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A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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THE WEEK IN THE COMMUNITY

December 4 - December 10, 1967

THE COMMON MARKET

Hawks and Doves in Europe

From our Brussels Correspondent

The annual meeting of the NATO Ministerial Council, beginning on December 13 in Brussels, is going to give those involved in the British EEC membership controversy an opportunity for discreet consultation. It was much the same in December 1965, when the Six used this meeting to sound each other out, thus succeeding, six weeks later, in patching up the crisis over farm finance. May we justly look for hope to this quarter again, when we are faced with the impending crisis of the December 18 and 19 ministerial Council meeting, also in Brussels? The NATO meeting is at least unlikely to accentuate the differences existing between France and the Five, and indeed all fifteen member countries will be striving to forge a common solution to the problem of revising procedure in the Western Alliance, even though this is a fairly unprogressive sort of gesture. Another possibility is that American Secretary of State, Dean Rusk, will be rooting for progress in European political union, especially between the Six and Britain, and this at least should be encouraging news.

The Velvet Glove Still On: What, then, of the Five and France? All have recently been reaffirming their positions and manoeuvring within their chosen standpoints. The British leaders' repeated declarations that they have requested full membership of the Community and nothing less, and the resolution voted on by the Christian, Liberal and Socialist groups at the WEU assembly all seem to point towards a no-holds-barred trial of strength at the December 18 meeting. However, without for a minute trying to understate the extent or the gravity of the situation threatening the Community, it still seems more likely that next week will see one final effort at conciliation in Brussels (an effort that could even hang over until January): the diplomacy to be adopted still looks more like being of the running battle variety than any backs-to-the-wall tactics from any quarter.

Firstly, the Five as yet have formed no close-knit front. Belgium suggested consultations between the Five, but did not press for these to be made multilaterally, and indeed went ahead to make her own contacts with Paris and London. The Five will obviously be very much in touch with one another, but they are not going to segregate themselves as a body. Thus they are unlikely, before December 18, to evolve any strategy that could let them in for a complete stalemate. This said, however, we must bear in mind that even in Brussels and Rome, where the line taken is not as extreme as that adopted in The Hague, there seems little doubt that opinion will not stand for any sort of "capitulation" before French demands. Indeed, there is every reason to suppose that feelings are running much the same as in Bonn. The "Paris declaration", adopted

at the WEU assembly, which denounces General de Gaulle's unilateral stand and presses the Six to opt immediately for the opening of negotiations with Britain, only came as a sort of ratification of what had already been decided by the governments in question. In their talks with parliamentary commissions and party delegations after the Elysee press conference, the Six soon realised that they were dealing with far more "hawks" than "doves", to use the current American terms, and that next week their margin for manoeuvre, at least as allowed by their own ranks behind them, will be much more limited.

All or Nothing: Seen in this light, the idea that the Six might be able to find some way of shifting the subject of the debate to the idea of association or "pre-adhesion", or any other stop-gap recourse, loses all its relevance. This is not to say that such a solution may not be found at some later stage, when it comes to resolving the key issues, and indeed the idea is gaining some ground already, as shown in EEC Council President Karl Schiller's recent remarks about a gradual process of entry for Britain. This is no magic formula, guaranteed to resolve all difficulties and settle all quarrels, of course, or everyone would undoubtedly have pinned their hopes on it by now. Moreover, at this stage in the game, it would only serve to show the problems in a different light, and do nothing to alter the fundamentals of the issue: witness the fact that Paris continues to refuse any formula involving association leading automatically to full membership. This being so, the danger was that Paris might capitalise on this "feeler" to distract the Five on December 18. The stand George Brown and other Foreign Office leaders have taken (full membership or nothing) can in fact be attributed to their anxiety to avoid red herrings of this sort being drawn across their path, and rumours have been in the air, these past few days, that would seem to justify such an approach. There was no rush in Paris to disown Count de Lipkowski's suggestions about a "pre-adhesion" formula for Britain, and indeed there were signs that interest was being shown in these "in quarters close to the Quai d'Orsay", where also, of course, ideas were once more being bandied around about the establishment of a great free trade area, embracing the EFTA Seven, and the EEC as a single trading entity.

No Red Herrings: If France is really bent on making such a move, then the Five are by no means prepared to have the wool pulled over their eyes. They are sticking to their guns: London has put in its application under Article 237; the procedure defined under this has been set in motion by a unanimous decision of the Council, requiring the Commission's findings; on December 19, this report will have been vetted through three full ministerial meetings, and the moment will have come to decide on the next step, still in accordance with the Rome Treaty. Query: what may be deemed a "next step"? As far as the Dutch are concerned, this can be nothing short of the opening of negotiations proper, and the only problem now is to establish quite clearly just what would be involved in any breakdown, and where the blame would lie. Should the Six reach a complete impasse, the other Benelux countries and Italy would probably go the same way, but before that they should be trying to get at a more closely-defined sense of what the next step might be.

Article 237 of the Rome Treaty is singularly vague, and almost anything may be read into it - for one thing it does not even talk specifically of negotiations. The Belgian Government has already cashed in on this lacuna to suggest that the Six might be able to make do with "talks", or more precisely, "cross-examination", the virtue of which would be that the candidate could fully expound its case. Belgium is still adhering to this definition. On the other hand, if there is a "cross-examination", we have still to sort out what will be the topics under consideration. Here, Article 237 mentions "conditions of admission", and "adaptations of the present Treaty". These, which include such matters as budget contributions, the new member's representation in the institutions and so on, are taken as read, and raise few problems, the only yardstick being fair treatment for all concerned. Thus for the time being we can discount them from the cross-examination, which thus boils down to little more than a debate on the conditions of admission. Here lies the rub, for one can place any amount of readings on a phrase like this. It is this that allowed de Gaulle at his press conference to speak of "incompatibilities", and it may equally lead some of the Five to carry the discussion to a more profound study of the problems posed by Britain's candidature, perhaps even to a further report from the Commission, written this time with the assistance of the candidate. This would bring us back to Willy Brandt's abortive effort on November 20 to get a directive for the Commission to undertake a fact-finding project on the devaluation of sterling.

The Next Step: When defined as closely as this, any cross-examination would certainly be a far cry from what General de Gaulle called a "step into the abyss" (une marche a l'abandon) - i.e. full negotiations. Talks in such a form would place no obligation on the two factions to get down to hard bargaining, or to make any reciprocal concessions. "Exploratory talks", or rather "pre-negotiations" would in fact be far more likely to demonstrate the worth of some interim formula, such as association. At all events, we have reached a stage where the Five can go no further with conciliatory methods. If M. Couve de Murville throws out even exploratory talks, which in no way commit the Six, it will probably come as a last straw to his colleagues: their patience exhausted, they will have a full-blooded show-down.

Any agreement on pre-negotiations, of course, could only ever be, as it were, a cease-fire. When a rift is so obviously threatened, so imminent, sometimes the only recourse is to play for time. What slight value there is to be found in such ultra-cautious talks consists in the cooling of tempers they might effect, and in the resolution of some arguments that at present are clouding the whole issue. What is more, there seems really to be no other resort open at the present time, though with such a grim atmosphere of crisis hanging over Brussels, one tends to feel that hopes pinned on such an anaemic solution are tenuous in the extreme.

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M. Rey Offers to Mediate

When the President of the European Economic Community, M. Jean Rey, delivered his oral report on sterling devaluation to the Council of Ministers on Tuesday, December 12, he made it clear that the Commission's attitude had not changed since drafting its report, and he recommended once again that the problems which existed over Britain's bid for Common Market membership should be discussed during negotiations. M. Rey, who had visited London last week for talks with the British Government, came out with a stronger expression of support than some observers had thought likely. The feeling that the Community may be facing a severe crisis if no progress is made over Britain's application has continued to grow in Brussels and the Commission's President offered to put its powers of conciliation at the service of the Six in an effort to avert the danger of a major crisis, which could severely affect not only the Community, but also the development of European unity. M. Rey said "Such a crisis would be a frightful political reverse for Europe at a time when it needs more than ever to be reconciled".

The British Attitude: He reported that the British position as outlined by Mr. Wilson and Mr. Brown was: (1) That London expected a clear and precise answer to its application for negotiations for membership; (2) That association could not be accepted, since the basis of such an arrangement is difficult to define, and there would be no guarantee of full membership at a later date; (3) That there was no sympathy for solutions such as a period of pre-membership for adaptation, which (4) indicated that Britain's policy towards the Community and the Six is likely to be reviewed if no clear decisions are taken soon: "the British government did not see how it could continue to maintain its relations of common interest with the Community, if membership were to be blocked".

Devaluation Will Help, "but" . . .: A report on the effects of devaluation on the British economy was made by M. Raymond Barre, French vice-president of the Commission, in charge of economic affairs. After his visit to London with M. Rey, he said that "devaluation would undoubtedly constitute a favourable factor in achieving a lasting balance of the British economy, provided that complementary measures were taken rapidly to ensure the success of the move". However, the problem of sterling's role as a reserve currency remained, and this obviously might create some dangers for the Community. In his report, which dealt sympathetically with the question, M. Barre said that the Commission expressed its satisfaction at the willingness of the British government to discuss sterling's role as a reserve currency as part of negotiations for membership.

The Five Encourage Britain: The British Foreign Secretary, Mr. George Brown, who is in Brussels for the NATO Ministerial meeting, held talks on Tuesday with opposite numbers from the Five, during which he stressed again that Britain wanted full membership. Support for this line was given by the other Ministers, but it remains to be seen whether at next week's Council meeting any final decision will be taken.

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TRANSPORT

Common Market Transport Policy - Developments

As laid out in the 1961 Schaus memorandum, there are three main principles to the Common Market common transport policy:

- (1) "It must aim at the removal of the obstacles which transport puts in the way of the establishment of the general Common Market .
- (2) "It should endeavour to create healthy competition of the widest possible scope .
- (3) "The EEC must have 'the means of transport which will meet its requirements both in quantity and in quality ... it is not enough for transport to avoid upsetting or delaying the establishment of the Common Market: the aim should be to make it a powerful stimulant for the growth of trade and the widening of markets' ."

The Commission has recently introduced new measures to control the level of competition in transport within the EEC and especially in inland waterways . The Commission has all along followed a policy of limiting access to the transportation market so as to control capacity in a way which will avoid disastrous competition, with all its economic and social repercussions . Recently it has introduced a set of common rules laying out the requirements that a road haulier in the national and international field must fulfil in order to gain access to the trade . New proposals of a similar type have just been introduced for inland waterways, laying out the conditions

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that a prospective inland waterway transport operator must fulfil before joining the trade. This proposal is designed not only to integrate the sector at the Community level, but also to create a healthy climate of competition through flexible adaptation of supply and demand.

Integration is further to be enhanced by the admission of non-resident Community carriers to national and international transport in each member state and by the abolition of all differentiation between domestic and international traffic. The rules of selection for the trade will, however, have the greatest effect towards ensuring an equitable level of competition. They will consist primarily in the regulation of vocational training for those already in the trade as well as those intending to enter it. Emphasis in these courses would be on business administration and on planning policy for evaluating future market trends.

The finances for the scheme are to be found by the levying of compulsory dues on all carriers using the Community's waterways. This will ensure the neutrality of the scheme as far as competition with other means of transport is concerned, and also ensures equal treatment for all inland waterway users.

Other measures that are to be included in the plan to ensure its smooth running are an information service, provisions for laying up less profitable sections of the fleet when it becomes temporarily surplus to requirements, and later a scheme to facilitate the grouping of inland waterway enterprises in more technically and economically rational units. The whole plan is therefore geared towards restoring a satisfactory equilibrium between supply and demand, and at the same time facilitating the modernisation of the fleet and its adaptation to technical progress.

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Too Many Cooks in Brussels

The Netherlands, during the Council of Ministers' meeting on Monday, December 11th, refused to give its approval to the 1968 Budget of the Community until a plan for the complete reorganisation of the administration was completed. Observers said that the Dutch Secretary of State, Mr. Hans de Koster, rejected the draft budget for £264 million proposed by the Commission's President, M. Jean Rey, since it was based on the work carried by the three formerly separate Community Commissions - the Common Market, the ECSC and Euratom - which were merged in July. The Dutch Minister said that the budget did not seem to contain sufficient guarantees that the new joint administration would be more streamlined and more efficient than the existing organisation with 8,526 permanent and temporary officials.

France is believed to have opposed the budget as well, but because of the Dutch stance, did not have to argue her case. In view of the Dutch position, the Council was unable to approve the budget even on a qualified majority.

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E.C.S.C.

Improved Prospects for Steel

During 1967 the common steel market has been affected by a relative weakness in the domestic market due to the decline of steel consuming sectors, and an unprecedented rise in exports to third countries. The latter has however mainly affected volume, since prices on the world market have remained very low; during recent months they fell to their lowest level ever, especially for sheet.

The present rate of work in the Community's steel plants leads to estimates of around 90 million tons for the whole of 1967 (plus 5 million tons or 6% up on 1966). But when the increase since 1966 in production is taken into account, it becomes clear that there has been a very small rise in the utilisation rate, which was 79.9 % in 1967 compared with 78.6 % in 1966.

The table below shows (A) crude steel production (B) crude steel production capacity and (C) utilisation rate of crude steel production capacity in the member countries of the ECSC. (All figures in millions of tons and percentages).

	1966			1967		
	A tons	B tons	C %	A tons	B tons	C %
West Germany	35.3	47.6	74.2	36.8	48.4	76.1
Belgium	8.9	11.1	80.2	9.7	12.4	78.7
France	19.6	23.5	83.4	19.6	23.8	82.3
Italy	13.6	17.5	78.0	16.0	19.1	84.0
Luxembourg	4.4	5.2	84.7	4.5	5.6	79.8
Netherlands	3.3	3.5	93.5	3.4	3.5	98.4
Community	85.1	108.3	78.6	90.0	112.7	79.9

In its provisional forecast for the first quarter of 1968, the Community's experts estimate that total crude steel production during next year will be around 94.0 million tons. This is based on the expected upswing in the West German economy (where steel consumption may reach the 1966 figure), an increase of 7% in Italian steel consumption with a rise of around 4 to 5 % in other Community countries.

Crude steel production facilities should rise to 115.8 million tons in 1968 and thus the estimate of an output of 94.0 million tons would reflect a slight increase in the utilisation rate of 81.2 % during 1968.

The improvement in volume in 1967 was largely due to exports to third countries, which should reach some 19.4 million tons of crude steel, compared with 16.42 million in 1966, and 18.88 million tons in 1965, when there were strikes in the American steel industry, which attracted imports then.

The next table shows the balance sheet for the Community's steel industry for 1965, 1966, 1967 as well as giving the forecasts for 1968. (millions of tons).

	1965	1966	1967	1968
<u>CONSUMPTION</u>				
Actual steel consumption	71.49	72.95	73.5	78.50
Stock changes	1.71	1.16	0.10	+0.90
Exports to third companies	18.88	16.42	19.40	17.80
Deliveries to other ECSC states	(15.55)	(17.15)	(17.95)	(18.70)
Total	88.66	88.21	93.00	97.20
<u>SUPPLIES</u>				
Scrap consumption by rolling mills	0.22	0.20	0.20	0.20
Imports from third countries	2.44	2.90	2.80	3.00
Crude steel production	86.00	85.11	90.00	94.00
Rate of utilisation of production capacity	(84.2%)	(78.4%)	(79.9%)	(80.7%)
Total	88.66	88.21	93.00	97.20

The position in the members of the Community

Within the Community there has been a considerable difference between the state of the steel market from one country to another with a sharp drop in West German steel consumption, compared with a noticeable rise in Italy, and the other four countries occupied positions between these two extremes.

West Germany: Actual steel consumption fell by more than 11% during the first quarter of 1967; there was a drop of nearly 8% in the second quarter (still as compared with the same period in the previous year) and the first estimates for the third quarter indicate a fall of 6%. All the indications are that production for the last quarter will also be lower.

The Community's experts believe that a slight rise in production in all steel consumption sectors can be expected for the first quarter of 1968 as against the very poor first quarter of 1967. The sectors where signs of economic recovery can be expected as the result of the campaign to boost growth are shipbuilding, engineering, electronics and primary processing industries. It is in fact expected that there will be a 3.7% growth in domestic West German steel demand during the first quarter of next year.

Italy: During the first two quarters of the current year actual consumption rose by respectively 20 and 18%, and some steel consumer sectors are working flat out. This rate of increase does seem to have fallen off slightly during the third and fourth quarter of the year. During the first three months of next year, the experts believe that there will be a further increase in production by the main steel consumption sectors - the primary processing industries, electrical and mechanical engineering, automobile and shipbuilding sectors - but the major gains are expected to take place

in the building and civil engineering industry, which has to make up the ground it has lost during the past two years. If the above developments take place Italian consumption of crude steel during the first quarter of 1968 is elected to go up by another 11 % to reach 4.47 million tons.

France: Unconfirmed preliminary estimates give French crude steel production reaching 4.7 and 4.9 million tons during the first two quarters of 1967, which would mean that the rate of expansion has fallen from over 5 % to around 2.5 % and the rate for the third quarter seemed to be much the same. For the first three months of 1968 a slight increase is expected in production by the primary processing sectors, although a more noticeable rise will occur amongst secondary processing industries especially in the electrical and mechanical engineering, civil engineering and building sectors. If this does take place, consumption for the first quarter of 1968 in France is likely to reach some 4.9 million tons of crude steel (around 200,000 tons or 4 % up on the same period in 1967).

Benelux: In all three members of the Benelux grouping the indications are that the steel processing industry, which is largely influenced by the situation in West Germany is going through a period of stagnation.

The following table shows the growth of steel consumption in the member countries of the Community for 1966, 1967 and gives the estimate for 1968 (all figures apply to first quarters only).

	First quarters		
	1966	1967	1968 (c) - estimated
West Germany	8.39	7.44	7.70
BLEU	0.94	0.94	0.95
France	4.44	4.70	4.90
Italy	3.35	4.03	4.47
Netherland	0.79	0.82	0.83
Community	17.91	17.93	18.85

The expected improvement during the January-March period of 1968 is fairly small for the whole Community, especially so when it is realised that there has been little overall growth in internal Community steel demand. But the bottom of the graph has probably been reached, and the market which is always strongly influenced by the economic situation in West Germany is beginning to recover. Nevertheless, the Commission experts have phrased their forecasts with care, and as in previous years they stress the need for a cautious approach to steel production. They want to make sure that no new source of excess production or surplus supplies comes into being with the resulting fall in internal prices, which started to stabilise during 1967.

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The Death of M. Hammes

M. Charles Leon Hammes, President of the Court of Justice of the European Communities from October 1964 until his retirement in October of this year, has just died at the age of 69. Born in Luxembourg, M. Hammes studied law at the Universities of Munich, Lyons, Aix-en-Provence, Brussels and London. His judicial career in Luxembourg ran from 1925 until 1952 when he was appointed a judge of the Court of the Justice of the European Coal and Steel Community. In late 1958 he became judge at the Court of Justice of the European Communities.

M. Hammes taught Luxembourg public and private law at Brussels University and was involved in promoting the study of international and comparative law.

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FOREIGN AFFAIRS

The Price of Tropical Products

Last week Strasbourg was the scene of the fourth meeting of the Euro-African parliamentary conference. This is a meeting of 54 representatives of the signatory states of the 1963 Yaounde Convention and 54 delegates from the European Parliament. Each African state associated with the Community under the Convention sent three representatives. One of the main concerns of these 18 states is the falling price of their exports - mainly basic commodities - and the difficulties they have in selling their products within the Common Market. This problem was the principal theme running through the conference and various solutions to its different aspects were proposed in a report presented by M. Andre Armengaud, the rapporteur of the joint Commission. Another point which all present had in mind was that the convention is due for renewal in a year's time, but that in the meantime there will be a major conference in New Delhi dealing with the whole problem of trade and developing countries. Any major decisions taken at this conference are likely to be the subject of major discussions during the renewal negotiations, since the associated states have already expressed their dissatisfaction with some aspects of the working of their agreement with the EEC on several occasions.

Price Fluctuations

M. Armengaud stated that whilst the association had as its aim increased trade between the EEC and the associated states, it should also help to increase the resources of the latter, and it is this point which raises the question of a fair price to the producer countries. For instance, during the past few years there has been a considerable fluctuation in the price of their products, with consequential ill effects on their financial position. The probable immediate cause of this was the play of supply and demand on the world market. M. Armengaud thought that there were a number of psychological and political factors outside the control of the producer countries, and that therefore the special preferences given by the EEC to the associated states should be continued.

A Stabilisation Fund

He suggested that to strengthen the economic independence of the latter whilst at the same time encouraging moves towards world agreements on the organisation of markets for tropical products, there should be set up a system of temporary aid to help the associated states at times when there were sharp falls in the prices of their main export products. M. Armengaud also proposed the setting up of a fund to stabilise the price of tropical produce from associated states; this would be backed by contributions from the 18 African states and the Six, and managed by the Commission in accordance with the decisions of the Council of Association.

The Six were asked to limit the effect of their taxes on the price of tropical produce, as in some cases these taxes helped to keep down consumption.

Preparations for 1968 Negotiations

In its final session the conference adopted a resolution calling on the Community, the Six and the associated States themselves to begin preparations now for the negotiations dealing with the renewal of the Convention. These could then start on June 1, 1968 and be finished soon enough for any discontinuity to be avoided. The conference considered that there were four areas which needed special attention.

- 1) How to increase trade between the countries involved, whilst bearing in mind the need for an improved organisation of markets expressed by the associated states.
- 2) Financial aid should be directed towards priority sectors and be aimed at carrying out medium and long-term schemes.
- 3) The need for increased training facilities in the associated states, so as to have a greater output of skilled and qualified persons.
- 4) Attention should be given to the manner in which the EIB backs projects.

The next parliamentary conference will be held at Tananarive in Madagascar during December 1968, but before then the joint commission, which represents both the Six and the African associated states, will meet in Brussels during May and in Kinshasa during October 1968.

W.E.U.

Monumental Exceptions?

During last week's meeting of the Assembly of the Western European Union in Paris, the split between the official French line towards questions affecting the development of Europe, and the approach taken in the other member countries of the WEU, (which comprises the Six and Britain) was clearly emphasised. A report by a Dutch Socialist held that French evacuation of the naval base at Mers-el-Kebir was an added danger to Europe, since there was the possibility that the Soviet Fleet might use it and thus extend Russian influence in the Mediterranean, which had become much more noticeable since the Middle East conflict. However a large part of the discussions were taken up with the problem of British entry into the Common Market and this resulted in a clear split on two occasions.

On Wednesday a major document was issued, the "Declaration of Paris" by the presidents of the three political groups (Christian, Democrats, Socialist and Liberal), in the WEU's Assembly. This expressed the hope:

- 1) That in the face of the repeated attempts of one member of the Community to impose unilateral decisions on the Community's enlargement, the other five would maintain a common attitude in favour of the immediate opening of negotiations with Britain, conforming with the overwhelming wishes of the majority of people in Europe.

- 2) That all Governments should immediately accept all the rules of the Rome Treaty as only this would allow Europe to keep its independence vis-a-vis the two super-powers in the post-industrial society.
- 3) That the pre-judgements of the situation made by General de Gaulle during his press conference could not be a substitute for the procedure to be followed under the constitutional rules of the Rome Treaty and which apply to all signatories.
- 4) That the Council of Ministers during its meeting on December 17 and 18 should immediately open negotiations with Britain in conformity with Article 237 of the Treaty.

When M. de la Vallee-Poussin presented the Declaration to the Assembly and finished by saying that General de Gaulle might be considered by his Maker to be the last great minister of Louis XIV, M. de Grailly (Gaullist) the French rapporteur on "The political responsibilities of the WEU countries outside Europe" walked out.

On Thursday, the Assembly approved by 43 votes to 7 a recommendation that the EEC should begin negotiations with Britain over membership of the Community immediately. Those who voted against this included six Gaullists and an Italian Christian Democrat. During the debate beforehand, M. de Grailly considered that France's position was "the only prudent one" since British membership had and would create internal stresses within the Community. He opposed the recommendation on the grounds that it was "summary and partial". However the Dutch Foreign Minister, Dr. Josef Luns was strongly in favour, and thought that an enlarged Community would benefit from British membership; if the application was turned down it was more than likely that the life of the Community would be affected and "no action should be taken which would make the admission of new members more difficult."

The Assembly's president, Herr Erik Blumenfeld, a West German Christian Democrat said that General de Gaulle had embarked on a collision course, which, if continued, even the West German government would be unable to avoid. He hinted that the Five might consider financial reprisals against France by refusing to vote projects of a special interest to her, such as help for the associated African states. Mr. William Rodgers, British Under-Secretary for Foreign Affairs. in his speech to the Assembly, questioned the French President's statement that Britain would be "a monumental exception" inside the Community.

"Which country among us is the real monumental exception to the general European consensus on how to conduct our relations with each other and the world outside, on how to organise our defence, on how to pursue our international monetary policies? Who is out of step? Certainly not Britain."

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Oil, Gas & Petrochemicals	O	Index to main companies named	W

ADVERTISING

** The Paris agency R. C. DUPUY SA has linked on a 50-50 basis with the leading American direct main agency WUNDERMANN, RICOTTO & KLINE INC, New York, to form the Paris agency DUPUY-WUNDERMANN Sarl. With a capital of Ff 100,000, this has M. Pierre Barret as manager (he is also director of Publi-Synthese & R. L. Dupuy SA, Brussels, and B. C. P. Dupuy Ltee), and has M. Jean Larne as director. The new company will be mainly concerned with promoting mail-order sales.

The Paris partner recently linked (see No 438) with the leading Quebec agency B.C.P.-Bouchard-Champagne & Pelletier Ltd, Montreal, to form the Canadian B.C.P. Dupuy Publicitee Ltee.

** A reciprocal co-operation agreement has been signed in Italy between the Turin agency STUDIO TESTA and the Milan BENTON & BOWLES (ITALIA) SpA (see No 423) a member of the Benton & Bowles Inc group, New York. Under the agreement, the owners of the Turin agency, Sigs. Armando and Lidia Testa, and Francesco de Barberis will acquire a shareholding in the American group's Italian subsidiary.

** REUBEN H. DONNELLY CORP, New York (see No 364), one of the world's leading direct mail and mail-order companies, has raised the capital of its subsidiary, DONNELLY DISTRIBUTION (BELGE) SA, Woluwe-St-Lambert, to Bf 7 million in order to finance expansion (see No 320); its name has been changed to DONNELLY MARKETING BELGIUM SA.

A member of the DUN & BRADSTREET INC group of New York (see No 411) since 1961, the American company has a holding in Switzerland as well as subsidiaries in West Germany (Pforzheim) and the Netherlands. One of its most important moves in Europe in recent times has been the gaining of a 25% interest in the British advertising group, B.I.A. DIRECT MAIL LTD, London, at the beginning of 1967, as well as the re-purchase of Robb Holland Ltd, London, and Robb Holland (Midlands), the control of which was given back to B.I.A. Direct Mail.

AEROSPACE

** The American aerospace concern THE BOEING CO, Seattle, Washington (see No 437), and the Belgian FABRIQUE NATIONALE D'ARMES DE GUERRE SA, Herstal (see No 406), have decided to close down their joint sales subsidiary F. N. BOEING TURBINES SA, Herstal-lez-Liege, which was formed in early 1964. M. Jean Lambert will be responsible for carrying out this move.

The Belgian group makes "B 553" turbines under licence from Boeing for the Swedish armed forces. The first units came off the production line in August 1967.

** Eleven European aerospace companies have linked under the European Space Research Centre - ESRO (see No 405) to form SETIS-STE EUROPEENNE POUR L'ETUDE & L'INTEGRATION DES SYSTEMES SPATIAUX SA in Paris (capital Ff 2.5 million), to develop an extra stage to the "Europa" rocket, for the purpose of launching a telecommunications satellite.

The new company has M. Charles Christofini as president, and its backers are: SEREB-Ste pour l'Etude & la Realisation d'Engins Balistiques SA, St-Aubin-de-Medoc, Gironde (29% - see No 243); Cie Industriale Aerospaziale SpA, Rome (13%); B&lkow GmbH, Ottobrunn b. Munchen (12% - see No 437); Erno Raumfahrttechnik GmbH, Bremen (see No 415); Hawker Siddeley Dynamics Ltd, Hatfield, Herts (see No 415), and Rolls-Royce Ltd, Derby (see No 405); the Belgian companies, A.C.E.C.-Ateliers de Constructions Electriques de Charleroi SA, Brussels, and M.B.L.E.-Manufacture Belge de Lampes & de Materiel Electronique SA, Anderlecht, Brussels (see No 405) - 6% between the two); and the Dutch NV Philips Gloeilampenfabrieken, Eindhoven (see No 438) - controlling the former), and NV Kon Nederlandse Vliegtuigfabriek Fokker, Amsterdam (see No 432 - 4% between the two).

BUILDING & CIVIL ENGINEERING

** The Portuguese marble specialists, MARMORES DO CONDADO Sarl, Lisbon, has formed a sales subsidiary in Düsseldorf, MARMORES DE CONDADO (DEUTSCHLAND) GmbH, with a capital of Dm 30,000 and Sen. Luis de Lyra Passos, Lisbon, as managing director.

The Portuguese company already has a subsidiary in Paris (directly through Immobiliare Do Ultramar Sarl, Luanda, Angola) called STE DES MARBRES DU CONDADO (FRANCE) Sarl (see No 408).

** The London property investment company, AQUIS SECURITIES LTD has set up a wholly-owned subsidiary in Brussels, AQUIS BELGIUM SA (capital Bf 300,000) to carry out all types of property deals.

Formed in 1907 as the Kalgoorlie Electric Power & Lighting Corp Ltd, the British company closed down the manufacturing side of the business in 1963 in order to concentrate on the property sector. Through its subsidiary Aquis Property Co Ltd, it controls five other companies in the field in the United Kingdom.

CHEMICALS

** Through its Brussels subsidiary AIR PRODUCTS NV - in which it is associated with Ste Generale de Belgique SA and Sibeka-Ste d'Entreprise & d'Investissements du Beceka SA (both with a 20% holding) - the American industrial gas producer AIR PRODUCTS & CHEMICALS INC, Allentown, has formed a wholly-owned subsidiary in Waddinxveen called AIR PRODUCTS NEDERLAND NV.

With a capital of Fl 500,000 (20% of which is paid up) and under the direction of Mr. Peter M. Chetwode-Barton, the company is concerned with the manufacture, utilisation and sale of industrial gases and allied chemical products for the cutting and welding of metal.

** The continued expansion of the Dutch group, KONINKLIJKE SCHOLTEN-HONIG NV, Amersfoort (see No 417), in the Commonwealth is evidenced in the building of a factory in New Zealand by its indirect subsidiary AMYLO CHEMIE NV, Koog aan de Zaan. The factory, which is situated at Gisborne, will produce 17,000 tons of starch by-products from maize and will be associated in the venture with the local firm, W.H. Terry, Wellington.

The parent company of Amylo Chemie (set up in 1961 by what was formerly NV Stijfselfabriek de Bijenkorf v/h M.K. Honig), NV Honig, Koon aan de Zaan, which became the sub-holding company of the Amersfoort group, also controls two companies in South Africa, John Moir (Pty) Ltd., Kaapstad, and Val-Orange (Pty) Ltd. in Port Elizabeth (see No 396).

** The Italian ORONZIO DE NORA IMPIANTI ELETTROCHIMICA Sca, Milan (plant construction for the electro-chemical and petrochemical industries - see No 369) has increased the capital of its Paris subsidiary ORONZIO DE NORA FRANCE Sarl to Ff 200,000 so as to back its expansion. Formed in 1954, it had only two shareholders until now, two of the group's Panamanian subsidiaries: Ibis International Industrial Investment Inc (which directly controls the Spanish sodium chlorate manufacturer Electroquimica Andaluza SA, Andujar, Jaen and Petrocolor Construction & Finance Corp.). The group's last financial move was carried out by another subsidiary, Nora International Ltd, Nassau, Bahamas.

The latter controls Nora Impianti SpA, Milan (formed in late 1961) whose president is Signor P. Montanarella and it has numerous foreign interests. One of its most recent moves was the formation of a joint subsidiary in Spain with Energia & Industria Aragonesas SA, Tarragona to make caustic soda and chlorine in a new factory with an output of 36,000 tons.

** Mr. Josef Vinckevlangel, who recently played a part in the formation of the Antwerp company, BLOTSCHEP Pvba (see No 438), together with some German interests, has been chosen for the board of the Belgian subsidiary of the German firm, HERMANN WENDT GmbH & Co. KG, Cologne. The latter is the sales subsidiary of the Berlin company, Hermann Wendt KG, which was backed by Herren Hans-Heinz Wendt and Wolfgang Güntsche; it specialises in the manufacture of precision goods in rubber, insulating materials, flooring, synthetic materials etc. Its annual turnover is now in the region of Dm. 15 million and it employs some 400 people.

ELECTRICAL ENGINEERING

** STE DES TELEPHONES ERICSSON SA, Colombes, Hauts-de-Seine, French subsidiary of TELEFONAKTIEBOLAGET L.M. ERICSSON, Stockholm (see No 427), has taken over ETS FERRER-AURAN SA, Marseilles, which held the Swedish company's agency for a part of France, and which has been working in close technical co-operation with the Colombes company for many years.

Ferrer-Auran (president M. Philippe Maurel - capital Ff 7.56 million; turnover Ff 35 million) was an affiliate of Banque Fider SA, Paris, and its parent

company Credit Francais SA, Paris. Its main fields are electrical installations, telephones and low-tension applications. It controls the electricity company of Ste Birot, Montpellier, and the new techniques development concern of Sedra, Neuilly-sur-Seine.

** In return for capital contributed by its production control equipment division, the STE D'ELECTRICITE MORS SA, Paris (see No 364) is to gain a 2.5 % interest in LA TELEMECANIQUE ELECTRIQUE SA, Nanterre, Hauts-de-Seine (see No 407). This firm which is mainly concerned with the manufacture of automatic electric switchgear and pre-fabricated electric conduits (group turnover in 1966 was Ff 321 m) will thereby broaden its field of activities to include the industrial process control sector, its new shareholder having developed the new calculator, the "Mat 01".

Mors, which will continue its production of signalling equipment for railways, electro-magnetic relays, telescopic radio aerials etc. (factories at Clichy, Hauts-de-Seine and Sens, Yonne) has a 30 % link-up with Ste Continentale D'Entreprises Industrielles SA of Paris: the latter company has as its major shareholders the Swiss company, Electro-watt Elektrische & Industrielle Unternehmungen AG, Zurich (see No 430) and the banking group, Lazard Freres & Cie Ssc. Paris (see No 432).

** The Hanover manufacturer of gas and paraffin stoves, HY-LO GmbH (see No 255) has dissolved its subsidiary in France NOGEL Sarl, Creutzwald, Bouches-du-Rhone, which it formed in 1962 with a capital of Ff 300,000.

The German firm (payroll of about 200) which has a turnover in the region of Dm 20 million, has had a subsidiary in London since November 1965 called HY-LO (U.K.) LTD (capital £1,000) and another (50 %) at Sardanola, Barcelona, HY-LO Iberica SA, formed in April 1966 with a capital of Pts 1.5 million.

** A member of the SVENSKA TANDSTICKS A/B safety match group of Jönköping (see No 422), the machinery manufacturing company, ARENCO A/B of Vällingby, Stockholm has gained outright control of its Netherlands subsidiary, Arenco PMB NV, Best by buying back the holding that it had in NV Patent-Machine-Boux, Eindhoven since its formation in Eindhoven at the end of 1961.

Arenco PMB, which is directed by Messrs. P. van der Heiden and F.R. Albertz, specialised in the manufacture of machines for the cigarette and tobacco industry. Patent-Machine-Boux is a subsidiary of the Koninklijke Vereenigde TabakIndustrien Mignot & De Block NV group of Eindhoven and manufactures cigars and cigarillos, "Aida", "Senator" etc.

** CINCINNATI SHAPER CO, Cincinnati, Ohio (see No 423) the American maker of cutting and stamping machinery and tools for the metal industry has formed a Rome sales subsidiary CINCINNATI PRESSE (ITALIA) SpA (capital Lire 2 million) with Mr. Perrin G. March as president and directed by Signori A. Sabelli and F. Ineutti.

The American firm has thus strengthened a network already including Cincinnati Belge SA, Brussels, Cincinnati France Sarl, Neuilly-sur-Seine and Cincinnati Pressen GmbH, Düsseldorf, all of whom head local distribution concerns. There is also a British manufacturing subsidiary Cincinnati Shaper Co Ltd, Glasgow (see No 406)

** The West German firm DSD DILLINGER STAHLBAU GmbH, Dillingen, Saar has linked 50/50 with the Dutch NED. DOK. - & SCHEEPSBOUWMIJ. - N.D.S.M. (see No 437) to form a joint Amsterdam sales subsidiary N.D.S.M. - D.S.D. UNITED CONTRACTORS - UNICORN NV. The Dutch partner is the subsidiary of two shipyards Ned. Dok. Mij. NV. and NV. Red. Scheepsbouwmi; it has a division specialising in the manufacture of tanks, containers, pipelines and other plant and equipment for the chemical and petrochemical industries.

DSD has a capital of Dm. 10 million and makes all types of metal products, containers, air-conditioners and purifiers, as well as complete plants and equipment for the chemical, petrochemical and steel industries. It is owned by Herren Hubert Linster and Hans Welsch, Saarlouis, and there are over 2,000 persons on the payroll; its annual turnover is around Dm. 60 million, with selling carried out by its subsidiary S.M.G. - Saarländische Handelsgesellschaft GmbH, Saarlouis. There is a French sister company C.M.B - Constructions Metalliques de Bouzonville Sarl, Bouzonville, Moselle (capital Ff 2 million) which employs around 470 and makes metal beams, boilers and water-treatment equipment.

** The Swedish metallurgical group SANDVIKEN JERNVERKS A/B (see No 332) which specialises in special titanium and zirconium steels for tools, tubes, drills and engine spare parts has strengthened its French sales network by opening a branch in Lille to its subsidiary SANDVIK FRANCE SA, Levallois-Perret, Hauts-de-Seine.

The latter (formerly Aciers Sandvik SA) has a capital of Ff 6 million and M.T. Ekstrand as president. There are several other agencies in France: in Nancy, Nantes and Lyons.

** BULER PRODOTTI VALORA Srl has just been formed in Milan as the exclusive Italian representative and sales agent for products made by the Swiss clock and watch firm MONTRES BULER SA, Lengnau, Berne (president M. Walter Rüfli). The latter has a 20 % interest in the new company (capital Lire 500,000), which is controlled by its manager, Herr Ulrich Schüller, Aix-la-Chapelle.

** A manufacturing agreement has been signed between the Italian C.I.M.A. MOLLIFICIO DI F. LLI DELLAZZI Sas, Roncello, Milano (helical and spiral springs), and the American PRECISION SPRINGS CORP, Detroit, Michigan. The aim of the agreement is the manufacture in Italy by a joint subsidiary CIMA-Precision Spring Europa SpA, of all categories of valve springs for engines. These will be sold throughout Europe to the automobile and aero-space industries.

** Herren Fritz and Helmut Bremshey and Wolfgang Füllung (shareholders personally responsible for BREMSHEY & CO KG, Solingen-Ohligs - see No 377) have an equal share in the Ff 60,000 capital of the newly formed Paris sales company PROCONFORT-BREMSHEY Sarl. This will market tubular furniture and household goods.

The West German concern already has a French licensee, Bremshey France Sarl, Paris (factory at Tournus, Saone-et-Loire, which was formed in December 1960 by French interests).

** The Swiss subsidiary of the Pittsburg group ALUMINUM CO OF AMERICA (see No 422), ALCOA INTERNATIONAL SA, Lausanne (see No 414), has sold to two European firms, Kurken- & Verpakingsindustrie Linder NV, Amsterdam and Soest, and Wicander & Co KG, Works, a licence for a new system of sealing liquid containers. This was launched two years ago in the United States, and uses a new type of aluminium alloy (H-19 temper).

The Dutch company, which specialises in metal packaging, has a subsidiary, NV Hollandse Metaaldrukkerij d'Huy & Co, Soest, and another in Portugal, Lindner Portuguesa Ltda, Lisbon. The German company is a member of the Swedish group Wicanders Korkfabriker A/B, Stockholm.

** A financial move will shortly clinch the forthcoming link-up (see No 438) between the French family-owned concern PRAT-DANIEL SA, Rueil-Malmaison, Hauts-de-Seine (water and air purification and conditioning), and the three major French groups, CIE DE PONT-A-MOUSSON SA, Nancy, CIE FINANCIERE DE SUEZ SA, Paris, and STE LYONNAISE DES EAUX & DE L'ECLAIRAGE SA, Paris. The capital of Prat-Daniel will be increased to Ff 4.69 million, and 53.4% will be held by Tunzini SA, Paris (see No 435), which is in the process of merging with Ameliorair SA. The new Tunzini-Ameliorair group will be a 17% affiliate of Pont-a-Mousson, 10% of Suez, and 8% of Lyonnaise des Eaux (see No 431).

** The American firm VERTON ALLSTEEL PRESS CO, Chicago (hydraulic cutting and stamping processes), has formed a Paris sales subsidiary, VERTON ALLSTEEL PRESS CO Sarl (capital Ff 100,000) with its own director, Mr. D. Verzon, Flossmoor, Illinois, as manager.

The American firm was, until now, represented in France by the electronic machine welding and casting group (see No 321) Sciacky SA, Vitry, Val-de-Marne. In Britain it is represented by Paul Granby & Co Ltd, London, as well as its agent, Rockwell Machine Tool Co Ltd, London.

** As the result of an agreement signed in London with SOAG MACHINE TOOLS LTD (linked with Hunter Douglas International Inc, New York - see No 375), the West German manufacturer of printing machinery E.C.H.-WILL MASCHINENFABRIK F.D. PAPIERVERARBEITENDE INDUSTRIE, Hamburg, will be able to benefit from improved conditions for selling its products in Britain. Owned by the Will family, the Hamburg concern has 400 people on its payroll, with an annual turnover of around Dm 12 million.

** The Brussels heavy engineering group BAUME -MARPENT & THIRION REUNIS SA (see No 358) has just made two moves concerning the manufacture and sale of material used in the civil engineering and boiler making industries.

The first move has resulted in the formation of CENTRINDUS SA, Morlanwez, the Bf 1 million capital of which is shared by the founder and TRAINS DE ROUES DU CENTRE SA, Houdeng-Aimeries (see No 258), and Pietoco SA, Trazzegnies, Charleroi (see No 384), who each hold a 33.3% interest; the other move has meant the formation of an almost wholly-owned subsidiary, BOECHOUTSE METAALFABRIEKEN-B.M.F. NV, Boechout, Antwerp (capital Bf 1 million). MM. Robert Tron and Roger Merle are respectively managing directors of the two companies.

** The Belgian interests of the West German heavy engineering group KLOECKNER -HUMBOLDT-DEUTZ AG, Cologne-Deutz (see No 436), are to be rationalised with MAGI-BEL SA, Kontich (see No 368), taking over LOCORAIL SA, Bercham-St-Agathe, Brussels.

At the same time, a financial reorganisation of both companies is taking place. Locorail, which is the exclusive Belgian representative for "Deutz" diesel engines made by the Klöckner-Humboldt-Deutz group, as well as for motor pumps and electric welding equipment made by Ad. Strlver KG, Hamburg, and specialised mining and engineering equipment made by Siemag-Siegener Maschinenbau GmbH, Netphan and Dahlbruch, has increased its capital to Bf 3 million. Magi-Bel first of all reduced its capital by half to improve its financial position, and as a result of the merger, raised it to Bf 30 million; it carried out the assembly of "Magirus" lorries made by the Cologne group.

** The West German DEUTSCHE BABCOCK & WILCOX DAMPFKESSEL-WERKE AG, Oberhausen (see No 422), has formed a Zurich subsidiary called BABCOCK INCINERATION AG (capital Sf 1 million).

The founder, whose main shareholder is the London heavy engineering group BABCOCK & WILCOX LTD (see No 427), had a turnover of Dm 690 million for the financial year 1966-67. Outside West Germany, it has subsidiaries in France, Precismeca SA, Saverne, Bas-Rhin, and in Austria, Leobersdorfer Maschinenfabrik AG, Vienna, both of which are controlled by the Zurich holding company Heimfried Beteiligungs AG.

** The West German engineering firm INDUSTRIE-WERKE KARLSRUHE AG, Karlsruhe (a member of the QUANDT group), has gained complete control of ADAM RICHTER WERKZEUG-MASCHINENFABRIK GmbH, Kassel-Lohfelden (capital Dm 1.975 million), in which it has held a 51.14% interest since 1963. The remainder has been controlled by the engineer, Herr Adam Richter.

The Kassel company employs around 500 people and makes drilling and cutting equipment. IWK recently made a sales agreement with the Klöckner & Co KG, Duisburg, group (see No 435) covering the marketing of its containers. Estimated capacity is 20,000 containers a year.

** As the result of an agreement with the aluminium processing group EDUARDO K.L. EARLE SA, Lejona, Leon, there will be a partial rationalisation of the Spanish interests of PECHINEY SA, Lyons and Paris (see No 429). This will lead to a pooling of basic aluminium production carried out at Sabinanigo, Huelva and controlled by ALUMINIO ESPANOL SA, Madrid (subsidiary of Pechiney) with that of the semi-finished product manufacturer ALUMINIO EARLE SA (subsidiary of Eduardo K.L. Earle). The new organisation will be managed by the French group, whose subsidiary has been renamed EARLE ALUMINO ESPANOL SA. Three other companies represent most of Pechiney's Spanish interests. These are: (1) ALUMALSA-Aluminio & Aleaciones SA, Zaragoza; (2) the electrolysis and basic metal producer Aluminio de Galicia SA, La Coruna; (3) and the manufacturer of thin sheeting, Aluminio Transformacion SA - ALUSA, Madrid.

** The West German manufacturer of cutting and drilling equipment, ANDREAS STIHL MASCHINENFABRIK oHG, Waiblingen, has just formed an American sales company, Stihl American Inc, which is linked on a 40-60 basis with American interests. The German firm, which has around 1,200 people on its payroll, has has an Austrian subsidiary since 1966, Stihl GmbH, Vienna (capital Sch 100,000).

** The BLANZY-OUEST SA group of Paris (see No 373) has provided its Brussels subsidiary SENECA SA with the necessary funds for expansion by tripling its capital of Bf. 1 million. Formed at the end of 1962 and with M.P. Bertrand as president, this firm specialises in the maintenance and running of heating installations and central heating. Control of the company will be in the hands of LES INSTALLATIONS THERMIQUES & INDUSTRIELLES LOUIS CHAIGNE & CIE SA of Gentilly, Val-de-Marne (21 %) and Blanzay-Ouest, as the direct result of the takeover of its subsidiary Serc -Ste d'Exploitation Rationnelle de Chauffage & de Distribution de Chaleur SA with a capital of F 3 million (a 33 % shareholder in Senec) and the name of the company will be changed to Union Industrielle Blanzay-Ouest - UNI - B.O.SA.

Apart from its main activity, the solid and liquid fuel trade, Blanzay Ouest has increased the scope, to include community heating schemes, building materials, transportation etc. With a turnover of about Ff 150 million (unconsolidated), the group has among its main shareholders, Traction & Electricite SA, Brussels (part of the Ste Generale de Belgique SA group) which has 22.1 %, Ste Parisienne d'Etudes & de Participations SA of the Empain group (21.7%) and Cie Generale d'Electro-Metallurgie SA, Paris of the C. G. E. Cie Generale d'Electricite group (27.7%).

FINANCE

** CREDIT INDUSTRIEL D'ALSACE & DE LORRAINE SA, Strasbourg (see No 435), a member of the C.I.C. -CREDIT INDUSTRIEL ET COMMERCIAL SA, Paris, backed the formation in Luxembourg of an American investment trust called OPTIMUM FUND SA (authorised capital \$5 million);

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the shares in this company may not be held by United States nationals or firms. M.R. Reckinger, the director of the Luxembourg branch of the Strasbourg bank, will be the President of the new concern.

** The investment fund administration concern, INVESTORS CAPITAL TRUST INC, Panama and Geneva (see No 435) has formed an Amsterdam subsidiary under the name of I.C.T. INVESTORS CAPITAL TRUST (NEDERLAND) NV (capital Fl 250,000). This has M.L.F. Lambert as director (he is vice-president of the parent company, in which he holds shares), and the board will be headed by M. Paul van Zeeland of Brussels.

Investors Capital Trust recently opened a branch in Milan (disposable funds of Lire 2 million), and its main clients for Europe are Invest Fund Inc, Boston, Massachusetts; Bullock Fund Ltd, New York, and Dollar Fund Ltd, Toronto, Ontario, which is run by its subsidiary I.C.T. Management Co Ltd.

** One of the biggest regional banks in North Germany, NORDDEUTSCHE KREDITBANK AG, Bremen (see No 422) has taken a 25% holding in the Hanover building society VEREINIGTE BAUSPARKASSEN AG (capital Dm 4 million). The firm was formally under the 75% control of Eigenheim Bund Niedersachsen Wohnungsbaugenossenschaft GmbH of Hanover, four of the other shareholders having given up their holdings (12% each). These were the insurance company, Albingia Versicherungs AG, Hamburg (a 76.3% subsidiary of Guardian Assurance Group, London - see No 370) and the banking concerns Handelsbank in Lübeck, Lübeck (see No 356), Bankhaus Hermann Lampe KG, Bielefeld (see No 418) and Bau-Kredit-Bank AG, Düsseldorf (see No 402).

** BANCO DI NAPOLI SpA (see No 422) in association with INVEMO SpA (part of the Sta Italiana Investimenti group of Rome) and through the holding company INTERNATIONAL SECURITIES ADVISORY CO, Luxembourg has formed an investment trust called INTERNATIONAL SECURITIES FUND SA (authorised capital \$ 5 million). The BANQUE GENERALE DU LUXEMBOURG SA and the London subsidiary of KIDDER, PEABODY & CO have also taken part in the move.

Signor Salvatore Guidotti, managing director of Banco di Napoli is president of the new venture, which will make two public issues (one of \$ 1 million and the other of \$ 3.99 million) through an international banking group including Algemene Bank Nederland NV, Amsterdam, Banque de Bruxelles, SA, Brussels, Commerzbank AG, Düsseldorf, Banque de Suez et de l'Union des Mines SA, Paris, Svenska Handelsbanken A/B and the London stockbrokers Kitcat & Aitken.

In a further move the Banque Generale du Luxembourg has backed the formation of the investment consultants and management concern also called INTERNATIONAL SECURITIES ADVISORY CO, Luxembourg, whose \$ 30,000 capital has been paid up by the subsidiary CREGELUX-CREDIT GENERALE DU LUXEMBOURG SA (see No 432).

The new company, the directors of which are Messrs B.A. Greene, Rome, E. Serpiezi, Rome, and A. Schleimer, Esch-sur-Alzette, has signed an investment advice contract with International Securities covering the latter's investment moves.

** The Paris CREDIT VENDOME SA group (see No 437) is about to take a 25 % interest in the BANQUE GENERALE DE CREDIT & DE PARTICIPATION (SAGA) SA, Paris (see No 348) when the latter's capital is next increased. (Present capital - F. 2.5 million). At the same time, SAGA will take a minority holding in Credit a L'Achat du Materiel D'Equipment - CAME SA, which is linked 21 % with Credit Vendome.

SAGA (formerly Ste Auxiliaire de Gestion & d'Avances-SAGA) belongs to the Cie des Forges & Acieries de la Marine, de Firminy & de Saint-Etienne, which up until now had a holding of just over 94 % in the company CAME, which has just gained control of the financial side of Comptoir de Credit Automobile, has the following as its main shareholders: Union d'Escompte SA (31.4 %), a 42.5 % subsidiary of Credit Vendome, Cie Financiere de Suez & de l'Union Parisienne SA (with 20 % and also 22 % of the equity of Credit Vendome) and Ufiner SA (with 5 % and 18% of Credit Vendome).

** The Paris finance group MM RIVAUD & CIE Snc (see No 437) has backed the formation in Ixelles-Brussels of an investment company called STE INTERNATIONALE DE GESTION & DE PARTICIPATIONS - SIGESPAR SA, almost all the Bf 5 million capital of which is controlled by the Rivaud holding company, UNION DE TITRES & DE PARTICIPATIONS SA, Djibouti (see No 425), which is soon to be absorbed by its subsidiary Mines de Kali-Sainte-Therese SA, Paris.

The Belgian Hallet group (see No 396), which is headed by MM. P. Van den Bosch, P. Fabri, J de Beaumont and de Ribes, shares control of the Djibouti holding company with the French group. For its part, Kali-Sainte-Therese holds a large minority shareholding in the Belgian Produits Chimiques du Limbourg SA (see No 428).

** LEASCO DATA PROCESSING EQUIPMENT CORP., New York has continued to extend its European interest, after opening a Paris branch. It has now formed a Frankfurt subsidiary LEASCO-EUROPA GmbH (capital Dm 1 million) with Mr. Laurent Janssens as manager as well as LEASCO (U.K.) LTD, London with £ 10,000 capital.

The American firm was established in 1965 and since then has taken over Ideal Leasing Corp., Carter Auto Transport Service Leasing Corp., Newark, New Jersey; Documentation Inc., Fox Computer Services Inc, New York and it is negotiating the acquisition of Mercantile Industries Inc. With Mr. S.P. Steinberg as president it is linked by a financial agreement with Continental Illinois National Bank & Trust Co. of Chicago (see No 432) and has sales links with Control Data Corp, Minneapolis, Minnesota (see No 424).

** BAYERISCHE GEMEINDEBANK, Munich (a State concern which carries out banking operations on behalf of local authorities) has taken a 26 % interest in the Munich merchant bank BANKHAUS H. AUFHAEUSER (see No 431). The latter has a share capital of Dm 6.5 million and has various manufacturing shareholdings with 40 % in Bürgerliches Brauhaus Ingoldstadt, Ingoldstadt and 35 % in Graphitwerk Kropfmühl AG, Munich (see No 431).

A few months ago the State bank took a 25 % interest in Luk-Bank GmbH (see No 418).

** In order to broaden their international financial activities, the Belgian international stock brokers DEWAAY, CORVRIENDT, VAN CAMPENHOUT & CIE Snc, Brussels, concluded, a few months ago, an agreement with the CIE LAMBERT POUR L'INDUSTRIE & LA FINANCE SA, Brussels (part of the Banque Lambert), that the latter should take a minority holding in a new company.

The move, which has already been carried out, has taken the form of a split-up of the former company, the following companies receiving its assets: (1) the limited partnership, Dewaay, Corvriendt, van Campenhout & Cie Scs, which gained from the old partnership its money stockbroking activities and gross assets of Bf 158.75 million (consisting of a portfolio, with shares amounting to Bf 73.11 million) and which has for shareholding directors, Messrs. R. L. Dewaay, A. E. Corvriendt, M. J. van Campenhout and J. L. Sebillé; (2) Dewaay, Corvriendt International SA, a financing company with a capital of Bf 50 million (of which the Lambert group has 20%) which gained gross assets of Bf 41.74 from the old partnership; the company's President is M. A. E. Corvriendt and the vice-president M. Philippe Lambert.

** The French company EUROFINANCE -UNION INTERNATIONALE D'ANALYSES ECONOMIQUES & FINANCIERES Sarl, Paris, which is headed by M. Marc Alexandre, will have one of the United States' leading banks as a backer as from January 1, 1968, the CHEMICAL BANK NEW YORK TRUST CO, New York (see No 424). This has some 136 agencies and is represented in Paris, Caracas and Mexico City. In the United States it controls Chemical International Finance Ltd and Chemical International Banking Corp, which specialises in international operations, Chemical Overseas Finance Corp, Bermuda, and Chembank Nominees Ltd, London. In the Common Market it has had a 10% shareholding in Frankfurter Bank, Frankfurt, since early 1966.

The Madrid bank Banco Urquijo SA recently became a backer of Eurofinance (see No 436).

** DEUTSCHE BANK AG, Frankfurt, is extending its activities outside Europe, in Latin America (see No 437) and in South East Asia. In the latter area it has just taken a 2.2% interest in the INDUSTRIAL FINANCE CORP OF THAILAND, Bangkok (formed in 1959 - capital Bahts 50 million).

The German bank already has shareholdings of 1.5% in the Investment Corp of India Ltd, Bombay, 5.5% in the Pakistan Industrial Credit & Investment Corp Ltd, Karachi, 1% in Malaysian Industrial Development Finance Ltd, Kuala Lumpur, and 1.8% in the Private Development Corp of the Philippines, Rizal.

** The Frankfurt and Berlin merchant bank BERLINER HANDELSGESELLSCHAFT (see No 432), which has interests in most West German economic sectors, intends to extend its banking activities with the acquisition of a shareholding in LUECKE & LEMMERMANN KG, Hanover. Headed by Herren von Barsewich, Dieter Zuckschwert and Gerhard Barner, the latter has a share capital of Dm 4.5 million.

FOOD & DRINK

** The American food group KELLOGG CO of Battle Creek, Michigan (see No 258), has directed its Manchester subsidiary, KELLOGG CO OF GREAT BRITAIN LTD, to form a Paris subsidiary under the name of KELLOGG'S PRODUITS ALIMENTAIRES SA (capital Ff 1.4 million) to make, import, export and trade in cereal-based products. It will be run by MM. J. A. Adams, J. Galle, J. Rothwell (Manchester) and V. Emery, who is also a director in Paris of United Fruit SA (a subsidiary of the Boston, Massachusetts, group United Fruit Co, and formed last March - see No 407).

The American group is already established in the Common Market, with a manufacturing subsidiary in West Germany called Kellogg (Deutschland) GmbH, Bremen, the capital of which was raised in October of this year to Dm 20.37 million (and which since 1961 has itself controlled the Bremen company of Reis- & Handels GmbH), and with a company in Womerveer, the Netherlands. Elsewhere in Europe, it is set up in Lensbourg, Switzerland, Copenhagen, Oslo and Helsinki.

** The Spanish wholesale food dealer and exporter VICENTE PASCUAL-PASCUAL, Pego, Alicante, has formed a Brussels sales subsidiary, PASCUAL BELGIQUE Sprl. Under S. Pascual-Pascual, this firm is to specialise in the importation of vegetables, fruit, and all sorts of agricultural products; its capital stands at Bf 252,000, shared equally between the three owners of the parent company.

** The Franco-Belgian firm GRANDS MOULINS DE BRUXELLES SA (see N 345) has been put into liquidation, and will be run by MM. J. P. Catteau and Leo Leys in the meanwhile. With M. Paul Baumann as president, this company (capital Bf 45 million) was formed in 1907 and employed some 130 people under M. Catteau. It belongs to the "Lang" group - controlling Sociedad Industrial Finanziaria Argentina SA, Buenos Aires, which itself acquired in late 1966 the assets of the former Cie Industrielle Sud-Americaine NV, Antwerp (see No 387) - and "Baumann", through the holding company Ste Financiere Asbau SA, Luxembourg.

Two other French companies belonging to the same groups (Costimex SA, Strasbourg, and Grands Moulins de Strasbourg SA - see No 342) and an affiliate American company, Interstate Grain Corp, Kansas City, are also shareholders.

** BIMOT SpA, Milan (manufacture, bottling and distribution of soft drinks: formerly Ste Phedile SpA - see No 259), has reorganised its finances, by first lowering its capital to Lire 245 million, then raising it to Lire 500 million, on which occasion the British group SCHWEPPEES LTD, London (see No 428), has bought in to the tune of 37.5%.

Bimot, which already bottles and distributes Schweppes' drinks, has, since the end of 1963, belonged 50-50 to the two Milan companies, S.I.L.V.A. di V. & G.S. Bianchi Sas (concessionnaire to the British group - see No 267), and Metta SpA (see No 413). Three representatives of Schweppes now sit on its board, where Sig. A. Saraceno has replaced Sig. Alberto Ferrante as president: these are Messrs. F. W. Meynell, M. Scofield and Lord Watkinson.

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** The New York CONTINENTAL GRAIN CO, New York (see No 435) will acquire a minority shareholding (through CIE CONTINENTALE D' IMPORTATION FRIBOURG & CIE SA, Antwerp) in the Belgian milling concern MOLENS VAN DEINZE NV, Deinze, Ghent (capital Bf 74.3 million - see No 345) following the latter's takeover of MOULENS VAN DER STUCKEN NV, Antwerp. This is headed by M.F. Peeters, managing director of MEUNERIE BRUXELLOISE SA, Brussels and president of Ste Belge de Meunerie SA (capital Bf 15 million).

The two firms have production facilities at Antwerp, Deinze, Petegem and Brussels, and together represent around 11% of Belgian production. They were already linked by mutual assistance and co-production agreements and since early 1966 in Ste Belge de Meunerie (capital Bf 50 million) the managing director of which is M.H. Van Kan (also president of Van Deinze).

** GRAPILLON SA, Mont-sur-Rolle, Vaud, the Swiss fruit juice extraction and sales company (especially grapes) has made its Dutch branch in Schiedam a full subsidiary called GRAPILLON NV, and transferred it to Rotterdam. The new firm has F1 50,000 capital, 10% paid up, and 90% of this is held by the parent company, the balance going to its director, Mr Hans Zogg, and to one of the directors of the Swiss spirits company, SCHENK SA of Rolle (see No 435).

** Three German biscotte companies have decided to pool their manufacturing and sales activities in order to meet competition from BRANDT ZWIEBACK-BISCUITS GmbH, Hagen, which employs over 3,000 people in the manufacture of this product. The three firms are all based in Friedrichsdorf, Taunus: FRIEDRICHSDORFER ZWIEBACKFABRIK PAULY & CO KG, PAULYBUS FRIEDRICHSDORFER ZWIEBACK & STICKSFABRIK THEO PAULY oHG and FERD STEMLER oHG, and they will form a joint company to implement the move.

** The Danish group CHR. HANSEN & CO A/S, Kerteminde has formed a company in Italy to produce compound feeds and veterinary products for livestock called CHRISTIAN HANSEN'S ALBORATORIUM - INTERNATIONAL VETERINARY DIVISION SpA, Corsico, Milan. This will run a laboratory at Vedamo al Lambro, near Milan, and will be directed by F. Schonsboe of Copenhagen; H. Bernfoft of Rungsted Kyser, L. Nielsen and O.W. Rasmussen, both of Milan. Almost all of its Lire 25 million capital has been paid up by the Corsico firm CAGLIO ITALIANO "CHR. HANSEN" SpA (capital Lire 100 million).

** Recently formed in the Netherlands, N.V. HOLLANDSE BLIKMELK INTERNATIONAL will take over the interests of its founder companies in the condensed milk manufacturing concern (annual output 1.2 million tins per year) which is to be set up in Thailand in association with local interests. The sister sales company, N.V. HOLLANDSE BLIKMELK has been given the task of supplying this new company with its basic raw materials.

The parent companies of Hollandse Blikmelk International are N.V. Nederlandse Melk-Unie N.M.U. The Hague, N.V. Lijemp Leeuwarder Ijs - & Melkproductenfabrieken Leeuwarden and Coöperatieve Zuivelvereniging Zuid Nederlandse Zuivelbond G.A. The latter company has been replaced by another company in the group, Coöperatieve Centrale Melkproductenfabriek Bergeyk, so that the sales company N.V. Blikmelk could be set up.

** Turin has been chosen as the administrative headquarters (see No 411) for the sales and manufacturing operations in Italy of the Paris company GERDABEL SA (see No 415), which has formed GERDABEL ITALIANA SpA (capital Lire 30 million). The directors of the new company are MM. Serge Beillard, B. Millet, J. Vertenelle and G. del Grosso.

Gerdabel's foreign growth - it is the joint subsidiary of the French dairy groups Fromageries Bel-La Vache Qui Rit, Ch. Gervais SA and Danone SA - has involved in recent months the formation of a Spanish manufacturing subsidiary at Pamplona and a Dutch sales subsidiary. The latter two French groups are in the process of merging as part of GERVAIS-DANONE SA (capital Ff 191.44 million).

** The French cheese concern ETS PIERRE LANQUETOT SA, Orbec, Calvados (capital Ff 550,000), has formed a milk products sales company in West Germany called FRANKA HANDELSGESELLSCHAFT FUER FRANZOESISCHE KAESESPEZIALITAETEN mbH, Cologne (capital Dm 21,000 - managers Pierre Costey, Michel Cotoni and Heinz Vetter).

MINING

** The Brussels group UNION MINIERE DU HAUT KATANGA SA (Generale de Belgique group - see No 435), which is diversifying its investments, has made an agreement with CANADIAN NICKEL CO LTD, Toronto, Ontario (International Nickel Co of Canada, Copper Cliff, Ontario group - see No 432), covering the joint exploitation of a number of non-ferrous ore deposits for which the Toronto concern holds the concessions. To cover this move, Katanga has formed a company in Montreal called Union Miniere Explorations & Mining Corp Ltd (UMEX), with an authorised capital of \$10 million (20% paid up).

Union Miniere's most recent moves outside Congo Kinshasa were the purchase of further shares in Siderurgie Maritime - Sidmar SA, Ghent (see No 420); Cie Royale Asturienne des Mines SA, Brussels; Mines & Fonderies de Zinc de la Vieille Montagne SA, Angleur, and Sogemiran Ltd, Teheran.

** All the coalmining in the Belgian Campine coal field will now be controlled by a company, the formation of which has been the subject of negotiations for the past year, NV KEMPENSE STEENKOLENMIJNEN K.S.

This will have a capital of Bf 1,500 million and will take over the assets of the five founders, who will all become investment companies: SA DES CHARBONNAGES DE HELCHTEREN-ZOLDER & HOUTHALEN (30.7%); SA DES CHARBONNAGES DE BEERINGEN (21.7%); CHARBONNAGES LIMBOURG-MEUSE SA (17.5%); SA METALLURGIQUE D'ESPERANCE-LONDOZ, "Coalmining division" (15.1%); and CHARBONNAGES ANDRE DUMONT SA (14.8%).

OIL, GAS & PETROCHEMICALS

** The setting up of a subterranean storage complex for gas products (capacity 5 million cubic metres), the result of recent research in the Manosque, Basses Alpes region by the STE FRANCAISE DE STOCKAGE GEOLOGIQUE-GEOSTOCK

Sarl, Courbevoie, Hauts-de-Seine (see No 368), has led to the formation of two new companies in Paris, both with a capital of Ff 120,000. One is a transport company, STE DU PIPELINE GEOSTOCK MANOSQUE-BERRE-GEOPIPE SA, which is to see to the delivery of the gas to the Etang-de-Berre industrial complex, the other an operating company, STE DE STOCKAGE GEOLOGIQUE DANS LE SELS DE MANOSQUE-GEOSELMANOSQUE SA.

These companies were founded by the following firms, each holding an equal interest in Geostock: C.F.R.-Cie Francaise de Raffinage SA, Paris (controlled 50.45% by C.F.P.-Cie Francaise des Petroles SA - see No 432), ELF-Union SA, Paris (see No 433), and Cie de Raffinage Shell Berre SA, Paris (a 60-40 subsidiary of Shell Francaise SA and Cie des Produits Chimiques & Raffineries de Berre SA, which is itself controlled by Cie de Saint Gobain SA - see No 436), all three with 28.33%; the balance of the capital (15%) is held by Ste Francaise des Petroles BP SA, Courbevoie, a member of the British Petroleum Co Ltd group of London (see No 437).

** The negotiations started in 1966 by the C. F. P.-CIE FRANCAISE DES PETROLES SA, Paris, group with the intention of taking part in the formation of a company for oil refining in South Africa have been brought to a successful conclusion. The NATIONAL OIL REFINERIES OF SOUTH AFRICA (PTY) LTD, Johannesburg, has been set up to run a refinery whose annual capacity will be 2.5 million tons and will commence service during the second half of 1970. The company will be affiliated to TOTAL REFINING SOUTH AFRICA (PTY) LTD (30%), a new company formed expressly to take care of these interests by the subsidiary Total Oil Products (Pty), Johannesburg (capital 15 million Rand). The remaining shareholders, with 52.5%, and 17.5% holdings respectively, are South African Oil & Gas Corp-SASOL, Johannesburg, and the Iranian state organisation N.I.O.C.-National Iranian Oil Co, Teheran (see No 397).

The most recent foreign move of the French group has been the conclusion of an agreement in principle with the Iraqi government to supply the national airports with aviation fuel, in place of the British Petroleum Co Ltd group of London. A Franco-Iraqi company will be formed in April 1968 for this purpose, the 40% holding of CFP being held by Air Total International SA, Geneva.

PAPER & PACKAGING

** The Wiesbaden manufacturer of plastic packaging materials, BELLAPLAST HELLER & CO KG, has formed a Dutch subsidiary, BELLAPLAST NEDERLAND NV, Zwanenberg. Four of its backers share the new company's capital of Fl 100,000 equally: they are Alfred Heller, Philip Nelgen and Alfons Thiel and Roman Mandelbaum. The latter is also president of the Swiss sales subsidiary set up a few months ago, Bellaplast AG, Zug (see No 416).

The new concern will make and sell plastic and packaging materials and machinery made by Rhein Hessische Maschinenbaugesellschaft Keszler & Nelgen KG, Heidesheim, Mainz, a backer of Bellaplast.

** The New York paper group US PLYWOOD CHAMPION PAPER INC (see No 418) has rationalised its Belgian interests: it is to merger INTERWARCHE SA, La Hulpe (see No 335), with its parent company, INTERMILLS SA, Malmedy, in which the American group has recently raised its stake from 35% to 53% to take control.

** The Swedish HULEVIKS FABRIKER A/B, Karlshem, has formed HULEVIKS BRUK ITALIANA SpA in Trezzano sul Navigo, Milan, to make and trade in cellulose and hygenic cellulose wadding. The new company (capital Lire 1 million) is under the sole directorship of its main backer (with 53%), Sig. Marcello Vito of Milan.

** In the Italian paper industry, the Verzuolo and Turin group of CARTIERE BURGO SpA (see No 384) is merging two of its 44% affiliates, with NATRO CELLULOSA-INDUSTRIA IMBALLAGI CARTA SpA of Bergamo absorbing IMISA-INDUSTRIA MERIDIONALE IMBALLAGI SpA, Naples (factory at Volla). Natro will thus raise its capital to Lire 1.500 million. It has Sig Carlo Pesenti as president, and in its factories at Rome, Casale Monferrato and Romano di Lombardia it makes special papers, bags, and all forms of packaging.

PHARMACEUTICALS

** The Frankfurt chemical and pharmaceutical group FARBWERKE HOECHST AG (see No 436) has gained a 71.3% controlling interest (directly and through Hoechst Belgium SA, St-Gilles, majority shareholder) in one of its pharmaceutical representatives, ALBERT-PHARMA SA, St-Gilles, Brussels, and has raised its capital to Bf 5 million. The latter - formerly Socophy Sprl - is the Belgian distributor for products made by one of the German group's 100% subsidiaries, Chemische Werke Albert AG, Wiesbaden-Biebrich (see No 387); its new director is Herr Ernst-Löhr, Hoffheim, Taunus.

A year ago Hoechst Belgium SA (formerly Socothera) increased its capital to Bf 30 million. It had long been the pharmaceutical sales representative for the group before it was taken over by the group early in 1967.

In a move in the Far East, Hoechst has linked with SCHERING AG, Berlin and Bergkamen (see No 436) to establish a number of pharmaceutical laboratories in Taiwan, (Formosa). The two companies have set aside \$1 million to carry out this move. Schering already has subsidiaries in Japan, the Philippines, Thailand, Australia, and New Zealand, whilst Hoechst's existing interests are in Japan, South Korea, the Philippines, Thailand, India, Pakistan and Australia.

PLASTICS

** B.A.S.F.-BADISCHE ANILIN- & SODA FABRIK AG, Ludwigshafen, is to raise to 50% its interest in the Japanese YUKA BADISCHE CO LTD, Yokkaichi, in which hitherto it has only held 49%, as minority associate to MITSUBISHI PETROCHEMICAL CO LTD of Tokyo (of the Mitsubishi Heavy Industries group - see No 434); the two will now stand 50-50 in the venture. Yuka Bafische was formed in 1962 with 400,000 yen capital, and specialises in plastic dispersions and "Styroper" expanded polystyrene.

PRINTING & PUBLISHING

** The Dutch publishers NV WEGENER'S COURANTEN CONCERN, Apeldoorn, has gained control of the Amsterdam concern NV UITGEVERSMIJ. A. J. THREE CASTLES, which publishes the periodicals "Ariadne" and "De Zakenwereld".

The Apeldoorn firm, whose annual turnover exceeds Fl 10 million, acquired the newspaper "Nunspeet Voornit" from Veneman & Van Den Ham NV, Nunspeet, in 1965; in the following year it bought "De Vallei" from the Veenendal firm Drukkerij & Uitgeverij "De Gelderse Vallei". Since May 1967 it is linked on a 65-35 basis with NV Noord Nederlandse Drukkerij, Meppel, within the Apeldoorn firm Spreigroep NV (capital Fl 50,000 - 20% paid-up).

** THE READER'S DIGEST ASSOCIATION INC, Pleasantville, New Jersey, the American publishing company which already has subsidiaries in Stuttgart, Paris, Milan and Amsterdam (controlled 90% by its founder, Mr. De Witt Wallace - see No 438), has completed its coverage of the Six by setting up a company in Brussels, READER'S DIGEST SA, in association with two New Castle, New Jersey, companies, each holding 20% of the equity - PANCONTINENTAL GRAPHIC SERVICES INC and W. A. PUBLICATIONS INC. This new concern will specialise in the printing, publishing and sale of magazines, records, gramophones and tape recorders, and will have M. Marcel Turrenc, the director of Selection du Reader's Digest Sarl, Paris, as its president. The capital will be Bf 1 million.

Recently (see No 433), the American group launched itself in West Germany, selling investment certificates in the Loomis-Sayles Mutual Fund Inc, group, and to this end it set up a subsidiary in Frankfurt, Reader's Digest Anlagenvermittlung GmbH.

** The German book club HOLTZBRINCK of Karlsruhe, which has some 1.1 million members, has extended its publishing interests by gaining control from Mme Inge Stahlberg of the Karlsruhe houses of STAHLBERG VERLANG GmbH and AMADIS VERLAG GmbH.

The Holtzbrinck group, which employs about 1,600 people, made a turnover in 1966-67 of Dm 140 million. It is centred on the Stuttgart holding company, Stuttgarter Hausbücherei GmbH, which groups the business of some 15 subsidiaries and affiliates in West Germany, including: in Stuttgart, Deutsche Bücherbund KG; Evangelische Buchgemeinde GmbH; Coron Verlags GmbH; Intercord Ton GmbH; Christ & Welt Verlag GmbH; Manus Presse GmbH, etc. In Hamburg there are Hanseatische Verlagsgesellschaft GmbH and Hanseatische Druckanstalt GmbH. Abroad, it covers Aeropagus NV Nederlandse Lezerskring in Amsterdam, Coron Verlags GmbH, Zurich (formed in March 1965 with Sf 100,000 capital), and in Austria, Bücherbund, Buch- Schallplattenhandel Verlags GmbH, Vienna.

TEXTILES

** The Dutch textile concern EUROCARPET NV, Sittard, will back a co-operation agreement just signed between its parent company HATEMA NV, Helmond (formerly De Wit's Textiel Lijverheid NV - see No 382), and Koninklijke Verenigde

Tepijfabrieken NV, Moordrecht. It will now manufacture high-quality carpets on behalf of the latter, and these will be sold by Hatema.

Hatema's Luxembourg subsidiary - Hatema-Luxembourg SA - makes "Dacron" on behalf of Du Pont de Nemours, which is sold throughout Europe by Hatema itself. The latter's other Common Market interests include Hatema Belgie NV, Hatema GmbH, Munchengladbach. In the Netherlands it makes electric blankets for Philips and controls NV Verkoopmij Voor Hatema-Produkten, as well as having a shareholding in NV Van Heijeden & ZN, Geldrop.

Verenigde Tepijfabrieken has over 410 people on its payroll with facilities at Moordrecht and Deventer. Around 11% of its production of carpets, mats and other floorcoverings is exported.

** The French textiles trading concern DELMASURE & FILS SA, Roubaix, Nord, has decided to wind up its Belgian subsidiary, STE INTERNATIONALE TEXTILE SA, Herimes-lez-Pecq, Tournai, and M. J. Delmasure has been appointed to carry out this move. Formed in 1957, the subsidiary's main shareholders were MM. Adolphe Delmasure (president of the French company), J. Delmasure, Roubaix, and L. J. Bottenwiesser, Montevideo, Uruguay.

** The chemical group FARBWERKE HOECHST AG, Frankfurt, (see No 432) has finally gained almost complete control of the synthetic textile concern SUDDEUTSCHE CHEMIEFASER AG, Kelheim, following the withdrawal of the offer by the CELANESE CORP of New York (see No 428). The Kelheim company, whose principle known shareholders were Bayerische Vereinsbank AG with about 30% and Bayerische Versicherungsbank AG, Munich, with 10%, has a capital of Dm 12 million. Its payroll is now 2,000 and its annual turnover in the order of Dm 160 million.

In June 1967 (see No 416), the Hoechst company pulled off a similar deal by stepping into the vacancy left by the American company Reichhold Chemicals Inc of White Plains, New York, to take control of Reichhold Chemie AG, Hamburg.

** The American group IRVING AIR CHUTE CO INC, Lexington, Kentucky (see No 407), has rationalised its French interests by merging two subsidiaries. STE GENERALE DES PARACHUTES SA, Selles-sur-Cher, Loire et Chere, has raised its capital to Ff 500,000 and taken over IRVING FRANCE SA, Roubaix, Nord (capital Ff 100,000), which is mainly involved in making car safety belts.

Irving Air Chute has manufacturing subsidiaries in several European countries including Britain and Sweden. A few months ago it linked with the Italian group LINIFICIO & CAPANIFICIO NAZIONALE SpA, Milan, in the production at Aprila of seat belts, straps, ropes, etc. made from Du Pont de Nemours "Nomex" fibres for use in planes, cars and at sea. To carry this out, Irving Manifatture Industriali SpA (capital raised in two moves to Lire 120 million) was formed early in 1967 in Aprila with Mr. Herbert K. Blumberg as president, and this is a direct 71% interest of the American group. There already was an Italian subsidiary, Irving Italiana, based in Aprila.

** The German textile concern ADO GARDINENWERK H. WULF oHG, Aschendorf, makers of net and ordinary curtains, has formed a sales subsidiary in Belgium called ADO TEXTIELFABRIEKEN NV, Turnhout, the capital of which (Bf 500,000) is held almost in its entirety by M. Hubert Wulf.

The parent company also has a sales subsidiary in Austria (Johannisthal, near Schwanenstadt) called ADO GARDINENWERK GmbH, of which the capital is Sch 200,000 and the managing director is Herr H. Wulf.

TRADE

** MEDAILLON MODE GmbH (capital Dm 3 million), the Frankfurt mail-order ladies clothing concern, a wholly-owned subsidiary of SPIEGEL INC, Chicago, and formed in 1963, together with its own subsidiary HANSEN KG, Offenbach, have been taken over by the British LITTLEWOODS MAIL ORDER STORES LTD, Liverpool (see No 357). The German company made a turnover of DM 47 million in 1966.

The British company (1966 turnover in excess of £200 million) is already established in the Common Market through its subsidiary International Import- & Export Ltd, Liverpool, which in 1962 formed the firms of Markterschliessungs Gesellschaft der International Import & Export Co GmbH (capital Dm 20,000), and International Import & Export Italiana SpA (Lire 1 million), in Düsseldorf and Milan respectively. The American company has, since October 1966, belonged to the Wilmington, Delaware, group Beneficial Finance Co.

** American investors, represented by Mr. Abraam Mansour of Los Angeles, and others from Mexico and Tahiti (Mr. Tony Djedaah and Mr. Benjamin Aboudi of Port-au-Prince) share equally in the capital of the new Paris company BENTON INTERNATIONAL Sarl (capital Ff 50,000), which they have formed to import, export and trade in every type of good, and to conduct trading and property deals both inside and outside France.

TRANSPORT

** As part of its structural reformation, the Rotterdam transport group THOMSEN'S VERENIGDE BEDRIJVEN NV (see No 436) has dissolved its Hamburg subsidiary INTERNATIONALE STAUEREI- & TRANSPORT AGENTUR GmbH (see No 353), which itself controls the three West German companies of Linien Stauerei GmbH, Henry Kröger Transport GmbH and Friedrich Peusch & Co KG.

In August of this year, the group sold its 72% interest in the Amsterdam company NV Amsterdamsche Havenbedrijf, but it retains its 40-60 link with the London Transport Development Group Ltd in the holding company Europa Transport Ontwikkelingsmij - ETOM NV, formed in March 1964 to cover the investment activities of the two groups in the road and water transport sectors. Since its inception, Etom has received from the Dutch partner its controlling interest in Mij Van Algemeen Vervoer v/h H. W. König & Co NV, and from the British, that in I. Leftley Ltd, acquired in 1966 by the London group.

** STA ITALIANA PER LE STRADE FERRATE DEL MEDITERRANEO-MITTEL SpA, Milan, will take over its affiliate EDILIZIA LAZIALE SpA, Rome (capital Lire 1,280 million). This owns property (both buildings and sites) around Naples, and Rome, where it runs car parks.

The former is a member of the MONTECATINI-EDISON group and will increase its capital as a result of the move to Lire 171 million. The company's main interests lie in the construction and operation of rail feeder services and civil engineering works. It also has shares in Mediterranea Per Le Strade Ferrate Umbroretine SpA and Ferrovie Nord Milano SpA (60%), although in 1966 it sold its shareholding in SPALEM-Sta Mediterranea Lavori SpA.

** Having gained control recently of ATLAS LEVANTE LINIE GmbH (see No 332), Bremen, by buying up the shares held by Deutsche Dampfschiffahrtsgesellschaft "Hansa", Bremen (see No 383), the Hamburg group RUDOLF A OETKER (see No 438) has begun to reorganise its Mediterranean shipping interests by co-ordinating Atlas Levante services with those of its other subsidiary, Deutsche Levante-Linie GmbH, Hamburg. Between them, these two concerns run a fleet of some twenty vessels, and they already have a joint agency in the Netherlands (Rotterdam and Amsterdam) called Wambersie & Zoon C.V.O.A. (see No 436).

The Oetker group's other shipping interests (apart from its fishing fleet, which is Germany's third largest), include Hamburg-Südamerikanische Damfschiffahrtsgesellschaft Eggert & Amsinck, Hamburg (see No 314); Reederei Rudolf A. Oetker, Hamburg, and Reeder-Union AG, Kiel.

** A 50-50 agreement between an Italian company linked with the Bastogi group SOC. ITALIANA PER LE STRADE FERRATE MERIDIONALI SpA, Florence (see No 422), and the Spanish concern YBARRA & CIA SA, Seville, has resulted in the formation of CANGURO IBERIA SpA (capital Lire 100 million). From March 1968 onwards a regular service for goods, passengers and cars will be introduced between Genoa and Barcelona using "Cangourou" class ships. The first into service will be called the "Canguro Bianco". The Italian side is represented by STE ESERCIZI SARDI- S.E.S. SpA, Cagliari (see No 397) - a 49.26% subsidiary of Bastogi and its 12.64% affiliate Soc. Italiana Per Condotto d'Aqua SpA, Rome (see No 314), in which Bastogi also holds a 6.39% share.

Several shipping companies affiliated to the group already operate this type of ship. In November 1965 the "Canguro Rosso" inaugurated the line Genoa-Cagliari and Genoa - Olbia; this ship is owned by Traghetto Sardi SpA, Cagliari (an 80.39% subsidiary of S.E.S.), and today it controls another two. The "Canguro Azzurro" is used on the Naples-Palermo run by Sta Navi Traghetto SpA, Palermo (a 55.56% interest of S.E.S. and S.G.E.S.-Sta Generale Esercizi Siciliana SpA, Palermo - see No 318 - a 41.4% subsidiary of Bastogi).

** Representing the Swedish shipping company REDERI A/B SVENSKA LLOYD, Gothenburg, in London, SWEDISH LLOYD (UK) LTD has granted the Rotterdam firm VINKE & CO the general agency for its ferry service between Southampton and Bilbao.

Svenska Lloyd has agencies and representatives in a number of ports, and in particular in Genoa, Naples, Hamburg, Bremen, Bordeaux and Marseilles, and it offers regular services between the Baltic ports and Portugal, Spain, Italy, Yugoslavia, Algeria, Morocco, etc. It has holdings in the Geneva company Maritime Holdings SA (see No 412), which consists of several banks, ship-owners and transport concerns of German, Dutch and Scandinavian origin.

VARIOUS

** MM. Ernst Schimke of Grummersbach and Karl Singer of Vienna have been appointed managers of KIENBAUM BERATUNGEN GmbH, Vienna, formally established with Sch 100,000 capital as a subsidiary of the German engineering consultancy firm of KIENBAUM BERATUNGEN GmbH, Gummersbach (see No 428).

** The Swiss data processing and computer programming concern THORENS, KNEIP & CIE SA, Nyon, Vaud, has formed a 70% subsidiary in Luxembourg called Bureau d'Etudes J. Kneip & Associates Sarl (capital Lux F 500,000). This has M. Joseph Kneip as manager (holding a 35% interest), and it will specialise in studies for agricultural engineering projects, financial improvements, re-equipping, etc.

** NUMISMATIQUE FRANCO-SUISSE Sarl (capital Ff 50,000) recently formed in Paris by the Swiss firm NUMISMATICA SA, Lugano, has changed its name to NUMISMATIQUE INTERNATIONALE Sarl. This firm specialises in the sale of coins and articles of jewellery and was founded by the Milan company Numismatica Italiana SpA (capital increased last year to Lire 100 million), which was itself set up at the end of 1962 by the holding company Anstalt Querzit of Vaduz, Liechtenstein. The latter company has Messrs. Luigi Pizzorni (who controls the company), L. Malacari and A. Rossi as directors.

CORRECTION

In issue No 437 it was reported that P. R. MALLORY of Indianapolis had acquired the interest of 37% held by THE EVER READY CO (GREAT BRITAIN) LTD in CIE INDUSTRIELLE DES PILES ELECTRIQUES. It has since been brought to our notice that this move has not in fact taken place: we request subscribers to delete the item from their records, and we apologise for any misunderstanding or embarrassment that the report may have caused.

INDEX OF MAIN COMPANIES NAMED

Ado	T	Chemical Bank New York Trust	L
Air Products & Chemicals.	C	Cincinnati Shaper	F
Albert-Pharma	Q	Condado, Marmores Do	C
Alcoa	G	Continental Grain	N
d'Alsace & de Lorraine, Credit Industriel	I	Credit Vendome	K
Aluminio Espanol	I		
Amadis Verlag	R	Danone	O
Ameliorair	G	Deinze, Molens Van	N
Amylo Chemie	D	Delmasure & Fils	S
Aquis Securities	C	Deutsche Bank	L
Arenco	E	Dewaay, Corvriendt, Van	
Atlas Levante Linie	U	Campenhout	L
Aufhäuser, Bankhaus H.	K	Dillinger Stahlbau	F
		Donnelly Corp, Reuben H.	B
B.A.S.F.	Q	Dumont, Andre, Charbonnages	O
B.P.	P	Dun & Bradstreet	B
Babcock & Wilcox	H	Dupuy, R. C.	B
Banco di Napoli	J		
Banque Generale du Luxembourg	J	E.C.H.-Will	G
Baume-Marpent & Thirion	H	Earle, Eduardo K. L.	I
Bayerische Gemeindebank	K	Edilizia Laziale	U
Beerlingen, Charbonnages	O	Elf	P
Bel, Fromagerie	O	Ericsson	D
Bellaplast Heller	P	Esperance-Londoiz	O
Bellazzi, Mollificio	F	Eurocarpet	R
Benton International	T	Eurofinance	L
Benton & Bowles	B		
Berliner Handelsgesellschaft	L	Ferrer-Auran	D
Bimot	M		
Blanzey-Ouest	I	Generale des Parachutes	S
Boechoutsche Metaalfabrieken	H	Geostock	O
Brandt Zwieback-Biskuits	N	Gerdabel	O
Bremshey & Co	G	Gervais	O
Bruxelles, Grands Moulins	M	Grapillon	N
Buler, Montres	F		
		Hallet	K
C.F.P.	P	Hansen	T
C.F.R.	P	Hansen, Chr.	N
C.I.C.	I	Hatema	R
Came SA	K	Hoechst	Q, S
Canadian Nickel	O	Hollandse Blikmelk	N
Cartiere Burgo	Q	Holtzbrinck	R
Celanese	S	Huleviks Fabriker	Q
Centrindus	H	Hunter Douglas	G
Chaigne & Cie, Louis	I	Hy-Lo	E

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			X
Imisa	Q	Pauly, Theo	N
Intermills	Q	Pechiney	I
International Securities	J	Pont-a-Mousson	G
Interwache	Q	Prat-Daniel	G
Invemo	J		
Investors Capital Trust	J	Quandt	H
Irving Air Chute	S		
		Reader's Digest	R
Kali-Sainte-Therese	K	Richter, Adam	H
Karlsruhe, Industrie-Werke	H	Rivaud	K
Kellogg	M		
Kempense Steenkolenmijnen	O	Saga SA	K
Kidder, Peabody & Co	J	Sandviken Jernverks	F
Kienbaum Beratungen	V	Schenk	N
Klöckner-Humboldt-Deutz	H	Schering	Q
		Scholten-Honig, Koninklijke	D
Lambert pour l'Industrie	L	Schweppes	M
Lanquetot, Pierre	O	Senec	I
Leasco	K	Shell	P
Lindner NV	G	Sigespar	K
Littlewoods Mail Order Stores	T	Soag Machine Tools	G
Lloyd, Swedish	U	Spiegel Inc	T
Locorail	H	Stahlberg Verlag	R
Lücke & Lemmermann	L	Stemler, Ferd.	N
Lyonnaise des Eaux	G	Stihl, Andreas	I
		Strade Ferrate Meridionale	U
Magi-Bel	H	Studio Testa	B
Medaillon Mode	T	Suddeutsche Chemiefaser	S
Meunerie Bruxelloise	N	Suez, Financiere de	G
Mitsubishi	Q	Svenska Tandsticks	E
Mittel	V		
Montecatini-Edison	U	la Telemecanique Electrique	E
Mors, Ste d'Electricite	E	Tepijfabrieken, Kon Verenigde	S
		Thailand, Industrial Finance Corp of	L
N.D.S.M. Dok & Scheepsbouwmij	F	Thomsen's Verenigde Bedrijven	T
National Oil Refinery of South Africa	P	Thoren, Kneip & Cie	V
Natro Cellulosa	Q	Three Castles, Amsterdam	R
Nogel	E	Total	P
Norddeutsche Kreditbank	J	Trains de Roues du Centre	H
Numismatica	V	Transport Development Group	T
		Tunzini	G
Oetker, Rudolf A.	V		
Optimum Fund	I	U.S. Plywood Champion Paper	Q
Oronzio de Nora	D	Umex	O
		Unicon	F
Pancontinental Graphic Services	R	Union Miniere du Haut Katanga	O
Pascual-Pascual, Vicente	M		

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Y

Vereinigte Bausparkassen	J
Verson Allsteel Press	G
Vinke & Co	U
W.A. Publications	R
Wegener's Couranten Concern	R
Wendt, Hermann	D
Wicander & Co	G
Wulf, H; Ado Gardinenwerk	T
Wundermann, Ricotto & Kline	B
Ybarra	U
Yuka Badische Co	Q
Zolder & Houthalen	O

