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# Opera Mundi **EUROPE**

A WEEKLY REPORT ON THE ECONOMY OF THE COMMON MARKET

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July 14, 1966

No. 365

## VIEWPOINT

THE GROWTH OF EAST-WEST TRADE:  
PROBLEMS AND SOLUTIONS Part II

By Mr. Vladimir Velebit,  
Executive Secretary of the United Nations Economic Commission  
for Europe, Geneva.

The year 1954 was a turning point for the ECE and the Committee on the Development of Trade became an instrument utilized by governments for certain selected problems which they believed could be handled in a multilateral framework. The importance of the ECE's efforts, should not be overstressed and undoubtedly the major credit for the dramatic increase in East-West trade which has occurred since 1954 is mainly due to the day-to-day negotiations on a bilateral inter-governmental level or, even more important, on a level between buyers and sellers. The ECE Committee is simply a supplementary instrument which, however, has a certain importance in providing the stimulus to improvements in basic trading conditions.

The work of the Committee on the Development of Trade may be summarized under three headings: first, its function as a means of reviewing trade developments and assessing prospects with the aid of the research work done by the Secretariat; second, its function as a medium for multilateral consideration of ways of improving certain basic facilities for trade such as fairs, arbitration, payments mechanisms, simplification and standardization of trade documents; and, three, its function as an instrument for consideration and eventual solution of issues of trade policy which are of general concern.

The annual review of developments in East-West trade which takes place in the Committee provides a useful opportunity for governments to get a comprehensive picture of current trends and provides them with the means of disclosing possibilities for future trade. Annual reviews take place not only in the Trade Committee but also in some of the Committees dealing with the main economic sectors: coal, steel, agriculture, timber and transport. These reviews are aided by the analyses and statistical data provided by the ECE's Research and Planning Division, and it can reasonably be said that the studies, particularly of East-West trade, which now are published annually in the ECE's "Economic Bulletin" have a good reputation in scholarly circles. Indeed, the ECE may claim some credit for having stimulated an increase in the flow of trade statistics from countries which had not been publishing full information.

The second main sector of ECE's activity in the field of trade is the promotion of improved trade facilities. The ECE has continued the practice of organizing bilateral inter-governmental trade promotion talks at the annual Committee sessions - the so-called Trade Consultations. It is also responsible for the European Convention and optional rules on arbitration, the ECE standard forms for contracts and general conditions of sale covering such products as timber, engineering equipment, citrus fruits, potatoes, cereals, and so forth, an easing of governmental regulations concerning

international fairs, ECE procedures for the transfer of balances held on bilateral clearing accounts by central banks, the ECE recommendations on freedom of re-insurance operations and, finally, the standardization of perishable foodstuffs, as well as the improved facilities for the movement of goods across frontiers on the basis of the removal of transport and customs formalities. These are, concrete accomplishments of a practical nature which help ECE governments and businessmen in ECE countries to conduct East-West trade and, indeed, intra-European trade, on a more rational basis.

Work is under way to standardize and simplify trade documents. This is the result of an initiative taken by the Nordic countries which brought this problem to the attention of the ECE Committee in 1960. Through cooperation between Eastern and Western countries we have now drafted a basic ECE framework document which is widely accepted in trading and shipping circles and is bringing about substantial savings to firms carrying on commercial operations. But while this work is of particular great importance for East-West trade, it is not only or even primarily designed for this purpose: such work done in the ECE is also a contribution to trade between Western countries themselves, between Eastern countries themselves, and also between European countries and those in other regions.

Similarly, the agreement reached on procedures for arbitrating commercial disputes in cases where the parties cannot agree on the place and authority for an arbitration, while primarily useful in East-West trade relations, may also serve broader purposes.

The ECE standard contracts, which may be used if the parties so wish, provide a means of reconciling in advance the interests of buyers and sellers in an equitable manner. They provide a means of avoiding litigation by spelling out in detail the intent of the parties on such questions as non-performance, "force majeure", and others. They also serve to avoid conflicts of law between different national systems.

The third and perhaps most important, though maybe most frustrating, aspect of the work in the ECE is the effort to arrange general agreement on policy issues arising in East-West trade: that is, to settle existing conflicts of principle which hamper East-West trade. The basic problem boils down to the request of the eastern European countries to obtain most-favoured-nation treatment from the Western countries, and, particularly, the removal of discriminatory trade restrictions imposed by the western governments, while at the same time most of the western governments insist on their right to apply a special treatment to their trade with eastern countries because of differences in the economic and social systems. The first contribution of the ECE toward settlement of this issue was the understanding reached in 1954 that there was no point in discussing the strategic embargo policies. There was attained in ECE a kind of "gentleman's understanding" to avoid the discussion of export control. The second contribution was the expert fact-finding meeting organized in 1959 to consider the methods used in foreign trade in ECE countries. That meeting led to the establishment in 1963 of an Ad hoc Group of seven experts appointed to study a number of major policy issues in an effort to prepare recommendations for the removal of trade obstacles. This Group has held,

two sessions at which it succeeded in arranging on the expert level at least a certain practical consensus on such questions as the most-favoured-nation clause, effective reciprocity, price policies and the multilateralization of trade and payments. The main value of the work in this Group is that it has tended to set aside legalistic and dogmatic arguments put forward on both sides and has suggested that the solution of these issues should be sought in a realistic, practical way. Thus, the Group has squarely faced the problem of the relationship between most-favoured-nation clauses in bilateral agreements and the creation of groupings like the European Economic Community and the European Free Trade Association. Its consensus on this point could be used as a basis for some practical arrangements between the governments concerned in order to overcome their doctrinal differences on this major issue of trade policy. Unfortunately, the Committee and the Commission itself have been unable, on a political level, to agree on specific recommendations for the removal of the trade policy obstacles which have been identified. The ECE has held two rather frustrating meetings in the past year at which deadlocks have developed between East and West on this question. While both sides now seem to be willing to accept the idea of drawing up recommendations in the framework of the ECE, the main problem seems to be the most-favoured-nation issue, which remains unsolved at the inter-governmental level, although it has been sorted out at the expert level in the ad hoc Group. This is the main unfinished business for the ECE in the field of trade policy, but not all hope is lost, because new efforts to find a solution might be made at or before the Committee's session next October.

Finally, we come to the relationship between the work of ECE and the work of the new United Nations Conference on Trade and Development. This new organization, set up by the United Nations, includes in its mandate East-West trade, as well as trade between developed and developing countries. It is quite clear that the ECE is regarded by most governments as a proven and useful instrument for the trade cooperation in respect of countries in this region having different economic and social systems. The fact that UNCTAD will review the ECE's work and place it in a wider framework of world trade as a whole is to be welcomed. The creation of UNCTAD should eventually have, although it has not yet had, a stimulating effect on ECE's work, and it should eventually lead to quicker results than have been achieved in the past. Acting on the basis of a request made to it by the Economic and Social Council, the ECE has now undertaken a special review of its entire work programme in order to give higher priority to work which may help in the realization of the UNCTAD programme. In a sense, the impact of the ECE's work is likely to be geographically amplified through its association with UNCTAD. The ECE Research and Planning Division intends to devote a major share of its resources in the next few years to basic studies of changes in demand in European countries for products of interest for intra-European trade and for trade between European countries and those in other regions. Although the ECE has never been used by governments as a place for intensive discussions of inter-regional trade and is not likely to be so used in the near future, nevertheless through UNCTAD, the ECE is likely to contribute in an effective way to the development of trade on a world-wide scale.

THE WEEK IN THE COMMUNITY  
July 4 - July 10, 1966  
From Our Correspondents in Brussels and Luxembourg

THE COMMON MARKET

A Promise of Real Solidarity

As the Six set off on the final sprint home of their marathon negotiations, the general impression in Brussels seems to be that they are going to reach an agreement which will really clinch the Luxembourg compromise (see No 357) and get the Community going in earnest once more. Talks have now reached a point where there is no longer any real clash on agriculture between France and any of her partners, but Italy is still at odds with Germany, which is backed by the Netherlands. On the other hand, we have good reason to suppose that the "Hallstein problem" is well on the way to being solved, in that some compromise may now be acceptable. This should be confirmed on July 21, when General de Gaulle and Chancellor Erhard meet.

Progress of the Agricultural Negotiations

There is still a very large number of incredibly complicated technical problems to be sorted out. The Agricultural Ministers, for a start, are themselves sceptical about their chances of getting very far in their talks on July 13 and 14, and they have already planned a meeting for July 18, with no time limit set, at which the Foreign Ministers will join them on July 22. The only interruption to this meeting will be a short one, when on the morning of July 21, a Belgian national holiday, the Government representatives will be called away to perform their official duties. This is more likely to turn out to be a hard bargaining session than a smoothly-run debate.

Despite the pitfalls, however, there are now only two major obstacles for the Six to tackle: and one of these - sugar - already looks as though it will be removed. The answer, probably, will be a makeshift scheme giving some satisfaction to Belgium (by increasing its guaranteed Community quota), while allowing the Germans and Italians increased prices through a "regionalisation" scheme. Unfortunately, things have not gone so well with the solving of the other big problem, which is fruit and vegetables, and which brings very different concepts into dispute. The pattern is that Italy is trying to secure support for the Community on the largest possible scale, either inside the Common Market or outside it: she is, in a way, demanding that something like the "Mansholt Plan" for cereals should be applied for fruit and vegetables. The other side to the coin is that Germany and the Netherlands are not scrupling to undermine the most basic tenets of the common agricultural policy by proposing that FEOGA should in fact pay out lump sum contributions to the Six member-countries, which they in their turn would distribute amongst their producers as they saw fit. This would, of course, cost a lot less than the Italian method, but it is so far divorced from the "European way" that Dr Mansholt has already made it abundantly clear that he would not begin to consider it.

Bonn and The Hague, however, are holding out: this was why the Italian representative thought it would be a wise move to extend the debate at the last meeting of the Agricultural Ministers. Signor Restivo's whole idea was to gain time (the Council's plenary session on July 5 was cancelled because of Signor Fanfani's indisposition), so that the negotiations from now on will range over far more than just agriculture, and cover the whole "package" of points at issue. Since the overall compromise must cover the Community's offers to GATT on produce other than cereals, the Italians quite rightly believe that their German and Dutch opponents, in their desire to make a go of the Kennedy Round, will prove more amenable about fruit and vegetables.

The time so gained in fact enabled the Commission to play its time-honoured role, and intervene at the last minute as an honest broker. Professor Hallstein and his colleagues last week got down to drafting the long-awaited final trading conditions. They should complete this work by the evening of July 12, after intensive consultation with the national governments of the Six, and particularly with the Italian authorities. But if there is opposition from Germany and the Netherlands, there is still more pressure being exerted by Italy. On June 28 Signor Restivo made it very clear to her partners that all the provisions of the May II compromise were equally valid, and should command equal respect: failing this, the general balance upon which the whole agreement was based would be completely upset. In other words, the least deviation from it would destroy the meaning of the compromise, at least for Italy. Restivo was all the more terse about this because he had a somewhat fractious national parliament on his neck, and because the adjusted FEOGA bill for financing cereals had revealed that the charges levied on Italy, already relatively high, would be increased.

This does not mean that all Rome's claims for fruit and vegetables can be met. Although they are pleased to be able to negotiate without being bothered by their financial colleagues, most of the Agricultural Ministers are now becoming aware of what an unbearable burden a too-well-supported common agricultural market would be to Europe. One delegation was even seen to ask its partners in so many words to turn down its official requests. Such a move will not even be necessary to persuade some of Italy's counterparts to resist some of her demands, especially on export rebates for fruit and vegetables. Restivo and Fanfani have still, however, to be persuaded to lower their claims, rather than risk a last-minute clash, and the Commission has set about doing so, while putting the finishing touches to its "package deal".

#### The "Red Carpet" Affair

During the discussions on the agricultural question, the French representative, M. Edgar Faure, was in a conciliatory mood. Paris has just shown itself to be in a similar frame of mind in "the red carpet" affair, although the latter is much more of a political question. To recall the problem briefly: at Luxembourg the Six had agreed to ask the Commission to act in accordance with a "good conduct code"; one of the points of this dealt with the protocol concerning the handing-over of letters of credence by foreign ambassadors to the president of the Commission. The French Government thought that the solemnity surrounding this was excessive, but it had agreed that this question, like the others, would not be negotiated with the EEC, but with the future single Commission, as M. Couve de Murville did not want to deal with Professor Hallstein.

Unfortunately, for reasons which are well-known, the merger of the executives has been delayed, and this soon gave rise to a dilemma: either the Commission would continue to receive ambassadors as before (by itself and with the traditional ceremony) thus flouting the Luxembourg agreement or ambassadors would start queuing up in the EEC's antechamber, and the Six would find themselves looking rather silly (when the matter was finally settled there were fifteen mission heads waiting). To solve the problem, negotiations would have to be made with Hallstein, and this is what was finally decided on. From the procedural point of view it was a concession to the Commission, which did not forget to point out that the matter had been solved within the scope of Article 162, in other words by formal consultation, foreseen in the Treaty, between the Commission and the Council. In exchange, Hallstein and his colleagues have accepted that this solution is only temporary, and the final one will have to be made with the single Commission.

The Ministers tried to tackle the problem at the roots by suggesting first of all that the ambassadors should present their credentials both to the Commission and the Council of Ministers, thus avoiding any procedural difficulties. However the Commission refused to accept such a simple answer and it appears that the foreign representatives objected as well. Finally they agreed that in addition to this procedure of "delivery by hand", the foreign representatives would also be officially received by the presidents of the Commission and the Council when assuming office. And since accreditation is legally affected on handing over credentials, the reception only has a social significance and could be as formal as everyone wished without violating any essential principles.

In addition to the ingenuity of the solution, a generally striking factor was that both sides (that is to say both the French and Prof. Hallstein) demonstrated the goodwill required to settle an irritating problem. Commentators have deduced from this that relations between the parties concerned have improved and that a solution to the question of the structure of the single Commission and the merger of the executives is probably in sight. There are other indications to confirm this opinion. It is worth noting that the Germans are no longer trying to slip the "Hallstein problem" into the package-deal and that some compromise suggestions giving Professor Hallstein the first presidential mandate for a limited period only in the single Commission have been recently making some headway. This mandate could be for one or two years. In the second case, by a happy coincidence, Hallstein would be asked to stay at the Community helm until the introduction of free circulation of industrial goods on July 1, 1968. Informed opinion has it that General de Gaulle might make a gesture of this kind on July 21 in Bonn on the eve of the final lap of the Six's marathon.

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### A Common Fishery Policy

The EEC Commission has just drafted a directive for a common fishery policy. These are based on a detailed analysis of this special sector of production and it is clear that fishing within the Community has remained static compared with the growth taking place in the rest of the world. Between 1961 and 1965, world production went up from 31 million to 50 million tons, mainly due to the efforts made by Peru, Japan, Eastern Europe and the

developing countries, but production in the Community remained around 2 million tons. Taken as a whole, this is satisfactory, covering as it does 85% of the EEC's needs, but for certain products the average falls well below this figure (70% for herrings, 40% for tuna). This meant that in 1963 the Community had net imports of 433,000 tons, costing \$ 195 million, and the Netherlands was the only member-State of the EEC to record net exports in its external trade.

The lack of growth can be partly explained by the over-fishing of the traditional areas, and the extension of fishery zones reserved for their own nationals by non-Community states. These two facts have forced the fishermen of the EEC to find new fishery zones further away from their home ports. There has been a move, especially in the German fishery fleets, from the north-east Atlantic to the north-west. Such moves, because of the technical changes which they necessitate, required heavy investments, which have not yet paid for themselves. The overall picture is that the fishing industries of the Community are in a difficult position, and this warrants the introduction of a common policy.

This policy is based on structural changes. The Commission aims at achieving equal access rights to Community fishing zones for all fisherman who are EEC nationals. It also lays down principles governing the exploitation of the high seas resources, as the present methods have been criticised by one of the Community's spokesmen as "wasteful and even anarchic". But nobody is shutting their eyes to the difficulties involved in radically reforming certain methods now in use.

The policy of reforming the industry's structures, according to the Commission's wishes, should be extended to include the development of various investments (such as cold storage units) and its main aim is to strengthen the competitiveness of the Community's fishery industry in the world markets. The marketing policy will aim at allowing freedom to land catches throughout the EEC, as well as their movement afterwards, though at the same time regulating a sector which is more sensitive to fluctuations in economic growth than other sectors. This policy is based on the harmonisation of national support schemes, the introduction of common grading systems to ensure quality, and intervention measures based on the "withdrawal price" system. These prices could vary from country to country, and take into account regional considerations, with a system of inter-community levies compensating for the differences, and doing away with the need for any other form of protection.

According to the Commission's experts, the common fishery policy, which will be complemented by harmonisation of the social aspects of the industry (which now vary considerably from one country to another) will not cost FEOGA a great deal. The market is already much more organised and better disciplined than in the other agricultural sectors, but it does seem that the proposals may well cause some clashes over the problem of national sovereignty.

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## An Effective Economic and Social Committee

The new president of the Economic and Social Committee of the European Communities, M. Major, has remarked on the extent of the problems confronting it during the next few months, and the meagreness of its resources to overcome them. The Committee has a small budget and the least possible number of staff, and this at a time when it must give answers to an increasing number of problems. At the moment it is trying to deal with some 31 cases.

If the Economic and Social Committee has a useful role to play, it should be guaranteed the means of expressing its opinion, and ensuring that it can do this before it is too late. M. Major, for a number of reasons, believes that the role of the Committee is of a special importance:

- 1) The members are experts, who study the problems they are given, from a realistic point of view. The quality of their analyses is shown by the use the political institutions make of their remarks.
- 2) The Committee helps to spread the "European Idea", as it does not consider the problems from the standpoint of any particular state, but from the angle of the social groups involved.
- 3) The Committee is the "European" equivalent of the economic and social assemblies, set up in the majority of member countries, to take into account the interests of the private sector, as well as ensuring that democracy is a reality. If the Europe of tomorrow is to have an effective democratic basis, then side by side with a Parliament with real political power, there must be a body capable of expressing Europe's economic and social needs.

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## New Loans by the EIB

The European Investment Bank has issued two new loans, with a total value equivalent to \$ 65 million, on the French and Italian capital markets. The Italian loan (Lire 15,000 million, at 6% for 20 years) was underwritten on the same day as it was offered. The loan issued in France is worth some Ff 200 million, and is for a 15 year period at  $6\frac{1}{4}\%$

As a result of these moves, the consolidated debt of the EIB is now \$ 305 million, with loans, which are firmly guaranteed, amounting to some \$ 540 million, and the member-States still have another \$ 750 million to give it under the terms of the Treaty. It has, therefore, an extremely healthy financial position, which probably explains the attractiveness of its borrowings.

## ECSC

## European Steel in the 1970's

Luxembourg: In 1970, internal demand for steel products will have increased from 59 million tons of crude steel equivalent in 1960 and 72 million tons in 1965, to 86 million tons. Five years later these requirements could be as high as 100 million tons. These figures come to light in the High Authority's General Objectives for the years 1970-1975, which have just been submitted, in accordance with the Treaty regulations, to the ECSC Consultative Committee and the European Parliament.

The increase in the Community's internal steel requirements between 1960 and 1970 is somewhere between 43% and 47%, indicating an average annual increase in steel needs of around 3.6% and 4%. During the first five years of this decade, the internal steel requirements of the Community went up by 23%, an annual average of 4.3%, and considerably higher than the forecast rate for the 1960-1970 period. It is thought that there will be a slowing down in growth for the five years between 1965-1970 leading to an annual average of between 3.1% and 3.8%.

These overall figures hide noticeable variations in growth of the various types of steel products. In every country there has been considerable growth in flat products, to the detriment of long products, ingots and other semi-finished products. The biggest increase in flat products occurs in finished steel coils and thin sheet-steel. The slight drop in the use of strip-steel is due to a stronger than average growth in the manufacturing sectors using sheet-steel, especially cars, electrical machinery and metal packaging. The growth in steel coils is largely due to technical developments which have led to their greater use in certain sectors compared with other forms of flat products.

For long products, there is an increase in the use of light steel section over the period 1960-1970, rather than a decrease. This is a result of the attempts being made to substitute light steel sections for heavy steel sections. Experts believe there will be a falling off in the Community's internal consumption of special steels, because improved production techniques over the last few years have lessened the gap between fine and special steels on the one hand, and ordinary steels on the other. This is the case for carbon-steel and alloy steels, which are fighting ever stronger competition in certain sectors, from the greatly improved ordinary steels.

The future position of the Community's steel industry in the world market will depend on the way excess production capacity, occurring nearly everywhere, develops. In the atmosphere of bitter competition which this causes, the Community's exports and imports will continue to be affected by temporary factors and both could fluctuate considerably, as has happened in the last few years. But a net export figure of some 9 million tons of crude steel can safely be forecast, a similar figure to that recorded in 1962, but well below the 16.5 million tons achieved in 1965.

## Page

- D BUILDING & CIVIL ENGINEERING** France: Two German businessmen form ITALBAU, Paris (property sales and promotion). Luxembourg: PROPERTY & DEVELOPMENT CO INC, Panama forms Luxembourg company to take shares in European property companies. Netherlands: ENTREPOSE, Paris (pipe-laying) forms engineering subsidiary in The Hague. The Brussels group CIMENTERIES CBR and the Dutch CEMIJ form joint finance company in Amsterdam (building materials).
- E CHEMICALS** Austria: The German porcelain group ROSENTHAL forms Austrian sales subsidiary. Belgium: HOOKER CHEMICAL, New York will build resins plant at Genk. France: PIERRE-FITTE, PROGIL and PECHELBRONN to build joint phthalic anhydride factory. Italy: The first company formed under the ENI-EMS-MONTECATINI EDISON agreement is INDUSTRIA SALI FOSFORICI, Gela (phosphoric steel).
- F COSMETICS** France: PARFUMS ROBERT PIGUET, Paris (BUP group) forms HERBA FRANCE (production and sales of cosmetics etc). EUROSpray FRANCE will distribute aerosols for deodorants, insecticides etc in France.
- F ELECTRICAL ENGINEERING** Germany: The American PANDUIT CORP (cables) forms German manufacturing and sales subsidiary. Netherlands: CUTLER-HAMMES, USA (control equipment) takes over the similar Dutch firm VAN WIJK & VISSER.
- G ELECTRONICS** Britain: The Rotterdam group VAN RIETSCHOTEN (electronic apparatus etc) forms London computer and data processing firm. France: PARCO, Paris will distribute adding-machines in France for CANON CAMERA Tokyo. USA: VARIAN ASSOCIATES re-names former European sales companies of WILKENS INSTRUMENT which it took over.
- G ENGINEERING & METAL** Belgium: POUDRERIES REUNIES DE BELGIQUE, Brussels and the American ALBION MALLEABLE IRON CO form joint Brussels company to market the US company's techniques. The American INTERNATIONAL RECTIFIER CORP forms second Belgian subsidiary. France: PECHINEY and TREFIMETAUX start merger negotiations. Three German businessmen form GERICKE FRANCE, Strasbourg (imports and sales of portable typewriters). MICROFUSION, Paris now has SFAC as shareholder. INDUSTRIE ELECTRIQUE DE LA SEINE is taking over APPAREILLAGE ELECTRIQUE CHANDOS (circuit-breakers). LE NICKEL, Paris forms new companies in Italy, New Caledonia and the US under its agreement with KAISER ALUMINIUM, USA. LAROCHE

FRERES, Paris will sell plastic foam machinery for the German firm KARL HENNECKE. FRANCAISE BABCOCK & WILCOX, Paris buys 43% in METALINOX, Marseilles, (stainless steels, etc). Germany: The Austrian DOUBRAVA KG (plastics machinery) forms German sales subsidiary. SPRAYON PRODUCTS USA (aerosols) forms Munich sales subsidiary. The German engineering materials firm WILHAG will sell CHASESIDE ENGINEERING's hydraulic shovels in Germany. The Canadian textile machinery company HAMILTON COTTON forms Düsseldorf sales subsidiary. Italy: PRODEST SpA and WELLMAN ENGINEERING, London form joint Milan subsidiary (mining equipment sales etc). The Italian group ALBERTO BERTUZZI buys food machinery patents from the Swiss companies UNIPEKTIN, BUCKER-GUYER and LUWA. ASPERA FRIGO, Turin (petrol motors, domestic electric compressors etc) forms sales subsidiary at Belluno.

## L FINANCE

France: SEFFICO, Paris buys the banking business of L'IMMOBI-LIERE -CONSTRUCTIONS, Paris and becomes BANQUE DE LA CONSTRUCTION & DES TRAVAUX PUBLICS. BANQUE FRANCO-ALLEMANDE, Paris opens Strasbourg agency. Italy: The Palermo finance company SOFIS may be nationalised to promote economic development in Sicily. FINSARDA, Cagliari merges with SFIRS to finance Sardinian development. Luxembourg: BfG, Frankfurt forms Luxembourg investment and property company. CIE LAMBERT POUR L'INDUSTRIE ETC, Brussels forms SOFER HOLDING, Luxembourg with BANQUE EUROPEENNE DU LUX-EMBOURG. FINATOUR, Luxembourg (tourist development) acquires four new shareholders. Spain: STE GENERALE DE BELGIQUE and AMSTERDAM-ROTTERDAM BANK take minor share in the Madrid bank BANDESCO.

## N FOOD &amp; DRINK

Belgium: STE DES ALIMENTS MODERNES, Marseilles (potato-chips) backs new Belgian sales firm. France: CEREBOS, London buys 80% in the French grocery firm MUTHULAR. Germany: The Paris investment company CH. GERVAIS increases its interest in CH. GERVAIS, Munich (cheese). The London marketing company ARNHAM increases the capital of its Frankfurt subsidiary. Portugal: The Portuguese food firm FABRICAS TRIUNFO gets licences from MOTTA, Milan.

## O INSURANCE

Belgium: GRAHAM MILLER (UK) and GRAHAM MILLER (OVERSEAS) - insurance consultants - form Belgian subsidiary. Germany: WESTFALENBANK, Bochum forms insurance company.

## O OIL, GAS &amp; PETRO-CHEMICALS

France: AIR LIQUIDE and TECHNIP form joint subsidiary for technical processes for liquefying natural gases. MOBIL OIL takes 28% in ARAL, Bochum (filling-stations).

- P PAPER & PACKAGING Brussels: W.H. BRADY, Wisconsin (adhesive strips, display material etc) forms Brussels sales subsidiary.
- P PHARMA-CEUTICALS Belgium: The American NORWICH PHARMACAL CO forms Brussels sales, finance and manufacturing firm. Germany: The Zurich chemicals firm COMPRAPHARM forms German sales subsidiary. Netherlands: The SCHERING group of Berlin (pharmaceuticals, plastics etc) forms Hilversum sales subsidiary. SVENSKA PHILIPS Stockholm, and ASTRA, Sodertalje (pharmaceuticals) combine their weed- and pest-killer business through joint subsidiary directed by PHILIPS-DUPHAR, Amsterdam.
- R RUBBER Belgium: The American FIRESTONE TIRE forms Antwerp sales subsidiary. The Canadian POLYMER CORP (synthetic rubber) forms Milan subsidiary.
- R TEXTILES Belgium: PROUVOST, Roubaix acquires 14.4% in WEST-BROOK, LANOLIN, Verviers in payment of debts. France: ROESSLER, Allgau, Germany gives French agency for its hosiery to ERGEE INTERNATIONAL, Paris.
- S TOBACCO Germany: TAMAG BASEL, Basle forms German subsidiary for developing tobacco techniques.
- S TRADE Germany: The head of several German market research firms buys 51% in EMNID INSTITUT, Bielefeld.
- T TRANSPORT Netherlands: ASSOCIATED FERRY TRANSPORT, Hull forms Rotterdam subsidiary. UNION INDUSTRIELLE & MARITIME, Paris forms Rotterdam shipping subsidiary.
- T VARIOUS Belgium: INSTALLATION EFFICIENCY ENGINEERING, Rotterdam (consultants) forms second Belgian subsidiary. VAN MOPPES, London (industrial diamonds) forms Belgian subsidiary. Germany: The American scientific and hospital equipment firm CENCO INSTRUMENTS takes 75% in CLINOMOBIL HOSPITALWERK (fully-equipped hospitals and clinics).

BUILDING & CIVIL ENGINEERING
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\*\* ITALBAU, CONSTRUCTIONS IMMOBILIERES Sarl (capital Ff 10,000) has been formed in Paris, with interests of 49% each taken by two German citizens residing in Lairo, Varese, Herren L.G. Lux and K.P. Schumann. The new company will undertake agency and sales promotion work connected with the acquisition of both developed and undeveloped land and property in the holiday resort areas of Italy. Mr R. Hauss, of Haguenau, Bas-Rhin, is the manager of the new firm, although he does not have a personal financial interest.

\*\* The French firm laying underground pipes, pipe-lines, and gas-pipes, ENTREPOSE SA, Paris has set up an engineering subsidiary in the Hague called ENTREPOSE NEDERLAND NV (president M. Pierre Comby, capital Fl 500,000) for the same reasons as it set up a subsidiary a few months ago at Kitzbühel, Tyrol (see No 343).

Entrepose is owned 50% by VALLOUREC SA, Paris and 45% by LORRAINE-ESCAUT - which will merge with USINOR SA (see No 353) as from the last quarter of 1966 - and has had a Brussels branch for some months. It has laid feeder pipe-lines in the Netherlands in Noord Holland, in association with NV VERENIGDE NBM-BEDRIJVEN, Zaandam (see No 309) for NEDERLANDSCHE GAS UNIE NV, The Hague.

\*\* The Brussels group CIMENTERIES CBR (see No 364) has strengthened its links with the Dutch company CEMENT FABRIEK IJMUIDEN (CEMIJ) NV, Ijmuiden (see No 334) by backing the formation of a company in Amsterdam to finance trade, transport and the manufacture of building materials. This company, INDUSTRIELE DEELNEMING MIJ (IDEMA) NV has Fl 5 million capital, two-thirds owned by EERSTE NEDERLANDSE CEMENT INDUSTRIE (ENCI) NV, Maastricht (see No 281) and one-third by CEMIJ.

The Ijmuiden firm is 50% owned by the steel group KON NED HOOGOVENS & STAAL-FABRIEKEN NV, Ijmuiden (see No 364) and ENCI - which, controlled by Cimenteries CBR, is linked with the Swiss holding company HOLDERBANK FINANCIERE SA, Glarus (see No 346); ENCI and CEMIJ already have a joint subsidiary in Amsterdam, MEBIN-MIJ TOT EXPLOITATIE VAN BETONMORTELBEDRIJVEN IN NEDERLAND NV (see No 263) which has interests of its own in several concrete and building materials factories such as BETUWE BETON NV, Tiel (see No 171); LIMBURGS BETONMORTELBEDRIJF LIBETO NV, Sittard (see No 175); BARONIE-BETONMORTELFABRIEK NV, Breda (see No 263); BETONMORTELCENTRALE FLEVOLAND NV, Lelystad (see No 281); BETONMORTEL HOOGERK NV, Groningen (see No 302); BETONWARENFABRIEK URMOND NV, Urmond (see No 334), etc.

\*\* PROPERTY & DEVELOPMENT CO INC, Panama has formed PROPERTY & DEVELOPMENT HOLDING SA, Luxembourg (capital Sf 1.2 million; president Mr Dennis Hillman-Eady of London) to take up shareholdings in European property development companies. Messrs R. Carmes (director of BANQUE COMMERCIALE SA, Luxembourg) and R. Sebag-Montefiore of Lisbon are directors of the new company.

## CHEMICALS

\*\* The German porcelain group ROSENTHAL-PORZELLAN AG, Selb (see No 310) has strengthened its Austrian interests with the formation of an Austrian sales company PORZELLAN- & GLASWAREN VERTRIEBS GmbH (capital Sch 500,000) headed by Herren A. Kaltenthaler, G. Knoblich and W. Klitzke. Rosenthal already has a 75% interest in another Austrian sales company, ROSENTHAL PORZELLAN MUSTER- & ZENTRAL-LAGER GmbH, Salzburg.

A 25% affiliate of BAYERISCHE HYPOTHEKEN- & WECHSELBANK, Munich, Rosenthal's main subsidiary in West Germany is ROSENTHAL-ISOLATOREN GmbH, Selb which it shares jointly with the A.E.G. group. Its main foreign interests are ROSENTHAL-ORGANIZZAZIONE VENDITE Srl, Milan (wholly-owned), ROSENTHAL-PORZELLAN (BELGIE-NEDERLAND-LUXEMBOURG) NV, Amstelveen (wholly-owned), AG FUER KERAMISCHE UNTERNEHMUNGEN, Zurich (wholly-owned) ROSENTHAL CHINA (LONDON) LTD, London (51%). ROSENTHAL TECHNICAL COMPONENTS LTD Devon (see No 310) and EXPLOTACIONES CERAMICAS ESPANOLAS SA, Madrid (a 34% interest).

\*\* After forming a Brussels subsidiary under its own name (capital Bf 500,000, president M. Th. F. Willers, director Mr R.M. Smith) - see No 354 - HOOKER CHEMICAL CORP, New York has decided to build its first Common Market chemical resins plant at Genk. This plant will be operational around the middle of 1967 and will be producing mainly polyester resins for plastic materials and fireproof coatings and resins for the rubber, electrical, metallurgical and motor car industries.

\*\* The first of the concerns formed at Gela following the agreements between E.N.I. -ENTE NAZIONALE IDROCARBURI SpA, Rome, EMS-ENTE MINERARIO SICILIANO SpA, Palermo and MONTECATINI EDISON SpA, Milan has taken the name of INDUSTRIA SALI FOSFORICI I.S.A.F. SpA (see No 364). It will run a phosphoric steel factory in Sicily with an annual capacity of around 120,000 tons. Sig Gino Pagamo is president, the administrative headquarters are at San Donato Milanese, Milan, and it has an initial capital of Lire 1,000 million, nearly all of which has been supplied by ANIC GELA SpA, whose own capital will shortly be doubled to Lire 80,000 million, a subsidiary of E.N.I. S.A.F.'s capital will be increased in stages by its board to Lire 2,500 million, and ENI will have a 48% interest, with EMS and MONTECATINI EDISON each taking 25%.

\*\* Three French chemical groups have joined together to build an phthalic anhydride factory at Villers-St-Paul, Oise with an annual production capacity of 15,000 tons. It will be built by STE FRANCAISE DES TECHNIQUES LUMMUS Sarl (part of the COMBUSTION ENGINEERING INC, New York - see No 331).

The chemical groups are: 1) PIERREFITTE-STEGENERALE D'ENGRAIS & DE PRODUITS CHIMIQUES SA (see No 345), directly and through REICHHOLD-BECKACITE SA, Bezons (see No 337); 2) PROGIL SA (see No 364) - which is making available its methods-directly and through PLASTUGIL-PLASTIQUES ELASTOMERES UGINE-PROGIL SA (see No 349) its joint subsidiary with UGINE-KUHLMANN; 3) PECHELBRONN S.A.E.M. (see No 362), through ANTAR-PETROLES DE L'ATLANTIQUE SA (see No 340) and, 4) STE PETROCHIMIQUE DE L'ATLANTIQUE SA (see No 228).

COSMETICS
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\*\* LES PARFUMS ROBERT PIGUET SA, Paris (capital Ff 640,000) which is controlled 82.4% by BUP-BANQUE DE L'UNION PARISIENNE SA (see No 364), has set up HERBA FRANCE Sarl, Asnieres, Hauts-de-Seine (on the site of its manufacturing plant) in which it holds 90% direct of the capital of Ff 1 million in return for trade-marks and patents (estimated at Ff 2.7 million), stocks (Ff 1.15 million), etc. The new company (manager M. Paul Boniface) will be engaged in all activities relating to the production and sale of perfumery and cosmetics.

A Swiss group, headed by Herr Herbert Bauer of Olten, will later take a share in the new business with which it will establish technical and trade links. This group, which in the Swiss perfumery and toilet water trade consists of a manufacturing and sales company at Aarburg, Aarau: HERBA-HERBERT BAUER AG (capital Sf 500,000) and a holding company at Glarus: GRAVENA AG (capital Sf 50,000) - Herr Bauer is president of both - is also linked by agency agreements, mainly for Switzerland and Italy, with the German producer of eau de Cologne, cosmetics, perfumery etc, EAU DE COLOGNE & PARFUMERIE-FABRIK GLOCKEN-GASSE NO 4711 GEGENUEBER DER PFERDEPOST VON FERD. MUEHLENS, Cologne-Ehrenfeld which has a payroll of more than 1,300 and in 1965 had a turnover of DM 300 million.

\*\* EUROSpray FRANCE Sarl has been formed in Paris to distribute products used in atomiser sprays throughout France (such as hair lacquer, deodorants, spot-removers, insecticides etc), by a Cologne businessman, Herr H. Hering, who holds 95% of the Ff 20,000 capital, in association for 5% with M. W. Kraft of Montmorency, Val d'Oise.

ELECTRICAL ENGINEERING
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\*\* CUTLER-HAMMES INC, Milwaukee, Wisconsin (electrical control equipment) is about to establish itself in the Common Market, according to an agreement in principle signed in the Netherlands with NV ELECTRISCHE APPARATEN-FABRIEK v/h VAN WIJK & WISSER (see No 335) to buy up all the assets of the Dutch company.

Van Wijk & Visser makes control equipment (relays, contacts, circuit-breakers, thermostats, etc) and includes the Dutch TECHNISCH HANDELSBUREAU DANIEL NV, Amsterdam and ELECTRO-WATT NV, Hilversum and a recently-formed sales subsidiary in Anderlecht, Brussels. Its foreign sales network covers Germany, Switzerland, Italy, Portugal, Britain, Greece etc. The American group, apart from distributors, has previously not been directly represented in the Common Market. It has two licensees in the United Kingdom: NSF LTD and BROOKHIRST IGRANIC LTD and a distributor, KEMPSTON ELECTRICAL CO LTD, Bedford.



\*\* The American cable concern, PANDUIT CORP., Tinley Park, Illinois has extended its interests to West Germany with the formation of a manufacturing and sales subsidiary in Munich, PANDUIT GmbH (capital Dm 1 million) which will be managed by a Munich lawyer, Herr Manfred Bohlig.

ELECTRONICS
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\*\* The American electronics group VARIAN ASSOCIATES INC, Palo Alto, California, has renamed a number of the companies which handle the representation and distribution side of the European business of a firm which it took over recently. This was WILKENS INSTRUMENT & RESEARCH INC, Walnut Creek, California (scientific instruments, such as chromatographs - see No 344), which itself was renamed VARIAN AEROGRAPH CO. Of the European companies, AEROGRAPH HOLLAND NV, Amsterdam, has been renamed VARIAN AEROGRAPH HOLLAND NV, and WILKENS INSTRUMENT & RESEARCH AG, Easle, has taken the name VARIAN AEROGRAPH AG.

\*\* The Rotterdam group VAN RIETSCHOTEN & HOUWENS' NV (see No 279) which specialises in electro-technical apparatus, electronic, scientific and medical equipment, machine-tools for wood, pneumatic machinery, machines for working metal, and for engineering and general use, etc. has backed the formation of VAN RIETSCHOTEN & HOUWENS (U.K.) LTD, London (capital £5,000) to sell, set up and operate computers, electronic and electro-technical equipment for data-processing, including the formation of numerical calculating centres.

\*\* PARCO SA, Paris has signed an agreement with CANON CAMERA CO LTD, Tokyo (see No 186) - in which TOSHIBA-TOKYO SHIBURA ELECTRIC CO LTD, Kasawakishi and Tokyo, itself owned 7.5% by GENERAL ELECTRIC CO, New York (see No 251), has an interest of about 27% - for French distribution of the Canola 161 electronic office calculating-machines made by the Japanese firm.

Parco, which distributes office equipment (typewriters, photo-copying machines, calculating-machines, etc) mainly for R.C. ALLEN BUSINESS MACHINES INC, Grand Rapids, Michigan and ORIGINAL ODHNER A/B, Gothenburg, has assigned the drafting of the sales programme for the Japanese machine to the ITSM agency - INDUSTRIAL TECHNICAL SCIENTIFIC MARKETING, Paris (director M. M.N. Vigier) which belongs to the INTERPUBLIC GROUP OF COMPANIES INC, New York (see No 324).

ENGINEERING & METAL
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\*\* The Austrian firm DOUBRAVA KG, Attnang-Puchleim (which installs quantity determination and pre-processing machines for plastics) has formed a West German sales subsidiary, DOUBRAVA oHG, Haar, under the direction of Mmes H. & L. Doubrava, and Mr P. Jonik, of Vöcklabruck, Austria.

\*\* An agreement in principle has been signed between PECHINEY-CIE DE PRODUITS CHIMIQUES & ELECTROMETALLURGIQUES SA (see No 356) and TREFIMETAUX SA (see No 357) to start negotiations with a view to merging the two groups.

Trefimetaux is the largest non-ferrous metal firm in the Common Market and this side of its business represented 60% of its turnover of Ff 1,517 million. It is already closely linked with Pechiney; and recently it signed a long-term supply contract for 35,000 tons a year of aluminium metal with L'ALUMINIUM FRANCAIS, a joint (80-20) sales company of Pechiney and UGINE, now that it has decided not to build a bauxite processing factory in Surinam (see No 332) in conjunction with KAISER ALUMINIUM CORP, Oakland, California. In addition to an approximate 0.6% share in Pechiney's capital, Trefimetaux has interests in several firms which are directly or indirectly controlled by it or within its sphere of action including: 10% in ETS CHARLES COQUILLARD SA, Froges, Isere; 2.5% in RHENALU SA, Paris; 50% in COFALEX-COMPTOIR DE VENTE A L'EXPORTATION DE FEUILLES & BANDES MINCES EN ALUMINIUM Sarl, Paris (see No 323); 25% in STE CENTRALE DES ALLIAGES LEGERS SA, Paris; 38.2% in TREFILERIES DE PONT-A-BINSON SA, Pont-a-Binson, Marne; 15% in CIE GENERALE D'ELECTROLYSE DU PALAIS SA, Paris; 11% in STE NOUVELLE SPIDEM SA, Paris; and recently, a minority shareholding in STE METALLURGIQUE DE LA BONNEVILLE SA, Paris.

Trefimetaux was formed by the merger in 1962 of TREFILERIES & LAMINOIRS DU HAVRE SA and CIE FRANCAISE DES METAUX SA. It has a payroll of around 15,000 in its twenty factories throughout France and has gradually transferred its interests in steel wire and cables over to SA DES HAUTS FOURNEAUX DE LA CHIERS, Longwy-Bas, Meurthe-et-Moselle (linked with BRUFINA SA, Brussels - see No 363). Abroad, its main interests are in SA DES METAUX & TUBES D'ACIER, Geneva (75%), CIE MAROCAINE DE METAUX & D'ENTREPRISE, Casablanca (75%), CIE PORTUGAISE DU CUIVRE, Oporto (12.5%); ALAC SA, Buenos Aires (25%), etc.

Pechiney is a major European aluminium producer and in 1965 had a turnover of Ff 1,168 million (before tax). It has a payroll of about 7,000 in fifteen chemical and electro-metallurgical plants. Apart from its numerous French interests, the group has holdings in several foreign countries: Greece, Turkey, Australia, the Cameroons, Senegal, Argentina etc. In the United States, its New York holding company PECHINEY ENTERPRISES CORP (see No 318) has 49% in HOWMET CORP, Salt Lake City (formerly HOWE SOUND CO) and 25% in INTALCO ALUMINIUM CORP, Bellingham, Washington.

\*\* ASPERA FRIGO, SpA, Turin (see No 233) which is linked with the FIAT SpA group, has formed a manufacturing and sales subsidiary called ASPERA FRIGO EST SpA (capital Lire 1 million) at Belluno. Sig G. Sala is sole director.

Aspera Frigo makes small petrol motors, sealed compressors for domestic electric equipment and has a large foreign sales network including ASPERA FRANCE Sarl, Paris (formerly ASPERA MOTORS FRANCE Sarl, Lyons) and ASPERA MOTORS GmbH, Buderich bei Düsseldorf (formerly at Stuttgart).

\*\* INTERNATIONAL RECTIFIER CORP, El Secundo, California (see No 362) has formed a second Belgian subsidiary, XALOY SA, Brussels, following its decision to build a factory at Les Hauts Sarts, Liege to manufacture metal linings and cylinder jackets for engines and pumps. The new concern (initial capital Bf 1 million) is headed by Mr R.F. Hoffstetter, and it is a major interest of the group's subsidiary at El Secundo, INDUSTRIAL RESEARCH INC (acquired in 1961 from HONOLULU OIL CO).

In 1963, the American group, with its subsidiaries at Geneva and Oxted, Surrey, formed another in Brussels, INTERNATIONAL RECTIFIER EUROPE SA, in which METAL INDUSTRIES LTD, Glasgow acquired a 50% interest in 1965 (see No 312).

\*\* SPRAYON PRODUCTS INC, Bedford Heights, Ohio, a leading US manufacturer of aerosol containers, has formed a Munich sales subsidiary SPRAYON AERSOL GmbH (capital Dm 80,000) which will be run by Mr Andrew Wolff, New York, the vice-president of the American concern. In August 1963, the latter sold its European manufacturing and sales rights to the British firm NEWMAN KIMBERLEY ENTERPRISES LTD, a member of the GILT-SPUR INVESTMENTS LTD group of London.

\*\* Messrs H.L. and G. Gericke of Hirschlandey, Leonberg, share 75-15-10 the capital of the newly-formed Strasbourg company GERICKE FRANCE Sarl (capital Ff 30,000). The latter is managed by another German businessman, Herr K. Graf of Leinfelden, and it is to import and sell portable typewriters in France.

\*\* PRODEST SpA, headed by Sig. Renato Teani, already the Italian representative of WELLMAN ENGINEERING CORP LTD, London (see No 352) has strengthened its links with this group by forming a joint subsidiary, WELLMAN-PRODEST SpA, Milan (president Sig Renato Teani, and run by Dr V. del Vecchio). The new company will market all types of mining equipment, plant for the steel industry, and metal furnaces, as well as making under licence a wide range of Wellman's products. It will also promote sales of the Italian company's high pressure oil lubrication systems for rolling mills and paper mills.

Prodest, has had an electronics subsidiary, PRODEST ELECTRONICA SpA, Cinisello Balsamo headed by Sig. L. Bendi since April 1965. In 1964 it formed two Divisions to specialise its other activities; a "Mechanical Division" headed by Sig Ruggisienti at Caseina Bice di Arcore (previously at Monza), and an "Automatic Control Division" at Cinisello, headed by Sig. Piolini. Wellman reorganised its own group in 1965 (see No 318).

\*\* German sales of hydraulic shovels made by CHASESIDE ENGINEERING CO LTD, Blackburn and Hertford (BRITISH NORTHROP LTD, Blackburn) which have been handled since 1965 (see No 307) by CHASESIDE ENGINEERING GmbH, Neu-Isenburg (capital DM 50,000. director Mr Thomas A. Marshall of Blackburn) will now be taken over by the civil engineering materials makers WILHAG-WILHELM HAGENKAMP KG, Langendelf, Rhineland. The latter has lately considerably increased its interests in the country by taking 52.5% control of IBAG-INTERNATIONALE BAUMASCHINEN AG, Neustadt, Weinstrasse (see No 361).

\*\* MICROFUSION SA, Paris (capital Ff 4 million) now includes SFAC-STE DES FORGES & ATELIERS DU CREUSOT SA, Paris (see No 361) among its minority shareholders. SFAC is owned 52.1% by SCHNEIDER SA in return for the transfer of the latter's precision foundry Department (factory at Le Creusot).

Microfusion, which specialises in this field in its factories at Gennevilliers, Hauts-de-Seine and l'Horme, Loire was previously wholly-owned by MM RIVAUD & CIE Snc, Paris (see No 362) through MINES DE KALI STE THERESE SA (80%) and STE INDUSTRIELLE & FINANCIERE DE L'ARTOIS SA (20%). It will modernise the new plant and expand it on an industrial site also contributed by SFAC.

\*\* A licence agreement has been signed between the Italian group ALBERTO BERTUZZI SpA, Brugherio, Milan and the Swiss machinery manufacturers UNIPEKTIN AG, Eschenz, Thurgau, BUCHER-GUYER MASCHINENFABRIK AG, Niederweningen, Zurich and LUWA AG, Zurich (see No 289). The Italian concern has thus acquired their patents for the installation of complete processing machinery for fruit-juices, concentrates and fructose, dietary foods for children, and it will sell these on the Italian market, as well as exporting them.

The Bertuzzi group has long experience with machinery for the food industry and has world-wide interests. It has set up factories in Morocco, Spain, the U.S.S.R. and in Latin America; Mexico, Costa Rica, Guatemala, Argentina and Brazil.

\*\* L'INDUSTRIE ELECTRIQUE DE LA SEINE, Romainville, Seine-Saint-Denis has negotiated the take-over of APPAREILLAGE ELECTRIQUE CHANDOS SA, Meudon, Hauts-de-Seine. The latter (capital Ff 1,500,000) whose president is M. R. Constant, manufactures different types of circuit-breakers.

In 1965, Industrie Electrique carried out a similar move in connection with ETS BRESSON, FAILLE, MARCHAND SA, Montreuil (see No 326), which led to its capital being increased from Ff 3 million to Ff 8.6 million. It specializes in the production of circuit-breakers, current controllers, high sensitivity differential relays and signalling equipment etc... It recently made a cooperation agreement (for manufacture of branch-circuit switches for the EDF-Electricite de France) with STE FRANCAISE GARDY SA, Paris (see No 326) belonging to the Swiss group S.A. DES CABLERIES & TREFILERIES DE COSSONAY, Cossonay, Vaud, through S.A.P.A.G. -S.A. DE PARTICIPATIONS APPAREILLAGES GARDY SA, Neuchatel.

\*\* ALBION MALLEABLE IRON CO, Albion and Hilldale, Michigan which makes special castings for automobiles, railways and munitions, has signed a 50-50 agreement with POUDRERIES REUNIES DE BELGIQUE SA, Brussels (see No 362) to introduce and market its malleable perlite casting techniques in Europe. They have formed a joint subsidiary in Brussels: ALMET SA (president M. A. Diels and vice-president Mr Collins L. Carter).

The Belgian partner is a member of the STE GENERALE DE BELGIQUE group and is one of the largest military arsenals in the Common Market. It will use the American company's know-how in its METALLURGIA Division (see No 304) at Malines which has one of the most modern steel-pressing and forging works for munitions in the Common Market.

July 14, 1966

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\*\* The Canadian manufacturer of textile machinery HAMILTON COTTON Co LTD, Hamilton, Ontario, has strengthened its interests in West Germany with the formation of a sales subsidiary at Düsseldorf, HAMILTON COTTON GmbH (capital DM 20,000) headed by Mr David Young of London. It already has two subsidiaries in West Germany, DREIS GmbH, Düsseldorf (formerly WASSERETTE COMBI GmbH) and MASCHINEN MIETE GmbH, Düsseldorf (40%, with another 10% through its subsidiary NORTH AMERICAN BUSINESS EQUIPMENT LTD, Hamilton). The remaining 50% in the latter is held by WOLFGANG SCHOELLER KG, Düsseldorf.

Since March 1963 the Canadian group has controlled STE FRANCO-CANADIENNE DE LOCATION SA (capital Ff 250,000). In Belgium it has a 25% interest in BENELOCA SA, Ixelles, Brussels (formerly BENELOC-CIE DE LOCATION DE MATERIEL SA), and shares an interest in TECHNAMATION-EUROPE SA, Uccle-Brussels with TECHNICAL ANIMATIONS INC, New York. In Britain it has a 75% interest in HAMILTON LEASING LTD, London. In Canada it has factories at Hamilton, Marysville, New Brunswick and Ajax, Ontario and its main subsidiaries are TRENT COTTON CO and P.B. YATES (WESTERN LTD), both of which manufacture textile goods.

\*\* Under its industrial and financial agreements with KAISER ALUMINIUM & CHEMICAL CORP, Oakland, California to increase the output of its nickel factories in New Caledonia to 65,000 tons (see No 322) the LE NICKEL SA group of Paris (see No 328) has formed three companies in Italy, New Caledonia and the United States. The first, at Cagliari, Sardinia will run a refining plant for converting ferrous-nickel minerals from New Caledonia into nickel plate. The two others will produce and sell ferrous-nickel in North America in equal association with the American group.

Le Nickel has refining plants at Le Havre and in Greece (through its minority shareholding since 1963 in LARCO-STE MINIERE & METALLURGIQUE DE LARYMNA SA - see No 195). Its main shareholders are STE MINIERE & METALLURGIQUE DE PENARROYA SA (ROTHSCHILD FRERES SA group), BANQUE DE L'INDOCHINE SA and METALLURGIE HOBOKEN SA, Brussels. It is associated with the Canadian group SHERITT GORDON MINES LTD, Toronto for semi-industrial research into processes for treating lateritic minerals: it owns one of the largest deposits of these in the world.

\*\* An exclusive sales promotion agreement has been signed between the German plastic-processing machinery firm MASCHINENFABRIK KARL HENNECKE, Birlinghoven, Siegburg and ETS LAROCHE FRERES SA, Paris, whereby the latter will distribute and handle polyurethane foam moulding-machines ("HZ" and "HK" brands made by Hennecke under licence from FARBENFABRIKEN BAYER AG).

Laroche Freres (president M. Andre Laroche) specialises in machinery for extruding, moulding, blowing, welding and processing plastic materials, and is the French agent in these fields for several foreign manufacturers: MASCHINENFABRIK JOHANN FISCHER, Lohmar, Cologne; PAPPENMEIER KG, Pivitsheide bei Detmold; SCHWALBACH KG, Hamburg; USINES JEAN GALLAI, Geneva; NETSTAL AG, Glarus, Switzerland; THERMOFORMING DI BOCCHI Sas, Milan, KLEER VU INDUSTRIES INC, New York, etc.

\*\* STE FRANCAISE DE CONSTRUCTION BABCOCK & WILCOX LTD, Paris (see No 359) - associated and linked with the London group BABCOCK & WILCOX LTD, London (see No 358) - has bought the 43% control held by STE DES CHANTIERS & ATELIERS DE PROVENCE SA, Marseilles (see No 346), which went into voluntary liquidation in February 1965, in METALINOX SA, Marseilles (capital Ff 3.5. million - see No 290). This company specialises in the treatment of stainless steels and hard light alloys of rare metals such as titanium or tantalum. The Paris firm will be associated in this venture with the groups TERRIN, INTRA BANK SA (through CHANTIERS NAVALS DE LA CIOTAT SA), S.I. NORD SA, RAFFINERIE MAURICE TOY-RIONT SA and BANQUE MARTIN-MAUREL SA (ROTHSCHILD FRERES SA group, through CREDIT PRIVE SA).

FINANCE
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\*\* The growth of German business in the region of Alsace has led the Paris bank BANQUE FRANCO-ALLEMANDE SA (see No 245) to open an agency in Strasbourg. A controlling interest of 52% in its Ff 5 million capital is held by LANDESBANK & GIROZENTRALE SAAR, Saarbrücken, which was its only shareholder in 1959, when it began. The remainder is held solely by German interests, which include DEUTSCHE GIROZENTRALE, Düsseldorf, and ten banks in other West German "lande".

\*\* As a result of its acquisition of the banking department of L'IMMOBILIERE - CONSTRUCTIONS DE PARIS SA (see No 359), SEFFICO-STE FRANCAISE DE FINANCEMENT, DE LA COPROPRIETE SA, Paris has become BANQUE DE LA CONSTRUCTION & DES TRAVAUX PUBLICS (capital increased from Ff 20 million to Ff 50 million). With M. Claude Alphanbery as president, it has an agency in Marseilles and nine regional offices.

\*\* BfG- BANK FUER GEMEINWIRTSCHAFT AG, Frankfurt (see No 363), has formed a Luxembourg investment and property company, INTERNATIONAL BUSINESS CORP. SA (capital \$ 20,000). A third has been supplied by one of its financial subsidiaries UNION TREUHAND GmbH, Frankfurt (see No 252) and another 50.2% has come from the founder M. Mishe Galli, Paris. The latter runs the new concern in connection with Herren A. Petri and Horst van Heukelum, directors of the Frankfurt bank.

\*\* CIE LAMBERT POUR L'INDUSTRIES & LA FINANCE SA, Brussels (formerly CIE D'OUTREMER SA - see No 357) has formed an investment company in Luxembourg called SOFER SA HOLDING (capital Lux F 1 million) in which it shares control with BANQUE EUROPEENNE DU LUXEMBOURG SA, on whose premises the new company is based, and with several of the group's companies in Brussels: SOGES SA, BUREAU D'ETUDES & DE GESTION-BEGES SA, INTEROCEAN SA and STE D'EXPANSION COMMERCIALE-SODEXCOM SA. MM Max Litvine of Ixelles-Brussels and Michael Kluge of New York - directors of TERRE TRANS EUROPE RAIL-ROUTE EXPRESS (BENELUX-ITALIA) SA, Brussels which was recently formed (see No 353) - and Count F. d'Oultremont, Wezembeek-Ophem form the first board of directors of the new holding company.

\*\* The Giunta Regionale Siciliana (the Sicilian Regional Executive) has submitted a plan to the Regional Assembly to turn the Palermo finance company SO, FI.S.-SOC. FINANZIARIA SICILIANA PER AZIONI into a State-owned concern called ENTE SICILIANA PER LA PROMOZIONE INDUSTRIALE-ESPI. The aims of the concern (acquiring shares in projects connected with economic development) will remain the same. The private shareholders (15.9% of Lire 31.8 million capital) in SO.FI.S., SOFID, AGIP, FIAT, MONTE-CATINI-EDISON, CIAS, and ITALMOBILIARE etc. would receive either shareholdings in the new ESPI, or in the companies it controls.

SO.FI.S. has taken part in the formation or development of some sixty firms, including WILLYS MEDITERRANEA SpA, Palermo, S.I.E.S. SpA, Trapani., SI.M.M. SpA, Palermo., BACINO DI CARENAGGIO SpA, Trapani., ETNA SpA, Catania., BACINI SICILIANI SpA., Palermo, SACOS SpA, Palermo., ELETTROMECCANICA MEDITERRANEA SpA, Belpasso., C.I.C.A.S. SpA, Pallavicino., MEDIL SpA, Palermo, IDROSUD SpA, Catana., BIOFERT SICILIA SpA, Palermo., CASA VINICOLA DUCA DI SALAPARUTA SpA, Casteldaccia, CALZIFICIO MEDITERRANEO-CA. MED SpA, Villafranca Tironna.

\*\* The Luxembourg holding company FINATOUR-CIE FINANCIERE POUR LES INDUSTRIES DU TOURISME SA (see No 360) formed nearly two years ago to finance and operate tourist development schemes (see No 360) by a group of European banks headed by BANQUE DE L'INDOCHINE SA, Paris and KLEINWORT BENSON LTD London, has just acquired four new shareholders as the result of a new capital issue (\$ 30,000), part of the authorised capital of \$ 4 million. These are POWER CORP. DEVELOPMENTS LTD, Calgary, Alberta, HENTSCH & CIE Snc (Zurich bankers) NAZIONALE SVILUPPO IMPRESE INDUSTRIALE SpA, Milan and STE INTERNATIONALE DE FINANCE SA, Zurich.

Power Corp Developments and Nazionale Sviluppo are represented on FINATOUR's board (president M. Leonard Hentsch) by Mr James A. Scott and M. Jacques Bemberg. At the beginning of the year about a dozen tourist concerns in Italy, Greece, Switzerland, France, the Caribbean and New Caledonia were linked with Finatour.

\*\* The merger planned a few months ago (see No 324) between FINSARDA-FINANZIARIA SARDA SpA, Cagliari and S.F.I.R.S.-STA FINANZIARIA INDUSTRIALE PER LA RINASCENTE DELLA SARDEGNA SpA, Cagliari, as a means of rationalising the financing of Sardinian development (see No 262) is about to take place. The first named concern (assets valued at Lire 105,000 million) will be merged with the second, whose capital will be increased to Lire 364,000 million.

Finsarda (president Sig G. Filigheddu) made a loss of Lire 140 million in 1965. It was formed in 1961 by IMI-ISTITUTO MOBILIARE ITALIANO SpA, by BANCA NAZIONALE DEL LAVORO SpA, and CREDITO INDUSTRIALE SARDO, who were later joined by BANCO DI SARDEGNA SpA, BANCA POPOLARE DI SASSARI and ISTITUTO SARDO PER L'ORGANIZZAZIONE DEL LAVORO ARTIGIANO-ISOLA. These public or semi-public concerns have more recently formed S.F.I.R.S. (capital issued Lire 191 million-authorised capital Lire 5,000 million).

\*\* STE GENERALE DE BANQUE SA, Brussels (formerly BANQUE DE LA SOCIETE GENERALE DE BELGIQUE SA - see No 325) and AMSTERDAM-ROTTERDAM BANK NV, Amsterdam (see No 354) have taken a minority share in the Spanish BANCO DEL DESSAR-ROLLO ECONOMICO-BANDESCO SA, Madrid (see No 364) in which the only Common Market associates, since its formation in August 1963 were: MM DE ROTHSCHILD FRERES SA, Paris, DEUTSCHE BANK AG, Frankfurt and BANCA COMMERCIALE ITALIANA SpA, Milan.

Bandesco (capital Pts 420 million, president the Marquis of Deleitosa) has BANCO ESPANOL DE CREDITO SA, Madrid with 45% of the starting capital (see No 187) and BANCO GUIPUZCQANO SA, San Sebastian as its main shareholders on the Spanish side. The following were also founder shareholders with 8.33% each: MORGAN GUARANTY INTERNATIONAL FINANCE CO (the MORGAN GUARANTY TRUST CO group of New York); BARCLAYS BANK LTD, London and SFI-STE FINANCIERE INTERNATIONALE (WORLD BANK group of Washington).

FOOD & DRINK
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\*\* The Paris investment company CH GERVAIS SA has increased its interest in the Munich cheese firm CH GERVAIS AG to over 65%: the latter is increasing its capital from DM 10 million to DM 15 million. The Gervais family holds a personal interest of about 25% in the cheese firm, which achieved a 1965 turnover of DM 164 million. It employs over 1,100 people, and has branches in Hamburg, Cologne and Dortmund.

In West Germany the French group (which heads the Paris concern FROMAGERIES CH GERVAIS SA - see No 354) has another subsidiary in Saarbrücken, FROMAGERIES CH GERVAIS GmbH, the capital of which was raised in September 1965 from DM 20,000 to DM 400,000.

\*\* Under a recent agreement, the Portuguese food products firm FABRICAS TRIUNFO Srl, Coimbra (with branches at Lisbon and Oporto) has received manufacturing licences from MOTTA SpA - SOC PER L'INDUSTRIA DOLCIARIA ALIMENTARE, Milan (see No 348).

\*\* The London marketing company E.W. ARNHEM LTD has improved the financial standing of its Frankfurt subsidiary FRANKFURTER TEE HANDELS GmbH, which imports and distributes tea, by raising its capital from DM 20,000 to DM 2.3 million.

\*\* Following the lead of FLODOR-FECULERIE DU RHIN SA (see No 324), another French potato-chip firm STE DES ALIMENTS MODERNES-SAMO SA, Marseilles (see No 348) has backed a sales firm in Belgium. Called SAMO NV, Izegem (capital Bf 2 million), this company will have as president M. Jean Jaufret of Marseilles and as director M. G.R. Vandemoortele who represents the associated Belgian group (50%). The latter includes OLIE-FABRIEKEN VANDEMOORTELE NV, Izegem and its Belgian subsidiaries, SAFINCO NV and MEKAKIEK- & TRANSPORTMIDDELEN-METRO NV, both at Izegem and a Dutch one, VANDEMOORTELE'S VOEDINGSBEDRIJF NV, Oudenbosch.

SAMO is controlled by UNIPOL-UNION DES INDUSTRIES DE PRODUITS OLEAGINEUX SA (see No 324) and has been owned 40% for almost two years by SMITHS POTATO CRISPS LTD, Brentford, Middlesex (see No 264). It has two large factories at Marseilles and Lille, Nord.



\*\* The CEREBOS LTD group of London (see No 359) is expanding its French investments through its holding company CEREBOS (OVERSEAS) LTD, Willesden (see No 304): it has acquired 80% control of the grocery and smoked ham firm MUTHULAR SA, Sauveterre de Bearn, Basses Pyrenees for £408,000. This company (capital Ff 1 million, president M. J. Recapet) is directed by M. Ph. Donne. It has a payroll of over 150 and a yearly turnover of more than Ff 20 million.

### INSURANCE

\*\* WESTFALENBANK AG, Bochum (see No 361) whose capital has recently been increased from DM 30 million to DM 35 million, has formed a reinsurance and transport-insurance company in Bochum, AG FUER TRANSPORT - & RUECKVERSICHERUNG IN BOCHUM (capital DM 5 million) with Herr Herbert Diel as managing director. Four associate companies are also involved in this move: FEUERSCHADENVERBAND RHEINISCH-WEST-FAELISCHER ZECHEN VERSICHERUNGSVEREIN, Bochum, SCHADENSCHUTZVERBAND, Bochum, HAFTPFLICHTVERBAND DER DEUTSCHEN INDUSTRIE VERSICHERUNGSVEREIN, Hanover and HAFTPELICHT-UNTERSTUETZUNGS-KASSE KRAFTFANRENDER BEAMTER DEUTSCHLAND, Coburg.

\*\* The British insurance consultants' group comprising GRAHAM MILLER & CO (UK) LTD and GRAHAM MILLER & CO (OVERSEAS) LTD has formed GRAHAM MILLER & CO (BELGIUM) SA at Woluwe-St-Pierre. The capital for this new firm has been put up by the chief shareholders in the parent company: Messrs W.G. Miller of Wisborough Green, Sussex; J.B. Guild of Beckenham, Kent; J. Sutherland of St Alban's, Herts; C.J. Riseam, Johannesburg etc. The Belgian firm is to act as a consultancy, supervise packing, conduct enquiries, make valuations and act as an intermediary in disputes.

### OIL, GAS & PETROCHEMICALS

\*\* L'AIR LIQUIDE SA, Paris (see No 359) and TECHNIP-CIE FRANCAISE D'ETUDES & DE CONSTRUCTIONS SA, Rueil-Malmaison, Hauts-de-Seine, have agreed to pool their know-how on processes for liquefying natural gas. A joint subsidiary will be formed called TEAL-STE DES PROCEDES L'AIR LIQUIDE & TECHNIP DE LIQUEFACTION DES GAZ NATURELS SA.

TECHNIP, whose engineering activities cover the oil, chemical and nuclear industries, has had a capital of Ff 5.2 million since May 1965. Its main shareholder is INSTITUT FRANCAIS DU PETROLE, Rueil-Malmaison, Hauts-de-Seine, which is joined by CFP-CIE FRANCAIS DES PETROLES SA (see No 362); SNPA-STE NATIONAL DES PETROLES D'AQUITAINE SA (see No 358); SEICHIME-STE D'EXPLOITATIONS & D'INTERETS CHIMIQUES & METALLURGIQUES SA; SOGERAP-STE DE GESTION DES PARTICIPATIONS DE LA REGIE AUTONOME DES PETROLES SA (see No 343); HUILES, GOUDRONS & DERIVES SA (see No 359), etc.

\*\* The shareholding of MOBIL OIL CO INC, New York (through MOBIL OIL AG IN DEUTSCHLAND, Hamburg) in the filling station concern ARAL AG, Bochum has now been fixed at 28% (as from January 1, 1967) and not 29% as initially agreed. The American group will thus have an interest equal to those held by GBAG-GELSENKIRCHENER BERGWERKS AG, Essen (see No 361) and BERGWERKES. HIBERNIA AG, Herne, (part of the VEBA - VEREINIGTE ELEKTTRIZITAETS- & BERGWERKS AG group, Berlin and Bonn - see No 350) and 15% will be held by WINTERSHALL AG, Celle (see No 350). Mobil and Gbag will each supply 29% of the needs of the 12,500 filling-stations belonging to the Aral network, and they have therefore bought up to-date their 1951 agreement (see No 343).

This means that Gbag will operate the Gelsenkirchen-Horst refinery (capacity 7 million tons p.a.) by itself, but will jointly operate the Neustadt refinery (under ERDOEL - RAFFINERIE NEUSTADT GmbH & CO KG) and the refinery being built at Wörth-Rhein (under the specially formed ERDOELRAFFINERIE WOERTH GmbH). The Bremen-Oslebshausen refinery (1.3 million tons p.a.) will remain the exclusive concern of the American group. Gbag is to increase its shareholding in the jointly - operated Libyan concessions to 35% thus enabling it to cover 55% of its needs from its own sources.

#### PAPER & PACKAGING

\*\* W.H. BRADY CO, Milwaukee, Wisconsin (adhesive strips and labels and plastic promotion and advertising material) has set up a sales subsidiary at St-Nicholas-Waas, Brussels, W.H. BRADY CO OF EUROPE NV (capital Bf 250,000). Control of the new company is shared with Brady's subsidiary WORLD MARK LEASING INC, Milwaukee, and several of the group's foreign companies: W.H. BRADY CO LTD, Ruislip, Middx (Mr F.H. Baker director); W.H. BRADY CO SA, Zurich, and W.H. BRADY CO OF CANADA LTD, Rexdale, Ontario.

The American group already has several agents in Europe handling its sales there, the main one being UNI-OFFICE GmbH in Düsseldorf.

#### PHARMACEUTICALS

\*\* The American pharmaceuticals group NORWICH PHARMACAL CO, Norwich, New York, which took over the Mijdrecht factory and laboratories of ORPHAHELL NV in 1960, has formed a sales, financial and manufacturing subsidiary in Brussels, NORWICH BENELUX SA (capital Bf 5 million). The American firm makes antiseptic products for human and veterinary use, patent medicines (sold without prescription) and chemical additives for food. Its main interests are in Canada, Mexico and Latin America: it has several licensees in Europe, and in particular SMITH KLINE & FRENCH LABORATORIES LTD, Welwyn Garden City, Hertfordshire.

\*\* The Zurich chemicals and pharmaceuticals concern COMPRAPHARM AG (capital Sf 50,000) has formed a sales subsidiary in West Germany, COMPRAPHARM-DEUTSCHLAND GmbH PHARMAZEUTISCHE & CHEMISCHE PRODUKTE (capital Dm 20,000) headed by Mme Koelliker-Zoll, Zollikon, Zurich and M.E. Hoentzsch, Waiblingen.

\*\* The SCHERING AG group of Berlin (see No 357) which makes pharmaceuticals, chemicals plastics, weed-killers, insecticides, etc has formed a sales subsidiary at Hilversum called SCHERING NEDERLAND NV. The new company is directed by Mr H.W.J. Milder and has a Ff 100,000 capital which is mainly controlled by one of the group's holding companies, DUCO AG, Bergkamen, Westphalia. The rest of the capital is owned by another investment subsidiary SCHERING-KAHLBAUM GmbH, Berlin.

The Berlin group (capital DM 135.86 million) had a turnover of DM 413 million in 1965 (10.8% from foreign income) with about 70% coming from pharmaceuticals alone. Of foreign sales in 1965, 19% went to the Six, 17% to EFTA, 21% to Asia and Australia and 31% to America (mainly Latin America). Its most recent Common Market operations were in Italy, where it formed SCHERING SpA, Milan (see No 318) and in France, where it bought the control held by Belgian interests in SPEGA SA and SOPARPLA-STE DE PARTICIPATION & DE PLACEMENTS MOBILIERES & IMMOBILIERES SA, Paris (see No 153) which together control SEPPS-STE D'EXPLOITATION DE PRODUITS PHARMACEUTIQUES SPECIALISES, Paris and Roubaix.

By gaining control of SOPARPLA and SPEGA the Schering group acquires an indirect 95% share in SEPPS, 49% in LABORATOIRES CRUET SA, Roubaix and full control of the Paris company STE INDUSTRIELLE DE PRODUITS MINERAUX-SINPROCHIM Sarl (see No 153).

\*\* SVENSKA A/B PHILIPS, Stockholm (see No 239), a wholly-owned subsidiary of NV PHILIPS' GLOEILAMPENFABRIEKEN, Eindhoven (see No 360) has signed an industrial and financial agreement with the Swedish pharmaceutical group ASTRA, APOTE KARNES KEMISKA FABRIKER A/B, Södertälje, to coordinate their pesticide and weed-killer businesses. They will form a joint subsidiary whose technical and research activities will be directed by a pharmaceutical subsidiary of the Dutch group: PHILIPS-DUPHAR NV, Amsterdam (see No 339).

Astra (president Karl A. Wegerfelt) manufactures, either directly or through specialised subsidiaries, a whole range of chemical, pharmaceutical, surgical, dietetic, anticorrosive and household products; these subsidiaries include, A/B HASSLE, Gothenburg; A/B DISTRA, Södertälje; A/B EWOS, Sodertalje; AXEL KISTNER A/B, Gothenburg; A/B TIXA, Umea; A/B TIKAMIN, Hassleholm; A/B WALLCO, Södertälje. Its Stockholm subsidiary IMECO FARMACEUTISKT KEMISKT A/B represents several foreign companies. The group is represented throughout the world by manufacturing or sales subsidiaries and general agents and distributors. In the Netherlands it controls the Dutch company ASTRA-BLOMBERG NV, Rijswijk, Zuid Holland; the German ASTRAPHARM GmbH (formerly in Hamburg) and PHARMA-STERN AG, Wedel, Holstein; ASTRA PRODOTTI FARMACEUTICI & CHIMICI SpA, Milan; and ASTRA-HEWLETT LTD (formerly C.J. HEWLETT & SON LTD), Dublin and Watford, Herts, etc.

RUBBER
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\*\* The American rubber firm FIRESTONE TIRE & RUBBER CO, Akron, Ohio (see No 364) has completed its Common Market sales network by forming NV FIRESTONE BELGIUM SA (capital Bf 15 million) at Antwerp. The new firm's president is M. P.J. de Larosiere de Champfeu, of Bethune, Pas-de-Calais, whilst it is directed by Mr W. Van der Heiden of Milan.

The American company controls the Milan firm SEIBERLING ITALIANA, and is further linked in Italy with the Bari group BREMA SpA (an association now some months old). In France, FIRESTONE FRANCE SA runs its largest manufacturing concern on Common Market soil at Essars-les-Bethune. This company (capital Ff 50.2 million) has been producing radial-ply tyres at a rate of 6,500 a day since 1964. Firestone's interests are world-wide, and include a large minority shareholding in PHOENIX-GUMMIWERKE AG, Hamburg-Harburg. In Britain, FIRESTONE TYRE & RUBBER CO LTD, Brentford, Middlesex, is the third largest tyre concern, covering about 13% of the market - and an investment programme now under way, costing £6 million, is to double its annual capacity.

\*\* POLYMER CORP LTD, Sarnia, Ontario (see No 334), the Canadian synthetic rubber group, has increased its stake in the Common Market by forming a subsidiary in Milan, which is at first to be dedicated solely to marketing, POLYSAR ITALIANA SpA. The new firm (capital Lire 10 million; president Sig Alberto R. Peretti) is mainly controlled by one of the group's subsidiaries in Amsterdam, POLYSAR NEDERLAND NV (formed in 1962), while the remaining capital is held by the Swiss subsidiary POLYSAR INTERNATIONAL SA, Fribourg.

The Canadian group has two butyl rubber factories in the EEC area, one at Zwijndrecht, Antwerp (37,000 tons a year), which is run by POLYSAR BELGIUM NV, and which went into production two years ago. The other is at La Wantzenau, Bas Rhin: it produces 17,000 tons a year, is expanding, and is run by POLYMER CORP SAF, the capital of which has just been increased to Ff 47 million.

TEXTILES
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\*\* ERGEE FEINSTRUMPFWERKE EDWIN E. ROESSLER oHG, Sonthofen, Allgäu (see No 249) has made ERGEE INTERNATIONAL Sarl, Paris (capital Ff 100,000) responsible for the distribution in France of its stockings and lingerie. The French concern is headed by M. Jaques Eisenberg of Paris.

The Germany company, owned by Herren Emil, Kurt and Werner Roessler, has a subsidiary in Germany - DEGGENDORFER TEXTILWERKE MICHAEL LOHS GmbH & CO KG, Deggendorf (formerly TEXTRA TEXTILWERKE GmbH, Schrems) and another in Switzerland MEDIA AG, Heiden, St Gallen.

\*\* PEIGNAGE AMEDEEE PROUVOST & CIE Sca, Roubaix (part of the FILATURES PROUVOST & CIE - LA LAINIERE DE ROUBAIX group - see No 350) has acquired in

payment for debts, a 14.4% shareholding in the Belgian concern WESTBROOK, LANOLIN Co SA, Verviers whose capital has been increased to Bf 5,600,000. Until now this concern (formerly CRODA BELGE SA, no connection with THE CRODA ORGANISATION LTD, Goole, Yorks) was controlled by WOOLCOMBERS LTD, Bradford (see No 263) and the Belgian companies ETS MOTTE & CIE SA, Mouscron (under French ownership - see No 293), SOLVENT BELGE, SA DE DEGRAISSAGE DE LAINES, Verviers (see No 346) and PELTZER & FILS SA, also of Verviers (see No 362).

The British group has two other subsidiaries in Belgium: two years ago it acquired the Verviers combing-plant of HAUZEUR-GERART FILS, and formed WOOLCOMBERS-HART SA to operate it. The latter company is jointly controlled with HART & CO, Verviers, a subsidiary of the Amsterdam group WOLMAATCHAPPIJ HART NV. Woolcombers also shares control of PEIGNAGE D'INSIVAL SA with BREMER WOLL-KAEMMEREI AG, Bremen-Blumenthal.

TOBACCO
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\*\* TAMAG BASEL AG, Basle (capital Sf 100,000) has formed TABAK TECHNIK GmbH in Wyhlen, West Germany to develop new tobacco-processing techniques. The new firm (capital DM 24,000) is under the management of three of the Swiss company's directors, Messrs Fritz Straub, Paul Buchmann and Laslo Egri (an Austrian). The first two are also on the managerial staff of the Basle chemicals and pharmaceuticals firm, SOLCO BASEL AG (capital Sf 750,000).

TRADE
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\*\* Herr Andreas Ketels, who heads a number of West German market research firms has acquired from Dr K.G. von Stackelberg his 51% interest in EMNID INSTITUT GmbH & CO KG, Bielefeld, where the balance is held by the financial adviser Herr H.H. Kebschull. Dr von Stackelberg remains owner of EMNID INTERNATIONAL KG, Bielefeld (soon to become STACKELBERG INTERNATIONAL) which manages his overseas interests in similar research concerns (mainly in Asia and Latin America).

The firms headed by Herr Ketels include IFAK-INSTITUT FUER AMSATZBERATUNG, Wiesbaden (formed in 1958), IFA-HANSA, Hamburg, and INPRO, Wiesbaden: he has a 50% interest in INTERMARKET, Düsseldorf as well as minority interests in the latter's Brussels and London branches. By this latest move, the Ketels group ensures that it will remain Germany's leading market research organisation (a turnover of more than DM 10 million p.a.). Other concerns in the same field are INFRATEST MARKTFORSCHUNG-WIRTSCHAFTFORSCHUNG MOTIVFORSCHUNG-SOZIALFORSCHUNG GmbH & CO KG, Munich (a 1965 turnover of around DM 7 million - see No 325) DIVO-INSTITUT FUER WIRTSCHAFTFORSCHUNG, SOZIALFORSCHUNG & ANGEWANDTE MATHEMATIK GmbH, Frankfurt (turnover of about DM 5 million - see No 322), GFK-GES. FUER KONSUMMARKT & ABSATZFORSCHUNG, Nuremberg (turnover of DM 4 million - see No 283) and GFM-GES FUER MARKTFORSCHUNG, Hamburg (turnover of DM 3 million).

TRANSPORT
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\*\* ASSOCIATED FERRY TRANSPORT LTD, Hull, directed by Mr James W. Cutting, has formed a subsidiary in Rotterdam: ASSOCIATED FERRY TRANSPORT (HOLLAND) NV (capital Fl 25,000) for all kinds of marine transport of goods and passengers. Mr Cutting is also director of this new company, in which Mr J.H. Drost of Rotterdam is the sole (minority) Dutch shareholder.

\*\* UNION INDUSTRIELLE & MARITIME SA, Paris has formed an almost wholly-owned Rotterdam shipping subsidiary EVORA NV (capital Fl 1 million). A token interest has been taken by the Rotterdam shipping concern WAMBERSIE & ZOON which will manage the new company. The founder (capital Fl 11,250,000) whose president is M.H. Cangardel, has another office in Marseilles and it is closely linked with UNION DES REMORQUEURS DE L' - OCEAN Sarl, Paris.

VARIOUS
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\*\* Under an agreement in principle signed in West Germany, CENCO INSTRUMENTS CORP, Chicago, Illinois (scientific instruments, hospital and laboratory equipment) will take a 75% interest in CLINOMOBIL HOSPITALWERK GmbH, Langenhagen-Hanover (specialises in fully-equipped hospitals and clinics). The American group formed a sales company CENCO-KLEES GmbH, Jülich, Rheinland (capital Dm 20,000) in October 1961. In January 1964, this became CENCO DEUTSCHLAND GmbH, Haan.

Cenco had a 1965 turn-over of \$ 51 million: its factories are in Chicago, and in California (Santa Clara and San Ramon). Its other European interests include SOILTEST INTERNATIONAL SA, Pully, Vaud (capital Sf 200,000) owned directly and through its wholly-owned subsidiary SOILTEST INC, Chicago, CENCO SA, Fribourg (capital Sf 400,000) itself a 51% shareholder in CENCO ITALIA SpA, Milan (where the balance is held by S.ING.S.E. AGOSTINO BELOTTI Srl, Milan). In the Netherlands it has an interest in CENCO INSTRUMENTEM MIJ. NV., Breda.

\*\* INSTALLATION EFFICIENCY ENGINEERING BEDRIJFS ORGANISATIE - BUREAU NV, Rotterdam (industrial efficiency and organisation consultants - see No 329) has formed its second Belgian subsidiary, INSTITUT VOOR EFFICIENCY & ORGANISATIE -INEFOR NV at Antwerp. The new concern (capital Bf 500,000) is managed by M.D. Tuytjeno and has M.P.H.M. van Gennip as president.

Since the end of 1961 the group has had a Brussels subsidiary INSTALLATION EFFICIENCY ENGINEERING NV, (see No 271). It has subsidiaries or branches in Roubaix, Düsseldorf, Barcelona, Lisbon, Berne, Vienna, Munich and London.

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U

\*\* L.M. VAN MOPPES & SONS LTD, London (industrial diamond dealers, diamond powder and diamond bits for drilling) has completed its sales network within the Common Market by forming a Belgian subsidiary, VAN MOPPES & SONS NV, Antwerp (capital Bf 10,000).

The British group, which has subsidiaries or affiliates in Sweden, Spain and Switzerland, is linked in Italy with DRILLING & SERVICE INC. of Dallas, Texas in DRILLING & SERVICE (ITALIA) SpA, Milan formed in 1960. It has another Italian interest in L.M. VAN MOPPES & SONS, Fino Mornasco, Como and Milan. In France it has stakes in PRECIDIA SA, Lisieux, Calvados, DRILLING & SERVICE SA, Paris and FORBETON SA, Paris (formerly L.M. VAN MOPPES & SONS SA).

NOTE: Correction to flash on "Wilkins-Pemberton": No 362, Page D:

The third sentence should read: The latter already shares a 40-60 subsidiary with the German firm HENRY MARIA BETRIX & CO OHG, Frankfurt, which they formed in January 1964 under the name ELLEN BETRIX FRANCE SA (Promorep's interest was 13.3% at that time).

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Banca Commerciale Italiana	N		
Bandesco, Madrid	N	Hamilton Cotton	K
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W

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