

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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Foreign Trade & Medium-Term Economic Planning *ref files*

by

Lodovico Groza, Vice-President

The National Institute for Foreign Trade, Rome

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April 20, 1967

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Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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COMMENT

A Letter from Brussels

SHOULDER TO SHOULDER

Promising Solidarity

The meeting of the EEC Council of Ministers on April 10 and 11 was remarkable for the spirit of co-operation in which it took place. Considering that the Kennedy Round was at the top of the agenda, it would have been no surprise if it had turned into another marathon. However this time, the Ministers managed to get through their discussions with half a day to spare. And there were no hitches. Even the questions on Euratom, where different attitudes had created a very delicate situation, caused no friction. Although they were not completely settled, some steps were taken in the direction of a solution. And it was finally agreed that they will negotiate with Franco's Spain and then renegotiate with Spain when Franco goes, which satisfied everybody.

The most decisive result of this session, which (another encouraging sign) was attended by all the Foreign Ministers except Fanfani, was that the Kennedy Round will not lead to any split among the Six. Unless something very unexpected occurs, there will again be no division when the actual moment comes, probably on April 24, to draft the EEC's final offers for Geneva. This harmony has been due as much as anything to the major shake-up of French policy in this field. Although the French Government was suspected early on of not being particularly enthusiastic about the GATT negotiations, it has now succeeded in allaying these fears. At the same time some of the most ardent "free-traders" among the Six have lost a few illusions during the GATT talks, which have shown up the relative importance of the offers made by some third countries. Here the complaints of the Dutch and German brigades against the latest Scandinavian attitudes were also received with interest in Brussels.

This unanimity - among the Six in Brussels, and with their GATT partners - was in no small way due to the EEC Commission, to Sicco Mansholt and especially to Jean Rey, the Community's representative at the Kennedy Round. He managed to steer a very clever course, using all the latitude allowed him without upsetting anyone. On the contrary, they expressed their renewed confidence in him, for this final phase in the negotiations. The Kennedy Round has been a personal success for M. Rey, who has succeeded in keeping the peace between the Council and the Commission and has acquired greater authority at a particularly opportune moment.

Hallstein's Successor

Since the Italians so far approached (Sig. Colombo, Carli and Petrilli, particularly) have turned down the idea, it is becoming increasingly probable that someone from Benelux will be nominated as the successor to Professor Hallstein when he retires after a short term as head of the future single Commission. However,

according to numerous reports, which are gradually becoming more than rumours, Jean Rey (who is just as European but less "marked" than Sicco Mansholt) is the name most often mentioned for the job. He has also been suggested by countries other than Belgium, which is already the seat of the Communities and so does not want to appear too greedy by asking for the presidency of the single Commission, although she would certainly not refuse it. Also, after the De Gaulle-Fornari meeting on April 10, informed circles are certain that the Rome summit will take place in the first fortnight of May and that the question of the merger of the executives will be discussed then. If this is so, and if the Geneva negotiations reach a satisfactory conclusion, Jean Rey's kudos will be at its highest when the six heads of government make their choice. Of course, there may be some eleventh-hour setback but it still seems to be a particularly opportune moment for M. Rey.

The Kennedy Round

To return to the Kennedy Round, let us briefly size up those who gather round the table with the EEC: in the case of the United States, the Rey report emphasises that the air is milder and that in any case it is too late for bickering. Nevertheless, the EEC Council is determined to stick to its guns over chemicals: the EEC will still keep these products out if the United States refuse to remove their formidable protective barrier. In other words, Washington will have to abolish its unfair customs valuation system - the American Selling Price - and reduce all these tariffs by half, and even then none of these tariffs must exceed 20%. As regards the American Selling Price, on which the American administration claims not to have sufficient power to negotiate, the Six have unanimously rejected the cuts proposed by the other side, which would give immediate tariff reductions while Washington undertook to put pressure on Congress to get the offending system changed or abolished. However, there is still hope that the Americans intend to give some more serious guarantees.

The EEC's Offers: In the case of the world agreement on cereals and the food-aid programme, which the Americans are very keen to include, the Europeans have now shown a little flexibility. Thus the EEC's initial position, in a situation which is still highly confused, has or has not changed in the following ways:

- 1) There can be no question of the suggested agreement, which is based on consolidating the support prices, that is guaranteed prices in each country or group of countries for national producers, being restricted to milling cereals only, as the Americans have suggested. This would mean in effect that world prices for wheat, which the Community exports, would be frozen while world prices for forage cereals, which the Community imports, could fluctuate freely.
- 2) According to a Commission proposal, the EEC should lower the self-sufficiency ratio for its entire cereals production from 90% to 89% and undertake to store or distribute the surplus as gifts. This concession gives greater access to the European market by foreign exporters in theory only. In fact the Community's real sufficiency ratio, because of its lack of secondary cereals, is currently only 86% to 87% and shows

signs of diminishing. Nevertheless, the food aid being asked of the EEC, represents 600,000 tons in kind or another one per cent reduction in its supply ratio. As a result any increase in its cereals production would be more or less blocked for three years. Although a reversal of the trend is unlikely, this is a risk which the French are hesitant about taking.

3) On the other hand, France, like her partners, has agreed to increase the world reference price for hard wheat from \$63 to \$64 a ton (or a half dollar on average more than its previous offer), provided of course that reference prices are fixed for all cereals.

4) The Six have agreed in principle to contribute 600,000 tons to an annual food-aid programme of 3 million tons. In currency, this contribution represents a cost of 50 million dollars a year, which will have to be financed according to the Community regulations. France, which had already ruled out ideas of this kind, has turned out to be the most agreeable. The Belgians and Germans, with not inconsiderable financial worries on their plates, are rather less enthusiastic. After pressure from the new Dutch Minister of Agriculture it was agreed that other products, probably milk-based, might take the place of cereals at a later date.

Scandinavia: Let us pass now to the Scandinavian bloc. Their recent attitude has aroused hostile reactions throughout Brussels. The Council's final communique is eloquent on this subject. "Anxiety was unanimously expressed by the Council", it reads, "as regards the future of the negotiations with the Nordic countries: in fact it was agreed that the efforts recently envisaged by the Community, with a view to improving its offers in respect of these countries, have not induced them to adopt a more understanding attitude regarding the Community's exporting interests. The Council therefore hopes that this attitude will be reviewed so that the Community can stick to its offers and avoid embarking on a course of its own which it considers dangerous".

The indignation is real, however: the Scandinavians got short shrift from the Council except for Denmark on the part of Germany. The Six were aware that their original offers did not match the Scandinavian concessions and, despite a first threat of withdrawal, they made a limited but genuine effort, especially if one remembers that the main exports from Scandinavia nearly always affect sensitive products for one or other member-State (aluminium, paper, etc). But far from encouraging their opposite numbers to be more flexible, this effort provoked increased intransigence. "In practice", as one high-ranking European official put it, "the Scandinavian concessions amount to an offer to reduce (non-existent) tariffs". This is because all the main EEC exports, like plate-glass and carpets for Belgium, shoes for Italy, etc have been placed on the Scandinavian list of exceptions.

It is easy to understand the hullabaloo and threats of escalation raised in Brussels. The Scandinavian attitude caused even greater disappointment since these countries are potential EEC candidates. The country most keen on joining the Six, Denmark, has shown a very extremist attitude towards the Kennedy Round. This is no

doubt due to her fears for her future exports of live cattle and dairy products, since any hope of world agreements in these sectors have been finally abandoned in Geneva. But there is still a chance of bilateral agreements, and the Danish government should understand, the EEC Council was told, that a declaration of war on the Six would not help to create a favourable climate in which to reach them. Jean Rey was given the job of explaining to the Danes and also the Swedes, also "difficult customers", that they had read the Community's offers the wrong way. As a German representative put it, the Common Market's delegate to the Kennedy Round is asked to carry out an "academic exercise" among the Scandinavians - but "academic" does not necessarily mean that firmness is not to be used.

Britain: As regards Britain, another more or less certain candidate for entry, some disappointment was also expressed. The Six said that Britain was siding more with the Americans than with them on the American Selling Price. They also said that Britain's attitude towards the cereals agreement was still very restrictive and was even "entirely negative" (said M. Rey) on steel, whereas here the Americans were more helpful. It was also agreed that probes should continue in this field in an attempt to reach some agreement, which makes it look as if the United Kingdom will come under some combined pressure.

Switzerland: The Swiss, however, were more accommodating and Jean Rey made good progress. The question of chemicals is no longer a fly in the ointment and the dairy problem has been solved by a compromise. There is still the watch industry, but things are under way and it has been agreed that the EEC will reduce its tariffs if, in exchange, the Swiss are prepared to get their public and private sector to agree to imports of components.

Motor Taxes: Finally, the Six have ratified the anti-dumping agreement reached in Geneva. However, the three countries concerned (France, Italy, Belgium) have refused to admit that their motor taxes, which are based on the cylinder capacity of vehicles, can be considered para-tariff obstacles and thus liable to concessions in GATT. Obviously American cars often come off worse because the majority of them are high-powered, but these systems apply to all vehicles regardless of origin. So this is not a negotiable para-tariff measure and there can be no question, for example, of bringing this into the question of concessions by Washington on the American selling price.

* * *

THE WEEK IN THE COMMUNITY

April 10 - 16, 1967

From Our Correspondents in Brussels and Luxembourg.

THE COMMUNITY

Willy Brandt's 'Maiden Speech' to the Council: On Monday April 10, Herr Willy Brandt made his first speech to the EEC Council of Ministers and this was implicitly supported by those present, with the exception of the French delegate. Although some thought it might be followed by political developments, the majority view seems to have been that it was a traditional restatement of the German position, made by every new Foreign Minister.

A Boost for the Community: Although he made no new proposals for revitalising the Community, the nature of his speech may well give a new dynamism to the Common Market's development, and this in itself is a departure from the attitude of his predecessor, Herr Schroeder. In fact, what he said - as well as what he did not say - clearly defined the European policy of the Kiesinger government.

Integration through the Rome Treaty: Herr Brandt believed the most suitable way of achieving European unity was through economic integration as envisaged by the Rome Treaty. He did not think that there should be separate political union at the moment, but rather a regular exchange of views within the Communities' Council of Ministers as to their development. The Six must keep the aim of integration before them, so that the EEC does not draw the line at agricultural and customs union.

Development through Compromise: The single Commission and Council of Ministers should be introduced as quickly as possible, after which the three Communities should be merged. The existing treaties must be given a new lease of life and used fully, without modification, (this approach appears to be aimed at preventing another Fouchet Plan). Herr Brandt did not praise supranationalism, nor did he state the need for more powers to be given to Community institutions, but considered the Council of Ministers should hold regular meetings to discuss political questions. In fact he tried to strike a happy medium between the Six's conflicting views on the Community's development. Was this as a good "European" or was it to leave German diplomacy free to follow its own course, untrammelled by a political Community?

Closer Links with other Western States: He stressed the special importance of relations with the other countries of Western Europe, and the need to close the gap between the two different economic groups. The present opportunity to resolve this should not be lost, and he believed that Britain and some of her partners sincerely wanted to join the Community; although difficulties existed they could be solved. New members would have to accept the Rome Treaty and the steps taken by the Six since then, but transitional measures would be inevitable. He did not mention the Austrian question, as he probably had no desire to complicate Bonn's moves in Eastern Europe even further.

Eastern Europe: He also welcomed the moves towards a European detente made by the Community, and believed that economic co-operation had a major role to play in this sphere. The trade policies of the Six should reflect this. The only Communist country mentioned specifically was Yugoslavia, and Bonn seems to have accepted the criticisms made by the Yugoslav Secretary of State, M. Nikezic - Herr Brandt said that they were ready to open negotiations with Belgrade, and numbered this amongst the Mediterranean capitals.

* * *

Ninth Report of the Monetary Committee

The Change since 1958: In 1958 the main threat seemed to be the balance of payments position and the low reserves of some member countries. Today the external convertibility of European currencies, the attraction the Common Market has for external capital and the considerable improvement of its competitive position on the world market - helped by the 1958 French measures - have completely changed the situation: the EEC is "suffering" from a substantial balance of payments excess, and the American deficit.

Surpluses have covered aid: This does not mean that there is a direct link between them. Nor is it capital expenditure on goods and services which have caused the most difficult problem. For both the EEC and the USA, the surpluses achieved during the last ten years, just about cover the amount of aid they should give to the developing countries. But there has been a considerable flow of US investment into the EEC.

The situation in 1966: The EEC's surplus fell from \$2,400 million to \$1,200 million, but at the same time its IMF payments rose to \$735 million, debts to the USA were paid off in advance and there was an increase in long-term placements on the US market. Yet there was a qualitative deterioration in the US balance of payments, and the existing balance has worsened because of the economic disturbances resulting from an intensified war effort.

The US outlook for 1967: This would seem to be rather less hopeful than last year, as Washington will be even less able to cover its deficit through the movement of short-term funds, or an increase in dollars held by international monetary institutions. The most likely temporary solution would seem to be for Washington to draw on the IMF.

Solutions: The Monetary Committee considers that the irregularities in both the EEC's and the USA's balance of payments should be resolved in the following manner. The latter should limit capital transfers to the surplus on current operations, whilst the EEC countries should ensure the required level of net capital exports.

Closer economic and financial co-operation: The report stresses that the increased international importance of the EEC strengthens the need for closer discussions between the Six. This is especially so in the case of the Community's internal monetary position.

Earlier fears of insufficient freedom of movement of capital and goods in the EEC have not been justified; rather has economic interdependence ensured that internal inflation spreads quickly. Unfortunately this has not yet found Community solutions; in some cases measures taken in one state directly oppose the aims of those in another state.

Solutions for internal problems: The Committee recommends the following measures:

- 1) National policies should be more efficient, thus resulting in less fluctuation in internal demand.
- 2) The establishment of preliminary consultations within the EEC for national decisions having important repercussions on the economy of other member states.
- 3) Norms for national budgetary policies should be introduced, so that the desired policies can be followed.

* * *

Freedom of Establishment for Oil-Prospectors

In the field of exploration and test-drilling for oil and natural gas, certain inadequacies in a July 1964 Council directive on freedom of establishment in the EEC's extractive industries are met in a recent directive submitted to the Council by the Commission.

The original directive liberalised exploration for parties holding production concessions, but those officially entitled to conduct work of this sort are now of three categories: people holding exploration permits, firms undertaking the work for those holding production concessions or exploration permits, and firms undertaking such work on their own account. Once this directive has been ratified by the Council, member states will have six months in which to implement measures for ensuring that parties falling into any of the three categories can enjoy the same rights of establishment as nationals.

* * *

EXTERNAL RELATIONS

Spain Discussed by the Council

After a long wait the Council of Ministers decided on April 11, that a preferential agreement should be signed in the near future with Madrid, although any definite arrangement implying Spanish membership of the EEC would have to be the subject of further negotiations. The groundwork for economic links have been prepared, but the Spanish regime has been left time to change so that the doubts of the Benelux countries and the Italians may yet be resolved.

Formal Decisions:

- 1) The definite arrangement should consist of two stages.
- 2) The first stage will last for six years - a compromise as the French and Germans had proposed three years, the Italians eight years.
- 3) There will be no automatic transition to the second stage. This means another unanimous decision by the Six will be required.
- 4) The contents of the second stage will not be decided on at once.

The First Stage: The exact contents of the first stage still have to be settled, and this has been left to the ministers' representatives, who will report at the next meeting on April 24. However, the broad lines have been agreed:

- 1) Only certain agricultural and manufactured goods will be granted preferences. This applies in particular to agricultural products, such as tomatoes and citrus fruits.
- 2) Linear tariff reductions will have to be made.
- 3) Spain should grant reciprocal preferences, although the Six accept that this might take some time.
- 4) Spain will have to make satisfactory offers regarding her use of quotas, which she relies on heavily, and her State-run trade, responsible for 14% of external trade.

Trade Union objections: Apart from doubts over Spanish links held by the Benelux countries and Italy, the European trade union movement has issued a statement in which it stresses the need to maintain the Community's democratic nature and its opposition to any form of dictatorship. It considers that "no preferential relations between the Community and Franco Spain or any other dictatorship - in any form whatever - should be entered into".

* * *

Technical Co-operation with the Lebanon

The Joint Technical Co-Operation Group, set up to handle the implementation of the trade and technical co-operation agreement between the Lebanon and the EEC, which held its first meeting on September 28, 1966, met again in Brussels on April 7. It re-examined the seven major projects covered by the agreement (see Studies and Trends, No 393), and allowed the Six to re-state their position and gather additional information about the proposed investment programme.

Preparatory work has apparently already been done on four of the projects (development of fruit production, in-shore fishing, the build-up of technical and professional personnel, and the promotion of tourism), and the parties will now report back to their governments before proceeding to the work of jointly drafting procedures for implementing the projects.

* * *

ECSC

Industrial Reconversion Credits for Four Members

It is hoped that 2,360 new jobs will be created, mostly for workers ousted from ECSC industries by closures, by the substantial aid accorded to four member countries by the High Authority at its last meeting. (subject to Council approval)

DM 70 million have been earmarked for three German schemes, Ff 21 million for the Franco-German "Sarro-Lorraine" chemicals company, Fl 3.6 million for two Dutch ventures, and Lire 200 million for one Italian project.

These sums will be granted under the terms agreed last year, which means that the loans will cover a maximum of 30% of the investment required for each of the schemes in question, unless there is an exceptional case. The duration of each loan will normally be ten to thirteen years, and interest will be charged at 4.5% for the first five years, and 6.5% for the remaining period, unless there is a marked improvement in the capital market. Wherever possible, the loans will be made in the currency of the country in question.

Reconversion Credits in the Last Year

Between February 1, 1966 and January 31, 1967, the High Authority granted industrial reconversion credits equivalent to 54.8 million dollars, including 15 million to Belgium, 2.8 million to Germany, over 15 million in France, nearly 10.5 million in Italy and a little over 11 million in the Netherlands.

Growing Demand: The High Authority also expects requests for industrial reconversion to increase. Only recently, Belgium put in a request for 1,000 million Belgian Francs towards the partial financing of an industrial reconversion project in the Belgian Limbourg coal-fields.

In many areas, reconversion is the corollary of workers' retraining schemes. In this field, of course, the High Authority makes an important financial contribution under the provisions of Article 56 of the Treaty. This contribution increased between March 29, 1960 and December 31, 1966 to net commitments of 42.7 million dollars. The recipients of this retraining aid (the actual amount paid is double this figure because the governments of the member States have to add a sum equal to that paid by the High Authority)

are reckoned to number over 160,000. They represent more than 240 steel-works or coal or iron mines.

The current situation in the ECSC industries and the resultant need for re-organisation indicate greater demands for retraining in the next few years. The High Authority, which is unlikely to be able to meet these expenses with its present resources, foresees an increase in the levy rate for 1967-8. Last week it discussed the matter with the four parliamentary commissions responsible, and the majority agreed to an increase from the 0.25% that has been applied for the last two years to 0.30%.

* * *

EURATOM

Euratom and the Non-Proliferation Treaty.

On April 10, the Council of Ministers held a closed session to discuss the problems raised by the NPT, and this was followed by contradictory reports. No country has taken a definite attitude as yet because the NPT is still in draft, but it does raise some legal problems for Euratom. The French stand to gain advantages, as well as suffer a certain amount of political difficulty, but they are in no hurry to lose the advantages of Euratom membership.

The question of competence: Should it be the Commission which speaks for the Community or should it be the national governments? No one is denying the right of the Euratom Commission to hold discussions with the USA. The agreement signed between Washington and Euratom covers measures for controlling the peaceful use of fissile materials delivered by the USA, as well as a requirement that talks be held with the Commission, should there be a question of changing the control, which is what would happen if the NPT was signed.

France and the Five agree: But here France and her partners agree. The member-states have only delegated control over the peaceful use of fissile materials delivered by the Commission to member-States or firms. The control envisaged by the NPT covers the non-military use of all fissile materials, whatever their origin. Therefore the Commission has no right to discuss this with the USA in "the name of the Community", and it remains a matter for governments.

Who will sign the NPT?

It seems that approval for the NPT, supported by the Benelux countries, may also come from the Germans and Italians. The latest American proposals have gone a long way to calming European fears:

Supplies for non-nuclear states will be guaranteed, and they will be allowed to build fissile enrichment plants. Control will be limited to a check on materials, and not on installations, thus removing certain economic fears. And inspectors will no longer

have the right to follow materials being transferred from a non-nuclear to a nuclear power.

Inspection: The new proposals define the responsibilities to be held by regional organisations during a three year period. But the Benelux countries do not consider this a complete delegation of powers to Euratom, and they believe the Six cannot insist on such a move without threatening the whole NPT. Some form of "coexistence" with the International Atomic Energy Agency can probably be reached if insistence on strict legal interpretation by the Commission is removed.

All are not equal: Nowhere do the Benelux countries consider that the IAEA's control can replace that of Euratom during the transitional period, and they also reject the US proposal that such control should occur automatically after three years. The Community wants favourable treatment under the NPT, but only because the nuclear powers have even more favourable treatment, as they are not subject to inspection. The Benelux countries therefore propose that the question of control should be left until the NPT comes up for revision, when the whole question could be renegotiated. The idea that a majority vote could change the NPT inspection is also unacceptable.

The French representative made no comment at all throughout the meeting.

* * *

EIB

The Cameroun Republic

1) The EIB has just concluded a \$4 million loan contract with the Energie Electrique du Cameroun (ENELCAM) for the development of electricity production. This will cover the building of a dam and the establishment at Edea of the Edea III plant bringing the capacity of the Edea hydroelectric complex up to 179.8 Mw.

The project is to meet the increasing demands for electricity from the towns of Edea, Douala and Yaounde (average annual increase since 1956: 12.7%) as well as supplying power to the Edea aluminium plant of Alucam. Yaounde will be connected to the Edea power station by the distribution concern Electricite du Cameroun.

These projects form the main part of the power sector of the second five-year Cameroon development plan (1966-1971).

2) The EEC Commission and the EIB have just granted the first loan under special conditions to the Federal Republic of Cameroon, a member of the Yaounde Convention. The loan is for 22 years (including a 10-year period of franchise) at 2% p.a., and involves a sum of \$6.5 million. It is to help finance a palm plantation covering some 4,380 hectares and an oil mill. The total cost of the project is estimated at \$6.9 million, and it is being carried out by the Cameroons Development

Corporation - which employs more than 12,000 people - and is increasing its palm plantations to more than double their present acreage.

Greece

A loan for \$15 million (interest: 7% p.a. + 3% p.a. interest subsidy), financing an irrigation project for the Pinios plain in the Western Peloponnese has been granted to Greece by the EIB. It is the third loan for the Greek agriculture sector made by the EIB, and involves the building of a dam and irrigation of some 22,500 hectares. The income of some 35,000 persons will increase threefold, and traditional crops should be replaced by products more suitable for export and the expanding home market (citrus fruits, early and late vegetables.) Increased production of cattle fodder should lessen Greek dependence on imported meat and dairy products.

The total cost of the project is expected to be some \$53.7 million, and will be carried out by private firms and specialised Government departments under the supervision of the Ministries of Agriculture and Public Works.

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ADVERTISING

** One of Britain's leading advertising agencies, LONDON PRESS EXCHANGE LTD has reorganised its Dutch interests after forming a Netherlands subsidiary in Amsterdam called L.P.E. INTERNATIONAL (NEDERLAND) NV whose Fl 250,000 authorised capital is directly held by L.P.E. INTERNATIONAL LTD (see No 399). Consequently, the 50% LPE shareholding in the Amsterdam advertising group PRAD/INTERAD has been modified as follows: one of the companies in this group, Reclameadvies- & Advertontiebureau Interad NV (capital Fl 500,000) has become LPE Nederland NV as the subsidiary of the holding company Beleggings-mij Overad NV which is owned 50-50 by Compart NV, Amsterdam (capital Fl 50,000) and L.P.E. International (Nederland) NV.

The latter's other subsidiaries are three companies in Amsterdam directed by Mr M. Aronson: Reclameadvies- & Advertiebureau Prad NV (issued capital Fl 100,000), Reclame-productie Mij Cread NV (Fl 10,000) and Presearch NV.

** The Swiss agency SA DR FARNER AGENCE DE PUBLICITE, Zurich (headed by Dr Rudolf Farner) has formed an agency in Amsterdam under the name of DR RUDOLF FARNER ADVERTISING NV. This has Fl 1 million authorised capital, and is directed by Mr H. Th. Sastoor of Amstelveen and Mr A. H. Shipper of Zandvoort.

The Swiss firm has subsidiaries or branches in Düsseldorf, Brussels and Milan, the latter having been formed in October 1964 under the name Dr Rudolf Farner SpA with Sig. G. Bossotti as director.

AEROSPACE

** Due to the transfer of SHAPE from France to Belgium and Brussels' growing importance as an economic, financial, administrative and political centre, NORTH AMERICAN AVIATION INC, Los Angeles, California has transferred the Geneva branch of its foreign subsidiary North American Aviation International (director Mr John Heldack) to the Belgian capital.

The American group has long had a foothold in Switzerland with North American Aviation SA, Geneva (director Mr Robert J. Clark). Its other European interests (see No 358) include North American Aviation SpA, formed in Turin in 1961 and holdings in the German Interatom GmbH, Bensberg bei Cologne and the French Dynatom SA, Le Plessis Robinson, Hauts-de-Seine. In the UK it is represented by Hawker Siddeley Dynamics Ltd, Hatfield, Herts. Its British licensees are Elliott-Automation Ltd, English Electric Ltd, Ferranti and Rolls Royce.

AUTOMOBILES

** STE DES AUTOMOBILES SIMCA SA, Paris (76.7% controlled by the Detroit CHRYSLER CORP - see No 379) is about to set up an assembly line in Yugoslavia, jointly with the local company, DALMACIJA AUTO, Split, Dalmatia. This move follows Simca's recent strengthening of its Vienna subsidiary Simca GmbH (see No 350), whose capital it raised from

Sch 200,000 to Sch 40 million: this firm handles the promotional side of Simca's East European business.

In the present move, Simca is following the example of a number of other European carmakers: 1) Volkswagenwerk AG, Wolfsburg (see No 399), in association with Interexport, Belgrade, set up an assembly plant in Dalmatia; 2) B.M.W. - Bayerische Motoren Werke AG, Munich (see No 402) appointed Techno Union of Ljubljana as its Yugoslav agent; 3) NSU Motorenwerke AG, Neckarsulm (see No 313) is having its vehicles built in the factory of Pretis, Sarajevo; 4) SA Andre Citroen, Paris (see No 400) - which holds shares in NSU - formed a co-operation association with Tomos, Koper, and 5) Fiat SpA, Turin (see No 399) is having its cars assembled on the lines of Crvena Zastava, Kragujevac.

** The FIAT group Turin, (see No 403) is about to take over six of its Italian subsidiaries. These are sub-contractors for engineering and electrical work, and property companies: AGES-SPA Gomma Ebanite Similari (capital Lire 150 million), NAC ITALIANA-Sta Nazionale Apparecchiature Comandi Elettronici SpA (capital Lire 100 million), CANSA-Costruzioni Aeronautiche Novaresi SpA (capital Lire 10 million) all in Turin, and in Marina di Pisa, CAMSA-Construzioni Meccaniche Aeronautiche SpA (capital Lire 2.4 million).

Fiat (capital Lire 150,000 million, of which 115,000 million are paid up) produced 1,184,900 vehicles in 1966 (+ 17%), and had a turnover of Lire 1,049,000 million (+ 10%).

BUILDING & CIVIL ENGINEERING

** GRAVIBEL SA, the joint subsidiary in Liege of the Belgian building materials concerns, BELGICA SA, Liege, and NV VOOR HET KEMPISCH BETON, Genk has increased to 28% its interest in the road-surfacing material concern, VAUBEL SA, Liege, which has raised its capital to Bf 5 million.

Vaubel (president M. Jean Kieckelkoren) was formed late in 1960 by eight sand and gravel dredging, crushing and transporting concerns (because of mergers in the meantime, only six of these remain), in association with Vauma NV of Maastricht, whose interest remains unchanged at 20%.

** The German manufacturer of insulating panels C. GARTENMANN & CO oHG, Hanau, which employs about 100 people and has an annual turnover of around DM 8 million, has strengthened the sales network of its subsidiary C. GARTENMANN & CIE AG, Berne (capital Sf 200,000) by giving it a branch in Basle. Branches already exist in Geneva and Zurich.

** The Rome company STA GENERALE IMMOBILIARE DI LAVORI DI UTILITA PUBBLICA & AGRICOLA SpA (capital Lire 34,400 million), which a few months ago took over six property companies in Rome and Milan (see No 353), is about to carry out the same move with two subsidiaries: SARFEC SpA and Ediltecnico SpA. Both are in Rome and both have Lire 50 million capital.

** The Dutch civil engineering group VERENIGDE BEDRIJVEN BREDERO NV, Utrecht (headed by M. J. de Vries - see No 397), has negotiated the acquisition of a large minority share (worth some Fl 3 million) in the Paris group ENTREPRISE FOUGEROLLE SA (see No 343). Bredero already has a number of French interests in Ste Francaise Redland SA, Paris, and St-Jean-le-Blanc, Loiret (directly and through a subsidiary, Redland-Brass-Bredero Europa NV - see No 391) and in SOPEAL-Ste Parisienne d'Etudes & d'Applications des Liants SA, Bondy, Seine.

The French company (the president, M. Louis Lesne, replaced M. H. Garreau in 1966) has a capital of Ff 19.69 million and last year gained control of Entreprise Limousin SA, Paris (capital Ff 2.5 million). For a long period it was closely linked with Ste Generale d'Entreprises SA and Grands Travaux de Marseille SA, but today its main shareholders are Ste Nouvelle de Construction & de Travaux SA, Paris (part of the Banque de Paris & des Pays-Bas group) whose president is M. M. Bufnoir, Banque de Paris and Cie des Forges de Chatillon-Commentry & Neuves-Maisons SA, Paris.

** The coating and waterproofing processes for buildings held by the Los Angeles building materials concern KENITEX CHEMICALS INC will be exploited in West Germany by a newly formed Frankfurt subsidiary KENITEX FASSADENSCHULZ VERTRIEBS GmbH (capital DM 30,000) with Herren Cornelius Kopf and Otto Mayer - both are from Vienna - as managers.

The American company recently backed the formation of a Paris subsidiary, Kenitex France SA (see No 390); it also has other subsidiaries in Geneva, Kenitex Chemicals SA and Kenitex SA.

CHEMICALS

** DEUTSCHE MOLYDAL GmbH (capital DM 120,000), which was formed in 1961 at Darmstadt by the French company MOLYDAL CO SA, Paris, in association with German interests, has now been dissolved. Abroad, its founder, which exploits American patents for molybdenum disulphide lubricants, has concessionnaires in Lausanne, Molydal Co (Suisse) SA, and in Milan, Molydal Italiana Srl (see No 374).

** MARITEC INC, New York (electrolytic additives, detergents and chemicals for liquid fuels), which has had I.M.C.I. France, Marseilles, as its general European agent for some years now, has formed a subsidiary at Vitrolles, Bouches-du-Rhone, called MARITEC FRANCE Sarl. This is for both manufacture and sales, and 50% of its Ff 300,000 capital is held by the manager, M. Nicolas Kurtooglou, with the balance retained by Maritec International Inc, Edgewater, New Jersey.

** The Dutch group KEY & KRAMER NV, Maasluis (bitumens, chemicals and plastics for proofing, sealing and insulation - see No 384) is to increase its commercial coverage of the Six by forming a subsidiary in France called Durofalt Sarl, Dunkirk, and another in Germany called Deutsche Durofalt GmbH, Bremen: both will sell acid-resistant asphalt compounds for ship-repairs.

** DOW CORNING CORP, Midland, Michigan (a joint subsidiary of Dow Chemical Co, Midland, and Corning Glass Works Co, Corning, New York - see No 387), has gained complete control of the Munich lubricants producer MOLYKOTE PRODUKTIONS GmbH, in which it already had a 26% interest after having taken over the American founder, The Alpha Molykote Corp, Stamford, Connecticut. The German company owns several sales companies: Molykote KG Kraus, Kuhn-Weiss & Co, Munich, Molykote Sarl, Strasbourg, and Molykote Belgium NV, Brussels (formed in March 1962 as the result of a 67-33 association between the Dutch firm Nekes NV, Leidsendam, and Als & Co Pvba, Brussels).

The American group is known chiefly for its production of silicones, and already has a West German sales subsidiary, Dow Corning GmbH, Cologne. Its most recent Common Market move was the formation of Dow Corning Sarl, Paris (see No 383).

COSMETICS

** The Swiss chemical and pharmaceutical group CIBA AG, Basle (see No 387), has formed a West German subsidiary, MEDROFA GmbH, Wehr, Baden, with the aim of increasing its cosmetic sales. The new company is on the premises of the group's chief subsidiary, Ciba AG (capital DM 12 million).

The group has other interests in West Germany - through Zyma SA, Nyon, Vaud (see No 380) - in the Munich pharmaceutical firm Zyma-Bläs AG, Arzneimittelfabrik and a direct 25% interest (equal to that held by its subsidiary Ciba AG) in the photochemicals company Ciba-Ilford (formed 1959 - capital DM 3.7 million) where the remainder is held by the London photographic group Ilford Ltd.

ELECTRICAL ENGINEERING

** The technical links in the atomic field which have joined the GENERAL ELECTRIC group of New York and IRI-ISTITUTO PER LA RICOSTRUZIONE INDUSTRIALE SpA, Rome, since 1950 (see No 384) are to be extended. IRI has been acting through its former subsidiary Ansaldo San Giorgio SpA, Genoa, which was recently completely reorganised. And now a new agreement between the American group and the Genoa firm of Ansaldo Meccanico Nucleare SpA will cover joint research and construction work on high-powered electro-nuclear plants and exchanges of technical know-how in this field.

General Electric is to hold 45% in a new company being formed to handle this work, Fabbricazioni Nucleare SpA, Genoa. Turbines and other auxiliary reactor elements will be made in the Italian partner's factories at Genoa-Sampierdarena, while alternators and auxiliary motors will be manufactured at Genoa-Campi by ASGEN-Ansaldo San Giorgio-Cia Generale SpA (see No 388), a joint subsidiary of IRI and C.G.E.-Cia Generale di Elettricità SpA, Milan (controlled by General Electric Co).

** The French company DESGRANGES & HUOT SA, Aubervilliers, Seine-St-Denis, has opened a foreign subsidiary in West Germany. Desgranges & Huot GmbH, Krefeld, (capital DM 20,000) has MM. Jacques Desgranges and Andre Huot as managers. The founder (capital Ff 200,000) has a factory at Romorantin, Loir-et-Cher, and makes floating contacts.

** The Dutch electrical and electronics group NV PHILIPS' GLOEILAMPEN-FABRIEKEN, Eindhoven (see No 401) recently made certain moves to extend its interests in Australia, Britain and Sweden.

1) In Australia, its subsidiary PHILIPS ELECTRICAL INDUSTRIES (AUSTRALIA) PTY LTD has taken a large minority interest in a company selling electrical equipment, radios, TV etc called ERIC ANDERSON (CONSOLIDATED) LTD. It has also paid Aus \$ 1.5 million for the "Anodeon" division of ELECTRONIC INDUSTRIES LTD, a member of the British PYE of Cambridge group (see No 394), in which it recently acquired a direct interest (see No 390) through its British subsidiary Philips Electronic Holdings Ltd. In Australia, the group also controls Pettiford Holdings Ltd and Commonwealth Electronics Pty Ltd.

2) In Britain, one of the group's main member companies, PHILIPS ELECTRONIC & ASSOCIATED INDUSTRIES LTD, London, has secured distribution rights for CBS records made by CBS Productions Ltd (of the New York Columbia Broadcasting System Inc - see No 395) on behalf of its own subsidiary Philips Records Ltd, London. These records come in the form of transcribed tape cassettes, made and sold by Philips Records, and the CBS label is thus added to a list which includes "Polydor", "Atlantic", "Warner Brothers" and "Pye". The Dutch group has also reorganised its interests in the domestic appliances sector: its affiliate Pye of Cambridge has formed a company in Hastings called Ekco-Hawkins Ltd, which is to co-ordinate the production programmes of its sub-subsidiaries, L. G. Hawkins & Co Ltd (through Pye Ltd) and Ekco Heating & Electrical Ltd (through E. K. Cole Ltd - see No 385).

3) In Sweden, SVENSKA A/B PHILIPS, Stockholm (see No 380), which, following a production agreement with the Stockholm group A/B Electrolux (see No 351) has shut down the Mariestad refrigerator factory of its subsidiary Electro-Iwo A/B, has made a manufacturing and sales co-ordination agreement with AGA A/B, Stockholm. This covers radio and TV sets, tape recorders and record players: a 50-50 joint subsidiary has also been set up to use the "Aga", "Radiola", "Stella" and "Philips Concerta" marques: this is called Aga-Philips Ljud-Och Film-teknik A/B, Stockholm. Aga is an international company with subsidiaries and affiliates which include: Cie Generale d'Acetylene-Aga SA, La Courneuve, Seine-St-Denis (capital Ff 5.4 million) which makes dissolved acetylene, oxygen, nitrogen, argon., nitrogen protoxide etc, and imports anaesthetising equipment; in Belgium, SA des Gaz Industriels; in the Netherlands, Aga Nederland, Amsterdam (formerly Ned Gasaccumulator Mij "Aga" NV); in West Germany, Autogen Gasaccumulator GmbH, Berlin (capital DM 6.2 million), with a subsidiary in Düsseldorf and a branch in Duisburg, and Hanseatische Aga Gas GmbH, Hamburg (DM 10 million).

** The Brussels company PHILIPS INDUSTRIELE & COMMERCIELE MIJ N.V., (see No 386) - a member of the Dutch group N.V. PHILIPS, Eindhoven - is going to strengthen its existing control of la MANUFACTURE BELGE DE LAMPES & DE MATERIEL ELECTRONIQUE-M.B.L.E., Anderlecht, Brussels by making over its manufacturing division.

MBLE, President M. F. Leblanc, has a payroll of some 5,000 in four factories at Anderlecht, Evere, Beveren-lez-Roulers, and is one of the leading companies in the manufacture of electronic, electrical and aerospace equipment. Its capital will shortly be increased in three stages to Bf 600 million. Apart from the Dutch group with a direct interest, its shareholders include Banque Lambert, Brussels, Ste Generale de Banque SA, Brussels, and the latter's subsidiary Cie Belge de Participations Paribas-Cobepa SA, Brussels.

** The 67% Cologne subsidiary of the Luxembourg steel group ARBED-Acieries Reunies de Burbach-Eich-Dudelange SA (see No 400), the electrical cable concern FELTEN & GUILLEAUME CARLSWERK AG (see No 359) has gained control of ELEKTRO-INDUSTRIE GmbH, Krefeld (capital DM 1 million). The latter manufactures electrical coupling equipment, as well as high - and low - tension transformers, and employs around 250 persons, with Herr Walter Gehlen, as manager.

The Cologne company (capital DM 112 million) has a payroll of over 6, 500 in its factories at Cologne-Mülheim, Arolsen, Waldeck, and Nordenham, Weser, and has an annual turnover of some DM 315 million.

** The Italian manufacturer of electro-chemical equipment BASSANI SpA, Milan (headed by Sig. Ermano Bassani) is strengthening its Belgian sales network by increasing to Bf 6 million the capital of its subsidiary PROMOTION TICINO BELGE SA, St-Giles, Brussels.

The latter is headed by M. H. Sabatini, and was formed in early 1966 (see No 345), and after this move it still remains almost totally controlled by the Liechtenstein holding company Hannover Anstalt Für Finanz & Industrie, Vaduz. The group has had a Paris subsidiary since 1960, Ticino France SA, and recently formed another in Hanover, Elektrogeräte Handel Ticino GmbH.

ELECTRONICS

** ENGLISHTOWN INTERNATIONAL (HOLLAND) NV, Utrecht (capital Fl 100, 000) has just been formed as a joint subsidiary of the American ENGLISHTOWN INTERNATIONAL LTD, New York and TEMCO INTERNATIONAL CORP, Washington. It is run by M. Pieter Hoogenboom of Utrecht and Messrs N. J. Mercer, New York and E. Lifman, Washington are directors. Its object is to import, assemble and sell in the Netherlands the optical, electronic and scientific equipment made by its founders.

** A merger now taking place in Milan will strengthen the Italian interests of the New York GENERAL ELECTRIC CO: F.I.A.R.-Fabbrica Italiana Apparecchi Radio SpA (capital Lire 500 million) will be taken over by its own parent company C.G.E.-Cie Generale di Elettrocita SpA (capital Lire 8, 000 million) which is controlled by the New York group (see this number). The latter's shareholders include FIAT SpA (20%) and La Centrale (5%).

FIAR specialises in electronic and radar control equipment. It is the licensee - and representative - of the Berlin group A.E.G.-Telefunken AG, for commercial radio equipment and fulfils a similar role for the Los Angeles Whittaker Corp for radar air traffic control using the SSR system (Advanced Secondary Surveillance Radar). It also forms part of the European EST group (European Satellite Team) which includes Elliott Automation Ltd, London, Fokker NV, Amsterdam, Cie Francaise Thomson-Houston-Hotchkiss-Brandt SA, Paris and A.S.E.A. A/B, Vasteras, Sweden. This was formed to carry out research and development - with technical assistance from General Electric - of satellites, etc. forming part of the ESRO programme.

** The Danish company DISA ELEKTRONIK A/S, Herlev, has formed a sales company in Germany, Disa Elektronik GmbH (capital DM 20,000; director Mr. Hemming K. Jorgensen of Hellerup). The firm was first of all formed at Flensburg and then immediately transferred to Karlsruhe-Durlach.

The parent firm specialises in industrial and nuclear electronics, radio-communications and television sets.

** The French research firm and cardiographic equipment manufacturer TELCO SA, Gentilly, Val-de-Marne (capital Ff 300,000), is now 90% controlled by CIE FRANCAISE THOMSON-HOUSTON HOTCHKISS-BRANDT SA, Paris (see No 398), both directly and through its subsidiary Cie Generale de Radiologie SA (see No 343). Telco was previously 30% owned by the American company Dallons Laboratories Inc, Los Angeles, a member of the International Rectifier Corp group of El Segundo, California.

Thomson-Houston has thus expanded its "Medical Electronics" Department, which already included the Paris firms Thomson-Medical Sarl (see No 358) and Ste l'Aurore SA (instruments and cryotherapeutic units), in addition to Generale de Radiologie. Ste l'Aurore is directly controlled by the refrigeration equipment firm Ets Bonnet SA, Villefranche-sur-Saone, Rhone (see No 347).

** The American electronics firm PRINCETON APPLIED RESEARCH CORP, Princeton, New Jersey - represented in Paris by JEVECO - has formed a subsidiary in France called Princeton Applied Research (France) Sarl, Gentilly, Val-de-Marne (capital Ff 100,000; manager M. Paul Viel). This company will handle imports and sales of its founder's P.A.R. equipment, mainly potentiometers, temperature gauges, etc.

** The British company A/B METAL PRODUCTS LTD, London, 35% owned by the American micro-electronic component firm CTS CORP, Elkhart, Indiana, has formed a company in Germany to sell its own components. The new firm is called A/B ELEKTRONIK GmbH, Engers, Rhineland (capital DM 100,000), and it is directed by Mr. Henry Kroch, a director of the parent firm.

The British company employs about 3,000 workers at its plant in Abercynon, Glamorgan, and controls Smart & Brown (Connectors) Ltd and Wolsey Electronics Ltd. The American firm recently gained a direct hold on the German market by forming a subsidiary called CTS (Deutschland) GmbH, Pinneberg, Holstein (see No 400).

ENGINEERING & METAL

** The British mechanical engineering, hydraulics and aeronautical group FAIREY CO LTD, Heston, Middlesex (see No 398), has given financial assistance to two of its Belgian subsidiaries for their expansion. These are FAIREY-TRESS SA, which co-operates with Tress Engineering Co Ltd, London, in making valves for the petrochemical industry, and LES ATELIERS ROGER LAURENT SA, which specialises in metal alloys for the engine industry. Both are at Gosselies, and the former has raised its capital to Bf 18 million, whilst the second has raised its capital to Bf 15 million. They are directly controlled by Fairey SA, Gosselies (formerly AVIONS FAIREY), which is directed by Mr. B. A. Eldridge.

** The Munich manufacturer of glasses, lenses and photographic material OPTISCHE WERKE G. RODENSTOCK KG, has formed G. RODENSTOCK INSTRUMENTE GmbH to take over the business of the Hamburg ophthalmic equipment maker, WILH. E. KRAHN (see No 398). The new company has DM 1 million capital, and is managed by Herren Sigfried Gelius and Claus Kühl.

** The German group HANIEL, as recently authorised by the ECSC High Authority (see No 398), has now formed a company specialising in "Turnkey" installations of steel plant. The new FERROPLAN GmbH, Essen, (capital DM 1 million) has Herren Peter Puhlmann and Hubertus von Hindenburg as managers, and is directly controlled by Hüttenwerk Oberhausen AG, Oberhausen (40%); Gutehoffnungshütte Sterkrade AG, Oberhausen, and Ferrostaal AG, Essen (both 30%).

** The talks recently started in West Germany between the Stuttgart group ROBERT BOSCH GmbH and the Düsseldorf group HENKEL & CIE GmbH (see No 403) has resulted in the former acquiring a large, but minority, interest in CR. HESSER MASCHINEN-FABRIK AG, Stuttgart. This company makes automatic packaging machinery, scales, filling equipment, stapling and printing machines.

Robert Bosch will thus consolidate its position in a manufacturing sector where it already controls Gebr. Höller GmbH Maschinenfabrik, Bergisch-Gladbach (since 1964 - see No 268) and Hamac-Hansella AG, Viersen (see No 369).

** The West German machine tool manufacturer GUNTHER PAPENMEIER, MASCHINEN & APPARATEBAU oHG, Detmold, has formed a subsidiary, TEUTOBURGER MASCHINENFABRIK GmbH, Pivitsheide (capital DM 20,000).

Abroad, the Detmold company has a sales subsidiary in Vienna called Günther Papenmeier GmbH, (see No 357) and a manufacturing subsidiary in France, Papenmeier France Sarl. The latter was formed in August 1966 (see No 374) and recently acquired another 12½ acres of land in order to build a factory assembling cement mixers.

** The Swiss precision engineering and measuring instrument concern EUKLID AG, Zug, has increased its capital from Sf 3 to Sf 3.3 million by buying up shares held by M. Rolf Egli, Zurich, in the Dutch firm in the same sector, REGLI NV, Amsterdam (formerly NV Handel Mij Uhren-Weiss).

The Swiss company is a member of the WERKZEUGMASCHINENFABRIK OERLIKON-BUEHRLE & CO, Zurich, group (see No 394), which in 1966 bought up shares held by the German industrialist Herr Alfred Kreidler (see No 361).

** In Milan, a merger has been agreed in principle between the wire and cables concern TRAFILERIE & CORDERIE ITALIANA SpA (lire 700 million capital) and one of the largest private steel companies in Italy, GIUSEPPE & FRATELLO REDAELLI SpA (see No 327), both of which have Sig Cafiero Pierpaoli as president. Redaelli will absorb the former, which has factories at Sesto San Giovanni, Milan, and Ponta dell'Olia.

Redaelli (Lire 3,800 million capital) has a number of Italian factories (at Rogoredo, Milan; Gardone, Brescia; Dervio, Como and Naples) and depots and agencies in Rome, Turin and Padua. In 1963, it took equal interests with the Swedish A/B Bofors, Bofors, Värmland, in forming a wire-drawing and metal extrusions concern in Milan called A.B.R. SpA, and in 1965 it absorbed its affiliate Soc Italiana Lavorazioni Metallurgiche-S.I.L.M.E. SpA, Milan.

** M. Jacques Veyron has been appointed president of STE FRANCO-ITALIENNE DE BRULEURS - F.I.B. SA (see No 380), which has now been formed at Charenton, Val-de-Marne, to represent JOANNES SpA, Turin, and to sell its oil and gas burners for domestic and industrial heating in France and the French-speaking African states.

Joannes is headed by Sigs Guido Joannes of Rivoli, Giorgio and Giuseppe Joannes of Turin, and since 1965 it has had a financial subsidiary in Luxembourg called Joannes Holding International SA (see No 314), which holds 50% of the Ff 100,000 capital of the new French company.

** The American mechanical engineering and hydraulics group CLARK EQUIPMENT CO, Buchanan, Michigan (see No 401) has increased its Belgian sales cover by opening two branches to its subsidiary Clark International Marketing, Caracas, Venezuela at St-Josse-ten-Noode and Ixelles-Brussels under Mr Robert F. Henderson, a resident of Essen, Germany.

The group already has an Ixelles branch to its Swiss subsidiary Clark Equipment AG, Zurich whose sales directors are Mr L. W. Behrendt for the "Automotive and Trailer" Division and Mr Sam West for the "Froid Trailer" Division. In August 1966 (see No 375), Clark International Marketing opened a German branch at Mulheim, Ruhr (also directed by Mr R. F. Henderson).

** The French company FOURS ROUSSEAU, CREUSETS MORGAN SA, Argenteuil, Val d'Oise (a member of the British MORGAN CRUCIBLE group, Battersea, London) has paid Ff 3.88 million for the industrial installations at Montendre, Charente-Maritime owned by ETS RENE AMAND & CIE SA, Paris, specialists in foundry crucibles, firebricks, and silicon-aluminium refractory coatings, etc.

Creusets Morgan (president M. Roger van Hertsen; capital Ff 1.02 million) employs some 130 workers at Argenteuil in the manufacture of furnaces, foundry products, electrodes, carbons and refractory materials. It has a sister firm in Argenteuil, SA des Ets Marshall (capital Ff 1 million; president Mr John H. Baumann, director Mr B. J. Laurent) which makes crucibles and commutator brushes. The British group recently linked up with Babcock & Wilcox of New York in a 60-40 partnership to form a company called Morganite Ceramic Fibres Ltd in the UK. This company is responsible for production and exclusive European sales of "Triton-Kaowool" ceramic fibres. The New York company is linked with the British Bubcox and Wilcox group.

** The West German group HEINRICH KOPPERS GmbH (engineering works for the chemical, gas and petrochemical industries - see No 278) is the first Common Market concern to be granted the licence held by CONCH INTERNATIONAL METHANE LTD, Nassau, Bahamas (see No 401) for the storage in excavated holders of liquefied natural gas. The licence obtained by the German firm covers Europe, Africa, Central and Latin America, the Middle and Far-East. It has already been granted to companies in the USA and in Britain: Motherwell Bridge & Engineering Co Ltd., Motherwell, Lanarkshire and McAlpine, Wirral, Cheshire.

Koppers is a family concern (capital DM 15.3 million) employing over 1,600 technicians and workers. It has numerous foreign representatives or branches in Amsterdam, Milan, Oslo, Stockholm, Copenhagen, Madrid, Johannesburg, Mexico City, Teheran, and Tokyo, as well as several subsidiaries or affiliates: Koppers France SA, Paris, Nippon Koppers Yugen Kaisha Ltd, Tokyo, Koppers India Private Ltd, Calcutta, Utkal Machinery Ltd, Bombay, Koppers Espanola SA, Bilbao.

Conch International Methane is a joint 40% interest of Continental Oil Co, Houston, Texas and Shell-Oil of Canada Ltd, (part of the Royal Dutch Shell group) with the remaining 20% held by Union Stock Yards & Transit Co. It recently took a 60% interest in the formation of an engineering and services concern Transgaz SA (see No 386), a sister-company of Conch Ocean Ltd, Nassau.

** The American company CONTINENTAL MANUFACTURING CO, Cincinnati, Ohio (president Mr Charles Lawson Reed) previously represented in France by Chimiplastique Sarl, Paris, has made its German subsidiary TUFLIN GmbH, Lindau, Bodensee (director Mr Marcel Kucherszyk) responsible for French sales of taps and stop-cocks mainly for use in the oil and chemical industries (see No 259) and produced by the group either in Germany or the United States. The German firm has therefore set up a sales concern in Paris called Tuflin Sarl (capital Ff 100,000) in which it shares control 70/30 with the American company.

Continental Manufacturing has had a subsidiary in Switzerland since 1961: Tuflin AG, Basle and it has been represented in the UK for the last three years by Tuflin Ltd, London which has a capital of £1,000 and is directed by Messrs R. R. Fluckifer, Muttenez, Basle and A.J.G. Waters, Wargrave, Berks.

** The American manufacturer of welding machines, HOBART BROTHERS CO, Troy, Ohio - totally independent from the engineering firm Hobart Manufacturing Co, Troy - has continued its West German expansion by forming a Dortmund subsidiary HOBART SCHWEISSTECHNIK GmbH (capital DM 10,000) with Messrs C. Hobart, Jack R. Cossmann and Herr Hans Wesselmann as managers. Since 1965 it has had a subsidiary at Hamm, Internationale Schweissdraht GmbH (see No 327).

In Europe, the American company has an assembly line in Amsterdam as well as a Swiss subsidiary Hobart Brothers AG, Zug.

** The Dutch cycle, car-accessory and pram manufacturer RIEMERSMA'S KINDERWAGENFABRIEKEN NV, Surhuisterveen (capital Fl 500,000) has formed a sales subsidiary in Germany called Riemersma GmbH, Bremen (capital DM 20,000; manager Mr Antonius Riemersma, Oss).

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The Belgian steel group COCKERILL-OUGREE-PROVIDENCE SA, Seraing (see No 403), has increased its control of the French company ETS DELLIS, RIQUAIRE & CIE SA, Ferriere-le-Gande, Nord, to 67%. This was an affiliate of Forges de la Providence SA, which the group absorbed a few months ago (see No 363). The French company (president M. Claude Derain) has more than 150 employees and specialises in steel castings for transmissions and general engineering for coking or metallurgical equipment.

The Belgian group has numerous interests in France, a recent notable addition being the purchase of a 20.3% holding in Rhone Bretagne SA, Pont-Aven, Finistere (see No 372), in 1966. This company is engaged both in the manufacture of metal packaging and canning (factories at Pont-Aven and Lyons). Cockerill-Ougree's other subsidiaries or affiliates are: 1) in metallurgy, Profilafrid SA, Paris (see also this issue), Tubes de la Providence SA, Lexy (88.6%), Ste de la Forgeage de Rive-de-Gier SA (83.3%), Acieries & Laminoirs de Beautor SA (69.7%), Ste Ardennaise de Forge SA, Charleville (75.5%), Laminoirs & Ateliers de Jeumont SA (9.8%), and SA des Hauts Fourneaux de la Chiers, Longwy (7.9%); 2) mining and quarrying, SA Longovicienne d'Etudes & d'Exploitations Minières, Paris (100%), Mines d'Anderny-Chevillon SA, Paris (4.36%), SA des Mines d'Amermont-Dommery, Bouligny (68%), Ste des Mines de Fer de Rochonvillers Srl, Algrange (85%), SA des Mines de Villeroy, Villeroy (58.3%), and Mines de Godbrange SA, Hussigny (13.9%); 3) and in companies selling metallurgical products, SA Jacques Marchand & Cie, Ivry-sur-Seine (70.5%), Ets Alfred Chaillous SA, Nantes (98.7%) and Interacier SA, Paris (90.2%).

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INLAND STEEL PRODUCTS CO, Chicago (a member of the INLAND STEEL CO group, Chicago - see No 356), is going to take a 50% interest in the French COUVRACIER Sarl, an administrative company with Ff 100,000 capital. This will be changed to a Societe Anonyme - a public company - with capital increased to Ff 6 million and will acquire the branch of Profilafrid SA, Paris (its present owner - see No 386) making metal frames and sections for the building industry.

The latter (capital Ff 10.32 million) is an 85.69% interest of the Belgian group Cockerill-Ougree-Providence SA, Seraing, (see this issue) as it is a former subsidiary of Forges de la Providence SA. It specialises in steel sections and hoops in its factories at Bailleul-sur-Therain, Aisne and Chauny (72,000 tons in 1966); M. J. Lizamband is president. For the past few months, it has been linked with German and other French and Belgian companies in an export co-operative, Profilexport S.C., Brussels (see No 386), and it recently acquired a majority shareholding in the Italian Industria Profilati Somaglia SpA (S.I.P.S.), Milan (see No 257), until now controlled by Inland Steel Products in association with the German Theodor Wuppermann GmbH, Leverkusen (also a member of Profilexport).

**

The Dortmund engineering company HOESCH AG HUETTENWERKE (formed as a result of the merger of HOESCH AG and DORTMUND-HOERDER HUETTENUNION AG - see No 389) has increased its manufacturing interests with the acquisition of a minority shareholding in OTTO AFFLERBACH BOEDENPRESSEREI GmbH & CO KG, Puderbach, über Selters, Wester. The latter makes parts for boilers and tanks, and through this move it will now be able to manufacture in Dortmund. There are some 500 employees on the payroll, and the annual turnover is around DM 30 million.

FINANCE

** Four EEC banques d'affaires, together with BARCLAYS BANK LTD, London and BANK OF AMERICA NATIONAL TRUST & SAVING ASSOCIATION, San Francisco, without abandoning the links they may have with other finance houses and groupings, have decided to take equal interests in forming a concern to complete all the forms of financial assets they themselves have, mainly medium and long term credits.

The four European banks are BANCA NAZIONALE DEL LAVORO SpA, Rome; BANQUE NATIONALE DE PARIS - B.N.P. SA, Paris; ALGEMENE BANK NEDERLAND NV, Amsterdam, and DRESDNER BANK AG, Frankfurt. Under the latest French company laws, the new concern will have both a board and a supervisory council, the latter being chaired by Sig Alberto Ferrari (director general of Banca Nazionale del Lavoro). It will do business through STE FINANCIERE EUROPEENNE (PARIS) SA and STE FINANCIERE EUROPEENNE (LUXEMBOURG) SA, which were formed as sister companies with an overall initial capital of Ff 37.8 million.

** The German private bank G.H.J. SIEMERS & CO KG, Hamburg in which the active partner is Dr Kurt Neu, has purchased a majority shareholding in the Munich bank BAYERISCHE WIRTSCHAFTSBANK AG (capital DM 5 million). The latter firm still maintains its partners Messrs Hans Meiss (about 33%) and Rudolf Bücherl whose former majority interest has now been reduced to 15% approximately.

** A new finance company for regional development has been formed in north-east Italy under the name of FRIULIA-STA FINANZIARIA REGIONALE DEL FRIULI-VENEZIA GIULIA SpA, Venice. It has an authorised capital of Lire 7,500 million (Lire 500 million paid-up). Its president is Sig Fabrizio Malipiero, representing the Venetian banking and insurance community and the new company is being financed mainly by public funds (the Region itself holds two-thirds). Its other founders include IRI, Rome (represented on the board by Sigs Franco Viezzoli and Cesare Giacometti), I.M.I.-Istituto Mobiliare Italiano SpA, Rome (represented by Sig Enric Muzzi) and Banca Nazionale del Lavoro, Rome.

** The Amsterdam bank BANKIERSKANTOOR V.H.MENDES GANS & CO NV (see No 367) - a 40% affiliate since 1963 of the American chemical group Dow Chemical Co, Midland, Michigan (see this issue) - has closed its Brussels subsidiary Mendes Gans & Cie Belgique SA, and appointed M. Pierre Kersmakers to wind it up. Formed in 1957 the latter had a capital of Bf 5 million, all owned by its parent company.

FOOD & DRINK

** The Amsterdam chocolate maker GERHARDS CHOCOLADEFABRIEK NV has backed the formation of the West German sales company GERHARD SCHOKOLADEN-VERTRIEB GmbH, Neuss (capital DM 20,000) with M. Hans Breen of Nieuwkoop as manager.

** With the establishment of a single market in dairy products expected very soon in the EEC, one of the largest Dutch dairy co-operatives, NATIONALE COOPERATIEVE ZUIVELVERKOOPCENTRALE G.A. (N.C.Z.), Amsterdam and Meppal (see No 390), has joined with LES NEGOCIANTS NEGOBEUREUF SA, Paris, with a view to making new common investments: NCZ will also purchase a large minority shareholding in the French concern.

Negobeureuf (present capital Ff 13.3 million, being increased) has M. Pierre Paul as president, and employs over 1,300 people in seven dairy factories (Calvados, Ille-et-Vilaine; Creuse, Orne and Sarthe) and made Ff 310 million turnover in 1966 (16,000 tons of butter and 10,000 tons of milk powder). It has been controlled for almost two years by the Union Laitiere Normande S.C. co-operative (U.N.L.), which brings together 20,000 members in Calvados, Orne, Manche and Ille-et-Vilaine (president M. A. Grandin - see No 326). The Dutch co-operative itself embraces some 85 dairies in the Netherlands, and produces some 35,000 tons of cheese, and 40,000 tons of powdered milk each year.

** The American petfood group MARS CO INC, Washington, D.C. (see No 391), which has recently reorganised its West German and Belgian interests (see No 395) has now strengthened its position on the French market through the acquisition of a shareholding in UNISABI SA, Paris. The latter is one of France's leading manufacturers of petfoods (Canigou for dogs and Ron-Ron for cats) and has M. R. Dolfi as president.

Mars already has a Paris branch through its British subsidiary Mars Ltd, Slough, Buckinghamshire.

** The Italian firm specialising in the mechanical handling of cashew nuts OLTREMARE-INDUSTRIA PRODOTTE ALIMENTARI & DERIVATI SpA, Bologna, is negotiating the formation of a company in Kenya at Kilifi. It will take a one-third interest in return for supplying equipment and technical assistance, and is intended to build and manage a factory (at a cost of £1 million) with an annual capacity of between 9,000 to 12,000 tons.

Oltremare has already taken part in two similar ventures in East Africa: Industrias de Caju Mocita Ltd, Lourenco Marques, Mozambique (factory at Joao Belo) and Tanita Ltd, Dar-es-Salam, Tanzania. In the former, it is linked with Anglo-American Corp of South Africa Ltd (55%) and Tiger Oats National Milling Ltd (25%).

** NATIONAL BISCUIT CO, New York (see No 307), through its German subsidiary HARRY TRULLER GmbH (capital DM 7.05 million), which specialises in biscuits, chocolate and confectionery, has acquired 49% of the share capital of B. SPRENGEL & CO KG, Hanover. This firm is widely reputed for its pralines and cocoa powder (about 2,000 employees) and is still controlled by the Sprengel family.

The American company is in the process of merging with the Colgate-Palmolive group of New York (see No 371). It is well established in France with Biscuits Belin SA, Chateau-Thierry, Aisne (which in 1965 absorbed Ste Biscuits Gondolo, Anc. Ets L. Mirand SA, Maisons-Alfort) and National Biscuit (France) Sarl, Paris; in Switzerland with Nabisco SA, Fribourg; in Spain with Galletas Artiach SA, Bilbao; and finally in Britain with Nabisco Ltd, Welwyn Garden City, Herts (which has a share in Nabisco-Frears Biscuits Ltd, Leicester).

** The concentration in the Italian sugar industry planned late in 1966 (see No 385) for the Genoa group ERIDIANA ZUCCHERIFICI NAZIONALI SpA (Lire 24, 000 million) will now be more extensive than was foreseen. Apart from absorbing its own subsidiary (52%) DISTILLERIE ITALIANE SpA (capital Lire 10, 600 million) and SACCHERIFERA LOMBARDA SpA (Lire 2, 500 million), Eridiana will also take over its 67% subsidiary SACCHERIFERA SARDA, Oristano, Sardinia, and Villasor, and the Genoan concern EMILIANA ZUCCHERI SpA. These two firms have Lire 2, 000 million and 451 million capital respectively; the second recently took over the Fontanella factory of In.Sa.Pa - Industria Saccherifera Parmense SpA, Milan.

** The main grain and animal feedstuff co-operatives of ten European countries have formed EUROGRAIN GmbH, Hamburg (capital DM 400, 000) to facilitate the exchange of information and mutual sales co-operation. The companies concerned are: Deutsche Raiffeisen Warenzentrale GmbH, Frankfurt; Union Generale des Co-operatives Agricoles d'Approvisionnement and Union Generale des Co-operatives Agricoles de Cereales, Paris; Nationale Co-operative Aan- & Verkoopvereniging Voor Land & Tuinbouw G.A. of Rotterdam; Federazione dei Consorzi Agrari, Rome; Farmers Overseas Trading Ltd, Ipswich; Irish Agricultural Wholesale Society Ltd., Dublin; Genossenschaft-U.F.A.-Futter, Winterthur, Switzerland; Svenska Lantmännens Riksförbund-SUBA, Stockholm; Keskusosuusliike Hankkija, Helsinki; and Cooperativa Espanola de Comercializacion de Productores del Campo, Madrid.

The new firm will shortly open a branch in Rotterdam. M. Jacques Lequertier, president of UNCAC, Paris, is president of the supervisory council.

GLASS

** The West German glass company A.G. DER GERRSHEIMER GLASHUETTENWERKE VORM.FERD. HEYDE, Düsseldorf (see No 379), a 76% subsidiary of the American group OWENS ILLINOIS INC, Toledo, Illinois, has gained control of the municipally-owned bottling company GLASHUETTE HEILBRONN GmbH (capital DM 1.6 million). The municipality had a direct 6.1% interest, and the remainder was held through Salzwirk Heilbronn. The new acquisition has a payroll of over 300, and an annual turnover around DM 10 million.

In the glass industry the Düsseldorf firm - which employs over 5,000 persons - has a number of subsidiaries: Glashütte Achern GmbH, Achern, Baden (98%), Oldenburgische Glashütte AG, Oldenburg (97%), Amberger Flaschenhütten AG, Amberg, Oberpfalz (94%) and Glashütte Budenheim GmbH, Budenheim (74% in association with the Wiesbaden Henkel & Co KG for the balance). The American group has another majority interest in West Germany since 1966 in the glass and plastics packaging manufacturer Bündler Glas GmbH, Bünde, Westphalia (see No 379).

MINING

** Acting on behalf of CIE FINANCIERE DE SUEZ SA, Paris, the B.U.P. - Banque de l'Union Parisienne SA, Paris has made a public offer for a 33.3% shareholding in CIE DES MINES DE HUARON SA, Paris (capital Ff 18 million), whose principal shareholder (a 20% interest) is Cie de Mokta SA, Paris (see No 395), itself a 9.2% affiliate of B.U.P.

The latter is winding up its banking interests to become a holding company and will be taken over by Suez, which in its turn will become Cie Financiere de Suez & de l'Union Parisienne.

Mines de Huaron has all its industrial business concentrated in Peru, and apart from mining coal, it also extracts lead, copper and zinc ores at Huancavelica, Cerro de Pasco. In 1966 production amounted to 376,000 tons, giving the following quantities available for sale: 14,500 tons of lead, 23,500 tons of zinc and 14,100 tons of copper. Its other main interests include 13% in Cie Francaise des Mines d'Uranium SA (see No 341), controlled by the Rothschild Freres SA group through Ste Miniere & Metallurgique de Penarroya SA (see No 403) and a 5% interest in Cie des Mines d'Uranium de Franceville SA in the Gabon (capital F.Cfa 1 million) which is a 40% interest of Cie de Mokta.

** The Canadian group WESTFIELD MINERALS LTD, Toronto has gained control of CIE CENTRALE DE MINES A METALLURGIE DE CHENI SA (capital raised to Ff 3.34 million). In 1965, the latter (president M. Lucien Sibilot) acquired from Cie Centrale Sicli SA (a leading firefighting equipment firm), its factory for processing rare minerals at Farges-St-Yrieix, Haute-Vienne; its shareholders include La Petite Faye, Ste d'Exploitation SA, Paris whose capital was doubled at the end of 1965 to Ff 4 million, and the latter's owner, Northfield Mines Inc, New York. Westfield already has a 35% interest in Mines & Produits Chimiques de Salsigne SA, which produces gold, silver, arsenic and bismuth at Come-du-Saut, Aude.

La Petite Faye (M.L. Sibilot is also president) was controlled until 1962 by La Gagnieres-Ste d'Etudes de Recherches & d'Exploitations Minieres "Sorpem", Paris and it exploits the gold deposits at Chamborand, Creuse. Northfield Mines became a shareholder at the end of 1962 and today shares 78.8% control with its subsidiary Silver Eureka Corp, New York.

** The South African company DE BEERS CONSOLIDATED MINES LTD, Kimberley (see No 392), which is controlled by Anglo-American Corp of South Africa Ltd, Johannesburg (see No 401) has formed an investment company in Luxembourg, where a few months ago it based most of its European finance business, most of which it conducts in association with Banque de Paris & des Pays-Bas SA.

The new De Beers European Holding SA has \$500,000 capital, and the managing director is Mr Beville W. Pain, financial director of CHARTER CONSOLIDATED Ltd, London (see No 386), an affiliated holding company of Anglo-American Corp which, through its subsidiary Charter Consolidated Services Ltd, handles administration and technical representation in London for De Beers and Anglo-American Corp. The new Luxembourg company's board also includes Messrs S. Spiro and J. Ogilvie Thompson (directors of Anglo-American Corp) and Serge Combart and Liegeard (directors of Ste Transafricaine d'Etudes & d'Investissements - S.T.I. SA, Paris, a subsidiary of Charter Consolidated through the Swiss holding company Union Investment AG, Zurich - see No 275).

OFFICE EQUIPMENT

** CELLO-TAK FRANCE SA and THE JAPAN STATIONERY CO LTD, Tokyo have finally formed their projected joint (51-49) office materials sales subsidiary EURO-PENTEL SA (capital Ff 100,000; president M. Jacques Henry - see No 398) on the premises of the French company.

PAPER & PACKAGING

** The German paper group FELDMUEHLE AG, Düsseldorf (see No 403) and the manufacturer PAPIERFABRIK SUNDERN GmbH, Raubach (serviettes, paper table-cloths, crepe paper, etc.), have now formed the projected joint company designed to co-ordinate their sales activities. The new firm is called BOY VERTRIEBS- GmbH Fuer Hygiene Papier Erzeugnisse, Düsseldorf (capital DM 20,000; directors Herren Hanns Meidenbauer, Kaarst and Karl Boden, Raubach).

PHARMACEUTICALS

** After reorganising the sales programme of its German sales affiliate WOELM-LABAZ GmbH, Düsseldorf, in 1966 (see No 353) in order to strengthen its own position on the German market, STE BELGE DE L'AZOTE & DES PRODUITS CHIMIQUES DU MARLY SA, Liege, (see No 403) has changed the name of this firm to Deutsche Labaz GmbH Pharmazeutische Präparate and increased its capital ten times to DM 1 million (controlled 50-50 with the Paris subsidiary Ste Francaise des Laboratoires Labaz SA - see No 338).

** The Swedish chemical and pharmaceutical company KABI A/B, Stockholm (a member of the Gothenburg brewery group Pripp-Bryggerierna A/B - see No 297), has extended its Dutch interests with the formation of a second Amsterdam sales subsidiary KABI PHARM NV, whose capital of Fl 100,000 is held by the recently-formed first subsidiary Kabi NV. The new company is run by two Swedes, Messrs. Karl A. Fagerberg and G. S. Gëranson.

The founder is run by M. David Isaksson and has a payroll of over 600. In 1964 it gained control of Oxygenol A/B, Stockholm, and seven of its subsidiaries. It exports some 40% of production and has extensive foreign interests: Deutsche Kabi GmbH, Munich, Kabi Pharmaceuticals Ltd, London, A/S Kabi, Lysaker, Norway, Kabi Products Corp, New York, Laboratorios Capitol SA, Spain.

PLASTICS

** Dr. Wolfgang Bürkle, manager of CARL SIMON SOEHNE GmbH LEDERFABRIK & KUNSTSTOFFWERK, Kirn, has been appointed president of the import and plastics sales company PLASMET AG, just formed in Basle with a capital of Sf 70,000.

The German company is known for its synthetic leather, plastic sheets and piping (PVC, polyethylene and polypropylene). It has a payroll of over 400, and with a capital of DM 2 million has an annual turnover of around DM 24 million.

** The joint owner of the German pharmaceutical firm SCHAPER & BRUEMMER oHG, Salzgitter, Ringelheim, Herr H. F. Brümmer has been appointed president of ESBE ITALIANA SpA (capital Lire 10 million) recently formed in Genoa to manufacture plastic packaging for chemical and pharmaceutical products.

** The German rubber and plastics concern KOELNISCHE GUMMIFAEDEN-FABRIK VORM FERD KOHLSTRADT & CO, Cologne, has decided to build a rubber and plastics factory on the industrial estate at Vigo, Spain, 95% of the production of which will be for export. Kohlstadt has DM 5 million capital and employs some 1,400 people for an annual turnover of around DM 28 million.

** The Belgian carpet and floor-coverings concern BALAMO, Brussels (formed in May 1965 by Belgian and American interests - see No 312) has backed the formation of Balamo Deutschland GmbH, Neuss (capital DM 1.5 million) whose managers are both from Brussels, MM. Jean Viaud and Damien Hoppenot. The new company is on the premises of Deutsche Balamundi AG (formerly Balatum AG) whose capital was increased in May 1966 to DM 4.41 million. The founders of Balamo were the European group Balamundi (60% controlled by the Belgian Papeteries de Genval SA, Genval and Mohasco Industries Inc, Amsterdam, New York (40%).

In November 1965 (see No 331) a 90% French sales subsidiary was formed, Balamo-France Sarl, Paris whose headquarters moved to Boulogne, Hauts-de-Seine and capital raised from Ff 300,000 to Ff 750,000 in December 1966. The American company has a direct West German interest: Mohasco Industries GmbH, Hamburg (see No 314) whose capital was raised in December 1965 from DM 20,000 to DM 300,000.

** German interests represented by Herr Gunther Pennekamp, Vreden, Westphalia and the British firm CHARLES WALKER & CO LTD, Swinigate, Leeds have formed a new joint company called BETADUR PLASTICS LTD (capital £10,000). This firm will be directed by Messrs V. C. Hope and G. Pennekamp and will process and mould plastic ribbon.

Charles Walker has some eight subsidiaries in the United Kingdom and several overseas agents. The company specialises in "Beta" drive-belts for the textile industry (leather, rubber or plastic belts).

PRINTING & PUBLISHING

** The German C. BERTELSMANN VERLAG KG, Gütersloh, Westfalia, together with BOEKEN- & MUZIEKVRIENDEN NV, the subsidiary it formed recently in Amsterdam (see No 398) to organise publishing and book clubs in the Netherlands, is about to launch its book club/reading and record circle system in that country. This system has already proved itself on the German market through its Gütersloh subsidiary Bertelsmann GmbH, Lesering-Schallplattenring. In the present move, Europaclub voor Boeken & Grammofoonplaten NV has been formed, with 65% of the Fl 2 million capital held by the parent company. Under the system members pay a small subscription and receive very favourable terms for books, periodicals, newspapers, records and cassette recordings made by the group. The holding of shares in this concern is conditional upon the candidate being a Dutch or Belgian publisher, who can thus make contact with the 60% of Dutch people who never or only rarely patronise bookshops. Thus, apart from the German group, the initial shareholders in Europaclub are 26 publishing companies, including MEULENHOFF & CO NV, Amsterdam, and NEDERLANDS UITGEVERSCENTRUM NV, Hilversum (see No 390).

The latter was formed in 1965 by the printing and publishing house of Drukkerij and Uitgeverij v/h C DE Boer NV, Hilversum, together with its subsidiaries Uitgeversmij W De

Haan NV, Utrecht; Uitgeverij & Drukkerij Paul Brand NV, Hilversum (which has an almost wholly-owned subsidiary in Antwerp) and Uitgeverij F.G. Kroonder, Hilversum. Other shareholders are its Rotterdam affiliates D.B. Centen's Uitgeversmij NV, Uitgeverij G. Van Saane "Lectura Architectonina" NV and Uitgeverij Brusse NV, all of which incorporated their book divisions.

Meulenhoff (see No 401) is mainly concerned with an international joint production arrangement, wherein its chief associates are Librairie Hachette SA, Paris, and Arnoldo Mondadori Editore SpA, Milan. It recently made over its subsidiary Uitgeverij H. Meulenhoff NV, Amsterdam (see No 367) to the Hague group G. B. Van Goor Zonen's Uitgeversmij NV.

Van Goor Zonen's most recent moves include its participation in the formation in Amsterdam, in November 1966, of Aeropagus NV (capital Fl 2,450,000), a concern printing and distributing books, reviews, records etc, and in which it is indirectly linked with, amongst others, one of the companies forming Europaclub, the Utrecht company A. W. Bruna & Zoons Uitgeversmij NV (see No 388).

TEXTILES

** The French textile firm SA HENRI DUPREZ & CIE SA, Hem, Nord and the Paris wool group ETS EMILE SEGARD SA-E.E.S. (capital Ff 11 million) - through its British subsidiary Emile Segard Ltd, Bradford have linked to form ARTS OF FRANCE LTD, Bradford (capital £20,000). Headed by Messrs Henri Duprez, Marcq-en-Baroeul, Nord and Georges H.L. Maes (head of Segard Ltd), the new company will market tapestries made by Henri Duprez.

The latter specialises in printing on textiles with its own processes e.g. Megakrome. It is setting up a sales network covering the Common Market and its next move will be in West Germany. Segard has branches in Tourcoing and Roubaix and during the course of 1966 it took over two concerns in the latter town-Charles Huet & Cie SA (gross assets worth Ff 5.3 million) and Ste Commerciale Lainiere (gross assets worth Ff 3.8 million).

** Private Italian capital raised in Modena has provided the backing for TRICOTS ARIANA Sarl, Paris (capital Ff 30,000; manager M. S. Calderon of Paris). The firm will import and sell knitwear and textiles.

** The Dutch readymade clothing and electrical group VEREENIGDE INDUSTRIEEN ROTTERDAM v/h PH. VERHAGEN & ZOON NV (president M.J.G. Verkroost and run by M.J.J. van de Velde) has formed a Belgian sales subsidiary VIR-TEXTIEL BELGIE NV, Tienen, Louvain (capital Bf 1 million). Control is shared with its subsidiary Vir-Textiel NV, Rotterdam (capital Fl 1.5 million).

Until now the Dutch firm's Belgian textile interests were represented by M. Ch. Monk of Brussels. The group makes a wide range of readymade clothing, raincoats, knitwear and jersey articles for women, whilst its subsidiary, Steenderense Kinderkleding Industrie Nederland NV, Rotterdam makes childrens clothes. Its electrical interests (bulbs and fluorescent lighting) are the responsibility of VIR-LIGHT NV, Rotterdam (also a subsidiary - capital Fl 1.5 million) which has large foreign networks in West Germany, Switzerland, France, Belgium, Greece and the USA.

** One of America's largest hosiery groups, KAYSER-ROTH CORP, New York, (see No 403) has renewed the agreement it signed a few years ago with the French firm STE ELBEUVIENNE DE BONNETERIE SA, Elbeuf, Seine Maritime, for another 13 years. This gives the French firm the manufacturing rights for "Interwoven" socks.

Ste Elbeuvienne produces some 1,000 pairs of socks a day with a labour force of around 350. It exports a quarter of its production mainly to Benelux and Switzerland (annual sales worth Ff 15 million).

TOURISM

** The Paris self-drive car-hire firm HERTZ FRANCE SA has signed an agreement with AIR-INTER SA, Paris (see No 404), enabling it to improve its provincial services: Air-Inter clients will now be able, at no extra charge, to collect and leave a car in any of the five areas East (Metz, Mulhouse and Strasbourg), South-West (Bordaux, Toulouse, Perpignan, Pau, Tarbes and Biarritz), Central (Lyons, Clermont-Ferrand and Vichy), West (Rennes, Dinard, La Baule, Nantes, Lorient, Quimper, Brest and Saint-Brieuc) and South-East (Marseilles, Nice, Toulon, Nimes and Montpellier). Its sister firm Hertz Italiana SpA, Bologna and Turin, also recently signed a similar agreement with an Italian air firm (see No 364).

Hertz France (capital Ff 2.2 million), through Hertz International Ltd, New York (formerly Hertz American Express International Ltd), is controlled by the Hertz Corp group of New York (which will have merged with R.C.A.-Radio Corp of America, New York, by the end of May 1967 - see No 400). It recently absorbed its own subsidiary Parking Saint-Ferdinand SA, Paris (capital Ff 300,000). One of the New York group's most recent moves was to clinch a deal with the Soviet authorities allowing tourists to enter the Soviet Union in cars from its Helsinki branch.

TRADE

** Belgian interests headed by MM. Jacques R. Slock, Veldeken Nevele, Ost Vlanderen, and M. Andre E. Slock have taken a majority 51% interest in the formation of the sales company HANDELS- & INGENIEURSBUREAU EUROSALLES & ENGINEERING NV, The Hague (capital Fl 200,000). This will import and market throughout the Netherlands all types of new technical equipment, etc. Joint directors in the new concern are the minority shareholders Messrs. P. J. van Battum, The Hague, and B. G. Lapre, Voorschoten.

** Herr Günther Ern, head of the German cutlery, chisel and razor-blade firm C. FRIED ERN oHG, Solingen, and co-proprietor of the mail-order firms VERSAND-HAUS H. A. LUDWIG oHG and ERN-VERSAND GmbH, is also director of ERN-SALES (UK) LTD, which has been recently formed in London. It has a capital of £2,000 and it will promote and sell the German firm's products using direct advertising.

TRANSPORT

** The joint Rotterdam subsidiary of two Paris shipping concerns N.C.H.P. - Nouvelle Cie Havraise Peninsulaire de Navigation SA (see No 397) and S.A.G.A. - Ste Anonyme de Gerance et d'Armement (see No 397), NV REDERIJ FERONIA, has decided to open a Paris branch called Feronia International Shipping Co (F.I.S.H.). The company runs two supply vessels for offshore drilling rigs called Blue Fish and Red Fish, and intends shortly to put two more into service (Black Fish and Green Fish).

S.A.G.A., a member of the Rothschild Freres SA Paris group and affiliated to the Rotterdam group Phs. Van Ommeren NV (see No 398) acquired a 50% interest in Rederij Feronia during 1966. Previously Feronia had been the wholly-owned subsidiary of the Worms & Cie group - mainly through N.C.H.P.

** The German international transport concern DACHSER SPEDITION GmbH, Oberwang Post Kempten, Allgäu, has formed a Zurich subsidiary, DACHSER SPEDITION AG (Sf 200,000 capital).

The founder, whose manager is Herr Thomas Dachser, employs 1,250 people and has a network of 35 agents throughout Germany. Abroad, it has interests in the Dutch company Dachser & Bijsterbosch NV, 's-Heerenberg, and in the Danish Gr. Larsen & Co, Kolding, and Gr. Larsen & Dachser A/S, Copenhagen.

** The Rotterdam shipping company VEREENIGDE TANKREEDERIJ NV has wound up the Antwerp subsidiary (capital Bf 100,000) which it formed under its own name in 1953. The Dutch firm is headed by M. U. Tukker, and is a member of the PAKHUISMEE-STEREN NV, Rotterdam, group (see No 389). The latter specialises in stocking and transporting petroleum and liquid chemicals, and has depots - owned directly or through affiliates - with a capacity of over 1.7 million tons at the end of 1966. These are at Rotterdam (Pernis and Rotterdam, Botlek) in West Germany (Mannheim) in Britain (Grays and Eastham), and in Sweden (Göthenburg).

** WESTERN SALES LTD, Nassau, Bahamas and Dallas, Texas, and its Swiss subsidiary HIGHWAY INSURANCE CO AG (both are linked with the American group Transcontinental Bus Systems Inc - see No 377 - and the Luxembourg holding company Westsales SA - see No 315) have extended their Common Market transport interests by forming EUROTRANSPORT ITALIA SpA, Milan. The president of the new company is Signora G. Colombo-Zamboni, Milan, and it is run by M. Alex Düring, Usterageri, Zug; almost all the capital of Lire 4 million has come from the Zug holding company IATO AG, whilst its purpose is the leasing of all forms of transport and the management of transport and tourist agencies.

It has a number of similarly-named sister companies throughout the Common Market: a Luxembourg finance company (formed with the help of Samuel Montagu & Co, London - through Montholding SA, Luxembourg, and Auxom SA, a subsidiary of Banque de Paris et des Pays-Bas SA) in Amsterdam (formerly at The Hague) and in Bruges (formed in Brussels in 1964). The other direct or indirect European interests of Western Sales include Bus & Car Co NV, St-Michel-lez-Bruges, Euromotel SA and Europahotel Belgium SA, both in Brussels.

** The French company RHIN & RHONE SA, Lyons (see No 331) which already has German connections (together with the Hugo Stinnes AG group of Mulheim) in the fuel transport and warehousing company Rhein-Ruhr-Brennstoff GmbH, Mülheim (see No 269), has increased its stake in the country by forming a branch of Kehl.

The French company (capital Ff 11.25 million) is affiliated (18.4%) to the coal-trading company Les Fils Charvet SA, St-Etienne, Loire. It is associated (42.5%) with the Luxembourg companies Mathis Prost & Cie Scs, Grevenmacher and Cie Des Mines & Metaux SA-Anc M. Zimmer-Maroldt, Luxembourg in Manuport-Ste Luxembourgeoise De Manutention Du Port de Mertert SA, Luxembourg.

VARIOUS

** The German millinery firm headed by Herr G.K.L. Baumann, DAMEN-STROH-& FILZHUTFABRIK WILHELM BAUMANN GmbH, Gross-Gerau has formed a manufacturing and sales subsidiary in the Netherlands called EUROHAT NV, Zaandam (capital Fl 250, 000).

** The German tobacco and cigarette concern MARTIN BRINKMANN AG, Bremen, has formed a special subsidiary to exploit its "Batavia" trademark: this is called Batavia Rauchtabak GmbH, Bremen, has Dm 20, 000 capital, and is managed by Herren Werner Papendieck and Hans Molsen, who hold the same position in another subsidiary recently formed in Bremen under the name of Privileg Cigarettentabak GmbH (see No 398).

The parent company, whose turnover rose in 1966 to Dm 1, 447 million, is about 30% linked with the South African firm, Rembrandt Tobacco Corp, Stellenbosch, through Rupert Tobacco Corp Pty Ltd.

** The Dutch family firm AANEMERS-& GROOTHANDELSBEDRIJF J.M. VAN DER HOEVEN NV, Naaldwijk, specialists in the construction of glasshouses has backed a firm in Paris called SEFRALAND, STE D'ETUDES & DE REALISATIONS FRANCO-HOLLANDAISE Sarl whose Ff 20, 000 capital is jointly held by MM L. Mercier and Rene Berody (manager). The new company (director M. Salfati) has a research office in Versailles and it will sell, make, modernise and install industrial and agricultural equipment, especially glasshouses (including heating and irrigation). It will also promote the parent firm's techniques for developing cooling, anti-condensation, demisting and other similar systems in France.

The Dutch firm is responsible for almost one-third of the total glasshouse area in the Netherlands (5, 000 hectares) and intends to branch out into all the Common Market countries so as to reap the full benefit of its world-wide experience, that is in the most widely-different climatic conditions.

CORRECTION: It was erroneously stated in No.404 that GREYHOUND FINANCIAL & LEASING CORP AG, Zug, had acquired a large minority shareholding in the Dutch FIRMA F. VAN LANSCHOT bank. In fact, Van Lanschot has itself bought an interest in the Swiss leasing corporation, and thus joins a number of other shareholders including Charterhouse Japhet & Thomasson.

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