

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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July 3, 1969

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THE WEEK IN THE COMMUNITY

June 23 - June 29, 1969

AFRICAN ASSOCIATION

White Man Ducks His Burden

On June 29, after two days of fairly hard-fought debate at the European Centre in Luxembourg, the Six and the Eighteen finally wrought a formula for the renewal of the Yaounde Convention, a month later than scheduled. This was but initialled, and will be signed formally in Yaounde next month, formal ratification by all the national governments concerned following - hopefully - within the year. It is this document that will determine the shape of aid and trade between the European Community and its African associates up to January 31, 1975... and for a document of such moment, it comes as a disappointment, not only perhaps to the nations who derive the immediate benefit from it.

The securing of a minimum of \$1,000 million in aid and loans was the very least, according to one African spokesman, that the Eighteen could settle for - anything less did not even merit a written agreement - and in the event just \$1,000 million was what they were allowed. Even this was but a technical concession, for the billion-dollar total in fact covers also some \$82 million earmarked for other associated overseas departments and territories annexed to member states. Nevertheless, the document exists, and, provided ratification follows, the Eighteen can be sure of this much cash forthcoming by 1975. Vested interests on either side are so strong in this type of multi-national pact that it is often difficult to see virtue anywhere: the one side is firmly convinced of its munificence, the other of its just title to more than a pound of flesh, and in the end nobody scores a moral victory. The real test, however, is how successfully or otherwise the Six may have poured the contents of their pint pot into the quart pitcher of the Eighteen, and to assess this we must scan the claims that "francophone Africa" was making upon its patrons in the Six.

Of major concern to the Africans were the facts that Community trade with the third world has increased more rapidly than with the Eighteen in recent years; that proper provision has still not been made to protect the Associates from the vicissitudes of the world commodity markets, and that terms of trade in general between developing and advanced countries have deteriorated, and offset any benefits that Associates might have been accruing from their trade with the Six. The Eighteen call to witness M. Rochereau of the EEC Commission itself, who in April admitted that over the past four years trade with third countries by the EEC had increased by 17%, while with the Eighteen the rise had been of the order of 13% only. Quoted as indicators of the declining value of trade are coffee and cocoa, which have fallen in price per kilo since 1959 from 2.3 French francs to 1.8, and from F 1.8 to 1.5. Such declines in the commodities sector are the most nagging source of worry to the Associates, which include countries like the Niger, with a single-commodity economy, dependent upon groundnuts for 75% of its exports, yet faced with a fall in groundnut

prices of 20% - over just three years past. Again, the Eighteen have grown weary of the loss of trading privilege that followed the creation of the EEC, and are rebelling against the Six's competition philosophy, that erodes so much of the production aid they claim exists for farmers in most parts of the world.

When it comes to simple arithmetic, moreover, it is no hard task for the African Associates to show that Community aid is simply not keeping abreast of inflation around the world. During the first five years of the Common Market, the Eighteen received some \$580 million in aid from the European Development Fund; under the first Yaounde Convention (1964 - 9), this amount rose to \$620 million (+\$110m. in the form of loans, + \$70m. from the E.I.B.). Calculation however showed that this amount would have to be boosted to \$1,200 million, simply to retain the spending power afforded by the earlier appropriations up to 1975, account being taken on the one hand of the rising prices of industrial goods in the West and on the other of the declining prices of tropical produce and raw materials. It was also argued that such an increase in aid would be roughly proportionate to the anticipated rise in Community G.N.P. What also rankled with the Eighteen was the fact that of all the monies granted by the Six, a good 70% never leaves Community soil, being destined for purchases of capital goods for export to Africa, to which should be added the drain on their payments balances of European residents' repatriated salaries each year.

Clearly, the deal that has now been offered to the Eighteen is not guaranteed to allay all the discontents embraced by the situation described, but its inadequacy is perhaps more in the sums involved rather than in the principles, which are at least beginning to veer in the right direction. Above all others, the key figure in this deal is twenty-three - the 23% overall increase that the Six have conceded in the amount of their aid to the Eighteen. In lump sums this comes to \$748 million via the E.D.F., plus \$80 million (up from 46m.) through the same in the form of special loans, plus a \$90 million credit facility at the E.I.B. (up from 64m.). In tabular form, there follows the new breakdown of aid:

Country	Percentage Contribution	Amount \$ m.	Percentage Increase
France	33.2	298.5	21.01
Germany	33.2	298.5	21.01
Belgium	8.9	80	16.09
Netherlands	8.9	80	22.88
Italy	15.8	140.6	40.06
Luxembourg	0.27	2.4	1.00

Turning to the official text of the agreement, this follows the original Convention fairly closely: the Six-Eighteen free trade area remains, but instead of improving the Africans' position on the Common Market, the Six in fact managed to inscribe the

reduction of the common external tariff towards third countries generally for tropical produce - not a welcome move to the Eighteen, but one made necessary by agreements reached under UNCTAD in New Delhi last year. This lowering of preference (e.g. on coffee, cocoa and crude palm oil) is however offset by an undertaking on the part of the Six to lower partially the defences sanctioned by the C.A.P. against produce competing with home production: levies and duties will therefore be lowered or removed, on rice, cereals, cereal products, beef, oilseed and such grocery items as conserves, chocolate and tapioca imported from the Eighteen. Separate decisions will have to be made on every one of the commodities affected. Preference granted to imports from developing countries will, as agreed under UNCTAD, take precedence over the Eighteen's preference on Community imports, lest the world agreement be jeopardised. Again, the Eighteen have in writing been accorded the continuing right to impose duty or quota restrictions on imports from the EEC of goods in competition with home production. Finally, approval has been given for them to go ahead with any free trading arrangements they may see fit to make with other African countries at a similar stage of development. This is implicitly a sanction for the inclusion of the East African States of the Arusha Agreement - Kenya, Uganda and Tanzania, which began talks of their own with the Brussels authorities on June 30 with a view to renewing their own Association agreement. Since it was signed last July, this has still not been ratified, but it is to be hoped that the new version will be fully processed, so that the arrangements negotiated can run in parallel with the new Yaounde Convention.

Various other clauses in the new Convention are also worthy of note. In the first place, some provision has now been made for "disasters" on world commodity markets, with a sum of \$60 million of the E.D.F. total earmarked for intervention in such circumstances - a further \$15 to 25 million could well be added to this appropriation if required: the criterion will be that any country receiving such aid must be hit by a price slump on what is its staple export crop. One innovation in the new Convention that is very much a step in the right direction is the "industrialisation stimulus", that takes the form of a 10% advantage for local firms bidding for Community financed projects, up to \$500,000 worth, and a preference of 15% to encourage local suppliers to projects, when local products are to be had. Furthermore, the European Investment Bank now has authorisation to secure holdings in companies setting up in Africa. At the behest in particular of the Dutch (the "fair returns" principle), a clause was also inserted to the effect that with any project undertaken in "Associated Africa" of a value of \$5 million or more, companies from at least two Common Market countries must participate. Finally, two clauses on the freedom of establishment and freedom to supply services, much on the lines of those contained in the original Convention, were included.

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AGRICULTURE

Ministers in Luxembourg

The first meeting of the EEC Ministers of Agriculture, since the nomination of the new French government, took place from Monday to Wednesday this week in Luxembourg. It was not expected that any major decisions would be taken, as the detailed work carried out by the experts has not yet been completed. Nevertheless further discussions as to the level of prices for dairy products, beef and veal for the 1969-70 season, already twice postponed and now due to come into force on July 27, were the main topics on the agenda. In particular the Ministers were going to continue discussing the Commission's proposals made in December 1968 that the intervention price for butter should be drastically cut from \$1,735 per ton to \$1,110 per ton, along with compensatory increases in the prices for certain cheeses and skimmed-milk powder and a rise in direct subsidies for powdered and liquid skim milk. The Commission has not put forward changes to beef and veal for 1969-70, although later proposals would allow these to be increased in 1970-71. Another matter which the Ministers were expected to tackle was, whether or not they should agree in principle to the Commission's proposals for distributing some 35,000 tons of dried whole milk to developing countries.

The new French Minister, M. Jacques Duhamel, was one of the main leaders of the French Centre movement who rallied to M. Pompidou's cause during the presidential campaign and he was rewarded by being given the Ministry of Agriculture, one of the more difficult posts. M. Duhamel is a convinced "European" and as such should help to allay some of the fears of France's partners. He considers that the entry of Britain into the Common Market is essential and furthermore it would provide new opportunities for sales of French agricultural and food products. As regards the Mansholt Plan, M. Duhamel is critical of some of its aspects, although he admits it has set out in black and white the problems facing European agriculture in the years ahead. At the same time, in the new Minister's view, some of the solutions which are proposed by Dr. Mansholt do not take account of regional differences and the human problems which would be created.

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Italy Defaulting on Finance

For some time now Italy has been ignoring the conditions of the common agricultural finance policy. She has not only failed to settle her account with the Common Agricultural Fund but has also withheld payment of production subsidies, intervention costs and export refunds. As a result numerous traders, cooperatives and processors are reported to be experiencing difficulties in meeting their financial obligations. The Commission has therefore set in motion legal processes against the Italian government for failure to comply with the Treaty of Rome on two counts. These could lead to a hearing before the European court of justice. Apart from being in debt to the "Guarantee" section of the

Common Agricultural Fund to the extent of Dm 260 million (£27.1m) for expenditure in 1967/68 Italy owes her own farmers some Dm 160 to 200 million (£16.7 to 20.8m). In Rome these arrears are ascribed to lack of legal authority. Three and a half years ago the senate gave the then prime minister, Sgr. Moro, authority to settle this account. This has however not yet been ratified by the chamber. Without this formal approval the government is not empowered to make payments to international organisations. Italy does not recognise the basic principle laid down under the Treaty of Rome that community laws take precedence over national laws. In 1964 the Italian court of justice stated that EEC ordinances must be confirmed by national laws. If formal approval by the Italian parliament remains outstanding the European court of justice will have to decide whether this is contrary to the Treaty of Rome. Without the Italian contribution the Commission has only been able to pay the EEC creditor countries, France, the Netherlands and Belgium, three-quarters of the sum due to them for 1967/68.

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New Agricultural Trade Section

A new division of the general directorate 11 responsible for external EEC trade has been created to deal with questions of agricultural trade, with a Frenchman, M. Simonet, at its head. This new division will keep an eye on the application of agricultural regulations as they affect third countries and will thus help to iron out serious difficulties. It will also work out a common agricultural trading policy for the Community. Many of the criticisms of the Mansholt Plan have been aimed at its alleged neglect of the commercial aspects of agricultural policy. These two tasks become all the more important in view of the possible negotiations to extend the Common Market. General directorate 11 was created on July 1, 1967 following the constitution of a single commission of 14 members under the presidency of M. Jean Rey after the amalgamation of the EEC, the ECSC and Euratom. The general director of the directorate 11 is Mr. Edmund Wellenstein of the Netherlands. In the Commission M. Jean-Francois Deniau bears particular responsibility for commercial relations with third countries and agricultural questions have frequently occupied pride of place in discussions he has had, whether with the USA, Yugoslavia, the Argentine or any other country.

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EEC ECONOMY

More Resources for EEC Mortgage Markets

The EEC Savings Banks have recently called for a unification of mortgage procedures within the Community with the aim of encouraging capital from one member country for investment in another of the Six. These moves are aimed at the property sector and especially to provide further resources for mortgage markets.

The proposals put forward by the savings banks include the following. Mortgages and land charges should be issued in any of the six Common Market currencies. A uniform legal framework should be drawn up, which would regulate all establishments granting property credits, and this would apply to international, national or regional concerns. Furthermore existing legislation governing the use of the capital resources of property credit concerns should be relaxed, while at the same time mortgage securities issued in other member states should be accepted.

The working party set up by the savings banks to study the question considers that if its proposals were adopted it would help to improve the housing and construction sector within the EEC. At the same time, some changes would probably be needed in governments' fiscal policies towards the question of property development.

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E.C.S.C.

Subsidies: Bottomless Coalpits

State subsidies by EEC member countries to their national coal industries have been on the increase every year since the coal crisis set in, and have now reached the disquieting amount of \$ 1,700 million, all told, for 1969. This represents a considerable increase over last year's figure, despite the fact that coal production has been further cut during this time in all member states.

Of course, the larger part of these subsidies is kept for meeting the unusually high social costs incurred by the coal industry, or in other words, of bringing down to a level compatible with that found in other industries the ratio of the cost per man employed against the amount granted per recipient. During the course of this year, Community coal mining concerns will take receipt of aid amounting to \$1,222.5 million for this purpose, which is 5.72% higher than last year. Per ton of coal extracted, this financial aid for social purposes comes to \$6.87, as against the Community average of \$5.99 per ton that obtained in 1965. Moreover, this global figure veils violent discrepancies from country to country, for social aid in the Netherlands comes to \$2.89 per ton, as against 5.99 in West Germany, 8.87 in France and 10.63 in Belgium. In accordance with Article 2 of High Authority Decision No 3/65 concerning state financial intervention on the coal mining sector, all such aid is deemed allowable under the Paris Treaty, and so no special authorisation is called for, any more than it is demanded for aid falling under Articles 3 - 5 inclusive of this Decision, i.e. aid for reconversion or closure of pits, or for securing outlets for mines running at a loss, which have been kept provisionally in force either for regional or for social ends.

The latter two categories of aid will probably total around \$480 million for the whole of the Community coal sector in 1969, an increase of no less than 12.2% over the last year. The only place where an actual reduction - of 20% in fact - is being achieved is West Germany.

Both government and Community authorities are obviously disturbed by this continuing rise in the amount of aid required by ECSC coal undertakings, and in particular the increasing drain on resources under Articles 3 - 5 of Decision 3/65, as the latter amount to something very akin to marketing subsidies, which under Community rules are allowable only in the most extreme circumstances. As far as social aid as such is concerned, this can only continue to increase in direct proportion to the reduction in number of the Community's coal-mining labour force. Nothing could be done to alter them, not even if the closure of every pit in the Community were envisaged. With other subsidies, the Commission is soon to hold consultations with the Council of Ministers, and then decide whether or not these are compatible with Decision 3/65.

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Fiat Seeks ECSC Sanction for Citroen Deal

Representatives of the Fiat, Citroen and Michelin companies have recently been discussing the compatibility or otherwise of the proposed Fiat-Citroen deal (see No 482) with the rules established under the Community Treaties. The essence of the agreement is the taking of a 15% stake in the French firm by the Italian, and the creation of a joint body for harmonising research, investment and production policy between the two groups. Since Fiat falls by definition within the scope of the Paris Treaty, it will in the near future be presenting the Commission with a request for its prior authorisation of the deal, as demanded under Article 66 of the ECSC Treaty. However, we are here concerned only with a technicality, as Fiat is ECSC-ranked because of its steel production interests, whereas the new pact is concerned solely with motor cars, and should therefore present no problems. Rules of competition and Articles 85 and 86 of the Rome Treaty which embrace them are however very much in mind here, and we can only expect to receive the Commission's findings here after it has examined every detail of every clause in the new agreement, as now forwarded to it by the two companies.

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TRANSPORT

Freedom of Movement for Road Traffic

The Commission has recently transmitted to the Six a "recommendation" dealing with the problem of Community quotas for the road transport of goods within the Community. This quota system allows licensed road hauliers to operate with complete freedom within the Community. The "Community quota system" was introduced at the beginning of this year and should have been completed by a joint regulation agreed by the Six. Up till now only West Germany has informed the Commission of proposals, in accordance with Community regulations.

The Commission has therefore decided to take action, and in any case the problem is further complicated by the different systems applied to road transport by the Six. The recommendation made by the Commission to the Six includes the following main points:

- 1) Community licenses should be granted free of charge or on payment of a sum covering administrative costs only.
- 2) Any Community licensee should be able to use his own vehicle as well as hired vehicles.
- 3) Any infringement should be reported to the member state which has granted the Community licence within a fortnight.
- 4) Infringements which should be sanctioned include the use of a Community licence for road haulage within a member state instead of on an international basis; the use of a Community licence by a third party; the transfer to a third party of a Community licence; the use of an expired Community licence; the use of a licence for road haulage with a third country; the failure to immediately report the loss or theft of a Community licence.
- 5) Only administrative sanctions should be used to deal with any infringements which may arise. It is proposed that these should operate along the following lines. The first step is a warning followed by a suspension for two or three months in the case of a minor infringement. If there is a more serious infringement the Community licence should be suspended for three months on the first offence, followed by withdrawal for a whole year.

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PATENTS

Committee Work by European Parliament

During the last meeting of the legal committee of the European Parliament, it was agreed that two draft Patent Conventions should be signed simultaneously.

- 1) The "enlarged" Convention extending to all European signatory states, which would establish a uniform procedure for granting a patent after "prior scrutiny" - a detailed examination for originality and patentability - carried out by a European patents office (see Nos 503 - 7). If this procedure was followed it would result in a patent being delivered which would have the same effect as a national patent in each country.
- 2) A restricted convention applying to member states of the EEC only, whereby these would accord to the patent delivered by the European patents office like conditions of term and validity.

The legal commission also hoped that the states which had signed the Convention of Strasbourg (October 27, 1963) or enlarged Convention, should ratify this as soon as possible. Furthermore, the enlarged Convention should be extended to as many European states as possible with the aim of establishing a common application, search and delivery system, as well as patent protection outside the signatory states, so that the European patent would have the same effect within these countries as national patents. The European patent system should be available to nationals of non-signatory states, providing certain conditions are fulfilled. These include reciprocal treatment under the law, and in practice, for European nationals making patent applications in third countries. Furthermore the Six should try to harmonise the rules for granting national and European patents on a Community level. This applies especially to the question of documentary proof of an invention's originality, as it is important to ensure that the granting of national patents without sufficient documentary proof does not result in the growth of semi-monopolistic rights with hardly any form of legal control.

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DEVELOPING COUNTRIES

EEC Grain Aid

Member countries in the Common Market have agreed on the formalities of their communal aid programme in favour of Pakistan, Indonesia, Tunisia and the Sudan. These shipments come within the terms of their grain aid programme for the 1968/69 season. Under the agreements signed with the EEC the beneficiaries will receive 146,000 tons of soft wheat and will use it solely for human consumption. Income from the sale of

the wheat, less the cost of transport and marketing, is to be used in financing development projects. In addition to the four countries receiving aid in this operation, the Six agreed at the beginning of March 1969 on food aid on an EEC basis to three other countries: India, Turkey and Biafra.

EEC grain aid to developing countries, 1968/69

	Pakistan	Tunisia	Indonesia*	Sudan
Belgium	3,000	1,000	8,000	1,000
West Germany	16,000	6,000	16,500	6,000
France	16,000	6,000	16,500	6,000
Italy	11,000	6,000	7,000	6,000
Netherlands	4,000	1,000	8,000	1,000
Totals	50,000	20,000	56,000	20,000

* wheat tonnage to be supplied in the form of 37,096 tons of flour.

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ASSOCIATION

Greece

The Commission has recently laid before the Council a proposal dealing with the tariffs to be applied to products of the food industry originating from Greece. The existing tariffs set up expired on June 30th; the Commission has therefore proposed that this should be continued until a new system has been adopted, or June 30th 1970 at the latest.

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United Arab Republic

After a three-day visit to Brussels last week, the U.A.R. Foreign Minister, Mr. Mahmoud Riad, said that official contacts would be made between the Community and the U.A.R. during July with the view to a commercial arrangement. If these preliminary discussions bear fruit, a special team may be sent to Brussels, although any talks will be headed by the U.A.R.'s Ambassador in Brussels. Any arrangement is likely to be limited to a small number of products.

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INDUSTRY

"Nationalism's Threat"

The problems facing the Common Market's industrial structure and the changes which will have to be made during the next few years if it is to adapt itself successfully to the new forces which are now confronting industry throughout the world, were forcibly set out by Signor Colonna di Paliano, the member of the Commission responsible for industrial questions, in a recent Milan speech.

He stressed that if no progress was made in the near future in bringing about the effective integration of Europe, then the Six would run the risk of losing the benefits of the past ten years. The major problem was the national approach adopted by most of the Six, which in his personal view was leading to the replacement of competition between firms by competition between states. Furthermore the attempts of governments to balance internal and external expansion on a national basis within the framework of the Community created immense difficulties. Signor Colonna said that competition between products had been replaced by competition between firms, but since the latter has been unable to adapt to the new market conditions, they had been unable to prevent the penetration of foreign concerns. This had resulted in Europe being flooded out by American products, whose manufacturers were unburdened by some of the charges imposed on European industry, in particular the cost of supporting declining industries or the expenditure devoted to unproductive research, whose fall-out is often wasted as the industry to make use of it has not been developed. A common industrial policy was therefore essential to bring about a more effective balance between new and declining industries, and prevent the threat of increased distortion created by divergent national policies.

Signor Colonna dealt with the question of transnational firms, a matter which raised a good many difficulties. Many of his audience felt that the establishment of a European company statute would help (at least it would provide one less excuse and could be a psychological boost for industrialists and businessmen) to promote a more "European" approach to mergers. At the same time, however, it should not be forgotten that American firms have been successful in installing themselves in Europe, and do not appear to have been greatly hindered by the lack of a European company statute. As with many other problems connected with European integration, the will to push ahead could probably overcome the difficulties which exist. Other matters which need resolving are the harmonisation of fiscal charges on companies, and social security costs.

The dangers of massive national mergers, creating giant companies fostered at least in part by governments were also discussed by Signor Colonna. The growth of such monopolistic or quasi-monopolistic companies could be detrimental to the same concerns, and they might therefore turn to their governments for help. The

example of Gaullist policy in France, where General de Gaulle tried to bring about massive mergers aimed at preventing foreigners having a controlling stake in French industry comes to mind. The current example is the reshaping of the French heavy electrical engineering industry, aimed at thwarting the efforts of the Westinghouse group of New York to establish an international grouping based on its European affiliates.

There was also the risk that if matters continued as they were at present, and the game of industrial "double or quits" was played, whole national industrial sectors might go under to the benefit of the same industry in another member country. If this occurred it could have appalling social consequences and upset the balance of the Community. In a reference to the Industrial Reorganisation Corporation Signor Colonna put forward the suggestion that it might be worthwhile to establish publically or privately financed concerns whose role would be to finance national or community mergers. With regard to the increase in American investment in Europe (50% of all major American companies had subsidiaries or establishments in Europe in 1962, today the figure is 80%), he felt the Six should make a greater effort to reply to the challenge constructively, and one approach could be to raise European investment in America. He did not agree with those who condemned American firms investing in Europe on principle, as it was still too early to reach any definitive conclusion as to the effects of such investment. There were certainly some beneficial aspects, in particular the implantation of advanced technology concerns and the opportunity to study American management techniques at close hand. Furthermore since American firms already had a lead in certain sectors, it was likely that their stake in these key sectors would expand during the years ahead. Once again the answer to the problem of American investments probably lies within the framework and practice of a common industrial policy.

Signor Colonna stressed that far less attention should be given to those sectors which were not "automotive". The Six should concentrate on helping and developing these industries which were in a healthy position, as well as key industries. It was these "automotive" industries which ensured that Europe maintained a reasonably high rate of development, allied to an effective competitive position. However he pointed out that all industries were now tending to use new methods and their strength depended largely on the amount of time which passed between a new technological or scientific discovery being made, and the moment when its practical application began. Furthermore since many of these discoveries were used by state or para-state concerns, governments tended to place contracts on a national basis. A more liberalised approach to such state procurements could stimulate the creation of a European market and open up new opportunities for manufacturers. To overcome the "just return" problem in a joint attack on new developments and research, Signor Colonna suggested the formation of multinational firms, which would represent companies from all the member states, and could thus help to neutralise the production and financial difficulties raised by the "just return" principle.

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TRADE

French Paper Aids Investigated

Various forms of aid given to the French paper industry are considered to clash with Common Market rules and the Commission has asked interested parties (other countries, trade associations, producers, distributors etc) to inform it of any comments they may have with regard to this aid. Through a parafiscal levy on national and imported paper and card, France finances the production of certain categories of paper pulp, but since the Commission considers that the way this aid is used is to some extent incompatible with Article 93, para 2 of the Rome Treaty it has decided on further action.

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INTEGRATION

Back Door Talks

The hopes aroused by the change of style shown by the new French government have led France's partners to start concrete discussions amongst themselves as to the course which should be followed. We have yet to see which way Paris will now move, but the previous Olympian attitude seems to have gone and France will at least be willing to start discussions. At the same time no one should expect a sudden about-turn in French policy with major concessions to the Community idea.

Last week's meeting in the Foreign Office of the British ambassadors to the Common Market countries, has been followed this week by a larger get-together in Bonn of West German ambassadors and envoys in Western Europe under the Foreign Minister, Herr Willy Brandt. This was a wide-ranging session covering both political and economic aspects of European integration, including strengthening the European Parliament, the position of the four countries who have applied for membership of the Community and various arrangements which might be offered to the neutral EFTA countries, such as Sweden, Austria, Finland and Switzerland. On Friday of this week, Herr Brandt is due in Paris for a meeting with his French counterpart, M. Maurice Schumann, and this will provide an opportunity to sound out the latter's intentions in private. In any case, it is expected to result in an improvement in Franco-German relations, which have been under strain during recent months.

On the same day, July 4, Mr. Wilson will be leaving for a four day visit to Sweden. His talks will cover the Common Market question, EFTA and economic problems and Swedish trade union practices. As Herr Brandt is also in Sweden over the

weekend he will be able to give Mr. Wilson some indication as to any possible changes in French policy.

President Pompidou will be giving a press conference on July 10 and according to the information so far available this will be worthy of the name, not an occasion for hearing the wisdom of the Gaullist oracle. A new approach may emerge from this session though it is unlikely. One topic which may be raised is the question of pooling the British and French nuclear deterrents. From all the evidence which has been amassing during the past couple of weeks, it seems that the French government is at the very least considering this possibility, if only on the grounds of economy. The political ramifications are of course enormous, as it could provide the basis of a European defence system. This is being advocated in many quarters these days to help create an equal partner of the United States in the defence sector, although it would involve a greater expenditure on defence by European states. It could also bring about a major clash with the terms of the nuclear non-proliferation treaty, which Britain has signed but France has not. This in turn leads to the question of what would be the West German and Italian attitude to the pooling of the British and French systems.

On Monday July 7, the Dutch Foreign Minister, Dr. Luns, who is chairman of the EEC Council of Ministers until the end of the year, will be in Brussels for discussions with his Belgian counterpart, M. Pierre Harmel. One of the objects of these talks will be the suggestion which Dr. Luns recently made that at the next Council meeting on July 22, the Six should adopt a "declaration of intent" with regard to the enlargement of the Community. Since he first came up with this suggestion, a number of sources have expressed doubts as to whether it was wise to put this before the Council at this stage, and that it would be preferable to leave the French government time to think it over. This means in effect waiting until the middle of October, for at the end of September there are the West German elections and the government which emerges will have to be given time to settle in. The Luxembourg Foreign Minister, M. Thorn, in particular has expressed doubts about the wisdom of seeming to force the French government into a rapid decision. On Tuesday Dr. Luns will be back in The Hague to receive Herr Brandt for further talks.

Any new ideas expressed by President Pompidou during his press conference will no doubt be borne in mind when the Monnet Committee meets on July 14-15 in Brussels to discuss the reports prepared by its experts (Signor Carli, M. Edgard Pisani, Lord Plowden and Dr. Hallstein) as to the effects of enlarging the Community. The British Foreign Secretary, Mr. Stewart will be attending along with other political leaders from the Six, but at present it is uncertain whether M. Giscard d'Estaing, the new French Finance Minister will attend. This will be followed by Dr. Luns' visit to Paris on July 17th, which although being a private visit, is expected to involve talks with M. Schumann over the proposed "declaration of intent". It has been suggested that Dr. Luns may propose a draft of the declaration, instead of a definite declaration for adoption, so that the Six can consider the matter during the summer vacation.

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AUTOMOBILES

** The REGIE NATIONALE DES USINES RENAULT SA, Boulogne-Billancourt, Hauts-de-Seine (see No 515) has conceded a manufacturing licence and world marketing rights for its vehicle degreasing agents to the British MECHANICAL COATINGS LTD, London.

Also, the Renault Moteurs division of the group has just clinched a contract to supply 7,000 engines and gearboxes to the British LOTUS CARS LTD, Cheshunt, Herts (see No 376), these to be incorporated in the "Lotus Europa GT". The two firms had been linked by such an agreement since 1966. In 1968 the Renault group turned over F 6,468 million (inc. tax), from production of 807,400 vehicles.

** Further to the association of REGIE NATIONALE DES USINES RENAULT SA, Boulogne-Billancourt, Hauts-de-Seine (see this issue and No 354) with PEUGEOT SA, Paris (see No 515), whereby the two groups pooled their design and research facilities three years ago, an agreement has now been made to join forces in the body finishing sector. This move hinges upon the taking of a 10% stake by either firm in SA DES USINES CHAUSSON, Asnieres, Hauts-de-Seine (see No 406), which is raising its capital from F 39.7 to 49.6 million.

The Asnieres firm is mainly concerned with automobile bodywork, and has already plans under way for building a 300 units per day panel pressing and stamping plant. The body finishing, painting and curing plant involving the other two companies, and which will have a 500 units per day capability, will be erected adjacent to Chausson's own new project.

** CITROEN SA, Paris (see No 516) and AUDI N.S.U. AUTO-UNION AG, Neckarsulm (see No 503), having agreed to join for the commercial exploitation of the Wankel rotary car engine within their subsidiary COMOTOR SA, Luxembourg (see No 501), are to build a plant at Saarlouis in the Saar, scheduled to come on stream late in 1970. This will at the outset have a 800 - 1,000 units per day capacity, for 50 to 70 h.p. engines, designed for a new, middle-range Citroen model. Funding will be realised by raising the Luxembourg firm's capital from Lux F 80 to 200 million.

** The negotiations which recently began in Italy (see No 516) with the aim of renewing the manufacturing agreement and financial assistance pact linking the FIAT SpA group of Turin for the past two years to the racing-car firm FERRARI SpA - ESERCISIO FABBRICHE AUTOMOBILE & CORSE (formerly S.E.F.A.C., Modena) have resulted in Fiat taking a 50% stake in Ferrari, although the latter's president, Signor Enzo Ferrari will control the other 50%. They have also agreed to continue their cooperation in the manufacture of "Dino" cars and in the development of 5,000 cc prototypes.

** JAGUAR CARS LTD, Coventry, Warwicks (see No 430), subsidiary of BRITISH LEYLAND MOTOR HOLDINGS LTD, London (see No 498 - authorised capital £ 150 m) has transferred the distribution franchise for its cars in France from ROYAL ELYSEES SA, which was taken over recently (see No 508), together with its parent

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SOFIDEL - STE FINANCIERE & DES ETS CH. DELECROIX SA, Paris, and several sister companies by DAIMLER-BENZ AG, Stuttgart-Untertürkheim. The new agents are AGENCE FRANCAISE D'IMPORTATION DE VEHICULES AUTOMOBILES - A.F.I.V.A. SA, Neuilly, Hauts-de-Seine (see No 413), and ETS J.P. RICHARD SA, Paris, which between them already distribute on the French market the B.M.C. . marques: Austin, Cooper, Sprite, Healey, Princess, Wolseley, Innocenti and Mini-Moke.

BUILDING & CIVIL ENGINEERING

** The British company TERRAPIN INTERNATIONAL LTD, Bletchley, Bucks, which specialises in light prefabricated buildings particularly for schools and industry, has formed a subsidiary in Cologne called TERRAPIN SYSTEM BAU (NORD EUROPA) GmbH. This has a capital of Dm 20,000 and Messrs Ronald Jones and Peter Bartram as managers.

The British company's products are already exploited in West Germany by Terrapin Vertriebs GmbH, Bremen, formed in 1966 (see No 393), and also in France since 1963 by J.F. Cartoux, Avignon, Vaucluse (see No 290).

** The West German engineering group RHEINISCHE STAHLWERKE, Essen (see No 515) has backed the formation of a civil engineering equipment sales concern RHEINSTAHL SCHMIEDETECHNIK GmbH (capital Sch 100,000), whose manager is Herr Julius Köstler. The group has a specialised subsidiary in this sector, Rheinstahl Schmiedetechnik GmbH, Wattenscheid (capital Dm 100,000), which also has a 50% stake in Sofrest - Ste Francaise Rheinstahl Schmiedetechnik Sarl. The German group has also strengthened its links with the vehicle manufacturer Daimler-Benz AG, Stuttgart-Untertürkheim (see Automobiles) through an agricultural machinery sales cooperation agreement between the Unimog division and its subsidiary Rheinstahl Hanomag AG, Hannover-Linden. Since 1968 (see No 495) the two groups have been preparing the formation of a joint subsidiary to manufacture and sell heavy commercial vehicles.

** The merger between the two Dutch brickworks, NV STEENFABRIEKEN & KIEZELEXPLOITATIE BELVEDERE, Maastricht and NV KON STEENFABRIEKEN VAN LOOKEREN CAMPAGNE NV, Zaltbommel, will result in the formation of a holding company called NEDERLANDSE STEENFABRIEKEN NV.

Headed by Messrs. L.J. de Vries (Belvedere) and B.J. van Willigen (Van Lookeren), this will rank second in the Dutch brick industry with an annual capacity of some 75 million bricks and a turnover around Fl 9 million, just behind NV Steenfabrieken v/h Terwindt & Arntz, Lobith. With some 230 employees it will also control the prefabricated brick sections firm, Deltamur NV.

** The London group, GUARDIAN PROPERTIES (HOLDINGS) LTD has recently announced that it intends to extend its French property interests by building 160 houses at Palaiseau, Essone in association with French interests, as well as a shopping centre in Grenoble with 52 dwelling units.

** The London group **ODDENINO'S PROPERTY & INVESTMENT CO LTD** (see No 431) has entered into a conditional contract, through its subsidiary **INVESTISSEMENTS FONCIERS ODDENINO SA** - to buy a 5 acre site (19,000 m²) in the centre of Paris from the **PEUGEOT** group (see this issue). The site is on the Quai Kennedy, with an 850-ft frontage on the Seine opposite the Eiffel Tower, and if the plan goes through, the group will spend some £25 million on redeveloping it in conjunction with French interests. It is planned to build a 1,000 bed hotel, a shopping centre and offices as well as a large underground car park.

The British group owns three London hotels with a total of 2,500 beds. These are the Royal Garden Hotel which it also built, the White House Hotel and the Athenaeum Court Hotel. The group is also going to build an office block in Brussels through its subsidiary there, **Continental Property Investments (Belgium) SA**.

** An agreement between **ETERNIT NV**, Amsterdam and the Belgian affiliate, **STE BELGE POUR LA FABRICATION DE MATERIAUX DE CONSTRUCTION - FADEMAC SA**, Schoonaarde of its sister-company **ETERNIT SA**, Kappelle-op-den-Bos (see No 518) has resulted in the formation of a subsidiary called **ETERSOL NV**, Amsterdam. This will manufacture and sell wall- and floor-coverings and has an authorised capital of F1 500,000 (20%).

The Belgian founder includes amongst its shareholders **MARLEY TILE (HOLDING) CO LTD**, Sevenoaks, Kent, and the New York group **JOHNS-MANVILLE CORP**.

** **M. Rudolf Juliaan Jan Vanderpaal**, head of the Belgian property group **VAN DER PAAL**, has taken a 48.7% stake in the formation of the Antwerp property company **SINT-JANS-MOLENBEEK UITNREIDING NV** (capital Bf 10m) of which he is also the president. A 48.7% stake is also held by **M. Robert Van Mieghen**, the managing director, with the remainder shared between **GROEP VAN DER PAAL NV**, **GROEP VAN DER PAAL - ACCOUNTANCY NV** and **GROEP VAN DER PAAL, IMMOBILIEN-BINNENLAND NV** (all based in Mechelen).

The Belgian group has Italian interests through **Maria Lucrita Srl**, Cagliari, which was formed in 1966 with a capital of Lire 900,000 to undertake property schemes in Sardinia, and it has also experience in Spanish property deals.

CHEMICALS

** The West German company **G. SIEGLE & CO GmbH FARBENFABRIKEN**, Stuttgart-Feuerbach (see No 444), which specialises in organic and mineral colorants and pigments, and plastic stabilisers, has formed a sales subsidiary in Zurich called **SIEGLE GmbH**, with **Mr. Paul Bai** as manager. Its capital of Sf 20,000 is directly held by its affiliates, **REMMERT-HOLLAND NV**, Apeldoorn (95%) and **CHEMISCHE FABRIK & FARBERWERKE DR ROLL & SPITZ GmbH**, Cologne (5%).

The founder is associated in Belgium with **Bleu d'Outremer & Couleurs de Mont-Saint-Amand SA**, Ghent, through its subsidiary **Brucolor SA**, St-Josse-ten-Noode.

** The Frankfurt DEGUSSA AG group (see No 517) has boosted its position in the Austrian chemical products and alloys sectors by having its Vienna subsidiary OESTERREICHISCHE CHEMISCHE WERKE GmbH (see No 438) purchase a holding of over 25% in TREIBACHER CHEMISCHE WERKE AG, Treibach, Karnten (capital Sch 60m).

The Vienna company already holds shares in its neighbour DYNAMIT NOBEL GmbH (explosives), while the German concern, in Austria, has a stake in Schilde Wien GmbH, Vienna, through its Bad Hersfeld subsidiary Schilde AG.

** SPAFID SpA (see No 489), Milan investment subsidiary of the MEDIOBANCA group - BANCA DI CREDITO FINANZIARIO SpA (see No 516) is in 2-1 control with FINANZIARIA PREALPINA SpA, Milan of DEACOLOR SpA, Milan (capital Lire 15m - chemical products for paper, textiles and leather), which has Sig. P. Piatti as president..

** S.C.A.I. - STA CHIMICA AGRARIA INDUSTRIALE SpA (capital Lire 250m - fertilizers and pesticides), a Palermo member of the mixed economy group E.M.S. - ENTE MINERARIO SICILIANO SpA (see No 426) has purchased a 50% holding in the Ferno, Varese helicopter transport concern ELI ITALIANA S.C.A.I. (president Sig A. Magri) formed late last year.

Eli Italiana (headed by Sigs L. Fogliani and E. Flamini is to transfer its administrative head office to Palermo, whence it will supervise a weed-killing spray project in the Agrigento area.

** The Dutch state group NEDERLANDSE STAATSMIJNEN NV, Heerlen (see No 515) intends to link with the Belgian concern PRODUITS CHIMIQUES DE TESSENDERLOO SA, Tessenderloo (see No 506) a member of the Paris group, ENTREPRISE MINIERE & CHIMIQUE (EMC) SA (see No 514) in the construction of a Fl 70 million monomeric vinyl chloride plant in the Limburg province. With a capability of between 150,000 - 200,000 t.p.a., some of the plant's output will be used by a processing subsidiary of EMC.

** LA METALLO-CHIMIQUE SA, Brussels (see No 414 - electrolytic copper refining) has granted an exclusive licence to the American firm, CHEMICO METALS CORP. This involves the Belgian company's special process for processing and refining copper from poor grade ores and copper waste. To further this deal, the Brussels company will provide its American partner with technical assistance in building a plant (30,000 t.p.a. capability) based on the new process for copper refining, and the treatment of metal and chemical by-products.

** HONEYWILL & STEIN, London (subsidiary of THE BRITISH PETROLEUM CO LTD - see No 516 - through BP CHEMICALS LTD) has been appointed the exclusive British agent for glycols and ethylene compounds made by the French company NAPHTA-CHIMIE SA (see No 500).

The latter is the 42.78/57.22 subsidiary of the British Petroleum and CIE PECHINEY SA, directly (22.21%) and through Ste d'Exploitations & d'Interet Chimiques & Metallurgiques-Seichimie SA, Lyons.

** The Swedish company NORDSTROM & SPOEGREN A/B, Malmö (see No 336) which has affiliated factories in Norway, Denmark and Finland, and makes paints, glues, varnishes, lacquers, adhesives and sealing compounds has signed an agreement with the Italian firm, COLORIFICIO LIGURE SpA, Garasco, Genoa. The latter has acquired the right to the Swedish company's "Universalsystem 63" colorant patents, as well as distribution rights for its "Tintorama" products.

These are already produced and sold in several countries by other paint manufacturers, Gerflack NV, Brussels; Peintures Cauthier Belfort SA, Valdoie, France; Cia Ltda Industrias de la Pintura, Las Palmas, Canary Islands; and Firma Friedrich Demmler, West Germany.

CONSUMER GOODS

** The British domestic heating concern DIMPLEX INDUSTRIES LTD, Millbrook, Southampton, plans to step up its Common Market effort by providing its German subsidiary with factory premises, of a scale to supply the whole of the EEC. This subsidiary, DIMPLEX GmbH, Frankfurt (capital Dm 200,000) was formed in March 1965 (see No 302).

** GRUNDIG-WERKE GmbH, Fürth (see No 486) has just formed GRUNDIG-ELECTRONIQUE SA at Kreuzwald, Moselle with F 10 million capital to implement its plan to build a plant for assembling "Secam" system radio and colour TV sets. Under M. Winfried John, the new company will see to the building of the plant, which it is aimed to bring into production in 1970 with a starting payroll of some 500 people.

The German group, which turned over Dm 10,500 million in 1968 already has a French sales subsidiary, Grundig France SA, Courbevoie, Hauts-de-Seine (formerly Ste Consten SA - see No 397), once the centre of a major EEC "rules of competition" controversy.

** The German manufacturer of "Gallus" shoes, H. VOGELS SCHUH-FABRIK, Dülken, owned by Herren Walter and Otto Vogels, plans to set up in the Netherlands at Brunssum, and is to build there a factory providing work for about fifty people. The parent company is established in Switzerland with the Glarus holding company COCK GmbH, which is controlled by Herr Otto Vogels, with Herr Victor Hauni as manager.

** The French firm STE D'EMBOUITISSAGE DE BOURGOGNE (SEB) SA, Selongey, Cote d'Or (ironmongery and kitchenware, especially pressure-cookers - see No 464) has taken 51% control of SCOVILL-FRANCE SA, Lourdes with the remainder held by the BANQUE DE PARIS & DES PAYS-BAS SA. Scovill-France was the manufacturing subsidiary of the American group, Scovill-Manufacturing Co, Waterburg, Connecticut, and this move has come about following the breakdown of discussions (see No 500) for its takeover with the domestic appliances firm, TORNADO FRANCE SA. The latter is a member of the Swiss group of associated companies, Elemo Elektromotoren AG, and Tornado AG. As a result of this new acquisition, SEB (870 employees) along with its 98% subsidiary Tefal SA, Sarcelles, Val d'Oise (non-stick pans) will have an annual turnover of around F 200 million.

COSMETICS

** The Rotterdam group UNILEVER NV (see No 518), in rationalising its Benelux interests, has transferred its toiletries marketing franchise from its Dutch subsidiary VINOLIA NV, Schiedam, to THIBAUD GIBBS & CIE SA of Anderlecht, Brussels (capital Bf 2.65 m), thus renamed VINOLIA GIBBS SA, although M. Roger E.P. Verstraeten continues as president.

The Brussels concern is under the direct control of MARGARINEFABRIEK GRONINGEN NV, Rotterdam, which is linked therein by token holdings with Verenigde Zeepfabrieken NV, Rotterdam; Lever S.A.B., Brussels, and Ste Commerciale Lever Congo-Scolec SA, Brussels.

ELECTRICAL ENGINEERING

** SOURIAU & CIE SA, Boulogne-Billancourt (see No 500), French precision equipment and electronic components concern, has strengthened its Italian marketing interests by opening a branch in Bologna.

The French concern (plant at head office, Ferte-Bernard and Cluses, plus agencies or division at Les-Clayes-sous-Bois, Yvelines; Lyons and Toulouse) has sales subsidiaries in Düsseldorf, Brussels, Rotterdam and Slough, Bucks.

** The American RELIANCE ELECTRIC & ENGINEERING CO, Cleveland, Ohio, has carried out a series of moves designed to strengthen its position in Europe. In West Germany it has gained control of RHEINISCHE ELEKTRO-MASCHINEN-FABRIK GmbH, Krefeld (electric motors - capital Dm 450,000) which has been renamed RELIANCE ELECTRIC GmbH. In Switzerland, it has bought from its joint associate PARS FINANZ AG, Hergiswil, the 50% stake this held in SCHINDLER RELIANCE ELEKTRONIK AG, Dierikon, Lucerne (capital Sf 6 m). This has changed its name to RELIANCE ELECTRONIC AG and it already controls SCHINDLER RELIANCE ELECTRONIC (FRANCE) SA, Montrouge, Hauts-de-Seine formed in 1964 (see No 252).

The American group has also taken control of Toledo Svenska A/B, Stockholm and formed RELIANCE ELECTRIC (U.K.) LTD, Altrincham, Cheshire (capital £ 5,000).

** FRIGOSCANDIA A/B, Helsingborg (refrigeration and deep-freeze equipment and materials - see No 469) has extended its Common Market sales network by forming a Brussels subsidiary under its own name. With a capital of Bf 50,000, the first directors of the new concern are Messrs T. Lauritson, P.O. Persson and N. Kongmark.

The founder is a member of the Trelleborg Angfartygs A/B, Trelleborg - through Helsingborgs Fryshus A/B. There are existing companies under its own name in Paris, Duisburg, King's Lynn, Norfolk and Towson, Maryland.

** The Milan automatic telephone answering equipment concern GNECCHI & CO Snc has decided to expand in Europe, and has formed a subsidiary in Geneva named TELEPHONE ELECTRONIC MACHINES SA to coordinate the programme. In the first instance, this will form a Frankfurt sales company under the name SENTAPHON DEUTSCHLAND GmbH. In Paris, Gnechi is represented by Assmann France.

ELECTRONICS

** The French electronics firm ALTIC-ATELIERS LABORATOIRES D'ELECTRONIQUE, Paris, which is headed by M. Adrien Gerest, has formed a sales subsidiary in Switzerland called ALTIC PRODUKTE AG, Lucerne. This has an initial capital of Sf 50,000 and Mr. Candid Waldispühl as manager.

** The French radio and record player components concerns, RADIOHM Sarl, Montreuil-sous-Bois (plant at St-Calais and Thorigne, Sarthe); AUDAX SA, Montreuil (see No 430) and M.C.B. Sarl, Courbevoie (see No 448) have joined in forming CIA INTERNAZIONALE COMPONENTI ELETTRONICI - COMEL SpA, Roverto, Trento, to promote sales of their components on the German and Italian markets.

** The Luxembourg investment company specialising in funding advanced technology ventures, EUROPEAN ENTERPRISES DEVELOPMENT CO - E.E.D. SA (see Finance) has purchased an 8.2% holding in the Milan automation instruments, regulation and control equipment concern CARLO GAVAZZI SpA (works at Marcello, Milan, and Padua - see No 496). This concern had a 1968 turnover of Lire 6,800 million, and Sig I. Dado recently took over the chair, M. Arnaud de Vitry (EED vice-president) being a new director. There are a great many subsidiaries or affiliates bearing its name both home and abroad, chiefly in Brussels, Amsterdam, Paris, Frankfurt, Zurich, Vienna, Madrid and San Francisco.

E.E.D.'s shareholders (banks and finance houses of 17 nations) include I.M.I. - Istituto Mobiliare Italiana, Rome, and Banca Commerciale Italiana SpA, Milan, while recently it bought an interest of its own (minority, see No 516) in the Turin electronic gauges and three dimensional contour controllers concern D.E.A. - Digital Electronic Automation SpA.

** PACKARD INSTRUMENT CO, Downers Grove, Illinois (measuring and control instruments, radioactivity detection gear and chromatography apparatus), of the AMBAC INDUSTRIES INC group of Garden City, New York (see No 496) has amplified its Common Market coverage by forming a subsidiary in Milan, PACKARD INSTRUMENT SpA (capital Lire 3m), with Sig L. Rasmussen as chairman and Sig Aldo Peressin as director.

The parent company has several European sales subsidiaries, chiefly in Paris, Frankfurt, Brussels, Vienna and Zurich, while for a few months now it has had a manufacturing satellite in the Netherlands (its first abroad) - Packard Instruments NV, Breda.

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** The German electronic components manufacturer R. & E. HOPT KG, Rottweil, Neckar, has decided to build a factory at Ribeauville, Haut-Rhin, to employ 200 people by 1972.

The German company (share capital Dm 9.5 m), which itself employs over 700 people, in 1968 turned over some Dm 21 million. It has a British subsidiary, HOPT ELECTRONICS LTD, Clacton-on-Sea, Essex.

ENGINEERING & METAL

** The American group FRUEHAUF CORP, Detroit, Illinois (transport equipment - see No 516) has acquired an interest of around 10% in its Rotterdam licensee NV NEDERLANDSCHE TANK-, APPARATEN- & MACHINENFABRIEK "NETAM".

The latter employs 500 persons in its two factories in Rotterdam, The Hague, Zutphen, Kerkrade, Leek and Holwerd in the manufacture of rolling-stock (trailers, articulated trucks, lorry chassis, containers, hydraulic lifting equipment) and mass catering installations. It will continue to handle sales of its new shareholder's products in the Benelux countries.

** The West German manufacturer of machine tools, HERMANN TRAUB MASCHINENFABRIK KG, Reichenbach, Fils (see No 506) has formed a subsidiary in London called TRAUB AUTOMATICS (U.K.) LTD. This has a capital of £ 25,000 and Mr. Simon Kempen and Herr Karl Weisser as directors.

The founder, which specialises in automatic lathes, has numerous foreign subsidiaries, including in Europe: Traub France Sarl, Chilly-Mazarin, Essonne; Traub Nederland NV, Amsterdam; Traub Maschinenfabrik GmbH, Dielsdorf, Zurich; Misal-Präzision Werkzeugmaschinen AG, Roveredo, Ticino, and A/B Traubotomat, Gothenburg.

** The Dutch concern VEREENIGDE SCHROEFENFABRIEKEN NV, Hilversum (sanitary ware, taps, valves and lightning conductors) has acquired the 50% stake it needed for outright control of the engineering concern NV METAALWARENFABRIEK RIJMEFA, Leiden. The latter will now be run by Messrs L.J. Van Dijk, G.J.O. Oude Reimer and G.F.A. Traa.

** The Belgian concern SOMEBA - STE METALLURGIQUE DE BAUME SA, La Louvriere, Hainaut (metal beams, joists, window frames, doors etc) has formed a Paris sales and installation subsidiary called SOMEBA-FRANCE Sarl (capital F 20,000). This is managed by M. Pierre Bourlouton, Lyons, and M. Edgar Jacques, Haine-St-Pierret, Belgium.

** The Lyons engineering concern ETS BROSSETTE & FILS, F. BROSSETTE & CIE Sca (see No 505 - an affiliate of the CIE PECHINEY SA, Paris and Lyons group - see No 518) has further extended its West German sales interests by opening a branch in Frankfurt to its subsidiary BROSSETTE GmbH, Düsseldorf. There is another subsidiary in Stuttgart, Brossette GmbH Süd (see No 442), which has a branch in Munich.

** The WESTINGHOUSE AIR BRAKE CO, Pittsburgh, Pennsylvania group (see No 518 - a member since 1968 of the AMERICAN STANDARD INC, New York group) has made a \$ 820,000 offer in order to boost its position in France. If this move is successful, it will have an interest of over 72% compared with 52.2% at present in CIE DES FREINS & SIGNAUX WESTINGHOUSE SA, Sevran (see No 473).

The latter, which has production facilities at Freinville, Seine-St-Denis, and Le Mans, Sarthe, makes pneumatic, electro-mechanical and mechanical equipment for the railway, motor and automation sectors. It has a capital of F1 12.06 million and in late 1968 had total assets of F 92.06 million (F 35.02 liquid).

** The British DEXION LTD, Wembley Park, Middlesex, group (see No 409) has agreed to pay \$ 2 million to the Chicago INTERLAKE STEEL CORP for the latter's 90% control of FERALCO SA, Paris (see No 388). This is the main French distributor for the metal storage fittings and accessories made by the British group.

Dexion is widely represented outside Britain by subsidiaries and affiliates which include those based in Frankfurt, Vienna, Athens and New York.

** The British SOMERSET WIRE CO LTD, Cardiff (a member of the steel group, GUEST, KEEN & NETTLEFOLDS LTD - see No 510) has signed a joint exclusive agreement for wire and ties used in reinforced concrete, with two Italian steel groups. These are ACCIAIERIE & FERRIERE LOMBARDE FALCK SpA (see No 509) and GIUSEPPE & FRATELLO REDAELLI-ACCIAIERIE & FERRIERE SpA (see No 495).

In late 1968 Somerset Wire signed a similar agreement with a Dutch wire concern in Blerick, which belongs to Kon. Demka Staalfabrieken NV, Utrecht (see No 456), itself a member of the Dutch steel group Kon. Ned. Hoogovens-Staalfabrieken NV, IJmuiden (see No 517).

** The French "SOLEX" group (see No 317), which is mainly known for its carburetors and mopeds, has backed the formation in Bergamo of SINFAC ITALIANA SpA, Zingonia-Ciserano. This has M. Bernard Mennesson as president and is run by Sig Giancarlo Bernamarchi, and it will manufacture "Velosolex" mopeds which are made in France by Ste Industrielle Nouvelle de Fabrication pour l'Automobile & Cycle - S.I.N.F.A.C. Sarl, Courbevoie, Hauts-de-Seine (see No 433).

The Solex group is owned by the Mennesson and Goudard families and its interests include at Neuilly-sur-Seine, Cie Industrielle & Financiere - C.I.F. Sarl (capital F 72 m), S.A.I.R. Sarl (F 36 m), Sadex Sarl (F 20.4 m), Sacem Sarl (F 17 m) and at Courbevoie, Ste des Carburateurs Solex Sarl (F 36 m) and Cie Auxiliaire de Financement - C.A.F. Sarl (F 16 m).

** The West German manufacturer of machinery and ovens for the bread and biscuit industries, FR. WINKLER KG, Villingen (see No 277) has opened a sales branch in Milan under Herr W. Broich.

In early 1964 Fr. Winkler backed the formation of an associated company in Milan, Winkler SpA (see No 248) under Herr Karl Dietl. It is represented in France and Greece by affiliated companies, Winkler SA, Charenton, and Winkler Hellas Srl.

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** The American ARMSTRONG MACHINE WORKS, Three Rivers, Michigan, has formed a Brussels manufacturing, assembly and sales subsidiary called ARMSTRONG MACHINE WORKS SA (capital Bf 5 m). This will handle steam cleansing equipment, valves, filters and humidifiers.

** The Dutch manufacturer of knitwear machinery MACHINALE BREIGOEDERENFABRIEK EXCELSIOR (MADEX) NV, Terneuzen and Hilversum, has formed a 50% Italian subsidiary called UNIVERSUM SpA, Casalbuttano, Cremona (capital Lire 10 m). This has Mr. Dirk Verweij as president and is run from Milan by a West German citizen, Herr Manfred Blumenkamp, living in Cremona, who holds the remaining 50%.

** The West German ROHM GmbH - PRAEZISIONS-WERKZEUG- & MASCHINENFABRIK, Sontheim, Brenz (hydraulic and pneumatic rams, clamping equipment and fire arms - see No 290) has formed a Milan sales subsidiary called ROHM ITALIA Srl (capital Lire 990,000), which is managed by Herren J. Raab and H. Röhm. Owned by the Röhm family, the founder is directly controlled by the Röhm-Tool GmbH & Co KG, Dillingen concern, and since 1964 has had a Swiss sales office, Röhm-Tool GmbH, Herzogenbuchsee.

** The French company CONSTRUCTION METALLIQUES & ENTREPRISES (C.M.E.) SA, Lyons (metal pressure containers for liquefied gas and similar products - see No 499) has taken a majority interest in the manufacturer of equipment for liquefied petroleum gas and the lighting of natural gas, S.T.E.F.I. - STE TECHNIQUE D'ETUDES & DE FOURNITURES INDUSTRIELLES SA, Gagny, Seine-St-Denis (see No 311). With an annual turnover of F 10 million, this has a 4.55% interest in the Brussels company Pyronics International SA, which was formed with the 27.3% backing of the American company Pyronics Inc, Cleveland, Ohio, along with several of its Common Market licensees. In 1968 C.M.E. had a pre-tax turnover of F 44.68 million and its main shareholders are Cie des Compteurs SA, Paris, and Carbonisation Entreprise & Ceramique - C.E.C. SA, Paris.

** A merger in the French watch industry between two firms in Villers-le-Lac, Doubs, ETS ANGUENOT FRERES SA ("Herma" watches - see No 395) and ETC. HUBERT LAMBERT & FILS SA ("Lov" watches) will result in the formation of two new companies. The first called SODEX - STE D'EXPLOITATION HORLOGERE will be involved with production, whilst the second, FINHOR - FINANCIER HORLOGERE, will handle sales and financial matters.

** The American group THE TRANE CO, La Crosse, Wisconsin (air conditioning and sound-proofing equipment and materials - see No 497) has strengthened its West German interests by forming a sales office in Nuremberg called TRANE KLIMA-TECHNISCHES BÜRO GmbH. This has a capital of Dm 20,000 and Herr Ziegast Jürgen as manager.

The group has offices in Hamburg, Cologne, Frankfurt, Stuttgart, Gauting/Munich, and Dörningheim.

FINANCE

** COMMERZBANK AG, Düsseldorf (see No 517) intends to form a Luxembourg subsidiary to finance international operations.

The West German group has interests in various Luxembourg companies: 10% in Sogelux - Ste de Gestion Luxembourgeoise SA (see No 493); 8% in Selected Risk Investments SA (see No 423); 1.4% in Tourinvest SA (see No 431); 1.5% in European Enterprises Development Co - E.E.D. SA (see No 516) and 1% in Adela Investment Co SA (see No 478).

** The Hamburg company ANLAGE-PLANUNG SCHRÖDER MÜNCHMEYER HENGST & CO KG is to represent and promote in West Germany the American investment funds, PIONEER FUND INC, and PIONEER ENTERPRISE FUND INC, both based in Boston and managed by Mr. P. L. Carrett.

The West German company is controlled 95% by the Hamburg bank Schröder, Münchmeyer, Hengst & Co, formed in 1968 by the merger of the banks Münchmeyer & Co, Hamburg, Bankhaus Gebr. Schröder & Co KG, Hamburg, and Bankhaus Friedrich Hengst & Co, Offenbach (see No 484).

** The Dutch merchant bank FIRMA V. VAN LANSCHOT C.V. 's-Hertogenbosch (see No 512) has formed a finance and investment subsidiary called NV PARTICIPATIE- & FINANCIERINGSMIJ. "WASCHLANDT", 's-Hertogenbosch (authorised capital Fl 150,000 - 66 % issued).

The founder (balance sheet total end 1968 Fl 865.49m) recently formed a data processing subsidiary Van Lanschot Computercentrum NV (authorised capital Fl 250,000 - 40% issued). Its other main subsidiaries are Bankierskantoor Staal & Co NV, The Hague, and Vermeer & Co, Amsterdam, and during 1968 it strengthened its interests by taking shareholdings in two banks, NV v/h Firma J. Luykx Bankiers, Roosendaal, and Nederlandsche Credietverzekering Mij. NV, Amsterdam. Abroad it has a stake in the Swiss concern Greyhound Financial & Leasing Corp AG, Zug, the subsidiary of the Greyhound Corp, Chicago, Illinois group, and World Banking Corp Ltd, Nassau, Bahamas.

** As the result of an agreement signed between B.N.P. - BANQUE NATIONALE DE PARIS SA (see No 515) and BANQUE DE L'INDOCHINE SA (see No 515) and their affiliate company CIE FINANCIERE FRANCE-AFRIQUE SA, Paris (see No 498), the latter has acquired a shareholding in BANQUE DE MADAGASCAR & DES COMORES SA, Paris (see No 498). It has also become a majority shareholder in two affiliated investment companies Union Africaine Agricole & Industrielle (U.A.A.I.) SA and Unipar - Union de Participations de France & d'Outremer SA.

Financiere France Afrique (balance sheet total end 1968 F 90.17m) has as its main subsidiary (51%) Banque Internationale pour l'Afrique Occidentale - B.I.A.O. SA, Paris. Other shareholders in the latter are International Banking Corp, New York (40%), the subsidiary of First National City Bank of New York, while the remainder is held by the Paris investment bank Klehe & Co SA, which is affiliated to Allen & Co Inc, New York.

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** The Luxembourg banking subsidiary INVESTORS BANK - LUXEMBOURG SA (see No 472) of the Panamanian financial group I.O.S. - INVESTORS OVERSEAS SERVICES LTD (see No 514) has opened a branch in London. I.O.S. also intends to issue through a British company shares in a newly-established Canadian firm, INVESTMENT PROPERTIES INTERNATIONAL (IPI) LTD. The majority of the capital thus acquired will be used to develop an international hotel network following an agreement signed with Hyatt International Corp, Burlingame, California, the international operations subsidiary of the California hotel and restaurant group Hyatt Corp.

** The American WELLS FARGO BANK, San Francisco, California, has opened its first overseas commercial banking office (see No 498) in Luxembourg. The manager of the new office is Mr. Clive R. Sanders, and the services it will offer include the provision of short- and medium-term credit and Euro-currency deposits. At the same time the American bank opened a branch in London under Mr. Henry Parish, a vice-president of the bank. Wells Fargo Bank (24%) is affiliated to Western American Bank (Europe) Ltd, a merchant bank which was formed in January 1968 in association with Hambros (28%), Security Pacific Bank (24%) and National Bank of Detroit (24%). It also has a stake in the Paris concern Eurofinance Sarl (see No 515).

** The Geneva bank DARIER & CIE and FISCAMBI HOLDING SA, Luxembourg (a member of the Toro Assicurazioni SpA group - see No 503 - through the finance company Fiscambi - Finanziamenti Scambi Commerciali & Anticipazioni SpA, Rome and Milan - see No 517) have taken a minority stake in U.C.I.P. - UNION FINANCIERE POUR LA CONSTRUCTION IMMOBILIERE PRIVEE SA, Paris (see No 509), as the latter has raised its capital to F 15 million.

** The New York THE CHASE MANHATTAN BANK N.A. is to strengthen its network in West Germany by opening branches in Hamburg and Stuttgart, in addition to those which already operate in Frankfurt, DÜsseldorf, Munich and Heidelberg.

The New York bank recently decided to form the Paris bank Essor Gestion SA (see no 510) in association with B.N.P. - Banque National de Paris SA, Paris.

** M. Paul Vincent is president of the new Paris unit trust ROTHSCHILD-EXPANSION SA (capital F 20m). This is a 20% interest of BANQUE ROTHSCHILD SA, while two investment companies in the group, CIE DU NORD SA and STE FINANCIERE DE GERANCE & DE PARTICIPATIONS SA (see No 497) hold 56% and 4% respectively.

Shares in the new company will be on sale to the public during the coming month, and with F 25 million to invest it will concentrate on foreign securities, especially American and Japanese.

** The Milan bank ALLEANZA ASSICURAZIONI SpA (see No 418 - a member of the ASSICURAZIONI GENERALI DI TRIESTE & VENEZIA SpA, Rome and Trieste group) has formed FIDUCIARIA AZIONARIATO POPOLARE - FIDAP SpA, Milan (capital Lire 300m) on a 50-50 basis with BANCA COMMERCIALE ITALIANA SpA (see No 516). The new company is run by Sig G. Zocche and has Sig Mario Gasbarri as president.

Opera Mundi - Europe No 519

** The Paris company PARTICIPATIONS INDUSTRIELLES PRIVEES P.I.P. SA has gained almost outright control of STE COMMERCIALE TECHNIQUE & INDUSTRIELLE (COTECI) SA, Monte-Carlo, Monaco (see No 489 - capital F 513m) following the latter's re-organisation. P.I.P., whose capital has been raised from F1 100,000 to F. 7.6 million and whose president will be M. V. Dmitrieff, has gained a 40% stake in the chemical, steel and oil plant construction concern Ets Alfred Herlicq & Fils SA, Paris, a stake of nearly 30% in Ste Franco-Belge de Materiel de Chemin de Fer SA, Paris (see No 401), as well as a shareholding in C.I.E.L. - Constructions & Installations Electriques du Littoral SA, Toulon, Var.

FOOD AND DRINK

** The London holding company dealing in foodstuffs, RANKS HOVIS McDOUGALL LTD, has strengthened its interests in the Benelux countries with the formation in Rotterdam of a manufacturing and sales subsidiary called RANKS FOODS NV. This has a capital of F1 10,000, and Mr. Pieter van Zuilen as manager.

Through its London subsidiaries Joseph Rank Ltd and Associated London Flour Millers Ltd, the founder controls Anglo-Belgian Produce Co (A.B.C.) SA, Antwerp, and it is represented in West Germany by Ranks Foods GmbH, Hamburg.

** The talks which began some time ago (see No 505) between BRASSERIE DE KRONENBOURG SA, Strasbourg-Cronenbourg, and LES BRASSERIES DUMESNIL SA, Ivry, Val-de-Marne (capital F 10.35m) has now resulted in the Strasbourg brewery gaining almost complete control of Dumesnil.

Kronenbourg has therefore raised its capital from F 17.06 to F 20.29 million and has at the same time gained a new shareholder, Banque pour l'Expansion Industrielle - Banexi SA (formerly Banque Auxiliare pour le Commerce & l'Industrie - B.A.C.I. SA - see No 484). This is a subsidiary of B.N.P. - Banque Nationale de Paris SA, until now a shareholder (nearly 50%) in Dumesnil.

** The Stockholm firm ABBA-FYRTORNET A/B (frozen fish products) has formed a Hamburg subsidiary called ABBA-FYRTORNET GmbH. With a capital of Dm 50,000 the manager of the new concern is Mr. Lennart Steinbrecher, Stockholm.

The founder (capital Crowns 8m) has around 1,000 employees and controls an American subsidiary, Abba-Food Ltd, San Francisco, California.

INSURANCE

** SCHADEVERZEKERINGSGROEP NEDLLOYD NV (see No 450 - a member of the Amsterdam insurance group NV NEDERLANDSCHE LLOYD - see No 511) has signed an agreement with CIA DI ASSICURAZIONI DI MILANO SpA (see No 516) covering its representation in Italy. As a result it has opened a branch on the Italian firm's premises and this has a working capital of Lire 10 million.

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** The Brussels insurance company CIE EUROPEENNE D'ASSURANCES-EUROPASSUR SA has formed an insurance and re-insurance subsidiary on its premises called LA GARANTIE FONCIERE SA (capital Bf 500,000). First directors of the new concern are MM Van der Put, du Bus de Warnaffe and de Saint-Georges. The new company will not handle third party vehicle insurance, compensation for industrial injuries nor equity life insurance.

** The Antwerp company CH. LE JEUNE SA (service loans, studies, brokerage, insurance etc - capital Bf 1 m) is now represented in Switzerland by a subsidiary called LE JEUNE INTERNATIONAL SA, Fribourg (capital Sf 100,000 - manager M. Eric Le Jeune).

OIL, GAS & PETROCHEMICALS

** The British BURMAH OIL CO LTD, Glasgow, which recently rationalised its Belgian interests (see Nos 510 and 516), has now strengthened its position there with the formation of an indirect subsidiary to handle chemical, petroleum and derived products. Called CASTROL BELGIUM SA (capital Bf 50,000), the new subsidiary is directly controlled by BURMAH TRADING SA, Borgerhout-Antwerp (capital Bf 350,000 - itself a direct subsidiary of BURMAH EUROPE SA, Molenbeek-St-Jean) with a token shareholding held by its subsidiaries TRADING SA and VERENIGD INGENIEURS KANTOORVIK SA (technical goods).

The British group also controls a subsidiary dealing in coal and fuel products, Antwerpse Brandstoffen Centrale - A.B.C. SA, Antwerp (capital Bf 1.7 m).

** The second-ranking Italian manufacturer and distributor of liquefied petroleum gas (LPG) with some 13% of total consumption and 18% of domestic consumption LIQUIGAS SpA, Milan (see No 482) has re-organised its interests in Africa. It has sold its 21.4% stake in the South African concern HOMEGAS, Johannesburg, and 50% of its 92.6% stake in the Nigerian firm NIDOGAS LTD, Lagos. At the same time it has taken a similar stake in another Nigerian company, PAN AFRICA GAS LTD, Lagos. Liquigas (capital being raised to Lire 30,000) is also going to simplify its Italian interests. It has recently gained outright control of the petrochemical firm Isor SpA, Robassomero, Turin (see No 393) and this will be merged with Liquichimica SpA, Robassomero (detergents and plasticisers), before in turn being absorbed by Nuova Raffineria Nilo SpA (see No 482). When this move is completed the latter will change its name to Liquichimica SpA (the second company to have this name).

OPTICAL & PHOTOGRAPHIC

** It has been decided to merge the ophthalmic lens division of FILOTECNICA SALMOIRAGHI SpA (see No 408 - optical and scientific instruments) with the optical glass manufacturer OFFICINE GALILEO DI MARGHERA SpA (see No 489). A joint subsidiary will be formed in Milan called I.O.R. - INDUSTRIE OTTICHE RIUNITE SpA.

The first company (capital Lire 2,000 m) is a member of the I.R.I. - Istituto Per La Ricostruzione Industriale, Rome group, through its subsidiary Nuova San Giorgio SpA, Genoa (see No 514). Officine Galileo belongs to the Montecatini-Edison-Montedison SpA group, Milan (see No 514).

PAPER & PACKAGING

** The Finnish card-makers association N.C.B. SUOMEN KARTONTY YHTEISTYOE, Helsinki, is to be represented in Paris by the newly formed N.C.B. PAPIER Sarl (capital F 20,000), the direct founder of which is FINNCARTON SJOEHOLM SA, Paris (see No 307), M. J.L. Schneider being manager.

PHARMACEUTICALS

** The Amsterdam group KON. FABRIEK VAN VERBANSTOFFEN v/h UTERMOHLEN & CO NV (see No 366) has extended its Common Market interests by forming a West German sales subsidiary in Cologne called UTERMOHLEN GmbH.

The group, with production facilities in Amsterdam and Emst, makes a wide range of bandages, dressings, surgical, sanitary, medical and pharmaceutical products. There is a Belgian manufacturing subsidiary, Utermohlen International SA, Schaerbeek-Brussels (production at Buggenhout). Since early 1968 it has controlled Absorba Verbandstofffabriek FA. Van Ewijk, Baarn (dressings) and it shares a subsidiary, Cellam International NV (sanitary products) in association with the Swedish group Mo Och Domsjo A/B, Ornskoldovik through the latter's subsidiary, Cellvabruken A/B (see No 500). It is also linked in the sales sector with the paper products concern, Manufacture Belge d'Articles En Papier - Mabelpap SA, Arlon, another subsidiary of Mo Och Domsjo.

** The American DIAMOND LABORATORIES INC, Des Moines, Iowa (veterinary products) has formed a French sales subsidiary under its own name in Roubaix. With a capital of F 20,000, this is managed by Mme J. Devos-Verbrugghe.

The founder is linked by research pacts with the Abbot Laboratories Inc group (see this issue) which in 1962 acquired a number of preference shares and thus gained a minority stake. It has been established in Belgium for the past seven years, where an Anderlecht subsidiary, Diamond Laboratories runs facilities. This has recently had its capital raised to Bf 12.5 million and is headed by Mr. E.D. Frederiksen.

** The Paris company LABORATOIRES DELAGRANGE - STE D'APPLICATIONS PHARMACODYNAMIQUES SA (see No 443), which is closely linked to the American pharmaceuticals group MERCK & CO INC, Rahway, New Jersey (see No 509), has formed a company in Cologne to sell pharmaceutical products. With a capital of Dm 0.6 million, this has Herr Peter Herrmann as manager.

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PLASTICS

** The Paris company DU PONT DE NEMOURS (FRANCE) SA (a subsidiary of the American E.I. DU PONT DE NEMOURS & CO INC, Wilmington, Delaware group - see No 516) has taken over from S.E.P.P.I.C. - STE D'EXPLOITATION DE PRODUITS POUR LES INDUSTRIES CHIMIQUES SA, Paris (see No 448) the sale of products made by the group's electro-chemical division. These include "Elvax" vinyl resins, "Elvacite" acrylic resins, "Elvanol" polyvinyl alcohols and "Elvacet" polyvinyl acetates, as well as various electronic products used in the preparation of precious metals.

Safic-Alcan- S.E.P.P.I.C. will nevertheless continue to distribute the production of the American group's "pigments", "organic chemicals", "explosive", "industrial" and "bio-chemical" divisions. It is a subsidiary of S.A.F.I.C. Alcan & Cie SA, Puteaux, Hauts-de-Seine, and a 47% affiliate of Chargeurs Reunis SA, Paris, through the London company Hecht, Levis & Kahn Ltd.

** The Spanish company LA CELLOPHANE ESPANOLA SA, Burgos (see No 284) has raised its capital from Pts 60 to Pts 272 million in order to finance the expansion of its cellophane and polyethylene film production capacity.

The Spanish company is affiliated to the Brussels group U.C.B. - UNION CHIMIQUE SA (see No 515) through STE FINANCIERE DE LA CELLULOSE SA, Luxembourg (see No 487) and it is given technical assistance by and draws on the research work carried out by the "Sidac" division of U.C.B. It is also a licensee of the Paris company La Cellophane SA (see No 485), a subsidiary of the Rhone-Poulenc SA, Paris group.

** The 50% stake acquired earlier this year in the Swiss company ELASTOMER AG, Zug (see No 495) from the West German rubber group METZELER AG, Munich (see No 512) by I.H.B. - INVESTITIONS- & HANDELSBANK AG, Frankfurt, has now been sold by the latter to B.A.S.F. - BADISCHE ANILIN- & SODA-FABRIK KG, Ludwigshafen. The Swiss company has a capital of Sf 6 million and was established by the German chemist Dr. Gottfried Reuter, Lemförder, Diepholz. It recently signed a cooperation agreement with Paul Lippke KG Mess- & Regelgeräte, Neuwied, and this is backed by the newly-established Chemie Elektronik GmbH & Co KG Verfahrenstechnik (see No 518). The Swiss company heads a group of firms specialising in the production, processing and application of polyurethane and had 1968 consolidated sales of Dm 70 million. It heads around 15 German companies including Elastogram GmbH, Munich; Lemforder Kunststoff GmbH & Co KG, Lemförder; and Kunststoffbüro Osnabrück Dr. Reuter & Co KG, Lotte, as well as Polyurethane Kunststoffverarbeitungs GmbH, Bruch, Austria; Elastomer Production Ltd, London, and Nippon Cellasto, Anyo, Japan.

This operation has cost BASF some Sf 12 million. The latter has also strengthened its leading position in the European plastics industry by acquiring licence rights from the KAISER ALUMINIUM- & CHEMICAL CORP, Oakland, California group (see No 509) for the manufacture of the polyurethane component isocyanat. The process will be used by a new plant being built at Antwerp, which with an annual capacity of around 25,000 tons should start operations in early 1971.

PRINTING AND PUBLISHING

** The Dutch company NEDERLANDSCHE ROTOGRAVURE MIJ. NV, Leyden, a member of the Amsterdam group V.N.U. - VERENIGDE NEDERLANDSE UITGEVERS BEDRIJVEN NV, has negotiated for control of the monthly magazine "Holland Herald, Newsmagazine of the Netherlands", published since the beginning of 1968 by HOLLAND HERALD UITGEVERS-MIJ. NV, Amsterdam (authorised capital Fl 250,000 - 40% issued).

The latter was formed by M. Jean-Jacques van Belle, Jersey - who will continue to manage the publication - in order to acquire the activities of Uitgeverij Holland Promotion & Holland Herald, Newsmagazine of the Netherlands.

RUBBER

** The French tyre group CIE GENERALE DES ETS MICHELIN - MICHELIN & CIE SA, Clermont-Ferrand (see No. 511) intends to expand its foreign manufacturing facilities by building three new plants in Italy, West Germany and Canada.

The group, which is Italy's largest tyre manufacturer, plans to build a new plant at Alessandria, Piedmont, which will employ some 2,000 persons and start operations in early 1971. This will cost around Lire 15 million and will be run by the Italian subsidiary MICHELIN ITALIANA - SAMI SpA (production facilities at Cuneo and Turin - 8,000 workers). A similar tyre plant is due to start operations around the same time at Homburg, in the Saar. This will be run by the subsidiary Michelin Reifenwerke AG, Karlsruhe, which already has two production centres at Karlsruhe and Bad Kreuznach.

The group is also considering the possibility of building a tyre plant in Canada and a number of sites are being evaluated.

SERVICES

** BUREAU H.A. VAN AMEYDE NV, The Hague (damage assessors - see No 508), a subsidiary of the NATIONAL GRONDBEZIT NV, The Hague group, has formed MARINE SURVEY BUREAU H.A. With an authorised capital of Fl 1 million (25% issued) this is run by Mr. G.J. Schaeffer.

The founder controls Bureau H.A. Van Ameyde AG, Cologne, and Bureau Van Ameyde SA, Brussels.

TEXTILES

** The Paris LEONARD FASHION SA (scarves, blouses, rugs etc) has taken a 30% stake in the formation of the Milan sales company LEONARD ITALIA SpA (capital Lire 10m). This has M. S. Halmos, Paris, as president (also a 10% shareholder) and it is controlled by the Swiss company CODITEX - CIE DE DISTRIBUTION TEXTILE SA, Friburg, which is represented on the board by M. B. Waldner, Lausanne.

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** The French concern STE ELBEUVIENNE DE BONNETERIE SA, Elbeuf, Seine-Maritime (see No 450), whose president is M. Armin Horowitz and is run by M. Filip Ghinsberg, has signed an association agreement with the French textile group FILATURES PROUVOST-MASUREL & CIE - LA LAINIERE DE ROUBAIX SA (see No 516).

The Elbeuf firm is also a licensee of the American knitwear group KAYSER-ROTH CORP, New York, for the manufacture of "Interwoven" socks.

** The London company BUNZL & BIACH (BRITISH) LTD (a subsidiary of the BUNZL TEXTILE HOLDINGS LTD group) has closed down its Brussels subsidiary BUNZL FIBRES SA and put Mr. van Damme in charge of this move. The British group's remaining Continental interests include Bunzl Plastic GmbH, Hamburg, Rheinische Faser GmbH, Karlsruhe, and Bunzl Holding AG, Zug. The latter is headed by Mr. John Stephen Bunzl and has a shareholding in Bunzl Continental Anstalt, Vaduz, Liechtenstein.

** The interests in the Netherlands of the New York textile import-export firm INTERNATIONAL TEXTILE BROKERS LTD (see No 390) have been strengthened by an indirect Amsterdam subsidiary, TEXTIELMIJ. RESINTEX NEDERLAND NV (authorised capital Fl 50,000 - 20% issued). With Mr. Horst Süsskind as manager (head of the American company), the Amsterdam company, which will trade in textile products, is directly controlled (90%) by the subsidiary NV Textielmij. International Textile Brokers Nederland, Amsterdam, in association for the balance with interests represented by Mr. G.G. van Noort, Amsterdam.

** The West German manufacturer of felt textiles, THOMAS JOSEF HEIMBACH GmbH & CO KG, Düren, which had a 1968 turnover of Dm 35 million with 700 employees, has joined with the finance company DEUTSCHE ENTWICKLUNGS-GESELLSCHAFT, Frankfurt (see No 507) to form an industrial subsidiary in Spain called HEIMBACH IBERICA SA, Burgos (capital Pts 105m). The West German companies are majority shareholders (65%) in the new concern, the balance being held by local interests.

TRANSPORT

** The French transport concern GEORGES HELMINGER SA, Belfort (formerly GEORGES HELMINGER & CIE Sarl - see No 346) has made the branch office it has had in Luxembourg since 1966 into a subsidiary. This is now called STE LUXEMBOURGEOISE DES TRANSPORTS HELMINGER Sarl (capital Lux F 100,000) and has M. Philippe Bruas as manager.

The founder (capital F 3.325m) is a 60% subsidiary of the international transport group Mory SA, Paris (see No 494).

** Three companies have backed the increase in the capital of TRANSVET SA, Paris, from F 100,000 to F 1.2 million. These are: 1) ETS. AGET SA, Paris (capital F 764,000), which has made over its assets including a fleet of vehicles and interests in the carriage of clothes on hangers; 2) DANZAS AG, Basle (see No 440), which has made over

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premises at Pantin, Seine-St-Denis, and has conditionally agreed to make over further premises in Strasbourg, Lyons and Wasquehal, Nord; 3) ALGEMENE TRANSPORT & EXPEDITIE ONDERNEMING VAN GEND & LOOS NV, Utrecht.

** The British insurance brokers HARVEY TRINDER & VAN OMMEREN LTD, London (with interests in Australia) are to be taken over by GRAY DAWES, WESTRAY (HOLDINGS) LTD. This is a joint subsidiary of the London groups, INCHAPPE & CO LTD (see No 487) and THE PENINSULAR & ORIENTAL STEAM NAVIGATION CO LTD (see No 482). Harvey Trinder was until now a 26% affiliate of the Rotterdam transport group Phs. Van Ommeren NV (see No 503).

VARIOUS

** The West German company which produces cultural films and documentaries REGINALD PUHL FILMPRODUKTION, Hamburg, has taken a 40% stake in the Amsterdam production and sales company HILVARIA-FILM NV, which is closely linked to the cinema and television studio HILVARIA STUDIO'S EXPLOITATIE MIJ. NV, Hilvarenbeek. The West German company intends to produce nine films this year.

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Anguenot Freres	K	Dexion	J
Armstrong Machine Works	K	Diamond Laboratories	P
Assicurazioni di Milano	N	Dimplex Industries	F
Audax	H	Dumesnil, Brasseries	N
Audi	B	Du Pont de Nemours	Q
B.A.S.F.	Q	E.E.D. Luxembourg	H
B.N.P.	L	E.M.C. Entreprise Minière	E
B.P.	E	Elastomer	Q
Banca Commerciale Italiana	M	Elbeuvienne de Bonneterie	S
Banque de l'Indochine	L	Eternit	D
Banque de Madagascar	L	Europassur	O
Banque de Paris & des Pays-Bas	F	Excelsior (Madex)	K
Banque Rothschild	M		
Belvedere Steenfabrieken	C	Fademac	D
British Leyland	B	Feralco	J
Brossette	I	Ferrari	B
Bunzl & Blach	S	Fiat	B
Burmah Oil	O	Fidap	M
		Financiere de Gerance	M
C.M.E.	K	Finanziaria Prealpina	E
Castrol	O	Finhor	K
la Cellophane	Q	Finncarton Sjöholm	P
la Cellulose	Q	Fiscambi Holding	M
Chase Manhattan	M	France-Afrique, Financiere	L
Chausson	B	Frigoscandia	G
Chemico Metals Corp	E	Fruehauf	I
Citroen	B		
Coditex	R	G.K.N.	J
Colofificio Ligure	F	Galileo di Marghera	O
Comel	H	la Garantie Fonciere	O
Commerzbank	L	Gavazzi, Carlo	H
Comotor	B	Gend & Loos, Algemene Transport	T
Coteci	N	Gnecchi	H
		Gray, Dawes, Westray	T

Grundig	F	Nederlandsche Lloyd	N
Guardian Properties	C	Nederlandsche Rotogravure	R
		Nederlandse Staatsmijnen	E
Harvey, Trinder & Van Ommeren	T	Nederlandse Steenfabrieken	C
Heimbach, Thomas Josef	S	Netam	I
Helminger, Georges	S	Nidogas	O
Herma	K	Nord, Cie du	M
Hilvaria Film	T	Nordstrom & Sproegen	F
Homegas	O		
Honeywill & Stein	E	Oddenino's	D
Hopt, R & E	I		
		P.I.P.	N
I.H.B.	Q	P & O	T
I.O.S. Panama	M	Packard Instrument	H
Inchcape	T	Pan Africa Gas	O
Interlake Steel Corp	J	Pars Finanz.	G
International Textile Brokers	S	Pechiney	E,I
Investors Bank Luxembourg	M	Peugeot	B,D
		Pioneer Fund	L
Jaguar Cars	B	Prouvost-Masurel	S
le Jeune, Ch.	O	Puhl, Reginald, Film	T
Johns-Manville	D		
		Radiohm	H
Kronenbourg	N	Ranks Hovis Macdougall	N
		Redaelli	J
Lambert, Hubert	K	Reliance Electric	G
Leonard Fashion	R	Remmert-Holland	D
Liquigas	O	Renault	B
Lombarde Falck	J	Resintex Nederland	S
Lotus Cars	B	Rheinische Elektro-Maschinefabrik	G
Lov	K	Rheinische Stahlwerke	C
		Richard, J.P.	C
M.C.B.	H	Rohm	K
Margarinefabriek Groningen	G	Dr. Roll & Spitz	D
Marine Survey Bureau	R	Rothschild	M
Marley Tile	D	Royal Elysees	B
Mechanical Coatings	B		
Mediobanca	E	S.E.B. - Emboutissage de Bourgogne	F
Merck & Co	P	S.T.E.F.I.	K
la Metallo-Chimique	E	Salmoiraghi	O
Metzeler	Q	Schindler	G
Michelin	R	Schröder Münchmeyer Hengst	L
		Schroevenfabrieken	I
Naptha-Chimie	E	Scovill-France	F
National Grondbezit	R	Sentaphon Deutschland	H

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Seppic	O
Siegle	D
Sinfac	J
Sint-Jans-Molenbeek	D
Sobema	I
Sodex	K
Sofidel	B
Solex	J
Somerset Wire	J
Sourian	G
Spafid	E
Svomen Kartonty Yhteistyö	P
Telephone Electronic Machines	H
Terrapin International	C
Tessengerloo Produits Chimiques	E
Thibaud Gibbs	G
Trane Co	K
Transvet	S
Traub, Hermann	I
Treibacher Chemische Werke	E
Trieste & Venezia, Assicurazioni	M
U.C.B.	Q
U.C.I.P.	M
Unilever	G
Universum	K
Utermöhlen & Co	P
V.N.U.	R
Van Ameyde	R
Van Lanschot	L
Van Lookeren	V
Van Der Paal	D
Vinolia	G
Vogels Schuhfabrik	F
Waschlandt	L
Wells Fargo Bank .	M
Westinghouse	J
Winkler, Fr.	J

