

# Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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# *Opera Mundi* **EUROPE**

**A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET**

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## THE WEEK IN THE COMMUNITY

April 22 - April 28, 1968

## THE COMMON MARKET - W.E.U.

"Plus Ca Change ..."

The decision to postpone the meeting of the Council of the Foreign Ministers, which was due on May 9, is no doubt justified by the various reasons which have been given: Herr Brandt has an important meeting with the Social Democrats (he is party leader), whilst his French counterpart, M. Couve de Murville, will be on a trip to Eastern Europe, and Dr. Luns of the Netherlands will be on an official visit to Morocco. Furthermore, Herr Brandt had proposed that the meeting should instead be held on May 13, but the Italians, whose general election is due on May 19, would not agree, so the Ministers are not now likely to meet before the end of the month.

Since the Brussels meeting was due to discuss the laboured question of the candidate countries and the problem of closer links with Britain, all concerned may well be glad of the respite. Relations between the Six - between the Four and the Two, between France and the Five - seem to be taking another turn for the worse, after the honeymoon period between Bonn and Paris following the visit of Chancellor Kiesinger to General de Gaulle in mid-February. There has been a gradual disillusionment in West Germany, for it was then really thought that France might be rather more willing to take a constructive attitude, but the visit of the French Foreign Minister to Bonn at the beginning of last week showed that he had no intention of making any concessions at all, on this particular point. Even if Paris would agree to the proposed commercial arrangement including tariff cuts on a greater scale and at a faster pace than she has previously accepted, any suggestion that this should automatically lead to British membership would certainly be rejected. Various West German figures, who wish, quite reasonably, to maintain relations between France and their country on the present friendly level, have hinted to the French that they should at least make some more reasonable suggestion, for if this does not occur, a feeling of irritation will begin to grow once again. It is known that Chancellor Kiesinger is worried by this trend, and is hoping to contain it until he has a meeting with the French President during July.

The West German proposals have come in for strong criticism from some unexpected quarters, especially from the Commission's vice-president, Dr. Mansholt. Although he is a supporter of British entry, he was unusually outspoken at a West German foreign affairs group meeting in Bad Godesberg last week. "Trading arrangements between the Community and Britain are not a satisfactory way of solving the problem of the Community's enlargement," he said. "It is ridiculous to propose nothing better than tariff preferences to Britain, and the Scandinavian countries, for an enlarged Europe is an absolute necessity if the technological gap is to be overcome."



He thought the West German proposals were no more than "a diversionary manoeuvre", and considered it would be better to wait for a more favourable opportunity to enlarge the EEC. Dr. Mansholt thought that Bonn was too "docile" in its relations with Paris, and he said, "The France of today is trying to use the economic strength of the Common Market to impose its political hegemony on a Europe which can act as a sort of screen to hide its national ambitions."

That there is now more than a certain irritation between France and her partners was shown at last week's meeting of the ministers of the Western European Union in Paris, which links the six Common Market countries and Britain. This was opened by M. Couve de Murville, who was attending for the first time in many months, but who left after ten minutes, to be replaced by State Secretary Andre Bettencourt, who also showed little interest in the subject of closer links with Britain. A West German State Secretary in the Foreign Ministry, Herr Gerhard Jahn, called for much more use of the WEU as forum to discuss political issues between all the seven countries. When M. Gregoire, the Luxembourg Foreign Minister, suggested that Herr Jahn's proposals should be taken up during the July ministerial meeting in Bonn, M. Andre Bettencourt ignored his first point, but said he was glad that M. Gregoire had raised the date of the next meeting. The other four Common Market countries supported Herr Jahn's suggestions, as did Lord Chalfont, whose role as Britain's chief representative at the WEU meeting was taken over by the new British Foreign Secretary, Mr. Michael Stewart, on the following day.

During his brief trip to Paris, Mr. Stewart made clear to the French government on two separate occasions that Britain was only interested in suggestions that were, in the words of his speech to WEU members on Friday morning, "clearly and inextricably linked with full membership". Provided this condition was fulfilled, and such proposals came from the Six as a whole, however, Britain would study them with interest. In his reply, M. Andre Bettencourt said that the commercial arrangements which his country had in mind, were aimed at helping Britain overcome her economic difficulties, the success of which, he said, was important, not only to Britain, but also to the whole of Europe.

The Italian, Belgian and Luxembourg representatives were pleased with Mr. Stewart's speech, for it seems to have shown that he is no less a European than his predecessor. For his part, the Dutch State Secretary for Foreign Affairs, Mr. Henri de Koster, thought that there were no obstacles to the immediate opening of negotiations, asking for the views of his opposite numbers. The Italian, Belgian and Luxembourg delegates agreed with him, but the chairman, M. Bettencourt, without answering said it was time to terminate the meeting. Earlier, another West German State Secretary, Herr Rolf Lahr, had welcomed Mr. Stewart's speech, but thought that since membership would take some time, under present circumstances, it would be best to see what interim solutions, such as tariff preferences, could be found.

In the afternoon, the Foreign Secretary held a meeting lasting one hour, twenty minutes, with M. Couve de Murville, during which they dealt again with the question of British membership, as well as with other world problems. Mr. Stewart



made it quite clear that Britain wanted to be a full member of the Community, and would not be bought off or deterred by vague proposals of an uncertain nature for trade arrangements. In fact, the Franco-German proposals will have to acquire greater substance fairly soon, if they are to attract Britain, since it was announced on April 30 that Mr. Stewart would begin talks during the next couple of months as to how the Benelux plan for closer links with the Six could be put into effect. This will probably take the form of a conference, with the participants including Britain, the Benelux countries, other interested members of the Six, and the other candidate countries.

Earlier in the week, the President of the Commission, M. Jean Rey, had said, "I am surprised that there are today so many difficulties to be overcome in enlarging the Community, for the member governments accepted the idea unanimously in 1961. Since that date, our British friends have come much closer to us, whilst the communities themselves are much stronger than in 1963, when the first negotiations between Britain and the Community ended." But the words of his speech which all those taking part in the WEU meeting would have done well to bear in mind were, "It is our generation, and not the next, which must construct Europe".

\* \* \*

#### KENNEDY ROUND CUTS

Last week saw the Community take a tough line with Mr. Wyndham White's attempt to try and work out a compromise solution between the Common Market's conditions for speeding up Kennedy Round cuts and the American position. It was stated that the Commission had no intention of recommending that the Ministers should hold another meeting to discuss any changes in its original proposals for accelerating the tariff cuts, which they agreed early in April.

The Six's proposals were expressed in such terms that the Americans felt they were being told publicly what they must do if they wanted any acceleration, and Mr. Wyndham White's compromise centred on toning down the wording of the Common Market's offer. It was, however, pointed out in Brussels that the Kennedy Round was itself the result of long and delicate negotiations, and that the EEC's latest proposals were a unilateral decision; if the United States wanted further changes, it might risk upsetting the whole agreement.

The conditions attached to the EEC's proposals are the abolition of the American Selling Price - ASP - system for chemical imports, and for the United States to refrain from introducing any fresh protectionist measures. As the first depends on a Congressional decision, the United States has until the end of the year to carry it through, but even so, it may be unable to achieve this because of the forthcoming Presidential elections and pressure from protectionist elements within the United States. If the conditions are not fulfilled to the unanimous satisfaction of the ministerial council of the Six, then the Community will not go ahead with its tariff



cuts. These are much less in scope than the proposals made by the EFTA countries and supported by Japan, that the whole of the remaining Kennedy Round cuts for the industrialised countries other than the United States should be made on January 1, 1969, instead of in 1972, whilst the Americans would continue at its previously agreed rate until 1972.

The US administration, faced as it is with a difficult balance of payments problem, would like to take advantage of the tariff acceleration proposals, but an improvement in the country's own internal economic situation through the adoption of the long called-for 10% surcharge would help to restore foreign confidence. The need for firm action in the balance of payments field was again illustrated last week with the announcement that March had seen the first United States monthly trade deficit since January 1963, and although officials blamed part of it on the 11 day strike in the port of New York - the country's largest - not all of the \$157 m. loss can be blamed on this one factor.

\* \* \*

#### Commission: Too Many "Want Out"

In Brussels last week, there came a surprising and not very reassuring turn of events, when the response came to an offer to the Commission's employees of "redundancy payments" for those offering to resign after the streamlining of the single executives services in Brussels. In its hard-won reorganisation programme, the Commission was drawn to the conclusion that some 200 of the positions held in its service would cease to be necessary, and in order to ease this process for those involved, it gained permission from the Council to offer incentives to its employees to leave. However, the response has been far in excess of its requirements, with some 500 personnel coming forward for consideration, including no less a figure than the counsellor-general on research, three top-grade (A1) civil servants, twenty of grade A2, and about one hundred from grades A3 and A4.

The conclusion drawn from this "rush" to get out is that those concerned - almost 10% of the total Commission corps - are largely motivated by disappointments and changes of job and prospects occasioned by the major reshuffle. The Commission is hardly likely to grant all the requests for a "golden handshake" departure from Brussels, and some will have to be turned down, on such grounds as age, personal status, value to the Commission, and so on. Those whose motives are purely mercenary will (hopefully) be weeded out. However, the incident is of value in that it has brought home to the Commission the need to sustain the interest and loyalty, particularly of the valued younger element, of those in its service.

\* \* \*



## TRANSPORT

C.T.P. Still in the Melting-Pot

On Tuesday and Wednesday of last week (April 23 and 24) the Transport ministers of the Common Market countries met in Luxembourg to discuss the development of the common transport policy and the problems through which it is going. Every aspect of the policy seemed to meet some objection from one quarter or another, so that almost every item on the Transport Ministers' agenda was sent back to the permanent representatives for further discussion after the conclusion of the two-day meeting. The only subject to receive a good level of consensus was the "Bracket system" of road transport freight rates, by which maximum and minimum tariff levels are to be set. In this case the Ministers were able to agree that the rates would be enforced for a period of three years, after which they would be reviewed. If the parties involved could not agree on a new level of tariffs after this period, the old level would be automatically enforced for a further period of one year.

With only two months to go before the raising of the tariff barriers, there is still a distressing level of disagreement between the partners of the Community on transport policy. It is evident that there will not be a common transport policy for some time to come. Subjects such as the harmonisation of working conditions for lorry drivers, the control of competition between different forms of transport, the maximum and minimum loan rates for international road transport and the establishment of a quota of 1,200 licences for lorries carrying goods across national frontiers of Europe, have yet to be reached. There is particular friction between the Germans and the Dutch over the Leber Plan and its effect on the Dutch transport industry, which carries some 40% of the total road haulage trade within the Common Market. The German transport minister's plan includes measures to divert heavy transportation, especially over long distances, from the roads on to the railways. The plan favours the West German ports of Bremen and Hamburg rather than Rotterdam and Amsterdam, and provides a tax-free allowance for road transport up to 170 kilometres. The Commission has pointed out that a number of the plan's measures, and in particular the ban on road transport of certain goods, are incompatible with the Rome Treaty, because they discriminate against other member countries. The Commission, closely backed up by the Dutch, has also pointed out that the Leber Plan would stress the differences between the already disparate transport systems of the member countries, and that the general philosophy behind the Plan is contrary to the ideals of the Treaty. In particular it reduces the number of Dutch vehicles permitted to cross the border into Germany (by means of a licence) from 4,300 to 1,950 - a drastic reduction for a country which earns so much from this sector. Admittedly, the reduction is reciprocal, but this limitation is far less biting on the Germans than on the Dutch, as the latter use the German roads twice as much as the former use Dutch roads. Since the restrictions came into force on April 22, there has been chaos in the Dutch international transport sector, and particularly at the border. Transport managers have been forced to shop around for licences which were not in use at the time, and large loads of perishable goods, such as vegetables, have been kept waiting at the borders whilst waiting for licences to come through. Needless to say, the Dutch are very grieved at



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unilateral move by the Germans, and the whole Community has been disappointed  
e actions of the Germans to disrupt the transition of the Common Market to the  
awaited open market for goods and services. Pressure may be brought to bear  
he Germans to change this aspect of the Plan, and the "permanent state of  
ation" between the Dutch Ministry of Transport and its German counterpart may  
able to break down the German's present adamant stand on the quota of 1,950.



## SOCIAL MATTERS

### The Commission's 1967 Social Survey

In its recently-published report on the development of the Social Situation in the Community 1967, the Commission brought out several points of interest. First, the Community's economic growth slowed down appreciably, which in turn affected the social development of member countries. Secondly, private consumer expenditure rose by less than in 1966 (5.5% as against 7.8%), although greater price stability meant that the apparent falling off in growth in money terms was less pronounced in terms of volume. Thirdly, the unsteadiness of the general economic position has had repercussions in the sphere of employment. Unemployment rose from 1.44 million in October 1966 to 1.7 million a year later. Italy was, however, an exception to the main trend: here unemployment fell by 110,000, but elsewhere in the Community it rose by 370,000. Long-term trends also played a part here. For instance in the coalmines, the work-force fell by 76,000 to 581,000 (12%) from September 1966 to September 1967. Fourthly, wage increases in general slowed down in 1967 compared with 1966. In Germany and the Benelux countries this was particularly apparent, but in France wages rose at about the same rate as in the previous year, and in Italy they increased more rapidly. Living costs rose by between 3% and 4%, except in Germany, where the low figure of just over 1% was recorded. All the same, it appears that real incomes have gone up a few points, notably in Belgium, Italy, France and the Netherlands.



The most significant fact to come out of this report is that the Community's rate of economic expansion has fallen - and fairly appreciably at that. This is particularly apparent for the first six months of the year, for a gradual recovery seems to have taken place during the second half of the year. External demand has remained fairly dynamic over the period under consideration, but the expansion of internal demand has definitely slowed down somewhat. The upward trend in consumer spending within the Community has also declined - a reflection of the overall decrease in the economic expansion of the Six, but the increase of public current expenditure on goods and services has been maintained. Germany and the BLEU countries did, however, exhibit a certain tailing-off in growth in the public sector, but this was virtually offset by acceleration on the part of the other member countries.

As already mentioned, the annual growth rate in private consumer spending has fallen by some 2.3%, but as the rise in prices has been kept to a minimum (Italy being the only country to suffer from any significant degree of price rises) the decline in private consumer spending is less pronounced if considered in terms of volume. The rate of expansion by volume remained at roughly the same level as the previous year, 3% compared with 4.3% for the period 1965-1966. Given an increase in the population of the Community of some 1% over the period under consideration, the increase in per capita consumption by volume was only about 2%, compared with 3.3% for 1965-1966. Divergencies between the different member countries have been increasingly pronounced: per capita consumption increased in Italy by 5%, but hardly at all in Germany.

The decline in expansion has inevitably affected the level of employment; the effect has been twofold. In the first place there has been a decline in the demand for new manpower, and secondly an increase in the general level of unemployment. In addition to complete unemployment, the reduction of working hours has increased the propensity towards partial unemployment. Although the economic regression has slackened off during 1967, the unemployment rate remains fairly high, and many of the redundant workers, especially the older ones, found difficulty in finding new positions.

The increased unemployment cannot, however, all be blamed upon the economic situation. Some of it is at least due to the concentration and rationalisation of industry, which is at present being carried on within the Community. Increased competition within the Community as well as with the industrialised non-member countries has caused shut-downs and mergers which have accounted for many a redundancy. Industries to be affected particularly by changes in demand and by the sharpening of competition are coalmining, textiles and shipbuilding. The areas to be hit most seriously by unemployment were those which were least diversified, or had the least-firmly entrenched economic structures, and the unskilled were the hardest hit. Foreign manpower, too, was affected by the decline. Less than half as many foreign workers entered the Community in 1967 as in 1966.



The increase in unemployment was particularly noticeable in the ECSC industries:

	<u>30.9.1966</u>	<u>30.9.1967</u>	<u>% Reduction</u>	<u>% Reduction: previous 12 months</u>
ECSC Total				
Unemployed	1,229,600	1,127,200	8.3%	-
Coal Sector	637,400	561,500	12 %	9%
Iron and Steel	565,000	542,000	4.1%	4%

The reduction in manpower in the coalfields was particularly significant in the Ruhr, Limburg (the Netherlands) and the Pas-de-Calais, but Belgium, on the other hand, seems to have avoided the necessity for laying off personnel. In the iron and steel sector, Belgium again (this time accompanied by France) seems to have staved off an unemployment crisis: in both these countries manpower dropped less than in the previous year, whereas the overall picture for the whole Community shows an increased tendency towards unemployment, a 4.1% reduction in employment for the period under consideration compared with 4% for the previous year.

The report then goes on to cover broader social matters, such as labour relations, wages, working conditions and hours. In the field of labour relations an agreement has been concluded in the Netherlands between the government and the Foundation of Labour for the introduction of much greater freedom in connection with wages policy. The agreement includes provisions to permit both sides of industry to fix wages and other working conditions without the prior intervention of the public authorities. This agreement reflects the desire of both sides of industry and the Netherlands government to bring the Dutch system into line with the other countries of the Community. The agreement will come into force during the course of 1968. In France, too, there has been progress in this field. The details of a new scheme have just been published, whereby wage earners will share in the advantages of expansion of companies. The scheme is compulsory for firms employing more than 100 people, and stipulates that a certain proportion of profits be shared between employees; the profits, however, are to take the form of capital, frozen in principle for five years.

In Germany a new scheme for "concerted action" has been introduced. This takes the form of regular discussions started by the new government with the trade unions and employers' organisations, and with groups of companies concerning the main contemporary problems of economic and incomes policy. All in all, six meetings took place during the course of last year, and these resulted in agreement on a series of macroeconomic guide-lines which are intended to provide bases for the autonomous decisions of the parties concerned. France and Italy have also brought in legislation to protect young workers, in tune with the Commission's recommendation to member states of July 31, 1967. Luxembourg has drawn up a law on the same subject, and this has been laid before the Council of State. Belgium, too, has not been slow to follow the lead given by the Commission in social matters. A Royal Decree has been promulgated under the law on special powers concerning female labour. The decree covers the fundamental right to equal pay and also ensures better protection for



working mothers, the latter provision being largely a reflection of the Commission's diligent work in this field and of Article 118 of the Treaty.

Special work in the social field has been carried out in an effort to alleviate the social and economic harm caused by the dismissal of large numbers of the labour force in the ECSC industries. In the steel industry, tripartite bodies have been set up for the first time (mainly in France, Belgium and Italy) to examine the economic and social situation of those involved. The tripartite bodies in particular allow for direct consultation with trade unions on the development of the situation.

During the course of 1967, wage increases slowed down by comparison with the previous year, and in the Benelux countries and Germany this slow down was quite appreciable. In France, however, wage increases continued at about the same rate as in 1966, whereas in Italy they increased more rapidly. In most countries, too, the working week became shorter, in Germany and the Netherlands this being due to collective agreements between workers and management, but also in some cases (especially in Germany) to the decline in the expansion of the economy. In Italy, however, working hours do not seem to have been reduced significantly since the big reduction in 1965. In spite of the slowing-down of wage increases, the cost of living index climbs relentlessly. From October 1966 to October 1967 the rise in the cost of living oscillated between 3% and 4% in all member countries except Germany, where it remained at 1%. All the same, the real annual income of workers seems to have gone up by a few points in most of the member countries, and particularly in France, Belgium, Italy and the Netherlands. Even in the ECSC industries there was a slight but definite improvement in real hourly wages.

The trend towards increasing the coverage of social security was continued in 1967. In addition to this, in a number of countries, the very structure of the system was changed. In France, for instance, there was a general reform of the system; in Belgium a new wage-earners' pension scheme and a scheme for the self-employed; in Germany a new pension scheme (at the financial level only), whilst Italy is introducing a complete re-organisation of its social security system as part of its 1966-1970 Five Year Economic Programme, and in the Netherlands a new law on insurance against incapacity for work is being implemented. However, in some of the member countries certain new restrictions were introduced on the development of the social security system due to lack of funds.



## EUROPEAN TECHNOLOGY

CIVIL AIRCRAFTEuropean Stake in U.S. Airbus.

The American market for the airbus type of aircraft is obviously the main arena in which the battle between the manufacturers, whether based in the United States or in Europe, will be fought. In recent months, competition between companies on both sides of the Atlantic has heated up considerably, and at the end of March it became clear that the Lockheed L-1011 trijet, which had lost out on the first preliminary orders in February to the McDonnell Douglas DC-10, when American Airlines ordered 25 with an option on another 25, had won the second round because in a few days orders were placed by Eastern (50), TWA (44), Delta (24) North East (4) and the British Air Holdings group for a total of 172 aircraft worth some \$2,580 million.

To European firms, one of the most important facts about the Lockheed orders was that a European aero-engine company, Rolls-Royce, was to supply its advanced technology RB-211 engines, both quieter and more powerful than existing types to all 172 aircraft. Since the airbus market is estimated to be at least 1,000 by 1980 it was obvious that Rolls-Royce would be kept busy fulfilling all the work, and this in itself was considered in some quarters to be a threat to the European airbus, the A-300, for which Rolls-Royce is supplying its RB-207. If it managed to supply most of the world's airbuses with their propulsion units, the Derby firm would have made sure of its position amongst the world's top three aero-engine companies, along with Pratt and Whitney and General Electric of the United States.

Until the end of last week, when the board of United Airlines decided to order the McDonnell-Douglas DC-10 (30 firm with an option on another 30) it was thought that Lockheed had a reasonable chance of capturing nearly all the market. The decision by United has however changed the picture again, for it means that there will be strong competition for the market by the two companies. The position is that there are now 55 firm orders for the DC-10 with options on another 55 compared with the 172 for the L-1011. McDonnell-Douglas will therefore go ahead with construction of its tri-jet which is powered by General Electric's CF-636. The latter had lost the fight for the contract for the L-1011 to the RB-211, despite considerable pressure from influential American quarters. It was United who specified the CF-636 and this was followed by American Airlines who had left their choice open when they placed their original order. Another aspect of the order for 110 DC-10s is that the proposals recently made by Boeing for a 275-300 seater variant of its 747 Jumbo-Jet, the 747-300, powered by the other leading American aero-engine firm, Pratt and Whitney, have suffered a setback; it is however possible that Boeing will come back into the competition with more detailed proposals for its original airbus concept, the 757.

The fact that Rolls-Royce was able to make the breakthrough into the American market was due to a number of considerations, apart from the RB-211's recognised technical merit. The climate in the United States for large-scale purchases



of advanced technical equipment from overseas had to be overcome, as well as the political pressure involved, and in this it seems that the US administration decided that the deal should be allowed to proceed on purely commercial merits. It was here that the role played by the £34m. Air Holdings became all important, for its order of 30 with an option on another 20 aircraft, coming on top of the 94 order by Eastern and TWA meant that production of the L-1011 was immediately a viable proposition. Furthermore, the purchase of RB-211s, whose financial attractiveness had been enhanced by the devaluation of the pound, would not involve a massive drain on American resources, since they could be balanced by Air Holdings taking the aircraft, which is a commercial plum of some size. This is the exclusive franchise for the sale of the L-1011 outside the United States although at first it will be limited to sales of six aircraft or less, and it is estimated that these could reach 175 by 1975.

Air Holdings, whose chairman at the time of the deal, Sir Myles Wyatt, has just died, was set up in 1961 and has considerable interests in the air transport sector. It was the chairman of Lockheed's, Mr. Daniel Haughton, who first raised the possibilities of a deal with Air Holdings, and the financial adviser to Rolls-Royce, Lord Poole, who is also chairman of Lazard Brothers, approached Sir Myles Wyatt. In this move he was helped by the fact that Lord Cowdray is also a shareholder in Lazard Brothers, and holds an 8.1% interest in Air Holdings through Broadminster Nominees. Furthermore, the non-executive chairman of Rolls-Royce is Lord Kindersley, a member of Lazard's Board and formerly chairman, until he was succeeded by Lord Poole.

Air Holdings' existing air transport interests, including the largest independent British airline, British United, are in the process of being sold to the group's largest shareholder, British and Commonwealth Shipping, but because of the death of Sir Myles Wyatt, the move may take longer to implement than originally planned. An important aspect of the Air Holdings-Lockheed sales deal is that the British firm will be able to draw on the financial resources and expertise of the City in arranging credit and other facilities for its customers, who are expected to include a good many European airlines.

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#### A. 300 to Go Ahead.

The development of the sole rival to the American airbus projects, apart from any plans by the USSR, the European airbus, is not likely to be greatly affected by the recent spate of orders for the DC-10 and the L-1011, which now total 282. The builders of the A. 300 to be powered by two Rolls-Royce RB-207 turbo fans, Deutsche Airbus, Hawker-Siddeley and Sud-Aviation have all along known that this would occur and still believe that they have a reasonable chance of a worthwhile share of the world market for this type of aircraft. Before the A. 300 is given the go-ahead, the flag lines of Britain, France and West Germany are supposed to place orders for 75 on the basis of 25 each and provided this number of aircraft is agreed by the end of this summer, its chances are reasonable. Furthermore it now has a strong competitor in the shape of the Boeing 747-200, carrying a maximum of 240 passengers at ranges of between 200 and 1,800 miles, powered by two Pratt and Whitney JT 9 D engines. This would make it



a direct competitor with the A. 300, as both the DC-10 and the L-1011 are considered complementary to the European venture, with their coast to coast capability within the United States, of some 2,750 miles non-stop. This will create a problem for the European airbus, since one of the airlines required to take 25 before the go-ahead is given is Lufthansa, with its "Buy Boeing" policy and the advantages it thus obtains: all the company's officials, in their public utterances on the subject, have betokened lack of enthusiasm for the A. 300. Certainly their case that they do not wish to order aircraft until they have a need is justifiable, but if the A. 300 does not go ahead through a lack of orders from Lufthansa, it could jeopardise the future of the European civil aircraft industry. Another factor which will strengthen the competition created by the Boeing 747-200 - the third of their offerings in the airbus field after the 757 and the 747-300, which has lost out in the competition for the big American airbus - is its capacity of 240. This is half way between existing aircraft in service and the big jets, due to come into service in the early 1970's which may make it a more attractive proposition from the operator's standpoint, but is also likely to compete with the 200 seater mini air-bus.

The extra work which Rolls-Royce will have as a result of its contracts for the RB-211 is not expected to slow down that done on the RB-207, or vice versa, according to statements by both the British government and the company. It is also possible that development costs will be slightly less, since both engines are of the advanced technology type, and can be said to be scale copies of each other. Important factors are their reduced noise level, fuel consumption a quarter down on existing jets, less maintenance and cheaper operating costs.

Before the announcement of the American orders, the builders of the A. 300 had sent a sales team to the United States to visit prospective customers and it was then estimated that if the aircraft could be some 15% cheaper - in fact the cost is reported to have risen slightly - than its American rivals, they would be able to sell at least 50 in the United States and possibly more than twice that number. Although the chances of achieving these figures are now less, the outlook for sales to the smaller American domestic airlines is still quite reasonable., because of their cost and range requirements.

Time however remains of essence to the European airbus, if its bid to gain a foothold in the world's most important market, the USA, is to be successful. The detailed technical aspects of the A. 300 are due to be made available to the three flag airlines at the start of May, and they will then have until August to decide how many they should order. It is known that Air France is in favour of the project, whilst BEA wants to make sure it will be viable, leaving us again with Lufthansa's "Buy Boeing" policy as the main cloud on the horizon.

The suggestions made in certain quarters that Britain will be willing to let the A. 300 drop have been refuted in Parliament. As recently as last week at the Hanover Air Show, Mr. John Stonehouse, who as Minister of State in the Ministry of Technology is closely involved with the aerospace industry, made it plain that there was no question of this being the case. In any case the Lockheed order is for the United



States, and if Britain's aerospace industry is to survive it will need to cooperate on a European basis to ensure that it does not become subject to the whims of American firms. Again the British government took care to inform the French and West German governments of the details of the Lockheed deal before this became public, to reassure them of its continued support for the A. 300. There is the additional factor, moreover, of the major political crisis which would arise, should Britain decide to withdraw from cooperation in this sector.

In fact there is a distinct possibility of the A. 300 being the forerunner in a series of new generation civilian transports, for talk of a mini-airbus is once again coming to the fore. This has been under informal discussion for some time now, and ironically may well bear a certain resemblance to the BAC-211 - which would have used the RB-211 - the subject of considerable controversy last year when there was a major argument about a new aircraft for BEA. Finally they were put into the position of having to buy a much enlarged and stretched version of the Trident. The BAC - 211 was criticised in some European countries as being a rival to the A. 300, yet in France, where some of the strongest criticism was uttered, permission was given to order the Boeing 727-200 seating 148 to 168 and already in service compared with the 211's maximum of 200, and the Trident 3b's 145 which will not come into service until 1971.

Thus the prospects for the A. 300 are not seriously compromised by recent moves, but if it is to be successful then neither the governments, manufacturers, nor the airlines can afford to waste time and the firm decision whether or not to proceed with its construction should be taken as early as possible.

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### Concorde.

The suggested date for the first flight has come and gone, but the Concorde is still expected to fly by late summer, for the makers are likely to try and get it airborne in time for the Farnborough Air Show in mid-September. The delays to the project are not necessarily harmful to its chances, since its American rival, the Boeing SST or 2707 is likely to be at least three years behind. Although the Concorde has run into some difficulties over its special droop-nose system and the fuel transfer system (used both as a coolant and for retaining the correct centre of gravity), it is well on the way to flying. The Boeing has however met with such problems, that some reports talk of it of being virtually redesigned, with much less reliance on the swing-wing principle and with the adoption of a lower speed.

The first trials of the Olympus 593 engines used to power Concorde have been successful and are now undergoing quantitative analysis, with modifications in the light of these before the next stage begins. These will enable the Concorde to fly the Atlantic at around 1,450 m.p.h. although the question of the sonic boom may result in some limitations being imposed on certain routes. The problem of the sonic boom will not be satisfactorily resolved, until the Concorde has begun to show its paces, probably



in the spring of 1969, since the tests carried out with supersonic fighters are no real answer to this difficult question.

This is the approach taken by the British government, when it is repeatedly attacked on this subject, which also has another aspect - its influence on the operating economics of Concorde. The British government has now decided that it will be willing to back full production of the aircraft, provided that it is capable of flying its payload economically across the Atlantic. Although this may sound like a new decision, it in fact is no more than agreeing to finance production, provided the Concorde comes up to the guarantees given by the manufacturers to the airlines, and without which they are under no obligation to take up their options for 74 aircraft. The cancellation of the project at this stage would obviously result in a major political row whatever the economic justification might be for such a move, and would threaten the jobs of over 50,000 persons directly and indirectly engaged on the project in both countries. It is of course possible that in the case of such a move, the advent of supersonic civilian flight might be delayed, for Boeing would probably take longer to develop their SST, though they might also push ahead with their proposal for a smaller SST flying at less than 1,000 mph, which would enable them to gain practical experience of some of the problems involved.

The Russian supersonic airliner, the Tupolev 144 or TU-144 is reported to be at a similar stage of development to the Concorde, according to both Russian sources and the French Minister for the Armed Forces, who has just seen the aircraft in Russia. Although it has fewer passengers, 120 compared with the Concorde's 132, it is understood to fly around 100 mph faster, i.e. between 1,550 and 1,600 mph. The TU-144 has a similar appearance to the Concorde, which some observers believe may have influenced its design.

\* \* \*



MILITARY AIRCRAFTJaguar Roll-out.

On Wednesday, April 17th the first example of Franco-British co-operation in the military aircraft sector was rolled out. The new aeroplane ran up and down the runway at Villacoublay, near Paris at speeds of up to 100 m.p.h., but was not allowed to take off because of a government restriction on military test flights in the vicinity of Paris. The plane will now be dismantled and carried overland for its first test flight in Istres, in the region of Marseilles in June. The roll-out was acclaimed as a significant example of Anglo-French co-operation, and the fact that it took place within a month of target time and 10% of target price (ex-devaluation) is impressive when compared with other less successful attempts at co-operation between the two countries.

The Jaguar is a twin-engined, supersonic tactical support aircraft and advanced trainer, the only significant difference in the latter being a longer front fuselage with tandem seats and higher operating weights. Performance at the optimum level of operation is in excess of Mach 1.7 and the aircraft has an external armaments payload of 10,000lb. Initially, it is planned to manufacture five variants of the aircraft, three of which will satisfy the French requirements and two the British requirements. At present seven prototypes are being constructed at Villacoublay, representing four of the five types:

- Jaguar E: The French trainer which embodies the original French ECAP (applied trainer) requirements first mooted some five years ago. Prototypes 01 and 02.
- Jaguar A; The French tactical support aircraft. Prototypes 02 and 03.
- Jaguar M; The French naval tactical support aircraft. Prototype 05.
- Jaguar S; The British tactical aircraft. Prototypes 06 and 07.
- Jaguar B; The British trainer. This is the model for which there are no prototypes as yet; prototypes for this model will be obtained by modifying early production Jaguar E's.

The market for this type of plane seems to be immense. Already the French government has ordered 200, 150 for the French Air Force and 50 for the French Fleet Air Arm and the British government similarly has ordered 200 for the RAF. With a world market for similar types of planes of some 5,000, the Jaguar has a possible market worth £2,500 million. Studies have shown that no less than 70 nations have requirements for an aircraft of the Jaguar type in one or other of its major roles and this calculation excludes Britain, France, the United States and the countries who have a political "duty" to buy from Russia. The Jaguar has then the biggest money-making potential since the Hawker Hunter and promises too to be a good successor to the Mirage III and V series, which now has as good a record as the Hunter.



The Royal Air Force however is not happy about its strike plane capabilities for the mid 1970's. The Jaguar it feels is a fine aircraft for giving heavy artillery support, but with its total range of only 500 miles, it cannot fulfil the needs that the R.A.F. foresee in covering the wider isolation of the battlefield which may lie up to 500 miles behind the enemy lines. In practice the Jaguar can only fly 280 miles before turning back. What the R.A.F. would like to see is some form of cheap swing-wing aircraft capable of flying up to 500 miles before returning to base and at a near supersonic speed. Moreover the R.A.F. would like an aircraft which was somewhat faster than the Mach 1.7 Jaguar, one that at higher altitudes could fly up to two and a half times the speed of sound. Until the R.A.F.'s call is heeded, however, Britain will have to make do with her Lightnings, American Phantoms (to be introduced later) and for limited purposes, the Jaguar.

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### European Replacement Programmes

Meanwhile the Swiss have been considering the Jaguar, amongst others, as a possible replacement for their 300 or so Venom and Vampire bombers. Preliminary viability studies have been carried out by the technical services of the Swiss army so that the Conseil Federal should reach a decision in the near future. The following models have been considered by a commission set up by the army; The Douglas A4 Skyhawk (single engine), the A7 Corsair (single engine) and the Lockheed F5, all produced by the United States; the Italian twin-engined G-91 Fiat, the Swedish Draken and Viggen fighters, the Swiss P-16 fighter, the French Mirage V and the Anglo-French Jaguar. Of these nine possible choices the Federal Council will short-list two or three and these will undergo extensive technical and tactical tests conducted by army experts, before the final decision is ratified by the Swiss parliament. The Swiss will probably be guided in their choice by the possibility of manufacturing the chosen plane under licence in Switzerland, as was the case for the 57 Mirage III's which the country purchased a few years ago from France. As the same tooling and jigs can be used for the construction of the Mirage V as for the Mirage III's, this will give the French aircraft a clear advantage over the other contenders for the contract.

Denmark has also been shopping around for replacement aircraft. Again the Mirage V was a strong contender for the replacement, as was the cheap-to-run Northrop F-5, but these two had to concede to the Swedish Draken, made by Saab. Saab's were able to offer the Danes a much lower price than the other contenders, but more important still perhaps was the attraction of the offset scheme offered by the Swedes. The Americans had offered to order increasing amounts of food and provisions for the troops in Europe from the Danes, the French had offered to buy from Denmark a number of prefabricated hotels, complete with lighting and furniture for installation on the Languedoc coast, but the Swedish scheme proved to be the most attractive. This scheme includes the building of several factories for making precision parts and tools (including parts and precision instruments for Saab themselves) and a long-term plan for increasing industrial co-operation between the two countries in a number of other sectors.



A study group, the so-called "Working Group Hornet" has been set up as a joint venture between the Germans and the Dutch in order to begin a "concept definition" study of a new advanced combat aircraft for use in the mid-1970's. This new aircraft, known as the MRA-75 (Multi-role aircraft 1975), will be a replacement for the ill-fated F104G Starfighter and the Fiat G-91. Soon after the working party was set up, Britain was invited to join West Germany, Holland and Canada after General Steinhof, the head of the Luftwaffe, had convinced the parties involved, and not least his own aircraft industry, that Britain's contribution would be a significant one and that the quality of the replacement aircraft was more important than the number of countries participating in the scheme. It is however intended to keep the project within the bounds of Europe if possible and to make it a vehicle for European co-operation, but the participation of the United States has not been ruled out.

Agreement has now been reached between the four countries involved as to the military requirements of the new aircraft. Britain in particular is seeking a replacement for the Anglo-French variable geometry aircraft that never got much further than the drawing board; the Dutch and the Germans are keen to have a plane that needs a very short take off run, and the Canadians are interested in an aircraft that has good high altitude performance. Whatever the eventual outcome of the discussions on the shape of the plane, there will be an almost guaranteed market of £3,000 million. Meanwhile, German parliamentary sources in Bonn have been saying recently that there is a strong possibility that West Germany would choose the Jaguar as a stop-gap replacement between the withdrawal from service of the Starfighter and the introduction of the German-built replacement in the mid-1970's.



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AEROSPACE

\*\* The Rome company ELICOTTERI MERIDIONALI SpA (see No 395), an associate of the Italian aircraft company COSTRUZIONI AERONAUTICHE GIOVANNI AUGUSTA SpA, Castina Costa Varese, which makes AUGUSTA BELL helicopters throughout Europe, has renewed and widened the scope of the agreement it signed in 1966 with BOEING CO, Seattle, Washington (see No 439). The latter's VERTOL division has given it the licence for the manufacture in its new Frosinone plant of its CH 47 - CHINOOK heavy helicopter, as well as sales rights for this in Austria, Italy and Switzerland. Under the original agreement, the Italian company was responsible for only maintenance and sales of the helicopter.

BUILDING & CIVIL ENGINEERING

\*\* The Nancy group CIE DE PONT-A-MOUSSON SA (see this issue) intends to take over the French civil engineering firm ENTREPRISES BALENCY & SCHUHL SA, Clichy, Hauts-de-Seine (see No 257).

With an annual turnover of around F 70 million, this specialises in making industrialised housing facilities (the Balency process) in its factories at Villeneuve-le-Roi, Val-de-Marne, and Perpignan, Pyrennees-Orientales (over 1,100 on payroll). Its main French interests include STE NOUVELLE UNITRA Sarl, Nantes, Loire-Atlantique, as well as B.A.B. Snc, Paris, which was formed in December 1963 to supervise and carry out property development schemes with three other firms in the sector. In Switzerland it controls the management company Brevets & Procèdes Balency SA, Geneva, where it also formerly had a manufacturing subsidiary, Construction Balency SA, which was set up in September 1961 and dissolved in December 1965.

\*\* Sigs. Mario Carli, Milan, Antonio Amodio, London, Claude Cheron, Paris, and Gaetano Sansone, Milan, are amongst the members of the board of the newly-formed Milan company AA. & Associates SpA, which will act as a consultancy for civil engineering works, with an initial capital of Lire 20 million. The main shareholders in the venture are Sigs. R. Accornero, Rome (50.8%), and A. Balzani, A. Castelli and C. Pellegrini (10%).

\*\* The Italian building materials group EDIT SpA, Turin, has strengthened its French interests by increasing to F 450,000 the capital of its subsidiary EDIT FRANCE Sarl, in order to back its expansion. This was formed in 1965, and is managed by Mr. Leon Limousin. It specialises in supplying pre-cast building materials, wall coverings, roller blinds and P.V.C. roofing materials.

The Turin group (capital Lire 480 m.) is headed by Sigs. Giancarlo and Maurizio, and its main products include venetian blinds and P.V.C. building sundries.



## CHEMICALS

\*\* The German ceramics and refractories group VILLEROY & BOCH KERAMISCHE WERKE, Kettlach, Saar (see No 417), has considerably increased its manufacturing facilities abroad by taking control of the Italian company, S.P.I.C.A. - STA PRODOTTI INDUSTRIE CERAMICHE & AFFINI Srl of Teramo, Abruzzi, which, with a capital of Lire 500 million, specialises in the manufacture of ceramic tiles and sanitary ware.

Under Herr Luitwin von Boch-Galhau, the German group employs some 15,000 people in manufacturing ceramics, porcelain, clay tiles and crystal glass. The most important sector of its foreign investments is concentrated in France, where it has two subsidiaries, Villeroy & Boch SA of La Ferte-Gaucher, Seine-et-Marne, and Villeroy & Boch-Ste Generale de Carrelage SA, Paris (with factories at Feignies and Haubourdin-Lambersart, Nord, and Bourg-Saint-Andeol, Ardeche). The company also has factories in Luxembourg (Faienceries de Sept-Fontaines SA), Canada and the Argentine Republic.

\*\* A 22% shareholder in STE DES PRODUITS CHIMIQUES D'AQUITAINE - AQUITAINE CHIMIE SA, Paris, the PIERREFITTE-STE GENERALE D'ENGRAIS & PRODUITS CHIMIQUES SA, Paris (see this issue), will increase its stake by some 8% following a support operation worth F 3.4 million carried out by BANQUE DE PARIS & DES PAYS-BAS SA (see No 458). As a result, the latter will take a 2.48% interest in Pierrefitte's capital, which will be raised to F 91.8 million.

Aquitaine Chimie specialises in the production of acetylene and ammonia; it has a shareholding in Methanolacq SA, Paris, along with the Ugine-Kuhlmann SA and Entreprise Miniere & Chimique SA groups. Its other shareholders include Produits Chimiques Pechiney-Saint-Gobain SA (42%) and Entreprise Miniere & Chimique SA (28%).

\*\* INTER-CHEMICALS & PLASTICS SA, Ixelles-Brussels, which was formed in Belgium during December 1966 by private American and Belgian interests (see No 329), has opened a West German branch in Heidelberg under Mr. John Hastry.

\*\* M. Robert H. Fievet of Paris, president of the LA CARBONIQUE SA group, Paris (see No 344), has been nominated as president of the Belgian company CARBUNI SA, recently formed in Molenbeek-St-Jean, Brussels, as a result of a 50-50 association between this group and two Belgian companies, L'ACIDE CARBONIQUE PUR-STE FINANCIERE & INDUSTRIELLE POUR LA FABRICATION DE L'ACIDE CARBONIQUE PUR ET AUTRES PRODUITS ALIMENTAIRES SA, Molenbeek, and its affiliate ANTWERPSE CHEMISCHE BEDRIJVEN-L.C.B. NV of Antwerp; the new company is to manufacture and distribute liquefied and dissolved gases, and will have a capital of Bf 15 million, of which the French interest will be held by a subsidiary of the parent company, La Carbonique Francaise Sarl.

Under M. Francisco de Murga, the first of the two Belgian parent companies shares control of Les Etudes Techniques SA of Molenbeek with Exiru SA and Finego SA, both of Molenbeek. The second of the parent companies (capital Bf 43 million since the end of 1963) took over shortly after its formation what used to be La Carbonique Belge SA of Schoten, Antwerp; it is also affiliated to the tune of 21% with Union Financiere d'Anvers-Bufa NV (see No 450).



\*\* STE DES PRODUITS TENSIO-ACTIFS-TENSIA, Liege (a member of the STE BELGE DE L'AZOTE & DES PRODUITS CHIMIQUES DU MARLY - S.B.A. SA group, Renoury-Ougree - see No 446), has made an agreement in London with GREEFF-CHEMICALS HOLDINGS LTD to manufacture and sell in Britain detergents, soaps and chemical products. A 50-50 subsidiary has been formed on the latter's premises (parent company of R. W. Greeff & Co Ltd) called TENSIA-GREEFF LTD (capital £1,000).

The British group already has links with foreign firms, including those with the Swedish manufacturer of chemical products for use in paints and plastics, Svenska Oljeslageri A/B, Mölndal (a member of the Mo Och Domsjö A/B group - see No 405), within a 50-50 London subsidiary called Soab Ltd. It also controls three other British chemical firms: H. M. Roemmele & Co, Glasgow; Barking Zinc Oxide Ltd, Barking, Essex; and Superfine Chalks Ltd, Drifffield, Yorkshire.

\*\* A link-up between the American company CARBOLINE CO, St. Louis, Missouri, the Dutch NV VERNIS & VERFFABRIEK v/h H. VETTEWINKEL, Amsterdam (see No 417), and the French STE DES PEINTURES H. LAPPARTIENT-STEREN SA, Neuilly, Hauts-de-Seine, has resulted in the formation of CARBOLINE HOLLAND NV, Amsterdam (authorised capital F1 150,000). This will sell in the Netherlands the special anti-corrosion coatings, made by the French company under licence from the American firm in its factory at Lorient, and will also arrange their distribution and sale in Belgium, Luxembourg, West Germany, Denmark, Finland, Yugoslavia and East Germany through its own sales network, whilst in Norway and Sweden this will be carried out in conjunction with local firms.

Carboline Co has a French subsidiary called Carboline Europa Sarl (formerly Carboline France Sarl) based at Neuilly, Hauts-de-Seine, the capital of which was recently raised to F 450,000, and whose manager, M. Jacques Lappartient, will run the new Dutch concern. Apart from ordinary paints, Lappartient-Steren (capital F 2.5 m.) makes marine paints and coatings, heat-applied plastic coatings, especially for anti-fouling, under licence from the AMERICAN MARINE PAINT CO, as well as rigid foam for thermal and sound-proofing. Vettewinkel's well-established foreign interests include subsidiaries bearing its name in Nuremberg, Brussels, Survilliers-Val d'Oise, France, Stockholm, and in Scotland Craig-Vettewinkel, a 50-50 concern owned in association with John S. Craig Ltd. In the Netherlands it has branches in Arnhem, Eindhoven, Enschede, The Hague, Groningen, Hilversum, Rotterdam and Utrecht, and it controls a large number of firms: Ned. Muurverf Industrie Meni NV, Mijdrecht, Chemitex Lakfabrieken NV, which also controls NV Napeco (both in Utrecht), and Hesso-Chema NV, Haarlem.

\*\* STE DES ENGRAIS AZOTES & DES ENGRAIS COMPLEXES-S.D.A.C., Courbevoie, Hauts-de-Seine, has just been formed in France with a variable capital (initially fixed at F 5.03 m.) to sell all types of simple and compound nitrogen based fertilisers as well as to trade in these products and promote their use. With M. Jean Olleon as president directeur general, it is also headed by MM. Desrousseaux and Despartes, whilst companies and groups on the board include PRODUITS-CHIMIQUES PECHINEY-SAINT-GOBAIN (see No 456), STE DES USINES CHIMIQUES UGINE KUHLMANN SA (a member of the UGINE-KUHLMANN SA group - see No 456), STE



CHIMIQUE DES CHARBONNAGES-S.C.C. SA (a member of the Charbonnage de France -CDF group - see No 449); PIERREFITTE-STE GENERALE D'ENGRAIS & DE PRODUITS CHIMIQUES SA (see No 423); STE CHIMIQUES DE LA GRANDE PAROISSE SA (the joint subsidiary of the l'Air Liquide SA and Charbonnages de France groups - see No 424); POTASSES & ENGRAIS CHIMIQUES-PEC SA (see No 427), a member of the Entreprise Miniere & Chimique SA group, Paris, which is also represented on the new firm's board by its Toulouse subsidiary AZOTE & PRODUITS CHIMIQUES SA.

The latter was recently formed with a capital of F 100,000, and heads the group's chemical interests, whilst its sister company, Mines de Potasse d'Alsace SA, Mulhouse (capital F 100,000), heads the group's mining interests. The group itself was formed by the merger between two State concerns, Mines Domaniales de Potasses d'Alsace SA, Mulhouse, and O.N.I.A.-Office National Industriel de l'Azote SA, Paris.

\*\* The Dutch firm BEVEROL FABRIEKEN NV, Beverwijk, which specialises in refining mineral oils, has formed a West German sales subsidiary called BEVEROL FABRIEKEN GmbH, Emmerich (capital Dm 100,000), with Mr. Albert Flater, Beverwijk, as manager. The founder also has a Brussels branch controlled through its subsidiary BEVEROL VERKOOPMIJ VOOR BELGIE NV, Beverwijk.

\*\* The Belgian company ENTERPRISES CHIMIQUES & ELECTRIQUES (E.C.E.) SA, St-Gilles-Brussels (see No 270), has taken over its subsidiary COMMERCE & INDUSTRIE-COMINDUS SA. It has thus acquired fresh assets valued at some Bf 17.7 million, and as a result has raised its own capital to Bf 120.12 million. E.C.E.'s main shareholders are two Liberian companies, ARIEL SHIPPING CORP and ORION COMMERCIAL & FINANCIAL CORP (respectively 44% and 39.5%), as well as Mme Frottier.

\*\* Despite an agreement in principle early this year, negotiations between the Turin chocolate group TALMONE SpA and the Naples chemical, pharmaceutical and animal foodstuffs group PIERREL SpA have broken down (see No 451). The Naples group is an affiliate of Banca Commerciale Italiana SpA, and has its main production facilities at Capua, Caserta. Its capital of Lire 1,620 million will shortly be raised to Lire 1,800 million.

#### CONSUMER DURABLES

\*\* The Italian company ARTE & TELEVISIONE-ARTELTETRA SpA, Pavier, which was formed in Milan in late 1964 by French interests represented by Mr. K. Joël Monod (see No 283) to import and sell electrical consumer durables, has now opened a Paris branch under Mme. V. Rouch.

#### COSMETICS

\*\* The Paris cosmetics and perfumery group L'Oreal SA (see No 445) has negotiated the takeover of the Paris investment company ORINTER SA, which it established in November 1962. The group recently strengthened its Belgian interests with the takeover of FAPROCO by its subsidiary l'Oreal SA, Brussels.



\*\* The continued expansion of the activities of the Frankfurt chemical group FARBWERK HOECHST AG in the cosmetics and hair care sectors has led it to take charge of sales for HANS SCHWARZKOPF KG, Hamburg (see No 429), in Chile and Thailand. This move has relieved its subsidiaries in these two countries of some of the burden of trading; the subsidiaries concerned are: Quimica Hoechst de Chile Ltda and Fibro Quimica Hoechst Ltda of Santiago as well as Hoechst Pharmaceuticals Industries Ltd of Bangkok.

Headed by the holding company Schwarzkopf Verwaltung GmbH (capital Dm 25.13 million), the Hamburg concern has several sister companies in West Germany: Schwarzkopf Gebrüder, Hamburg, Hans Schwarzkopf GmbH, Berlin, and Kurt Schwarzkopf GmbH, Wassertrüdingen, which together employ some 4,000 people and have a group turnover in excess of Dm 360 million. In addition, the group has interests in France - Schwarzkopf Sarl, Paris (capital F 3 million); in Switzerland, Schwarzkopf AG, Binningen, Basle, Palis GmbH and Hans Schwarzkopf AG, Basle; in the United Kingdom, Corional Ltd, Aylesbury, Bucks., etc.

\*\* Mr. George Patrick Kerr, the former general manager of the Rome subsidiary of the PROCTER & GAMBLE group of Cincinnati, Ohio, has been nominated president of LABORATORI DI MILANO SpA (see No 454), the new manufacturing and sales concern for cosmetic, perfume and chemical products etc. formed in Milan by the British group BEECHAM GROUP LTD of Brentford, Middlesex (see No 410). Beecham has backed the new Italian company heavily, and the capital has been raised to Lire 400 million, whilst the name has been changed to Beecham Italia SpA.

A producer of drinks, food products, pharmaceuticals and toiletries, the British group was already represented in the country, and particularly in the perfumery sector, by its subsidiary S.A.E. Lancaster SpA, Frattamaggiore, Naples (see No 394).

\*\* The West German cosmetics and perfumes group INKA COSMETICS GmbH, Hanover, has formed a new Swiss subsidiary called HPFH HOLDING GmbH, Zug, with a capital of Sf 40,000, whose managers are Herren Helmut Franz and Werner Scherrer.

The founder (capital Dm 2 m.) has a strong foreign sales network, and controls subsidiaries bearing its name in Schaerbeek-Brussels, Amsterdam, Illnau, Zurich, Vienna, and, since 1967, New York.

#### ELECTRICAL ENGINEERING

\*\* An associate of C.G.E. - CIA GENERALE DI ELETTRICITA SpA, Milan (see No 405), which is controlled by the New York group GENERAL ELECTRIC CO, the Milan electrical firm SADELMI-SOC. DI ELETTROMONTAGGI INTERNATIONAL SpA, Milan (see No 391), has opened a branch in Amsterdam headed by Sigs. Girogio Orsi and G. Saya; it has also opened a branch in Kingston, Jamaica, with another at Mandesville.

The president of Sadelmi is Sig. Pietro Santoro, and C.G.E. is represented on the board by Mr. F. Douglas A. Hopper.



\*\* The Italian-Bulgarian firm SIBIMEX-SOC. ITALO BULGARA IMPORTAZIONE EXPORTAZIONE Srl, which is based at Lugano, Switzerland, (see No. 309) has strengthened its position on the Italian market by making into an almost wholly-owned subsidiary its Milan branch (see No. 325). Called SIBIMEX ITALIANA SpA, the new company has capital of Lire 3 million, and Sigs G. Zocco, Como and V. Lambrev, Sofia as directors. The founder was established in 1965 as a 50/50 venture between SIBIMEX and GAETANO ZOCCA & Co. Sas, Como & Milan, to act as sales representative for Balkancar, Sofia. This is the leading Bulgarian manufacturer of electrical materials-handling equipment and also makes accumulators.

\*\* A merger in the French electro-mechanical equipment industry has strengthened the position of ETS L. FAIVELEY SA, St-Ouen, Seine-St. Denis, (capital F. 2.9m. - see No. 379) which has taken over ATELIERS AUXILIARES ELECTRO-MECANQUES Sarl, Pre-St-Gervais, Seine-St-Denis, capital F. 1.53m.) As a result Ets L. Faiveley has acquired gross assets valued at F. 2.06 million which include production facilities for supplying electrical control equipment at Pre-St-Gervais.

Faiveley makes electro-mechanical equipment for rolling stock and since 1960 has had a Madrid subsidiary, Faiveley Espanola SA, controlled 50/50 with Dimental SA, Madrid.

\*\* The Amsterdam company ROBERTSHAW EUROPA N.V. which makes control equipment for domestic appliances has opened a West German Branch at Baden-Baden under Herr Robert Wischet. The Dutch company was formed in September, 1964 (see No. 272) as a wholly-owned subsidiary of the American group ROBERTSHAW CONTROLS Co, Richmond, but since that date (see No. 333) the Paris company Cie Des Compteurs SA, (see No. 458) has acquired a 50% interest. Its sales activities cover all European countries with the exception of France and Italy, where this is a responsibility of Shaw Italia SpA, Susa, Turin, 48.35% affiliate of the French company.

#### ELECTRONICS.

\*\* CIE FRANCAISE THOMSON-HOUSTON HOTCHKISS - BRANDT SA, Paris (see No 457) has extended its Italian electronics interests (see No 319) by forming THOMSON SEMICONDUCTORI SpA in Milan with Lire 1 million capital. This will both manufacture and sell electronic components and semiconductors, and its director is M. Lucien de Valroger.

The T-H H-B group takes most of its supplies of diodes, transistors, thyristors, rectifiers etc from its 51% subsidiary, Ste Europeenne des Semiconductors, -Sesco SA, Aix-en-Provence and Paris (see No 455), wherein it is linked with the new York GENERAL ELECTRIC group. The latter is currently negotiating with its French partner for either the complete takeover of this concern, or the withdrawal of its financial interest (albeit maintaining its technical assistance).

\*\* Originally specialists in the manufacture of carpets, the German group VORWERK & CO KG, Wuppertal-Barmen (see No 452), has increased its trend to diversification, thanks to a representation and licence agreement between its



"information" department and CONTROL DATA GmbH, Frankfurt (see No 447). The latter is a member of the electronics group Control Data Corp, Minneapolis, Minnesota (see No 455), whose turnover last year was \$267 million.

The Vorwerk group, which has a payroll of more than 9,000, has several subsidiaries abroad in the electrical and electronics sectors: Electro Vorwerk SA, Paris, Elektro Vorwerk SA, Brussels, Vorwerk Elektro A/S, Denmark, etc.

\*\* The Italian silk screen printing machinery and equipment company (especially for electronic applications) ARGON SERVICE LTD Srl, Milan, has set up a subsidiary in West Germany, ARGON SERVICE GmbH SIEBDRUCKANLAGEN & ZUBEHOER, Götzenhain, with a capital of Dm 100,000; the new company's managing director is Sig. Andre Garnier, Milan.

With a branch in Rome and an agency in Britain, the parent company is represented in France by MATEC-Methodes & Applications Techniques Sarl, Paris, which was formed in 1966 at Quincy-Voisins, Seine-et-Marne, by local interests under the name of Chemcut-France.

\*\* The Philadelphia subsidiary of the FORD MOTOR CO, Dearborn, Michigan (see No 420), PHILCO FORD CORP (see No 422) is negotiating the acquisition of land in the port zone at Antwerp which is at present used for armaments repairs. Philco intend to use the land to construct an important assembly plant for the group.

Specialists in electronic equipment (radar control systems, etc.), radio and television, domestic appliances, Philco already has a number of companies in Europe, including subsidiaries under its own name at Wiesbaden, Milan (which itself has branches in Genoa, Verona, Brembate, and Sopra, Bergamo), in Switzerland, Britain, etc.

ENGINEERING & METAL
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\*\* The Canadian mining and metal group INTERNATIONAL NICKEL CO OF CANADA LTD, Copper Cliff, Ontario (see No 439) has raised the capital of PRODUITS METALLURGIQUES MOND SA, Paris from F 50,000 to F 500,000 through its Canadian holding company ANGLO-CANADIAN MINING & REFINING CO LTD. Mond has now had its name changed to INTERNATIONAL NICKEL OCEANIE SA, and its scope considerably extended, to take in all aspects of mining and refining nickel and other metals and their alloys, including development and promotion work: it will also trade in and produce equipment for prospection, and will administer licenses, processes and trade-marks.

\*\* The German company KORTING KIEPEL GmbH, Freilassing, known for its machinery and accessories for the manufacture of plastics, has opened a branch in Paris under the direction of M. Jacques Gauthier. With a capital of Dm 400,000, the parent company's directors are Herren Wilhelm Norhaft and Rainer Valecka.



\*\* The Seraing, Belgium group COCKERILL-UGREE-PROVIDENCE SA (see No. 454) has strengthened its already extensive French interests in the metal sector (see No 405), where it has holdings in some eleven companies (including six subsidiaries). It has raised its stake in LAMINOIRS & ATELIERS DE JEUMONT SA, Jeumont from 9.8% to 15.69%, and increased its controlling interests in STE ARDENNOISE DE FORGE SA, Charleville, and ETS DELLIS-RIQUAIRE & CIE SA, Ferriere-la-Grande to 80.4% and 68.6% respectively.

In 1967, the group acquired a 20% interest in Coloracier SA, Paris (see No 386), and one of 13.3% in Ste Safet-Embamet-Lethias SA, Villeneuve-la-Garenne, Hauts-de-Seine (see No 430). One of its Paris subsidiaries (85.7%), Profilafroid SA, recently made over a division producing metal frameworks and roofing sections to Couvracier SA, Paris and Nancy (see No 405), formed in 1967 in association with the American Inland Steel Products Co, Chicago.

\*\* Under a recent agreement, the French VIRAX SA, Paris (see No 313) has taken charge of the "Diebold Pumps" division of NORDEN-FRUHINSHOLD - DIEBOLD (N.F.D.) SA, Nancy (see No 404). The latter, which has F 9.87 million capital, will retain its factories at head office, Lyons-Villeurbanne and Paris, which have an overall payroll of 2,000 and produce boilers, pipes and material or complete installations for breweries, maltings, silos, automatic laundries, materials-handling and grain-sucking plant. Abroad, it has interests in Belgium and Spain, and its own subsidiaries in Morocco (Nordon Freres SA, Casablanca) and Brazil (Nordon Industries Metal SA, Sao Paulo). Since 1967, one of its shareholders has been Ste Francaise des Constructions Babcock & Wilcox SA (member of the London BABCOCK & WILCOX Ltd group - see No 458).

Virax has factories at Paris, Epernay, Marne; Fontenoy-Tresigny, Seine-et-Marne; Chateauroux, Indre; Alfortville, Seine, and St-Etienne, Loire, and realises a turnover of F 57 million. It has four main fields of activity: Virax Pompes Pfyffer, formed after the takeover, some years back, of Ste des Pompes Pfyffer; Virax Outillage, making tools for plumbing, heating and locks; Virax-Industrie, for sawblades, chucks, circlips etc, and Virax-Auto, for mechanic's tools. This company also distributes drills, reamers, taps etc produced by Cie de Forets Americains - Perfor Sarl, Paris, with a factory at Bar-sur-Aube, Aube.

\*\* Dutch interests held in particular by Mr. Johannes Aarts (80%) and Mrs. Van de Hoef-Aarts (10%) have backed the formation in Belgium of KOMA NV, Hasselt. With a capital of Bf 500,000, the company was formed to manufacture, trade in, import and assemble refrigeration and heating installations, etc.

\*\* The German banque d'affaires BANKHAUS BURGARDT & BROECKEL-SCHEN KGaA, Dortmund (see No 343), has increased from 49% to more than 56% its holding in the Kassel crane, hoists, lifts, escalators, etc. concern BECK & HENKEL MASCHINENBAU AG. This company (capital Dm 3.5 million), which still has Herr Paul Dennerlein as a minority shareholder, had a turnover of Dm 15 million in 1967, and a payroll of some 500.

The Dortmund bank (capital Dm 20m.) belongs (60%) to Herr Hermann Bröckelschen, the balance being held by Landesbank für Westfalen Girozentrale, Münster- (see No 457).



\*\* The Paris group VALLOUREC SA (see No 457), already the leading French maker of seamless steel tubes and pipes (annual production capacity of over 1 million tons), is about to become the sole French firm in this sector following the acquisition from UNION SIDERURGIQUE LORRAINE-SIDELOR SA, Metz, Moselle (see No 441), of its seamless steel tube factory at Deville-les-Rouen. This factory had not been directly involved in the merger of Sidelor's manufacturing interests with those of the DE WENDEL & CIE SA group into a new company called DE WENDEL-SIDELOR SA. With an annual production capacity of 85,000 tons of tubes and 750 employees, this will be taken over by Vallourec in two moves: 1) a company called CIE DES TUBES DE NORMANDIE will be formed (this is the second to have this name, for the first was taken over by Sidelor during 1961); 2) Vallourec will then become the majority shareholder in the new company, at the same time as Sidelor, in return for a shareholding in its increased capital, makes over its 51% and 20% interests in C.I.C.T. - Cie Industrielle & Commerciale des Tubes SA, La Courneuve, Seine-St-Denis (see No 392), and in Ste Vincey-Bourget SA, Paris.

C.I.C.T. specialises in drawing steel tubes and has an annual production of around 30,000 tons with some 750 staff. Production facilities are at La Courneuve, Montreuil-sous-Bois, Vitry-le-Francois and Le Bourget; during 1967 it acquired the steel tube cold drawing plant belonging to Sidelor at Deville-les-Rouen. Vincey-Bourget (production facilities at Vincey, Vosges, and Le Bourget, Seine-St-Denis) specialises in small bore welded steel tubes and in sheet. Vallourec already holds a direct 30% interest along with the Escaut & Meuse SA group.

Sidelor, which is being changed into an investment company called Sidelor-Mosellane, has as its main shareholder (49.2%) the Pont-a-Mousson group. This is held directly and through Union Bancaire & Industrielle SA, S.P.A.F.I., and Fonderies de Pont-a-Mousson. As a result of these moves, the latter group has now reduced its interests in the first stage of steel processing to a large diameter pipes unit at Belleville, Meurthe-et-Moselle, and an interest in the wire-drawing concern Trefilunion SA (capital F 29.34 m. - see No 433).

\*\* Within the terms of an agreement within the civil engineering sector between the German firm KABAG-KARLSRUHER BAUMASCHINEN GmbH, Karlsruhe, and the Czech mechanical engineering company STASIS, Horni Slawkow, the latter has acquired for a period of five years a licence to manufacture the former's concrete mouldings and will sell these materials on the East European market under the brand name "Kabag-Stasis-Centromat".

The German firm, which also has a licensee in Britain, C. H. Johnson (Machinery) Ltd, Stockport, Cheshire, was formed in 1962 (capital Dm 300,000), and has Herr Ernst Ewald Kühner as managing director.

\*\* The German nuts and bolts concern BAUER & SCHAURTE, Neuss, which belongs to the Schaurte family (1,500 employees), is at present engaged in negotiations to sell off its South African subsidiary BASA (PTY) LTD, Parys, Johannesburg, to the local company NATIONAL BOLTS & RIVETS LTD, Johannesburg, in which the London group GUEST, KEEN & NETTLEFOLDS LTD (see No 454) has a holding of some 12.5%.



\*\* The Dutch luxury domestic goods in stainless steel, tableware, kitchen utensils and medical goods, etc., NV GEROFABRIEK, Zeist (see No 342), has gained absolute control of the West German cutlery concern P. BRUECKMANN & SOHN SILBERWARENFABRIK GmbH & CO KG, Heilbronn, Neckar, in which it already held a 33% holding. The two companies, which employ respectively 1,400 and 400 people, have an aggregate turnover in the region of Dm 50 million.

Through its holding company GERO INTERNATIONAL NV, Zeist, the Zeist company has three other subsidiaries of importance abroad: in Belgium, Reppel NV, Reppel, which it acquired in 1963 from Paon SA, Brussels; in Switzerland, Gero Trading AG, Zug, formed in 1964 (see No 278); and in London, Gero Tableware Ltd.

\*\* The New York company J. L. WILMOTTE & CO INC, which is run by Mr. Joseph L. Wilmotte, has doubled the capital of its Brussels subsidiary, CONTIMETAL SA, in order to carry out an expansion programme; the capital now stands at Bf 2 million. M. E. Genon recently took over the direction of the company from M. Louis Francois, and the company specialises in the import and distribution of machines and metal goods.

In Belgium, the American company also has interests in the fuels additives company Philtane SA, Brussels, whose formation in 1962 it backed with two other companies, Contimetal and Amerbel Corp, New York.

\*\* Specialists in industrial valves and control equipment in stainless steel and polyethylene for the chemical and petrochemical industries, WORCESTER VALVE CO INC, Worcester, Massachusetts (see No 389), has set up a sales company for control equipment at Boulogne-Billancourt called WORCESTER FRANCE Sarl, with a capital of F 20,000. Mme. S. Tree-Dupuis will be the managing director, and the company's sales competence will cover the entire Common Market.

The parent company, which has for a long time had a subsidiary in the United Kingdom at Burgess Hill, Sussex, has also, since the end of 1966, had a manufacturing and sales subsidiary at Ixelles, Brussels; the Worcester Valve Co (Belgium) SA, which has a factory at Peronnes-lez-Binche, Borinage (see No 309).

\*\* Controlled by the Paris steel group SCHNEIDER SA (closely linked with the Belgian EMPAIN group) and the STE GENERALE DE BELGIQUE SA (which increased its stake to 14.81% during 1967 after the merger with HADIR - see No 408), the Luxembourg steel group ARBED - ACIERIES REUNIES DE BURBACH-EICH-DUDELANGE SA (see No 420) has strengthened the financial position of its Paris subsidiary STE FRANCAISE COLUMETA SA by raising its capital to F 10 million (in 1966 it was increased from F 2 to F 3 million).

Arbed (capital Lux F 6,480 million) made 1.83 million tons of steel during 1967. All its foreign sales - with the exception of those to France - are the responsibility of its subsidiary Columeta - Comptoir Metallurgique Luxembourgeoise SA (formed in 1920).



\*\* Continuing the rationalisation of its interests in Brussels, the Swedish office equipment company FACIT A/B, Stockholm (see No 373), has had its property subsidiary, AGENCE ATVI SA, absorbed by FACIT-ODHNER SA, CIE BELGO-SUEDOISE DE MACHINES (itself directly controlled by the property subsidiary Gotha SA, Luxembourg); the company's capital has, as a result, been increased to Bf 10.55 million.

The Swedish group has two other subsidiaries within the Community: the sales company Cie Facit SA, Paris (capital F 2.3 million), and the manufacturing and sales company Facit GmbH, Düsseldorf (an 83.3% subsidiary), with a capital of Dm 3.6 million.

\*\* The Brussels company PRODUITS METALLURGIQUES P. & M. CASSART SA (see No 358) has formed a subsidiary under the name of CASSART PLASTICS SA, Molenbeek-St-Jean. The new firm specialises in the ferrous, non-ferrous and plastics trade and its capital of Bf 1.2 million is held directly by Auxiliaire-Cassart-Auxica SA, Brussels, in return for assets, as well as by various members of the Cassart family, who have a nominal holding.

The parent company has two main sister companies, Aciers Cassart SA, Marcinelle and Gemblaux, and Cassart Metaux SA, Tilleur-Liege (capital Bf 5 million).

\*\* ANKER MOTOREN MIJ NV, Rotterdam, joint subsidiary of NV BELEGGINGSMIJ LAURA & VEREENIGING, Eggelshoven, and the Rotterdam group ANKER KOLEN MIJ NV (see No 442), has made over its cycle and outboard motor division to LAURA MOTOREN NV of Eggelshoven, which will market its products under the new name of "Anker-Laura". This move follows Anker Motoren's transfer of sales and manufacture of its "Berlini" mopeds to the Dieren group NV Gazelle Rijwiel Fabriek v/h Arentsen & Këlling in July of last year (see No 419). Anker Motoren itself now has a 25% stake in the new company, which has Fl 10 million capital, 52% paid-up, and Messrs. F. M. J. Lurvink and H. J. Nacken as directors, being a 75% subsidiary of Laura & Vereeniging SA, Brussels, a member of the GENERALE DE BELGIQUE group.

Laura Motoren, which employs about 1,200 people in the production of some 550 motors a day, is already linked with the Yugoslav TOMOS of Koper (see No 427), by a technical, trading and manufacturing agreement, one of the main tenets of which is that Laura will distribute in the West a 50 c.c. motor developed by its partner. Through its subsidiary Beleggingsmij Laura & Vereeniging, Eggelshoven, Laura & Vereeniging embarked some months ago on negotiations over the construction near Eggelshoven of a factory to produce light, shale-based aggregates, with SA CIMENTERIES C.B.R. (see No 420), a Brussels member of the Ste General de Belgique, whose intermediary in the talks is its 67.8% subsidiary ENCI - Eerste Nederlandsche Cement Industrie NV, Maastricht (see No 365).



## FINANCE

\*\* BANQUE DE PARIS & DES PAYS-BAS SA which recently became Europe's leading banque d'affaires when it took over its two main subsidiaries, Cie Generale Industrielle Pour La France & L'Etranger SA (net assets F 194.05m) and Ste d'Investissement de Paris & des Pays-Bas SA (net assets F 265.51 m) is to carry out a major reorganisation of its structure. This will give greater autonomy to its foreign branches in Amsterdam, Brussels, Casablanca and Geneva. These will become the local equivalent of limited companies and thus be similar to Banque de Paris & des Pays-Bas Ltd, London (see No 284) and the New York, Paribas Corp. (see No 412). The capital of the Dutch subsidiary (which has an investment subsidiary NV Beleggingsmij. Van de Banque de Paris & des Pays-Bas - capital Fl 5 m., 20% paid-up) stands at Fl.30 million, that of the Belgian subsidiary at Bf 900 million and that of the Swiss subsidiary at Sf 76 million.

The group itself will be reorganised to become an investment company with the status of a financial establishment bearing the name of CIE FINANCIERE DE PARIS & DES PAYS-BAS and will head; 1) a deposit bank called Banque de Paris & des Pays-Bas with F.4,500 million); 2) a holding company called Paribas International SA, in charge of its foreign interests (with some F.600 million of its own); and 3) another holding company called OMNIUM DE PARTICIPATIONS FINANCIERES & INDUSTRIELLES, in charge of a portfolio of French stocks worth over F.750 million. Only Paribas International will be directly and completely controlled by the new Cie Financiere de Paris & des Pays-Bas, for in (1), Paribas International will control 30%, whilst in Omnium de Participations, a 20% stake will be held by (1)

\*\* As a result of the Belgium Royal decree of November 10, 1967 aimed at encouraging the sale of stocks, some 50 Belgian banks have set up the CAISSE INTERPROFESSIONNELLE DE DEPOTS & DE VIREMENTS DE TITRES SA (capital Bf 50m.) This will sell and purchase Belgian and foreign stocks by transfers between current accounts opened with its members.

The founders include STE GENERALE DE BANQUE (13%), BANQUE DE BRUXELLES (10.5%), KREDIETBANK NV (9.5%), CREDIT COMMUNAL DE BELGIQUE (3.5%), STE NATIONALE DE CREDIT A L'INDUSTRIE (3.5%) and BANQUE LAMBERT (2.5%). There are also a number of foreign banks (or banks under foreign control) as well as their Belgian branches: BANQUE DE PARIS & DES PAYS-BAS (1.7%), BANQUE NATIONALE DE PARIS SA, CREDIT LYONNAIS SA, STE FRANCAISE DE BANQUE & DE DEPOT SA, BANCO DI ROMA (BELGIUM) SA, BANQUE EUROPEENNE D'OUTRE-MER SA, CREDIT DU NORD BELGE SA, LLOYDS BANK (BELGIUM) SA, WESTMINSTER FOREIGN BANK LTD.

\*\* The Amsterdam banking group PIERSON, HELDRING & PIERSON (see No 453) has opened offices in Djakarta, Indonesia, to represent the interests of Dutch nationals residing in the country. Mr. R.F. Blommestein, the group's Indonesian agent since 1963, has been appointed director.



\*\* The Belgian EMPAIN group (see No 456) has sold its indirect minority interests - held mainly through AUXILACS SA and ELECTRO RAIL SA (see No 456) - in the investment company COMINIÈRE-STE COMMERCIALE & MINIERE DU CONGO SA, Brussels (see No 428) to the London group LONRHO LTD and the president of the Brussels firm has now joined the board of Lonrho. Furthermore four representatives of the British group, Messrs A.H. Ball, R.W. Rowland, F.A. Butcher and the Hon. A.J.B. Ogilvy have joined the board of Cominière, which now has 20 members.

Lonrho (formerly London & Rhodesian Mining & Land Co. Ltd.) has mining and commercial interests in some ten countries of Central and Southern Africa including Malawi, Rhodesia, Zambia, South Africa, Tanzania and Mozambique. Cominière (investments estimated at Bf. 387.6 m. in balance sheet at the end of 1967), although it still has large African, especially Congolese, interests, has carried out a diversification of its European, mainly Belgian and French investments. These include automobile distribution, property interests, civil engineering plant and agricultural machinery, potato products, etc.

\*\* The Italian group S.G.I. - STA GENERALE IMMOBILIARE SpA (see No 447) has strengthened its French interests - where it controls Immobiliare France SA (see No 416) - by taking a 10% interest in the formation of the Paris company SLIMINCO STE LYONNAISE IMMOBILIERE POUR L'INDUSTRIE & LE COMMERCE SA (capital F 25m.) This will undertake to finance the property requirements of commercial and manufacturing firms.

Sliminco is a finance company of the so-called "Sicomi" type established and controlled by the Decree of 28 September 1967. A similar type of company SOGEBAIL Ste Generale pour le Developpement des Operations de Credit-Bail Immobilier SA was recently formed by the Ste Generale SA with a capital of F 15 million. The president of Sliminco is M.N. du Paynat and its other shareholders include the Credit Lyonnais SA (43.4%), Ste Fonciere Lyonnaise SA, Paris (10%) and three insurance groups who each hold a 10% stake: Les Assurances Generales, L'Union SA (both in Paris) and Mutuelle Generale Francaise, Le Mans.

\*\* In order to facilitate the expansion of trade between West Germany and South Africa, the DRESDNER BANK AG, Frankfurt (see No 456), is preparing to open a branch in Johannesburg.

The German bank, whose capital will soon be increased from Dm 315 to 360 million, already has branches in Paris, London (since September 1967 - see No 423), Madrid, Cairo, Istanbul, New York, as well as in the major capitals of Latin America.

\*\* The most important backer of the multiple-interest German group (metals, mechanical engineering, electrical goods, food etc.) QUANDT, since the death in 1967 of Herr Harald Quandt, Herr Herbert Quandt has taken a 5% holding in the Cologne banque d'affaires BANKHAUS I.D. HERSTATT KGaA (see No 457). The latter bank, whose capital is about to be increased from Dm 22 to 25 million, remains under the 80% control of Herr Hans F. Gerling, who is also the owner of the insurance group Gerling Konzern, Cologne (see No 447).



\*\* The New York broking and issuing house BURNHAM & CO intends to strengthen its European interests (see No 458) by forming a new Common Market subsidiary in Amsterdam.

The New York firm already has offices in Brussels and Paris, and recently formed a new Belgian subsidiary, Burnham International Investment & Finance SA, headed by Mr. Charles S. Dumont (former director of the Cofindus Banque de Bruxelles group). The American establishment, whose European operations are controlled by M. Roger Jose, has a London branch, and another recently formed in Germany.

\*\* BANCA NAZIONALE DEL LAVORO SpA, Rome (see No 447), BAYERISCHE VEREINSBANK, Munich (see No 454), and SCHWEIZERISCHE KREDIT-ANSTALT AG CREDIT SUISSE, Zurich (see No 442), have, with the French banks C.I.C.-CREDIT INDUSTRIEL & COMMERCIAL SA and STE GENERALE SA, together formed a second credit company in Mauritania, STE MAURITANIENNE DE BANQUE SA, Nouakchott; this new company has a capital of F. CFA 50 million, whilst the presidency and management are the responsibility of the Ste Generale.

\*\* BANCA COMMERCIALE ITALIANA SpA, Milan, and BANQUE DE PARIS & DES PAYS-BAS SA, Paris, have each taken a 49% interest in the newly-formed Luxembourg investment company INTERNATIONAL COMMODITY SHARE FUND SA (authorised capital \$5 million). This has been established to manage the investment fund ICOFUND dealing in commodity stocks. Minority shareholders in the new venture are the London commodity dealers C. CZARNIKOW LTD and the South African merchant bank UNION ACCEPTANCES LTD, Johannesburg.

The latter belongs to the Anglo-American Corp of South Africa Ltd group, London (see No 436), which has close links with Banque de Paris & des Pays-Bas. These have been strengthened by the recent admission to the board of the French bank of Sir Harry Oppenheimer (former director of Cie General Industrielle pour la France & l'Etranger, which was taken over at the end of 1967 by Banque de Paris).

\*\* The Turin investment company FINANZIARIA REGIONALE PIEMONTESE SpA (capital Lire 5,000 m. - see No 430) recently diversified by buying minority interests in GIUSTELLO FRATELLI SpA, Piscina, Turin, which makes cigarette lighters, and the men's wear concern CONFEZIONE POLLEIN SpA, Pollein, Aosta.

Two other such moves made recently by the Turin concern were with the building materials company Campoleone SpA, Novi Ligure, and Bruzzzone SpA, Strevi, Alessandria, which produces wine.

\*\* The London bank HILL, SAMUEL & CO plans to open a branch in Frankfurt in order to pursue its interests in West Germany.

Late in 1967, the British bank made two major moves on the continent: the takeover of the Swiss bank Von Ernst & Co, Berne (see No 250), and a 5% backing of the formation in Luxembourg of Eurosyndicat SA (see No 444), in association with the other main shareholders in the Belgian financial studies and consultancy concern Eurosyndicat Investment Research Bureau SA, Brussels.



\*\* The London merchant bank LEOPOLD JOSEPH & SONS LTD, represented by two of its directors, Messrs R. Lowenstein and R. Cox-Johnson, has formed two investment companies in Luxembourg: PARK AVENUE OFFSHORE SA and TREND LINE OFFSHORE FUND SA, each with \$1 million authorised capital. KREDIETBANK SA, Luxembourg, has been given the task of housing and running the two companies, and its subsidiary, Finimsa SA, (see No 440), has furnished almost all the \$10,000 initial capital.

FOOD AND DRINK.

\*\* The American soft-drinks concern, ROYAL CROWN COLA CO., of Columbus, Georgia, has concluded an agreement with one of the leading Italian carbonated and fortified drinks concerns, TERME DI SAN PELLEGRINO SpA, Milan by which the latter through its subsidiary, ROYAL CROWN COLA INTERNATIONAL LTD, Nassau, Bahamas, will distribute in Italy products bearing its name.

The Columbus group (which already has a subsidiary in Toronto, Nehi Canada Ltd). is known throughout the world for its soft drinks under the names, "Royal Crown", "Diet Rite", "Nehi", and "Par-T-Pak". A licencing agreement links the firm with the Japanese distillery, Kotobukiya Ltd. of Osaka, which represents it in Japan and in South East Asia. The Milan group, whose S. Pellegrino, Bergamo factory produces both mineral waters and drinks under the marques, S. Pellegrino, Aranciata, Soda Water, Limonata, Chibotto, Rabarbaro etc, has a subsidiary in Rome and a stake in S.E.P.A.S. SpA at Brivo, a company which was formed in association with Spell Beverage Center Ltd., Vaduz, Liechtenstein.

\*\* With the intention of diversifying its traditional dairy activities in the animal feeds sector, the GENVRAIN SA group of Paris (see No 453) has bought from the American NEBRASKA CONSOLIDATED MILLS CO. (Omaha Nebraska) its control of MABO SA, Hargicourt, Somme. Mabo SA (capital F.1.72 m.) has a compound feeds factory with a capacity of 50,000 tons (metric) p. a. at Pierrepont-sur-Avre; the former president of the company, Mr. Ronald Hall of London has been replaced by M. Andre Charbonnier.

M. Charbonnier is also president of a new subsidiary within the group Midi-Aliments SA of Toulouse, which was recently formed with a capital of F. 500,000 to administer two factories at Toulouse and Villefranche-de-Rouergue, Aveyron (potential annual capacity of 25,000 tons of compound animal feeds) in association with Les Fils d'Henri Vialars SA of Villefranche, Aveyron and its subsidiaries, SAPTA Sarl of Toulouse and Ste Civile Agricole de Domaine de Perramond, Pibrac, Haute Garonne.

\*\* The Dutch meat and fat trading concern NIEUWE VLEES-COMBINATIE NV, Rotterdam, has formed a West German subsidiary, NIEUWE VLEES-COMBINATIE NVC GmbH, Emmerich, with Dm 500,000 capital and Mr. Gerrit van Toorn, Rotterdam, as manager.



\*\* The Naples group S.M.E. -STA MERIDIONALE FINANZIARIA SpA (see No 455) which already has a large number of interests in the food sector (Generale Supermercati SpA, Sebi SpA, Surgela SpA as well as 8.5% in Cirio SpA - see No 452) is negotiating the acquisition of a large shareholding in the MOTTA SpA group of Milan (see No 457). This will take when the latter's capital is raised by 50% to Lire 15,750 million.

S.M.E. has recently carried out moves in a number of sectors: these include the acquisition, in association with Domtar Ltd, Montreal, of a controlling stake in the Turin paper group Cartiera Italiana & Sertorio Riunite SpA (capital Lire 6,340 million - see No 441), a considerable shareholding in a newly established property development and tourist promotion firm Aerhotel SpA, Rome (capital Lire 130 million - see No 455), and control of several other Naples property firms Sta Edilizia Mediterranea SpA (capital Lire 300 m.)

\*\* The New York group W.R. GRACE CO (see No 450) has reduced its widely diversified European industrial interests by selling to the American chocolate and confectionery firm PETER PAUL INC, Naugatuck, Connecticut, its majority and controlling stake in the Dutch cocoa and chocolate group KONINKLIJKE FABRIEK VAN CACAO & CHOCOLADE C.J. VAN HOUTEN & ZOON NV, Wessp (see No 444) which it acquired in 1963.

With a turnover of some \$57 million in 1967, Peter Paul has chocolate factories in Salinas, California, Dallas, Texas and Frankfort, Indiana. Its brands include Mundo, Choclettos, Almond Clusters and Caravelle; during 1966 it gained control of the Chicago confectionery firm Walter H. Johnson Candy Co. Van Houten (annual turnover around Fl 100 m.) has considerable foreign interests (see No 422) in Krefeld; Zaventem, Belgium, Antwerp; Boulogne-sur-Seine; and London.

\*\* WATNEY MANN LTD. (see No 447), the British brewing group is about to increase its already substantial interests in Belgium by purchasing an additional holding of some 22.5% in the Koekelberg brewery, BRASSERIES DE KOEKELEBERG & D'IXELLESIXELBERG SA; thus gaining absolute control of the Koekelberg concern. The latter is affiliated with Watney Mann through the SOCIETE DES ANCIENNES BRASSERIES VANDENHEUVEL & CIE, BRASSERIES SAINT-MICHEL, of Molenbeek-St-Jean, in which the British group recently became a majority shareholder with some 83.5%. and it also has a subsidiary of its own, the Nouvelle Brasserie Fauconnier SA, at Chatelet. Control of this subsidiary is shared with a number of companies amongst whom is the manufacturer of carbonated drinks, Top Brunnen NV of Nederbrakel, Oost Vlaanderen.

\*\* Since 1965 an agreement (see No 303) has linked the American NATIONAL DAIRY PRODUCTS CORP., New York (through its subsidiary in Germany, Kraft GmbH, Lindenberg, Allgäu - see No 452) and the French food concern, GENVRAIN SA, Paris (through its subsidiary S.A.F.R. - SA des Fermiers Reunis, Paris - see No 453) to sell the former's processed cheeses in France and to sell the latter's cheeses (in particular "Port Salut") in Germany has been ended by Kraft. Kraft has decided to develop its own distribution network in France, where it has had a subsidiary, Kraft SA, since 1963 (capital F. 100,000), but which has been dormant until now.



FOOTWEAR

\*\*\* MANUFACTURE FRANCAISE DE CHAUSSURES Sarl, St-Pierre-Montlimart, Maine-et-Loire, has strengthened its Belgian interests by merging MARSAN Sprl, Liege, with its Brussels subsidiary CHAUSSURES ERAM SA (in association with UFINEX-UNION POUR LE FINANCEMENT & L'EXPANSION DU COMMERCE INTERNATIONAL SA, Paris). Its capital has been raised as a result to Bf 32 million. Headed by M. Albert R. Biotteau-Guery, the French group (capital F 8 m.), which is well known for its "Eram" and "Vyllar" shoes, has some 1,500 people employed in its works at head office, Chalennes-sur-Loire, Jarze, La Pommeraye and Montjean, all of Maine-et-Loire. There is also another Belgian subsidiary, Chaussures Vyllar Sprl, as well as a Vyllar subsidiary in West Germany at Rockerhausen, and another in London.

INSURANCE

\*\* Pending the formation of its own insurance subsidiary in Frankfurt (see No 447), the Panama finance group, I.O.S.-INVESTORS OVERSEAS SERVICES LTD (see No 455) has concluded an agreement with the German company DEUTSCHER HEROLD VOLKS- & LEBENSVERSICHERUNGS AG of Bonn, by which the latter will guarantee the security of the I.O.S. investment in the event of the death of an individual investor.

With a capital of Dm 7.2 million, the Bonn company has as its major subsidiaries the following insurance companies; Deutscher Herold Allgemeine Versicherungs AG and Bonnfinanz Bonner Finanzierungs- & Versicherungs Vermittlung AG, Bonn, and the property company Neuzeitliche Wohnungsbau GmbH of Munich.

\*\* Until now the three London insurance companies, THE ORION INSURANCE CO LTD (see No 446), THE DRAKE INSURANCE CO LTD and THE SPHERE INSURANCE CO LTD have had their own individual representatives in the Netherlands, but as from now they will be amalgamated. Their Dutch interests have been entrusted in the transport sector to NV ASSURANTIE MIJ DE NEDERLANDEN VAN 1845, a member of the Nationale-Nederlanden NV, Delft (see No 457), and which was already linked to the Orion Insurance Co by crossed shareholdings; in the fire, accident and general risks sector (not including transport) their interests have been entrusted to De Nationale Zee- & Brand Assurantie Mij. NV of Amsterdam.

OIL, GAS & PETROCHEMICALS

\*\* A concentration of the petroleum interests of the French group WORMS & CIE (see No 429) is about to take place; this move will involve the portfolio company PECHELBRONN SA (see No 402) and the STE DES TRANSPORTS MARITIMES PETROLIERS-S.T.M.P. SA (see No 333), the former having in 1965 bought a holding of some 35% in the latter for F 19.5 million. S.T.M.P. (capital F 27.06 m.) is, after the Cie Navale des Petroles SA (see No 447), C.F.P.-Cie Francaise des Petroles and the Cie Maritime Shell (part of the Royal Dutch Shell group), the sixth biggest French



marine transport company; the company's tonnage (metric) is about 282,000. Pechelbronn (capital F 44.05 m.) shares with the Cie du Nord SA of Paris (part of the Rothschild SA group) control of the portfolio company Socantar SA of Paris (in which Worms is itself a 10% direct shareholder - see No 384), itself parent company (55.7%) of Antar-Petroles de l'Atlantique SA (see No 448).

\*\* The West German distribution company ARAL AG, Bochum (see No 425), has finally chosen The Hague as its distribution headquarters for the Benelux countries. This choice, however, will not change the status of the subsidiaries it has in these three countries: Aral Nederland NV, The Hague (capital recently increased to Fl 10 million), Aral Belgique SA, St. Gilles, Brussels (capital Bf 50 m.), and Aral Luxembourg SA (capital Lux F 10 m.).

One of Aral's most recent moves has been the formation of an Italian subsidiary called Eurol-Iniziativa Petrolifere Industriali SpA, Bari (capital Lire 1 m.). Its own capital has recently been increased from Dm 110 to 300 million.

#### PAPER & PACKAGING

\*\* The Stockholm publicly-owned concern A/B STATENS SKOGS-INDUSTRIER (see No 381) has formed a Paris sales subsidiary to market timber in France. Called STE DE VENTE DE BOIS STATENS Sarl (capital F 20,000), this has Mr. Georges H. Dauron, Soisy-sous-Montmorency, Val d'Oise, as manager, and at the same time the Swedish firm has chosen two Paris representatives for this purpose, NORPAPS SA (capital F 100,000) and ARVID SCHUMAN FILS Sarl, which will sell its paper, pulp and panels. The Stockholm concern has some 3,600 people on its payroll, and manufactures paper, pulp, pre-fabricated walls, doors, kraft paper, etc.

#### PHARMACEUTICALS

\*\* A new Frankfurt company called BYK-MALLINCKRODT CHEMISCHE PRODUKTE GmbH is to be formed following a 50-50 agreement covering the use of radioactive products for pharmaceutical and medical purposes between the West German firm BYK-GULDEN LOMBERG CHEMISCHE FABRIK GmbH, Constance (see No 382), and the American MALLINCKRODT CHEMICAL WORKS, Saint-Louis, Missouri (see No 358).

The American firm (1967 turnover of \$62 m.) already has a 10% interest in NUKEM-Nuklearchemie & Metallurgie GmbH, Wolfgang, Hanau (see No 433). However, its main European stake is the Paris subsidiary Mallinckrodt Europe SA, formed in April 1966 with a capital of F 1.75 million. For its part, Byk-Gulden (capital Dm 12 m.) belongs to the QUANDT group through the electrical equipment and accumulator group Varta AG, Hagen and Frankfurt. It also has numerous foreign subsidiaries, including those in Argentina, Austria, Belgium, France, Italy, Mexico, the Netherlands and the United States.



\*\* The West German Scheussner family, Frankfurt, which controls the pharmaceutical products and hygienic plastic goods concern, BIOTEST SERUM INSTITUT GmbH, Frankfurt (capital Dm 1 m.) has formed a sister company to the latter in Austria called BIO TEST GmbH, Salzburg. With a capital of Sch 100,000, this has Herren Hans Schleussner and Lorenz Biskup as managers.

The Scheussner group also has a West German chemical interest, Cella Lackfabrik Dr. C. Schleussner GmbH, Wiesbaden-Biebrich, and the Swiss firm Celfa AG, Schwyz (capital Sf 2 m.). In 1962 it sold the photochemical firm Adox Fotowerke, Frankfurt, to the American group Du Pont de Nemours & Co, Wilmington, Delaware.

## PLASTICS

\*\* The Italian manufacturer of "Robex" decorative moulded polyester laminates (wood-grain finish) PLASTICA CALEPPRIO-FABRICA LAMINATI TERMO-PLASTICI Srl, Milan, factory at Settala-Caleppio (see No 450), has strengthened its interests outside the Common Market by establishing a London sales subsidiary called CALEPPRIO (U.K.) LTD. With a capital of £5,000, this is headed by Mr. N. P. Newton.

\*\* West German interests represented by Herr & Frau Rudolf Neef, Kassel, have taken a 58% stake along with Belgian interests represented by MM. Willems-Klüpper, Leopoldsburg, in the formation of PLASTIC CO Pvba, Heppen (capital Bf 250,000), which will mass-produce thermo-plastic goods.

\*\* Moves within the West German adhesive plastics industry will strengthen the position of the ALKOR group, run by Herr Dieter Lissman, and headed by ALKOR VERWALTUNGS- & BETEILIGUNGS GmbH, Munich (see No 342). This has negotiated the acquisition of a 50% stake in DECOR MARKENHANDELSGESELLSCHAFT GmbH, Bad Homburg (capital Dm 20,000), and in DECOR MARKENHANDELSGESELLSCHAFT GmbH & CO KG, Frankfurt (now being made into ALKOR - DECOR HANDELSGESELLSCHAFT).

The Alkor group centres its interests on Alkor Werke Karl Lissman KG (1,500 people on payroll), whose main sister companies are Alkor Griesheim GmbH & Co KG, Frankfurt, Alkor Vulcan Kunststoffverarbeitungs GmbH, Munich (with Swedish minority interests), Alkor Oerlikon Plastic GmbH, Munich (minority shareholders are the Swiss engineering group Werkzeug-Maschinen Oerlikon, Bührle & Co, Zurich - see No 454 - and Herr Heinrich Everhartz), Alkor Italiana Srl, Milan.

\*\* The American WESTINGHOUSE ELECTRIC CORP, Pittsburg, Pennsylvania (see No 426), has signed an agreement with the French company TEFAL SA, Sarcelles, Val d'Oise (see No 395), giving the latter rights to manufacture in France (with an option for all other five Common Market countries) and sell throughout the world its newly-developed non-stick coatings.



The French company also holds a licence from the American E.I. DU PONT DE NEMOURS & CO INC group, Wilmington, Delaware (see No 439), for its "Teflon" non-stick coatings. With M. Marc Gregoire as president it makes cooking utensils, and since 1967 its shareholders include a group of companies headed by the Banque de Paris & des Pays-Bas (a 34% stake). These are Ste d'Emboutissage de Bourgogne SA, Seiongey, Cote d'Or, Forge de Crans SA, Crans Gevrier, Haute Savoie, as well as Pechiney SA and Ugine-Kuhlmann SA. Its foreign interests include a 70% Belgian subsidiary, Alutef SA, Charleroi, and in Italy, Mondialpent Srl, Milan (50%).

#### PRINTING & PUBLISHING

\*\* The New York group I.T.T.-INTERNATIONAL TELEPHONE & TELEGRAPH CORP (see No 455) has formed a new Belgian company, PROMEDIA NV, Hoboken-Antwerp; the Bf 200 million capital of this firm is held in its entirety by I.T.T.'s wholly-owned subsidiary in Antwerp, BELL TELEPHONE MANUFACTURING CO SA (see No 444). With Mr. Frank Pepermans as general manager, the new company specialises in the compilation, printing, publication and distribution of telephone directories, catalogues, company reports, books and magazines, etc.

Bell Telephone Manufacturing recently formed Bell Congo SA in the Congo, in order to run the recently-opened assembly factory for telephone equipment in Kinshasa.

#### SERVICES

\*\* Sigs. G. Vitali and P. de Groulard are in charge of TECHNIC ASSISTANCE SERVICE ITALIA Srl (capital Lire 950,000), newly-formed in Milan by the Paris company PIERRE BARBIER & CIE SA (see No 453 - majority shareholder) and by INTERNATIONAL TECHNIC ASSISTANCE SERVICE SA, Luxembourg (10%).

The new company is run by M. Pierre Barbier, St. Maurice, Val-de-Marne, who holds the same position in the subsidiary formed in 1961 in Brussels. It will act as a technical research consultancy for the engineering electrical and cybernetic industries.

\*\* URWICK, ORR & PARTNERS LTD, London, the engineering consultancy firm (both manufacturing and sales), has set up a second subsidiary in Brussels, URWICK INTERNATIONAL Sprl (capital Bf 250,000). With Mr. Donald Philips as managing director, the new company has its headquarters at the premises of the first subsidiary, Urwick, Orr & Partners International SA; the latter company has as token shareholder the Belgian company M. G. DELACROIX & CA. VAN ROBAYS Sprl.

Controlling in the United Kingdom Urwick, Orr & Partners International Ltd and Urwick Technology Management Ltd, the London company has also, for a short while, had a 25% holding in the agricultural management consultancy concern Lugg & Gould (payroll about 70). Urwick Orr intends to associate with the latter company in an agricultural contracting company overseas. It has joint interests with The Diebold Group (see No 457) in Urwick Diebold Ltd, London, and in Eire and Canada.



\*\* The W. German firm AVIATION MARKETING GmbH, Munich, which was formed in October, 1967, with a capital of Dm. 20,000 with Mr. Richard Maynard as manager, to trade in and advise on aircraft, has opened a London branch under Mr. John Riseley Prichard.

# TEXTILES.

\*\* Specialists in fibre ropes (both natural and synthetic) as well as steel cables, the Rotterdam group, VERTO-NV VEREENIGDE TOUWFABRIEKEN (see No 358) is in the process of rationalising its rope-working activities; these activities will now be concentrated in its factory at Maasluis with those of its subsidiaries, NV TOUW- & STRAALDFABRIEK "HOLLAND", Lekkerkerk and NV "DE OUDE LIJNBAAN", Vlaardingen. The latter company will however retain its own sales network. As a result of the move, the factory at Lekkerkerk will be shut down and its other products (in particular the ropes and steel cables) will be transferred to the Rotterdam and Vlaardingen factories.

Since 1965, Verto has had control of the Netherlands company within the sector, Apeldoornse Nettenfabriek von Zeppelin & Co. NV of Apeldoorn, which has a number of foreign interests: H. Engel & Co. GmbH, Kiel and Nordatlantische Netzfabrik GmbH, Bremerhaven in West Germany; Anza Belgie NV, Ostend and Anza-France Sarl, Lorient, Morbihan. The company also has holdings (30 and 40% respectively) in Lusandesa Fabrica Lúso-Holandesa de Redes Srl, Lisbon and Apeldoorn-Lighthouse Net & Twine (Pty) Ltd., Johannesburg, South Africa.

\*\* Close links are to be established with the aim of rationalising their manufacturing interests, and later of merging, between ETS CURTAUD SA, Vienne, Isere (fulling and finishing textiles) and TEINTURERIES LAVAL SA, Rheims, Marne (dyeing, bleaching and finishing of cloth, wool and synthetic fibres.)

With agents in Paris, Lyons, Roubaix and Sedan, Teinturerie Laval belongs to the Roubaix textiles group Filatures Prouvost-Masurel & Cie-La Lainiere de Roubaix SA (see No 454) through its holding company Intexal -Ste d'Interets Textiles Allies SA (see No 445).

\*\* The Yorkshire textile group WOOLCOMBERS (HOLDINGS) LTD, Bradford (see No 393) has decided to keep its Belgian subsidiary PEIGNAGE D'ENSIVAL SA, Ensival, Verviers in being, due to the improvement in its financial situation since the beginning of 1968.

With a capital of Bf 14 million, it has Mr. Alan Thompson as president and became a wholly-owned interest of the Bradford group during 1967, when the latter bought the 50% share formerly held by the West German group Bremer Woll-Kämmerei AG, Bremen (see No 356). The cumulative losses amounting to Bf 8.08 million by the end of 1967 were expected to have led to the firm's closure.



\*\* The Belgian maker of woven felts used as filters in the cellulose and paper industries VON ASTEN & CIE Spri, Eurpen (see No 380) has formed a British sales subsidiary ASTEN (U.K.) FELTS & FABRICS LTD, Sevenoaks, Kent headed by Messrs J.E. von Asten and J.P. Starkie.

The founder is linked in the United States with Asten Hill Manufacturing, Philadelphia and with the French company C.O.P.F.A.SA, Le Gond, Pontouvre, Charente in the manufacturer of paper makers' felt and felt for wood pulp, ASCOE FELT INC, Clinton, South Carolina whose production facilities began to operate during 1967.

\*\* The Amsterdam company ESSIMEX FASHION TRADING NV. (capital Fl. 250, 000) which was formed during November, 1967 has formed a Düsseldorf subsidiary called ESSIMEX FASHION TRADING GmbH (capital Dm. 20, 000) This will be managed by Mr. Jacob van den Berge, Bussum who is owner of the founder with M. March van den Slis.

TRANSPORT
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\*\* The opening of an agency in Warsaw by the West German flag air-line DEUTSCHE LUFTHANSA AG, Cologne, (see No. 454.) will be the first result of a co-operation agreement signed with LOT, the Polish State airline, until now the sole operator of a direct Frankfurt to Warsaw flight.

At a later date AUSTRIAN AIRLINES OESTERREICHISCHE LUFTVERKEHRS AG, Vienna, will also open an agency in Warsaw.

\*\* SASSE & CO. NV, Antwerp (see No 440) is carrying out a rationalisation scheme of its principal interests. The company, which belongs in the main to M. Jean E. Sasse and Mme. Meinertzhagen-Sassy, has absorbed three of its subsidiaries, Comptoir d'Expeditions E. Sasse NV, Agence Maritime E. Sasse NV and Red Star Line SA (all at Antwerp); their gross assets amount to Bf. 117.6, 76.4 and 9.5 million respectively, and as a result of the move the company has increased its capital to Bf. 24 million. Under the direction of Messrs. Closset, Rausenberger Defryn and Vervoort, the company will now have offices at Antwerp, Brussels, Malines and Gand.

Parallel to this move, the company has formed in Antwerp a transport undertaking (rail, road, air and water), The Red Star Line NV, the second company to use this name; the capital of the new firm will be Bf. 100, 000 and the board will consist of Messrs. Sasse, Meinertzhagen, Rausenberger and Closset.



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