAWOHNUNGSBAU GmbH, both in Ludwigshafen.

** POLYBOIS-HOELZER VERTRIEBSGESELLSCHAFT FUER DEUTSCHLAND mbH has been formed at Hagen (capital DM 20,000; co-manager M. Gerard Bauchet of Paris) as a 50-50 joint venture of the French POLYBOIS Sarl, Le Plessis-Trevise, Val-de-Marne and local interests represented by Herr Karl Heinz Kemper. The new company will distribute plywood panels made by the French company throughout West Germany.

** SYSTEEM- & MONTAGEBOUW TILBURG NV (capital Fl 500,000) has just been formed at Tilburg in the Netherlands under Mr J.P. Berten of Voghol for a wide variety of activities in the building, civil engineering and constructional material fields. It is the 50-50 joint subsidiary of two Tilburg civil engineering concerns.

The first founder company is NV AANEMERSBEDRIJF "NAMECO", which has made over to the new company the handling of a new building method for schools and dwellings developed by NV BOUWCOMBINATIE TILBURG. The second company is ZEEBREGTS' AANEMINGSBEDRIJF NV (headed by Mr C.P.A. Zeebregts), which in 1964 formed three companies, each with Fl 150,000 capital, and of a similar type to this new one: these are BOUWBEDRIJF ZEEBREGTS BREDA NV, BOUW- & ONTWIKKELINGSMIJ TILBURG NV and UTILITEITSBOUW ZUID NEDERLAND NV, all in Tilburg.

CHEMICALS

** OLIN MATHIESON CHEMICAL CORP, New York (see No 392) has sold its shareholding of approximately 15.2% in POUDRERIES REUNIES DE BELGIQUE SA, Brussels (capital Bf 376.9 million) - see No 390 - and its two representatives on this company's board MM A. du Breil of Paris and Rolf M. Wild have subsequently resigned.

The American group is retaining its minority shareholding in the Brussels company CHIMEPLO-STE D'ETUDES CHIMIQUES & D'EXPLORATIONS INDUSTRIELLES SA which has a subsidiary in the Congo, AFRIDEX SA (see No 355) and the control of SQUIBB SA (formerly STE BELGE DES LABORATOIRES SQUIBB SA - see No 282).

**

ADHESIFS & PROCEDES INDUSTRIELS SAUTER - A.P.I.S. SA, Bellegarde, Ain (Saba, Sabalac, Sabatene, etc. chemical adhesives and coatings - capital Ff 300,000), which came under the 80% control of JOHNS MANVILLE CORP, USA, in 1965 (see No 358), has been integrated with STE JOHNS MANVILLE DE FRANCE SA, St-Marcellin-en-Forez, Loire, to become a division of the latter under the direction of M. A. L. J. Cini, who replaced M. A. L. Monnet in 1964.

The chief products of Johns Manville de France (capital raised to Ff 19,610,000 after receipt of assets valued at Ff 7,760,000 from A.P.I.S.) are refractory and insulation materials made in its factory at St-Marcellin, and filtration equipment produced at Altenstadt-Wissembourg, Bas-Rhin. The American company is linked with the various European ETERNIT companies (including STE FRANCAISE ETERNIT SA, Prouvy, Nord - see No 385), and in 1948 bought an interest in ROCLAINE SA, Paris (of the CIE DE PONT-A-MOUSSON SA and BANQUE DE PARIS & DES PAYS-BAS groups), which makes insulation material. Subsequently, Johns Manville purchased shares in PRODUITS REFRACTAIRES DE SAINT-MARCELLIN, which later became Johns Manville de France.

**

The German chemicals and plastics concern CHEMIE GmbH, Schöna, Baden (formerly ODENWALD CHEMIE - controlled by Herr Erich Ross), has raised its capital 200% to DM 3 million, by receipt of assets from three Glarus, Switzerland, holding companies controlled by Erich and Annemarie Ross: ALBINGIA GmbH (capital Sf 2 million), SATELLITE GmbH (capital Sf 2 million) and BLUDIA AG (capital Sf 100,000).

In February 1965 Herr Ross (see No 291) sold to W. R. GRACE & CO, New York, all his interests in the Heidelberg anti-corrosives and sealing agents concern, TEROSON-WERKE GmbH.

**

A chemical products sales company U-E CHEMICALS GmbH (capital DM 20,000) has been formed in Düsseldorf by the Dutch company UNILEVER-EMERY NV, Gouda (see No 273) with Messrs. Jacob Hirschhorn, Rotterdam, and Henderick P. A. van Lindert, Gouda, as managers. The founder's Fl 25.49 million capital is shared equally between EMERY INDUSTRIES INC, Cincinnati, Ohio, and UNILEVER NV, Rotterdam (see No 387), and it specialises in the production of fatty acids.

The American concern, which has no other European interests, has a payroll of 1,000 and a turnover exceeding \$45 million; outside the United States it has two wholly-owned subsidiaries, EMERY INDUSTRIES (CANADA) LTD, London, Ontario, and EMERY INDUSTRIES AUSTRALIA PTY LTD, as well as a 50% interest in the Colombian company INDUSTRIA COLOMBIANA DE DERIVADOS GRASOS SA, Medellin. Unilever already has extensive West German interests with majority shareholdings in some 25 concerns connected with the food, soap and detergent, and cosmetic industries (see No 290).

**

A merger within the RHONE-POULENC SA, Paris, group appertaining to the French celluloid film industry has been confirmed in principle: LA CELLULOSE DE CONDE - CELDOSA SA, Conde sur Escaut, Nord, which covers about 25% of the French market, will be taken over by LA CELLOPHANE SA, Paris (see No 329), which more or less accounts for the remainder.

Cellosa was controlled by the steel groups UNION DES MINES LA HENIN SA (holding about 26% through SOFINORD, Lille) and USINOR SA (about 11.7% through FORGES & ACIERIES DU NORD & LORRAINE SA).

** Up to now the Netherlands has been the only Common Market country without a subsidiary of MONSANTO CO, Saint-Louis, Missouri (see No 394), only having commercial representation through J. CH. TIMMERS NV, The Hague, but this situation has now been remedied: MONSANTO NV has been formed in The Hague to market the group's chemical, petrochemical, plastic and synthetic textile products. The new firm has a capital of Fl 1 million, 20% paid-up by the group and its Brussels subsidiary MONSANTO EUROPE SA (see No 307).

Apart from its sales subsidiaries in Milan and Düsseldorf, the American group - which recently disposed of its minority shareholding in the Italian company A.C.S.A. -APPLICAZIONI CHIMICHE SpA, Porto Maghera, Venice (see No 380) - also has factories in the Common Market at Antwerp (nearly completed) and Ghent in Belgium and at Echternach, Luxembourg and Vingles, France.

** B.A.S.F. -BADISCHE ANILIN- & SODA-FABRIK AG, Ludwigshafen (see No 394) has given S.E.A. -STE D'ELECTRONIQUE & D'AUTOMATISME SA, Paris an exclusive manufacturing licence for flame-resistant engine cowls mainly for use in the petrochemical industry. SEA has been a subsidiary of STE DE CONSTRUCTIONS ELECTRO-MECANQUES JEUMONT-SCHNEIDER SA, Paris since 1965.

** MM. J. Klein, Crainhem, Belgium and S.S. Cals, Brussels have each taken a 50% interest in the formation of BOND ITALIANA Srl, Milan (capital Lire 300,000) which will import and market - and possibly manufacture - sealing joints, asbestos coverings and similar waterproof products.

COSMETICS

** The Hanover cosmetic and chemical company INKA COSMETIC GmbH (see No 346) has extended its interests to the United States with the formation of a New York sales concern INKA COSMETIC CORP (capital \$ 20,000).

The founder, whose capital was raised in May 1966 from 1.25 million to DM 1.5 million has 300 people on its payroll and a 1966 turnover of DM 23 million (6 million from exports). It is about to start using a new factory at Sarstedt, Hanover which has required the investment of DM 10 million. Until now its foreign subsidiaries were confined to Europe, with INKA COSMETIC (AMSTERDAM) NV, Amsterdam, INKA COSMETIC SA, Schaerbeek-Brussels (see No 313), INKA COSMETIC AG, Illnau, Zurich and INKA COSMETIC GmbH, Vienna.

ELECTRICAL ENGINEERING

** HANS STILL GmbH, Hamburg (electrical generators, motors and machinery, lifting and materials handling equipment) has opened a Swiss branch at Spreitenbach with Herr Helmut Eckermann as director.

The Hamburg company (capital DM 15 million) has a payroll of over 2,000 and is controlled by the accumulator group VARTA AG, Hagen (40% - see No 389) and the Swiss holding company BATTAU AG, Sarnen, Obw. (60% - capital Sf 1.5 million). It has sales subsidiaries in France, STILL SA, Les Lilas, Seine-St-Denis and in Austria, HANS STILL GmbH, Vienna.

** CUTLER HAMMER INC, Milwaukee, Wisconsin, and METAL INDUSTRIES LTD, Glasgow, (see No 382) are to have M. J. Knobloch form CUTLER HAMMER IGRANIC CONTROL SA in Paris to implement the 50-50 association they formed some months ago (see No 372) in the field of electrical and electronic measuring and control instruments. The new company (Ff 1 million capital) will be for sales and marketing, and will work in close liaison with FENWICK SA, Paris, which introduced the American group's materials and equipment to the French market some years ago: this covers control equipment for airfields, paper machinery, control consoles for materials-handling installations, etc.

Further to its alliance with the British concern (and more especially with two of its subsidiaries, BROOKHIRST IGRANIC LTD, Bedford, and LANCASHIRE DYNAMO ELECTRONIC PRODUCTS LTD, Rugeley, Staffs), the American group has made the Netherlands its manufacturing centre for the Common Market: in 1966 it gained control of ELEC-TRISCHE APPARATENFABRIEK v/h VAN WIJK & VISSER NV (see No 365). This firm has a subsidiary at Anderlecht, Brussels (see No 335), and holds a 50% interest in M. I. EUROPA NV, Helmond (see No 258), now called CUTLER HAMMER IGRANIC NV (authorised capital Ff 8 million). At the commercial level, this alliance has been expressed in the purchase by Cutler Hammer of shares in its partner's subsidiaries in Belgium, West Germany and Italy: these are CUTLER HAMMER IGRANIC SA, Etterbeek (formerly BROOKHIRST-IGRANIC EUROPE SA, becoming M. I. EUROPE in 1960 - see No 312); CUTLER HAMMER IGRANIC GmbH, Neuss (formerly M. I. EUROPE ELEKTROANLAGEN VERTRIEBS GmbH - see No 377) and CUTLER HAMMER IGRANIC SpA, Milan (formerly M. I. EUROPA SpA).

** FINALEC-STE FINANCIERE AUXILIAIRE DE L'ELECTRICITE Sarl (capital Ff 1 million) has been formed at head office as a subsidiary of CIE DES COMPTEURS SA, Paris (see No 386), both directly and through UNIPERI-UNION POUR ETUDES & REALISATIONS INDUSTRIELLES Sarl, Paris, S.I.C.-STE INDUSTRIELLE DES COMPTEURS, Paris, and CIE DE CONSTRUCTION ELECTRIQUE, Issy-les-Moulineaux, Hauts-de-Seine. The new firm is managed by M. Jacques Pergol, deputy director-general of the parent company and managing director of SPERAC-SYSTEMES & PERIPHERIQUES ASSOCIES AUX CALCULATEURS SA (see No 378). The formation of this new subsidiary falls within Cie des Compteurs' rationalisation programme, and its field of action will be investment, share-buying and financing.

Uniperi has Ff 9.6 million capital and is a direct 96.25% subsidiary of Cie des Compteurs; its field is research, patent- and share-buying, etc., and it holds a 26.35% interest in S.I.C., 72% of the capital of the latter (Ff 2,220,000) is controlled by Cie des Compteurs, and it specialises in repairs of electrical apparatus and measuring devices used in teaching. Uniperi also controls 46% of the capital of CONSTRUCTION ELECTRIQUE (Ff 5.9 million, 53.9% held by the group), which makes relays, circuit-breakers and electrical gauges.

** The French company STE CONSTEN SA, Courbevoie, Hauts-de-Seine (capital doubled in 1965 to Ff 4 million - see No 364), which for many years has been the chief French agent of the German electrical consumer goods concern GRUNDIG-WERKE GmbH Fürth (see No 374), will now be known as GRUNDIG FRANCE SA. The German group is currently expanding its foreign interests, and has formed subsidiaries in Italy, Austria and Portugal (see No 355).

** The Stockholm group TELEFONAKTIEBOLAGET L.M. ERICSSON (see No 355), which makes electric signalling and telephonic equipment, is to increase its Common Market interests in the second of these two fields by taking over another Swedish firm, A/B GYLLING & CO, Stockholm-Gröndal (see No 234). The latter is known for its "Centrum" and "Sinus" telephones and intercoms, and for its radio, television, and industrial electronic equipment. It has a very large network of sales subsidiaries abroad, covering Norway, Denmark, Britain, the USA, Canada and Peru, the chief pivots of which are CENTRUM ELECTRONIC SA, Paris, and CENTRUM-ELECTRONIC GmbH, Hanover.

Ericsson itself has several factories in the EEC, in France, Italy and the Netherlands, and it controls ERICSSON VERKAUFGSGESELLSCHAFT mbH, Düsseldorf, Rath; STE FRANCAISE DES TELEPHONES ERICSSON SA, Colombes, Hauts-de-Seine; SETEMER SpA, Milan (see No 390), which has interests of its own in SIELTE-STA IMPIANTI ELETTRICI & TELEFONICI SISTEMA ERICSSON, Rome and Genoa, and FATME-FABBRICA APPARECCHIATURE TELEFONICHE & MATERIALE ELETTRICO SpA, Rome; ERICSSON-TELEFON-MIJ NV, Woorburg, The Hague, and ELME SA, a Luxembourg holding company.

** FRATELLI ONOFRI SpA, Milan (electrical household equipment - cookers, ovens, radiators and combined gas and electrical equipment) has formed FRATELLI ONOFRI FRANCE Srl, Montpellier (capital Ff 70,000) with M. Pascal Pastor as manager. Until now the Italian concern was represented by a Paris company A. MACDONNELL & CIE.

ELECTRONICS

** CTS CORP, Elkhart, Indiana is completing the arrangements for the formation of a subsidiary in West Germany. The American company specialises in micro-electronic components and employs more than 6,000 people at its headquarters at Berne, West Lafayette, Indiana, South Pasadena, California, Paducah, Kentucky, Asheville, North Carolina as well as in Canada (Streetsville, Ontario) and has a turnover of around \$60 million. Until now its sole European interest was a 35% shareholding in A.B. METAL PRODUCTS LTD, London.

** AUTOMATION TECHNOLOGY INC, Washington which specialises in data processing and "software" techniques has opened a Frankfurt branch. The American company, whose president is Mr Clark, already has an office in Milan.

** COMPUTER SCIENCES CORP, El Segundo, California and Los Angeles (programming for flow production) has made an agreement with NV PHILIPS GLOEILAMPEN FABRIEKEN, Eindhoven (see No 383) which will increase its Common Market interests. A joint Brussels subsidiary, COMPUTER SCIENCES INTERNATIONAL SA will give effect to the agreement and the Dutch share (25%) will be taken by PHILIPS COMPUTER INDUSTRIE NV, Apeldoorn, formed three years ago to head the Eindhoven group's data processing equipment interests.

ENGINEERING & METAL

** The Paris heavy engineering group FIVES LILLE-CAIL SA (see No 360), by way of confirming the technical and commercial agreements it made last year with the French STE NOUVELLE DES ETS EDMOND DENIS SA, Noyon, Oise, and the German KOCH TRANSPORTTECHNIK GmbH, Wadgassen, Saar, has purchased financial interests in either company.

Edmond Denis has Ff 600,000 capital, and specialises in mechanical and pneumatic on-line servicing equipment, and materials-handling plant for bulk and packaged loads. Its chairman is M. Pierre Denis, it has a payroll of 150, and runs an import-export department in Paris, which deals mainly with loaders, melangeurs, elevators, skips and foundry equipment. The German company (capital DM 1.5 million) produces extraction plant and crushing, charging and melanging equipment. Herr Karl Koch, its general manager, also heads the French concern, ETS KOCH MANUTENTION MECANIQUE SA, Sarreguemines, Moselle (capital Ff 1.5 million), which makes sieving, crushing and loading plant, extraction equipment, boilers and scaffolding.

The Fives Lille-Cail group itself is in the heavy plant sector and tenders for supply and engineering contracts abroad, especially in Eastern Europe. Its chief fields are cement works and ovens, sugar refineries, mills, foundry and metallurgical plant, metal scaffolding and bridges, locomotives and turbines. It is engaged on a long-term rationalisation programme, and late in 1964 it took over the materials-handling concern APPELVAGE SA - STE DE CONSTRUCTION & DE LOCATION D'APPAREILS DE LEVAGE & DE MATERIELS DE TRAVAUX PUBLICS, whose Rousies, Nord factory it converted for manufacture of scaffolding and boiler-making and engineering plant, while it shut down its Paris workshops. Again, in 1966, it took over the Paris companies of MAISON BREGUET SA and STE DE CONSTRUCTIONS ELECTRIQUES BREGUET-SAUTTER-HARLE SA (see No 340). It thus became, in CIE INDUSTRIELLE DES POMPES & COMPRESSEURS BREGUET-K.S.B. SA (capital raised in 1965 from Ff 4.3 million to 5.4 million), the 50-50 associate of the German K.S.B.-KLEIN, SCHANZLIN & BECKER AG, Frankenthal, Pfalz (see No 354). The latter, which has been reorganising its Belgian subsidiary K.S.B.-BELGIQUE SA, Ganshoren, Brussels, is currently preparing for an increase in its own capital.

** The Dutch engineering company KON MACHINEFABRIEK GEBR. STORK NV, Hengelo (capital Fl 35 million - see No 298) has opened a London branch headed by Mr Robert A. Schillington through V.M.F.-VEREINIGDE MACHINEFABRIEK NV, The Hague (see No 395), a holding company it formed in 1954 in association with WERKSPoor NV, Amsterdam (see No 363). The Dutch company's most recent moves include the take-over by its Belgian subsidiary ATELIERS DE CONSTRUCTION STORK FRERES & CIE NV, Brussels of ATELIERS & FONDERIES VAN DEN BOSSCHE FRERES NV, De Pinte.

VMF itself also recently bought up some of the installations of MUNCK MOES SA, Liege (formerly ATELIERS MOES SA - see No 394) from the Norwegian group SVERRE MUNCK A/S. It had already bought out PULLMAX (NEDERLAND) NV, Assen from its parent-company the Swedish PULLMAX A/B, Gothenburg and renamed it STORK POMPEN NV. The Gothenburg company (formerly A/B SVETSMEKANO) which is now part of the Stockholm group TGO-TRAFIK A/B GRANGESBERG-OXELOESUNG (see No 377) has on the other hand renamed its German subsidiary SVEDEMA-SCHWEDISCH-DEUTSCHE WERKZEUGMASCHINEN GmbH, Oberhausen, PULLMAX GmbH.

**

O.E.M.-L'ORGANISATION ECONOMIQUE MODERNE SA, Paris, a subsidiary of FORGES DE STRASBOURG SA, Paris (see No 386), has won a manufacturing and retailing licence from the American office equipment concern SUPREME STEEL EQUIPMENT CORP, Brooklyn, New York. The licence covers the whole of Europe, including Britain and Eire, as well as Africa, with the exception of the Union of South Africa, and applies to "Rollout conserv-a-file" and "Conserv-a-file V" equipment. This is a two-way horizontal/vertical moving filing system, which permits high-density storage of information.

Supreme Steel Equipment's sales will now enjoy the ample facilities offered by Forges de Strasbourg's highly-developed sales network, in particular the subsidiaries and affiliates who market shelving produced by STRAFOR-HAUSERMAN SA, (see No 378), a subsidiary owned jointly in Strasbourg with the world's largest partitioning company, E. F. HAUSERMAN CO, Cleveland, Ohio. This network includes STRAFOR HAUSERMAN GmbH, West Germany; BRAAT-STRAFOR-HAUSERMAN NV, Netherlands; STRAFOR-AFRIQUE SA, Cote d'Ivoire; STRAFOR-CAMEROUN SA, STRAFOR-DAHOMAY SA, STRAFOR-GUINEE Sarl, STRAFOR-SENEGAL SA, STRAFOR-MAROC SA, STRAFOR-BERN SA, STRAFOR SA, Saint-Gilles, Brussels (owned jointly with ATELIERS & FONDERIES DE ZELEM, MOENS & CIE SA, St-Gilles); STRAFOR ITALIANA SpA, Milan (joint with OSWALD E. BOLL AG, Zurich), and DEFORG-DEUTSCH-FRANZOESISCHE ORGANISATIONSMITTEL GmbH, Frankfurt (formerly at Kiel), which has DM 1 million capital.

**

The Grenoble family group ETS BOUCHAYER & VIALLET SA, through its local subsidiary GENERALE D'EQUIPEMENT B.V. SA, has gained control of the Argentieres, Hautes-Alpes concern RESOLAC - P.R.F. The latter distributes, throughout the Common Market, milk churns and containers made by GIRTON MFG CO, Millville, Pennsylvania, and also holds its manufacturing licence, as does CLARKE BUILT LTD for Britain.

Bouchayer & Viallet is one of the largest international hydro-electric sluice and conduit concerns, and covers the world market. Its Grenoble subsidiary B.V.S. SA (joint with SFAC-STE FORGES & ATELIERS DU CREUSOT SA - see Nos 272, 382) tendered successfully for the survey and engineering work on the "Hendrik Vervoerd" dam project on the Orange River in South Africa, for which SFAC will be handling most of the material supply business. The construction of the dam itself, which is the first of a series of such projects, is in the hands of a Franco-South African consortium, comprising, on the one side, STE ANDRE BORIE and STE DUMEZ SA (Paris civil engineering companies - see No 396), and on the other the local group UNION CORP OF PUBLIC WORKS, which embraces HODGSON HOLDINGS A. G. BURTON and UNION CORP (which for two years has had a London subsidiary called UNIDRILLING (U.K.) LTD).

**

SA FRANCAISE DU FERODO, Paris (see No 375) has backed the expansion plans of its Turin subsidiary VALEO SpA - SOC DI STUDIO & DI PRODUZIONE DI MONDOVI by raising its capital to Lire 1,500 million. The latter is headed by Sig. C. Donatelli, and its Mondovi, Cuneo factory turns out "Valéo" automobile clutches under a French licence. The first stage of the scheme is now being completed, and the second, the main part of which is to add a further 8,000 square metres of buildings to the factory, will be started between now and 1968.

The French company is an affiliate of TURNER & NEWALL LTD, Manchester, its subsidiary FERODO LTD (see No 295), CIE FINANCIERE DE SUEZ SA, Paris, and FERODO ITALIANA SpA, Mondovi.

** Under a recent agreement signed in Mexico with CIA INTERCONTINENTAL DE DESAROLO SA (president Mr Bruno Pagliai - see No 372), S.N.R. -STE NOUVELLE DE ROULEMENTS SA, Annecy, Haute Savoie (see No 386), a subsidiary of R.N.U.R. -REGIE NATIONALE DES USINES RENAULT SA, Boulogne-Billancourt, Hauts-de-Seine (see No 391) will put up 40% of the capital of Pesos 100 million for the enterprise being formed to run the new Franco-American plant at Puebla. This is the country's first roller-bearing factory and it will be build by another Renault subsidiary, the engineering company SERI-STE D'ETUDES & DE REALISATIONS INDUSTRIELLES RENAULT-ENGINEERING SA, Rueil-Malmaison, Hauts-de-Seine (formerly at Boulogne-Billancourt).

The latter company (capital Ff 6 million) has a wide range of functions: last September it took part in forming SEREQUIP-STE D'ETUDES D'INFRASTRUCTURE & D'EQUIPEMENT SA, Paris (capital Ff 200, 000) in association with EUREQUIP-STE EUROPEENNE D'EQUIPEMENT & DE CONSEIL SA, Neuilly, Hauts-de-Seine (capital Ff 250, 000). Serequip will utilise both its founders' resources for technical and economic infrastructural analysis (roads, parking facilities, aerodromes, ports, etc.) to increase the group's share of foreign technical assets.

** HARTUNG, KUHN & CO, MASCHINENFABRIK GmbH, Düsseldorf (capital DM 600, 000) has acquired all the manufacturing interests (including patents and processes) of the plastic machinery manufacturer (injection presses) SCHULTE -MASCHINENBAU GmbH & CO KG, Düsseldorf (capital DM 200, 000). The former makes charging equipment for coke-ovens, machinery for the paper and laundry industries (it represents AMERICAN LAUNDRY MACHINERY INDUSTRIES CO, Cincinnati, Ohio, a division of MC GRAW EDISON CO, Elsin - see No 341) and since 1965 (see N 318) has been the wholly-owned subsidiary of LINDEMANN MASCHINENFABRIK GmbH, Düsseldorf. This firm (capital DM 8 million) makes presses for the metal and engineering industries, crushing-mills, faggoting-machinery and metal-cutters; it also has a sales subsidiary LINDEMANN KG HYDRAULISCHE PRESSEN, Düsseldorf.

** ALCATEL-HEURTEY -STE ALSACIENNE DE CONSTRUCTIONS ATOMIQUES, DE TELECOMMUNICATIONS & D'ELECTRONIQUE & SA HEURTEY SnC. This will provide the legal framework for the pooling of knowledge and research work connected with electron bombardment furnaces as well as their sales networks. The founders (50% each) are ALCATEL SA (see No 389) where the new company has its offices and HEURTEY SA (see No 390), which have both contributed their know-how and client contacts.

** The American manufacturer of clutches, gear-boxes and differentials etc, METRON INC, Chicago, Illinois has discontinued the activities of its Frankfurt sales subsidiary METRON HANDELS GmbH. The American company has been linked with its British opposite number THE DAVALL GEAR CO LTD, Potters Bar, Hertfordshire by a reciprocal sales agreement since July 1966.

** OLIVETTI UNDERWOOD CORP, New York (formerly UNDERWOOD CORP) and a member of the Italian typewriter manufacturing group, has dissolved its Paris subsidiary UNDERWOOD SA (capital Ff 1.55 million) and its business has been taken over by the group's direct subsidiary SA DES MACHINES DE PRECISION & OUTILS OLIVETTI- S.A.M.P.O. SA, Paris (capital doubled early in 1965 to Ff 50 million). The latter has expanded rapidly during recent years as a result of its complete technical and commercial reorganisation.

** The director of the Swiss PYROS AG, Stanostad, Nidwalen is about to form GERBER SA, Paris (capital Ff 200,000) to import, market and manufacture components for heating, ventilation, refrigeration and air-conditioning.

The Swiss company was formed at the end of 1964 as a result of moves by PYROS GmbH, Hanover (see No 342) with a capital of Sf 1 million. It is headed by MM. W. Wittleden and E. Knöfler and is indirectly linked with the Belgian A.C.E.C. group (see No 394) through its subsidiary LA MAGNETO BELGE SA, Forest (see No 293).

** Under a recent merger operation in the French engineering industry PROCEDES S.E.M. SA, Cachan, Val de Marne (see No 394) was taken over by DOSAPRO SA, Pont-St-Pierre, Eure to increase its capital to Ff 5 million and become a second PROCEDES S.E.M. SA at Cachan, specialising in automatic blending, separating, and charging equipment.

Before its disappearance, the original Procedes S.E.M. (capital Ff 2 million) had signed a partial split agreement with STE MECANIQUE DE L'ANDELLE SA, Pont-St-Pierre (then with a capital of Ff 10,000) giving the latter its "Charging" and "Goodyear Pumps" departments. Mecanique de L'Andelle has now increased its capital to Ff 4.25 million and taken the name of DOSAPRO-MILTON ROY SA. It will manufacture mainly analysis and control equipment (dosimetric and volumetric pumps) under licence from MILTON ROY CO, Petersburg, Florida. This American company is represented in France by VOLUMATIC, Paris, in Switzerland by MILTON ROY AG, Lucerne, in Germany by BRAN & LUEBBE, Hamburg and in Italy by MILTON ROY SpA, Milan.

** Under an agreement with YAWATA IRON & STEEL CO LTD, Tokyo (see No 344), SOLLAC-STE LORRAINE DE LAMINAGE CONTINU SA, Paris will be allowed to manufacture the Japanese firm's chrome-plated steel sheeting under licence, as soon as the necessary administrative approval has been obtained.

The Japanese company (capital £92.33 million) is the leading national steel company and is already linked by similar agreements with the FINSIDER SpA, Rome and DEMAG AG, Duisburg groups. In 1965 the French company, in association with J.J. CARNAUD, SIDELOR, WENDEL & CIE and FORGES & ACIERIES DE DILLING (AG DER DILLINGER HUETTENWERKE, Dillingen - see No 360), formed CENTRE DE RECHERCHES DU FER BLANC Sarl (capital Ff 2 million) at Thionville, Moselle, director M. Paul Rocquet. Sollac's Ff 554.85 million capital is owned 44.55% by DE WENDEL & CIE SA, Paris; 16.83% by SIDELOR-UNION SIDERURGIQUE LORRAINE SA, Metz; 5.32% by ETS J. CARNAUD and FORGES DE BASSE-INDRE SA, Paris and 4.34% by FORGES DE GUEUGNON, Gueugnon, Saone & Loire.

** Four German companies, in an attempt to obtain a direct supply of nuclear fuel, have formed a consortium which will link with the Canadian company BRITISH NEWFOUNDLAND EXPLORATION LTD in prospection surveys for uranium over an area of 1,800 square kilometres in Labrador. The consortium is headed by METALLGESELLSCHAFT AG, Frankfurt (whose main shareholders with more than 25% each are DRESDNER BANK AG and SIEMENS AG, and also include KLOCKNER & CO KG, Duisburg - see No's 379 and 389). HIBERNIA AG, Herne (the wholly-owned subsidiary of the State concern VEBA-VEREINIGTE ELEKTRIZITAETS- & BERGWERKS AG, Bonn - see No 393 - and the Essen electricity producer and distribution company STEAG-STEINKOHL-ELEKTRIZITAETS AG (see No 343), which uses coal from the mines of the Ruhr.

** WESTFALIA SEPARATOR AG, Celde (dairy equipment - see No 341) has formed a wholly-owned subsidiary in Barcelona WESTFALIA SEPARATOR IBERICA SA (capital Pts 1 million).

The founder (property of the Habig family - capital DM 29.925 million) has several wholly-owned subsidiaries outside West Germany: WESTFALIA SEPARATOR FRANCE Sarl, Chateau-Thierry, Aisne (which in 1965 took over STE DES ECREMEUSES & SEPARATEURS INDUSTRIELS Sarl, Chateau-Thierry, WESTFALIA SEPARATOR ITALIANA Srl and IMMOBILIARE WESTFALIA SpA (both in Milan), WESTFALIA SEPARATOR HANDELS GmbH, Vienna and WESTFALIA SEPARATOR (GREAT BRITAIN) LTD, Bletchley, Bucks and CENTRICO INC, Englewood, New Jersey.

** SUNDSTRAND CORP, Rockford, Illinois has granted a manufacturing licence covering its complete range of automobile and marine control instruments to the German J.P. SAUER & SOHN GmbH, Eckerförde (capital DM 4 million). The latter is 95% controlled by HYDROMECHANIK GmbH VERTRIEBSGESELLSCHAFT FUER OELHYDRAULIK FIEL-AACHEN-HORB, Kiel, itself a 55/45 subsidiary of HYDROMECHANIK MASCHINENBAU GmbH, Kiel and STAHLWERKE BRUNINGHAUS GmbH, Westhofen. The latter is the wholly-owned subsidiary of STAHLWERK-GESELLSCHAFT MAXIMILIANSHUETTE mbH, Salzburg-Rosenberg.

The American group (annual turnover around \$100 million) has two European subsidiaries: SUNDSTRAND- S.P.M. FRANCE SA, Courbevoie, Hauts de Seine (capital Ff 3 million) and the Swiss holding company SUNDSTRAND INTERNATIONAL CORP SA, Fribourg; since 1954 it has held a 50% shareholding in the Swedish SUNDSTRAND HYDRAULIC A/B, Stockholm.

** Plans to unite the Power Station Extractor Fans departments of ETS BERRY SA Lille (factories at Bitche, Moselle and Creutzwald, Moselle) and STE RATEAU SA, Paris and La Courneuve have resulted in these departments being combined in the form of a 50-50 partnership to manufacture and sell this equipment on the French and foreign markets. The agreement leaves the two firms financially independent in all other respects.

FINANCE

** As a result of the decision made recently (see No 393) by BANQUE DE L'INDOCHINE SA, Paris and CIE FINANCIERE DE SUEZ SA (see No 388) to strengthen their already long-established links through a 7% crossed shareholding, the latter will make over to Banque de L'Indochine a 15.4% interest in B.U.P.-BANQUE DE L'UNION PARISIENNE SA (see No 365), whose main shareholder it used to be, with just over 21%. The capital of Banque de L'Indochine will be raised to Ff 266.95 million.

** BANCO DI ROMA SpA (96% subsidiary of IRI-ISTITUTO PER LA RICOSTRUZIONE INDUSTRIALE - see No 387) which has a long-established representative agency in Addis Ababa and branches in Asmara, Assab and Massawa, is to form a new banking establishment in Asmara in association with Ethiopian banking and finance groups. This will be called BANCO DI ROMA (ETHIOPIA) SHARE CO and will initially combine all the Italian banks' agencies in the province of Eritrea and eventually extend its activities throughout the entire country.

BANCO DI ROMA's business covers several African and Middle East countries: Libya (Tripoli and Benghazi), the Lebanon (Beirut, Saida), Somalia (Mogadishu and Merca), Turkey (Istanbul and Izmir).

** A director of BANCO BOVISIO and FINANZIAMENTI & PARTECIPAZIONI-SAFEP SpA, Milan (see No 289), Signor P. Accetti is the sole director of A.B.E.L. -ASSOCIAZIONE BENI EUROPEI LOMBARDI SpA, an investment company formed in Milan (authorised capital Lire 500 million) with the first instalment paid up equally by two Liechtenstein holding companies REPATUR ANSTALT and REGULIR ANSTALT, both in Vaduz.

** C.C.F. -CREDIT COMMERCIAL DE FRANCE SA, Paris (see No 391) - a 50-50 associate of STE DE BANQUE SUISSE SA, Basle (see No 392) in BANQUE FRANCO-SUISSE POUR LE MAROC SA, Casablanca (capital 3 million Dirham) and its subsidiary STE IMMOBILIERE LES HESPERIDES, Casablanca - is to have a new co-shareholder, CONTINENTAL ILLINOIS NATIONAL BANK & TRUST CO, Chicago (see No 345) whose interest in the Moroccan bank and property company (owner of the bank building) will be on a par with those of the French and Swiss firms. The Casablanca bank, formed in 1951, will take the name of BANQUE AMERICANO-FRANCO-SUISSE POUR LE MAROC SA.

The Chicago bank has offices and branches in London, Hamburg, Milan, Zurich, Chiasso, Brussels, Antwerp, Rotterdam, Amsterdam, Madrid etc as well as numerous shareholdings including: NEDERLANDSE OVERZEE BANK NV, Amsterdam (through CONTINENTAL & OVERSEAS INVESTMENT NV, Amsterdam - see No 327); BANQUE EUROPEENNE D'OUTRE-MER SA, Brussels (see No 345); BANCA PRIVATA FINANZIARIA SpA, Milan (see No 313), UNION INDUSTRIAL BANCARIA SA, Barcelona; BANCO ATLANTICO SA, Madrid etc.

** The Antwerp group ALGEMENE FINANCIERE MIJ NV (see No 256), which is headed by Messrs G. de Paep and A. Duchateau, has formed a banking house in Antwerp called EVRAL-BANK NV (capital Bf 25 million), control of which it shares with three affiliated companies in Antwerp: L'EUROPEENNE GENERALE SA, EUROPESE HYPOTHEEKMIJ NV and ANTWERPSE HYPOTHEEK- & FINANCIERINGSMIJ HYFIMA NV.

** The Paris group CREDIT UNIVERSEL SA (see No 394) is to form a subsidiary in Paris to build up a business in factoring, a form of service as yet not widely developed in France. The new company will be called UNIVERSAL FACTORING SA, and it will have Ff 100, 000 capital, and M. A. Brun as founder.

Credit Universel has some 40 agencies and 7, 000 representatives, and is active in the three fields of financing home and business equipment purchases, property and mortgage loans (through PLURICREDIT) and banking (through FONCIA CREDIT).

FOOD & DRINK

** NEDERLANDSE MELK UNIE-N.M.U., The Hague (see No 360) which has a productive and processing output of almost 490, 000 tons a year, has gained control of the dairy NV DORDRECHTSE MELKINRICHTING-D.M.I. (output 18, 000 tons a year). NMU has processing factories (condensed or powdered milk, cheese, butter, etc.) at Bodegraven, Breukelen, Ondewater and Rotterdam and is just completing the construction of a new unit for fresh products at Crona.

** The long-established reciprocal sales and technical links between the British brewery group COURAGE, BARCLAY & SIMMONDS, London (see No 332) and the Dutch AMSTEL BROUWERIJ. NV, Amsterdam (see No 387) are going to be strengthened by a joint concern COURAGE & AMSTEL INTERNATIONAL NV, Amsterdam which will promote exports of its founders' beer throughout the world.

GLASS

**

The Italian investment company S.E.S.-SOC. ESERCIZI SARDI SpA, Cagliari (formerly STA ELETTRICA SARDA - see No 265) - 49% owned by the Florence group BASTOGI-SOC. ITALIANA PER LE STRADE FERRATE MERIDIONALI SpA. (see No 392) - has formed STA VETRO-CERAMICA TURRITANA, Cagliari (capital Lire 1 million) to provide the basis for the reorganisation of the Sardinian glass industry. The new company will absorb CERAMICA EUROPEA SpA (capital doubled to Lire 140 million in 1965), which specialises in ceramics and plate-glass and VETRERIA TURRITANA Srl, Pizzi (capital recently raised to Lire 50 million), in which S.E.S. has increased its holding to 100%.

OIL, GAS & PETROCHEMICALS

**

NOORDWINNING-NETHERLANDS NORTH SEA GROUP has been formed in The Hague by a group of seven American and European companies (including three from Common Market countries) for the exploration and development of oil and gas in the Netherlands Continental Shelf area of the North Sea. AMAX PETROLEUM CORP (part of the New York group METAL CLIMAX INC - see No 374) will have operational responsibility for the project as it has carried out extensive seismic surveys in this area over the past two years, and it holds an 18.4% interest.

Other companies involved are: 1) with 9.2% each - KONINKLIJKE NEDERLANDSCHE HOOGEVENS STAALFABRIEKEN NV, IJmuiden (see No 384) and NV BILLITON MIJ, The Hague (see No 374); 2) with 18.4% each - NORTH SEA SELECTION LTD, London (part of the SELECTION TRUST CO LTD group), UNITED OVERSEAS PRODUCTION CORP, Shreveport, Louisiana (part of the UNITED GAS CORP group - see No 275) and DELFZEE NV, Amsterdam (formed at the end of 1965 by the West German group WINTERSHALL AG, Kassel and Celle - see No 395); 3) with 8% FALCON SEABOARD DRILLING CO, Houston, Texas, which in 1964 formed FALCON SEABOARD - UK LTD to take part with an international group (headed by North Sea Selection Ltd) in the exploration of the British shelf of the North Sea, which also included Amax Petroleum.

**

PHILLIPS PETROLEUM CO, Bartlesville, Oklahoma (see No 390), has formed an administration company in Milan called PHILLIPS PETROLEUM INTERNATIONAL SpA (directed by Mr. J. A. Lipinski) to co-ordinate the group's oil and petrochemicals business in Italy. The chief executives of the new firm will be Messrs. W. Copenhaver, R. E. Elliot and J. Roussel.

Phillips itself has long controlled the Milan firm of S.I.A.P.I. - STA ITALO-AMERICANA PETROCHIMICA IDROCARBURI SpA (see No 334), which represents it for sales of petrochemicals. More than a year ago it bought a controlling interest in STA PETROLIFERA ITALIANA S.P.I., Fornovo Taro, Parma (see No 356), having in 1964 formed a survey company in Rome under the name of ENERGIA PETROLIO D'ITALIA SpA (capital Lire 100 million), directed by Mr. L. Stanley. It also holds 50% interests in PHILLIPS CARBON BLACK ITALIANA SpA, Ravenna (in association with the E.N.I. group), and in PHILLIPS FINA SpA, Milan (see No 289), where the other half of the capital is held by the Belgian PETROFINA SA group.

**

S.N.P.A. - STE NATIONALE DES PETROLES D'AQUITAINE SA, Paris (see No 389) has made over its 20% interest in STE FINANCIERE DES PETROLES D'IRAN - SOFIRAN Snc, Paris (see No 294) to its subsidiary AQUITAINE IRAN SA (see No 381). Sofiran has now become a limited company, and it remains under the 45% control of ERAP-ENTREPRISE DE RECHERCHES & D'ACTIVITES PETROLIERES (see No 395), with the balance of the capital held by ERAP's wholly-owned subsidiary AUXERAP-STE AUXILIAIRE DE L'ENTREPRISE DE RECHERCHES & D'ACTIVITES PETROLIERES (formerly AUXIRAP - see No 301). Since 1965, Sofiran has held an option on an off-shore drilling concession in the Persian gulf, off the Iranian coast (7,000 square kilometres), and in 1966 it made an agreement with the Iranian state concern N.I.O.C. - NATIONAL IRANIAN OIL CO, Teheran, for the exploration of this area.

**

The Australian company FPC-FRENCH PETROLEUM CO (AUSTRALIA) PTY LTD (capital £1.5 million Australian), a member of the French group C.F.P. - CIE FRANCAISE DES PETROLES SA, Paris has signed an agreement with WAPET-WEST AUSTRALIAN PETROLEUM PTY LTD (see No 283) giving it a 50% share in concessions owned by the latter on an area of over 33,000 sq. km in the Canning Basin, Western Australia.

F.P.C. already operates: 1) under a WAPET permit in the Perth, W. Australia region where promising indications of natural gas have been found: 2) under permits granted in 1963 to SANTOS LTD, Adelaide and DELHI AUSTRALIAN PETROLEUM (see No 258) for the Queensland and South Australia regions.

PAPER & PACKAGING

**

Without affecting its financial independence, West Germany's leading paper producer FELDMUEHLE AG, Düsseldorf (see No 392) will form close links with PAPIERFABRIK SUNDERN GmbH, Raubach über Selters, Westerwald (crepe-paper, handkerchiefs, napkins, tablecloths etc). The latter, whose capital of DM 4.88 million is shared between the Halstrick family (51%) and the beneficiaries of Drs. Hengesbach (33%) and Scheffer (16%), will make over its sales interests to a subsidiary owned jointly with the Düsseldorf group, and known as BOY-VERTRIEBS GmbH (from its brand name "Boy").

Feldmühle's manufacturing interests in this sphere are at Reisholz, Düsseldorf-Benrath and Oberlahnstein.

PHARMACEUTICALS

**

LABORATOIRES TORAUDE SA, Paris (see No 394), whose Montrouge and Bourgoin, Isere factories produce pharmaceuticals for sale on prescription, dietary products and dressings, is to strengthen its links with the Wilmington, Delaware group RICHARDSON-MERRELL INC (see No 395). It is the licensee of the latter, and 9% of its Ff 123,820,000 1966 turnover was made on the American group's products. The link-up between the two companies takes the form of an agreement in principle that Richardson-Merrell shall gain control of Toraude, whose president is M.A. Debarge, its main shareholder.

The American group also increased its interests in Luxembourg a short time ago, and it recently set up in Austria, with its German manufacturing subsidiary IPTOR PHARMA-

ZEUTISCHE PRAEPARAETE AG, St-Ingbert, Saar (capital DM 3 million) forming IPTOR PHARMAZEUTISCHE PRAEPARAETE GmbH in Vienna with Sch 240,000 capital and Herr Rogobert Kotsch as manager.

The American group has long been established on the French market with LABO-RATOIRES VICK SA and VICK INTERNATIONAL SA, both in Paris, while in 1962 it gained control of M.I.L.A. SA, Paris and Blois, a skin-care concern which then changed its name to LABORATOIRES LACHARTRE SA (see No 279).

** A merger scheduled for several years has now taken place in the Dutch pharmaceutical industry between AMSTERDAMSCH E CHININEFABRIEK NV, Amsterdam, DE BANDOENGSCHE KININEFABRIEK HOLLAND NV, Amsterdam and NV NEDERLANDSCHE KININEFABRIEK, Maarssen which have been combined under a joint holding company, ACF (AMSTERDAM CHEMIE PHARMACIE) NV, Amsterdam (authorised capital Fl 11 million and gross assets Fl 65.2 million). Their joint sales subsidiary (25-37.5 - 37.5) NV NEDERLANDSCHE COMBINATIE VOOR CHEMISCHE INDUSTRIE, Amsterdam has become ACF FARMACEUTISCHE GROOTHANDEL NV.

PLASTICS

** The capital of SOLVIC-SA POUR L'INDUSTRIE DES MATIERES PLASTIQUES, Ixelles, Brussels (with PVC factory at Jemeppe-sur-Meuse - see No 394) which was raised to Bf 225 million in April 1965 to finance expansion, is to be raised to a new ceiling of Bf 475 million (see No 349). 20% of the new fund will be supplied in cash and the remainder in credits put up according to the size of their respective interests - 75% and 25% - by the two shareholders: SOLVAY & CIE Scs, Brussels and ICI-IMPERIAL CHEMICAL INDUSTRIES LTD, London.

** STE DE REVETEMENTS PLASTIFEUTRE-S.O.R.E.P. SA, Saint-Ouen is a sales company formed in Saint-Ouen by STE DES DALLES & PRODUITS AMIANTES-DALAMI SA, Vernouillet, Yvelines (51%) and STE A. DAWANT SA, Saint-Ouen (49%) as a result of their recent agreement (see No 385) to rationalise their production, marketing and manufacturing interests in floor- and wall-coverings (including carpets). Ste Dawant has made over to the new company its "Plastifeutre" and "Dawanil" brands, and it will also close its Aubergenville factory.

Dalami shares control of the new concern (capital Ff 2 million) with two other companies in its group 1) STE DU FIBROCIMENT & DES REVETEMENTS ELO Sarl, Triel, Yvelines, a wholly-owned subsidiary of STE FRANCAISE ETERNIT SA, Prouvy, Nord, itself an affiliate of the Belgian group STE FINANCIERE ETERNIT SA (see No 359); 2) STE D'ETUDES & D'EXPLOITATIONS INDUSTRIELLES-ETEX SA, Paris (see No 278) the French parent company of STE FINANCIERE ETERNIT SA and Dalami, and itself affiliated to Ste Financiere Eternit SA.

** FORMPOLSTER GmbH, Gohfeld bei Bad Oeyhausen (see No 380: plastics processing) which is now controlled by CONTINENTAL GUMMIWERKE AG, Hanover (see No 391), has joined UNION MITTELAND GmbH, Hanover, one of the group's wholly-owned subsidiaries, in forming a plastic foam concern in Hamburg called BESINA-SCHAUMSTOFF-VERARBEITUNGS GmbH (capital DM 20,000).

** Because of proceedings taken against it since 1962 by the American Department of Justice under the anti-trust laws, the American group MONSANTO CO, Saint-Louis, Missouri (see No 381) has sold its holding in MOBAY CHEMICAL CO, Pittsburgh (see No 379) to FARBEN-FABRIKEN BAYER AG, Leverkusen (see No 396) - through its holding company BAYFORIN-BAYER FOREIGN INVESTMENTS LTD, Toronto. Mobay was formed jointly by the two groups in 1954 to produce isocyanates for the manufacture of polyurethane foams.

In the United States, the German group is negotiating the formation of a joint pharmaceutical subsidiary with SCHERING CORP, Bloomfield, New Jersey. It is also concerned with FBA PHARMACEUTICALS INC, New York (100%), VERONA-PHARMA CHEMICAL CORP, Union, New Jersey (99.9%) and CHEMAGRO CORP, Kansas City, Missouri (43.9%).

PRINTING & PUBLISHING

** G. RICORDI & CO SpA, Milan (records, record-players and music publishers) has acquired the assets of the Paris EDITIONS MUSICALES NUANCES through SA DES EDITIONS RICORDI, Paris (capital Ff 330,000). The Italian company has just formed a music publishing subsidiary in Frankfurt (see No 395).

RUBBER

** SA PARA LA FABRICACION EN ESPANA DE NEUMATICOS MICHELIN, which is controlled by CIE FINANCIERE MICHELIN K. AG, Basle (holding company for the French tyre company CIE GENERALE DES ETABLISSEMENTS MICHELIN S.C.A., Clermont-Ferrand - see No 385), is to invest some Ptas 3 million in the construction of a factory at Aranda del Duero, Burgos. The company has already set up factories at Lasarte, San Sebastian (app 25,000 tons capacity) and at Arriaga, Vitoria (go-ahead given in 1963), and the next one should go into production in 1969, with an initial capacity of 20,000 tons, later to be doubled.

The Michelin group has six factories in France, and over the past few months has been making a number of foreign investments: the second German factory has been started at Bad Kreuznach, and extension programmes set in motion for its Belfast, Burnley (Lancs), Cuneo (Italy) and Vitoria factories.

TEXTILES

** The BASF-BADISCHE ANILIN & SODA-FABRIK group of Ludwigshafen which bought up around 37%, in two stages, of the capital (DM77 million) of PHRIX-WERKE AG, Hamburg (see No 393: synthetic fibres, rayon, acrylic and polyamide fibres), has now made a successful public bid for over 95% control of this firm, which has an annual turnover of around DM 400 million.

** One of the largest European ladies' clothing firms, VEREINIGTE BEKLEIDUNGSWERKE R & A BECKER GmbH, Stuttgart, has gained control of another German company in the sector, RAWE RHEDA-BEKLEIDUNGS, Rheda, Westfalia, formed recently to take over the "Making-up" division of the Nordhern group B. RAWE & CO KG (1966 turnover DM 57 million - see No 373), which should bring Becker's annual sales in 1967 to over DM 250 million. Becker directly employs over 5,000 people, and its main shareholders are (with

66.49% and 16.37% respectively) VERBAG-VEREINIGTE GESELLSCHAFTEN ARNOLD BECKER GmbH, Saarbrücken, and VVB-VERMOEGENSVERWALTUNG BECKER, Frankfurt.

**

Four Dutch textile producers (already responsible for 65% of the nation's cotton, rayon and linen) have decided to form an export co-operative whose aim at first will be to increase existing outlets in the countries of Eastern Europe. The new COOPERATIEVE VERENIGING NEDERLANDSE EXPORTCOMBINATIE VOOR TEXTIELPRODUCTEN-CNET will have as founders VAN HEEK & CO KON. TEXTIELFABRIEKEN NV, Enschede (see No 374), KON. TEXTIELFABRIEKEN NIJVERDAALTEN-CATE NV, Almelo (see No 384), KON. NED. TEXTIEL-UNIE NV-K.N.T.U., Hengelo-Overijssel (see No 392) and TEXOPRINT NV, Helmond (see No 366). These four companies have already carried out a good deal of internal rationalisation with the aim of improving their competitive position in the search for new markets.

Van Heek & Co (capital Fl 40 million) began by taking over the manufacture of natural and synthetic fibres GERHARD JANNINK & ZONEN NV, Enschede (which has no links with JANNINK'S TEXTIEL- & NETTENBEDRIJF NV, Oss - specialising in tyre cord and acquired in 1961 by the VREDESTEIN group). After an important merger in 1964 it became a holding company (see No 286) and at the end of 1966 it formed two Enschede companies, NICOLON NV (see No 374) and FAVORITA NV. The latter (capital Fl 100,000) produces and markets textiles and plastic goods, but is not connected with FAVORITA NV, Werkendam, formed in 1965 by the local concern KEIZER'S INDUSTRIE- & HANDELSONDERNEMING NV to deal in edible fats and snack foods.

K.N.T.U. recently regrouped all its spinning subsidiaries into one "Spinning division: NV KATOEN-SPINNERIJ BAMSHOEVE, Enschede, KON. NED. KATOEN SPINNERIJ NV, Hengelo, NV SPINNERIJ OSTERVELD, Enschede and NV TILBURGSCH KATOENSPINNERIJ, Tilburg (see No 329); and when it recently formed a new HOKATEX NV, Voorburg, its two subsidiaries already bearing the name were changed to: 1) NV HANDELMIJ. NEEDE, Hengelo (formerly HOKATEX AMSTERDAM - see No 392); 2) F.E. HARDWICK ZIJDEWEVERIJ NV, Haaksbergen, Neede (formerly HOKATEX NV, Voorburg) the legal name of an Enschede textile concern (see No 346) now controlled by the group and merged with the "Jacquard Fabrics" division of the subsidiary KON. TEXTIEL-FABRIEKEN JORDAAN-TER WEEME NV, Haaksbergen, Neede (see No 383).

In 1964 the group linked up with the international industrial research organisation TRIATEX INTERNATIONAL AG, Zurich (formerly TRIATEX AG), whose capital was raised recently to Sf 401,000, and replaced the Swiss group STOFFEL AG (see No 296); it thus became the associate of the Austrian F.M. HAEMMERLE TEXTILWERKE group, Dornbirn, Vorarlberg and the Italian COTONIFICIO LEGLER SpA group, Ponte S. Pietro, Bergamo (see No 310). Both of these belong to another international concern, ETACOL INTERNATIONAL AG, Zurich formed in 1963 to facilitate close co-operation between its members in research and development of fabrics and cotton products, as well as to administer jointly trade names and patents in a market extending beyond the frontiers of the EEC and EFTA.

**

BAYERISCHE HYPOTHEKEN- & WECHSELBANK, Munich (see No 379) has increased its German textile interests by raising its shareholding in THURINGER WOLLGARN-SPINNEREI AG, Schongau to a majority as a result of the latter increasing its capital from DM 1.5 to DM 2.25 million. This firm has a payroll of around 200 and showed a turnover of DM 11 million in 1966. In 1963 it absorbed KAMMGARNSPINNEREI SCHONGAU KUNOLD & CO KG, Schongau.

TOURISM

** M. Jean Rischmann, Louveciennes, Yvelines, who has just replaced Mr Benjamin W. Hurst (USA) as president of REST AG, Lucerne, is also director of this company's recently opened branch in Paris. The Swiss company, which raised its capital from Sf 200,000 to Sf 800,000 in December 1966, specialises in installing and running restaurants, motels and service-stations.

** The Anglo-Indian restaurant chain KWALITY is about to set up a holding subsidiary in Frankfurt called KWALITY DEUTSCHLAND VERWALTUNGS GmbH. This firm will be run by Mme Stella Biswas and it will first of all open a restaurant and Indian delicatessen store in the late Spring.

TRANSPORT

** New links have been formed within the WORMS & CIE Snc group of Paris (see No 396) to co-ordinate shipbuilding programmes and the purchase and use of ships: NOUVELLE CIE HAVRAISE PENINSULAIRE DE NAVIGATION SA, Paris (director M. J. Barnaud) has formed a 70% subsidiary called STE MARITIME DE PARTICIPATIONS-SOMAPAR Sarl, Paris (capital Ff 2.4 million: manager Mr F. Deschodt) in association with CIE NANTAISE DES CHARGEURS DE L'OUEST SA, Nantes (20%) and WORMS, CIE MARITIME & CHARBONNIERE SA, Paris (10%).

Nouvelle Cie Havraise has been associated for two years (see No 271) with Worms, Cie Maritime & Charbonniere (see No 336) and C.G.T. -CIE GENERALE TRANSATLANTIQUE in the research company AGPA-LES ARMATEURS DE GROS PORTEURS ASSOCIES Sarl for research in the field of new developments in international transport of materials either loose or in bulk. Cie Nantaise (see No 345) is affiliated to Nouvelle Cie Havraise and CIE NAVALE CAENNAISE SA, Paris (see No 357), a shipping and tramp firm for heavy goods and refrigerated products, mainly to the United Kingdom and Scandinavia.

** SAGA-SA DE GERANCE & D'ARMEMENT, Paris (see No 388), a member of the MM ROTHSCHILD FRERES SA group, in association with two of its subsidiaries SAGA-TEC-SA DE GESTION & D'APPLICATIONS TECHNIQUES and STE NATIONALE D'AFFRETEMENTS SA, has formed a river transport company to handle liquid gases. The new firm is called AUXIGAZ-STE AUXILIAIRE DE TRANSPORTS & DE STOCKAGE DE GAZ SA (capital Ff 1.5 million), president M. J.U.T. Rivault, director of the "Tramping" department of SAGA. It will operate a motor-driven barge on the Rhone from July 1967 with a capacity of 1,600 cu. m. (850 tons of gas) supplying raw materials for the manufacture of butadiene to the petrochemical complex at Feysin, Isere owned by RHONE-ALPES-UNION POUR LE RAFFINAGE & LA PETROCHIMIE SA (see No 374).

VARIOUS

** LUIGI FRANCHI SpA, Brescia (capital Lire 75 million) which specialises in the manufacture of sporting and competition guns and hunting ammunition, has formed a sales subsidiary in Paris, FRANCHINI FRANCE Sarl (capital Ff 200,000). M. M. Bousquet, a former general agent in France for the Italian firm, is the associate manager.

**

MATTH. HOHNER AG, Trossingen, Württemberg, the world's largest accordion and harmonica company (see No 372), has increased its Paris interests by having its subsidiary HOHNER-FRANCE SA absorb MANUFACTURE FRANCAISE D'HARMONICAS & D'ACCORDEONS Sarl, which sells all types of musical instruments and accessories.

The German company, a family concern controlled by the Swiss holding company HOHNIKA AG, Zug, recently diversified into the field of records and music publishing. It also has a Belgian subsidiary, ETS HOHNER SA, Brussels, which is managed by Herr Matth Hohner.

**

SCHOLL ITALIANA Srl, Milan which was responsible for Italian sales of the orthopaedic instruments, products and equipment made by SCHOLL MANUFACTURING CO LTD, London (headed by Mr W. Scholl), has been wound up.

The British firm has a subsidiary in Paris, SCHOLL MANUFACTURING CO (FRANCE) SA which has a certain number of agencies and branches of its own in that country.

**

The West German manufacturer of casual footwear, slippers and sandals, ERICH ROHDE KG SCHUHFABRIKEN, Ziegenhain, Kassel has opened a sales subsidiary at Nantes-Saint-Herblain, ROHDE FRANCE Sarl (capital Ff 30,000) whose manager is Herr Friedrich Schmitt, an associate partner in the founder.

The latter (turnover of around DM 30,000 - payroll of 1,000) has two other subsidiaries abroad, ROHDE SCHUH GmbH, Hallein, Salzburg, Austria and ERICH ROHDE NEDERLAND NV, Amsterdam (formed in 1965 - see No 335).

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INDEX OF MAIN COMPANIES NAMED

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A.P.I.S., Sauter	p.G	Continental Illinois	P
AGAB, Zurich	E	Copibat	E
Albingia	G	Courage, Barclay & Simmonds	P
Alcatel	M	Credit Universel	P
Algaflex, Milan	F	Cutler Hammer	I
Algemene Financiere	P		
Amax Petroleum	Q	Dalami	S
Amstel Brouwerij	P	Dawant, A.	S
Amsterdamsche Chininfabriek	S	Delfzee	Q
Ateba	E	Denis, Edmond	K
Automation Technology	J	Dordrechtse Melkinrichting	P
		Dosapro	N
B.A.S.F.	H, T		
B.U.P.	O	van Eesteren	E
Baggermij Holland	E	Emery Industries	G
Banco Bovisio	P	Erap	R
Banco di Roma	O	Ericsson, L.M.	J
de Bandoengsche Kininfabriek	S	Esercizi Sardi	Q
Banque de L'Indochine	O	Evral-Bank	P
Bastogi	Q		
Battau	H	Falcon Seaboard Drilling	Q
Bayer	T	Feldmühle	R
Bayerische Hypotheken- & Wechselbank	U	Fenwick	I
Becker, R & A	T	Ferodo	L
Berry, Ets	O	Fives Lille-Cail	K
Billiton	Q	Flick	O
Bludia	G	Formpolster	S
Bouchayer & Viallet	L	Franchi, Luigi	V
Bredero	E	French Petroleum, Australia	R
British Newfoundland Exploration	N		
Brookhirst Igranic	I	Girton Mfg	L
Bruninghaus, Stahlwerke	O	Grab, Carl	F
		Gray Film	E
C.C.F.	P	Groupe I	E
C.F.P.	R	Grundig	I
CTS Corp	J	Gylling	J
Celdosa	G		
la Cellophane	G	Hartung, Kuhn & Co	M
Centrum Electronic	J	Havraise Peninsulaire de Navigation	V
Ceramica Europea	Q	van Heek & Co	U
Chemie (Odenwald)	G	Heijmans, J.	E
Compteurs, Cie des	I	la Henin	G
Computer Sciences	J	les Hesperides, Casablanca	P
Consten	I	Heurtey	M
Construction Electrique	I	Hibernia	N
Continental Gummiwerke	A	Hohner, Matth	W

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Hoogovens	Q	Phrix-Werke	T
Hydromechanik Maschinenbau	O	Polybois	F
		Poudreries Reunies de Belgique	F
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IFI, Mainz	E	Pyros	N
Igranic	I		
Inka Cosmetic	H	R.N.U.R.	M
Intercontinental de Desarrollo	M	Rateau	O
Iptor	S	Rawe Rheda Bekleidungs	T
		Resolac -P.R.F.	L
Jeumont-Schneider	H	Rest AG	V
Johns Manville	G	Rhone-Poulenc	G
		Richardson-Merrell	R
Klöckner & Co	N	Ricordi, G.	T
Koch	K	Rohde, Erich	W
Kwality	V	de Rothschild Freres	V
Lacourt, Financiere	E	S.E.A., Paris	H
Lancashire Dynamo	I	S.I.C., Paris	I
Lindemann	M	S.N.P.A.	R
		S.N.R., Nouvelle de Roulements	M
Metal Industries	I	Safep, Milan	P
Metallgesellschaft	N	Saga, Paris	V
Metron	M	Sanfit	E
Michelin	T	Satellite	G
Mobay Chemical	T	Sauer & Sohn, J.P.	O
Monsanto	H, T	Scholl	W
		Schulte-Maschinenbau	M
Nameco	F	Sofiran	R
Nantaise des Chargeurs de L'Ouest	V	Sollac	N
Nederlandsche Kininfabriek	S	Solvay	S
Nederlandse Melk Unie	P	Solvic	S
Nijverdaal-Ten-Cate	V	Sperac	I
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		Still, Hans	H
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Oelhydraulik Kiel-Aachen-Horb	O	Strasbourg, Forges de	L
Olin Mathieson	F	Suez, Financiere	O
Olivetti	M	Sundern, Papierfabriek	R
Omnium Technique	E	Sundstrand	O
Onofri, Fratelli	J	Supreme Steel Equipment	
Paribas-Cobepa	E	Texoprint	U
Philips, Eindhoven	J	Textiel-Unie, Kon Ned	U
Phillips Petroleum	Q	Thuringer Wollgarmspinnerei	U

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Timmers	H
Toraude	R
Turner & Newall	L
Underwood	M
Unilever-Emery	G
Union Mitteland	S
Uniperi	I
United Gas Corp	Q
Usinor	G
V.M.F.	K
V.V.B.	T
Valeo	L
Varta	H
Verbag	T
Vick	S
Visser & Smit's	E
Wapet - West Australian Petroleum	R
Werbung	E
Werkspoor	K
West falia Separator	O
Wintershall	Q
Worms & Cie	V
Yawata Iron & Steel	N
Zeebregt's	F