

## IH Mission Probes Trade Potentialities with Italy

### Round of Meetings Held with Rome Officials

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ROME — Potentialities for increased trade between Italy and the Port of New Orleans were explored at length and with considerable promise of success by the International House Round-the-World Trade Mission here.

Under leadership of Thomas Q. Winkler, president of IH and chairman of the mission, and Paul A. Fabry, managing director of IH and mission director, the delegation, accompanied by Paul L. Vogel, European trade director of the Port of New Orleans, met with Italian business and government leaders.

Major meetings were held with four members of the American Embassy, with officials of the Italian Institute for Foreign Trade and with several representatives of banking and of private industry. At conclusion of the three days in Rome, the Mission held a reception and buffet dinner at the Excelsior Hotel for Italian officials and business men and U.S. Embassy guests.

#### PRINCIPLES CITED

Albert Pappano, embassy counselor for commercial affairs, laid down to one group four principles for success of American business in the Italian market.

"First", he said, "one should make a careful and conservative estimate of the market potentiality. Second, because of wide variations in Italy, one should make a careful study of labor practices and political forces in the area involved. Third, especially in the portion of Italy south of Rome, one should not assume that existing practices in respect to job security can be modified in conformity with American practices, and, fourth, management should be flexible and should have authority to deal."

Observance of these principles will eliminate many causes

of American failure in conducting business in Italy, he declared.

In the embassy briefing, Alexander Klieforth, counselor for public affairs, discussed the three major areas of Italy and likened the movement of undereducated and unskilled people in the south to the northern industrial centers to the movement on Negroes from the South to the North in America.

Robert Barbour, political officer, outlined the political situation in Italy where the Communist party obtains one-third of the vote. He said it is "conceivable" that the party may some day take control of the government, but "much more conceivable" that it may get some influence through making a deal with other parties. He emphasized, however, that Italian Communists are "a thorn in the side of Moscow" and are more Italian than Russian in their viewpoints.

#### BOOM REPORTED

John Davis, economic officer, pointed out that Italy is in "a full-grown boom", that the United States is its third largest trade area (Germany and France being first and second), and that its exports are 18 per cent of its gross national product in contrast to 6.5 per cent for the United States.

Pappano emphasized in closing the briefing that there are 600 American firms operating in Italy either through manufacturing or distributing organizations and that the United States furnish one-eighth of all Italian imports.

"But the great need", he said, "is for Americans to sell—to do more trade promotion of the kind International House is engaged in."

Z. W. Bartlett, vice-president of Freeport Sulphur, on behalf of the delegation, presented Pappano an International House plaque, for "outstanding contribution to the development of trade."

Others in the group at the embassy briefing were Joseph

F. Blasi Jr., Henry Boh, Dr. Eugene H. Countiss, J. Clyde Earnest, Herman Engelhardt, John L. Favaloro, Louis H. Marrero III, Herman Nebel, Leon E. Newman, Clifford C. Northon Jr. and Elward Wright.

At the meeting with the Institute for Foreign Trade, Acting Director Biorgiani, said that one of the first of its 51 field offices abroad was established at New Orleans 18 years ago, and that this is one of its most successful. He expressed his gratitude for assistance given to it by International House. He pointed out that one of his associates, who was present, Dr. Vittorio Sanguinetti, established the New Orleans office and was the Italian Trade commissioner there for five years.

#### TRADE INCREASES

Trade between the two countries ran more than \$1,000,000,000 annually with a small balance in favor of the United States, he said, adding that in the first six months of 1969 exports to the United States increased 21 per cent while imports from the United States increased 24 per cent. He regarded this as a "great tribute to American ingenuity", because, due to the European Common Market, the tax and import duty on a Mercedes-Benz, for example, is 13 per cent, while that on a Chevrolet is 39 per cent.

Winkler told him and his associates and Italian business men and bankers who participated in the conference that he is looking forward to having him and some of his associates visit International House.

"Because Italy has been so successful in exporting," he said, "we feel that we have much to learn from you."

And Paul Vogel told him that he thought the Institute's program of establishing regional offices in the United States has set an example for other industry to follow in its efforts to expand international trade.

Other members of the IH

mission who participated in this discussion were Pendleton Hogan, W. H. Maxwell, John G. Panzeca, W. H. Senyard, C. C. Smith, and S. E. Stumpf.

At its conclusion Winkler presented the institute a flag of New Orleans.