

# DANISH AMERICAN CHAMBER OF COMMERCE NEW YORK

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## NEWSLETTER

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### TWO OF OUR DACC MEMBERS SPEAK UP

When "Børsen's" North American correspondent, Dan Larsen, addressed the chamber in the May meeting (see article in this issue) he said it had been a pleasure to meet so many wonderful people in the Danish/American business community. But he also scolded it for being too tight-lipped. It must have been a result of that scolding that two of our members have spoken up and hence the following story appeared in "Børsen" June 25th.

### IMPORTER IN USA - SELL MORE DANISH CHEESE TO THE INDUSTRY

American Company Critizes the Price Policy and Sales Strategy

There are very few cheese exporters that keep to the Cheese Export Council's minimum prices. They all give discounts. The Danish price policy for this article is unrealistic and also damaging to the export of cheese.

The President of American Soco, Inc., Flemming Soderlund feels that the Cheese Export Council puts obstacles in the way because of favoritism to table cheese over industrial cheese. The President for Denmark Cheese Association, Jorgen Kolding says that only a few exporters tamper with the minimum prices, and that nobody dealing with a full deck can even dream about industrial cheese as a leading export article.

The export of industrial cheese from Denmark has literally exploded from 1979 to 1980 and it looks like it will continue. The increase has resulted in a hot discussion in the Danish American cheese circles regarding the future of exporting cheese. The disagreement is so big that the industrial cheese importers and Denmark Cheese Association cannot even agree on the statistics.

### STRONG INCREASE

In 1979 the industrial cheese counted for 8.35% of the Danish cheese export to the USA against 23.57% the next year. That is a 324% increase explains Flemming Soderlund. He also claims that the Danish Cheese Association spends millions of kroner in vain to sell Danish table cheese in a limited market, whereas the market for industrial cheese is wide open. If we could get free hands, the industrial cheese could become half of the Danish cheese export.

I cannot guarantee Flemming Soderlund's statistics, says Jorgen Kolding. Apparently they have broken it down in a different way than we have. Flemming Soderlund recognizes a cheese type like "Grana" among industrial cheese, but we definitely recognize it as a table cheese. The only thing I can agree on is that the industrial cheese did have a big increase from 1979 to 1980. But I cannot support the opinion that table cheese has dropped as a factor in Danish cheese exports. Our numbers show the total increase of 18% in 1980 whereas the main part was within industrial cheese.

### DIFFERENCE IN NUMBERS

Flemming Soderlund explains from his own sources and the Cheese Export Council's statistics that Danish export of industrial cheese increased from 2,281,561 lbs. in 1979 to 7,390,528 lbs in 1980. The Danish Cheese Association can from their statistics say that only 594 tons of industrial cheese was produced in Denmark in 1979, and that the year after it was increased to 2,456 tons, and that most of that was sold to the U.S.A.

So the conflict between American Soco and the Danish Cheese Association lies in the different definitions of what Danish cheese is. The Danish Cheese Association does not recognize the foreign produced cheese packed in Denmark even though it is listed in the American import statistics as "Danish cheese". This explains some of the irritation that Flemming Soderlund has towards the Danish cheese exporter organizations.

Our Danish connections have a terrible fight with the cheese export council he explains. We have to have special permission to use raw materials from outside the common market. If we do not use raw material from foreign countries, Denmark cannot be in competition in the USA. Flemming Soderlund also says that American Soco has just received permission to introduce a big amount of Danish spreadable cheese and that there is several hundreds of tons of raw cheese on the way from New Zealand. The president from American Soco feels that without interference from the Danish government in regard to licenses, taxes and minimum prices the industrial cheese export will increase with rocket speed. Personally I feel that the cheese export council is a hindrance to my business.

The Cheese Export Council in Aarhus has completely unrealistic minimum prices on Danish export. The ridiculous thing is that the prices are rarely kept. There are very few Danish cheese exporters that observe the minimum price. The normal discount on cheese is 6¢ per pound - broken down as 4¢ from the exporter and 2¢ from the agent. According to American Soco's calculation - that will be a discount on \$450,000 a year. There is a 10% American import tax that equals a \$45,000 payment to the American customs. Discounts can also be given through sales on products sold outside the control.

Jorgen Kolding explains that the cheese industry operates with minimum prices because it gives a price stability. Within the last half year competitors like Germany and France have been forced to regulate the prices up and down twice because of the dollar fluctuation. Some exporters have under-bid the minimum prices on the mild Havarti, but that is not necessary because the minimum prices are set to guarantee the exporters a profit. The president for Danish Cheese Association explains that the problem is the industrial cheese export is so sensitive to the price that the market can disappear overnight. Our opinion is that the industrial cheese exports are very good, but only as a supplement to the table cheeses. Industrial cheese should only be of the last part of the quota.

### DIFFICULTIES

If Denmark's exports of industrial cheese increases to the level equal to 1974 we will be in difficulties says Jorgen Kolding. The American producers will complain and demand protection. But as long as we keep within the Common Market quotas, there is no danger. The quota is 44,000 tons from the Common Market and in 1980 only 38,000 tons was imported.

## GUEST SPEAKER FROM THE PRESS

The featured speaker at the May 28th meeting was Dan Larsen, North American correspondent for "Børsen", Denmark's Wall Street Journal. During the speech Mr. Larsen discussed the process of international reporting, the coverage of the United States in Danish media and his personal experiences of the relations between the media and the Danish/American business community.

Dan Larsen said that as a reporter it is his job to be the eyes, nose, ears and mind of a lot of people home. It is his duty to read and understand his American colleagues work and decide which small pieces of information should reach his readers home. The other side of course is personal contacts. He described how it is a full time job to keep track of a nation this size and it's international activities.

The influx of news from the United States to Denmark is not matched by any other country, he said. The last five years Danish media has virtually overflowed with articles and radio/t.v. stories about the U.S. Because of the strong mix between American sources and correspondents work with coverage of the U.S. most often is a reflection of American coverage. Børsen's correspondent said recent criticism of Danish media as being leftist and negative puzzled him.

In a provocative part of his speech Mr. Larsen claimed that his audience is hostage of the conservative press in this country. He said that unless one studied the leftist press one does not know the depth of the political debate. "Let us never forget the lesson of Vietnam, environmental issues, feminism and solar power - issues that moved in the radical press years and years before they came up to the surface in traditional conservative media", he said.

Dan Larsen described his own paper as a link within the business community and a bridge to the outside world. He said he is proud of it sometimes being controversial. As Børsen's correspondent during the last three years the speaker said it had been a pleasure to meet so many wonderful people in the Danish/American business community. But he also scolded it for being too tight-lipped.

"Sometimes I wish that all the knowledge, sophistication and understanding of the professional business person in some magic way could be piped by way of Børsen into the Danish business community. You people are doing truly astonishing things and I want to tell about it. Let the world know", he said.

After Dan Larsen's speech there were several questions and a lively debate about reporting, use and misuse of leading American business media in political manipulation and lobbying - and the dependability of leading U.S. newspapers in general. The question was also raised from a member whether the speaker himself was a sort of "Gun for Hire".

## DANFOSS CONTROLS IN EMPIRE STATE BUILDING

Danfoss, Inc., Mahwah, New Jersey has over the past two years been supplying the Empire State Building with non-electric, self-contained radiator thermostats. Danfoss has now received the final order from the building completing the installation of Danfoss radiator thermostats in the most famous highrise building of the world. There will be a total of 6,500 Danfoss thermostats in the building. Other major buildings in the United States which have installed Danfoss radiator controls include the White House, Harvard University, Yale University, New York and the Columbia Presbyterian Hospitals, The Plaza and Waldorf Astoria Hotels and the New York Times Building. There are also installations in thousands of apartment houses and private homes throughout the country. The advantages of individual Danfoss radiator thermostats are that they can regulate temperatures to within +1° F of the selected temperature setting, helping save as much as 40% on fuel costs, and can be installed without physical disruption to the premises.

### SCANDINAVIAN FURNITURE FAIR

The interest in Scandinavian furniture is considerable. 9,745 buyers from abroad attended the furniture fair. In relation to last year it is an increase of 38%, and the number of visiting buyers is the highest but one during the last ten years. Only in 1977 there were 400 more from abroad. The visitors from abroad came from 61 different countries.

From U.S.A. the amount of visitors (buyers) increased from 356 in 1980 to 520 in 1981.

Scandinavian Furniture Fair had 523 exhibitors: 263 from Denmark, 41 from Finland, 6 from Iceland, 45 from Norway, 93 from Sweden, and 75 in the international section.

The Danish export of furniture to the U.S. amounts to about US \$60 million per year. In 1980 the export was increased by 16% compared to 1979, and in the first quarter of 1981 the U.S. imported 20% more furniture from Denmark than the same period of 1980.

### MAYOR KOCH PROCLAIMS JUNE 6TH DENMARK DAY

June 6, 1981 marked the opening of the 25th year of storytelling at the Hans Christian Andersen statue in New York's Central Park. The occasion was marked by the unveiling of a historic 19th century street lamp given by Copenhagen's Lord Mayor Egon Weidekamp to the City of New York. Consul General William Thune-Andersen presented the street lamp which was received on behalf of its city by Commissioner of Park and Recreation Gordon I. Davis who read a proclamation from Mayor Koch as follows:

"The statue of Hans Christian Andersen, the Danish poet whose stories have been a cause of delight for young and old through more than a century, was presented to the City of New York and placed in Central Park, twenty-five years ago.

It was a gift from the children of New York City and Denmark. This statue and the adjoining Storytelling Center stand as a symbol of the close bonds of friendship that exists between this country and Denmark.

Now, therefore, I, Edward I. Koch, Mayor of the City of New York, do hereby proclaim June 6, 1981, as

"Hans Christian Andersen Day"

in New York City, in recognition of the outstanding accomplishments of this great Danish poet.

Edward I. Koch  
Mayor, the City of New York"

Storytelling sessions will be held at the statue every Saturday morning at 11 a.m., through the end of September.

### ESSEMANN JOINS DACC BOARD

At the last DACC board meeting Commercial Counsellor, Consul Poul Essemann was appointed by unanimous vote of the directors, to fill the balance of the term of Birger Riisager, who is returning to Denmark. For the past year Poul Essemann has served on the Newsletter Committee.

The Board passed a resolution thanking Riisager for his service to the Chamber.

FROM THE MEMBERSHIP COMMITTEE - - - "HEARTY WELCOME" TO:

CORPORATE MEMBERS

- Goodell, Sears, Sugrue, Giambalvo & Crowley, by Robert D. Tuerk, Chicago, Illinois  
Buss & Associates, by Niels Buss, Roseville, Michigan  
Cameco, Inc., by Mogens Agesen, Verona, N.J.  
Convest, Inc., by Hans Hallunbaek, New York  
Continental Grain, by John Thygesen, New York  
Fried, Fragomen, Del Rey, Bernsen & O'Rourke, P.C., by Ronald Storette, New York  
Lego Systems, by J. M. Sullivan, Enfield, CT.  
Morgan Guaranty Trust Co., by Susan Flanagan, New York  
Murray Allen Import, Inc., by Steffan Durning, New York  
Scandinavian Overseas Service, by Sigrid Odegaard, Lake Success, N.Y.  
The Plaza Hotel, by Hans Basse, New York  
Total Enterprises, Inc., by Jens Glysing-Jensen, Princeton, N.J.  
Triton-Mark Advertising, Inc., by Olle Sundberg, New York  
Unika Vaev Corp., by Samuel Friedman, New York  
Winters National Bank & Trust Co., by Kathryn D. Fox, Dayton, Ohio  
Michael Halperin, Manhasset, N.Y.

INDIVIDUAL/COMMERCIAL MEMBERS

- Dan Lk, by Peter Jorgensen, Jamaica, N.Y.  
Glyngore Products, Inc., by Erik Johansen, Pine Brook, N.J.  
Paine, Webber, Jackson & Curtis, by Lars Nilsen, New York  
Moldow Dust Control, Inc., by Ole M. Sorensen, Greensboro, N.C.  
Scandinavian Broadcasting, by Lasse Jensen, New York  
St. Moritz Bakery, by Richard Jespersen, Greenwich, CT.  
TSN, Inc., by Birgit Lacoppidan, New York

FROM THE DANISH NEWSPAPERS: (Børsen & Jyllands Posten)

Exports

F. L. Smidth has won a 1,000 million kr order to build a huge cement works in Sumatra.

The new works, due to be completed in 1984, will have an annual capacity of 600,000 tons.

A consortium of Danish builders and agricultural specialists has been awarded a 1,200,000 million kr contract to develop the Libyan dairy and poultry industry.

Despite the amount of money involved, the parties are not sure how much of it will be paid by the time the job is finished in six years' time. Everything depends on what happens to the dollar in the meantime.

The firms concerned, Højgaard and Schultz, Atlas and Danagrow Adviser, are to construct a dairy farm for 1,250 cattle as well as a poultry unit with an annual capacity of 5,500,000 chickens. The contract also calls for the training of staff.

S. J. Windpower ApS of Frederikshavn has received orders for 300 windmills worth 12 million kr from two dealers in the United States.

The mills, which are to be supplied to firms in Minnesota and Wisconsin, will be delivered in the coming year. Windpower, which exports 80 percent of its production, expects its mills to receive type approval for the West German market in the next few weeks.

OIL

Gorm oil field in the North Sea came into production early this month with an output of 3,400 barrels a day. In the next few weeks four new wells from the A platform will come into operation and will raise production to 15,000 barrels a day.

The Danish Underground Consortium's B platform starts working next spring and output there should be running at somewhere between 1.5 and 2 million tonnes a year.

A. P. Møller, which operates DUC with Shell, Texaco and Chevron, is concerned about plans by the Energy Minister, Mr. Poul Nielsen, to introduce a series of regulations concerning training, safety, standards of equipment and working conditions for all rigs flying the Danish flag.

Møller thinks this will severely affect operating costs and has fired a warning shot across the Minister's bows by selling one of its rigs to a Panamanian subsidiary. If Mr. Nielsen's proposals get through the Folketing, it is virtually certain the Møller's other rigs will be sold abroad, and as rigs cost around 300,000 kr a day to hire, this would result in a marked drop in profits from the oil field and, in turn, less money for the State.

Meanwhile, Møller is pressing on with the hunt for oil. Indications of a substantial layer of hydrocarbons have been found in the Rosa field and analysis should be completed in June which will show whether the find is viable.

INSURANCE

A merger between Hafnia Haand-i-Haand's reinsurance company and Dansk Søassurance was announced at the end of last month. The new company - Hafnia og Dansk Søassurance - will be the third largest insurance firm in Denmark with a share capital of 90 million kr.

Manufacturer of scale models of boats seeks importer. 401/97/01-03 CB

Manufacturer of Danish Orlik Tobacco seeks importer/agent in USA. 401/24/02 JJ

Manufacturer of woodstove seeks importer/agent. 401/73/36 JJ

Manufacturer of energy saving equipment, boilers, etc. seeks importer/agent in USA. 401/84/01 JJ

Manufacturer of cast bronze letters and decorations seeks importer/agent in the USA. 401/83/14 JJ

#### POSITION AVAILABLE

Major Danish producer of maritime life-saving equipment looks for Danish-speaking manager of the U.S. operations to be established in Miami, Florida. The Manager, who will be responsible to the head office in Denmark, will have to supervise the 14 service agents in the U.S. and be responsible for the nation-wide sales and distribution.

For further information please call Leif Wassermann, Danish Consulate General, (212) 697-5101.

#### POSITION WANTED

Danish Building Constructor with an all-round knowledge of management, work supervision, calculations/tenders as well as negotiation technique looks for permanent position in the U.S. Good knowledge of English, German and Swedish. 28 years old. Unmarried.

For further information please call Leif Wassermann, Danish Consulate General, (212) 697-5101.

Danish citizen holding MA (Notre Dame) and cand, phil. (University of Copenhagen) degrees seeks position within PR/marketing in the New York area (has visa and working permit).

Work experience includes Senior Research Assistant, Harvard University, and student jobs in oil company and travel agency.

Fluent in Scandinavian languages, English and German. Good knowledge of French.

For further information please call Claus Bayer (212) 697-5101.

#### FROM THE CHAIRMAN:

This newsletter is the last issue before the summer recess. As I reflect on the 1980/81 year of the DACC, it has been a good first year of progress for our chamber. That progress is a result of suggestions by our members and a great deal of hard work by the board and committee members.

I take this opportunity to thank all of those who have contributed in a positive way to building that progress and wish all members a relaxing and enjoyable summer.

Edward W. Lichtenhagen