

Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY

August 18 - August 24, 1969

German Elections Draw Near

The elections for the West German Bundestag are now just a month away, and the campaign for power is in full swing. The parties who comprise the Grand Coalition which has governed the country since the last election are now engaged in attempts to denigrate each other, while the opinion polls, despite their gentleman's agreement to keep silent, appear to indicate that the electorate - at this stage - favours the Social Democrats of Herr Brandt and Dr. Schiller, the Economics Minister, who backed revaluation of the DM. On present evidence it is possible that the government to emerge from the elections on September 28 will be a coalition of the Social and Free Democrats, rather than a renewed Grand coalition or a coalition of the Christian Democrats and the Free Democrats under the Chancellorship of Dr. Kiesinger.

Speaking to the German public on television on Friday night the Chancellor said, "Considerable time has been lost over the questions of British membership and agriculture. Unless Europe acts now, it will have thrown away its last chance. The West must face up to the growth in Soviet, as well as Chinese, nuclear power. Three hundred million Europeans cannot expect to be defended indefinitely by two hundred million Americans. This means that we must continue to develop the Common Market and work towards monetary unity. What has been lacking so far is a common policy for Europe." Dr. Kiesinger repeated his call for a European summit, and he said that practical efforts towards common defence and foreign policies should be pursued within the NATO framework. It seems unlikely that the French will go along with this suggestion given their attitude towards even the WEU, which would surely provide a better framework for such cooperation.

On Monday in an interview in "Die Welt", the Chancellor repeated his call for progress in the political unification of Europe, even if this meant by-passing efforts towards economic integration. He said that the United States and Europe should agree on common attitudes as to the future security and defence of Western Europe. This meant entering a new era of "concrete cooperation" rather than talking about theoretical plans. "I believe that Franco-German agreement is needed to give a fresh impulse to Europe", said Dr. Kiesinger, and he also favoured the idea of regular summit meetings of the heads of government and foreign ministers of the Six, which would be organised by a small but highly qualified staff. This suggestion is very similar to the so-called French Fouchet Plan, which was rejected by the Five during 1962, and the fact that the German Chancellor now favours the idea will give rise to considerable doubts in some quarters. Perhaps the signs are right for a strengthening of the Paris-Bonn axis, if the Christian Democrats are returned as the majority party during the forthcoming elections. Dr. Kiesinger also said

that he had great hope in Britain's policy and energies but added "I base my hope on the expectation that Britain will succeed in the near future in overcoming her internal political, economic and social problems, which demand concentration on national aims and obstruct a European affiliation. At present, Britain seems to be not quite certain which way to go."

The German government will receive President Pompidou, M. Chaba-Delmas, M. Maurice Schumann and M. Ortoli, the minister for industrial development and scientific research in Bonn on September 8 and 9. This meeting forms part of the regular summits between the two governments instituted under the Franco-German Friendship Treaty of 1963, but is the first with M. Pompidou as head of state. It is uncertain whether anything of much importance will take place, although it provides the occasion for both sides to reaffirm the need for Franco-German solidarity and discuss the question of France's European policies, especially her attitude towards an enlargement of the Common Market to take in Britain and the other countries which have applied for membership. Herr Brandt, the Social Democrat leader, Foreign Minister and Vice-Chancellor in the outgoing government, who might well occupy Dr. Kiesinger's position if the SPD is successful will meet M. Maurice Schumann, the French Foreign Minister. He recently expressed the hope that the summit conference between the Six, to be discussed by a special meeting of the EEC Foreign Ministers on September 15, will take place in November or December. One notable absentee from the Bonn meeting of the two governments will be the French Finance Minister, M. Giscard d'Estaing, who earlier this week returned from a somewhat mysterious "holiday" in Angola. It is assumed by German observers that the absence of such an important minister is a reflection of the electoral clash between the Social and Christian Democrats, as the French government has no wish to become any further entangled at this stage in the row over whether or not the mark should be revalued.

One particular topic in the election campaign is the question of West Germany's relations with the countries of Eastern Europe. Both the Free Democrats and Social Democrats have already visited Moscow, and it has now been revealed that the Soviet Government has also invited Chancellor Kiesinger in his capacity as head of the Christian Democrats, which would mean that he could still go if his party did not regain power. The Social Democrat delegation was headed by Herr Helmut Schmidt and they were received by the Foreign Minister, Mr. Gromyko and discussed questions of mutual interest including both the question of Berlin and Czechoslovakia. The past few weeks seem to have brought a softening of the Eastern Europe line towards West Germany, no doubt in the hope of having a favourable influence in the elections, and also due in part to the tense state of Sino-Soviet relations.

The revaluation of the DM, if it does take place, will now almost certainly occur after the elections - on September 29 - the day after the annual meeting of the International Monetary Fund begins in Washington, and presumably the Central Banks and other governments likely to be involved in any future speculation over the DM have already prepared measures to deal with the situation, so as to provide a breathing space for the new German government.

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AGRICULTURE

A New Approach from France

M. Duhamel, the French Minister of Agriculture appears to have his sights set on being the man responsible for the adoption of a new policy for French agriculture and its role in the country's economy. Recently he indicated that the eventual entry of Britain into the European Community might make it possible to reorientate the common agricultural policy towards the deficiency payments system prevailing across the Channel, or at least bring about the introduction of a system which would comprise elements of both methods (i.e. burdening both taxpayer and consumer).

In a press conference last week, M. Duhamel stated that he intended to make a start on a new long-term agricultural policy in the 1970 budget, the proposals for which will be presented during the French parliamentary session this autumn. The devaluation of the franc presented the country with an opportunity for reshaping its agriculture with the aim of tailoring production to demand, through a selective use of prices. As an example he quoted the case for stimulating beef production through higher prices to the producer and a lowering of the cost of foodstuffs, although during the press conference he also announced prices of maize - used in animal feeding - were being raised, due to the effects of devaluation.

Recently issued figures show that France's self-sufficiency in meat fell from 101% during the first six months of 1968 to 91% in the first six months of the current year. In the January-July period of this year, milk production dropped by 0.5% compared with a 4.6% rise during the same months last year. The barley harvest is estimated to stand at 92 million quintals compared with 89 million quintals in 1968, but soft wheat production is estimated at 139 million quintals as against the figure for last year of 141 million quintals.

When asked about the effects of a revaluation of the Deutschmark, M. Duhamel replied that if this occurred then the Six would have to review the unit of account used for agricultural prices. The German farmers' union has also called on Chancellor Kiesinger to take steps to arrange the suspension of the system whereby Community agricultural prices are fixed on the basis of the unit of account: "until the EEC has achieved a common economic and monetary policy, prices should be fixed in national currencies on the basis of jointly agreed standards". If no change takes place, but the Deutschmark is revalued it would produce an automatic drop in German farm prices.

Last week the Commission approved the measures reducing the effect of the franc devaluation on French farmers. It also agreed for a rise in prices paid to French beef and skimmed milk producers by limiting the reduction in guaranteed prices by 7.33% and 6.25%, compared with the full 11.11% cut, which would have taken place if the full effects of devaluation were applied. The isolation of the French agricultural products market, also agreed upon at the special meeting of the EEC Council of Ministers

following devaluation, means that in general French exports in this sector will be taxed and imports subsidised, although this does not include either beef or skimmed milk.

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E.C.S.C.

German Coal Production Booms

The combined effects of rationalisation, concentration (see Euroflash, Ruhrkohle), investment and modernisation led last year to the achievement of an 8% increase in the yield of the German coalmining industry. This stemmed largely from rapid advances in productivity, the E.C.S.C. rationalisation programme having been carried forward, with its concomitant laying-off and redeploying of excess labour, and closures of uneconomic mines. Indicative of this productivity rise are the figures now released by the Steinkohlenbergbauverein of Essen (the West German coalmining association), which show that for instance output per pit rose from 591 tons per day in 1967 to 676 tons per day in 1968 (this also hints at the disappearance of non-paying workings), or again per capita output in the sector rose to an average of 3,526 tons of usable coal, coming as high as 3,655 tons in the Ruhr, where in December the 3,700 t.p.a. mark was topped for the very first time. Also reaching record levels were pits where flat-seam mechanisation is well advanced: figures of 1,000 tons per day per working were regular, and where mechanisation is complete (extraction, removal and propping), output rose as high as 1,200 tons. Even now, work is well ahead on the installation of the first two hydromechanical (high-pressure water-jet) extraction installations, which should give some coalface workings an output level of 1,500 t.p.d.

In fact, these dramatic improvements in the operating conditions and productivity of the industry served, when offset by the stringent rationalisation programme, to maintain production at its 1968 level, i.e. output of 112 million tons. The 8% rise in the returns achieved from the industry therefore owes itself not only to advances in technology, but to a much improved market. This made it possible almost to halve the level of stocks carried at the pithead. Coal stocks were cut by 5.7 million tons, while those of coke came down by 2.6 million tons. Exports of both coke and coal improved, while consumption of imported coal declined, from 7.4 million tons to 6.2 million, contributing towards the 5 million ton improvement in the trade balance for this sector, which came out at a 23.2 million ton surplus for the year, the best since 1950. The generally higher demand for coal and coke, to which the sector owes last year's satisfying record, stemmed of course from Germany's booming economy, and the fact that power stations for instance, used 1.7 million tons more coal than in 1967 (up to 18 million tons), while steel producers used 1.4 million tons more (consumption up to 23.3 million tons). Combined West German consumption of coal for energy conversion (i.e. public power stations plus those belonging to the mines, industry and the railways) rose in fact by 2.1 million tons to 32.1 million.

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EURATOM

Ispra: Sold down the River?

In answer to a question last week, the EEC Commission announced that it was "not in a position" to renew beyond the end of this year its contracts with the various industrial firms in Italy who second research personnel to the Euratom Joint Research Centre at Ispra. As recently as July, the Commission was insisting (see No 520) that it would not countenance such a move until some definitive decision had been taken by the Council on the pluri-annual research budget adopted by the Commission in April (see No 510). In the light of this, there emerges the distinct possibility that the Commission may be toying with the idea of sacrificing these research workers to the cause of wresting some real action from the Council to salvage Euratom as a going concern.

At the last count, the whole miserable affair seemed to have reached as low an ebb as it could: the pluri-annual budget, and more especially ways and means of keeping the Joint Research Centre employed in the form of complementary programmes, were being tossed from one office to the next in Brussels without any constructive suggestion resulting. It looked then as though the permanent representatives would be mulling over the problems and getting nowhere, right up to the time of the Council meeting, scheduled for September 15, when some solution is hoped to be found. "Find it," the Commission seems to be saying, otherwise admit defeat, sack the researchers and let Euratom die the death: if there is no real will to continue, let the Six be open about it. At the same time, the Commission has made abundantly clear its view that if Euratom founders, then the whole Community venture may flop with it.

The Commission seems to be cliff-hanging on this particular problem. While at first glance its attitude towards the Italian research workers seems to indicate that it is about to "do a Pontius Pilate" at Ispra, it in fact maintains in its statement that the non-renewal of their contracts "may hamper quite considerably the activities of the Centre, but there is no question, at least in the near future, of embarking on any concerted programme of dismissals of the administrative, scientific and technical staff", who are the permanent employees at Ispra. The Commission also took this opportunity to remind the public that it was back in 1968 that it actually recommended the Council to alter the terms of employment of some 100 of the 150 "appaltanti" working at Ispra, such that they would become the permanent employees of the Community - this, the Council rejected.

Meanwhile, there is a slight legal squall blowing up over the problem, as to whether it is legitimate under Italian law for these work contracts signed between the Centre and industrial companies to be used for the seconding of personnel to Ispra. At government level, doubts have been dispelled in fact, it being found that the Joint Research Centre did not come under the law of 1960 (No 1369) relating to such matters, and that there could be no question therefore of any proceedings for illicit contractual practices. However, at that time, the case of Ispra was loosely dismissed as "a special exception"

to the law generally: the latest is that the Public Prosecutor of Varese is again looking into the question of whether or not the type of contract used for the "appaltanti" at Ispra is legal.

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COMPANIES

Help for the Little Man

The Commission is expected to put before the Council of Ministers, in the not too distant future, a series of draft regulations aimed at increasing cooperation between small and medium-sized firms. In preparing the regulations the Commission has borne in mind the guidelines it published at the end of July 1968, dealing with forms of cooperation which do not fall under the prohibition on restrictive agreements contained in Article 85 of the Rome Treaty and Article 65 of the Paris (ECSC) Treaty. It considers that cooperation between firms where the combined efforts of both partners command so small a share of the market that it will not effect the overall pattern of competition nor distort trade, should not fall under the prohibition clauses of either of the Articles in question. The criteria for companies, according to the Commission's proposals, is as follows:

- 1) Total turnover of companies involved should not exceed \$ 15,000,000
- 2) The market share held by the products in question, for the same or similar products, should not be greater than 5%.
- 3) The Commission intends to do away with the need for all research and development agreements to be notified, as required under Regulation 17.
- 4) Specialisation agreements will also be exempt when the products concerned do not account for more than 10% of the EEC market for the same or similar products or
- 5) 20% of turnover in each individual member state, although the Benelux countries are considered as one country from this standpoint.

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INDUSTRY

World Giants Outside the United States

The American monthly business journal "Fortune" has just published its 1968 "league table" for the major world companies outside the U.S.A. The number and turnover of giant corporations in any country is, of course, only the most arbitrary sort of indicator as to its industrial power in general, nevertheless, it is interesting to

see how the top ten industrial groups and the top ten banks are distributed (see table). Again, for those who place the emphasis on rationalisation and international groupings as the nucleus of Europe's industrial effort in the coming years, Britain's position in the Fortune table cannot fail to come to notice. At the same time (even allowing for the 1967 sterling devaluation), wide discrepancies in industrial might can be veiled by a mere league table. For instance, while Japan and Britain are now, in a sense, equal in the rankings, with 43 companies each in the world top 200 outside the U.S.A., the fact is that the Japanese companies in question had a rocketing average increase in turnover last year of 18.6% (average for the 200, 12.4%), while Britain came at the bottom of the scale with only 3.5%, although her performance may be expected to improve appreciably this year. On the other hand, while the French companies in the Fortune 200, for instance, improved on turnover by 11.1% last year, there were in fact only twenty of them, and the highest-ranking of these - Renault - came only No 19 in the list.

TOP TEN INDUSTRIAL GROUPS

RANK	NATIONALITY						TURNOVER
	Anglo-Dutch	British	German	Dutch	Italian	Japanese	\$ million
1	Royal Dutch - Shell						9,215
2	Unilever						5,533
3	B.P.						3,260
4	I.C.I.						2,969
5	Volkswagen						2,925
6	Philips						2,685
7	British Steel						2,624
8	Montecatini - Edison						2,315
9	National Coal Board						2,302
10	Hitachi						2,281

TOP TEN BANKS

RANK	NATIONALITY					TURNOVER \$ million
	British	French	Italian	Canadian	German	
1	Barclays					12,844
2	National Westminster					9,331
3		B.N. de Paris				8,156
4			B.N. del Lavoro			7,413
5				R.B. of Canada		7,358
6	Midland					7,327
7				Imperial Bank of Commerce		7,051
8		Credit Lyonnais				6,952
9				W.D.Landesbank - Girozentrale		6,743
10		Societe Generale				6,609

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EFTA

Prospects for a Scandinavian Economic Union

Preliminary discussions on the creation of an economic and customs union (known as Nordek) began as long ago as 1948 but the whole idea has been successively called into question by European developments, beginning with the formation of the Coal and Steel Community (ECSC) in 1950, followed by the EEC and Euratom in 1957, and EFTA in 1960. In 1961 Norway and Denmark followed Britain in applying for membership of the EEC and despite the French veto in 1963 the idea of Nordek was left to mark time. After the second French veto in 1967 Denmark revived the idea and since then frequent meetings of ministers and experts from the Scandinavian countries, Norway, Sweden, Denmark and

Finland, have progressed so far that a draft treaty has now been submitted to the four governments (see No 496). Meanwhile the recent change of government in France has once again made the Danes more hopeful of joining the EEC and consequently less enthusiastic about Nordek. Norway's position is closest to that of Denmark in so far as both have officially applied for membership of the EEC, and both are anxious - Denmark perhaps more so - that no action be taken which might make entry into the EEC more difficult. Sweden on the other hand would like to see a customs union established by 1972 with all countries observing a common external tariff. Consequently the success or failure of Nordek will depend very much on the Danish attitude. One compromise suggested is that in the event of member countries of Nordek joining the EEC the conditions of the Scandinavian body would be revised.

The draft to be considered at a meeting of the four prime ministers in November is still somewhat incomplete, but shows a certain amount of agreement on a wide range of problems, common institutions, creation of a common fund, agriculture, fishing as well as the eventuality of EEC membership. The draft treaty is very similar to the Treaty of Rome, particularly with regard to its institutions which include a council, a commission and a consultative committee, with decisions being solely on a unanimous basis. The declared objectives are the creation of a customs union, on which Sweden insists, and a preliminary economic union to be achieved by the harmonisation of policies relating to agriculture (of particular interest to Denmark), fishing (of interest to Norway), energy and industry. While Sweden is thinking in terms of a true customs union with a common external tariff Norway and Denmark are interested in retaining customs free entry for raw materials. Danish interests are almost wholly in agriculture. Nordek, particularly Sweden, would provide guaranteed outlets for her agricultural surpluses. A solution to the problem of these divergent interests may be found whereby agreement on a common agricultural policy for Scandinavia is reached at the price of a customs union for industrial goods. If Denmark succeeds in imposing a common agricultural policy in Nordek the subsequent entry of Denmark and Norway into the EEC would not disrupt agriculture in the Six. However much will depend on the common agricultural policy followed by the Scandinavian countries - high prices or structural reforms. The Swedes want the common agricultural fund, a sort of FEOGA, to be used for the latter while the Danes wish the funds to be used for market intervention for price support.

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Austria Could Run Deficit

The latest OECD survey of the Austrian economy considers that the recovery which began during 1968 should continue at a high rate during 1969, and the real GNP might rise by as much as 5.5%. A recent survey indicated that fixed investment by industry could rise by 27% in value during the current year, and although this figure includes large oil-refinery and special projects, there would still be a 9% rise if these

were excluded. The report considers that private consumption is likely to rise at a steep rate during 1969, while total unemployment is moving upwards for the first time in some years. Wage and salary increases were moderate during 1968, but total wages and salaries during 1969 may well show a 9% increase compared with 6% during the previous year. But "real income of households will be affected by major increases in indirect taxation, and with consumer prices rising by some 3%, consumers' expenditure is expected to grow by some 5% in volume."

Commodity exports will remain a strong expansionary force during 1969, and the main Austrian foreign markets are expected to grow by some 14%. It is thought that Austria may lose some of her share of these markets, but the loss may not be very important given the improved commodity structure of exports, Austria's good export performance in recent years and its success in holding costs and prices stable. Imports may rise at a relatively fast rate due to the overall increase in demand and the stronger pressure on resources, but even so the current external deficit may only be slightly higher than in 1968. Tourism should bring in increased revenue, especially from neighbouring countries where there is a strong upward trend in consumer income. However commodity imports, under pressure from rising consumer expenditure and a sharp increase in business investment, are likely to rise sharply during the second half of the year, so that the trend towards an increasing current account deficit may be strengthened then and in the first half of 1970. With regard to this possibility the report says "Given the comfortable reserve position and the need for a high rate of investment for structural readjustment, it may not be inappropriate for Austria to run a current balance of payments deficit of this magnitude (1 to 2%), at least for some time. But it may not be desirable to let the deficit grow much further".

The need for the rise in costs and prices to be kept within narrow limits is also stressed and it says that during the past two years the performance in this sector has been good. However "strong efforts in the field of incomes policy would seem to be needed to maintain or improve the competitive position of Austrian industry".

Dealing with the need to restructure industry, it states that this is a basic target of economic policy. Present legislation, strengthened last year to handle structural problems both in the public and private sector, would seem to give the government the necessary policy instruments to achieve a better allocation of fixed investment, savings and labour.

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Norwegian Need for Increased Savings

The OECD economic report on Norway indicates that with the signs of a strengthening of demand during recent months - especially for exports and fixed investment - and the expectation of anticipatory purchases of consumer durables before

the introduction of the tax reform on January 1, 1970, when a TVA system will replace the present turnover tax, there could be a risk of overheating towards the end of 1969. The recent measures to restrict demand therefore seem appropriate. It cannot be excluded that further steps will be needed and it is therefore important that policy should remain flexible.

1968 saw a strong swing from deficit to surplus on the current external account, which seems likely to improve further during 1969. This was mainly the result of developments in the shipping industry, which benefited from higher freight rates and at the same time reduced its net imports of ships significantly. The increase in the external surplus which is forecast for 1969 will be more than accounted for by a further reduction in imports of ships. The trade balance also improved in 1968 reflecting mainly a sharp increase in exports of base metals and a slackening of imports of investment goods. This means that the improvement of the current account may be largely temporary. Norwegian imports of ships can be expected to increase strongly again in 1970 and later due to a fall in freight rates after the rise following the Middle East crisis. Exports of basic metals would seem unlikely to increase at the high rate experienced recently; the strongest rise in world trade in coming years may be in finished rather than semifinished manufactures. In fact the Norwegian authorities aim at encouraging the expansion of production and exports of such industries. An improvement in cost performance may be necessary for this and the achievement of the balance of payments target.

The government's 1970-1973 Long-Term Programme is aimed at maintaining the economic activity of the sixties, with an annual growth of GDP of 4.5%. The programme is aiming only at a moderate deficit on the current external account. This would seem to be a reasonable objective, states the OECD report, given both the stage of economic development which has now been reached, the need for some other European countries to strengthen their foreign exchange reserves, and the difficulties in raising long-term capital abroad at reasonable terms. But the realisation of the programme will also depend on a strong rise in Norwegian exports, and the achievement of a better foreign balance than in most of the sixties will require an increase in the national savings ratio and a switch of resources from domestic use to net exports. This is likely to entail policies to stimulate savings, while an improvement in the cost performance of Norwegian industry will also be necessary to realise the balance of payments objective. During the past three years unit labour costs have developed unsatisfactorily when compared with competing European countries, a situation due in part to devaluations. Despite this the country's export performance has been relatively good, partly because of the strong export increase from capital-intensive industries (especially base metals) which may not continue at such a high rate in the years to come.

The long-term programme indicates that the supply of domestic long-term savings may have to be significantly increased in the next few years, partly because of the authorities' intention of reducing imports of long-term capital. The increased need for long-term funds may be partly covered by larger public savings in social insurance

and over the budget, but there may also be a need for transforming a larger proportion of private short-term savings into long-term capital. An effective use of available credit policy instruments is important in solving these problems.

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YUGOSLAVIA

EEC Trade Gap: Something's Got to Give

Yugoslavia's trade deficit with the countries of the Community - in particular the larger quantities of industrial goods she is buying from West Germany, for no concomitant improvement in her export performance to the Six generally - is now beginning to cause grave concern, with a rise in the overall figure during the first six months of this year of \$ 35 million, to \$ 185 million. This compares with her EEC trade gap in 1968 of \$ 348 million. On average, this would not lead to any great increase for the trade gap over the whole of this year, but in fact, compared with the same period for last year, the gap has widened alarmingly: both imports and exports have risen by no less than 23%: the one to \$ 210 million and the other to \$ 396 million. Granted that trade with the EEC continues to occupy an ever larger share of overall Yugoslav external trade (up to 39% of imports last year, and up to 28% of exports), the dangers of this trend are only too obvious.

At the top end of the scale, in these latest figures, comes Germany with exports of \$ 145 million to Yugoslavia, and imports of only \$ 68 million, while at the other extreme comes Italy, with exports of \$ 120 million, and imports of \$ 108 million. Italy is vital in the whole situation, as she is potentially the largest buyer of Yugoslav farm produce, and especially meat, when and if a trade agreement between the Six and Yugoslavia is concluded (see No 524). Clearly, after these latest figures, Yugoslavia is going to pile on the pressure for getting negotiations to a conclusion, and in this she will be further stimulated by last year's results for beef trading with the Community, the all-important sector when it comes for forging a trade pact. In 1968 in fact Yugoslavia was toppled from her position as third largest supplier of beef to the Six by another communist state, Hungary. Furthermore, not only her relative position, but her overall beef trading results with the Six declined (see below): this, coupled with the critical balance of trade situation, can hardly fail to evince action from some quarter in the near future.

Yugoslav Share in EEC Beef Trade

	1966		1967		1968	
	Tons	Percentage	Tons	Percentage	Tons	Percentage
Denmark	92,406	16.40	89,594	14.93	104,129	20.86
Yugoslavia	49,477	8.78	69,141	11.53	55,978	11.21
Hungary	43,730	7.76	50,363	8.39	60,826	12.18
Argentina	136,315	24.19	170,083	28.35	99,583	19.95

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Yugoslav External Trade

	Exports				Imports			
	1967		1968		1967		1968	
Total (in \$ m.)	1,253		1,259		1,708		1,796	
EEC	372	29.7%	353	28.1%	657	38.5%	701	39.0%
EFTA	140	11.9%	160	12.7%	213	12.3%	253	14.0%
Comecon	450	35.9%	432	34.3%	442	25.9%	486	27.0%
Italy	225	18.0%	177	14.0%	228	13.3%	269	15.0%
West Germany	97	7.7%	122	9.6%	286	16.7%	320	17.8%
Czechoslovakia	50	4.0%	55	4.3%	94	5.5%	103	5.7%
USSR	218	17.5%	207	16.4%	164	9.6%	188	10.5%

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EUROFLASH - HEADLINES

ARGENTINA	MASSEY-FERGUSON buys RHEINISCHE STAHL tractor subsidiary	H
BELGIUM	EVENCE COPPEE /CITIES SERVICES chemical subsidiary expands	C
	LIGHTNIN MIXERS forms company to run engineering factory	J
	Curacao, German and Swedish gas shippers to pool fleets	U
BRAZIL	HOESCH links with VOLKSWAGEN and SUDWESTFALEN steel	I
BRITAIN	PHILIPS group takes over GE-EE group arc welding subsidiary	D
	B.f.G., West German trade union bank, opens London office	K
CANADA	FELDMUEHLE and MACMILLAN BLOEDEL buy up ROTHESAY paper P	
FRANCE	G. T. & E. takes over VIDEON television components	F
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ADVERTISING

** The New York group OGILVY & MATHER INTERNATIONAL INC (see No 445) has wound up its Frankfurt subsidiary MATHERS INTERNATIONAL GmbH (formed late in 1962), which it took over from the London agency MATHER & CROWTHER LTD, when it merged with this concern.

In West Germany, O & M is still established with its indirect affiliate (through Ogilvy & Mather International Holding AG, Zug) Heumann, Ogilvy & Mather GmbH & Co.KG, Frankfurt, in association with the issue of Herr William Heumann.

BUILDING AND CIVIL ENGINEERING

** ENTREPRISES COMPENON-BERNARD SA, Paris (see No 487), a 31% affiliate of the CIE FINANCIERE DE SUEZ & DE L'UNION PARISIENNE SA, with 22.9% of its capital retained by the CIE GENERALE DE EAUX SA, and its subsidiary S.T.U.P. - STE TECHNIQUE POUR L'UTILISATION DE LA PRECONTRAINTE SA, Boulogne-Billancourt, Hauts-de-Seine (see No 472) have joined with ENTREPRISE CARONI SA, La Madeleine, Nord (see No 419) and ETS FERRET, SAVINEL & CO Sarl, Roubaix, Nord, in forming a concrete building modules concern named PANBETON SA at Lens, Pas-de-Calais. This has F 2.1 million capital, and is under the chairmanship of the founder of the Roubaix concern, M. Jean Arnault.

Caroni's capital was raised recently to F 11.7 million, when it absorbed its Nogent-sur-Marne, Val-de-Marne subsidiary Entreprise Parisienne Caroni de Dragages & de Travaux Publics Sarl (capital F 200,000).

** Further to recent negotiations (see No 513) concerning the concentration of the Dutch building concerns INGENIEURS-BUREAU VOOR BOUWNIJVERHEID - I.B.B. NV, The Hague, and AANEMING-MIJ "DE KONDOR" NV, Amsterdam, a joint holding company has now been formed in The Hague under the name INGENIEURS BUREAU BOUWNIJVERHEID-KONDOR GROEP NV (authorised capital Fl 20m), under the 58.3% control of the former and directed by Messrs H. Heyning, P. Delgorte, J.J. de Jong and W. Rombouts.

** The German ceiling insulation processes concern BAUDEK-ISOLIT GES FUER VERFAHRENSTECHNIK VON DECKENISOLIERUNGEN mbH & Co KG, Frankfurt, has sponsored the formation in the Netherlands of a similar company named BAUDEK-ISOLIT BENELUX NV (capital Fl 100,000), to cover the Benelux market. The direct backers of this venture, with 10% and 90% respectively, are Messrs Wolfgang Brausse, manager of the German firm, and Cornelis Duermeijer of Barendrecht, who will run it.

** SOCIALTRA - STE ALSACIENNE D'ETUDES & DE TRAVAUX SA, Neuilly, Hauts-de-Seine (see No 496), subsidiary (16.7% each) of ALSPI - STE ALSACIENNE DE PARTICIPATIONS INDUSTRIELLES SA (see No 518), BABCOCK-ATLANTIQUE SA (see No 507) and ALSTHOM SA, has made over capital equipment and property valued at F 13.6 million to a newly-formed head office subsidiary, SOCIALTRA B.T.P. SA (capital F 3m). The new firm has M. Robert Kastler as chairman, and is for civil engineering survey and contract work.

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** The two Dutch groups VERENIGDE BEDRIJVEN NEDERHORST (NEDERHORST UNITED) NV, Gouda (see No 523) and PAKHOED HOLDING NV, The Hague (see No 518) are to assume 50-50 control of the private dwellings and school building concern MUIJS' & DE WINTERS' BEHEERMIJ NV - MUWI, which is headed by Mr. P. de Winter.

This concern employs some 1,000 people, and with an annual turnover in the region of Fl 100 million, heads a number of working companies: 1) in the Netherlands: Muijs' & de Winter Bouw & Aanemingsbedrijf NV, Rotterdam; Betonfabriek van Dijk Jr NV, Alphen a/Rijn and Enschede; Muijs' & de Winter's Betonbouw, Geleen; Bouw- & Aanemingsbedrijf Nedu NV, Heerlen. 2) In West Germany: De Winter's Hoch & Tiefbau GmbH, Aachen. Also, it has since 1966 held a minority stake in Overseas Construction Co - Overzeese Aanemingsmij NV (see No 475), which is 57% controlled by Nederhorst, and which has interests in African and West Indian building.

CHEMICALS

** STE DE CONTROLE & D'INVESTISSEMENTS FINANCIERS SA, Geneva, whose president, M. Robert Turrettini, holds the same post with the Geneva BANQUE D'INVESTISSEMENTS PRIVES SA, has formed an almost wholly-owned subsidiary at Watermael-Boitsfort, Brussels, named ALTACEL SA (capital Bf 8.75 m), the board of which, with M. Henri Vesine de la Rue in the chair, includes MM. Luc Silance and Pierre Waghsteen-Courtoy, also a director of Banque d'Investissements Prives.

The new concern is to produce special industrial resins, and it has received from its parent company a patent for a type of packaging cartridge, plus the distribution rights that go with it.

** AMMONIAQUE SYNTHETIQUE & DERIVES - ASED SA (see No 449), the 51-49 Brussels subsidiary of the Belgian EVENCE COPPEE group and the American CITIES SERVICES CO INC, has taken 80% in forming ENGRAIS & SERVICES AGRICOLES - ENSAGRI AS (capital Bf 1 m) in Brussels, 8% of the holding being in the keeping of its subsidiary Engrais Complexes Ased SA (see No 409). The new firm has M. Leon du Bois in the chair, and is for general agricultural chemistry, with special emphasis on fertilizers.

** ANIC SpA, Palermo (see No 512), member of the Rome public group E.N.I. - ENTE NAZIONALE IDROCARBURI SpA (see No 526), has strengthened its technical links with the New York group STAUFFER CHEMICAL CO (see No 503) by purchasing from it patents for the manufacture of dichloroethane in a plant being built at its Gela, Sicily complex (200,000 t.p.a. capacity - see No 413).

Stauffer Chemical, which has in face just concluded a licensing agreement with Anic for Italian production of monomeric PVC, has since 1968 had a subsidiary at S. Columbano Al. Lambro, Stauffer Chemical Italia SpA (see No 496), which has just brought on stream a farm chemicals plant (chiefly "Ordram" herbicides for rice cultivation). At the beginning of this year it negotiated a link-up with Saras Chimica SpA, Cagliari (of the group Saras SpA - Raffinerie Sarde - see No 499) for the joint construction of an aromatics complex at Sarroch in Sardinia.

** Under the terms of the cooperation agreement in the enamels sector between the GLIDDEN-DURKEE division of the New York SCM CORP group (see No 303) and the German FARBENFABRIKEN BAYER AG, Leverkusen (see No 520), the latter will gain access to the R & D of the former.

The American concern also plans to make over to a Belgian affiliate of the German concern the Bruges foundry of its Brussels subsidiary SCM-GLIDDEN INTERNATIONAL CO (trade-mark "Pemco").

CONSUMER GOODS

** M. Gerard Biotteau, who heads the French shoe company MANUFACTURE FRANCAISE DE CHAUSSURES Sarl, St Pierre-Montlimart, Maine & Loire (see No 459), best known for its "Eram" and "Vyllar" trade-marks, has joined with Messrs Jean Chirou, Bertrand Pineau, Raymond Terrier and Fritz Schulmann in West Germany to run the newly-formed Saarbrucken footwear trading concern ERAM SCHUHE GmbH (capital Dm 100,000).

Abroad, the French concern was already established in Belgium with the subsidiaries Chaussures Vyllar Sprl, Mouscrou, and Chaussures Eram SA, Brussels, with other Vyllar subsidiaries in West Germany (Rockerhausen) and London.

COSMETICS

** The Paris L'OREAL SA perfumes and cosmetics group (see No 492) has formed a manufacturing and sales subsidiary in Paris named HYMO SA with F 100,000 capital. This is to make and market a whole range of perfumes and toiletries, and has M. Andre Lhote as president. M. Lhote also runs the marketing side of Ets Ruby SA, Voiron, Isere, which recently came under the near-outright control of the group.

ELECTRICAL ENGINEERING

** The Eindhoven PHILIPS' GLOEILAMPENFABRIEKEN NV group (see No 520) through its London holding company PHILIPS ELECTRONICS & ASSOCIATED INDUSTRIES LTD (see No 515), has negotiated the takeover of the Glasgow concern, ENGLISH ELECTRIC ARC WELDING CO LTD (capital £250,000). Hitherto a wholly-owned subsidiary of the group GENERAL ELECTRIC & ENGLISH ELECTRIC COS (formed by last year's merger of the General Electric Co Ltd with English Electric Co Ltd - see No 523), this will now be re-named Philips Electric Arc Welding.

** The British miniature electric lamp and fluorescent tube concern (mainly for cars) ENDURA ELECTRICAL INDUSTRIES LTD, Harsforth, Yorks, of the London group KEYSER ULLMANN HOLDINGS LTD (see No 481), has sponsored the formation of ENDURA LAMPS (HOLLAND) NV in Amsterdam, with F1 60,000 capital, by Messrs H. de Groot, Purmerend, H. Pasteuning, Amsterdam, and J. Frandsen, Aalborg, Denmark. This will act as its distributor.

The group, headed by Mr. R.A. Woolf, employs some 600 people in its factories at Leeds and Shipley (Endura Lamps Ltd) and in Bradford (Southern & Redfern Ltd), with the latter specialising in electrical equipment for refrigeration and air conditioning.

** C.E.E.M.T. - CIE D'ENTREPRISES ELECTRIQUES, MECANIKES & TRAVAUX PUBLICS SA, Levallois-Perret, Hauts-de-Seine, having made over its civil engineering business to its sister company CITRA FRANCE SA, has now hived off more assets to its subsidiary ENTREPRISES ELECTRIQUES DU CENTRE SA, Fontaine-les-Dijon, Cote d'Or. This has taken over its general electrical installations and circuitry division, representing assets valued at F 6 million, and so raised its capital to F 5.1 million.

This move comes as part of the rationalisation of CIE INDUSTRIELLE DE TRAVAUX (CITRA) SA and its subsidiaries (see No 490).

** The German dish-washers, washing machines, cookers, irons and large-scale kitchen installations concern MIELE & CIE KG, Gütersloh (see No 290) plans to widen its European sales network by forming subsidiaries in Norway and Portugal.

The group employs 8,500 people and last year turned over Dm 500 million (41% from exports). It has direct representation in France, Luxembourg, Belgium, Italy, the Netherlands, Switzerland, Britain, Austria, Denmark and Spain, and in West Germany its main sales subsidiary is Mielewerke GmbH, Gütersloh (capital Dm 12.5m).

ELECTRONICS

** ELEKTRON, WERK FUER ANGEWANTE ELEKTRONIK HERBERT BRAUSE, Weikersheim, Württemberg (electronic teaching systems and computer peripherals), a 240 payroll, Dm 15 million turnover concern, has been taken over by CONRAC CORP, Buffalo, New York.

The American concern itself turns over more than \$55 million a year, and for this produces avionic components, machine tools for the aerospace industry and precision control equipment.

** TELEFLEX PRODUCTS LTD, Basildon, Essex (electrical and electronic control and regulation equipment for the motor and aerospace industries etc - see No 504) has decided to wind up its Paris subsidiary MATIN DYNAMICS Sarl, which will be liquidated by Mme Marcelle Konter.

Two such moves having been made already in Italy and Spain, Teleflex now has only three subsidiaries remaining in continental Europe: Teleflex GmbH, Heiligenhaus, Düsseldorf; Matin Dynamics GmbH, Essen-Bredenen, and Teleflex Svenska A/B, Lidnigo, Sweden. In Britain, it controls Conveyor Construction & Engineering Co Ltd; Matin Dynamics Ltd (see No 399); Solace Engineering & Electrical Co Ltd; Corsemarts Electrical Engineers Ltd and T.T. Moulding Ltd.

** The New York GENERAL TELEPHONE & ELECTRONICS CORP (see No 525), through its subsidiary General Telephone & Electronics International Inc, has taken over the French VIDEON SA, Boulogne-sur-Seine, Hauts-de-Seine (capital F 3.5 m), which makes windings, sub-assemblies and modulation equipment for T.V.

With the exception of its direct West German subsidiary SABA - Schwarzwälder Apparetebau-Anstalt August Schwer Söhne GmbH, Willingen-Schwarzwald, the groups controls its other EEC subsidiaries through G.T.E. International: G.T. & E. - Soc. Generale di Telefonia & Elettronica SpA, Pecchi, Milan (see No 404) and Automatic Electric Atea SA, Berchem, Antwerp (see No 486), plus SYLVANIA companies in Brussels, Paris, Hanover and Frauenaurach ub Erlangen.

ENGINEERING & METAL

** The Paris investment company MINES DE KALI-SAINTE-THERESE SA (see No 503), a member of the group RIVAUD & CIE Scs (see No 521) plans to extend its scope by taking over the machining concern SIMMONDS SA, Suresnes, Seine-St-Denis (screws and fibre or plastic-grip closures - capital F 11 m). This has a Milan subsidiary, Urama-Simmonds SpA, and is also a 33.3% affiliate of the New York group AMERACE ESNA CORP (formed by the 1968 merger of Amerace Corp with Elastic Stop Nut Co, former direct shareholder of Simmonds).

Kali-Ste-Therese, the capital of which is being raised to F 37.2 million, has various major holdings: 99.7% in SOPAKO - Ste de Participations Kali-Ouest SA, Paris (see No 458); 53.21% in Microfusion SA, Paris; 50% in Ste d'Exploitation de l'Entrepot Macdonald, Paris; 20.6% in Cie Industrielle & Financiere des Ateliers & Chantiers de la Loire SA, Paris (see No 520); 15% in Potasse & Produits Chimiques SA, Thann, Haut-Rhin (see No 404); 15% in Cie Francaise des Mines d'Uranium SA, Paris (see No 512) etc.

** The Amsterdam trading group HAGEMEIJER & CO'S HANDELMIJ NV (see No 525) has taken over the Rotterdam clock and watch importing and trading concern HOFMAN & VIS NV, the business of which it will merge with that of its own subsidiary JUNTA NV, The Hague. With its name changed to HOFMAN JUNTA NV, this will remove its head office to Rotterdam, where it will be directed by Messrs A.J.M. Groothuis and J. Spoel.

Late last year Hagemeyer strengthened its interests in this sector by taking over the 's-Hertogenbosch company Carel Teulings NV ("Mido" watches - see No 480 and Index) and also the Amsterdam concern Nederlandse Uurwerkfabrieken - Nufa NV (see No 488).

** MIDO-UHREN GmbH has just been formed at Cologne with Dm 20,000 capital by the chairman of the Swiss watch company MIDO G. SCHAEAREN & CO SA, Bienne, Berne, M. Henri Schaeren, in association with M. Max Gerl. This is for after-sales service in West Germany of "Mido" watches, and it will also handle the marketing and advertising of these.

****** The Montreal ALCAN ALUMINIUM LTD group (see No 503) has commenced proceedings for its Göttingen subsidiary ALCAN ALUMINIUM-WERKE GmbH to take over by January 1970 the Lüdenscheidt thin aluminium sheet processing concern HUECK & BUEREN KG, which has Dm 1.5 million capital and a payroll of 400. Hitherto the property of the Hueck family, this concern will be placed under the managership of Herr Hermann Dilling, already a partner therein. It will still keep its aluminium sheet subsidiary, HUECK & CIE, KG ALUMINIUM-FOUEN-WALZWERK, Pirknüle, Weiden (600 employed).

The Canadian group's existing interests in West Germany, centre on the Göttingen subsidiary (capital Dm 50 m), which employs 3,000 people, in plant at head office (aluminium rolling and processing), Nuremberg (aluminium castings and pistons) and Liphusen, Bremen (extruded sections, tubes and bars). In addition, there is a sales subsidiary in Frankfurt, Alcan Metall GmbH, and the 50-50 joint venture ALUMINIUM NORF GmbH, Norf (capital Dm 120 m), which runs Europe's largest aluminium rolling mill, with a 200,000 t.p.a. capacity. Its partner in this is Vereinigte Aluminiumwerke AG, Bonn, a member of the public group VIAG - Vereinigte Industrie-Unternehmungen AG, Berlin and Bonn (see No 497), which is scheduled in two years' time to return partly at least to the control of private interests. Finally, there is another 50-50 joint venture, this time with the Duisburg Klöckner & Co KG group, the semi-finished aluminium products sales company Klöckner-Alcan Aluminium Ltd, GmbH & Co.

****** Herr Wilhelm Henfert, Ochtrup, has made over KEMPER VERKOOP-KANTOOR NEDERLAND, St Isidorushoeve, Haaksbergen, a private company serving as Dutch agent for the German farm machinery concern WILHELM KEMPER LANDMASCHINEN-FABRIK KG, Städlöhn (see No 316) to a company formed under the name VERKOOPKANTOOR LANDBOUWERKTUIGEN NEDERLAND NV, St Isidorushoeve (capital Fl 200,000).

****** The West German group G. SIEMPELKAMP & CO MASCHINENFABRIK, Krefeld, which makes hydraulic presses, transport equipment and plant for the rubber, plastics and timber industries, has formed a Swiss subsidiary. Called SIEMPELKAMP AG, Wettingen (capital Sf 100,000), this will handle sales, know-how, patent and licence agreements and the president is Herr Dieter Siempelkamp, who heads the German group.

The Krefeld group has an annual turnover exceeding Dm 100 million and has 1,500 employees. Its interests include the castings concern Siempelkamp Giesserei KG, Siempelkamp & Co, Handelsgesellschaft (sanitary and central heating equipment, swimming baths and saunas), the management company Siempelkamp Vermögensverwaltung KG and the research and development concern Siempelkamp Forschungs- & Entwicklungs GmbH. All of these are based in Krefeld.

****** The investment companies ALCYON SA, Luxembourg (a member of the BANQUE INTERNATIONALE A LUXEMBOURG SA group) and MECAP SA, Zurich, have taken respective interests of 88.8% and 10% in the formation of a new Belgian company, ALLIAGES, EQUIPEMENTS & PRODUITS INDUSTRIELS - A.E.P.I. SA, Woluwe, St-Pierre, Brussels (capital Bf 1 m). With M. A. Balland as president, this will manufacture and sell all types of metals, alloys and plastic materials.

****** The Swiss typewriter group PAILLARD SA, Ste Croix and Yverdon, has strengthened its French commercial sales network by forming a company in Lille called HERMES PAILLARD NORD SA (capital F 450,000), under the direct control of its Paris subsidiary HERMES PAILLARD SA, Paris. As a result of agreements recently made with Ets Japy Freres SA, Paris (see No 499), the Swiss group also controls Ste Belfontaine de Mekanographie SA, Beaucourt, Territoire de Belfort, which will now make certain "Hermes" typewriters. Other production facilities exist in Switzerland at Yverdon, in West Germany at Säckingen (Hermes-Precisa Büromaschinenfabrik GmbH), and in Brazil at Santo Amaro (Precisa Basileira).

****** The West German company WAGGONFABRIK TALBOT, Aachen (railway equipment) has raised its interest from 39% to over 50% in a similar concern, WAGGONFABRIK UERDINGEN AG, Krefeld-Uerdingen (see No 328).

With a capital of Dm 17.81 million, this remains a 26% affiliate of the Cologne holding company Elektrische Licht- & Kraftanlagen AG, Cologne (see No 334), itself affiliated to Bubiag-Braunkohlen- & Brikett-Industrie AG, Munich, and Schaffgotsch Bergwerksgesellschaft, Munich. With some 1,800 employees, and an annual turnover exceeding Dm 70 million, it heads Ringfeder GmbH and Press- & Ziehwerk GmbH, both based in Krefeld-Uerdingen, as well as Rheinische Waggonbedarf Handels GmbH, Düsseldorf.

****** The American DE VILBISS CO, Toledo, Ohio (surface treatment equipment, compressors, paint sprays etc - see No 461) has purchased from Mme Lore Kurtz-Eberhard the 20% share capital it required to gain outright control of its West German licensee DEFAG - DE VILBISS AG, Berlin. With its name changed to DE VILBISS-DEFAG GmbH (capital Dm 2.4 m), this will now transfer all the group's manufacturing activities at Berlin and Grünberg, Hesse to a factory being built at Dietzenbach, Frankfurt, due to come into production early next year.

The American company also controls in Frankfurt DE VILBISS GmbH (capital Dm 20,000), formed early in 1968 (see No 461) to coordinate all its European sales.

****** The Essen engineering and steel group RHEINISCHE STAHLWERKE (see No 525) has sold its Argentinian subsidiary RHEINSTAHL-HANOMAG CURA SA, Rosamo - controlled through RHEINSTAHL HANOMAG AG, Hannover-Linden - to the Toronto group MASSEY FERGUSON LTD (see No 501). The subsidiary has some 550 employees and an annual production capacity of 4,000 tractors.

In the agricultural machinery sector the West German group has recently begun (see No 519) cooperating with the Unimog specialised division of the vehicle manufacturer Daimler-Benz AG, Stuttgart-Untertürkheim (see No 524). It is also linked in the commercial vehicle field with the group in a 49/51 subsidiary, Hanomag-Henschel Fahrzeugwerk GmbH, Hanover (see No 499), whose capital has recently been increased from Dm 400,000 to Dm 40 million. The latter, which is expected to become an outright interest of Daimler-Benz, acquired in April 1969 the lorry manufacturing facilities in Bremen, Hamburg-Harburg and Kassel of the Rhein Stahl Henschel and Rhein Stahl Hanomag subsidiaries of the Essen group, as well as the administrative headquarters in Hanover.

** The machine tools made by the American firm BROWN & SHARPE MANUFACTURING CO, North Kingstown (see No 431) will be represented in West Germany by a newly-formed company, BROWN & SHARPE GmbH, Schsieberdingen (capital Dm 40,000). The managers are Mr. Clyde G. Nixon, Beaconsfield, Bucks, and Herr John G. Entemann, Stuttgart.

The American company has a British subsidiary, Brown & Sharpe Ltd, Plymouth, Devon, and another in Switzerland, Brown & Sharpe AG, Dietikon, Zurich, with a branch in Milan.

** The American group WALWORTH CO, Oakland, California (see No 510) is to streamline its Italian organisation by having WALWORTH-ALOYCO INTERNATIONAL SpA, Patti, Messina (see No 501) absorb the Ospiate di Bollate, Milan valves concern B. BIONDI & CO SpA (see No 374). In 1963 the group joined with its subsidiary Grove Valve & Regulator Co, Oakland, in taking over Biondi, the Lire 180 million capital of which is currently being reduced to write off losses.

Walworth-Aloyco specialises in valves and pumping gear for the oil and chemical industries, and is controlled by Walworth in association with the Philadelphia group GENERAL WATERWORKS CORP and the Naples company OFFICINE MECCANICHE & FONDERIE NAPOLATANE SpA (of the FINMECCANICA SpA group).

** Five Italian companies have linked to form a Frankfurt-based sales, advertising and market survey concern called REGOLD WERKZEUGMASCHINEN VERTRIEBS GmbH with the aim of increasing their sales to West Germany.

The founders, who all have existing sales subsidiaries in Frankfurt are:

- 1) DIPLOMATIC-MECCANICA APPLICAZIONI OLEODINAMICHE SpA, Busto Arsizio, Varese, which makes hydraulic equipment (Diplomatic Hydraulik GmbH - see No 522);
- 2) RAMBAUDI e.C. Srl, Rivoli, Turin, making boring machinery (Rambaudi-Fräsmaschinen GmbH);
- 3) the manufacturer of milling machines, TACHELLA MACCHINE SpA, Acqui Terme, Alessandria (Tacchella Schleifmaschinen (Deutschland) GmbH - see No 523);
- 4) the manufacturer of boring equipment, SAN ROCCO OFFICINA MECCANICA SpA, Monza, Milan (San Rocco Bohwerke GmbH);
- 5) GRAZIANO & CO Snc, Tortona, Alessandria, which makes lathes (Graziano Drehbänke GmbH (Deutschland) - see No 504).

** The Dortmund steel group HOESCH AG (see No 526) has acquired a one-third interest in the Brazilian company FORJARIA SAO BERNARDO SA, Sao Paulo (see No 409), which works as a sub-contractor for the car industry. This has as other shareholders, also with a one-third interest, the VOLKSWAGENWERK AG, Wolfsburg group (see No 525), which at the start had complete control through its manufacturing subsidiary Volkswagen do Brasil SA, Sao Bernardo de Campo, and the steel concern STAHLWERKE SUDWESTFALEN AG, Hüttental-Geswald (see No 462), a 26% affiliate of Hoesch.

Hoesch has as its main shareholder the Dutch group KON. NED. HOOGOVENS- & STAALFABRIEKEN NV with a 14.5% interest. It is about to merge two of its West German subsidiaries, Hoesch AG Walzwerke Hohenlimburg, Hohenlimburg, and Schwerter Profileisenwalzwerk AG, Schwerte, Ruhr, within a new company called Hoesch AG Walzwerke Hohenlimburg-Schwerte.

****** The Dutch concern JONGERIUS TECHNISCH BUREAU, Soesterberg, headed by Mr. Sebastien Jongerius, has made its Swiss branch into a subsidiary called JONGERIUS MASCHINEN AG, Zug (capital Sf 50,000). The founder sells and installs food baking equipment, as well as silos and transport equipment for seeds and powdered products. It is the Dutch representative of numerous foreign companies, including Werner & Pfleiderer KG Maschinenfabrik, Stuttgart (see No 473); Oliver Douglas & Co Ltd, Leeds (a member of the Montbank Engineering Co Ltd group); Adolf Zimmermann Maschinenbau, Osterburken, and Rinaldo Rossi SpA, Milan.

****** The Turin concern EMANUEL Sas (see No 434), which makes pumps and other equipment for the car industry and garages, has formed a 60% Spanish subsidiary called EMANUEL IBERICA SA, Saragossa. This has a capital of Pts 32 million and will manufacture equipment for service stations and garages.

****** The merger of the water metering interests of CIE DES COMPTEURS SA, Paris (see No 518) and ETS VINCENT FRERES SA, Haguenau, Bas-Rhin, within a 70/30 subsidiary SIFAC - STE INDUSTRIELLE DE FABRICATIONS DE COMPTEURS D'EAU SA, Paris (see No 507), has now taken place. This has received its founder's assets in Rheims and Haguenau and has raised its capital to F 12.65 million.

****** Herren Kurt Stahl and Adolf Döpfert, who own the German paper and book-binding machinery concern STAHL & CO oHG SPEZIALFABRIK FUER FALZ-AUTOMATEN, Ludwigsburg, head the new Swiss investment company IBC INTERNATIONAL BOOKBINDING MACHINERY HOLDING CORP, formed at Zofingen, Aargau with Sf 3 million capital and Herr Hans Müller as president.

****** The British LIGHTNIN MIXERS LTD, Stockport, Cheshire (portable and industrial fluid agitators and melangeurs - see No 267) has formed a Brussels industrial subsidiary, LIGHTNIN BELGIUM SA, with Bf 500,000 initial capital. This has Mr. W. Stockdale in the chair and is directed by M.M. Fouchard, its purpose being to run a reduction gear factory at Frameries, now in the course of construction, which will employ some 30 people at start up.

The parent company shares control of the new concern, investment in the factory of which came to Bf 15 million, with its own American parent company MIXING EQUIPMENT CO INC, Rochester, New York, and its direct subsidiaries Deutsche Lightnin GmbH, Frankfurt, and Lightnin A/B, Stockholm. It has been represented in Paris since 1962 by a subsidiary named Lightnin France SA (formerly Agitateurs & Melangeurs Industriels SA).

FINANCE

****** The Paris credit sales finance broking concern STE D'ETUDES & DE GESTIONS INTERNATIONALES - SEGI SA ("C.A.T." branches at Lille, Lyons, Marseilles and Strasbourg) has absorbed the Rouen automobile and domestic appliances credit concern STE CREDIT CHESNEAU SA (gross assets of F 1.46 m), thus raising its capital to F 9.5 million.

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Segi, which in 1968 absorbed the Paris concern C.C.L. - Ste Commerciale Pour Le Credit & La Location de Materiel d'Equipement SA, is controlled by STE ALSACIENNE & LORRAINE DE VALEURS & D'ENTREPRISES (S.A.L.V.E.) SA, Paris (see No 334), itself a member of the STE GENERALE SA banking group, through its Strasbourg subsidiary Ste Generale Alsacienne de Banque SA (see No 367).

** The Hanover banking concern, NIEDERSAECHSISCHE LANDESBANK-GIROZENTRALE (see No 518), the total balance sheet of which for 1968 amounted to Dm 6,620 million, has acquired an interest of just over 25% in the Hanover merchant bank BANKHAUS NICOLAI & CO KG (see No 512), which has Dm 11 million capital and Herren Bernhard Nicolai and the Hanover NICOLAI AG company as its partners. The latter, which recently took a 50% interest in DEUTSCH-SCHWEIZERISCHE VERWALTUNGSBANK AG, Frankfurt, has major holdings in "Fides" Versicherungsvermittlungs & Vermögensverwaltungs GmbH, Hanover, and Allgemeine Kapitalunion GmbH & Co KG, Frankfurt.

The Hanover house is also negotiating its concentration (see No 518) with three other public institutions in Lower Saxony: Braunschweigische Staatsbank, Brunswick (see No 525); Hannover Landeskreditanstalt, Hanover, and Stadtschaft. This will lead to the creation of an establishment of greater resource for financing public investments and to meet competition from such rival institutions as Westdeutsche Landesbank Girozentrale, Düsseldorf and Münster.

** The West German trade union bank BfG - BANK FÜR GEMEINWIRTSCHAFT AG, Frankfurt (see No 524) is about to open a London office which will be run by Herr Walter F.E. Von Halle, until now the director of the London office of I.H.B. - INVESTITIONS- & HANDELS BANK AG, Frankfurt, the joint subsidiary of BfG, BRAUNSCHWEIGISCHE STAATSBANK and WESTDEUTSCHE LANDESBANK - GIROZENTRALE. This will be merged with the new office.

** As part of the re-organisation moves within the French group CIE PECHINEY SA, Paris, the Paris company ALUMINEX SA, which has recently become an investment company after having made over its manufacturing interests (beams and scaffolding) to CEGBAT GP SA, Paris (see No 508), has acquired from CEGEDUR GP SA a 45% stake in Cegebat (capital recently raised to F 13.4 m).

As a result it has raised its own capital to F 14.2 million and is now an 86% interest of Cegedur.

** The Rome group BANCO DI ROMA SpA (see No 515), 96% subsidiary of I.R.I. - ISTITUTO PER LA RICOSTRUZIONE INDUSTRIALE, has strengthened its Ethiopian network by forming a branch at Addis Ketema to its subsidiary BANCO DI ROMA (ETHIOPIA) SHARE CO (see No 397), Addis Ketema being the business quarter of the capital city.

Apart from its main agency in Addis Ababa, Banco di Roma has offices at Asmara, Assab, Massaua and Modjo.

** The Japanese stockbrokers NOMURA SHOKEN KABUSHIKI KAISHA - NOMURA SECURITIES CO LTD, Tokyo, which has agencies in New York, Los Angeles, Honolulu, Hong-Kong and since 1964 in London, has received the go-ahead to open its first Common Market branch in Amsterdam.

Two other Tokyo stockbrokers have already done this, Yamaichi Shoken K.K. and Daiwa Shoken K.K., which each have a branch in London and a subsidiary in New York. These are also preparing to set up permanent offices in Franckfurt (see No 506), whilst Nikko Securities Co of Tokyo (see No 518) is to establish itself in Zurich, where previously its correspondent was Ufitec AG - Union Financiere (see No 396).

FOOD AND DRINK

** Further to their recent agreement (see No 501), the French dairy group GERVAIS DANONE SA, Levallois, Hauts-de-Seine, will now absorb the pasta group MILLIAT FRERES SA, Nanterre, and so receive estimated assets of F 55.4 million, thus raising its capital to F 206.8 million.

** The Montreal spirits group DISTILLERS CORP - SEAGRAMS LTD (whisky, gin, vodka etc - see No 497) has increased to 100% its 40% holding in the West German distillery FRITZ LEHMENT GmbH SPIRITOSENWERK, Kiel-Raisdorf. The remaining 60% of the share capital was made over (half each) by Herren Joachim Lehment, who retains the manager's chair, and Friedrich Lehment, who will now run the recently-formed Nuremberg subsidiary Seagram Overseas Sales Co GmbH (capital Dm 20,000).

The Canadian group (see No 456) became a minority shareholder only last year through its subsidiary Centenary Distillers Ltd. Its new member will have a turnover in the region of Dm 55 million, with 200 on its payroll, and its main trade-marks are "Schwarzer Kater" (liqueurs), "Polar Rum" (rum) and "Silberlöwe" (aquavit).

** Negotiations have begun between the two leading French oil groups GEORGE LESIEUR & SES FILS SA, Paris (see No 521) and UNIPOL - UNION DES NOUVELLES INDUSTRIES DE PRODUITS OLEAGINEUX SA, Marseilles (see No 523) with the aim of pooling their manufacturing interests in the edible oils sector.

The two groups together account for over 75% of the French market and in 1967 they merged their soya and oil cake interests within a joint subsidiary, Eurosoya SA, Paris. Control is shared with Ste Francaise Bunge SA (a member of the Belgian and Argentinian group Bunge, Antwerp and Buenos Aires) and the Belgian group Vandermoortele NV, Izegen, Courtrai. Eurosoya recently linked with Indusoya - Industrie du Soja SA, a member of the American group Cargill Inc, Minneapolis, to form Sojofrance SA. This will run the soya milling plant, which both companies have agreed to build jointly at St-Nazaire (see No 505).

** The newly-formed West German company DORTMUNDER UNION-SCHULTHEISS, BERLIN BRAUEREI-ARBEITSGEMEINSCHAFT GmbH, Dortmund (capital Dm 500,000) has been established to back increased technical cooperation, rationalised

production and purchasing between two brewing groups, DORTMUNDER UNION BRAUEREI AG, Dortmund (see No 523) and SCHULTHEISS-BRAUEREI AG, Berlin and Bochum (see No 404).

The former has an annual production capacity of 3 million hectolitres and its shareholders include the Hamburg tobacco and cigarettes group H.F. & PH. H. Reemtsma GmbH & Co KG (12.5%) and Henkel GmbH, Düsseldorf (see No 525). Schultheiss-Brauerei has an annual capacity of 1.8 million hectolitres and is affiliated to the Luxembourg company Entreprises Quilmes SA.

GLASS

** In West German glass rod and tube sales and production, GLASWERKE RUHR AG, Essen (see No 294) has joined 26-74 with JENAER GLASWERK SCHOTT & GEN., Mainz (see No 445) in forming SCHOTT-RUHRGLAS GmbH, Mainz, with Dm 10 million capital.

Glasweke Ruhr is a subsidiary of STEINKOHLBERGWERKE MATHIAS STINNES AG, Essen (see No 479), which itself is a member of the Berlin and Bonn group VEBA - VERENIGTE ELEKTRIZITAETS- & BERGWERKS AG (38.3% direct, and 59.1% through its Hugo Stinnes AG subsidiary). It makes moulded glass and glass tubing for packaging.

Jenaer Glaswerk Schott and Gen. specialises rather in technical and optical glass, and forms part of the Heidenheim, Brenz foundation, Carl Zeiss Stifting.

INSURANCE

** The leading Dutch insurance broker, LANGEVELD DE VOS DE WAAL, Amsterdam (see No 505) has strengthened its foreign interests by forming a subsidiary in Jakarta, LANGEVELD INDONESIA PT INSURANCE CONSULTANTS. This is headed by Mr. J. Ch. H. Harin. In South East Asia, the group is linked with the British company C.E. Heath & Co Ltd, London, in Heath Langeveld Ltd. This has offices in Singapore, Kuala Lumpur, Bangkok and in Kota Kinabalu in North Borneo.

** A mutual cooperation and assistance agreement in the "Life" sector has been made between four Common Market and three EFTA insurance companies. The companies involved are: 1) LA FONDIARIA VITA SpA, Florence (see No 516), controlled by the Pernone family and affiliated to the Milan groups Montecatini Edison-Montedison SpA (20% - see No 525) and Mediobanca - Banca di Credito Finanziaria SpA (9.8% - see No 519); 2) ALTE LEIPZIGER LEBENSVERSICHERUNGSGESELLSCHAFT AG, Frankfurt (see No 419); 3) CIE BELGE D'ASSURANCES GENERALES SUR LA VIE & CONTRE LES ACCIDENTS SA, Brussels (see No 514); 4) NV ROTTERDAMSCHER VERZEKERINGS SOCIETEITEN (R.V.S.), Rotterdam (a member of the Amfas Group NV group - see No 503); 5) BASLER LEBENSVERSICHERUNGSGESELLSCHAFT, Basle (a member of the Baloise Holding AG - see No 495); 6) STANDARD LIFE INSURANCE CO LTD, Edinburgh; 7) VERSICHERUNGSANSTALT DER OESTERREICHISCHEN BUNDESLANDER, VERSICHERUNGS AG, Vienna.

** The Zurich insurance group SCHWEIZ-ALLGEMEINE VERSICHERUNGS/LA SUISSE, CIE AN. D'ASSURANCES GENERALES SA has raised to Bf 35 million the capital of its Brussels subsidiary WESTERLING INSURANCE CO SA, which has expansion plans.

The Swiss firm specialises in fire and transport cover and re-insurance in the accident sector. It has long been cooperating abroad under a reciprocal agency agreement with the Lausanne company LA SUISSE, STE D'ASSURANCES SUR LA VIE SA (see No 504), mainly in Italy, Spain and Australia. It has various foreign affiliates, chiefly in Britain (Switzerland General Insurance Co London Ltd) and Australia (Switzerland Life Assurance Society Ltd, in which shares are also held by its Lausanne associate.

** The Paris insurance company LA PAIX A.I.R.D. (see No 409) intends to absorb its 79.26% subsidiary CIE FONCIERE DE LA RIVE DROITE, in which the remaining interest is held by its own 88% parent company LA PAIX SA (see No 526). As a result of acquiring assets valued at F 37.6 million (gross), it will raise its own capital to F 13.7 million.

MINING

** A decision has been made in principle to implement one of the main parts of the plan to rationalise the Ruhr coal industry within RUHRKOHLE AG, Essen (see No 525). This concerns the making-over to this joint company of their respective coal interests by the groups RHEINISCHE STAHLWERKE, Essen (see No 525) and FRIED. KRUPP GmbH, Essen (see No 525), together with similar contributions from the companies STEINKOHLBERGWERK FRIEDRICH HEINRICH AG and STEINKOHLBERGWERK HEINRICH ROBERT AG, both of the Paris group DE WENDEL & CIE SA.

Ruhrkohle, the capital of which is currently being increased from Dm 10 to 600 million, will embrace some 27 Ruhr coal workings, representing 93.55% of the total output of the field, and giving a combined payroll of 200,000 for a consolidated turnover of Dm 5,000 million p.a. The only undertakings remaining outside the scheme are the three pits belonging to the Ahlen concern STEINKOHLBERGWERK WESTFALEN AG, which recently came under the indirect control of the Luxembourg ARBED group - ACIERIES REUNIES DE BURBACH-EICH-DUDELANGE SA, and GEWERKSCHAFT AUGUST VICTORIA STEINKOHLBERGBAU & BLEIZINKERZBERGBAU, Marl, subsidiary of the B.A.S.F. group, retained by the latter as a means of self-sufficiency in coal, and which is to have built adjacent to it a chemicals plant. The three pits of the Arbed group and that of B.A.S.F. represent 3.73% and 2.73% respectively of overall Ruhr coal production.

The idea is that Ruhrkohle will divide its operating activities between seven companies. It has already formed an investment subsidiary, Ruhrkohle-Beteiligungs GmbH, Essen, with Dm 100,000 capital. This is to go about the practical business of taking over those companies that it has been agreed in principle will be grouped under its parent company, and to this end it has already gained a controlling stake of over 75% in NIEDERRHEINISCHE BERGWERKS AG, Düsseldorf, which has Dm 60 million capital. Assistance for this move was furnished by the Düsseldorf bank Bankhaus Ansmann, and an offer has now been made for purchase of the remaining share capital.

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** The Paris group STE MINIERE & METALLURGIQUE DE PENARROYA SA (see No 505) and AMAX - AMERICAN METAL CLIMAX (see No 518) have signed agreements covering the installation of a nickel extraction and processing plant in New Caledonia. With an initial capacity of 40,000 t.p.a., this is expected to start operations in 1975. The two groups have also agreed in principle jointly to exploit a molybdenum deposit at Yorke Hardy in British Columbia.

The French company has been a 48% interest since early 1969 of LE NICKEL SA, Paris, following the re-organisation of some of the Rothschild SA, Paris group's interests, to which both companies belong (see No 518), and during 1968 it had a turnover exceeding F 1,000 million. Le Nickel was the only company operating in New Caledonia until the formation by International Nickel Co of Canada Ltd (40%) and Samipac - Ste Auxiliaire Miniere du Pacifique SA (60%) of Cie Francaise Miniere du Pacifique-Cofimpac SA (see No 501).

OFFICE EQUIPMENT

** The American accounting machine, invoicing and EDP equipment manufacturer, FARRINGTON MANUFACTURING CO, Needham, Massachusetts and New York (see No 492) has strengthened its Common Market trading network by taking over the Haarlem office machinery distribution concern BUKO, headed by Mr. G.C. Trouw (40 people employed) and forming in its place a subsidiary named FARRINGTON DATA PROCESSING HOLLAND NV with Fl 1 million capital and Mr. Trouw, with R. Bedegem, in the managers' seats.

Control of the new firm is shared by Farrington with its New York subsidiary FARRINGTON OVERSEAS CORP, which at the end of last year issued a \$ 10 million loan on the Eurodollar market, by way of financing expansion, and giving it the means to take over the Paris concern Ste Comptabilite C.S.M. SA (see No 448) and its affiliates in West Germany (Frieberg) and Switzerland (Zurich). It has manufacturing subsidiaries in France, Sweden and Britain, and its trading interests in Europe are administered by ADREMA (HOLDINGS) LTD, London, which controls BRADMA sales companies in Paris, Milan, Munich etc.

PAPER & PACKAGING

** The West German interests of the Finnish paper company KYMMENE A/B, Kunsankoski (see No 469) have been strengthened by a sales subsidiary formed in Hanover. Called KYMMENE PAPIER GmbH (capital Dm 20,000), the manager is Mr. Olof Henberg. The founder already has a West German manufacturing subsidiary, Nordland Papier GmbH (high quality paper), which is shared with another Finnish concern, Oy Kaukas, Helsinki. This started operations in late 1968 and production is distributed by Nordland Papier Vertriebs GmbH, Dörpen, Ems (capital Dm 20,000). Kymmene is also represented in Sweden and in Britain, where it has two subsidiaries, Kymmene Paper Sales (U.K.) Ltd, and Star Paper Mills Ltd.

** The Munich paper firm MD PAPIERFABRIEKEN HEINRICH NICOLAUS GmbH, owned by Herr Karl Heinz Nicolaus, has gained a major shareholding in its Austrian counterpart PAPIERFABRIK LAAKIRCHEN AG, Laakirchen as the latter has raised its capital from Sch 40 million to Sch 60 million. This operates in close cooperation with the leading Austrian cellulose paper trading concern WILFRIED HEINZEL AG, and has a capacity of 55,000 t.p.a. It has made over its crepe paper interests to a company formed for this purpose in Laakirchen, HEINZEL & NICOLAUS AG (capital Sch 20 m) in association with its new shareholder.

The German concern was formerly called München-Dachauer Papierfabrieken Heinrich Nicolaus GmbH (see No 373). With a capital of Dm 6 million, it has some 2,200 employees and an annual turnover of around Dm 220 million. Its main subsidiary is MD PAPIERVEREDLUNG GmbH, Aschaffenburg, which was formed in October 1966 and has taken over two Aschaffenburg firms, A. Need & Co KG and Franz Dahlem & Co KG, as well as the manufacturing interests of Buntpapierfabrik AG Aschaffenburg.

** The Swedish paper group SVENSKA CELLULOSA A/B, Sundsvall (see No 511) plans to boost its attack on the German market by forming a sales subsidiary in Hamburg, SVENSKA CELLULOSA GmbH, to begin trading in 1970.

In Germany, the group already has a sales subsidiary in Düsseldorf, Nordliner Kartonverkauf der Sca GmbH, and an affiliate, Aschaffenburger Zellstoffwerke AG, Aschaffenburg. In France it recently doubled the capital of its subsidiary La Cellulose Nationale Sarl, Paris, to F 20,000, at the same time changing its name to SEDCO - Ste d'Etudes & de Developpement pour le Carton Ondule Sarl.

** The Düsseldorf FELDMUEHLE AG company (see No 511), a member of the FRIEDRICH FLICK group, through the holding company V.G. - Verwaltungsges. für Industrielle Unternehmungen Friedrich Flick GmbH, Düsseldorf, has raised its 40% or so stake to a majority holding, through its own holding company POPYROS HOLDING CORP LTD, Winnipeg, in the Canadian newsprint concern ROTHESAY PAPER CORP, St John, New Brunswick (capital \$ Can 8 m - see No 426).

Most of the extra shares came to Feldmühle from SOGEMINES LTD, Montreal (of the Ste Generale de Belgique SA group); FRASER COS LTD, Edmundston, New Brunswick, and DEVELOPMENTS SECURITIES LTD, London, which moreover sold their remaining shares on this occasion to the Vancouver group MACMILLAN BLOEDEL LTD. It is with the assistance of the latter in fact that the German concern plans to double the production capacity of its new subsidiary to around 340,000 t.p.a., to which end it has invested some Dm 140 million in installing a new plant.

PHARMACEUTICALS

** PHILIPS DUPHAR NV (see No 452), pharmaceuticals division operating at Amsterdam and Weesp of the Eindhoven group NV PHILIPS' GLOEILAMPENFABRIEKEN (see No 526), has after many months of talks, concluded an agreement with the textile, chemical and pharmaceuticals group KONINKLIJKE VEENENDAALSCH E SAFET- &

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VIJFSCHACHTFABRIEK v/h WED. D.S. VAN SCHUPPEN & ZOON, Veenendaal. This deal involves the immediate takeover of the pharmaceutical interests (manufacture of Cholesterol, fatty acids, lanolin and derivatives), including its personnel and its 50% holding in Van Olphen NV, Nederhorst den Berg.

Van Schuppen is also holding talks with the Leyden group Leidsche Wolspinnerij NV (see No 509) with a view to re-organising its wool business, a sector in which it is best known for its "Scheepjeswool" trade mark, and for which it has a sales subsidiary in Belgium, Koninklijke Scheepjeswoolfabrieken Brussel Pvba.

** The Paris pharmaceutical group ROUSSEL-UCLAF SA (see No 523) has formed a subsidiary to acquire shareholdings called STE FINANCIERE HENRY ROUSSEL SA, Paris (capital F 2.5 m) with M. Henri Roussel as president. Roussel-Uclaf is a 51% interest of the Ste Financiere Chimiu SA, Paris, in which the West German group, Farbwerke Hoechst AG, Frankfurt recently acquired a 43% stake.

PLASTICS

** STE DE DEVELOPPEMENT CHIMIQUE SA, Neuilly-sur-Seine, Hauts-de-Seine, the wholly-owned subsidiary of PRODUITS CHIMIQUES PECHNEY SAINT-GOBAIN SA (see No 526) has backed the formation of STE D'APPLICATIONS NOUVELLES POUR LE BATIMENT SA, Neuilly. With a capital of F 100,000 and G. Chizallet as president, this will manufacture plastic materials for the building and civil engineering industry.

PRINTING & PUBLISHING

** In the Netherlands, the popular periodicals printing and publishing concern NV GEBR ZOMER & KEUNINGS DRUKKERIJ "VADA", BINDERIJ & UITGEVERSMIJ, Wageningen, (Prinses, Ouders van Nu, Spiegel, Marion, Ariadne, Na Vijven etc - see No 523) is to come under the control of the Deventer scientific and economic publications group NV UITGEVERSMIJ AE. E. KLUWER (see No 485), if present negotiations are successful.

Kluwer employs some 1,700 people, 825 of them skilled technicians, and has branches and agencies in Amsterdam, Arnhem, Culemborg, Eindhoven, Deventer, Haarlem, The Hague, Zwolle and Utrecht, plus subsidiaries in Antwerp, Cologne (formerly in Düsseldorf), London and Lausanne. Zomer & Keuning, with over 1,000 personnel, has four Dutch subsidiaries: Zomer & Keuning NV, Wageningen; De Torentans, Utrecht; Uitgeverij Eska, Utrecht; Robijns & Co, Wageningen, and a recently formed affiliate in Kerkrade, Helio Repro Service NV. Its chief interests in the EEC are governed by Eskabel NV, Berchem (see No 265) and Eska GmbH, Bielefeld.

** The London based LUPUS MUSIC CO LTD has linked 50-50 with the Belgian concern EUROVOX MUSIC Pvba, Kontich, to form in Kontich, LUPUS MUSIC CO LTD - BENELUX NV (capital Bf 250,000). The members of the board are Messrs J.F. Verbiest, L.J. Van Rijmenant and J.V.G. Horckmans.

** DEUTSCHE MEMO MARKETING GmbH, Hamburg, the 95% subsidiary of the Canadian company CONSUMER COMMUNICATIONS HOLDINGS & MANAGEMENT LTD, Toronto, Ontario has decided to close down. With Herr Dieter Bruhn as manager (a 5% stake) this had promoted since October 1967 the publication and distribution of a free magazine financed solely through advertising. Since October 1968, each run-off has amounted to 2 million copies.

** DEUTSCHE GRAMMOPHON GmbH, Hamburg (see No 499) the joint subsidiary of SIEMENS AG, Berlin and Munich (see No 526) and NV PHILIPS' GLOEILAMPEN-FABRIEKEN has formed an Indian manufacturing and sales subsidiary in Bombay. Called POLYDOR OF INDIA LTD this is headed by Mr. Shaski Patel and it will manufacture in Bombay and sell through its outlets in Calcutta, New Delhi and Madras a wide range of records including "Deutsche Grammophon", "Archiv", "Heliodor", "Polydor", "Philips", "Fontana" and "Mercury". It will also distribute other manufacturers' records including "MGM", "Verve", "Ricordi", "Tetragrammation", "Atlantic" and "King".

One of the German concern's recent moves was the formation of a New York subsidiary, Polydor Inc, under Mr. Jerry Schönbaum.

** The Dutch publishing house NV BOEK- & KUNSTDRUKKERIJ v/h MOUTON & CO NV, The Hague has decided to close down its Paris subsidiary STE D'EDITIONS MOUTON & CIE which has been running at a loss for some time.

The Dutch parent-company has a capital of Fl 4.2 million and an annual turnover of Fl 16 million. With some 350 employees its main subsidiaries and affiliated companies are Cartographisch Institut Bootsma NV Drukkerij Mouton NV, Drukkerij Belingante NV and Uitgeverij de Brug-Djambatan NV.

** LIBRAIRIE MARCEL DIDIER SA (see No 503) has joined 49/51 with the Munich concern MAX HUEBER VERLAG in forming a company in Munich named HUEBER & DIDIER PAEDAGOGISCHER VERLAG oHG (capital Dm 150,000), where the direct partners are Herren Ernst Hueber and Henri Didier.

The new company will distribute on the German market works published by the French founder, being of similar status to Meulenhoff-Didier NV, Amsterdam, formed at the beginning of this year in the Netherlands as a 50-50 venture with Meulenhoff-Didier NV, Amsterdam. It will also distribute the German partner's publications throughout the world.

** The London music publishing company IMMEDIATE MUSIC LTD (headed by Mr. Anthony J Calder) has set up in the Netherlands by forming a Rotterdam subsidiary, IMMEDIATE MUSIC (HOLLAND) NV (capital Fl 100,000 - director Mr. Andrew L. Oldham).

SERVICES

** The FLUOR CORP, Los Angeles, California has closed down (through its management consultancy subsidiary BONNER & MOORE ASSOCIATES INC, Houston, Texas - see No 453) the subsidiary of the latter operating in Bad-Godesberg-Bonn, BONNER & MOORE

ASSOCIATES GmbH, formed in May 1967 with a capital of Dm 20,000. The manager, Mr. Frederick A. Romberg is to carry out the operation, and he will remain director of the Belgian subsidiary, Bonner & Moore Europe SA, St-Josse-ten-Noode, which was previously a branch of the American concern.

** The British computer room personnel training concern, KEYBOARD TRAINING LTD, London and Manchester, is to provide its Frankfurt subsidiary KEYBOARD TRAINING GmbH with branches in Hamburg and Stuttgart. This subsidiary is managed by Q.M. Edwards of London, and was formed in October 1968 with Dm 20,000 capital.

TEXTILES

** The Rotterdam group VERENIGDE TOUWFABRIEKEN NV (see No 505) and the Veenendaal textile firm FIRET NV (see No 522) have agreed to cooperate in the manufacture of tufted carpets. This will result in the formation of a joint subsidiary in Steenwijk. In the meantime part of the factory run by Nebelco NV, a subsidiary of the Rotterdam group will be used, and the same company will provide the new concern with the backing of its sales organisation.

Firet is the joint subsidiary of the British company LANTOR LTD, Bolton, Lancs - itself the subsidiary of the American, West-Point-Pepperell Inc, West Point, and English Calico Ltd, Manchester - and of the investment company BENDER HENGELO NV. The latter is involved in negotiations with Kon Veenendaalsche Stoomspinnerij & Weverij (K.V.S.W.), Veenendaal, the subsidiary of the London group Staflex International Ltd - negotiations also involving Nicolon NV, Enschede, a one-third affiliate of K.V.S.W.

** TEXTMAILLE SA (see No 481), the Brussels subsidiary of the British textile group CARRINGTON & DEWHURST LTD, Chorley, Lancs., has been taken over by LE JERSEY VIENNOIS SA, St-Gilles, Brussels. With Mr. S.A. Holden-Hindley as president the latter has raised its capital to Bf 15 million as a result of this move.

The group has subsidiaries under its own name in Frankfurt and Bayreuth as well as in Amsterdam and Carlazzo.

** The West German DYNAMIT NOBEL AG, Troisdorf (see No 468) which makes explosives, chemical and plastic products (a member of the FRIEDRICH FLICK group - see this issue "Paper") has linked with the American BIGELOW-SANFORD INC, New York (see No 469) to strengthen its position on the floor-coverings market. This agreement will mean the formation of a new company called BIGELOW NOBEL TEPPICH-BODEN GmbH, which will acquire the German partner's factory at Bad Hersfeld. The German concern is already well known for its "Mipolam" plastic floor tiles.

Bigelow-Sanford is linked with the West German concern Vorwerk & Co KG, Wuppertal-Barmen in a 40-60 subsidiary Nadelfloor Teppichfabrik Vorwerk-Bigelow-Sanford GmbH, Wuppertal, which makes tufted carpets at Gehrden.

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** The British company TOMKINSONS (HOLDINGS) LTD, Kidderminster, Worcs, has decided to close its sales subsidiary in West Germany, TOMKINSONS (DEUTSCHLAND) GmbH, Hanover, which was formed during 1964 with a capital of Dm 20,000. Messrs T. Pugh, A.G. Anderson and G.W. Page will be responsible for carrying out the operation.

In 1967 the British company closed its Paris subsidiary, Ste Francaise Tomkinsons Sarl (capital F 10,000).

TOBACCO

** The German cigar and cigarillo concern LEOPOLD ENGELHARDT GmbH & CO KG, Witzenhausen (capital Dm 910,000), which turns over about Dm 15 million a year with 300 on its payroll, has taken over a similar company, G. KLEVENHUSEN KG, ZIGARRENFABRIK, Witzenhausen. Until now, the latter was the property of Messrs Hans and Karl Wulff, Copenhagen, through GEBR. WULFF GmbH, Witzenhausen.

TOURISM

** The Italian hotel group ORGANIZZAZIONE EUROTEL SpA, Bolzano (headed by Signor Genero Vanzo - see No 312), which already has subsidiaries in Nice, Paris and Biarritz, has extended its interests by forming ORGANISATION EUROTEL FRANCE Sarl (capital F 50,000).

The "Eurotel" formula was launched by Vanzo SpA, Bolzano, during 1958, the group has subsidiaries in Stuttgart; Thun, Switzerland; and SpA in Belgium.

** The Hamburg DAMMTOR HOTEL GmbH, a member of the "NEUE HEIMAT" GEMEINUTZIGE WOHNUNGS- & SIEDLUNGS GmbH, Hamburg (see No 486) through GEWERBEAUFTRAEGER GmbH will be responsible for the construction and own the hotel to be built in Hamburg on behalf of the HILTON HOTELS INC, Chicago, Illinois. This will have 1,050 beds and cost some Dm 66 million, but it will be operated by VHH-Vereinigte Hotel Holding GmbH, Frankfurt (capital Dm 500,000), formed by the Chicago group.

TRADE

** MEDAILLON MODE GmbH (see No 496), the subsidiary of the British mail order group LITTLEWOODS MAIL ORDER STORES LTD, Liverpool, has extended its German production capacity for ready-made clothing - it already has three factories run by its Hansen KG subsidiary in Offenbach - by acquiring two manufacturing companies: 1) ZWILLINGSBRUEDER BRUEGGER BEKLEIDUNGSWERK oHG, Diez (children's clothes) has made its manufacturing assets over to a newly-formed subsidiary, JUGENMODE BRUEGGER GmbH, Offenbach; 2) E. WICHERT & CO GmbH DAMENMAENTELFABRIK, Gelnhausen (capital Dm 30,000), which employs some 50 persons in the manufacture of coats.

Medaillon has 1,300 employees and an annual turnover exceeding Dm 70 million, largely from mail-order sales of ready-made clothing. A few months ago it acquired the Opera Mundi - Europe No 527

fur trading concern Gúma, Karlsruhe - managed by Gúma GmbH, Frankfurt - and it has a number of retail outlets in Frankfurt, Mannheim, Marburg, Karlsruhe, Offenbach with another due to open shortly in Krefeld, run by a subsidiary Mode Magazin GmbH. There is also a foreign subsidiary in Zurich, Medaillon Mode.

** Herren Peter Rosner and Günther Breyer, heads of the Austrian import and export concern TECHNO THERM EXPORT-IMPORT-VERTRETUNGEN GmbH, Vienna, have been appointed the first managers of the new Munich company TECHNO THERM HANDELS GmbH EXPORT-IMPORT-VERTRETUNGEN (capital Dm 20,000), which will handle installation contracts for special heating systems.

TRANSPORT

** KORAAL SCHEEPVAART MIJ NV - CORAL SHIPPING CO, Curacao; the German DAMFSCHIFFFAHRTS-GESELLSCHAFT "NEPTUN", Bremen, and A/B TRANSMARIN of Helsingborg have decided to pool the six vessels that make up their respective liquefied gas transporting capacity (over 17,500 cu. metres). To this end, they will form a joint subsidiary in Brussels, under the name NV UNITED GAS CARRIERS "UNIGAS" INTERNATIONAL, with M. H. du Buisson as chairman and M. R.P.J. Hautefeuille as director.

This concern will embrace several operational companies: Unigas Neptun Transport- & Handelsgesellschaft mbH, Bremen; United Gas Carriers "Univas Veder" NV, Rotterdam; Unigas Koraal NV, Curacao; Unigas Espanola SA, Madrid, and Unigas Transmarin A/B, Helsingborg. The West Indian founder is 33% capital holder (along with Liquid Gas Anlagen Union GmbH, Cologne, and Eurofert Holland NV, Vlaardingen - see No 497) in the German gas storage concern Chemie Gas Terminal GmbH, Brunsbüttelkoog (12,000 cu. metres capacity).

** Mr. Gerardus D. Van Manen, who heads the European network of the car-hire service operated on a world-wide basis by the Canadian group TILDEN RENT-A-CAR SYSTEM LTD and the American group NATIONAL CAR RENTAL SYSTEM INC under the name of TILDEN-NATIONAL CAR RENTALS LTD, has formed HOLLAND RENT-A-CAR NV, Amsterdam (authorised capital Fl 2 m - 21% issued). This will take over a company already operating in the Netherlands and with some 300 cars and offices in Amsterdam-Schiphol, Rotterdam, Heerlen, Groningen and Den Bosch, it will represent TILDEN INTERNATIONAL.

The National Car Rental group has recently been acquired from Ling-Temco-Vought by Household Finance Corp, Chicago.

VARIOUS

** The West German leather and skins concern HEYL'SCHE LEDERWERKE LIEDNAU VORM. CORNELIUS HEYL WERK LIEBENAU AG, Worms (see No 480) has backed the formation in New York of HEYL LIEBENAU-WAELDIN CORP which will operate in the same field. A 37.5% stake in the new concern is held by EMIL WAELDIN LEDER-FABRIK AG, Lahr (1968 turnover Dm 18.13 m), which is a 57% interest of the Heyl family and a 32% stake of the Worms firm.

INDEX TO MAIN COMPANIES NAMED

A.E.P.I.	G	De Vilbiss	H
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Alspi	B	Deutsche Grammophon	R
Alsthom	B	Deutsche Memo Marketing	R
Altacel	C	Developments Securities	P
Alte Leipziger Lebensversicherungs	M	Developpement Chimique	Q
Aluminex	K	Didier, Marcel	R
Amax	O	Distillers Corp - Seagrams	L
Amerace Esna Corp	F	Dortmunder Union Brauerei	L
Anic	C	Duplomatic	I
ASED - Ammonique Synthetique	C	Dynamit Nobel	S
B.F.G.	K	E.N.I.	C
Babcock-Atlantique	B	Elektron	E
Banco di Roma	K	Emanuel	J
Banque Internationale a Luxembourg	G	Endura Electrical Industries	D
Basler Lebensversicherungs	M	Engelhardt, Leopold	T
Baudek-Isolit	B	English Electric Arc Welding	D
Bayer	D	Ensagri	C
Belge d'Assurances Generales	M	Entreprises Electriques du Centre	E
Bender Hengelo	S	Eurotel, Organizzazione	T
Bigelow-Sanford	S	Eurovox, Music	Q
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Brown & Sharpe	I		
Buico	O	Farrington Manufacturing	O
		Feldmühle	P
C.E.E.M.T.	E	Ferret, Savirel & Co	B
Campenon-Bernard	B	Finmeccanica	I
Caroni	B	Firet	S
Carrington & Dewhurst	S	Flick, Friedrich	P, S
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		Generale de Belgique	P
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Gewerbebaoträger	T	Ling-Temco-Vought	U
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Hanomag, Rheinstahl	H	Massey Ferguson	H
Heinzel, Wilfred	P	Mather & Crowther	B
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Hilton Hotels	T	Mecap	G
Hoesch	I	Medaillon Mode	T
Hofman & Vis	F	Mido-Uhren	F
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