W. Germany Attractive To Business

FRANKFURT, Germany (AP) — West Germany is a growing magnet for American business and—unless the Kennedy administration restricts them — U.S. firms are expected to open more and more subsidiary operations here in 1961.

One new U.S. firm has put down roots here every three weeks during the past two years, according to the American Chamber of Commerce in Germany.

"If the recession at home gets tougher," said influential American businessmen here, "there's only one thing many American companies can do to save their necks—get to Germany as fast as possible and into a market that's really expanding."

Whether the Kennedy administration will allow this trend to go on is the big question, and the recent flood of American capital to Europe probably will be held back for some months until Washington makes up its mind.

The establishment of operations in Europe by big American companies has been partly responsible for the drain on U.S. gold reserves.

The scope of this drain is indicated by Germany's giant Mannesmann Holding Corporation which reports that in 1960, one half of all private U.S. investments made abroad were made in Europe and that Americans contributed 30 per cent of the total capital invested by foreigners in the common market area.

From 1955-59, 33.6 per cent of the $8.3 billion invested by Americans in the common market went to West Germany where they employed about half a million German workers at wages averaging 50 cents an hour.

So far the United States has acquired a third of all foreign-owned company share capital in Germany, and is the chief foreign shareholder in the Federal Republic, followed by Britain and the Netherlands.

In the past few years, 20 per cent of the annual American investments in Germany came from direct transfers from the United States, about 25 per cent from U.S. funds raised abroad, and 55 per cent from income earned in Germany and reinvested, officials of the American Chamber of Commerce in Germany report.

Many American firms with German subsidiaries are connected with the petroleum business, such as the Cologne branch of the Atlantic Refining Co. of Philadelphia, or with motors, such as Ford's Cologne branch or the General Motors Opel subsidiary in Ruesselsheim.

A healthy share are associated with the wants of a gadget conscious society — National Cash Register, the Addressograph-Multigraph Corp. of Cleveland, Remington Rand in Frankfurt, the Container Corp. of America in Hamburg, Minnesota Mining and Manufacturing Co. turning out abrasives in Duesseldorf.

Hundreds of others are small outfits making and selling everything from shoe polish and tanning equipment to cosmetics and brass screws.

Some of the businessmen associated with all these American firms say their low production costs allow them not only to sell in Europe, but to compete in Asian, African and South American markets now partially or totally closed to higher priced U.S. made goods.

German Sailors Give Memorial To U.S. Families

ASTORIA (AP) — Sailors from the West German Navy have given $145 to a memorial fund for families of seven men lost in a sea disaster at the mouth of the Columbia River.

The 122 German officers and enlisted men raised the money without being asked. A spokesman for the group said it was the custom of the German seamen to assist families of men lost at sea.

The contingent is here reconditioning three LSTs (landing ship, tank) purchased from the United States. They expect to complete the job in another few weeks and then sail the ships back to Germany.

Memorial funds like the one the German sailors contributed to are being raised for families of seven men lost when raging seas sank two Coast Guard vessels and the disabled fishing boat they tried to rescue.

The county courthouse of Pagosa Springs, Colo., is heated by hot water direct from the hot springs of the region.