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Opera Mundi EUROPE

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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February 29, 1968 No. 450

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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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COMMENT

A Letter from Bonn

GERMANY TO CALL THE TUNE

Both the Federal Chancellery and the Foreign Ministry have become hives of activity, just lately: Germany's undertaking, at the talks in Paris two weeks ago, left her diplomats' hands tied, but at the same time, on the home front, there is the feeling that one false move would leave the Government open to fierce attacks from both right and left wings. Because France agreed that Germany should act as mediator in the "British affair", and give some real meaning to the "arrangement" idea, she now finds herself having to by-pass principles, and get down to the hard facts of the matter, so as to offer sound bases for discussion.

The first thing about Bonn's approach to this matter is that Britain's "all or nothing" line is simply no longer tenable: circumstances are now such that this cannot be reconciled with the main lines of European policy that the Federal Republic plans to follow. This being so, Kiesinger is conducting his campaign with three main considerations in mind:

1) The British bid for membership should not prejudice Franco-German relations, nor threaten the friendship treaty. Indeed, the coalition government would probably be unable to weather such a storm: it was mainly the vote of the Bavarian Christian Socialists and South German Christian Democrats that brought Kiesinger to power, and such a failure would probably leave him defenceless. Another factor has some bearing here, and this is historical: even now, South German feelings about France are very different from reactions in the North. Indeed, the Chancellor himself is firmly convinced that there can be no constructive European policy without close Franco-German links. We may in fact reasonably infer that during the last cabinet meeting before he went to Paris, Kiesinger refused to be swayed by those present who were sceptical about the possibility of France and Germany co-operating over Britain's candidature. Indeed, he was most insistent that it would be folly to leave France out of the matter, and get down to discussion with the other members of the Community - and this brings us to the second point:

2) The Federal Government should spare no help or effort in any bid to keep the talks with Britain seven-sided, which in practice means steering clear of any further "working lunches" between Britain and the Five.

The Social Democrats, however, and Bundestag vice-president Herr Mommer in particular, feel that such an approach should not be absolutely ruled out in principle, as the threat thereof has the salutary effect of reminding de Gaulle of the possibility of France being left isolated. This is a very hypothetical case, however, for even the most outspoken West German critics of France's European policies are hardly about to hammer the point, convinced as they are that any decision over Britain must be made by the Six. They are equally convinced that France, since overtly or tacitly she has set herself up as the head of the Community, need never have anything worse to fear than isolation, since this is as far removed from hegemony as one can get.

Again, those in Germany who once were all for pestering France over the issue are now beginning to waver somewhat, having realised that neither Italy nor the Netherlands are prepared to place their own economic interests in jeopardy, simply for the sake of pestering. When asked what he would say to the Italian government, should he fail in his role as mediator, Chancellor Kiesinger said, in effect, that he would drop the whole thing into the Italians' lap.

Of course, having accepted the cloak of the mediator, the German coalition has more or less left its prestige in foreign policy at the mercy of concessions from Paris. There are many Germans who maintain that France will have to be very careful about the way she handles this situation if, ultimately, she does not want to see the Franco-German entente wither and perish. On this score, we should take good note of the warping of Brandt's Ravensburg speech, and the violent reaction this elicited from the DPA press agency. Reactions to the news were at first most confused in West Germany, but whereas only a few commentators had before been casting doubt upon pro-French feelings in Germany, de Gaulle's announcement that two Federal diplomats had been refused their seats at a banquet seemed to swing public opinion completely against France. The incident is now closed, of course, but it nevertheless remains true that vital German interests have been threatened by the Six's disagreement over Britain. This brings us on to the Bonn government's third guideline;

3) Bonn must make even greater efforts to bring about the enlargement of the Community. In Germany, especially in the North, the enlargement of the Community is an objective most deeply rooted, and this finds its expression in proclaiming support for Britain's bid. Those who take this line can be found in the ranks of the Christian and Social Democrats, and the Liberals alike, and they further stipulate, mainly for economic reasons, that interim trade arrangements should pave the way to full membership. This, really, is the position adopted by German industry, which by no means supports rapid entry, as sought by Britain.

Bearing all this in mind, we can fairly safely predict the proposals Germany will put forward at the Council meeting on February 29 in Brussels. First, there will be nothing to leave Bonn open to Italian and Benelux charges that Germany and France have connived and produced the whole deal beforehand. Germany is in no way opposed to the Benelux plan, in fact, and Joseph Luns, Dutch foreign minister, was in Bonn only recently to sell his ideas to the Germans. Again, the Benelux plan is completely in line with German thinking on relations with Eastern Europe, since she has long maintained that moves in this field should always be preceded by consultation between the Six. The quest for closer technological co-operation with Britain is another point which has gone down well in Bonn, especially the scheme for a European isotope separation project.

Above all, however, the German proposals will revolve around trading policy: they will suggest the progressive dismantling of customs barriers between the Six and Britain, or alternatively a selective reduction in duties under groups of commodities. Together with these proposals will come a timetable, but not one that is so specific that it lends the impression that France has already decided upon a date for ultimate British membership. It will further be suggested that Britain, the EEC and any other countries likely to be included in the scheme, should make a customs duties lowering agreement, under which they would align their protection levels against third countries. This would in effect establish a customs union tantamount in principle to what Britain has been seeking for the transitional arrangements. As for agricultural produce, general proposals will be put forward, with a view to setting up a free trade area, the details of which would be ironed out bilaterally. Certainly, the Germans feel that Britain should immediately set about phasing out her own deficiency payments system, and bringing in the basic principles of the Community's system for financing the common agricultural policy. Other European countries will be able to adopt similar measures in solving the agricultural problem.

It is felt in Bonn that these measures will be acceptable, not only to the Six, but to Britain as well, not least because she recognises that the establishment of a temporary free trade area would assist her in her economic convalescence, and also establish de facto links between her and the other parties, without there being any heavy political strings attached. At the same time, the chances for a preferential trade agreement getting through are felt to be slim indeed, for such a move would provoke opposition, not only from GATT as an institution, but also from the USA and many other countries. In contrast, the free trade area idea would be in keeping with GATT principles, because it would entail the harmonisation of external tariffs, thus bringing the actual level of duties down.

No one is pretending that such a scheme would not lead to protracted negotiations, both within the EEC itself, and between it and the candidates. The Federal government is well aware that EFTA could fall into a common stand, but it is quite convinced that the differences in economic interest between the Seven would prevent this from ever becoming a serious threat. Beyond this is the comforting fact that the simple business of getting involved in lengthy negotiations will almost certainly de-fuse the explosive situation that has been developing between Britain's all or nothing posture, and France's cool attitude. To Germans in favour of this scheme, the overriding consideration is that facts, and not doctrine, will eventually decide the issue.

To sum up, Germany will no more abandon her alliance with France during or after the February 29 meeting that she did so during the talks in Paris. The Federal Chancellor and his foreign minister also hope to enlist the tacit support of the Scandinavian countries, which might well convince Britain that the scheme has real potential. Within the Community, the Dutch may well be swayed from their objections by the fact that Italy will join the camp.

THE WEEK IN THE COMMUNITY

February 19 - February 26, 1968

THE COMMON MARKET

Arranging Arrangements

It is just possible that the past week may have seen the shape of political and economic groupings in Western Europe for the next few years decided. The forthcoming meeting in Brussels on February 29th of the Foreign Ministers of the Common Market countries, under the chairmanship of M. Couve de Murville, could easily result in Britain's attempt to join the Common Market being gently put aside - or it might provide the opportunity for fresh and profitable moves towards membership.

The Paris Declaration

When the Dutch Foreign Minister visited Bonn to discuss the question with Willy Brandt it became clear that in spite of German assurances of support for the Benelux Plan earlier in the year, the coalition government now considered that this was not a measure which it could support, because it involved co-operation outside the framework of the Rome Treaty, as well as the adoption of the principle that attempts be made to co-ordinate the foreign policy in the countries taking part - an idea unacceptable to the present French government. Dr. Luns declared his scepticism as to the true worth of the Franco-German talks and the principles embodied in the Paris Declaration, and is believed to have expressed the fear that the commercial arrangements hinted at might be meant by Paris as substitute for British membership rather than the first step towards it. This has not escaped a number of French commentators, who point out that Britain can hardly be expected to make an offer to co-operate in the urgent search for European technological integration, if in return she is given a limited and uncertain form of link with the EEC.

Bonn, however, seems to have been somewhat taken aback at the reactions to the Paris Declaration, although it did not expect a great deal of enthusiasm. Apparently the West German government - at least in public - believes that the French have really decided to be constructive and are sincere in their willingness to discuss with the other members of the Community, the possibility of a free trade area between the Six and Britain. Although this would start with industrial products, it is thought that agriculture would gradually be included. This would mean Britain's switching to the EEC's agricultural system, a move which in any case seems likely to begin before long.

Scandinavia: The role played by the Nordic members of EFTA may well turn out to be of paramount importance in getting Britain to moderate her demands for full membership, the "all or nothing approach" strongly criticised in Paris. When last summer it was rumoured that the French were trying to split EFTA and to get the Nordic countries to join as associate members - especially Sweden - this was denied as pure fantasy.

But to-day we have good reason for supposing that the rumour is being accredited. It is known that the Scandinavian governments have been counselling Britain to respond more favourably to the idea of "arrangements" and they have apparently been encouraged to do this by Herr Brandt as well as by French diplomats. Since as a group the Nordic countries are steadily increasing their trade with the EEC rather than with Britain, the attractions of special trade agreements with the Six cannot be dismissed. However, it is unlikely that such a step would be taken by the Scandinavian countries if it meant splitting EFTA. The idea of a Nordic common market will be developed later this year, but such a scheme would take some time to become effective, and until then talk of the Nordic countries acting independently of Britain remains ill-founded, but the possibility of moves in this direction should not be ruled out. The meeting on Tuesday February 27th in Bonn of the Norwegian Foreign Minister and the West German government will no doubt provide an opportunity for further discussions along these lines, as well as dealing with the Benelux Plan, which the Scandinavian countries have welcomed.

Italy Speaks Up: Next Thursday's Foreign Ministers meeting is now complicated by the presence of a third plan, prepared to overcome the impasse created by the problem of the British bid. Apparently when Chancellor Kiesinger visited Rome before going to Paris, he left behind the impression that he would speak for the Five, which meant thatt the Franco-German Declaration came as somewhat of a surprise to the Italians. However, not to be outdone, Signor Fanfani has proposed, in a document sent to the other members of the Six, that their Foreign Ministers as well as those of the Four, should meet with the Commission to discuss greater co-operation between their governments, to the end of furthering the economic and political unification of Europe. The Commission would also be charged with studying ways of helping the candidate countries to become full members, and would hold talks with the Four.

The Fanfani memorandum asks the ministers to bear in mind the Benelux Plan and the Franco-German declaration and makes five proposals:

1) That the normal life and the process of unification of the Community should continue.

2) That no measures should be taken which would increase the gap between the EEC and the candidate countries.

3) That measures should be adopted to reduce this gap, and this includes holding joint meetings of the EEC Monetary Committee and the Directive Committee of the 1955 European Monetary Agreement. The overall aim of this proposal is to try and develop the co-ordination of monetary and economic policies in Western Europe.

4) That the EEC's external policy should be harmonised with measures already taken.

5) That the Common Market countries should issue a declaration of intent regarding the development of a European policy, which would then be submitted to the candidate states. This might be followed by a conference of all the EEC and candidate countries' foreign ministers.

These proposals seem to fall somewhere in between the other two, although they are probably closer to those of the Benelux, certainly as regards the thinking behind the plan, and will certainly merit closer attention on February 29. However, one immediate problem they create is the active role given to the Commission, as a co-ordinating body able to deal directly with the candidate countries. This approach may not appeal to General de Gaulle, and it will be instructive to study the attitude taken by M. Couve de Murville. Dr. Luns and Signor Fanfani were due to meet on February 26 in Milan, and it is possible that they discussed closer co-ordination of the Benelux Plan (now under pressure from many quarters as over-optimistic, and also undermined by the Belgian internal political situation) and the ideas in the Italian memorandum.

The Commission: The need for some form of compromise was stressed last week by the Commission's president M. Jean Rey, although he was speaking before the Italian proposals were announced. He said that the Commission hoped the Benelux Plan would not be dropped by its authors since "it was worthwhile proposing something which resembles membership by stages allied with the consultations and joint actions that involves". He was much more cautious over the Paris Declaration: "it should not be judged hastily" until the "real content" was known. "The Council of Ministers meeting on February 29 should give a better idea of what it means". M. Rey repeated the Commission's unanimous opinion "that the time had come to enlarge the Community and to begin talks with London".

Britain Herself: Although it would now seem as if West Germany has the unenviable task of playing the leading role in furthering or dashing Britain's EEC membership hopes, the latter must also make a decision whether to accept some limited form of trade arrangement with the possibility of technological co-operation, or whether to hold out for apparently more attractive plans such as the Benelux proposals and the Fanfani memorandum. All the indications at present are that the British government favours the latter approach if only because the proposals here are more concrete, and seem a definite step forward, whilst the Paris Declaration, in the words of Mr. Brown to the House of Commons "is exceedingly vague", and he was unsure as to its real significance. He said this on February 26, confirming reports that the visits last week of the German State Secretaries, Georg Duckwitz and Rolf Lahr, produced few concrete facts about the possibilities contained in the arrangement. It has been suggested that the Germans expect quick progress to be made, but one wonders if this is not just wishful thinking. However, despite Bonn's lack of enthusiasm for the Benelux Plan, after the Kiesinger - de Gaulle talks - and its own scepticism - the British press is generally advocating a cautious approach. It suggests that the Paris Declaration should at least be tested, to see what does lie behind it and whether it is a cover for further French delaying tactics - (France remains president of the Council of Ministers until the end of June) - or whether it is an instrument for progress towards a more united Europe in the economic - if not political - sphere. But while Britain is chary about the Paris Declaration, the West Germans enthuse, and one may justifiably ask why they are taking this line, especially as the unification of Europe is a declared objective of the Federal Government. One may, perhaps, find Britain's doubts more understandable when we recall the words of the French President at his last press conference:

"It is possible that while recognising the impossibility of allowing the England of to-day into the Common Market as it exists, it is nevertheless possible to be in favour of sacrificing the Common Market for the sake of an agreement with Britain. Theoretically in fact, the economic system which is practised by the Six is not necessarily the only one which Europe might practice.

One can imagine, for example, a Free Trade Area covering the whole of the West of our continent. One can also imagine a sort of multilateral treaty of the kind which will come out of the Kennedy Round and settling between ten, twelve or fifteen European states their reciprocal quotas and tariffs.

But in either case it would first be necessary to abolish the Community and break up its institutions. And I tell you that France is certainly not asking for that. If, however, one or other of its partners proposed this, as is their right after all, France would examine it with the other signatories of the Treaty of Rome.

But what France cannot do at present is to enter into any negotiations with Britain and its associate countries which would lead to the destruction of the European Communities to which it belongs."

* * *

JOHNSON PLAN

Consultations with the United States

With an economic "clean bill of health" behind them (see below), the Commission experts met together last Thursday with the Americans responsible for studying the measures put forward by Washington to put the balance of payments straight.

These measures should permit, amongst other things, an improvement in the American balance of trade (which has in fact always been favourable towards the Community). The American government is hoping to get Congress to vote in favour of a 10% increase in income tax. But this unpopular measure is unlikely to be agreed to unless it is accompanied by sacrifices on the part of America's fellow travellers in the West. Washington feels that the Community ought to make some sacrifices in the commercial and trade sectors. But what kind of sacrifices? The Six could for example proceed with a unilateral acceleration in the reduction of tariffs, as agreed in the recent Kennedy Round talks. Certain countries in the Community, and in particular France and Italy, which are due to cut back their tariff walls vis-a-vis third countries on July 1st of this year, are certainly not ready to take this step in advance of the proposed date.

If the Community does not carry out this acceleration, it will be necessary, according to Washington, to impose an import tax in the United States (and an export rebate) at a rate of between 1.5% and 3%. The U.S. administration feels that such a tax would be justified by the adoption of the TVA within the Six.

The Commission has repeated what it has already said on a number of occasions, that the added value tax, which is fiscally "neuter", hits national products just as it hits imported goods. Its adoption in no way compromises the concessions made at Geneva at the time of the Kennedy Round talks, but it is quite right to say that the introduction of the T.V.A. in Germany will cut out the very small advantage that American exporters enjoyed (about 0.5%) under the old system; the German government then granted a small allowance voluntarily to foreign goods, in such a way as to weigh on domestic prices.

This is all a question of regularising a state of affairs which is in fact most unusual. M. Jean Francois Deniau, the Commissioner responsible for overseas trade, and who ex oficio, led the Community delegation, made it clear to the Americans that the Commission considered that a surcharge on imports would be "unjustified".

In general terms he warned the United States that certain eventualities ought to be avoided with regard to trade:

1) The balance of trade which had been achieved as a result of the Kennedy Round Talks should not be jeopardised. In short, this means that Washington cannot expect the Six to go beyond the position it took at the G.A.T.T. meetings.

2) Starting off chain reactions: Great Britain, as it is often pointed out in Community circles, has made it known that if the United States does introduce certain protectionist measured, she could easily be forced to re-introduce the import surcharge which she has applied in the past. This is saying nothing about what might also happen in the Community.

3) To respect the rules of G.A.T.T: The United States would immediately be infringing GATT rules, if it began to implement the protectionist measures it has in mind, because the TVA puts none of the risks on the shoulders of American industry, nor would American industry be able to operate under a system of export rebates or trade restriction.

The Commission has thus pressed the United States to abandon its somewhat impulsive tariff decisions, and it has talked sense in doing so. It made it clear to the Washington representatives that an upward trend in European expansion could only benefit American exports, and thus improve, in a "natural way" the balance of payments with the Community. M. Deniau noted besides that overseas trade only plays a very small part in the gross national product of the United States, whilst it is one of the most important factors of the GNP's of the member states of the Community. In addition, the Community carries a large proportion of the burden of sterling devaluation and at least two-thirds of the American restrictions on tourism.

In Community circles, it is thought that the United States is now aware of all the angles on the problem, and that it can appreciate all the risks that it will run when taking action not approved of by its European partners. (It is perhaps worthy of mention at this juncture, that the Dutch are not in agreement with the other five members in this matter). Let us hope that the Americans are not taking a step back here. The member states of the Community must certainly adopt a joint policy in this sphere.

* * *

EEC ECONOMY

The latest survey by the Commission indicates that the Community's economy is continuing to expand, although it should be remembered that this was made before the announcement of the Johnson Plan. The signs are that the Six will co-operate in order to maintain their own expansion rate as far as possible.

Production: The upward trend in the Community's industrial production rose towards the end of 1967 under the influence of increased demand from both member and third countries. December saw West German industrial production reaching a new record, beating the previous level of spring 1966, which itself was equalled in November 1967. This was largely due to increased stock formation and investment in plant and machinery. In France and the Netherlands both private consumption and a bolder attitude of dealers towards their stocks played an important role. In Italy the marked rise in industrial production since last September has probably been due to an upward swing in export demand, and in Belgium - Luxembourg Economic Union exports have also encouraged industrial production, since domestic demand continued to be somewhat slack.

Unemployment: Although much of the increase in industrial production may be due to an increased productivity, a normal factor in such conditions, there are also signs that employment figures are moving upwards once again. At the end of 1967 there was a keener demand for manpower throughout the Community with unemployment falling in West Germany and the Netherlands and levelling out in France and Belgium, whilst in Italy the slow but steady decrease in those out of work since mid-1965 has continued. In some countries, however, the overall trend may have been affected at the end of the year by bad weather with its influence on outside construction work.

According to the latest seasonally adjusted figures the unemployment rate in December 1967 was: 2.5% in Belgium (end 1966: 1.8%), 2% in France (1.5%), 1.9% in the Netherlands (1.4%) and 1.7% in West Germany (1.1%).

Consumer Prices: For the November-December period these were stable in most Community countries, though in France there was an appreciable rise, because of reforms in the social security system. As a result of keener competition and a reduction in the pressure of wage costs there was near stability in prices in West Germany and a slackening in their upward trend in the Netherlands. Despite the Middle East crisis, prices of imported raw materials were on average lower than in 1966 and food prices were helped by the effect of good weather. However, in France, Italy and Belgium consumer prices rose at much the same rate as in 1966.

Balance of Trade: The latest figures for the Community, says the report, confirm that the vigorous increase in the surplus in visible trade with non-member countries was due rather to special influences and was in no way the forerunner of a longer term rise in the surplus. In fact, the tendency for surpluses to diminish, noticed earlier in the year, has started again: although exports have regained their strength, imports from non-member countries have been coming at a distinctly faster rate than before. This applies not only to imports of raw materials and semi-finished products, but also to imports of finished goods. This trend was particularly noticeable in the case of the Belgium-Luxembourg Economic Union and West Germany.

Exports: Visible exports showed a marked rise in early autumn and for October-November were nearly 5% higher than for July-August, although in the latter period the effect of the Middle East conflict was still being felt. The most important contribution to increased exports came from the Benelux countries, and the improvement was probably due to the recovery of the world economic situation, says the report. Exports to the United States were 15% up on the same period in the previous year and there was also a rise in those to Britain, where devaluation had as yet had little effect on imports.

Trade Between the Six: The general increase in economic activity within the Community means that trade has also picked up; in fact, on the basis of imports during October-November, intra-Community trade was up by 11%. Most was due to the demand from West Germany for goods from other Community countries, including raw materials, semi-finished products and consumer goods. The upward trend in French business activity has helped, whilst French food imports seem to have risen. The Benelux countries also imported more from other members, but in Italy these were less vigorous than before and this was probably due to a delayed effect of the temporary slackening in the expansion of demand during the summer months.

Bank Rates, Gold and Foreign Exchange Reserves: At the end of 1967 and in early 1968, short-term Community interest rates were affected by the influence of international balance of payment measures and one might have expected an upward trend in interest levels. However, at first there was a tendency for these to fall, since considerable sums were being invested in the Community, and this, coupled with internal market factors, helped to increase liquidity appreciably. In most member countries the action of the Central Banks helped to keep interest rates down, although in France the money market tended to tighten when the Central Bank withdrew considerable sums to prevent excessive liquidity.

By the last quarter of 1967 there had been little change in the overall size of gold and foreign exchange reserved held by the Community, though there were still large surpluses on the current account and there were also significant inflows of capital as a result of the sterling crisis. Sales of gold through the London gold pool in defence of the dollar brought about a decrease in official gross reserves, and the only member countries in which there was an appreciable increase in gold and foreign exchange reserves between September and December, were the Netherlands and France.

* * *

AGRICULTURE

Preparing for April 1

Will the Six be ready for April 1, the date when the Common Market for milk products and beef is to be introduced? This is the question which is on the lips of the men concerned with Community agriculture, following the ministerial sessions of the 19/20 and 26/27 of this month. The ministers of agriculture were able to assess their differences when it came to these two very important sectors of European agricultural economy. Already, some are speaking of "stopping the clocks", whilst others feel that on April 1 it would be better to make do with some less binding enabling acts. Some delay would not be disastrous. The only date of real significance is July 1; taking less notice of April 1 would not mean the end of the whole system.

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What really is important is that the Community should come out of the most difficult negotiations of its history unscathed - negotiations which touch upon the very basis of the common agricultural policy. The regulation of the market for milk products is a fierce burning question whose flames lap around the common agricultural policy and the common market in general.

The milk production situation can be summed up with a few statistics: butter stocks have risen to 150,000 metric tons. If the situation does not change, they will keep rising by 40,000 tons annually. This is the result of a target price which is fixed too high (39pfennig/kilo) and of a price guarantee system that assures the producers a price that is too "attractive". But market intervention, production subsidies and grants for exporting the surplus are all costly items. To begin with, the Brussels experts forecast that the milk products sector would cost FEOGA $450 million a year, a figure which was already appreciable, the overall budget of the "guaranteed" section of the Fund being in the region of $1,400 million. These days, the common market for milk can be reckoned to run at about $1,000,000,000.

Thus we are faced with two problems. The first is of immediate interest - the elimination of the present surpluses. Various approaches will be adopted; for example selling butter at a reduced price in certain sectors of the market, or to institutions, measures which by and large have already been agreed to by the ministers concerned. The second problem is really the one that counts - how in future to strike a balance between supply and demand for milk products, so that the financial burden that the milk market imposes upon FEOGA can be contained within acceptable limits.

It is most important that a reasonable result should be arrived at, for the Six are in danger of running into a catastrophe when next year they embark upon the important negotiations which should result in the finalisation of the rulings on agricultural finance.

This danger, which became apparent at the end of last year as the result of a joint declaration of intent by Herr Strauss and Sig. Colombo, to check FEOGA's mushrooming spending, did not pass unnoticed by Sicco Mansholt, the vice-president of the Commission. His thesis is difficult to deny. But the prices policy must be limited by the realities of financial availability - what money the individual countries are willing to contribute. The Six must now concentrate on getting rid of the obsolete structures which still exist within European agriculture. Small farms are destined to disappear at an ever-increasing rate. But how can this trend be encouraged? The most effective way is through the price mechanism: the target price must be pegged for a certain period of time and intervention must no longer be related to this price. The price which the producer can get for his goods will drop, and only the profitable undertakings will be able to continue trading.

France, Belgium and Luxembourg are unable to accept this thesis . The first two have not the means to carry out redeployment schemes for a large number of peasants within a short period of time. Italy, as well, refuses to take this step. She feels she is not responsible (and this is quite true) for the present butter surpluses, and as a result she should not be penalised in any way, either financially or technically. Nor can Germany accept a drop in prices or the elimination of small farm undertakings. Furthermore, she cannot countenance an increase in the cost of running FEOGA, as she already accounts for more than 30% of total contributions. And then there are, of course, the Dutch. Their agricultural undertakings are vast, their prices very competitive. Thus the Commission's proposals are ideally suited to them.

This is a tricky situation, but a formula put forward by Bonn could lead to its solution: the application of the national quota system for production. Nothing could be further from the ideals of the Common Market. Unfortunately, the Six have already employed this system for the sugar market, since the interests of the individual countries were inexorably opposed.

Such a system would at the same time enable the existing price mechanism to be retained, without threatening the small farmer; it would limit FEOGA's expenditure and allow Italy to boost production (as happened when the sugar production quotas were fixed). It may well be the only solution politically acceptable, in that it would enable the major problems to be side-stepped, especially the final date-line for the common agricultural policy. But it does tend to may scant attention to the social aspects of the question for, as Dr. Mansholt is always stressing, the problem is not to preserve the small family farms, but to save the farmers' families. The other important aspect it seems to skate over is the Community's world role, where the problem of food supplies is becoming daily more urgent.

The national "quota" solution for dairy production would furthermore be a major exception to Community principles, even more so than their use for sugar. One would hope that the Six might be able to make enough concessions to find a compromise solution to the negotiations, in accordance with the principles they adopted in 1958. Unfortunately the present atmosphere is not encouraging.

Another fundamental principle of the EEC - the Community preference - is threatened by the common market set-up for beef. There can be no doubt that the medium-term solution to the dairy problem is to switch milk production to meat, a commodity which the Six lack. Farmers must then be encouraged to produce meat, and this requires a price-support structure. The West Germans are opposed to this, naturally enough, on financial grounds. Furthermore, the producers must be able to sell their meat within the Six, which in turn means that the Community preference system must be effectively applied. But Italy would have to drop her special import regime under which she has benefitted for a good number of years, whilst West Germany must accept that Denmark should be treated as a non-member country.

The introduction of the beef and dairy products common market organisations means that nearly 90% of the Community's agriculture will be operating under an integrated system. But it is essential that such an important step forward by the Community should not turn out to be a massive blunder.

* * *

SOCIAL

Human Resources in the Community

The latest labour force statistics published by the OECD cover the period 1956-1966, and apart from giving, in themselves, an indication of how the demography of the EEC (here compared with Britain) has developed, they add another facet to the "Community at a glance" figures that have been emerging in recent weeks. The statistics, of course, cover all 21 OECD member countries, but in Table I, below, are extracted those for the EEC and the U.K. (see also No 440, Studies & Trends, for consumer spending, and No 446, Studies & Trends, for general industrial and financial statistics).

I - DEMOGRAPHY: THE SIX & BRITAIN

	Belgium	France	Germany	Italy	Luxembourg	Netherlands	U.K.
Area (sq.km.)	30.5	551.2	248.5	301.2	2.6	33.6	244.0
Agricultural Area	16.6	342.3	140.7	204.4	1.4	22.6	197.1
Tillage	9.4	207.7	82.7	153.0	0.7	9.7	75.0
Population (1,000)	9,528	49,400	59,638	51,962	335	12,455	54,896
Density per sq.km,	312	90	240	173	129	371	225
Total Employed (1,000)	3,603	19,456	26,601	18,708	140	4,425	25,538
of which: (%)							
Agriculture	6.0	17.6	10.8	24.9	12.9	8.5	3.4
Industry	45.3	40.8	49.3	40.7	45.9	42.8	47.2
Other	48.7	41.6	39.9	34.4	41.2	48.7	49.4

*

II - LABOUR FORCE DISPOSITION - EEC

		Total Population	Total Labour Force *	Civilian	Agriculture (in forestry etc)	Industry	Other
INDEX:	1956			100	100	100	100
	1966			103	67	112	118
MILLIONS:	1956	165	76	71	17	19	15
	1966	183	76	73	12	32	29

* Includes military personnel and unemployed.

E.I.B.

The European Investment Bank has just concluded two loan operations totalling $50 million.

The first operation has been carried out in the form of a private loan of a nominal amount of Dm 100 million (25 million units of account) placed through the intermediary of Bankhaus Heinz Ansmann, Düsseldorf. This loan has a term of 12 years, bears interest at the rate of 6.5% per annum and is redeemable at par in 10 equal annual tranches, from February 15, 1971, onwards.

The second operation was in the form of a bond loan of a nominal amount of US-$25 million (25 million units of account). This loan has been underwritten by a consortium set up at the initiative of the Banca Commerciale Italiana and composed also of Lazard Freres & Co, New York, the Banque de Paris & des Pays-Bas pour le Grand-Duche de Luxembourg and the Banque Internationale a Luxembourg SA.

The bonds, with a maximum term of 12 years, bear interest at the rate of 6.75% per annum. They will be offered to the public at the price of 98%. The loan is redeemable at par in 10 annual tranches from March 1, 1971, onwards. Application for quotation of the bonds will be made to the Luxembourg, Milan and New York Stock Exchanges. The net proceeds of these two loans will be used by the European Investment Bank for its general lending operations.

VIEWPOINT

CHOOSING A FUTURE FOR THE WORLD

by

Robert Lemaignen

"Together We Stand, Divided We Fall"

Part II

The Wrong Answers

1) Force

Here, again without getting sidetracked by hypocrisy, we should examine the richer countries' policy and means of defence "to the last ditch". Many in their heart of hearts tend to get lulled into the illusion that technological superiority means also military superiority, and that the nuclear threat will suffice to contain the rancour of hungry, ill-equipped warlike factions. It was this notion that inspired the non-proliferation quest, but we might well speak of this now in the past tense, as proliferation is with us, and there seems to be not much hope of restricting the spread of atomic weapons.

We have already said that it would be wrong to tackle the problem from such a standpoint: the abuse and even the use of violent methods each day illustrates just what tenuous results we can expect from them, and also shows how difficult it is, in world where solidarity is increasing and people in general are better briefed, to apply this sort of method at all. There are those, perhaps, who regret that we have come to such a pass - but what reasonable man could now wish for the threat and the use of military superiority to establish unassailably the privileges and material prosperity of the minority which enjoys a high standard of living?

2) Aid

The second solution, stop-gap bargaining, is already being applied, but we have already shown that its lack of coordination and its inadequacy will steadily increase, as the standard of living gap widens. Indeed, by plundering some 60% of the GNP of poorer countries for the repayment of loans, this so-called aid may well serve completely to ruin the least strong of the borrowers. This is hardly the best way of going about the task of appeasing the universal revolt of the proletarian countries.

To avoid this catastrophe, we have a third recourse, which is a vast, munificent, but above all well-organised world-wide effort to stamp out poverty. This will not be easy, and to many of those who would have to pay the lion's share in supporting the task, it may even appear totally unacceptable - until they make a true and honest assessment of the threat, in the medium term, to their own, growing prosperity.

III

What is Needed and What Can Be Done

1) Effective Multilateral Aid

The study and provision of a coordinated and rational aid programme for the poorer countries by their rich counterparts is no pipedream. Existing international organisations such as the OECD, the DAC and the FAO maintain up-to-date files, and by now have a considerable knowledge of the main problems. In Brussels the EDF has shown during the past ten years that an effective and well-managed multilaterial aid programme is feasible.

If all these efforts sometimes appear inadequate, it is because they are often impeded and even blocked by the donor countries. This is because the governments involved are wary of imposing on their tax-payers a sudden increase in aid - an increase which compared with 1966, would mean a twofold rise for France, Italy and the Benelux, or four times as much from the USA, West Germany, Japan and the Scandinavian countries. Again, they may have tended to pursue bilateral projects, as these can be used as a political lever. However, the coordination and methodical control of such aid could not only help existing aid programmes produce more worthwhile results, but also progressively diminish the needs of the recipient countries, as they approached their economic "take-off" level. In the food sphere, in particular, a rational organisation of aid would probably result in considerable savings.

Again, financial aid should come, not annually, but as part of an overall long-term financial investment programme, enabling the recipient countries to carry out projects more effectively. The Yaounde associates of the European Community are more than likely to make such a request when the Convention comes up for renewal at the end of 1968.

Under the heading of aid, it is important to distinguish between the two basic forms, loans and grants. The Yaounde Convention goes some way towards this. Broadly speaking, beneficiary states would agree that aid from the richer countries should be split into these two categories: grants for those whose economies are too weak for them to be able to repay the debt within normal time limits, and loans to countries whose own capital resources are not equal to the basic investments needed for establishing a productive economy. Govermental action is required, because of the scale of these investments and the apparent unwillingness of banks and financiers in the rich countries to run the risk of dealing with developing countries. Obviously the overall aim must be for local investors to replace this foreign capital at a later date, and in fact this is what most political leaders in the third world have set out to achieve.

Finally, aid must include a trade policy aimed at strengthening the economies of developing countries, instead of leaving the prices paid for their products subject to the so-called effects of the market economy, which in fact is totally at the mercy of importing governments.

. . . .

This was evidenced in the recent troubles besetting the International Coffee Agreement, created by the American instant coffee giants, who tried to prevent or at least limit as far as possible, imports of instant coffee made in the producing countries. This attitude moreover, was supported by the Federal Government, even while it was talking of "Trade not Aid", whereby the developing countries should be helped to change their economies through increased food exports at prices which would boost the value of their foreign sales.

2) Aid in Two Guises

A properly thought out aid programme would also abolish consumer taxes levied on tropical products, since these are vestiges of archaic economic principles, having the effect of taxing the poor producer rather than the well-off consumer. In West Germany, for instance, the consumption tax levied on coffee brings in more than the total German contribution to the European Development Fund. No doubt an out-and-out abolition of such taxes would cause some difficulties for importing countries; but in an excellent article published recently (1) Developpement et Civilisation, no 32, Decembre 1967) Andre Philip suggests that rather than abolish the tax there should be some form of rebate paid to the producers.

Obviously, this would demand considerable financial sacrifices from all the importing countries. In those cases where there was competition between agricultural products, direct or indirect such as ground nuts against colza and sunflower, farmers in the rich countries would suffer, and in some cases - such as suger - might well have to switch production. Similarly, the abolition of protective tariffs in the rich countries against industrial imports from the poor countries, as these gradually become more competitive, will also cause increasing difficulties within the former, from industrialists financing industry, to workers whose purchasing power will be cut, because of increased competition and higher food prices. Govermental budgets, taking 50% of industry's profits, will also suffer.

These two facts will never be digested in time by enough of the people who matter: a fairer share of prosperity is the very key to the world's survival; even though the scope and size of the readjustment they must make will be very hard to accept at first, this must nevertheless become a major objective of those who already enjoy a comfortable existence.

3) The Need for Guarantees

The value of such an effort by the industrialised nations will only make sense and be acceptable to them if the beneficiary states recognise it as such and try to amplify it with the means at their disposal.

As we have already seen, the political factors governing the emergence of new states compel their leaders to conduct their relations with their former colonial rulers and the rest of the industrialised nations with extreme caution.

The struggle for independence and the various and vague promises that go with it force these leaders to adopt attitudes that nips any demonstrations of neo-colonialism in the bud. It should not be forgotten that most of these leaders have been nurtured, almost compulsorily, with Marxism in our universities. If Marx were to look at the situation he would probably be somewhat puzzled by the transposition of his theories, based largely on the industrial civilization of the Second Empire, to agricultural economies many of which are yet to rise above parochialism. This becomes less surprising when we appreciate how impossible it is to adopt a completely capitalist approach in an economy which lacks both capital and technical and business experts. It is therefore understandable that the economic leaders of the developing countries should oppose any return to a situation where the financing country systematically repatriates the maximum amount of gross profits achieved locally. Such a system makes it more difficult to establish a national capital market which one day - probably in the distant future - might assume the role played by foreign investment.

The industrialised nations may, however, legitimately ask those whom they help for an investment code to be drawn up - and respected. This would deal with the question of conflicting needs: the foreign investor should be able to repatriate sufficient funds to service and maintain the capital for which he is accountable, whilst the emergent nations must be able to glean sufficient returns from the economic activities so stimulated to have a real chance of establishing a national capital market of their own.

Certain other things are incumbent upon the nations receiving aid: the establishment of an effective, coordinated and honest administration; examples exist to prove this is not impossible. At the same time, the pursuit of shadowy political aims, likely to result in unrest and a resurgence of tribalism must be abandoned. It is a hard enough task to get the industrialised nations to make the necessary sacrifices and the outcome even then can be uncertain, but if the recipient country so conducts itself as to call in question its competence to handle aid, then failure of the scheme is almost certain.

Developing nations must try to work together to overcome geographical disadvantages - often arising out of arbitrary decisions by former colonial powers - to ensure that any aid given will be put to the most effective use. Obviously great care must be taken when political structures enter the picture, but one has reason to hope that sufficiently large and balanced economic groupings will steadily grow and form the basis of viable, modern economic units. These would greatly facilitate the concerted development of basic utilities. In fact this process has already started in several regions and continents, but naturally enough it has run into serious opposition from nationalist and tribal elements.

. . . .

Furthermore, for external aid to be effective, economic principles must be used as generously as possible, so as to ensure markets for essential raw materials. Over the years considerable efforts have been made to this end, and attempts at co-ordination by producers seem to be bearing fruit: both coffee and cocoa look now like escaping from the capricious fluctuations of the speculative futures market. But much remains to be done in this sphere, and it is up to the producers to improve matters for themselves.

Lastly, the poorer countries should try much harder to intensify trade between themselves. At present the volume of this accounts for only 20% of total exports. This will be a long haul, involving the coordination of industrial and agricultural production within the whole of the Third World, ordered by its leaders and accepted by its peoples. Although this may seem a far distant goal, at least it should be borne in mind during UNCTAD's New Delhi Conference.

4) Getting Things Straight

Apart from these general principles, it would be as well to clear up a number of misunderstandings arising from theories not completely grasped.

a) Private Aid

First of all, I would like to point out that for me the official definition of "private aid" to developing countries has no meaning.

The mis-use of this term has probably grown up through hypocrisy. When in 1958 the international organisations got the industrial doner countries to list with the Development Assistance Committee the amount they gave, each country - and especially the meaner ones - tried to boost their respective amounts of assistance by including private investments made by their nationals in developing countries. For example, the sudden rise to the top of the private investment list of major petroleum complexes on the Red Sea was scarcely likely to have stemmed from an interest in the living standards of the local populace.

In a capitalist regime it is not possible to have "private aid" to developing areas; those in charge of companies can only use the funds they control for profitmaking investments. Such help can almost certainly contribute to raising the tempo of economic activity in the host countries, as well as encouraging investment, whilst economic policies can be used to direct private investment towards overall aims. But the decisive factor is the expectation of a reasonable return. Most would agree that private investment should help to develop local economies, but that these should be lumped in with national aid programmes seems wrong.

....

b) Multilaterial Aid

Another area for confusion is found in the use of the words "multilateral" and "bilateral", since aid given under these two headings can have many different forms. To start with, multilateral aid is normally considered to be that given to developing nations by international organisations, ranging from grants by the European Development Fund - EDF - and the UN Special Fund to aid from international banking organisations, which in turn cover anything from "soft" loans to loans governed by what are virtually normal banking conditions.

The EDF is a special form of multilateral aid organisation, operating on a community rather than on a world-wide basis, and it makes its grants or loans in differing ways. It is worth repeating here that this seems to be the procedure best adapted to the business of giving aid, by virtue both of its consistency, and the way it is conducted.

There are many other forms of multilateral aid, combining both public and private aid, and which have the advantages of multilateral aid proper - lack of, or at least diminished political influence, and a wide range of financial help and technical assistance. At the same time, these avoid the cumbersome administrative apparatus of international organisations. In fact this approach has proved so successful that certain European countries, which support bilateral rather than out- and-out multilateral efforts, feel they are not betraying their principles in giving aid through collective assistance groups, with members from several nations.

Similarly, bilateralism has a number of facets: few would criticise some of these such as aid given to countries speaking the same language, the "communauté linguistique", as is the case with France and her former colonies. However, total bilateralism, aimed at preventing any other external aid, and often accompanied by "tied" aid, to be used in the currency of the lender state is often thought to be the generator of political strife, akin to neo-colonialism.

c) Aid from the Socialist Countries

Having stressed the dangers of too loose an application of the terminology of aid, we will not quickly discuss contributions from the Socialist states. Already their attitude has undergone some significant changes.

To start with, the approach taken by the Socialist states was obviously governed to the theories of Marxism-Leninism, and attacked capitalism for its colonial exploitation. The gradual disappearance of colonialism and the growing awareness in Moscow of the enormous resources required however, has led the Socialist states to adopt an aid policy not greatly different from that of the capitalist countries.

Although political considerations certainly subsist as an important secondary factor, the overall considerations are now economic. Indeed, there are now very real prospects of technologists from East and West collaborating on major development schemes in the Third World.

Chinese contributions to development projects have sometimes been both ambitious and dynamic. Their efforts to improve agricultural production have often been successful, although politically their help may have occasioned unrest, especially where the quality of their leadership, and the numbers deployed have risen to a significant level.

Deep-set racial differences however, soon clouded the issue. The African, especially, is a pragmatic person, reasonably set in his ways, whilst the internal troubles of the Middle Empire have hardly helped to assure the successful completion of many projects.

- To be Continued -

BELGIUM	METALLURGICAL INTERNATIONAL/PLANICHIM metal powder plant	E
BRAZIL	DORNIER to assemble light aircraft, helicopters and amphibious craft	B
EUROPE	SIGNAL OIL takes over OCCIDENTAL's European distribution network	O
FRANCE	TOYO KOGYO's "Mazda" cars to be distributed by FRANCE MOTORS	B
	ALBRIGHT & WILSON to build organic chemicals factory in N. East	D
	WESTINGHOUSE forms assembly and sales subsidiary in Paris	F
	PENHOET-LOIRE/BABCOCK & WILCOX/FIVES-LILLE-Cail: new links	H
	IMPHY and S.F.A.C. engineering to merge manufacturing interests	K
	BISBUITERIE NANTAISE (General Mills) links with JOSEPH WOLF	N
	SCHWINDENHAMMER paper links with PAPETERIES DE FRANCE	P
	U.S. GOODRICH-Dutch AKU joint subsidiary takes over POLYPLASTIC	Q
	WALLAERT, FREMAUX and REYNAERT & BRABANT textiles merger	S
GERMANY	HENSCHEL FLUGZEUGWERKE is sole agent for PIPER AIRCRAFT	B
	DEMAG buys 50% stake in ANKERWERK NURNBERG	I
	SELAS, pre-war U.S. subsidiary of SCHLEBER takes over same	J
	U.S. YARD-MAN garden tools links with WOLF GERAETE	J
	LONDON GIRL-KOCH is sole EEC manufacturer of "Twiggy" garments	S
ITALY	CEMENTATION, Croydon, and subsidiary form Lire 1 m. company	C
NETHERLANDS	REYNOLDS buys ALUMINIUM EXTRUDERS from Canadian KRUGER	I
	RAAK (VAN HOUTEN - GRACE group) to build soft drinks plant	M
	NEDERLANDSCHE LLOYD insurance group in major reorganisation	N
	GETTY OIL and HALCYON LIJN link in rig-supply venture	O
	U.S. AUERBACH, EDP consultants, link with BAKKENIST, SPITS & CO	R
	AMERICAN EXPRESS, Dutch and German transporters' container scheme	T
SWITZERLAND	PFEIFFER & BALZERS, vacuum processes, form joint subsidiary	F

CONTENTS

ADVERTISING

** MEYERCORD ITALIANA SpA, Milan and Oltrona di San Mannette, Como (transfers and stickers for advertising and decoration), has appointed as its Belgian representative a new firm called SODECOR BELGIUM Sprl, St-Josse-Noode, Brussels (capital Bf 250,000). Half the capital is held by Sig. F. Cicogna, Milan, and the new company has taken over the "OFFICE DE PUBLICITE GENERALE" branch of L. Kouyoumdjisky, Auderghem, which holds over 50%. Until now the owner of the latter company, Mr. L. Kouyoumdjisky, was the Milan firm's Belgian representative.

AEROSPACE

** The German aircraft manufacturer DORNIER GmbH, Friedrichshafen (see No 430) intends to set up a manufacturing subsidiary in Brazil. It will invest some 80 million Cruzeiros in building a factory to make light aircraft, helicopters and amphibious vehicles.

Dornier's main interests are Dornier International GmbH, Munich, Dornier Reparaturwerf GmbH, Oberpfaffenhofen, Dornier-System GmbH, Friedrichshafen, and Lindauer Dornier GmbH, Lindau.

It holds a licence from the American firm Hughes Tool Co, Culver City, California, for the construction of helicopters, and markets in West Germany the "Beagle B.206" and "Beagle Pup" made by the British firm Beagle Aircraft Ltd, Shoreham-on-Sea.

** The German aircraft company HENSCHEL FLUGZEUGWERKE AG, Kassel (capital Dm 2 m. - a member of the Essen steel group RHEINISCHE STAHL-WERKE - see No 444) has been appointed general West German agent to the American company PIPER AIRCRAFT CORP (see No 268). The Kassel company has some 700 workers on its payroll and an annual turnover exceeding Dm 20 million.

In 1967 the American firm had a turnover of $ 85 million, and its aircraft are already distributed in West Germany by two specially-formed companies, Inka-Air Flugzeudhandels GmbH, Bielefeld (set up in 1964) and Piper Flugzeug-Verkaufs GmbH, Hamburg (set up in 1967). The whole of its European sales interests are co-ordinated by its Geneva subsidiary Piper Aircraft International SA.

AUTOMOBILES

** The Japanese motor manufacturer TOYO KOGYO CO LTD, Hiroshima (see No 430) has signed an agreement with FRANCE MOTORS SA (see No 406) with the aim of marketing in France the Japanese company's "Mazda 1500" Saloon, and later on its 110 h.p. "Mazda Cosmo-Sport", powered by a rotary engine.

Toyo Kogyo Co Ltd is Japan's third largest producer, and in 1967 was responsible for 12.3% of production, with a total of 388,323 vehicles including 129,051 private cars. It has already signed agreements for the sale of its "Mazda" cars in the Benelux countries and Switzerland.

BUILDING & CIVIL ENGINEERING

** British interests represented by Messrs. Gordon Mills, West Hythe, Kent, have backed the formation at Amiens, Somme, of GORDON MILLS FRANCE SA (authorised capital F 100,000).

This will exploit quarries and sites, and import and sell building equipment.

** The British civil engineering group THE CEMENTATION CO LTD, Croydon, Surrey (see No 348) has enlarged its interests in Italy, where it is a shareholder in SACOP-CEMENTATIONI PER OPERE PUBBLICHE SpA, Rome, by forming CEMENTATION ITALIANA SpA (capital Lire 1 m.). Control is shared with a Croydon subsidiary Cementation Co (Subsidiaries) Ltd.

** BETONMORTEL ZOUTKAMP N.V. Groningen (capital Fl 200,000) has been formed as a joint interest by three Dutch building materials firms MEES' BOUWMATERIALEN N.V. (see No 379) through its holding company MEBEMO N.V., Groningen, EERSTE LEEUWARDER MORTEL ONDERNEMING N.V., Leeuwarden, and SIEBESMA & VAN DER VEEN N.V., Groningen. The new venture will manufacture and trade in building materials, especially mortar and cement, and its board includes Messrs. Martinus J. Rees, Henri van den Belt and Oebele van den Veen.

Mees' Bouwmaterialen N.V. was formed in September 1967 on the premises of its Emmen subsidiary Mees' Service Groep N.V. whose purpose is to supply and install aluminium, plastic and asbestos cement coverings and partitions.

** The Dutch building materials concern, CEMENTWARENINDUSTRIE & BOUWMATERIALENHANDEL CEMENTBOUW N.V, Heemstede, which is under Messrs. Adrianus G. and Michael H. Van den Poll, has backed two new companies set up in Antwerp.

The first one, CEMENTWARENINDUSTRIE & BOUWMATERIALENHANDEL CEMENTBOUW N.V. (capital Bf 2 m.) is its 70% subsidiary, the balance being held by its affiliates, N.V. Leidse Betonmortelcentrale of Leiden, N.V. Zand- & Grintexploitatiemij. "Holland" of Oosterbeck, N.V. Arwo-Deventer of Deventer and N.V. Amsterdamsche Bouwmaterialenhandel, of Amsterdam. The second named firm, HEEMSTEDS EXPEDITIE BEDRIJF HEEMEX-BELGIUM NV (capital Bf 1 m.), under Mr. Berendonk, is concerned with the transportation of merchandise as well as the running of a fleet of boats, machines, tools and plant of various kinds. The chief shareholder of the firm is Heemsteds Expeditiebedrijf Heemex N.V. (with 70%); the balance is held by an association of six people, including Mr. Michael H. van den Poll.

** The Liechtenstein holding company, EUROLAND AG FUER EUROPAISCHEN GRUNDBESITZ, Vaduz, has sold its 51% holding in the West German property company CONTRACTA GESELLSCHAFT FUER AUSLANDBESITZ & CO, KG, Stuttgart (see No 423) to the American GULF AMERICAN CORP. of Miami, Florida. The Stuttgart concern, whose 1967 turnover reached something in the region of Dm 90 million, specialises in the sale and development of land in various tourist areas (and especially in the Riviera, Ireland, the Bahamas, Madeira, the Alps etc) and the construction of fully-furnished holiday homes. Under Herr Rudolf Ratzel, the firm acquired a 50% interest in the Baden-Baden air charter company, Sudwestflug GmbH (see No 327) but it sold this interest in 1967 to the Ravensburg textile concern, Goetz AG, Ravensburg.

Founded in 1967, the American company (see No 449), whose chairman is Mr. Leonard Rosen, employs some 4,000+ people in the United States in property promotion, the construction of industrial premises and the running of motels and restaurants. Its main subsidiaries (100%) there are: American Insurance Agency Inc., Andrew Hotel Corp., Cape Coral Realty Co. Inc., Homeowners Title Co., Modern Air Transport Inc., Parkway Mortgage Co. Inc. etc. In Europe, the company already had a subsidiary in West Germany (Frankfurt), and is in the process of opening up a branch in Rome and a subsidiary in Paris to sell land in California.

CHEMICALS

** The London and Oldbury, Birmingham chemical group ALBRIGHT & WILSON LTD (see No 446) plans to extend its Common Market manufacturing interests to France, and is about to form a company there called MARCHON FRANCE SA, which will be sited in the North-East, and will produce organic chemicals for cosmetics and detergents, as produced by the Whitehaven, Cumberland subsidiary MARCHON PRODUCTS LTD (see No 310).

Marchon makes esterification catalysts, solubilisers and surface agents (trademarks, Empicols, Empilans, Empiwaxes, Nansa Eltesols etc), and for some years has had a manufacturing subsidiary in Northern Italy, Marchon Italia SpA, Castiglione delle Stiviere, Mantua, which since 1965 has had two sister companies: Multichem SpA and Cambria SpA. In Italy, the British group also owns Leo Italiana SpA, which is directly controlled by its subsidiary, Leo Lines Ltd.

** The Belgian paint and varnish group STE DES USINES GEORGES LEVIS SA, Vilvoorde, has extended its Common Market interests with the formation of an Italian subsidiary LEVIS SpA (Lire 50 m.). The directors of the new venture are MM. J.B. Levis and J.G. Hofeditz.

The Belgian group has grown out of a family concern formed in 1830 and its president M. G.Levis (also president of the Association of European Manufacturers of Paints and Varnishes) and it makes paints and enamels for the motor, agricultural machinery, refrigerator, metal furniture and packaging industries. It already has subsidiaries in the Netherlands and France, (Ste des Peintures Techniques, Bornel, Oise) and intends to form another in West Germany in the near future.

** AMERICAN POTASH & CHEMICAL CORP, Los Angeles (see No 359 - a recently acquired member of the KERR McGEE, Oklahoma City group) has extended its French interests by linking on a 25.4% basis with the Dunkirk firm G. FERON-E DE CLEBSATTEL & CIE SA (see No 306) to form SILOBOR SA (capital F 250,000). This will trade in chemical and mineral products.

The founder is represented in Paris by Ets. G. Devineau SA, whose president M. S.Michel Seguin occupies the same post in the new company. It is also linked with the Ugine Kuhlmann SA group (see No 447) in Ste Europeenne du Bore-Seurobor SA.

** The Rotterdam company trading in chemical and petroleum products VITOL N.V. has formed a Swiss subsidiary VITOL TRADE CO ZUG AG, Zug (capital Sf 100,000) with M. Hendrik Vieter, Rotterdam, as president. The founder was itself established in 1966 with a capital of Fl 100,000 and also has a Rotterdam sister company Vitrop N.V. (capital Fl 100,000).

** The New York company KING-CRODA INTERNATIONAL CORP. has established its first Common Market subsidiary KING CRODA BENELUX SA, Verviers, in Brussels. With a capital of Bf 1 million and under M. Leon J.A. Huyner, this will manufacture and sell petroleum derivatives in Belgium and elsewhere.

** A factory is to be built at Ath, Hainaut, to implement a link-up made in 1967 (see No 414) between the Brussels co-operative PLANICHIM - STE BELGE DE PROGRAMMATION CHIMIQUE S.C. and the American group METALLURGICAL INTERNATIONAL INC, Passaie, New Jersey. The new plant will be the only one in Europe using a licence held by the American firm for a pulverisation process that keeps the material treated free from oxidisation, chemical change and contamination.

The new plant will come into operation early in 1968, and be of equal capacity to installations existing in Wallington and New Shrewsbury, New Jersey, which make "Coldstream" powdered metal (sold especially in Scandinavia by the Axel Johnson group of Stockholm). It will carry out this "micronisation" work on material for the motor, aerospace, machine-tool, office equipment, electrical and electronic industries. There are two other parent companies, both Belgian: La Floridienne SA, Brussels (of the group Union Financiere d'Anvers - Bufa NV), which makes ferrocyanides and zinc sulphates, and Socotroisem - Ste Commerciale des Mines, Minerais & Metaux SA, Brussels (see No 401), which is indirectly controlled by the groups, Ste Generale de Belgique SA, Brussels, and Rothschild SA, Paris.

ELECTRICAL ENGINEERING

The Dutch manufacturing and sales company for electrical and electronic equipment J.C. STUIFMEEL-ELECTROTECHNIEK v/h PH. J. SCHUT N.V. Amsterdam (capital F 100,000) has opened a Brussels branch under M. Franciscus G. Winters.

** The American electrical engineering and semi-conductor plant manufacturer, TEKNIS INC, Plainville, Massachusetts, has formed a company called TEKNIS A. METZELER & CO GmbH, in Munich, with Dm 20,000 capital to sell electrical equipment to industry. The manager of the new firm is Herr Alfred Metzeler.

Since the end of 1966, the parent company has had an interest in Milan, Teknis Italia SpA (director M. Mainardi), and in London it is linked with Techna (Gt. Britain) Ltd.

** The Dutch importer and sales company for electrical (lamp bulbs and injection pumps) and aeronautical equipment, N.V. HANDELMIJ. TRANSMARK, Bussum, has formed an almost wholly-owned subsidiary in Antwerp. A token shareholding is held by its affiliate N.V. Industriemij. Transmark, Bussum, with a capital of Bf 1 million and with the founder's director Mr. Eric Harmsen as president, the new company will import, manufacture and market pumps, vehicle spare parts and lubricants.

** Messrs. Ralph Douglas and Rex C. Whitnack, Geneva, are respectively president and managing director of CIE WESTINGHOUSE ELECTRIQUE SA (capital F 100,000) the newly-established Paris subsidiary of the 19th largest company in the world, WESTINGHOUSE ELECTRIC CO, New York (see No 423). It will sell and assemble all types of equipment used in the production and distribution of energy.

The American group has a Geneva subsidiary WESTINGHOUSE ELECTRIC INTERNATIONAL SA (see No 426) which is responsible for running its European operations. It has branches in Milan, Bonn, Madrid, London, Stockholm and Frankfurt. Existing French interests include Ste de Modernisation Industrielle- S.M.I. SA (formerly Westinghouse Electric Europe SA - see No 354) and it also has majority interests in Cie des Dispositifs Semiconducteurs Westinghouse SA, Le Mans, Sarthe and Villeneuve-la-Garenne, Hauts-de-Seine (see No 396), Ste des Ascenseurs Artis-Westinghouse SA, Villeneuve-la-Garenne and Ste de Developpement Westinghouse-Schneider SA, Paris (see No 360).

ELECTRONICS

** Further to the links established between them in June 1967 (see No 415), the German ARTHUR PFEIFFER HOCHVAKUUMTECHNIK GmbH, Wetzlar, and BALZERS AG FUER HOCHVAKUUMTECHNIK & DUENNE SCHICHTEN, Balzers, Liechtenstein, both of which are vacuum processes companies, have now formed a joint Swiss subsidiary at Trübbach, Wartau, called Hochvakuumtechnik Balzers & Pfeiffer AG (capital Sf 50,000). Already, the two had jointly formed Balzer Pfeiffer SpA in Milan (see No 420).

Abroad, the German company has a subsidiary of its own in London, Pfeiffer Vacuum Engineering (G.B.) Ltd, formed in January 1966. The Liechtenstein company, on the other hand, holds shares in the French firms, Balzers Couches Minces SA, Meudon, Hauts-de-Seine (formerly Ste Francaise d'Application des Procedes GAB - Sagab, Paris) and Balzers-Siden SA, Meudon (formed in October 1967 with Siden - Ste Industrielle de Developpement Electronique & Nucleaire SA, Paris - see No 435); in the USA it is linked with the Detroit group Bendix Corp (see No 425) in Bendix Balzers.

** The Swiss company MAGNETOVOX ELECTRONIC SA, Geneva, which is run by M. Theo Gerber, has set up at Ferney-Voltaire, Ain, a sales subsidiary called Magnetovox Electronic France Sarl (capital F 20,000). The founder specialises in importing and exporting - especially from the United States - recording equipment and television and radios.

Other firms to establish themselves at Ferney-Voltaire, Ain in recent months include the Panamanian finance group I.O.S. (headed by M. Theo Gerber - see No 447) as well as the American electronics group Control Data (see No 424).

** The Munich electronics firm ROHDE & SCHWARZ KG (see No 421) has backed the formation in Belgium of ROHDE & SCHWARZ BELGIEN Sprl, Empen. The capital of Bf 250,000 is shared equally by two of its partners Herren Lothar Rohde and Hermann Schwarz. The new company will manufacture, service, import, export and market electronic and telecommunications equipment.

The German firm has had a Paris subsidiary, Rohde & Schwarz France Sarl since the summer of 1965 and another in Milan, Rohde & Schwarz Italiana Sàrl, (capital increased to Lire 90 million in 1966 when it took over Soc. Generale Di Roje & Co Sas, Milan).

** The Swiss wrapping and packaging materials and electronic components insulation concern, CELLPACK AG, Wohlen, Aargau (president M. Marcel Dreifuss - capital raised in 1967 from Sf 0.8 to 1.2 m.) has formed a manufacturing and sales subsidiary in West Germany called Cellpack GmbH, Tiengen, Hochrhein, with Dm 1 million capital, and Herren Max Egolf and Hanz Merz as managers.

ENGINEERING & METAL

** The Swiss ELCO OELBRENNERWERK AG, Vilters, St.Gall (oil and gas burners, and woodworking machinery - see No 444) has strengthened its interests in Belgium, where it already has a manufacturing establishment, by forming a company at St-Gilles, Brussels, called Elco Belgium Sprl (capital Bf 1.25 m.) to sell, service and assemble burners.

The Swiss company is headed by Herren Hugo Loosler and Alex Loosler, and has a factory at Velsen in the Netherlands, where in 1967 (see No 411) it formed a subsidiary. It has other interests in France (Montreuil-sous-Bois); West Germany (Cologne, Hamburg and Ravensburg), Austria (Götzis) etc.

** The American group LEESONA CORP, Warwick, Rhode Island, has opened a Milan branch to its French subsidiary LEESONA SA, Romainville, Seine-St-Denis, under Signor Renato Aghuon. Recently it signed a reciprocal technical co-operation agreement with an Italian precision engineering firm for equipment in the textiles and electrical industries KINOMAT CINEMATISMI AUTOMATISMI, Bollate-Baranzare, Milan. The latter is headed by Signor G. Carmardella.

** OERLIKON ELEKTRODENFABRIK EISENBERG GmbH, Eisenberg, Pfalz, the West German subsidiary of the Swiss engineering group WERKZEUGMASCHINENFABRIK OERLIKON BUERHLE & CO, Zurich (see No 430) is the 90% majority shareholder in the newly-formed Belgian concern OERLIKON -SOUDURE NV, Saint-Stevens, Woluwe (capital Bf 30 million). The remaining interest is held by HOLDING INTERCITO SA, Panama, and the new venture will deal in import, export and market welding equipment. It is run by M. Fernand Jamar.

One of the Swiss group's most recent moves has been its link-up with the West German group Dynamit-Nobel AG, Troisdorf - in which it is an 18% shareholder through its holding company Oerlikon-Bührle Holding AG - to build a munitions factory in Malaysia.

** As a result of the recent agreement (see No 427) between CHANTIERS DE L'ATLANTIQUE (PENHOET-LOIRE) SA (see No 447), STE FRANCAISE DES CONSTRUCTIONS BABCOCK & WILCOX SA (part of the London group Babcock & Wilcox Ltd) and STE FIVES-LILLE-CAIL SA, the second firm is becoming an investment company and has made over all its assets - except its standard boiler workers in Cherbourg, which will go to another new concern CHERBOURGEOISE DE CONSTRUCTIONS SA - to BABCOCK ATLANTIQUE SA.

The investment company will be the majority shareholder in the latter, which in turn will have an option to acquire control of the future Cherbourgeoise de Constructions. When the move is completed, Babcock Atlantique will control all the assets of its first two founders in the boiler, nuclear engineering and industrial refrigeration sectors as well as the assets of Fives-Lille-Cail in the boiler and nuclear heat exchanger sectors.

** The Belgian metallurgical group TREFILERIES LEON BECKAERT Sprl, Zwevegem (see No 362) has formed a wholly-owned Brussels subsidiary, BECKAERT ENGINEERING SA (capital Bf 10 m.) which will act as an engineering consultancy for industrial plant and equipment installation problems.

Leon Beckaert is a family-owned concern (controlled by the Velge and Beckaert families) with a capital of Bf 1.62 million. It has four manufacturing divisions in Zwevegem, Woluwe, Aalter and Ingelminster, and has interests - either sole or in association - in four Belgian manufacturing concerns as well as in France (Bourbourg, Nord) and the Netherlands (The Hague). There are also subsidiaries in Britain, Italy, West Germany, Spain, the USA, the Argentine and Venezuela.

** An agreement has been signed in France between the Italian group G.I.M.- Generale Industrie Metallurgiche SpA, Florence (see No 438) and PRODUITS D'USINES METALLURGIQES - P.U.M. SA, Rheims (the main company in the "Rousseaux" group - see No 399) with the aim of marketing non-ferrous metal (mainly brass) products from sheets to pipes, wire and some finished products such as cables. As a result a new firm has been set up in Rheims called PRODUITS METALLURGIQUES CUIVREUX SA (capital F 400,000) in which the Italian side is represented by the Geneva holding company SA.

With M. Max Rousseaux as president, P.U.M. is a 36.16% affiliate of the Ste Metallurgique d'Esperance -Longdoz SA, Liege (part of the EVENCE COPPEE & CIE SCS group - see No 442), a 26.8% to the Rousseaux group and 27.68% to Covepum SA, Gennevilliers, Seine (a joint subsidiary of Esperance-Longdoz and the Rousseaux group).

** The American manufacturer of materials-handling equipment CASCADE CORP. Portland, Oregon (see No 438) has made a subsidiary, called CASCADE FRANCE Sarl, Montmorency, Val d'Oise, of the sales office - since 1964 - of its Dutch manufacturing subsidiary LOUIS JONKER CASCADE N.V., Diemen and Amsterdam (see No 284). The new concern is managed by M. N.Deletang, and has a capital of F 120,000.

The American group is also represented in France by Fenwick Manutention SA, St-Ouen, Seine (part of the Paris group FENWICK SA - see No 397), and has another manufacturing subsidiary in Europe, Cascade (U.K) Ltd, Newcastle-upon-Tyne. In Italy its sales interests are the responsibility of Cascade (Italy) Srl, formed in Milan by the Dutch subsidiary.

** ETS METALLURGIQUES DU RHONE SA, Lyons, is to merge with its 67% parent company (since 1965), LAMINOIRS A FROID DE THIONVILLE SA, Thionville, Moselle, whose president is M. Arsene de Launoit.

The latter (capital F 15.84 m.) is itself the 71% subsidiary of SA Des Hauts Fourneaux De La Chiers SA, Longwy & Meurthe-et-Moselle (see No 405) whose main shareholders are the Belgian companies Cofinindus SA (M. Arsene de Launoit also president), Cockerill-Ougree-Providence SA, Seraing, and Brufina SA, Brussels (president, Count de Launoit).

** The co-operation agreements (see No 446) in West Germany between the heavy engineering group DEMAG AG, Duisburg (see No 448) and the manufacturer of plastics machinery ANKERWERK NURNBERG GmbH,, Nuremberg, (formerly Ankerwerk Gebr, Goller Nürnberg oHG) have been extended with the acquisition of a 50% interest in Ankerwerk Nürnberg by Demag. The Nuremberg firm has some 700 people on its payroll and had a 1967 turnover of around Dm 30 million.

** A close co-operation agreement has been signed between the West German concrete engineering firm GEORG CLAES, Enningerloh, Westphalia, and the mechanical engineering concern PINTSCH BAMAG AG, Butzbach, Oberhess (see No 391). This will enable the latter to expand its interests in the civil engineering sector. It is an 80% interest of the Dutch-Swiss group Thyssen-Bornemisza (see No 437) and with some 4,600 people on its payroll, has an annual turnover exceeding Dm 155 million.

** The American metallurgical group REYNOLDS METAL CO., Richmond, Virginia, (see No 438), having acquired ALUMINIUM EXTRUDERS (HOLLAND) NV, Hardewijk (see No 290) from the Canadian group KRUGER ORGANISATION LTD, Montreal, has changed its name to REYNOLDS ALUMINIUM HOLLAND NV and transferred its headquarters to Amsterdam: the firm's capital has been increased, in order to extend the range of its activities.

The American group recently rationalised its interests in Belgium by having its subsidiary Aluminium Europe -Aleurope SA absorb Metaux Legers & Metaux Non Ferreux SA, Woluwe-St-Pierre.

** Confiscated at the beginning of the war as being property of an enemy power, the manufacturer of ovens, burners, measurement and control equipment for gas, SELAS CORP. OF AMERICA, (Dresher, Pennsylvania - see No 277), now an independent company, is planning to take control of its old parent company, SELAS INDUSTRIE OFENBAU WERNER SCHLEBER of Düsseldorf.

The American company, which has an annual turnover in the region of $30 million, also has a number of licensees in Europe as well as subsidiaries in West Germany - Selas Corp. of America & Neitz GmbH of Heidenoldendorf, in the Netherlands, Selas of America (Nederland) NV of The Hague, and in Switzerland, Selas Corp. of America European Division SA, Pregny-Chambesy, Geneva.

** The Belgian pressed steel radiator concern RADSON RADIATOREN-FABRIEK NV, Zolder (capital Bf 10 million) has formed a West German distribution subsidiary, Radson Heizkörper Verkaufs Gesellschaft Teichmann & Co KG, Lanhenhafen.

** AQUATHERM NV, Groningen (sanitation, gas burners, furnaces etc), a Dutch firm employing some 300 people, has gained control of TECHNISCHE MIJ P.J.F. VAN OEFFEL NV, Haarlem. The latter, formed in 1921, is mainly concerned with central heating, and it employs about thirty operatives. Hitherto, it was owned by the Van Oeffel family.

** The American DURAMETALLIC CORP, Kalamazoo, Michigan (waterproof joints and seals) has formed a West German sales subsidiary DURAMETALLIC GmbH, Sprendlingen, Hesse (capital Dm 100,000) with Herr Harold Vogt as manager. The founder has had a branch in Sprendlingen since 1965 (see No 392).

Elsewhere in Europe the American company has a branch in Britain, (Cheadle, Cheshire) whilst it is represented in Belgium by Ets Henri Benedictus, Brussels, in the Netherlands by Eurostaal NV. Rotterdam, and in Sweden by Specialmaskiner A/B, Gothenburg.

** FRIEDRICH GROHE, ARMATURENFABRIK, Hemer, Westphalia (sanitary plumbing and thermostats for baths, kitchens, ablutions and hospitals - see No 295) has extended its Common Market sales coverage by forming a subsidiary in Rome, Grohe SpA (capital Lire 16 m.) with Herren B. Grohe and G.M. Stiekl as directors.

Friedrich Grohe is a family business, and since 1965 has controlled the Menden, Sauerland ironmongery concern, Schmole & Co: its sister companies are Grohe Thermostat GmbH, Lahr, and Hans Grohe KG, Schiltach, Schwarzwald. Its main foreign interests are Grohe Sarl, Paris (formed in 1961), Ibe Holding Sarl, Geneva, and Cobra Brassware (Pty) Ltd, Luipaardsvlei.

** The American garden tools concern, YARD-MAN INC, Jackson, Michigan (mainly lawnmowers) has made a know-how exchange agreement with a similar firm in West Germany, WOLF GERAETE GmbH, Betzdorf, Sieg. Yard-Man has some 300 people on its payroll, and in 1966 made a turnover of $12 million. Wolf, which has numerous foreign interests (see No 441) has long been linked for marketing with another U.S. firm, O.M. Scott & Sons Co, Marysville, Ohio.

** STE METALLURGIQUE D'EMPHY SA (33.8% affiliate of the SCHNEIDER SA group - see No 422) has signed an agreement in principle with S.F.A.C.-STE DES FORGES & ATELIERS DU CREUSOT SA, Paris (54% subsidiary of Schneider - see No 411), under which the two would merge and pool within one division their plants at Ivry, Pamiers and Imphy, in the case of the former, and at Montchamin and le Creusot for the latter. In preparation for this move, Imphy will from now on be directed by M. Nicolas, director of the second, and this will be run by M. Delpech, vice president and general manager of Imphy.

Both the companies in question have a turnover of around F 500 million, and both are in the two fields of engineering, and small, high-precision steel work. The two already have close co-operation links, especially since 1965, when they set up a jointly-run bar and wire-rolling mill at Imphy. Furthermore, since last year, MM. Fourt and Roques have been joint directors of the two firms. In addition to the scheme in question, Imphy and S.F.A.C. recently acquired a joint holding in Ets Raymond Souris SA, Pantin, Seine-St-Denis, as a result of which Creusometal SA, Gennevilliers, Hauts-de-Seine, sales subsidiary of S.F.A.C. now has the use of the second largest thin and special steels storage depot in the Paris area.

** Two Dutch firms in the transport sector are concentrating their interests. INTERN TRANSPORT GEBR. LANGERAK NV, Utrecht (transport equipment) and L.T.F.- VAN DE LINGEN'S TRANSPORTWERKTUIGENFABRIEK NV, Maarsen (wholesaling transport and materials-handling equipment) are to form NV INTERN TRANSPORT GEBR. LANGERAK & VAN DER LINGEN, Maarsen. 52% of the Fl 1 million capital has been backed by various assets furnished by its founders: it will make and sell transport, materials-handling and packaging equipment. The three heads of the new firm are Messrs. Tennis and Hendrik Langerak and Wilhelmus van der Lingen, who hold similar posts in the founder companies.

** The BILLITON MIJ. group, The Hague (see No 447) has now acquired majority control of H.J. VAN DER RIJN NV, Amsterdam (capital Fl 2 m.). The latter was previously a member of The Hague property group E.M.S. - EXPLOITATIE MIJ. SCHEVENINGEN NV (see No 389) through its subsidiary VERENIGDE HANDELSONDERNIMING SCHEVENINGEN NV. It deals in non-ferrous metals and steel, as well as having a foundry for non-ferrous metals and a factory making drills etc, which employs some 350 people. There are Dutch branches at Groningen, Eindhoven, Utrecht and Zwolle, whilst it has foreign sales subsidiaries in Belgium, H.J. van der Rijn NV, Anderlecht, Brussels, West Germany and Italy.

FINANCE

** Six German banks, with the intention of financing the construction of oil supertankers, have taken equal interests in forming a company in Hamburg called DEUTSCHE TANKER FINANZ GmbH, with Dm 300,000 capital. The six are: DEUTSCHE BANK AG (see No 448), and DRESDNER BANK AG (see No 447), both of Frankfurt; COMMERZBANK AG, Düsseldorf (see No 447); VEREINSBANK IN HAMBURG (see No 418); HAMBURGISCHE LANDESBANK-GIROZENTRALE (see No 422) and MUNCHMEYER & CO KG, Hamburg (see No 327).

** The New York broking firm FRANCIS I. DU PONT & CO, intends to strengthen its European interests in the near future by opening two offices in the Common Market. One will be in Paris and the other in Rome. Its existing European network already includes a Frankfurt agency - since 1963 - a Lausanne subsidiary, Francis I. Du Pont SA (formed in 1960) and a London subsidiary formed in July 1966 called Francis I. du Pont (U.K) Ltd (capital Sf 20,000).

** A.B.N. ALLGEMENE BANK NEDERLAND NV, Amsterdam, the leading Dutch bank, which has two Argentine branches of its own since its acquisition of H.B.U. -HOLLANDSCHE BANK UNIE NV (see No 441) has sold its 50% shareholding in BANCO TORNQUIST SA, Buenos Aires to its partner ERNESTO TORNQUIST & CO LTDA SA, Buenos Aires, thus giving it complete control.

A.B.N's interests in Latin America include Banco de Montevideo SA, Uruguay and it has acquired from H.B.U. its branches in Brazil (in Rio de Janeiro, Sao Paulo and Santos), in Ecuador, in Uruguay and in Venezuela (Caracas and Maracaibo).

** The Dutch HANDEL & ADMINISTRATIE MIJ "BRABANTIA UNITAS" NV, Breda (capital Fl 100,000) which buys and sells, manages and runs property (both buildings and capital goods), has opened a branch in Brussels under M. Jean P. Moenaert.

** The Luxembourg administration company, TUBE MILL HOLDING SA, formed in September 1964 with Lux f 500,000 has opened a branch in Lausanne with M. Jean-Paul Calmes as director.

** Through the American stockbrokers, McDONNELL & CO (which recently opened a branch in Paris), M. Alexis de Gunzburg has purchased from Israeli investors a controlling interest in the Amsterdam finance house of BANKIERSKANTOOR M. VAN EMBDEN NV (see No 371). This has two Dutch subsidiaries, Aspera NV, Roermond, and Nederlandse Overzeese Handelsagenturen NV, Amsterdam, which in 1966 itself formed a subsidiary in that city called Eurobrom Nederland NV. It is currently negotiating the takeover of the Amsterdam broking firm of Proehl & Co, with which it has close technical links.

M. A de Gunzburg is best known as a director and a major shareholder of the British Cavenham Foods Ltd group of Slough, Bucks, and a director of the French Source Perrier group of Vergeze, Gard (see No 445) which are linked especially in two joint subsidiaries.

FOOD & DRINK

** The West German brewery BRAUHAUS GARMISCH W. ROEHRL & SOEHNE KG, Garmisch-Partenkirchen (annual production capacity of 40,000 hectolitres) has been acquired by the FUGGER-BABENHAUSEN group. The latter, which already has interests in the Babenhausen brewery Schwäbische Brau GmbH, is headed by Prince Friedrich-Carl Fugger-Babenhausen and is controlled by the Augsburg holding company Fürst Fugger-Babenhausen Verwaltungs GmbH, which also includes the bank Fürst Fugger-Babenhausen Bank KG.

** Two family firms, specialists in the tea and coffee trading, and the coffee roasting equipment trade, one Dutch, DOUWE EGBERTS KONINKLIJKE TABAKSFABRIEK & KOFFIEBRANDERIJENTHEEHANDEL NV, and the other German, JOH. JACONS & CO., KAFFEEGROSSROESTEREI & TEE-IMPORT, Bremen (see No 390) have concluded an agreement in the fields of research, product improvement and market research; the agreement is to result in the formation of a new 50-50 subsidiary.

The number one firm in this field in the Netherlands, with a turnover in the region of Fl 400 million (which represents about half the Dutch coffee market), the Utrecht company has a subsidiary in Deurne, Antwerp, called Douwe-Egberts Belgie NV (formerly Douwe Egberts Tabaksfabriek-Koffie-Branderij-Theehandel NV) in which its affiliate, Sunborn NV of Utrecht is a nominal associate. The Bremen company, the second biggest in the sector in West Germany, has an annual turnover in the region of Dm 600 million; its partners, who play an active part in the running of the firm, include Messrs Walter and Klaus Jacobs. In 1966, the company gained control of the tea distribution firm, Ernst Grosch Tee-Import (Oberhöchstad, Taunus), whilst the Austrian branch remained in the hands of its former owner, Herr Eberhard Grosch.

** The Dutch soft drinks firm NV DRANKENINDUSTRIE RAAK, Koog-Zaandijk, has begun to build a factory at Utrecht, which will have an hourly output capacity of 45,000 litres. This should start to operate in early 1968 and will then employ some 240 people. The firm is the wholly-owned subsidiary of KONINKLIJKE FABRIEKEN C.J. VAN HOUTEN & ZOON (see No 444), which itself belongs to the American group W.R. GRACE & CO., New York, through NV Cacaofabriek de Zaan, Koog Zaandijk.

In September 1967 another subsidiary of Cacaofabriek de Zaan, Verstuivingsbedrijf de Zaan Spray, Nunspeet, started to exploit a powdered-egg factory in co-operation with N.I.V.E.-Ned. Industrie Veredeld Ei NV, Harderwijk, controlled by Allgemene Beleggingsmij. "Nunspeet" NV, Nunspeet.

** CO-OPERATIEVE VERENIGING TOT HET VERWERKEN & VERHANDELEN VAN MELK "CO-OPERATIEVE MELK-CENTRALE" G.A.(C.M.C), The Hague, has made a bid for complete control of the dairy holding company NV NEDERLANDSE MELKUNIE N.M.U. The Hague (see No 439), its 50% subsidiary since 1961.

The holding company controls many subsidiaries including: NV MIJ TOT EXPLOITATIE VAN KAASFABRIEKEN "OUD HOLLAND", Bodegraven, Melkproduktenfabriek de Bommelerwaard NV, Hausden, NV Fabriek Van Melkprodukten der Vereenigde Zuivelbereiders, Rotterdam and Oudewater, NV Fabriek Van Melkprodukten "Nieuw Holland", Woerden, NV Fabriek Van Melkprodukten "Neerlandia", Weesp, NV Crona, Rotterdam. It also controls the London sales concern United Dairymen Condensed Milk Co Ltd.

C.M.C. organises production, collection and sales on behalf of some 10,400 dairy farmers, and already completely controls a large number of firms in the dairy sector: NV Melkinrichting & Zuivelfabriek "Auroe" Rotterdam, Consumptie Melk Centrale Assendelft NV, Assendelft, etc.

** A reciprocal distribution agreement has been concluded between the French and German biscuit companies, BN-BISCUITERIE NANTAISE -P. COSSE A. LOTZ & CIE SA, Nantes, and JOSEPH WOLF KG, Alsbach. The latter company (partnership capital Dm 1 m.), which has an annual turnover in excess of Dm 40 million, employs some 600 people in its Darmstadt and Alsbach factories: since 1964 (see No 283), it has had a manufacturing and sales subsidiary in Austria, Paul Wolf GmbH, Grödig-Salzburg.

BN, which was taken over at the end of 1967 by the American food group General Mills Inc. which acquired 65% of the shares, had a 1967 turnover of F 90 million. The company has a branch in Brussels, and its most recent move abroad has been the setting up of a London subsidiary in December 1967 (see No 444) called BN Biscuits & Foods Ltd (capital £3,000).

** The West German businessman Hans Klenk, Mainz has taken a 50% interest in the formation of a fine ground semolina factory in Panama costing some Dm 250,000, which is expected to have an annual turnover in the region of Dm 4 million.

In West Germany, Herr Klenk owns the crepe paper concern Haklewerke (around 100 on payroll) which owns a 50-50 subsidiary called Zelltex GmbH & Co KG, with the paper group Feldmühle AG, Dusseldorf (see No 446).

GLASS

** The Swiss glass manufacturing, treating and trading concern, CARL HAEFELI AG of Sarnen, Obwalden, has increased its majority holding in its Belgian subsidiary to 70% by taking over M. Jean-Pierre G. Mostin's holding. M. Mostin was the managing director of the firm. The new managing director of the firm will be M. Paul C.V. Lejeune who will only have a token holding.

INSURANCE

** The Amsterdam group, NV NEDERLANDSCHE LLOYD has reformed its internal structure; this move has led the company to give up its insurance functions and to change itself into a portfolio company. Its paid up capital has been increased from Fl 10 to 20 million. Its life insurance work has been taken over by a new concern under the name of NV LEVENSVERZEKERINGSGROEP NEDLLOYD, Amsterdam, which under Mr. P.A. Zeven, has been created expressly for the job. Its fire, accident and "divers risks" work has been assumed by its subsidiary NV Verzedering Mij. Hermandad, Amsterdam, whose name has been changed to Schadenverzekeringsgroep Nedlloyd NV (capital Fl 6 m.).

Since May 1967, the group has also had control of NV Levensverzekering Mij. Aurora, Amsterdam, which it put under Mr. P.A. van Zeven.

Parallel to these internal reorganisation operations, the group has formed a portfolio company, NV BELEGGINGSMIJ. VAN DE NV NEDERLANDSCHE LLOYD LEVENSVERZEKERING, Amsterdam, in which its subsidiary "Aurora" has a token holding, and to which it has contributed its holdings in a number of companies including: NV Bataafsche Aanneming Mij. v/h Firma J. van der Wal & Zoon of The Hague, Koninklijke Tapijtfabrieken Bergoss NV of Breda, Verenigde Bedrijven Nederhorst NV of Gouda, Nationaalbezit van Aandelen Overzeese Gas- & Electficiteits Mij. NV of Rotterdam, NV Billiton Mij. of The Hague, Van Nelle-Standard Brands Levensmiddelen Industrie NV of Rotterdam, and Simon de Wit NV of Zaandam.

OIL GAS & PETROCHEMICALS

** Shortly after its formation I.P.E.A- International Petroleum Agency Sc, St-Gilles, Brussels, as a central organisation to represent its seven founders in their dealings with oil purchasers, suppliers and producers, has been joined by three more companies bringing the total to 10. The new members are from Austria (HECHEN BICHLER), Italy (PETROL CIE Srl) and Switzerland EDUARD WALDENBURGER & CO, St-Gall). At the same time its head office has been moved to the Paris premises of one of its founders, the Swiss company Parchemie SA. It is run by M. Rene Burrus.

The other founders are Belgomazout NV, Antwerp; Albaco Oil Co AG, Zurich; Atlas Continental NV, Rotterdam; Sexpro SA, Branche, Nord; And. Smith A/B, Stockholm, and Tampinex Oil Products Ltd, London.

** Although it is continuing talks over a merger with the SIGNAL OIL & GAS CO, the OCCIDENTAL PETROLEUM CO oil group (both from Los Angeles - see No 449) has decided to take up the option it has held since August 1967 to acquire the former's Europe distribution network for $ 100 million. This will be largely supplied from Occidental's oilfield at Augila in Libya which it has been operating since 1966.

Signal Oil has two Common Market refineries: one in northern West Germany at Ostermoor (1.8 m. tons) belonging to its subsidiary Mineralöl - & Asphaltwerke AG (see No 380), the other in Belgium at Antwerp controlled by its subsidiary Raffinerie Belge des Petroles, whose capacity is being increased to 4 million tons p.a. (see No 384). Its other direct or indirect sales interests include: 1) in the Netherlands, Bitumol NV and Signal Nederland NV, Ryswick (formerly Signal Chemical Europa NV); 2) in Belgium VIP Belgium SA, Schaerbeek, through Isherwoods (Holdings) Ltd, Eccles, Manchester (see No 306) and Ste Belge de Transports par Pipeline SA, Brussels; 3) in France Rafibel France SA, Neuilly-sur-Seine, Signal France Sarl (also at Neuilly) and Courtage International Signal SA (formerly Signal Europe SA); 4) in Italy Italsignal SpA, Milan (see No 388); 5) in West Germany Kleinholz Mineröl GmbH, Essen, Kraftstoffhandels GmbH, Berlin and Frankfurt, Mineralöl- & Asphalt-Handels GmbH, Ostermoor, Signal Oel, Dusseldorf, AG Für Chemische & Teerprodukte (Teerchemie), Hamburg (see No 380).

** GETTY OIL CO, Wilmington, Delaware, and the Rotterdam shipping company HALCYON LIJN NV (see No 371) have linked 50-50 to form TIDEWATER-HALCYON MARINE SERVICE NV, Rotterdam. This will act as a supply company for North Sea drilling rigs and to begin with will operate four vessels.

The American group is the 78.66% interest of Mr. Paul Getty, and in September 1967 it absorbed its subsidiaries Mission Development Co, Wilmington (82.7%) and Tidewater Oil Co, Los Angeles (a direct 22.7% interest with 57.5% held through Mission Development). The latter was already represented in the Common Market by Tidewater Nederland NV, Rotterdam; Huiles Veedol France SA, Paris (through the Swiss holding company Veedol Petroleum International AG, Zug) and Veedol GmbH, Hamburg. There are also a number of direct Common Market subsidiaries including Getty Oil GmbH, Lubrificanti Veedol SpA and Getty Oil Italiana SpA (refinery in Genoa), plus several other indirect subsidiaries, held through Vangas Inc, Fresno, California.

Halcyon Lijn belongs to the Dutch-Swiss group Thyssen-Bornemisza, through Bank Voor Handel & Scheepvaart NV, Rotterdam. In August 1966 it linked 60-40 with Ste de Forage en Mer Neptune SA, Paris (see No 371) - the joint subsidiary of Forex SA and Ste de Forages Petroliers Languedocienne-Forenco SA - to form the off-shore exploration and drilling concern Rotterdamsche Zeeboormij. NV, Rotterdam. As the latter has remained inactive, Halcyon has been able to make available to the new project with Getty the equipment and facilities prepared for use with Neptune.

PAPER AND PACKAGING

** The Milan group, LA CENTRALE, FINANZIARIA GENERALE SpA has regrouped certain of its interests in the paper industry under S.I.T.C.A. - STABILIMENTO INDUSTRIALE TOSCANO & CARTIERA CINI SpA, Sesto Fiorentino, Florence.

Under the direction of Sig. R. Lamine, the latter company with its factories in Piteglio and at head office, had been controlled (76%) since 1960 by a subsidiary of La Centrale called Sifir-Romana. In 1967 Sifir-Romana was absorbed by its parent company (see No 415). Sifir-Romana received capital contributions to the value of Lire 229 million in the form of a factory at Atina, Frosinone, belonging to Ceprat-Cartiere di Ceprano & Atina SpA, Ceprano, Frosinone (capital Lire 750 m.): the latter was the almost wholly-owned subsidiary of the former Sifir Company, and as a result of the move had its capital raised to Lire 930 million. In 1967 the company's capital was reduced to Lire 120 million as the result of rationalisation, but was subsequently raised again to Lire 600 million. Directed by Sig. G. Marchesi, Ceprat had already got rid of its Ceprano, Frosinono factory in 1966 for Lire 496 million.

** The French maker of fine and superfine paper for writing and printing PAPETERIES SCHWINDENHAMMER SA, Turckheim, Haut-Rhin, has signed an agreement - involving the sale of a large amount of shares - with the Paris group PAPETERIES DE FRANCE SA (see No 418). The Turckheim firm recently became affiliated with the Swedish paper group MO OCH DOMSJO A/B, Ornsköldsvik (see No 444) represented in France by its Paris subsidiary Mo & Domsjo France SA (formerly Modo Francaise SA - see No 426).

Papeteries de France acquired in 1967, in the same region of France, part of the manufacturing assets at Robertsau-Strasbourg, Bas-Rhin of the former Papeteries de la Robertsau SA, since merged with the Ste F. Beghin- Cie de Kayserberg group. As a result of the new agreement, Papeteries de France intends to co-operate with its new affiliate in developing production of superfine writing papers at its plants in Franche Comte, and to co-ordinate their policy towards new investment projects.

PHARMACEUTICALS

** The Brussels group, UCB-UNION CHIMIQUE SA (see No 412) has formed two subsidiaries in St-Gilles-Brussels. Each of these subsidiaries has a capital of Bf 5 million and will be concerned with all kinds of manufacturing and sales activities within the bio-chemical and pharmaceutical industries, and also in the field of medical and surgical instruments and plant.

Directed by Messrs. P.J. Raquet, P.K. Bedout and G. Placq, the first of the two subsidiaries, VEDIM SA, is wholly-owned. The second, LIBRAPHARM SA is controlled (51%) by the Swiss holding company Protochemie AG of Mitlödi, Glarus, which is itself linked with the Austrian Werfft-Chemie GmbH, Vienna. This subsidiary has besides Messrs. J.P. Raquet, P. Bedout and G. Plack, Messrs.R.Wirtz (director of the German company Chemie Grünenthal GmbH, Stolberg, Rhld, a subsidiary of Dalli Werk Maurer & Wirtz - see No 388) and K. Winandi of Stolberg, on the board of management.

PLASTICS

** CHEMISCHE INDUSTRIE AKU- GOODRICH NV, Arnhem (see No 441) has gained control of the Paris POLYPLASTIC-ELASTOMERES, PLASTOMERES PRODUITS CHIMIQUES SA (see No 433), its representative in France. The Arnhem concern is the 51-49 interest of the American rubber group B.F. GOODRICH CO, Akron, Ohio, and the Dutch chemical group A.K.U.-ALLGEMENE KUNSTZIJDE UNIE, and it makes synthetic rubber and chemical products for the tyre industry.

The Paris company (capital F 1 m.) whose recently appointed president is Mr. A.M. Vermoken was until now controlled by KLEBER-COLOMBES SA (see No 445) whose main direct and indirect shareholders are the MICHELIN group (around 25%), C.G.E.-Cie Generale d'Electricite SA (18%) and General Shopping SA (14.8%). Polyplastic is known for its products with the following trade names "SB.R. Ameripol", "Hyear", "Geon", "Breon", "Estane" and "Carbopol"; it was also the French agent for British Geon Ltd and British Resin Products Ltd (both London-based) and Vanderbilt Co, New York.

** The Italian PLASTICA CALEPPIO-FABRICA LAMINATI TERMO-PLASTICI Srl, Milan (factory at Settalao Caleppio, Milan - director Sig R.Pietrocola), which is already noted on the French market for its "Rovex" imitation wood polyester laminates, is about to form a French subsidiary called Caleplast Sarl.

PRINTING & PUBLISHING

** The Dutch printing concerns UITGEVERSMIJ NEERLANDIA NV, Utrecht, and UITGEVERSMIJ DE GELDERLANDER NV, Mijmegen, have now realised the concentration planned a few months ago by forming a joint holding company called NV Associate Van Uitgevers van Dagbladen & Tijdschriften - A.U.D.E.T., Nigmegen. The new company (capital Fl 10 m.) is headed by Messrs. Hemdrikus J.A. Hermens of Neerlandia, and Andre A.V. Tummers of Gelderlander. About 56% of the capital is paid up, and the new company now heads a group representing a total daily circulation of about 270,000 copies, mainly from Nederlandse Dagbladunie NV, The Hague (see No 438); V.N.U. - Verenigde Nederlandse Uitgeversbedrijven NV, Amsterdam (see No 442) and NV de Telegraaf, Amsterdam.

The Utrecht concern, which employs some 700 people, publishes the dailies, "Dagblad de Stem", Breda; "De Nieuwe Limburger", Maastricht, and "Het Centrum", Utrecht, as well as periodicals and advertising matter. The Nijmegen firm (authorised capital Fl 1 m.) has an annual turnover of around Fl 14 million, from eight daily papers, including "De Gelderlander", Nijmegen, and "Het Arnhem Dagblad", Nijmegen, plus some twenty or so private house journals. In August 1967 it formed in Maastricht the company NV Editor-Publiciteit (authorised capital Fl 20,000), which it supplied with assets from its subsidiary NV Editor, which is mainly concerned with the publication of a weekly advertising journal.

SERVICES

** The American company AUERBACH CORP, Philadelphia, Pennsylvania which has had a Dutch branch since 1964 has linked 50-50 with the Amsterdam consultants BAKKENIST, SPITS & CO ORGANISATIE ADVISEURS to form BAKKENIST-AUERBACH NV, Amsterdam. This will advise on computer installation and utilisation and under Messrs N.C.H. Hestermann and Georges Picot, the new venture will operate in the Netherlands, Belgium, West Germany and Switzerland.

The American firm has had a Zurich subsidiary since 1963, Auerbach AG (capital Sf 100,000) whose purpose is to carry out R & D, as well as exploiting patents and know-how in the data-processing and computer industries.

SHIPBUILDING

** ATELIERS & CHANTIERS DE DUNKERQUE & BORDEAUX (FRANCE-GIRONDE) SA, Paris (see No 357) a member of the SCHNEIDER SA group (see No 436) has reorganised its interests. As a result S.E.S.C.SA, Paris has been renamed C.I.N.B. (FRANCE GIRONDE) SA (capital F 7 m.) and acquired part of Schneiders assets; these include facilities at Bordeaux-Bastide and Champigny-sur-Marne (gross assets of F 11.76 m.) specialising in the construction of ships under 3,000 tons deadweight, barges, rigs, boilers and industrialised building methods.

TEXTILES

** The Finnish concern FIGURA TUOTE OY, Turku, has linked 50-50 with the Rotterdam NEDUVEKA NV to establish the textile trading firm FIGURA NEDERLAND NV, Rotterdam (capital Fl 100,000). This is under the management of Messrs Lars Storn and Johannes de Bruyn respectively, directors of the founder companies.

** The French maker of "Polichinelle", "Selby" and "Champs-Elysees" knitted woolens, "Chavaso" underwear, socks and clothes, ETS DUPRE SA, Romilly-sur-Seine, Aube, Montereau, Seine-et-Marne and Verdun, Meuse has dissolved its Belgian subsidiary BONNETERIE DU BRABANT SA, Jette.

With M. Etienne Dupre as president ETS DUPRE has around 1,000 persons on its payroll and has a considerable network of concessionaires throughout the world including Sportswear Fashions Ltd, London and J.P, Clappier, Pforzheim, West Germany.

** A merger in the French weaving and household linen industry has strengthened the position of WALLAERT, FREMAUX & CIE SA, Lille which has taken over REYNAERT & BRABANT Sarl, Lille (capital F. 600,000) assets estimated at F 6.7 m). The former was set up in April 1967 following the take-over of Ets. A. Mathieu SA, Lille by Tissages P. & R. Fremaux SA, Lille when the latter took its present name. It also acquired gross assets worth F 9.35 million from Wallaert Freres Sarl, Lille whose trade names include "Broderie Anglaise", "Louis d'Or", "Essuie-Magic".

** The German LONDON GIRL - KOCH & CO, Bremen, has acquired an exclusive making-up licence in the Common Market for "Twiggy" British style garments. "Twiggy" clothing is already sold in in 34 foreign countries, especially in the USA and the Commonwealth.

** The Belgian carpet and uncut moquette concern, ETS LOUIS DE POORTERE SA, Aalbeke, has formed a sales subsidiary in Düsseldorf called Ets Louis de Poortere (Deutschland) GmbH, with Dm 200,000 capital and Herr Helmut Reubelt as manager.

The parent company is a family concern with Bf 500,000 capital, and in Belgium has six factories employing about 1,700 people. It is already established abroad, with two manufacturing subsidiaries, Louis de Poortere France SA, Lys-lez-Lannoy, Nord (capital F 3.53 m), and Louis de Poortere L.D.P. Italia Srl, formed at Gerenzano, Lombardy in 1967.

** REDECO SA, Fribourg, formed in January 1967 to coordinate R & D work in the field of woolen garments, has acquired as a new shareholder the Swedish A/B SVERIGES FOERENADE TRIKAFABRIKER, Gothenburg.

Redeco's original shareholders were: the French VITOS-Ets Vitoux SA, Troyes, Aube; the Dutch Koninklijke Kousen- & Sokkenfabriek M. Jansen de Wit NV, Schijdel, and the American Albawaldensian Inc, Valdese and Lenoir, North Carolina. These were joined in November 1967 (see No. 438) by the German Franz Falke-Rohen Stumpfwarenfabriken GmbH, Schmallenberg, Saverl. Between them, the five present backers of this venture employ some 13,000 workers.

TRADE

** The German mail-order house NECKERMANN VERSAND KGaA, Frankfurt (see No 442) has now formally established the Luxembourg investment fund it decided recently to create, under the name of NECKERMANN-FONDS VERWALTUNGS-GESELLSCHAFT (capital Lux F 5 million). The new firm will work in close collaboration with the investors' consultancy, formed in August of last year, Neckermann Anlagen Beratung Gesellschaft zur Vermittlung vom Kapitalanlagen mbH, Frankfurt (see No 423).

TRANSPORT

** American and West German interests have linked in a move by some 30 Dutch concerns to form a container transportation firm, CONTAINER COMBINATIE VAN VAN EXPEDITEURS "CONTREX" NV (loading and unloading etc). Based in Rotterdam, this has a capital of Fl 1.5 million and is under Mr. Johannes Hoppen.

The founders are: 1) the New York AMERICAN EXPRESS CO (see No 443); 2) the Duisburg chemical and metal group DUISBURGER KUPFERHUETTE AG (see No 446) through its subsidiary DEKA TRANSPORT MIJ NV, Rotterdam; 3) the Rotterdam charter and shipping group Wm. H. MUELLER & CO (see No 447); 4) the holding company PAKHOED NV (see No 434) recently formed by the two groups BLAAUWHOED NV and PAKHUISMEESTEREN NV represented by NV BLAAUWHOEDENVEEM - Rotterdam, and PAKHUISMEESTEREN NV, Rotterdam - 5) FURNESS-SCHEEPVAART & AGENTUREN MIJ NV, Rotterdam (see No 448); 6) the Rotterdam group PHS. VAN OMMEREN VN, (see No 436); 7) WAMBERSIE & ZOON C.V.O.A., Rotterdam (see No 439).

VARIOUS

** The Italian maker of trolleys, coffee tables and trays UMBERTO MASCAGNI Sas, Bologna and Cesalecchio di Reno, Emilia Romania, will be represented in France by the newly-established MASCAGNI-FRANCE Sarl (capital F 20,000). Based at Savigny-sur-Orge, Essonne, this has M. A.Le Forestier as manager.

** SAMEX SA, Monte Carlo, has formed SAMEX-FRANCE SA at Chevilly-Larue, Val-de-Marne, as a 50% subsidiary for all operations relating to the importation and assembly of greenhouses (flowers and vegetables), and for research work on related problems, i.e. heating, hygrometry, infestation, and soil treatment and enrichment.

M. Henry Lachard of Suresnes, Hauts-de-Seine, has been appointed director of the new company (capital F 100,000), in which he is also the main minority shareholder, with 25%, beside M. L.Boullet, who holds 24%.

** The Italian wood-working and furniture manufacturers, DAL VERA SpA, Conegliano, Veneto (see No 408) has completed the formation of its sales network in France by setting up a subsidiary in Aubervilliers, Seine-St-Denis, DAL VERA PARIS Sarl (capital F 20,000). The control of this company is shared with its affiliate, Mobolifici Riuniti SpA, Conegliano, with a factory at Susegana, Tresiso.

A manufacturer of interior furnishings for restaurants, offices etc. since 1884, Dal Vera, with its factories at headquarters and at Susegana, backed the creation of a new company, Dal Vera-Nice Sarl (capital F 20,000) to represent its interests in the South of France.

** The Reet, Antwerp tubular furniture concern TAVO NV (designing for kitchens, restaurants, canteens etc - see No. 446) has formed a subsidiary called TAVO (U.K.) LTD at High Wycombe, Bucks, with £3,000 capital and Messrs Constantin J. Taeymans, Francis J. van Dingenen and Gerald J.G. Herman as directors.

Abroad, Tavo already has sales agencies in West Germany, Luxembourg and the Netherlands.

** H.C. SCHWENN, Frankfurt, one of the largest philatelic trading concerns in Europe, with a 1967 turnover of Dm 20 million, has formed Schwenn GmbH in Frankfurt, mainly to administer the Swiss BRIEFMARKENHANDELS- & AUKTIONSHAUS H.C. SCHWENN AG, Formed at Glarus in May 1966 with Sf 100,000 capital, and also to manage the stamp-trading concern, HEINRICH KOEHLER, BRIEFMARKENVERSTEIGERUNGEN, Wiesbaden, bought in mid-May, 1967.

** The Dutch furniture group BRUYNSEEL DEURENFABRIEK NV, Zaandam, has purchased a 50% interest in two similar Danish companies, NORDIA DAN A/S and BEFAS A/S. The combined turnover of these two firms amounts to about F 5 million, and they employ about 100 people in the manufacture of furniture and kitchen units in a factory they run jointly at Lögstör, Jutland, the products being marketed by a branch in Copenhagen. This move will boost the Dutch firm's drive to become established on the Scandinavian market, where until now it was only represented by agents in Copenhagen (Holger & Aage Nimb) and Gothenburg (Evidens A/B).

Bruynzeel employs about 800 people itself, and has several subsidiaries in Zaandam: Brunynzeel Fineerfabriek NV (concrete moulds and ply lamina); Bruynzeel Schaverij NV and Bruynzeel Vloerenfabriek NV (parquet, floorboards etc). It is also well established in the Common Market: Bruynzeel NV, Brussels; Bruynzeel SA, Paris; Bruynzeel Monta-Regale GmbH, Düsseldorf, and Bruynzeel Einbau Element GmbH, Hamburg. Its other foreign interests include Bruynzeel Wood Products Co.Ltd., Aylesbury, Bucks; Bruynzeel Surinam Hout Mij NV, Paramaribo; Bruynzeel Malgache SA; Bruynzeel Factories Australia Pty Ltd, Sydney etc.

** The German U.K.S. - APPARATEBAU ROBERT FISCHER, Freiburg, Brisgau (plant and equipment for medical baths) has formed a subsidiary at Colmar, Haut-Rhin, called U.K.S. - Fischer France Sarl (capital F 30,000 - manager R. Fischer).

INDEX OF MAIN COMPANIES NAMED