

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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February 27 - March 5, 1967

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Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

PUBLISHED ON BEHALF OF OPERA MUNDI BY EUROPEAN INTELLIGENCE LIMITED
GENERAL BUILDINGS ROYAL TUNBRIDGE WELLS KENT TEL. 25202/4 TELEX 95114

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U.K. EIRE AND STERLING AREA £75 ONE YEAR £40 SIX MONTHS
U.S.A. AND CANADA \$250 ONE YEAR \$135 SIX MONTHS INCLUDING AIRMAIL
OTHER COUNTRIES AT LOCAL EQUIVALENT OF U.K. RATES

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Printed and Published by EUROPEAN INTELLIGENCE LIMITED
at General Buildings, Royal Tunbridge Wells, Kent, England

COMMENT

A Letter from The Hague

DUTCH COURAGE FOR WILSON

On the fifth leg of his European tour, Harold Wilson was certainly not disappointed at the welcome he received from his Dutch hosts. There would have been greater cause for surprise if it had been otherwise. Although Jelle Zijlstra and Joseph Luns were representing an outgoing government, they were undoubtedly acting as spokesmen for a crushing majority of their fellow-citizens when they expressed the hope of a rapid and complete entry by Britain into the EEC. Dutch anglophilia is still undiminished and is more than a straight reaction to the improvement in Franco-German relations.

As everything went quite normally, one might be inclined to say that nothing at all happened, and that the British leaders made only a routine visit, exchanging not arguments, but inevitable courtesies. This would be rather too hasty a judgment, however, and Harold Wilson does not appear to have said that he was "considerably encouraged" by his discussions at The Hague merely as a matter of form. Apparently, they did more than swear eternal friendship: they also estimated the chances of success of an official approach from London and considered the best way of going about it.

First of all, the speakers went deeper into the problems facing Britain if she entered the EEC, taking into account the lessons gained from the British leaders' first four Continental trips. In other words, they tried to answer the key question behind Harold Wilson's enquiries: is it possible both to be a member of the EEC and protect Britain's vital interests? This question was considered in an atmosphere of obvious political sympathy, but without sentimentality, and clearly, objectively and seriously, as one might expect of an economist-cum-Calvinist like Jelle Zijlstra: but his final answer was in the affirmative.

As far as agriculture is concerned, a careful study was made of the effects of the common policy on the British economy. The burden seems to be a heavy one: a rise of 3.5% in the cost of living, a boost to grain production in Britain at the expense of livestock, serious consequences for New Zealand exports, and finally an extra 175 to 200 million pound a year tagged on to the British balance of payments. This, of course, assumes that the EEC agricultural regulations remain unchanged and would be applied immediately to the new member. With reference to New Zealand: there is no disputing the reality of this problem, nor the possibility of finding a solution to it, in the form of an "association" or a quasi-permanent trading agreement.

Otherwise there is no longer any argument about Britain's right to ask for a period of transition to allow her to absorb the shock. The length of this period would, of course, have to be decided, but it would depend largely on what basic, or at any rate price, changes could be made in the common agricultural policy before the final phase of the Common Market is reached in 1970 (these possibilities are still open). Indeed, it was felt at the meeting in The Hague that such changes might be fair. It looks as if the retention of the present system of agricultural prices and levies would oblige Britain to finance over half the FEOGA budget. A relaxation of this "abusive" burden would however check the expected cost-of-living rise in Britain and limit the impact of the common agricultural policy on its balance of payments.

It remains to be seen what changes could be made. The basic "philosophy" behind the common agricultural policy (that is, penalisation of members buying from non-member countries) will obviously go unchallenged. A reduction in common cereal prices also seems unlikely (especially as it would meet opposition from German producers), but the freezing of wheat prices at current levels might be considered, which, taking into account the "devaluation spiral" of currency and the upward trend in world prices, would indirectly have the effect of a reduction. It is even more certain that the fixed contributions of member-states to FEOGA could be recalculated so as to make allowances, in the case of Britain, for her hefty contributions in levies. However, this would presuppose maintaining the fixed FEOGA contributions after 1970, that is a further adjournment before introducing the "self-supporting" system of feeding the Fund by levies and customs duties only. At the same time, France herself might be only too pleased to agree to this adjournment, for obvious political reasons.

In the meantime, there is no reason why the world grain problem should not develop quickly and cause solutions to be found to balance the interests of producer and consumer countries. This might be a way for Britain to reduce the burden of the common agricultural policy. This is all Harold Wilson is really seeking, and his Dutch opposite numbers told him that the best way to obtain the most advantageous market would be to enter the EEC when it is re-examining this policy.

It was noticeable how much emphasis was laid, during the meetings at The Hague, on the need to maintain the impetus of the British effort - Harold Wilson's famous "momentum". Of course, his Dutch friends will no doubt have refrained officially from giving him any lessons on tactics, but it is clear that this aspect of the problem was discreetly discussed. The Dutch expressed the hope that after the Luxembourg visit, the British government will come to a final decision, one way or the other, but it is not difficult to guess which one was meant. Joseph Luns was even more open when he said publicly that it was no longer a matter "of years, or even of months".

This means the Dutch leaders subscribe to Wilson's theory that the question of the pound sterling and the non-proliferation of nuclear arms are only secondary, if not completely unrelated, to the problem of British acceptance of the Treaty of Rome. For further proof, they put some searching questions to the British visitor. The following points emerged from these discussions:

- 1) As far as the pound is concerned, Harold Wilson first gave details of the recovery in Britain's economic situation, which is the best guarantee of a healthy balance of payments. At the same time a continuing theoretical imbalance must be admitted, and this would mean resorting to the "mutual assistance" provided for by article 108 of the Treaty of Rome. It was agreed that a solution to this problem should be sought in a wider context than that of the EEC itself, especially by approaching the International Monetary Fund and by prolonging the Basle agreement, which has already allowed the central banks to support sterling. These measures would be enough to contain any imbalance until a more lasting solution could be found. If this meant a reform of the international monetary system, it would lie outside the jurisdiction of the EEC. If it meant forming a European currency, there is no practical basis for this at present, however desirable it might be in the more distant future.
- 2) As far as the non-proliferation treaty is concerned, the British Prime Minister has stated that the only matter directly linked, in law, with the Euratom Treaty, is that of control and that a technical solution could be found. He refuted the objection that the non-proliferation treaty discriminated against the non-nuclear powers on an industrial level by pointing out the contribution Britain would make to Euratom, even in the most advanced sectors, like fast-breeder reactors. He also felt that Euratom could become the instrument of wider technological co-operation, and this will undoubtedly prove a sop to the Chatenet Commission.

In short, it was brought home to Mr. Zijlstra and Mr. Luns that the question of British entry should be confined to the precise limits of the Rome treaties, and that, in this field, existing obstacles could be overcome, whatever their size. The speakers at The Hague tried to some extent to steer the discussions away from policies, but there is some doubt as to whether this legally admissible approach was entirely realistic - in view of France's attitude and British policy - insofar as British entry into the Common Market would necessarily mean reducing her world role. Westminster's disputes over Britain's role "East of Suez" and the British military presence in Germany seem to attest to this.

However, the stand the Dutch have taken gives them a solid excuse for blocking any French move towards relaunching the idea of a political Six, should they once again veto British entry. According to The Hague, this veto could only be based on considerations outside the Treaty of Rome, and this would prove that political union would not be in the interests of European solidarity, but of French supremacy. This is undoubtedly why Mr. Luns urged Mr. Wilson to show his hand quickly before the "European Summit". This apart, the Dutch leaders refrained from dramatising matters unduly, and merely maintained that in their view Paris is more favourable to British entry today than it was in 1962.

THE WEEK IN THE COMMUNITY

February 27 - March 5, 1967

From our Correspondents in Brussels and Luxembourg

THE COMMON MARKET

The "Community Crunch" is Coming

European observers have never been as starved of dramatic interest - of impassioned speeches, night-long debates and decisions at dawn - as they are at this moment. The Agricultural Ministers have just cancelled their March 6 meeting, the experts having failed to get anywhere, and the Foreign Ministers have merely delegated their deputies to deal with any business on the 7th: they really have nothing to say to one another. Such business as Spain, the Kennedy Round and Yugoslavia will be lucky to get more distinguished treatment than a "general review". The only decisions achieved were on such "crucial" points as tariff agreement with South Korea, the integration of fishers with migratory workers and the establishment of a community system for milk and egg albumen. Were it not for the Kennedy Round and the deadlines involved, the Six would probably not even get together again before Easter.

We are well enough acquainted with the political background to this legislative slump: the French elections, the British approaches, the forthcoming Rome summit, the improved prospects for an early merger of the executives and so on, but more basic still would seem to be what one might call the Community's present "growth crisis", occurring in difficult, if not adverse conditions. On the one hand, the Common Market must brace itself for a far more sweeping change than those occasioned by the customs union and the common agricultural policy. Dramatic and "historical" though they were, the agreements achieved in these two fields created more problems than they solved. On the other, the EEC, which should be giving its undivided attention to the intricacies of its internal development, finds itself beset with a whole host of questions, not to say pressures from outside. These range from the merest trade agreement to nuclear disarmament, and cover the regrouping of the two European trade blocs, the Kennedy Round and international monetary relations: it would take pages to enumerate them all.

If we leave aside the political motive in the parties concerned, we can see that this bewildering array would soon clog the Common Market machine, were it not for two things: the awareness of the problems facing the internal development of the EEC, and the satisfactory, progressive workings of decision-making within it. Let us consider how these stand at present.

We have already stressed how thoroughly the problems involved in the development of the customs union into full economic union have been enumerated and examined. At all levels, study groups in Brussels have been "hotting up" and dossiers continue to increase in number and depth. The Commission is still up to its eyes in monopolies and cartels files, and it clearly intends to publish an overall document on the common industrial policy to cover these. Here, the crucial problem (since it embraces almost all others) of the economic and political future of the Community again arises. European

industry must be given the wherewithal to meet hefty competition from outside, by virtue of concentration, access to the capital market, technological acumen etc. Clearly, none of this will be possible without a great deal more co-operation, not to say supranational integration.

The mere fact of expounding the difficulties and elaborating them does not place their resolution within reach; indeed, only very few of the deadlines set in the May II agreement of 1966, for the balanced development of the Community, are likely to be met. In some ways, this lapse (which has elicited not one word of protest from any of the governments) is anything but exceptional. Even free circulation of goods, in the para-tariff and non-tariff sense, comes as a bombshell for national tradition and interests, and in some cases strikes at the ancient roots of national sovereignty itself. As an example, we need only consider the issue of fiscal harmonisation, the debating of which has now become very much a community prerogative.

The reason why progress is so slow (and why it is being resisted in some cases) is basically due to the continuing differences over institutional questions. This also explains the delays over merging the executives, if one considers how personalities can create strong or weak institutions. Another fresh example of current difficulties is that the three executives seem to be hard put to it to present a coherent, constructive scientific and technological research programme to the Six, even though the Community attaches a great deal of importance to this. This is not really surprising, as institutions with differing aims and powers, must see such matters in very different lights, and understandable as this is, it does not hasten decision-making. The sterile arguments surrounding the common energy policy show this very clearly.

If the only institutional problem was the merger of the executives, one could wait patiently, but unfortunately the argument over who is really the driving force behind the Community, the governments or the Commission - its most thrustful element - has not yet been settled. At the end of December, for instance, M. Michel Debre, the French Finance Minister and champion of "the Europe of governments", suggested that governmental experts should study the whole question of fiscal harmonisation. The Commission, to prevent itself from being "by-passed", and to preserve the Community spirit of the proposal, straightaway drew up an action programme and sent it to the relevant experts. The suggestions it put forward (which do in fact meet all the requirements of a true common market) ran into objections from various national delegations, as in some cases they clashed with national fiscal provisions. Other objections included a French assertion that the suggestions exceeded the terms of the Treaty and that much fiscal harmonisation should therefore be carried out by intergovernmental co-operation, despite its evident links with the free movement of goods. The Dutch delegates did not dispute the legal basis of these objections, and emphasised that they had not agreed to exceed the terms of the Treaty. This is not the first time the Dutch have adopted such an attitude - an example arose earlier in connection with Euratom. The Dutch favour the trend towards integration, provided it is governed by Community rules and institutions. If these conditions are not fulfilled, they believe the Treaties should be interpreted as strictly as possible. Paris, on the other hand, gives the impression of being

willing to accept a wide interpretation, provided it stems from governments and is not a broad interpretation of Community responsibilities.

In some ways, the Community's crowded corridors are still humming with the ancient Fouchet Plan row and the 1965 crisis. The Six have so far been unable to combine and settle these two questions, even though they are complementary rather than contradictory, as the European venture evidently needs both Community and inter-governmental machinery for any progress to be made. The dead-line for the free movement of goods comes closer every day. The need for close co-operation between member-states in the economic policy field (the basis of all real solidarity) becomes more and more urgent; the relevant committee of the European Parliament has just stressed this by adopting a report prepared by a Gaullist member, M. Bousch. The governments, under pressure from business and industry, are increasingly aware that the problems of European production must be studied and solved in the light of international competition, which means in effect working together. The Common Market, under such new pressures as its possible widening to include Britain and the Scandinavian countries, should be preparing for a new "great leap forward". Preliminaries are obviously in hand, but the Community's growing pains seem to suffer continuing aggravation from personal and ideological opposition.

* * *

Improved Relations with Greece

The European Investment Bank, under its direct co-operation agreement with the Hellenic Industrial Development Bank (ETBA), has signed two loan contracts with the latter covering a relatively small sum of \$800,000. These will finance the expansion of a plywood factory on the island of Euboea and the building of a finishing, dyeing and printing unit on to an Athens textile factory. The loans are made with the ungenerous interest rate of 7%, and both are guaranteed by the Greek government.

The latter, however, is satisfied with the move, as it inaugurates the use of a simplified assistance procedure by the EIB. Athens rightly complained about the complicated Community procedures applied to date, which considerably reduced the efficiency of EEC financial assistance envisaged under the agreement of association. Although there is no known direct link, the Greek government seems to have adopted a more flexible position over Community tobacco offers in the Kennedy Round. Greece had used the right granted to it by the Six, to refuse its approval of some of these offers, although its partners did not think Greek tobacco exports would have been affected. Some thought the Greek attitude was just an ill-considered reaction. The matter is now being settled, provided Athens' partners do not make any more concessions affecting tobacco.

* * *

EURATOM

Plutonium and Non-Proliferation

At the request of the permanent representatives of the Six, the Euratom Commission has prepared a detailed report on the points where the draft nuclear weapons non-proliferation treaty - at least in its present form - is incompatible with the terms of the Euratom Treaty regarding control of the peaceful use of fissile materials. The Commission's first objections have already had one effect: the member-States have agreed on the Community nature of the problem, and admitted that before signing the non-proliferation treaty they would have to reappraise the Rome Treaty (i.e. where the two treaties are incompatible, the latter should be revised beforehand by a unanimous vote). The French representative did not take part in the discussions, and in any case his country will refuse to sign. Maybe this is logical, but it does make one wonder whether Paris would ever agree to a revision of the Euratom Treaty - especially as the French are now quite happy with the Community control system. If such was the case, and the Commission's objections were upheld as they probably would be the Six, or at least France's partners, would find their hopes of signing the non-proliferation treaty frustrated by an insurmountable legal obstacle.

The question would be an awkward one for the Community, if the objections only came from Paris, but the fact is that neither Rome nor Bonn are any more enthusiastic. This explains why the American representative in Geneva, Mr William Foster, carefully stressed the point that the actual text of the non-proliferation treaty was only a draft, open to amendment. Another of Washington's moves seems to show that the Americans are wielding both the carrot and the stick, as they have decided temporarily to suspend the expected delivery of 500 kg of plutonium for use by Euratom (to be exact, by French and West German fast breeder reactors). According to the official American position, this move is aimed at preventing any "compromising" act, whilst waiting for the problem of fissile material control to be settled as part of the non-proliferation treaty. Some European observers remember that the Americans have already tried to use the negotiation of supply agreements with Euratom to convince the Six that the International Atomic Energy Agency should be allowed to carry out checks on the use of fissile material deliveries. In the past, the Commission has been able successfully to withstand such pressure, by invoking the general co-operation agreement signed between Euratom and the United States.

Apart from any immediate political implications, Washington's decision seems likely to reawaken interest in the question of ensuring supplies of fissile materials for Euratom. Only last week the Commission stressed the need to exploit any chance of increasing Community plutonium production. By 1980 there is expected to be some 90 tons of European produced plutonium. But before that date is reached a short fall in supplies seems inevitable, and an American or British contribution will be needed to bridge the gap.

ECSC

Luxembourg: Signor Del Bo Resigns

With the resignation of President Del Bo, who has also relinquished membership of the High Authority, the ECSC executive has lost a European political personality. His departure will be regretted by all those who, from close at hand or afar, have watched him during the three years he guided the policy of Europe's first Community, the coal and steel common market. He was appointed President in October 1963, when the growing problems of the coal industry and the inability of governments to agree on a common energy policy were virtually crippling the High Authority. Signor Del Bo was able to revive the executive by introducing a new and broad interpretation of the Treaty of Paris, and thus recommence its work of preserving the coal and steel common market. The first occasion for his talents was the growth crisis in the steel industry, at a time when basic structural changes were taking place in this, the only healthy ECSC industry. In the coal and iron-mining sectors, the structural trends were too great for any Community action really to change matters, but the steel industry had only started to run into difficulties a couple of years before, and the idea of studying the problem in its world-wide context had not been adopted. Throughout the world, production capacity was increasing considerably and plant was being introduced whose economic use required the largest possible batches.

With unexpected tenacity the High Authority, now under President Del Bo, managed to convince the governments of the six member countries that a tariff based on the Italian one should be introduced to protect the Community. At the same time measures were taken to deal with State-controlled trade from countries whose low-priced deliveries were largely responsible for the worsening of the Community's internal position. At the instigation of President Del Bo, a whole series of measures were taken, which, helped by a recovery in the world steel market, led to an improvement in the Community's position. But when the situation again worsened, the High Authority and the governments immediately began to collaborate in drawing up new action programmes, and one of the most important achievements under these latest moves was the adoption on February 16 by the Council of Ministers of a subsidy system for coking coal for the Community's steel industry.

The coal and steel community is subject to a treaty and some of its rules - including the most important - are no longer really suited to market conditions, but the desire to produce concrete solutions, whilst keeping to the spirit of the Treaty, has allowed the partial integration of the coal and steel common market to be maintained. If the High Authority has been successful to date, it is largely due to the inventive nature and political tenacity of President Del Bo.

He has resigned for health reasons, and this is why he stopped working on the same day as he handed in his resignation. The High Authority has asked its vice-president M. Coppe to become acting president. The member countries are unlikely to

replace Signor Del Bo, as an agreement on the merger of the three executives is expected in the near future.

* * *

The High Authority Authorises Mergers

The merger between Usinor and Etablissements Aubagnac, which runs a steel forging and casting plant, has been authorised. The latter works in conjunction with the steel plant at Thionville.

The High Authority has also given the go-ahead for the joint formation of Ste Meusienne de Galvanisation de Produits d'Usines Metallurgiques by Ste Produits Metallurgiques, Reims and S.A. des Forges d'Haironville. The new company will operate a flow production galvanisation plant.

In West Germany Otto Wolff GmbH, Cologne has been authorised to acquire an industrial engineering concern Chemiebau Dr. A. Zieren GmbH.

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|---|------------------------------|---|
| E | ADVERTISING | Britain: British, French, German, Italian and Dutch interests form EUROPEAN MARKETING & ADVERTISING LTD, London, for British and EEC promotions. France: The Swiss advertising agency ADVICO forms French subsidiary. Netherlands: LONDON PRESS EXCHANGE forms Dutch subsidiary. |
| E | AUTOMOBILES | Germany: PEUGEOT, Paris, increases the capital of its German sales subsidiary. Yugoslavia: VOLKSWAGEN discusses building of Yugoslav factory. |
| F | BUILDING & CIVIL ENGINEERING | France: KENITEX CHEMICALS, Los Angeles (building materials) opens Paris subsidiary. |
| F | CHEMICALS | Belgium: SCHLEGEL, New York (sealing strip compounds) forms Brussels subsidiary. France: The Swiss group HOFFMAN-LA ROCHE forms French chemical subsidiary. Merger between LA CELLOPHANE, Paris (cellulose film) and CELCOSA, Conde-sur-Escaut (similar) is called off. Germany: STANDARD OIL OF INDIANA forms German sales subsidiary for fuel additives. Italy: The German EISENBERGER LEBSAND WERKE (refractory materials, coatings, etc.) makes its Milan sales branch into subsidiary. SIDOL, Florence, gets Italian agency from KIWI POLISH CO, London (polishes, cleansers, etc.). Netherlands: HARRISON WALKER REFRACTORIES, Pittsburgh, gives manufacturing licence to its Dutch affiliate BASREF. |
| G | ELECTRICAL ENGINEERING | Belgium: MANDREL INDUSTRIES, Houston, Texas (AMPEX CORP group) - geophysical equipment etc. - winds up its Belgian subsidiary. France: MATIN DYNAMICS, Paris, ceases operation prior to reorganisation and expansion. Germany: The Belgian refrigeration equipment dealers FRIAC opens Düsseldorf sales subsidiary. ROBERT BOSCH, Stuttgart, completes merger of its domestic appliance interests with those of SIEMENS, Berlin. Luxembourg: INDUSTRIE A. ZANUSSI, Pordenone (domestic appliances) will form Luxembourg investment company. |
| H | ELECTRONICS | France: CIE D'ETUDES & REALISATIONS MICRO-ELECTRONIQUES, Paris, gets exclusive manufacturing rights to certain processes developed by MICROTEK ELECTRONICS, Cambridge, Massachusetts. Netherlands: PICKER X-RAY CORP, New York, forms Utrecht sales subsidiary. |
| I | ENGINEERING & METAL | Austria: The German mechanical engineering company STOEHR-FOERDER-LANGEN SALZER forms Austrian sales subsidiary. Belgium: STONE & WEBSTER, New York (chemical and oil engineering) opens Brussels branch of its Wilmington subsidiary. Nine |

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leading Belgian companies form SODECOM, Brussels (research and development). Britain: The British engineering group HEAD, WRIGHTSON gets exclusive British rights for waste disposal equipment made by JOSEF MARTIN, Munich. France: LA SOUDURE AUTOGENE FRANCAISE, Paris, its subsidiary FRANCAISE DE L'ACETYLENE and SAINT GOBAIN TECHNIQUES NOUVELLES form joint subsidiary STE INDUSTRIELLE DE FILTRATION. French subsidiary of MASSEY-FERGUSON (agricultural machinery) forms sales and service company in Toulouse. YUMBO, Genas, Isere (cranes and excavators) forms German import and sales subsidiary. French and German interests including RENAULT, SAVIEM and BERLIET form STE D'ETUDES POUR LE DEVELOPEMENT DE LA CONSTRUCTION MECANIQUE EN ALGERIE - SODEMA, Boulogne Billancourt (holding company. Germany: GUTEHOFFNUNGSHUETTE AKTIENVEREIN, Nuremberg (HANIEL group) increases its majority in MAN, Augsburg. DE LIMON FLUHME, Düsseldorf, and W. C. T'HART & ZONEN, Rotterdam, form joint subsidiary ERDGASDIENST, Düsseldorf (control equipment for gas distribution). The German watch firm EUROPA UHRENFABRIK gains control of two Bavarian firms. The French agricultural machinery firm BEKOTO forms German sales subsidiary. Italy: The American agricultural machinery concern OPPENHEIMER INTER CONTINENTAL CORP forms Italian sales subsidiary. GEBR. LEITZ, Württemberg (timber machinery and tools) opens Italian sales subsidiary. GULF & WESTERN INDUSTRIES, New York, backs BONNEY FORGE ITALIA (forging, stamping, etc.). The Swiss METALLWAREN-HOLDING backs the expansion of its Italian subsidiary ALLUMINIO PADERNO (aluminium tools, etc.). Netherlands: SCHOLTENS' APPARATEN, Delft (hydraulic presses, etc.) sells its manufacturing interests to G. B. SANDERS & ZOON, Enschede. U.S.A.: MERCURY OF NORWOOD forms subsidiary to exploit patents owned by CIE GENERALE D'AUTOMATISME, Paris, on transport of hydrocarbon products.

M FINANCE

Italy: The New York brokers WADDELL & REED open Milan branch. Luxembourg: FIAT, Turin, increases the capital of its Luxembourg holding company INTERNATIONAL HOLDING & INVESTMENT to finance expansion. Switzerland: SCHROEDERS, London, makes its Zurich agency into subsidiary.

N FOOD & DRINK

Britain: SAINT FERDINAND, Paris (wines), forms London import and sales subsidiary. CAVENHAM FOODS LTD, Slough, Bucks, bids for confectionery interests of the French group SOURCE PERRIER. Germany: Herr Willy Metzeler sells three breweries to HENNINGER BRAEU, Frankfurt. Two German bakeries RIX-

- Page BROT and BROTFABRIK WERNER BOEKER form joint administration subsidiary. Italy: CORN PRODUCTS CO, New York, reorganises its Italian interests. Netherlands: In the Dutch dairy industry VECOMI, Arnhem, takes over DIDAMSE COOPERATIEVE ROMBOTER FABRIEK.
- O GLASS Canada: CONSUMERS GLASS LTD, Toronto, negotiates takeover of glass division of SOGEMINES, Montreal (STE GENERAL DE BELGIQUE group). Netherlands: BALL BROTHERS, Murcie, Indiana, buys remaining 50% in the Dutch glass bottle firm GLASINDUSTRIE DONGEN.
- P INSURANCE Belgium: H. G. TULKENS, Brussels, gets Belgian agency from LOMBARD INSURANCE CO, Hong Kong. Switzerland: The German brokers JAUCH & HUBENER open Zurich branch.
- P OIL, GAS & PETROCHEMICALS France: CARBONISATION ENTREPRISE & CERAMIQUE, Montrouge, and UNION INDUSTRIELLE & D'ENTREPRISE form joint company MANUTENTION D'HYDRO-CARBURES (butane bottling, etc.). Germany: STEINKOHLENGAS, Dorsten (coal-gas and chemicals), becomes division of its parent company RUHRGAS AG. The capital of ARAL AG, Bochum (oil distribution), is redistributed between MOBIL OIL, GBAG, HIBERNIA and WINTERSHALL AG.
- Q PAPER & PACKAGING Austria: The Düsseldorf paper group FELDMUEHLE forms Vienna sales subsidiary. BEMIS CO, Minneapolis (plastic packaging) buys 50% in the Austrian plastic machinery manufacturer WILH. ANGER. France: WEYERHAUSER, Washington, continues its attempt to ensure survival of PAPETERIES DE LA HAYE, Balesmes, Indre & Loire. CONSTRUCTION CAPITAL CO, Luxembourg, shares in capital increase of PAPIERS SPECIAUX NAVARRE, Paris. Germany: BELLAPLAST, Wiesbaden (plastic packaging for dairies), gains control of NECKARPLAST GmbH, Deizisau, Wurttemberg. Italy: Two Turin paper firms, CARTIERA SUBALPINA SERTORIO (book paper) and CARTIERA ITALIANA, merge. Netherlands: KON PAPIERFABRIEKEN VAN GELDER, Amsterdam, and CROWN ZELLERBACH CORP, San Francisco, form joint Dutch subsidiary to make punch-cards.
- S PHARMACEUTICALS Belgium: US VITAMIN & PHARMACEUTICAL CORP, New York (REVLON group) forms Brussels subsidiary. France: Belgian capital backs EURENO FRANCE, Paris (medical and patent products, etc.). Italy: SCHERING, Berlin, forms Rome branch of its Milan subsidiary. STE LAITIERE GALLIA, Paris, gives agency for its products in Italy to BONOMELLI, Como.

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S PLASTICS

Italy: The Swiss holding company WHITEDREAM backs SNOW-FAST ITALIANA, Milan (sales of chemicals and plastics).
Switzerland: The Dutch polyurethane foam company RECTICEL forms Zurich sales subsidiary.

T TEXTILES

Italy: The German lingerie group SCHIESSER forms Italian sales subsidiary. COTONIFICIO CANTONI, Milan, absorbs its subsidiary STAMPERIA & TINTORIA FLLI TRONCONI. FROT-TIERWEBEREI VOSSEN, Glütersloh (towelling-cloth) opens Italian sales subsidiary.

T LATE FLASH

AGRICULTURAL MACHINERY: British subsidiary of BOSTROM CORP, Milwaukee, will build factory near Brussels.

ADVERTISING

** One of Britain's leading advertising agencies, LONDON PRESS EXCHANGE LTD (see No 394), has strengthened its Dutch interests by forming L.P.E. INTERNATIONAL (NEDERLAND) NV, Amsterdam (authorised capital Fl 250,000) headed by Mr. Thomas J. Fielding. The new firm is directly controlled by L.P.E. INTERNATIONAL LTD.

A few months ago the latter gained a 50% interest in the leading Dutch advertising firm PRAD & INTERAD NV, Amsterdam (formed by the merger of two Amsterdam agencies PRAD NV RECLAMEADVIES & ADVERTENTIEBUEAU and INTERAD NV).

** A European advertising group is being formed in London under the name of EMAD-EUROPEAN MARKETING & ADVERTISING LTD. It is being backed by British, French, West German, Dutch and Italian interests. These are SAWARD, BAKER & CO LTD, London (specialising in advertising films, PUBLI-ACTION SA, Paris, WESTAG WERBEAGENTUR PRIGGE, HAWELL & CO KG, Cologne (capital DM 250,000) which carries out both national and international operations, VORSTELMAN ADVIESBUREAU VOOR RECLAME NV, Amsterdam and LAMBERT SpA, Milan and Rome. Altogether the founders employ some 450 persons, engaged in all branches of advertising, and the new group (Mr A. de Lasta is chairman) will be in a strong position to carry out direct campaigns in the Common Market and Britain.

** The Swiss advertising agency ADVICO AG, Dübendorf-Gockhausen (controlled by COHEN HOLDING AG, Zurich - see No 252) has increased its Common Market interests by forming ADVICO Sarl in Paris with Ff 100,000 capital. The new company (manager Herr S. Jourauleff of Gockhausen) will act as an agency for advertising, theatrical and cinema business.

The group was formed in 1947 under the name VICTOR N. COHEN, and is represented by subsidiaries in Milan (ADVICO Spa) and Wiesbaden (ADVICO AG & Co KG). In Switzerland it also controls ADVICO, which took over DEVICO-DESIGN AG, an industrial design concern, and a T.V. film company in Dübendorf called TELEVICO AG.

AUTOMOBILES

** The PEUGEOT SA group of Paris has increased the capital of its sales subsidiary PEUGEOT AUTOMOBILE DEUTSCHLAND GmbH, Schafbrücke, Saar, formed in November 1966 (see No 391) from DM 50,000 to DM 5 million to finance expansion. The new firm became operational at the beginning of 1967 and now has some 750 employees, a large proportion of which transferred from the French firm's former agents KHG KOCHTE & RECHT GmbH, Schafbrücke and WALTER HAGEN & CO GmbH, Krefeld. The latter will continue making spare parts up to the end of 1967.

** The Wolfsburg concern VOLKSWAGENWERK (see No 392) has begun negotiations in Belgrade with its agent INTEREXPORT on the possibility of building a factory in Yugoslavia. This would have an initial output of 45,000 to 60,000 vehicles p.a. and at a later stage could supply other Eastern European countries, and will be built in the industrial zone of Split. Over the last ten years, the Yugoslav firm has sold some 15,000 Volkswagen cars.

BUILDING & CIVIL ENGINEERING

** The American building materials company KENITEX CHEMICALS INC, Los Angeles, is about to open a Paris subsidiary FRANCE KENITEX SA (capital to be Ff 60,000) on the premises of its licensee STE GENERALE DE REVETEMENTS (wall coverings and water-proofing using the Kenitex process).

The Los Angeles concern has two subsidiaries in Geneva, KENITEX CHEMICALS SA (representation and sales) and KENITEX SA (manufacturing and selling Kenitex rough-rendering).

CHEMICALS

** SCHLEGEL MFG CO, Henrietta, New York (sealing strips compounds) has formed an almost wholly-owned subsidiary in Brussels called SCHLEGEL SA (capital Bf 250,000). The new firm will make and sell fabric, plastic and metal sealing brushes etc. for the automobile, aircraft and building industries.

The American company first became established in Europe in 1960, when it purchased shares in the British H. G. GRAHAM & SON, which then became GRAHAMS (SEACRAFT) LTD of Leeds, making sealing and proofing material for the automobile and textile industries.

** EKW-EISENBERGER LEBSAND-WERKE GmbH, Eisenberg, Pfalz (refractory materials, silicates and heat-resistant coatings for furnaces and the ceramics and plastics industries) has made its Milan branch a sales subsidiary and called it E.K.W. ITALIANA Srl. This is directed by Herr F. Klute and has Lire 5 million initial capital: this is shared between the parent company, one of its managers, Herr R. Dietz of Eisenberg, and Herr H. Sherer of Mannheim.

The German company has DM 3 million capital, and has a wide network of representatives, agencies and branches in Paris, where SASI-STE FRANCAISES DES PISES SILICIEUX is its exclusive agent, Berchem, Vienna, Zurich, Copenhagen, Stockholm, Athens, Ankara, etc.

** Under a new agreement, SIDOL SpA of Florence has acquired the Italian sales agency of the London polishes and cleansers concern KIWI POLISH CO LTD (headed by Mr. W. S. McDougall), the European agent and licensee of KIWI POLISH CO PTY, Melbourne, Victoria (see No 366).

** NOUVELLE STE CHIMIQUE DES PRODUITS ROCHE SA has just been formed at Village-Neuf, Haut-Rhin (initial capital Ff 2 million) as a direct French subsidiary of the Swiss chemical and pharmaceutical group F. HOFFMANN-LA ROCHE & CIE AG, Basle (see No 398), which makes it a sister company of the Paris pharmaceutical concern PRODUITS ROCHE SA. The new company will produce only chemicals, and whilst 400 new jobs will be created, it will mean closing down the plant of Produits Roche, Fontenay-sous-Bois, Val-de-Marne, which will be transferred to Village-Neuf.

** Negotiations have broken down in the take-over bid by LA CELLOPHANE SA, Paris (see No 392) for LA CELLULOSE DE CONDE-CELCOSA SA, Conde-sur-Escaut, Nord (see No 397). These are the two main manufacturers of cellulose film in France.

Celcosa's main shareholders are UNION DES MINES-LA HENIN SA (about 26%) and USINOR SA (11.7%); La Cellophane, which has been making a wide range of fine and transparent materials since taking over COPSO SA (see No 342) at the end of 1965, is part of the RHONE POULENC group which increased its share in this sector by 13.1% in 1966 in relation to 1965.

** HARRISON-WALKER REFRACTORIES CO, Pittsburgh, Pennsylvania (see No 295) has strengthened its links with its Dutch affiliate BASREF NV, Geldermalsen by signing an irrevocable 15-year agreement giving the latter the use of its manufacturing process for basic refractory products intended for coating the inside of blast-furnaces.

Basref has been connected with the Pittsburgh group since 1962. It was formed two years prior to that, under a link-up between the groups CONTINENTAL ORE CORP, New York (see No 386) and CHAMOTTE UNIE NV, Geldermalsen (majority shareholder).

** STANDARD OIL CO OF INDIANA, Chicago (see No 385) has continued the creation of its network of European subsidiaries specialising in lubricant additives by forming AMOCO ADDITIVES SERVICES (DEUTSCHLAND) GmbH. It is the American group's first West German subsidiary (capital DM 20,000) and has Mr William H. Magill as manager (he is managing director of AMOCO INTERNATIONAL SA, Geneva).

The group has already formed AMOCO ADDITIVES SERVICES (BELGIUM) SA, Brussels (see No 379) and AMOCO ADDITIVES SERVICES (ITALY) Srl, Milan (see No 384).

ELECTRICAL ENGINEERING

** The Belgian refrigeration equipment dealer FRIAC Sprl, Alost has opened a Düsseldorf sales subsidiary, FRIAC VERKAUFS GmbH (capital DM 20,000) with M. Marcel Simkens, Beernem as manager. Since October 1965 it has had a 70% Paris sales subsidiary called FRIAC Sarl, (capital Ff 50,000).

** MATIN DYNAMICS Sarl, Paris (formed November 1964, - capital Ff 100,000 - formerly at Levallois-Perret, Hauts-de-Seine) has ceased its activities for the time being, so that it can reorganise and expand their scope. Its manager is Mme Kouter, who has replaced Mr Emery, and it manufactures electronic control equipment. The founders were TELEFLEX PRODUCTS LTD, Basildon, Essex (see No 300) and its own subsidiary MATIN-DYNAMICS LTD, Basildon.

The French concern has three Common Market sister companies: TELEFLEX GmbH, Heiligenhaus, Düsseldorf (capital DM 500,000) making and selling automated machine tools and transport equipment, and MATIN DYNAMICS GmbH, Essen-Bredeney (capital DM 20,000) which makes and sells electrical and mechanical equipment for shipping, the aviation, car and building industries as well as safety equipment. The third company is MATIN DYNAMICS SpA, Milan which has offices and factory at Brivio.

** The recently agreed merger between two Italian accumulator concerns (see No 392) has strengthened FAP-FABBRICA ACCUMULATORI PARTENOPE SpA, Casalnuovo di Napoli, which has taken over FABBRICHE ACCUMULATORI HENSEMBERGER SpA, Monza, Milan (controlled since 1960 by ELECTRIC STORAGE BATTERY CO, Philadelphia - see No 352).

FAP has been changed to FABBRICHE RIUNITE ACCUMULATORI PARTENOPE - HENSEMBERGER SA (capital increased to Lire 675 million). Its shareholders, apart from the American concern, include BASTOGI-SOC. ITALIANA PER LE STRADE FERRATE MERIDIONALI SpA, Florence, and S.M.E. - STE MERIDIONALE FINANZIARIA SpA, Naples.

** MANDREL INDUSTRIES INC, Houston, Texas (see No 338) - a member of the AMPEX CORP group of Redwood City, California (see No 328) - which specialises in electrical and electronic geophysical equipment and instruments, and chromatographic grading and sorting machinery, has gained outright control of its Belgian subsidiary MANDREL SA, Nivelles, and dissolved it.

The American company has a subsidiary in France, MANDREL CIE SA (formerly ELECTRO TECH FRANCE, Annecy, Haute Savoie). Its own parent company is represented in the Common Market by subsidiaries under its own name in Paris, Böblingen, Frankfurt, etc. It also has one in Nivelles (capital Bf 10 million), which has been producing magnetic tape rollers for computers, electronic machinery for food products, tape recorders for TV, etc.

** The second largest Italian manufacturer of domestic appliances after IGNIS, but with the largest share of the national market through its "Rex", "Zanussi" and "Naonis", INDUSTRIE A. ZANUSSI SpA, Pordenone (see No 389) is about to form a Luxembourg investment company with Lire 1,300 million as capital.

The Italian group, headed by Sigs. Guido and Lino Zanussi, has a huge network of representatives throughout Europe, and it has signed many agreements covering the sale of its washing machines, fridges, etc. Its foreign subsidiaries are REXITAL Sarl, Paris (formed in 1961) with capital now standing at Ff 1 million and IBERICA DE ELECTRO-DOMESTICO-IBELSA, Alcala de Henares (see No 286).

** The merger of the domestic appliance interests of ROBERT BOSCH GmbH, Stuttgart (see No 390 - 6,500 on payroll) and SIEMENS AG, Berlin (see No 397 - 12,000 on payroll) agreed on in October 1965 (see No 331) is now to be realised, with the formation of an administrative company called BOSCH-SIEMENS MAUSGERAETE GmbH, Stuttgart (capital DM 1 million) with Herren Wilhelm Vox and Helmut Ohr as managers.

At first, the new company will co-ordinate the production and sales operations of the interests involved. The group now being formed will be the second in the Common Market after IGNIS SpA, Comerio, Varese (see this issue) and in front of ZANUSSI GRANDI IMPIANTI SpA, Pordenone (see No 294).

ELECTRONICS

** PICKER X-RAY CORP, White Plains, New York, has backed the formation of a sales firm in Utrecht specialising in equipment for X-ray examination, radioscopy, scientific (mainly nuclear) and medical analysis. The new firm (director Mr. Bauke K. Jansen) has a capital of Fl 72,000 shared by PICKER INTERNATIONAL CORP, White Plains, and its Belgian

subsidiary PICKER X-RAY & ELECTRONICS SA, St-Gilles, Brussels. The latter (capital Bf 2.5 million) was formed in March 1957, and up to now has represented the group in the Netherlands.

The American group, whose products are distributed in the United Kingdom by ELECTRONIC & X-RAY APPLICATIONS LTD, Basingstoke, Hampshire, has been associated in Germany with the scientific equipment firm WILHELM HARTIG-WERK FUER ELEKTRO-TECHNIK & MECHANIK KG, Espelkamp-Mittwald, Westphalia (see No 240) for some time in PICKER & HARTIG VERTRIEBS GmbH, Espelkamp. The latter has been handling the promotion of its WAITE MANUFACTURING CO Division of Cleveland. Following a change in these agreements, it now has four subsidiaries or affiliates in the country: PICKER GmbH, DEUTSCHE PICKER GmbH and PICKER EXPORT GmbH (all in Espelkamp) and STRAHLENTTECHNIK GmbH, Hamburg.

** C.E.R.M.E.X.-CIE D'ETUDES & REALISATIONS MICRO-ELECTRONIQUES SA, Paris (formerly STE INDUSTRIELLE DE MICRO-CIRCUITS Sarl, Neuilly sur Seine), which recently increased its capital from Ff 10,000 to Ff 100,000, has acquired the exclusive rights to the manufacturing processes for micro-miniaturised components developed by MICROTEK ELECTRONICS INC, Cambridge, Massachusetts, and also the Common Market sales rights.

The American firm's sister-firm MICROTEK INSTRUMENTS INC, Baton Rouge, Louisiana, has its own exclusive agent in France, TECHMATION SA, Paris (see No 396).

ENGINEERING & METAL

** The West German mechanical and electrical engineering company STOEHR-FOERDERLANGEN SALZER & CO KG, Offenbach, Main (550 employees) has formed an Austrian sales and servicing subsidiary STOEHR-FOERDERTECHNIK SALZER GmbH, Vienna (capital Sch 100,000) with Herren Jörg and Klaus Salzer (both of Offenbach) and Josef Monsberger as managers.

** GUTEHOFFNUNGSHUETTE AKTIENVEREIN, Nuremberg (a member of the HANIEL group - see No 398) has increased its majority interest in the engineering concern M.A.N.-MASCHINENFABRIK AUGSBURG-NUERNBERG AG, Augsburg (see No 393) from 64.84% to around 73%. The Augsburg concern has DM 105 million capital in all, and recently clinched the technical and commercial co-operation agreement it made in principle in 1966 (see No 366) with SAVIEM-STE DES VEHICULES INDUSTRIEL & EQUIPEMENTS MECANIQUES, Suresnes, Hauts-de-Seine (a member of the REGIE RENAULT group). Further to this agreement, Saviem now holds the licence for MAN's diesel engines, and will use the German company's facilities to market its utility vehicles in West Germany.

** Two Common Market firms specialising in lubrication equipment DE LIMON FLUHME & CO KG, Düsseldorf, and W. C. T'HART & ZONEN, INSTRUMENTEN & APPARATENFABRIEK NV, Rotterdam (which is linked 50-50 with J. W. JUNIUS & ZOON NV, Rotterdam in GRITSTRAAL NV - paint sprays) have linked to form the equally-owned ERDGASDIENST GmbH, Düsseldorf, which will supply control equipment for gas distribution networks.

** Headed by Mr J. S. Oppenheimer, the American agricultural machinery concern OPPENHEIMER INTERCONTINENTAL CORP, Moline, Alabama has extended its interests to Italy by forming OPICO ITALIANA Srl Brescia, a sales subsidiary dealing in ploughs, seed and fertiliser spreaders, combine harvesters and machinery for harvesting fruit and vegetables, irrigation and transport equipment.

** The New York chemical and petroleum engineering group STONE & WEBSTER INC, New York (see No 354) which also specialises in civil engineering and the transport of gas, has opened a Brussels branch to its subsidiary STONE & WEBSTER OVERSEAS CONSULTANTS INC, Wilmington and New York, (headed by Mr Harry E. Hopper).

The American group (headed by Mr A. L. Hartridge) already has two subsidiaries in Amsterdam headed by MM. J. H. Rehan and J. J. van Drunen Littel, (see No 276) and it also has subsidiaries in Düsseldorf, Paris and London.

** GEBR. LEITZ WERKZEUGFABRIK KG, Oberkochen, Württemberg (machinery and special tools for the wood working industry - see No 374) has opened a sales subsidiary in Italy LEITZ SERVIZIO Srl, Mariano Comense, Como (capital Lire 30 million) with Messrs H.R. Neukomm and L. Almesberger as manager.

The group's Swiss subsidiary and holding company LEITZ HOLDING GmbH, Weiningen administers its foreign interests. For the past six years it has had a French subsidiary LEITZ-SERVICE Sarl, Colmar, Haut-Rhin, as well as the long-established LEITZ GmbH, Zurich (see No 272).

** GULF & WESTERN INDUSTRIES INC, New York (see No 395) has backed the formation of BONNEY FORGE ITALIA SpA, Albano S. Allessandro, Bergamo (capital Lire 1 million) to make, forge, stamp and cast metals and other products for all types of tubes, pipes and drains. Mr W. MacLeod Jackson, vice-president of BONNEY FORGE INC, Allentown, Pennsylvania, is president of the new firm.

Bonney Forge, a subsidiary of MILLER MANUFACTURING CO, Detroit - which in turn controls the New York group- has had a subsidiary in the United Kingdom for some time: BONNEY FORGE INTERNATIONAL LTD, Irvine, Ayrshire directed by Mr Donald Campbell, director of the new Italian associate. The British firm is represented in France by S.C.I.M.-STE COMMERCIALE & INDUSTRIELLE DE MATAILLURGIE Sarl, Paris (run by Mr R. Pollak).

** The German watch manufacturer EUROPA UHRENFABRIK SENDEN GmbH, Senden, Iller, has substantially increased its manufacturing potential by gaining control of two Bavarian firms EDMUND SOMMER GmbH & CO KG, Schwäbisch-Gmund, which specialises in watch-cases and ROMAN SCHUSTER, APPARATE & MASCHINENBAU oHG, Senden which makes timber machinery and plastic processing machinery with a payroll of around 100.

** The French agricultural plant manufacturer BEKOTO SA, Mettray, Indre et Loire (elevators, incubators, feed distributors and slaughtering lines - capital Ff 1,880,000) has formed a sales subsidiary at Bad Homburg in West Germany. The new firm has DM 40,000 capital, is called BEKOTO APPARATEBAU GmbH, and is managed by M. Francois Jeanaud, chairman of the parent company.

Bekoto already has a subsidiary in Milan called BEKOTO ITALIANA Srl (see No 253).

**

Three French chemical and engineering companies, LA SOUDURE AUTOGÈNE FRANÇAISE - S.A.F. SA, Paris (see No 254), its subsidiary STE FRANÇAISE DE L'ACÉTYLÈNE S.F.A. SA and SAINT-GOBAIN TECHNIQUES NOUVELLES - S.G.N. SA, Courbevoie, Hauts-de-Seine (see No 393), are to take interests of 48%, 20.7% and 31.3% respectively in forming a joint subsidiary called STE INDUSTRIELLE DE FILTRATION - SOFILTRA SA (capital Ff. 5 million) to implement a co-operation agreement. The new firm will manufacture, install and sell gas filtration and processing equipment and will conduct research and development in this field.

S.A.F. itself is a 37.52% subsidiary of l'AIR LIQUIDE SA, Paris (see No 396) and has Ff 26, 164, 000 capital. Its "Welding" division makes gas cylinders, acetylene generators, torches, oxy-acetylene cutters etc. In Spain, it recently took an interest in forming a welded boiler concern called INOXA-APLICACIONES DE ACERO INOXIDABLE SA, Burgos (see No 372), in association with Spanish and Franco-Belgian interests. S.G.N. is a 75.18% subsidiary of CIE DE SAINT-GOBAIN SA of Neuilly (see No 394). It recently acquired a sister company called STE EUROPEENNE INDUSTRIELLE SA, which is in the field of glass, insulation, chemicals and packagings. The Ff 50, 000 capital of this company was put up by Saint-Gobain itself, plus 32% from one of its wholly-owned subsidiaries, STE DES ANC. ETS. LAPEYRE SA, Lyons (capital Ff 2.85 million).

**

The French subsidiary of the world's leading agricultural machinery manufacturer MASSEY-FERGUSON LTD, Toronto (tractors, combine-harvesters and diesel engines, with 33 factories in 10 countries - see No 380) MASSEY FERGUSON SA, Le Plessis-Robinson, Hauts-de-Seine has strengthened its interests in Southern France by forming STE LANGUEDOCIENNE DE MOTOCULTURE-S.L.M.SA, Malopere, Toulouse (capital Ff 300, 000) to promote sales and carry out servicing and repairs.

The French concern has eight regional offices (Toulouse, Asnieres, Bordeaux, Lyons, Nantes and Paris) a tractor factory at Beauvais, Oise and a combine harvester, agricultural equipment and casting factory at Marquette-les-Lille, Nord and a central depot at Athis-Mons, Essonne. With a capital of Ff 60 million, it exported 35% (worth Ff 215 million) of its total sales in 1966.

**

The French manufacturer of wheeled or tracked hydraulic cranes and excavators YUMBO SA, Genas, Isere has extended its interests to West Germany with the formation of an import and sales subsidiary for civil engineering equipment YUMBO DEUTSCHLAND HYDRAULIBAGGER GmbH, Neu Isenburg (capital DM 50, 000) with M. Bernard Brouquet-Laglaire, Villeurbanne, as manager.

The founder (president M. Jaques Bienaime - capital Ff 2 million) has a payroll of 700, working in its factories at the head office, at Chauffailles, Saone et Loire and Tarare, Rhone. Since 1960 it has been controlled by GEVELOT SA, Paris (see No 343) as majority shareholder with a 62.10% interest.

**

SCHOLTENS' APPARATEN NV, Delft (formed 1961 - capital Fl 50, 000) which makes tools and other mechanical equipment (hydraulic presses) has sold its manufacturing interest to TRANSPORTWERKTUIGEN- & MACHINEFABRIEK v/h G.B. SANDERS & ZOON NV, Enschede which specialises in civil engineering, materials-handling and transport equipment.

**

The British engineering group HEAD, WRIGHTSON & CO LTD, Thornaby-on Tees, Yorkshire, (see No 370) has acquired exclusive manufacturing and sales rights for Britain of equipment made by the Munich JOSEF MARTIN, FEUERUNGSBAU GmbH (capital DM 1 million) which specialises in building and advising on the construction of automatic waste disposal incinerators using its own processes.

The British group also holds licences (since 1965) belonging to the Swedish engineering group STORA KOPPARBERGS BERGLAGS A/B, Falun (see No 340).

**

The Swiss METALLWAREN-HOLDING AG, Zug, has backed the expansion of its Italian subsidiary ALLUMINIO PADERNO Spa, Paderno Dugnano, Milan, in the field of aluminium kitchen tools and furnishings: its capital now stands at Lire 170 million.

The Swiss group has another Common Market subsidiary of the same type at Saint-Louis, Haut Rhin, called METALLURGIQUE DE SAINT-LOUIS SA (capital Ff 2 million). This uses the "Aluminium-Lurice" marque, and its "claddings, decor and industrial design" department (using Suis KOLLER licenses) is expanding rapidly.

**

A.L.L.S.-AUTOMATIC LIQUID LOADING SYSTEMS INC, Norwood, has been formed as a subsidiary of the petroleum engineering company MERCURY OF NORWOOD INC to exploit patents belonging to CIE GENERALE D'AUTOMATISME Sarl, Paris for the transport of hydrocarbon products by road and rail tankers.

The French company is the subsidiary of CITEC-CIE POUR L'INFORMATIQUE & LES TECHNIQUES ELECTRONIQUES DE CONTROLE SA, Paris (see No 387) and it recently raised its capital to Ff 2.25 million following the takeover of AERIA SA, Villarceaux, Essonne. In 1963 it began operating the first automatic loading system for rail tankers and in 1964 the first computer controlled loading system for road tankers.

**

Nine Belgian companies have formed a cooperative in Brussels called SODECOM S.C. (unlimited capital starts at Bf 850,000) to do research, development and process work for themselves and outside companies in products and systems. The nine founder companies are LA BRUGEOISE & NIVELLE SA, Brussels; STE BELGE d'OPTIQUE & INSTRUMENTS DE PRECISION SA, Ghent; l'AUXILIAIRE TECHNIQUE & COMPTABLE SA, Brussels; MERCANTILE MARINE ENGINEERING & GRAVING DOCKS CO SA, Antwerp; l'ELECTRO-NAVALE & INDUSTRIELLE SA, Aartselaar; CIE FINANCIERE DU KATANGA SA, Brussels; TRACTION & ELECTRICITE SA, Brussels; FABRIQUE NATIONALE D'ARMES DE GUERRE SA, Herstal, and S.A. COCKERILL-OUGREE PROVIDENCE, Seraing.

All these companies, except L'Auxiliaire Technique & Comptable and Cockerill-Ougree Providence are already associated in the engineering and industrial and commercial development concern STE POUR LE DEVELOPPEMENT DES TECHNIQUES NOUVELLES - SODECOM SA, Brussels (see No 363), which was formed late in 1959 by STE GENERALE DE BELGIQUE SA, Brussels, which controls it directly and through such concerns as Traction & Electricite.

** STE D'ETUDES POUR LE DEVELOPPEMENT DE LA CONSTRUCTION MECANIQUE EN ALGERIE-SODEMA, Boulogne-Billancourt Hauts-de-Seine (capital Ff 500,000) is being formed as a result of moves made by M.Y. Lavaud, and it will act as an administrative company for French and German interests. Its founders are: 1) RNUR-REGIE NATIONALE DES USINES RENAULT SA, Boulogne-Billancourt (see No 397); 2) SAVIEM-SA DES VEHICULES INDUSTRIELS & D'EQUIPEMENTS MECANIQUES, Suresnes, Hauts-de-Seine, an 87.28% subsidiary of Renault (see this issue and No 379); 3) STE NOUVELLE DES ATELIERS & FONDERIES C.DUCROS SA, Paris (capital Ff 4.25 million - formerly ATELIERS & FONDERIES DE MAFLAK, Oran; 4) ETS RICHARD FRERES SA, Villeurbanne, Rhone (see No 347) a 22% affiliate of Saviem; 5) AUTOMOBILES M.BERLIET SA, Venissieux, Rhone (see No 380); 6) MWM-MOTOREN-WERKE MANNHEIM AG VORM.BENZ ABT. STATIONAERER MOTORENBAU, Mannheim (see No 314). The new grouping will make preliminary studies for the development of the mechanical engineering industry in Algeria, as well as studying possible improvements in local methods for assembling cars and trucks. It will be able to draw on considerable experience of Algerian manufacturing and technical conditions, as several of its founders have factories there.

Renault controls RENAULT-ALGERIE SA, Algiers, formed early in 1966 by the merger of its distribution subsidiary SADAR-STE ALGERIENNE DES AUTOMOBILES RENAULT, Algiers and its former assembly-line CARAL-STE DE CONSTRUCTION DES AUTOMOBILES RENAULT (see No 242) in which the Algerian state is a minority shareholder and the Paris consortium COFIDAL-CIE FINANCIERE POUR LE DEVELOPPEMENT ECONOMIQUE DE L'ALGERIE SA, has an interest.

C. Ducros - 18.8% owned by COFIDAL - has a steel and iron-foundry in Oran supplying non-engine parts to the assembly plants of Renault, Berliet and Richard Freres; it is also associated with the latter in Algeria in the assembly of caterpillar tractors for agriculture and public works. Richard Freres - in which Berliet holds an investment interest of 3.3% - has also been linked since 1960 with CAFL-CIE DES FORGES & ATELIERS DE LA LOIRE SA, Paris (see No 392) in SACOMAIT-STE ALGERIENNE DE CONSTRUCTION DE MATERIEL AGRICOLE, Oran.

Berliet itself assembles lorries and buses at the Rouiba plant of its 38.63% affiliate BERLIET-ALGER, Algeria (40% owned by the Algerian state). In North Africa, the group is also linked with the Tunisian state in BERLIET-TUNISIE which is at present carrying out a contract for the assembly, phased over four years, of a thousand buses, coaches and heavy lorries. (In Cambodia, it is linked by a similar agreement with the state company SONATRAC which assembles "Berliet" lorries at Sihanoukville, in addition to assembling medium tonnage Renault/Saviem vehicles under the trade-name of "Angkor").

M.W.M. is part of the KNORR-BREMSE group of Munich (see No 357). It has a capital of DM 9.72 million, and specialises in all kinds of diesel engines for tractors, civil engineering machinery, locomotives, marine engines etc. It is represented at Clichy, Hauts-de-Seine by the French-backed MWM-DIESEL FRANCE Sarl (formerly R. DE KONYA & CIE Sarl). Together with its parent company, it is associated (40-60) with FREIOS KNORR DO BRASIL LTDA, San Paolo and (62-38) the plastics firm GUMMIWERK KUBLER GmbH, Berlin (capital DM 1.4 million).

FINANCE

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FIAT SpA, Turin has provided one of its foreign holding companies, INTERNATIONAL HOLDING & INVESTMENT CO SA, Luxembourg (see No 384) with the resources to finance the group's expansion by raising its authorised capital to \$3 million and by paying up the first \$2.5 million of this increase, which has been entirely subscribed by the finance subsidiary IFI-ISTITUTO FINANZIARIO INDUSTRIALE SpA, Turin (see No 387).

**

The New York brokers and investment fund management concern WADDELL & REED INC is continuing its Italian expansion with the opening of a Milan branch to WADDELL & REED INTERNATIONAL ITALIANA SpA, Rome (see No 382). The latter was formed a few months ago with a capital of Lire 5 million by the group's Bermuda subsidiary WADDELL & REED INTERNATIONAL LTD, Hamilton.

The New York firm has long had branches in Hamburg (see No 300) and Berlin (see No 331).

**

SCHRÖDERS LTD, London has just embarked on a new phase of expansion in Europe by changing the agency it has had in Zurich since 1960 into a subsidiary called SCHROEDERS AG (capital Sf 5 million). With Mr Gordon Richardson (president of the parent company) as president, this will carry out all types of finance business, except purely banking operations. It will concentrate mainly on developing the group's position on the Euro-dollar market.

Within the Common Market Schroeders has agencies in Paris and Frankfurt.

FOOD & DRINK

**

Herr Willy Metzlar, who owns more than 90% of the plastics and rubber concern METZELAR AG, Munich (see No 378), has sold to HENNIGER BRAEU KGaA of Frankfurt three breweries of which he had absolute ownership: these are UNIONBRAUEREI oHG, Gross Gerau (annual capacity app 2,300,000 gallons), ENGELBRAEU HEIDELBERG oHG, Heidelberg (app 1 million galls) and BRAUEREI IBING, Mülheim, Ruhr (660,000 galls).

Henniger Bräu (which is linked with the REEMTSMA group) makes this move shortly after acquiring a minority interest in AKTIENBRAUEREI BUERGERBRAEU AG, Ludwigshafen (see No 398), and will thus increase its capacity in Germany and abroad to over 40 million gallons a year.

**

A new London firm importing and selling French wines, SAINT FERDINAND VINS FRANCAISE LTD is a subsidiary of SAINT FERDINAND Sarl, Paris (see No 380). The latter was itself only recently formed by the German Pieroth family, through the Zug holding company ADMINVIN GmbH (see No 330).

In the Common Market, these same German interests also control, through the Swiss holding company, CASA VINICOLA PIEROTH Srl, Milan and directly PIEROTH NV (capital Fl 20,000), formed in Amsterdam in October 1964.

** CAVENHAM FOODS LTD, Slough, Bucks (parent company of the Bristol confectionery group CARSONS LTD - formerly H. J. PACKERS & CO - see No 246) has been negotiating for the past few months to take over the confectionery interests of the French group SOURCE PERRIER SA, Vergeze, Gard (see No 386).

The chairman of Cavenham Foods is a Frenchman, M. J. M. Goldsmith, and its managing director is Baron A. de Gunzburg, who together represent an important minority shareholding in the French mineral water group. Control of the latter was acquired fifteen years ago by the four Leven brothers from an Anglo-French group headed by Sir J. Harmsworth. A few months ago Perrier regrouped all its interests in this sector around UFICO-UNION FRANCAISE D'INDUSTRIES DE CHOCOLATERIE & DE CONFISERIE SA, Noisiel, Seine et Marne (see No 345). This involved ETS LORIENT, DRAGEES DE FRANCE, BISCUITS DUPONT D'ISIGNY, STE CONTINENTALE DE CONFISIE, SA DE CONFISERIE INDUSTRIELLE (see No 330) and the main brands of confectionery affected were Pschitt, Lorient, O.K., Le Rhone, Lindt, Rozan, Menier, Chadess and Dupont.

** The New York CORN PRODUCTS CO group (see No 354) has reorganised some of its Italian interests; its subsidiary FABBRICHE RIUNITE AMIDO GLUCOSIO DESTRINA SpA, Milan (capital Lire 1,760 million) has taken over ITALAMIDI INDUSTRIA ITALIANA AMINI GLUCOSI AFFINI SpA (capital Lire 48 million).

Apart from the Milan concern, which has an important manufacturing complex at Castelmasse (starch, dextrin, glucose, etc.) the American group also controls MONDA SpA-PRODOTTI KNORR (new factory at Sanguinetto di Verona - capital of Lire 600 million controlled by the Swiss subsidiaries KNORR ZURICH AG and MONDA ALIMENTANA AG, Thayngen) as well as FECOLERIE NAZIONALI SpA (capital Lire 90 million) and CIA IBRIDI MAIS SpA, Milan (capital Lire 250 million).

** Two of the leading baking firms in northern West Germany (joint turnover of DM 35 million) have worked out a link-up which will start with the formation of a joint administration subsidiary EURO-BACK GmbH & CO KG, Bordesholm.

The first firm RIX-BROT- & MUEHLENWERKE KG, Bordesholm, über Neumunster (headed by Herren Rolf Löwe and Werner Rix) employs some 450 people and has two subsidiaries, NORDERSTEDTER BROTWERKE KG, Friedrichsgabe, Bz. Hamburg, and NORDERSTEDTER BROTWERKE KG, Bremen. The second, BROTFABRIK WERNER BOEKER oHG, Göttingen, has production units at Hanover, Kassel, and Holzminden.

** Fresh reorganisation within the Dutch dairy industry (see Nos 371 and 397) has recently involved the takeover of DIDAMSE COOPERATIEVE ROMBOTER FABRIEK, Didam, by VECOMI-VERENIGDE COOP MELKINRICHTING CV, Arnhem. This merger has resulted in a group with a production of 150,000 tons a year.

Vecomi runs two dairies at Arnhem and Wageningen, a powdered milk factory at Ede and two creameries at Putten and Terschurr; it holds a large interest in COOPERATIEVE CONDENSENFABRIEK CV, Deventer.

GLASS

** BALL BROTHERS CO, Murcie, Indiana (see No 378) has bought from its Dutch associate VAN TUIJN'S LIMONADEFABRIEKEN & DISTILLEER-DE RIJNEN NV, Dongen (see No 378) its 50% shareholding in the glass bottle firm GLASINDUSTRIE DONGEN NV, Dongen (see No 244) and now has outright control of this firm. Glasindustrie Dongen was formed in 1962 and employs some 260 workers, exporting about 50% of its production (20% of which is absorbed by the distilling and non-alcoholic drinks group Van Tuijn for its own needs).

** SOGEMINES LTD, Montreal (see No 330), a member of the Brussels STE GENERALE DE BELGIQUE group, has negotiated in principle the takeover of its glass division, the former IROQUOIS GLASS LTD, Candiac, Quebec and Toronto, by CONSUMERS GLASS LTD, Toronto and Ville-St-Pierre, Quebec. Sogemines acquired this concern in 1965, when it also absorbed BLOCKVILLE CHEMICALS LTD, Maitland, Ontario, and INLAND CEMENT CO LTD, Edmonton, Alberta, and made them its chemical products and cement divisions.

The productive capacity of Sogemines' glass division is soon to be increased to 50,000 tons p.a. by the addition of a new production line for glass bottles for the food, drink and chemical industries.

INSURANCE

** An agreement reached by LOMBARD INSURANCE CO LTD, Hong Kong, and H. G. TULKENS & CO SA, Brussels, will give the latter the Belgian agency for Lombard's Fire, Accident and Marine sectors.

JARDINE, MATHESON & CO LTD, London, are U.K. agents for the Hong Kong firm. The Belgian company already represents several foreign insurance companies, including ATLAS INSURANCE CO LTD, London, and MAGDEBURGER FEUERVERSICHERUNGS-GESELLSCHAFT AG, Hanover (see No 395).

** The German insurance brokers JAUCH & HUBENER oHG, Hamburg, in which the partners are Herren P. Stier, K. von Kottwitz, W. von Bergmann, O. Hubener and E. Lahno, have opened a branch in Zurich under the direction of Herr Hans Hürzeler, Olten.

OIL, GAS & PETROCHEMICALS

** C.E.C.-CARBONISATION ENTREPRISE & CERAMIQUE SA, Montrouge, Hauts-de-Seine (see No 339) and UNION INDUSTRIELLE & D'ENTREPRISE SA, Paris (capital Ff 4 million) have jointly formed STOCKAGES & MANUTENTION D'HYDROCARBURES SA (capital Ff 200,000) on the premises of Union Industrielle. The new firm will acquire the "Butane and Propane Gas Bottling and Liquefying" division of C.E.C., and it will be responsible for the installation of bottling and evaporating plant for butane, propane, etc.

C.E.C. (capital Ff 16.4 million) is a 32.24% subsidiary of CIE DES COMPTEURS SA, Paris (see No 397), making a wide range of aluminium heat-resistant products. In 1966 it backed a 20% expansion of its "Propane Bottling and Liquefying" division.

** STEINKOHLENGAS AG, Dorsten (mains gas and chemicals from coal - DM 100,000 capital) is to be absorbed by its Essen parent company RUHRGAS AG (see No 395), and become one of its divisions. The Dorsten firm employs some 450 people, made a 1966 turnover of around DM 85 million and had a wholly-owned sales subsidiary in Dorsten called CHEMIEK-ONTOR GmbH.

The parent company has links with STANDARD OIL CO OF NEW JERSEY, ROYAL DUTCH SHELL, London and Rotterdam, G.B.A.G.-GELSENKIRCHENER BERGWERKS AG, Essen, and ERDGAS VERKAUFS GmbH, Munster. It recently joined with THYSSENGAS AG, Duisburg-Hamborn, in forming NORDRHEINISCHE ERDGASTRANSPORT GmbH in Duisburg.

** A move to reorganise the control of the oil distributor ARAL AG, Bochum (see No 398 : capital DM 110 million), decided in principle in 1966 (see No 365), has now been carried out: the three groups MOBIL OIL INC, New York (through MOBIL OIL AG IN DEUTSCHLAND, Hamburg), GBAG-GELSENKIRCHENER BERGWERKS AG, Essen and BERGWERKS-GESELLSCHAFT HIBERNIA AG, Herne (a member of the group VEBA-VEREINIGTE ELEKTROZITAETS- & BERGWERKS AG, Berlin and Bonn) now have an interest of 27.9% each (with 28.33% of the voting rights), and the other main shareholder (15%) is WINTERSHALL AG, Kassel (see No 398).

In 1966, ARAL distributed 6.3 million tons of petroleum products (against 5.9 million in 1965) and had a consolidated turnover of DM 3,410 million.

PAPER & PACKAGING

** WEYERHAEUSER Co, Tacoma, Washington (see No 352) has not withdrawn from assisting the survival of the paper and cardboard producer PAPETERIES DE LA HAYE DESCARTES, CARTONNERIES MENIGAULD SA, Balesmes, Indre et Loire (see No 323). The American company declared its intent to acquire a share in the latter during 1964 - but was refused by the French Finance Ministry - even though this would have overcome the French firm's financial difficulties. The latter (president M.A. Menigaud - managing director M.R. Bertrand) has four factories in the Haute Vienne, the Vienne and the Indre et Loire, and in 1965 after a legal settlement it dismissed a large part of its work force.

The American group has controlled DROPSY SA, Reims (see No 243 - cardboard packages) for the past three years. Other Common Market interests include WEYERHAEUSER SICILIANA SpA, Palermo (formed in October 1965 by the subsidiary WEYERHAEUSER IBERO CARIBE INC, Tacoma), KARTON SpA, Nucera Superiore, Salerno-SANBER SpA, Casale Monferrato, Alessandria, OPACHER AG, Munich and WEYERHAEUSER BELGIUM SA, Brussels (formed 1965).

** BEMIS CO INC, Minneapolis, Minnesota (formerly BEMIS BROS. BAG.CO. - See No 238) which specialises in plastic packaging materials has strengthened its Common Market interests by gaining a 50% share in the leading Austrian manufacturer of plastic machinery WILH. ANGER oHG, Vienna, as the latter has two West German branches in Munich and Krefeld.

The American company (10,000 on payroll and annual turnover exceeding \$200 million) has two wholly-owned Swiss subsidiaries: PACKAGING FRONTIERS SA, Glarus and BEMIS SA, Fribourg as well as a 50% interest in the French CIE CONTINENTALE BEMIS-RIGOT SA, Forest, Nord in association with RIGOT-STALARS Sarl Lille.

** Two associated Turin papermakers CARTIERA SUBALPINA SERTORIO SpA (book paper factory at Coazze and warehouses at Turin, Genoa, Bologna, Milan, Rome, Naples, Bari and Palermo) and CARTIERA ITALIANA SpA (factories at Serravalle, Sesia and Quarona) are merging. The latter (capital to be reduced to Lire 2,000 million) will take over the former, a family concern (capital Lire 1,270 million).

Cartiera Italiana (president Signor A. Costa - managing director Signor Angelo Sertorio) has interests in BANCA POPOLARE DI NOVARA Sarl, Novara (see No 384) and DELL'ORTO SpA, Milan.

** KONINKLIJKE PAPIERFABRIEKEN VAN GELDER & ZONEN NV, (see No 288) Amsterdam, is to gain process data from, and thus (technically, but not financially) strengthen its cooperative links with CROWN ZELLERBACH CORP, San Francisco (see No 384). The two companies' joint subsidiary CROWN-VAN GELOER PAPIERFABRIEKEN NV; Amsterdam (punched card factory at Velsen) will also market new lines developed in the American group's U.S. and Canadian factories. Further marketing in Europe will be undertaken by another joint subsidiary, CROWN-VAN GELDER PAPIER SA, Fribourg, Switzerland, in which the American interest is held through CROWN ZELLERBACH AG, Zurich.

The American group's most recent European move was an agreement with SVENSKA CELLULOSA A/B, Stockholm, which gave the latter the exclusive European agency for cellulose sulphates made by CROWN SIMPSON PULP CO of Eureka, California.

** The Luxembourg holding company CONSTRUCTION CAPITAL CO SA, controlled by TECHNICAL STUDIES INC, New York (see No 308), which recently raised its capital to Lux F. 4.5 million, has taken part in proportion to its one-third shareholding, in increasing the capital of PAPIERS SPECIAUX NAVARRE Sarl, Paris (see No 337) to Ff 2.25 million. This move was decided by the three founders of the firm to allow for its expansion.

The Paris firm was formed at the end of 1965 jointly by Construction Capital, PAPETERIES NAVARRE SA, Paris and SELF COPY INTERNATIONAL SA, Luxembourg. It specialises in paper and sundries for multicopying typewriting and NCR papers, mainly under the Italian RIVEL patent (self-copying paper) for which Self Copy International holds the licence.

** The Düsseldorf paper group FELDMUEHLE AG, which is currently negotiating the purchase of an interest in the Austrian paperworks of STEYRERMUEHL PAPIER-FABRIKS & VERLAGS AG, Steyrermühl (see No 392), has formed a sales subsidiary in Vienna under the name of FELDMUEHLE WIEN GmbH. The new concern will cover the Austrian market, and, in addition, will coordinate the group's expansion in the Eastern Bloc.

Feldmühl is the largest German company in its sector, and its most recent move was to gain control of PAPIERFABRIK SUNDEN GmbH, Raubach (see No 397).

** One of West Germany's leading producers of plastic packaging for the dairy industry BELLAPLAST HELLER & CO KG, Wiesbaden has considerably increased its manufacturing potential by acquiring control of NECKARPLAST GmbH & CO KG, Deizisau, Württemberg which in 1966 produced 150 million units (120 million in 1965). The Wiesbaden company (460 million units made in 1966 compared with 300 million in 1965) will now run three factories: at Wiesbaden; Alf, Mosen and Deizisau (around 500 persons) and it hopes to produce 800 million units during the current year.

PHARMACEUTICALS

** U.S. VITAMIN & PHARMACEUTICAL CORP, New York (see No 314 - a member of the REVLON INC group, Atlanta, Georgia for just over a year - see No 350) has strengthened its Belgian interests with the formation of a wholly-owned Brussels subsidiary U.S.V. PHARMACEUTICALS CORP SA (capital Bf 5 million). This will market all types of pharmaceutical, chemical, veterinary and dietetic products, as well as medical, surgical and cosmetic supplies.

Since June 1963 the New York concern has already had a 50% interest with C.E.R. T.A. SA, Noville-sur-Mehaigne, Brabant in CERTA INTERNATIONAL SA, Etterbeek-Brussels, a manufacturing and sales company for pharmaceutical products (headed by M.J.S. Canavis).

** Belgian capital is backing EURENO FRANCE SA, Paris (capital Ff 100,000). This firm is directed by Mr Henry Leuwers, an orthopaedist from Beaumont-sur-Oise, Val d'Oise and it will trade in all kinds of orthopaedic, medical, and patent equipment and products, as well as health and baby products.

** In order to consolidate its Italian interests, the chemical and pharmaceutical group SCHERING AG, Berlin (see No 384) has formed a branch in Rome (directors Messrs G. Vita and H.J. Remmer) to its Milan subsidiary SCHERING SpA, Milan (see No 318). This firm (president Mr Remmer) was formed in June 1965, 50-50 by the Berlin group and its finance subsidiary DUCO AG, Bergkamen, Westphalia (see No 365) which recently raised its capital to DM 60 million.

** STE LAITIERE GALLIA SA, Paris (capital Ff 16.88 million) - a member of the Paris group CH. GERVAIS SA (see No 365) - has signed an agreement giving BONO-MELLI SpA, Dolzago, Como (formerly STABILIMENTI C.E.A. LA BONOMELLI SpA which last November absorbed VERITAS Srl, Milan) the agency for its dietary and pharmaceutical products in Italy.

PLASTICS

** The largest Dutch polyurethane foam concern, RECTICEL NV, Kesteren (capacity of over 20,000 tons p.a.), has formed a sales subsidiary in Zurich called RECTICEL ZURICH AG (capital Sf 120,000), with Herr Wolfgang Luck of Zurich as manager.

The parent company (headed by Mr Hendrick Jan Veenendaal) has sister companies in Belgium and Germany: RECTICEL BELGIE NV, Lichtaart (see No 305) and RECTICEL DEUTSCHLAND KUNSTSTOFFE GmbH, Kevelaer (capital reduced from DM 100,000 to 20,000 in December 1966 - see No 328).

** The Swiss holding company WHITEDREAM AG, Zug (formed in July 1963 with Sf 50,000 capital) has backed the formation in Milan of SNOWFAST ITALIANA Sas (capital Lire 50 million) to make and sell chemicals and plastics. The new firm has a Swiss as partner/manager, Herr Luigi Eigenmann, who lives in Luvisate, Varese.

TEXTILES

** The German lingerie group SCHIESSER GmbH, Radolfzell, Podensee (see No 292) is about to form an Italian sales subsidiary through the Zurich holding concern SCHIESSER HOLDING AG.

The German group (capital DM 18 million) employs nearly 5,000 persons and had a 1966 turnover exceeding DM 137 million. It heads a number of foreign companies: G. MUELLER-RENNER AG, Kreuzlingen, Thurgau, and SILHOUETTE LINGERIE AG, St-Gallen, both in Switzerland; SCHIESSER INTERNATIONAL VERKOOPKANTOR NEDERLAND NV, Amsterdam; SCHIESSER-PLACO SA, Athens; and in Northern Ireland SCHIESSER INTERNATIONAL LTD.

** COTONIFICIO CANTONI SpA, Milan (see No 350) is to absorb its subsidiary STAMPERIA & TINTORIA F. LLI. TRONCONI SpA, Busto Arsizio (capital Lire 150 million). The latter (managing director Sig Nino Maglia) employs about 180 people in the preparation and treatment of fabrics at Fagnano Olona.

At the same time, the Milan group (capital Lire 8,400 million), which has three spinning works and four weaving factories, is to absorb six Milan property companies: IMMOBILIARE COMABBIO Srl (capital Lire 110 million), IMMOBILIARE EDIFICATRICE OLONA Srl and IMMOBILIARE EDIFICATRICE TICINO Srl (80 million each), IMMOBILIARE ARNO Srl (70 million), IMMOBILIARE MONATE Srl and IMMOBILIARE STRONA Srl (40 million each).

** One of West Germany's leading manufacturers of towelling cloth (1966 turnover around DM 100 million) FROTTIERWEBEREI VOSSEN GmbH, Gütersloh has decided to open an Italian sales subsidiary in the near future.

It already controls VOSSEN-FRANCE Sarl, Strasbourg (see No 298), VOSSEN FROTTIER GmbH, Jennersdorf, Burgenland, Austria and VOSSEN GmbH, Baden, Aargau, Switzerland. In West Germany it has factories at Gütersloh, Warburg and Niedermarsburg; in 1966 it reduced its labour force from 4,000 to 3,500.

LATE FLASH

AGRICULTURAL MACHINERY: BOSTROM CORP, Milwaukee, Wisconsin (vehicle seats etc) is to have its British subsidiary BOSTROM MANUFACTURING CO LTD, Surbiton, Surrey (factory in Northampton) build a Bf 25 million factory at Nivelles, 35 kilometres south of Brussels, where it opened a branch under M. H. Steger last year (see No 360). M. Andre Berthoud will be in charge of the project, and the initial factory site will cover 2,500 square metres, though this may be increased at a later date to 15,000 metres. Production should begin later this year, but in the meantime, the British company will continue to supply the Common Market. Customers include CATERPILLAR, France and Belgium, F.A.M.E. in Italy, FAHR in Germany, CLAYSON in Belgium, BOBARD in France, KRAMER-WERKE in Germany and FORD in Antwerp.

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