

DANISH AMERICAN CHAMBER OF COMMERCE NEW YORK

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NEWSLETTER

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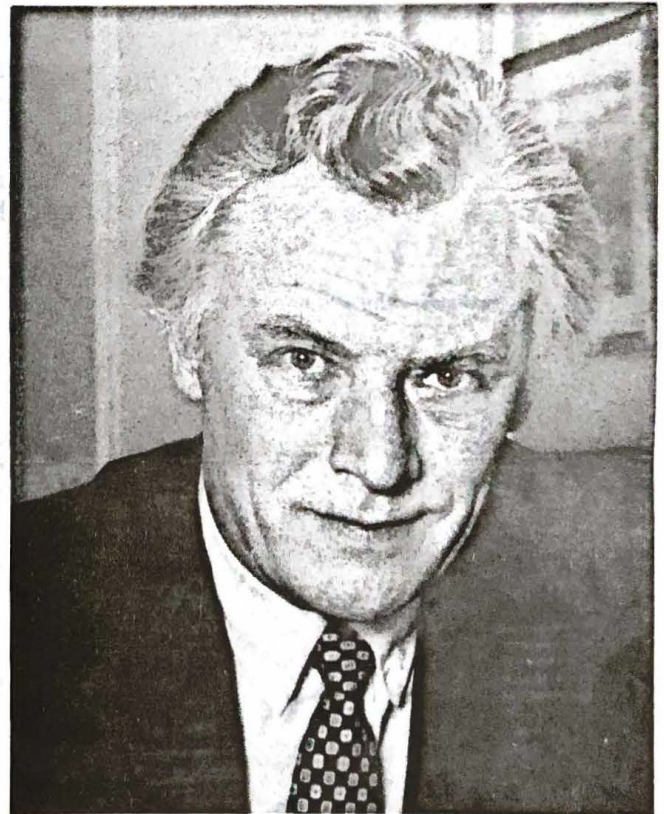
PRIME MINISTER POUL SCHLÜTER TO ADDRESS DACC

Danish Prime Minister Poul Schlüter will address a special meeting of the Chamber scheduled for Friday, December 10th at the New York Yacht Club. It is expected that the Prime Minister will discuss both the Danish domestic situation and matters relating to Denmark's international trade and economy. A question period will follow the Prime Minister's speech.

The main purpose of Mr. Schlüter's trip to the US is an official visit to President Reagan, which will take place on December 13, 1982.

Accompanying Mr. and Mrs. Schlüter to Washington and the DACC luncheon will be Permanent Under Secretary and Mrs. Peter Wiese as well as Permanent Under Secretary of State, Ambassador Eigil Jørgensen.

Other prominent guests expected at the Chamber meeting are the US Ambassador to Denmark, Mr. John L. Loeb, Jr., his predecessor Mr. Warren D. Manshel and Congressman Jim Courter (R), New Jersey.



This is expected to be a full house meeting and reservations will therefore be accepted as received.

WINDMILLS - THE LATEST DANISH BOOM IN THE USA

Industrial Attaché at the Danish Consulate General in New York, Mr. Ebbe Johansen, has made available a report on the evaluation of the market potential for Danish windmills on the US market. The report focuses mainly on small windmills (to 100 KW) or, as they are called in the US, SWECS (Small Wind Energy Conversion Systems). Mr. Johansen says in his report:

The following states are considered to have the best wind conditions:

The West: Alaska, California, Hawaii, Washington, Oregon, Montana, Wyoming and Colorado.

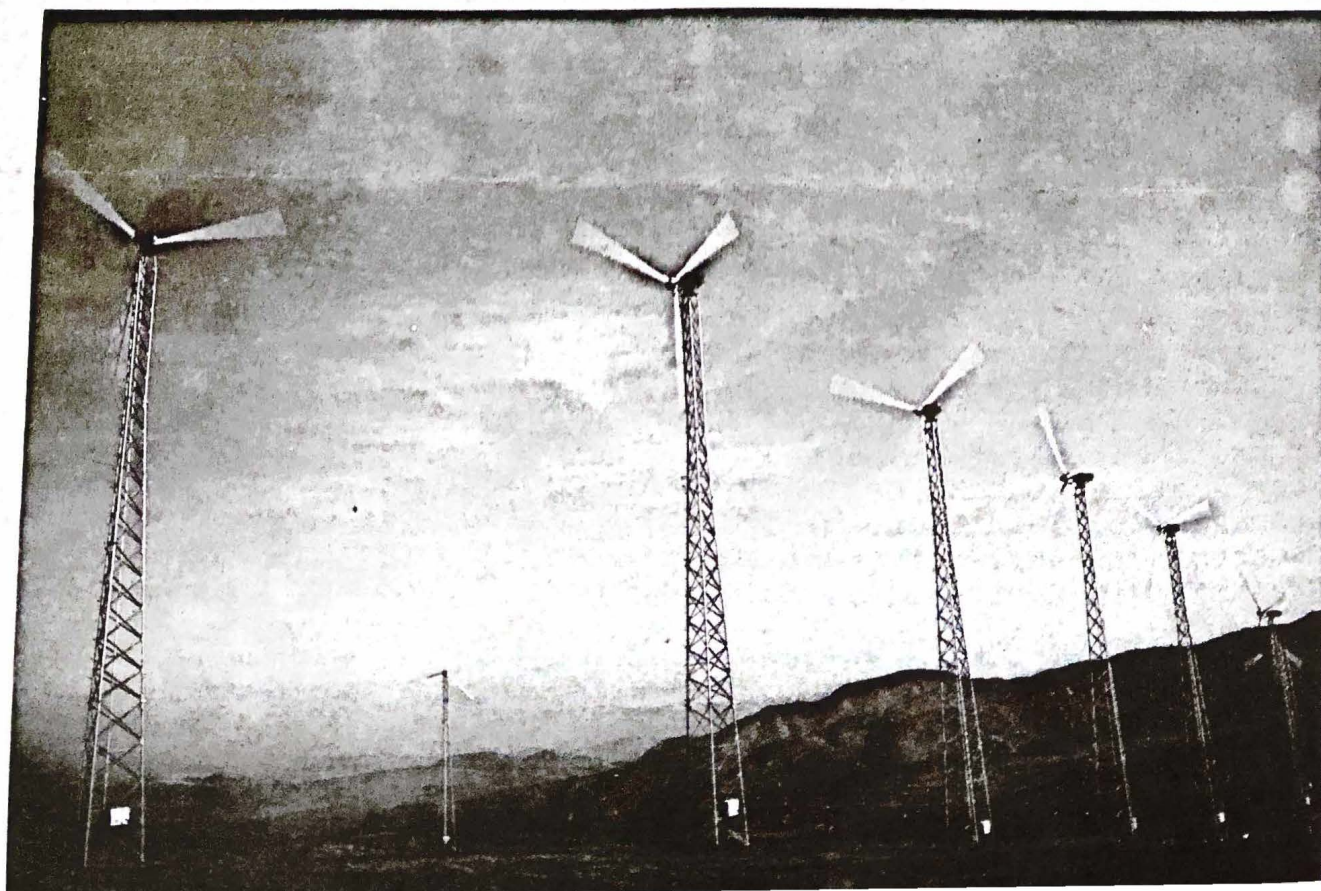
Central: Kansas, Oklahoma and Texas.

The East: New Hampshire, Vermont and Massachusetts, and parts of Tennessee, Virginia and West Virginia.

For some years to come, the potential purchasers of wind turbines will be farmers, small industries and "new" groups of investors called windfarm developers (WD). This last group comprises the most interesting target for the Danish windmill producers. The object for the WD's is to sell electricity to the established utility grid from windmill farms consisting of hundreds of windmills.

One of the decisive factors for a potential private investor in a windmill project is the possibility of applying tax credits, which will be of great impact to the economy of any possible investors.

One should imagine that the utility companies would be interested in establishing and running these windmill farms rather than the WD's (who often do not have any previous experience in this field), but so far no utility companies have established their own windmill farms. Some, however, have signed contracts with WD's for delivery of electricity.



The demand for windmills is estimated at 3-4000 per year in the years to come. The Consulate General estimates that the majority of the present Danish production of 700-1000 windmills per year can be exported to the US (primarily to windmill farms in California) at an export value of more than D.kr. 500 mill. The extent of the windmill market potential must be seen on the background that there are very few serious competitors on the world market.

Danish producers of windmills have already in 1982 experienced very positive results, and a coordinated market strategy could lead to extensive exports in many years to come.

DISTRICT HEATING PLANT IN HERNING INTERNATIONAL MODEL

The president of the International Energy Agency (IEA), Mr. Dietrich Barth, pointed to the new District Heating Plant in Herning as an international model for energy saving measures during the opening of the international exhibition "Multi District Heating" which opened on November 2, 1982.

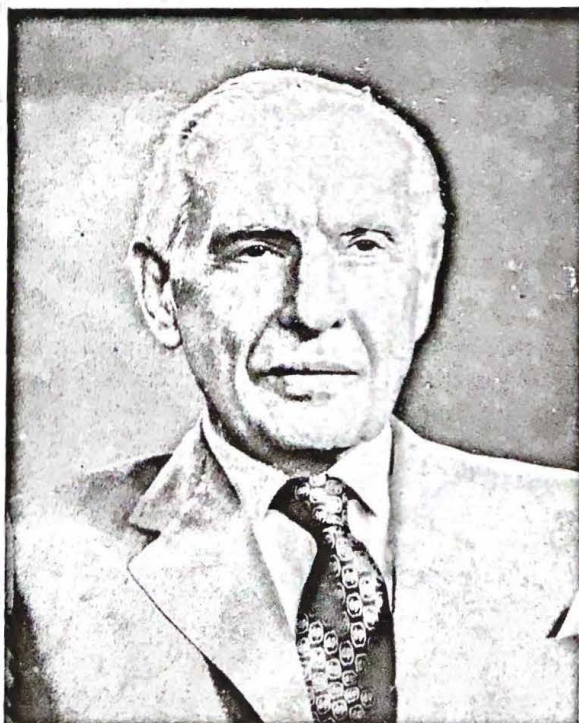
The IEA considers district heating one of the best solutions for saving oil in a future situation of oil shortage, which is highly possible in times of industrial development of the Third World countries.

Mr. Barth emphasized the importance of the Herning project by mentioning that 12 international representatives from IEA have studied the progress of the plant for several years.

(Børsen, 3.11.82)

MR. N.L. DEAK'S ADDRESS AT OCTOBER CHAMBER MEETING

Our October luncheon speaker was Mr. Nicholas L. Deak, Chairman of the Board of the Deak-Perera Group. Mr. Deak spoke to us on the subject: "Can our monetary system be salvaged?" His prognosis was not encouraging, but very entertaining. "If you don't (try to balance the budget and discontinue handouts) inflation will continue and a disaster may occur in 5, 6, 7 or 8 years, because our money will become absolutely worthless!" He reminded us that money, in order to merit the name, must be divisible, generally accepted and a store of value. And, because our money is not a store of value, as it will not buy next year what it buys today, what we have in our pockets or in the bank is not money. He did not know what we should call it. Metals, Mr. Deak suggested, were the best store of value of the moment, recommending that we all get into those commodities.



MR. M. STONE'S ADDRESS AT NOVEMBER CHAMBER MEETING

Mr. Michael Stone gave an interesting lecture on how to sell imported consumer goods in the US.

Mr. Stone joined the world's no. 4 chewing gum producer, Dandy Chewing Gum Factory, Vejle, Denmark, a couple of years ago to start up its USA operations out of White Plains, New York.

Previously he had been an executive in the specialty food trade for many years, so he was well prepared for heading a company that would try to carry coal to Newcastle.

At the November 24 luncheon meeting of the DACC Mr. Stone shared many of his experiences with the chamber members, and gave the many businessmen present an interesting lesson in how to sell an imported specialty product on the American market. Contending both that the consumers' mentality and respective budgets are very different from their European counterparts, Mr. Stone emphasized the importance of listening to the American partners and a willingness to subordinate oneself to the American market conditions in order to succeed. An example of this is the way Mr. Stone persuaded his Danish principals to use a different strategy from that applied in the other 140 countries they sell to, namely changing the packaging and color of the gum. Up to this date the approach has proved extremely successful, but as Mr. Stone stated, only three years from now will we have an accurate picture of the amount of success.

GREAT INTEREST IN DANISH ECONOMIC POLICIES IN US BANKS

Danish Minister of Finance, Mr. Henning Christophersen, has met with top officials in Citicorp, Chase Manhattan, Morgan Trust, Salomon Bros. and Standard and Poors to inform them of the conservative cabinet's new economic policies.

Mr. Christophersen said at a press meeting in New York City that he expects the budget to be passed with a substantial majority by the end of 1982, and that the cabinet will propose more cutbacks and reforms in 1983. The reason for the trip was not to borrow money but rather to inform and pave the way for future loans. US banks have experienced difficulties attracting smaller lenders to Danish loans on the US market.

The Folketinget is currently working on a law to allow for a record high 26 bill. D.kr. loanframe, said Mr. H.E. Johansen, Director of Handelsbanken, presently heading the Kingdom's loan consortium. Negotiations for new loans cannot start until the framework has been agreed upon.

The Finance Minister expressed irritation with the international press which has been comparing Denmark to financially troubled countries like Mexico and Rumania. "I think Denmark has had the worst press in the whole world", he said. The conservative government has tried to change Denmark's image by inviting representatives of a number of the world's leading financial papers to Copenhagen to meet various leaders.

Most annoying to the Danish government has been the three month old "shameful" placement on Standard and Poors' credit watch list. This means Denmark's AAA rating may be in danger, which would result in more expensive state loans. According to Børsen, leading bankers believe that it will take more than 90 days (initial review period) to get off the Standard and Poors danger list.

THE DANISH ECONOMY (NORDIC AMERICAN BANKING CORPORATION)

When the new four-party non-socialist government took office in September it was faced with the prospect of:

- 1) A sharp rise in the current external deficit from about 13 bill. kroner in 1981 to about 20 bill. kroner in 1982.
- 2) A sharp rise in the deficit on the central government budget from 57 bill. kroner in 1982 to 80 bill. in 1983.
- 3) An increase in unemployment from about 243,000 in 1981 to 260,000 in 1982.

By choosing incomes policy as its main strategy for restoring the competitiveness of Danish industry, the government has committed itself to a policy that will take years to show results in terms of an improved balance of payments and less unemployment. In the short run the combination of the government's incomes policy and its planned cuts in public spending may even make unemployment worse.

But the main objective of the incomes policy is to improve the competitiveness not only of exporting industries but also of home-market industries that compete with imports. A slower rate of wage inflation will also make it harder for companies to sell on the home market, and this will force companies to increase their sales on export markets.

Our calculations on the effects of the measures enacted by the Folketing on October 16th indicate that:

- The balance of payments will improve dramatically in 1983 and 1984,
- but there is a risk that unemployment will rise rather sharply next year,
- although we do not yet know the government's investment program, which will reduce unemployment somewhat.
- However, as stated, the benefits of an incomes policy will only become apparent in the slightly longer term,
- but in the long term, both the external deficit and unemployment will be reduced.

The government's adamant refusal to use devaluation of the Danish krone as a means of putting the economy on an even keel places a heavy responsibility on the two sides of industry to ensure that wage settlements do not undermine competitiveness. If they live up to this responsibility, the way is open for a relaxation of monetary and credit policies.

Main Economic Trends in 1983

We can expect:

- A new fall in private consumption (because of a fall in real incomes and the tailing off of investments in the energy sector, which will top this year).
- Very weak growth in public-sector demand for goods and services (because of the budget cuts).
- Larger growth (hopefully) in exports of goods and services due to the improvement in competitiveness brought about by the incomes policy.
- By and large, only a weak increase in productivity in 1983, but
- an improvement in the balance of goods and services of about 5 bill. kroner in 1983 and a reduction of 3-4 bill. on the balance-of-payments deficit as compared to this year.
- However, there will still be a large deficit on government finances (just under 70 bill. kroner).
- 1983 can be the turning point for the Danish economy - but we have a long way to go before we have restored economic equilibrium and high employment.

No Immediate Prospect of an Easier Monetary and Credit Policy

Low economic activity, low investment, and the prospect of more unemployment makes an easing of monetary policy desirable. But the balance-of-payments deficit, the massive short-term foreign debt, and the budget deficit narrow the options.

The National Bank of Denmark, which bears the main responsibility for monetary and exchange-rate policy, has clearly stated that net private capital imports will have to cover a considerable part of the growing foreign-exchange financing requirement this year and next.

The prospects of any major easing of monetary policy this year are therefore slight. A reduction in the Danish discount rate will require two things, at least:

- A return of the foreign exchange that fled the country in September and October, and
- a resumption of private capital imports.

SCANDINAVIA TODAY

Northern Light at Brooklyn

All the royalty and other dignitaries have long gone back to their respective capitals in Scandinavia, but Scandinavia Today is still going strong. Every other week a Scandinavian event takes place in the New York area. A Norwegian exhibition here, a Swedish play there, and on November 11th, the pan-Scandinavian exhibition "Northern Light" opened by H.M. King Carl Gustaf of Sweden at the

Brooklyn Museum. The exhibition contains works of Nordic painters from the turn of the century, and included amongst the Danish painters are Wilhelm Hammershøj, Michael Ancher and other "Skagensmalere". The exhibition, which opened in September of this year at the Corcoran Gallery in Washington D.C., received raving reviews in Washington Post, New York Times and Times Magazine. The exhibition will be on show at the Brooklyn Museum until January 9, 1983.

Hammershøj at Wildenstein

One of the painters of the Northers Light exhibition most acclaimed by the American critics was the Danish painter Wilhelm Hammershøj. An exclusive exhibition of his works will be on show at the Wildenstein Gallery, 19 East 64th Street, January 7 - 28, 1983.

Danish Art in New York Galleries

Five Danish artists will be on show at New York galleries in the coming months. They are:

Margrethe Sørensen, sculptor, at
Leo Castelli Gallery (Annex)
142 Greene Street,
New York, NY 10012
(212) 431-6279
January 8 - 29, 1983

Svend Wiig Hansen, painter, at
Bonlow Gallery
150 Greene Street
New York, NY 10012
(212) 925-4482
January 8 - 29, 1983

Asgar Jorn, painter, at
Lefebre Gallery
47 East 77th Street
New York, NY 10021
(212) 744-3384
April 12 - May 29, 1983

Frede Cristoffersen, painter, at
Betty Parsons Gallery
24 West 57th Street
New York, NY 10019
(212) 247-7480
January 8 - February 3/4

Jørgen Hauge Sørensen, sculptor, at
Charles Cowles Gallery Inc.
420 West Broadway
New York, NY 10012
(212) 925-3500
February 5 - 26, 1983

(Niels-Peter Albertsen)

CULTURAL CAMPAIGN HAS IMPACT ON FURNITURE SALES

Retailers in New York are feeling a gentle wind from the "Scandinavia Today" cultural campaign. The furniture store Wim and Karen on Manhattan's East Side has had a number of inquiries concerning products exhibited in the Cooper-Hewitt Museum.

"Most people ask for the popular Norwegian Balans Chair, but some people have mentioned Danish chairs seen on the exhibit", says Karen. "It is of course impossible to measure the impact of a design exhibit, but at least we know people go there. We also try to talk about "Scandinavia Today" with customers".

Karen believes that the museum activities are a lot better for business and image than the carton signs saying "Denmark Presents". They may catch people's attention, but they do not really help to sell the products. Wim and Karen plan soon to take down the signs in their new store in Westchester and return them to the windows some time later in connection with another special promotion.

DANISH EXPORTS TO THE UNITED STATES AND CANADA TO BE PROMOTED IN DENMARK

The United States is considered the fastest growing market for Danish export products among Denmark's major trading partners. This in spite of the fact that so far relatively few Danish producers have discovered the huge market potential of this country.

This is the reason why the Trade Relations Department of the Danish Foreign Ministry has decided to promote the United States and Canada as export markets in Denmark in January, 1983.

The promotion takes place in Copenhagen, Vejle and Aalborg, and Danish exporters are invited to have individual consultations with the Danish commercial attachés from USA and Canada.

Participating in the promotion will be Poul Essemann, Commercial Counsellor, and Ebbe Johansen, Industrial Attaché from the Danish Consulate General in New York.

US WILLING TO TAKE TRADE CONFLICT IN AGRICULTURE

Danish Minister for Agriculture, Niels Anker Kofoed, has just been in the United States. After conversations with Secretary Bloch, US Special Trade Representative Brock and officials in the State Department his impression was that the Reagan Administration will be very aggressive in agricultural policy. He thinks the US is willing to take a trade conflict on this issue.

The US believes the Common Market is pushing her out of traditional Third World markets by way of its restitution policies. At this point the Administration has allocated more than one billion dollars to subsidize loans to importing countries. Mr. Kofoed said he expected many more initiatives from the White House.

The Danish Minister also discussed Hoof and Mouth disease with the veterinary authorities in Washington. So far only six months have passed since the last case of H & M was found in Denmark. Normally it takes 12 months before the US will recertify a country to allow imports of fresh meats. Veterinary inspectors from the US will go

to Denmark in late November. Chances of dispensations on quarantine will depend on their reports.

REPORT FROM THE BUSINESS PRACTISE COMMITTEE

Most of our attention continues to be focused on Washington's legislation, proposed or anticipated, as well as tracking EEC/USA trade negotiations and discussions. Fortunately at this point all seems well.

The USDA has published in the Federal Register proposed rule changes concerning most cured pork products.

The proposals will

- 1) Allow added water in amounts hitherto restricted as long as it is so stated on the label.
- 2) Changes in the method of analysis from monitoring water to monitoring for minimum protein requirements.
- 3) Place greater emphasis on Quality Control Programmes, and by chemical and statistical data, hold plants and foreign Government Veterinary Services responsible with greater leeway for compliance and more severe penalty for enfractations.

Comments are requested March 10, 1983.

It is reported that a senior USDA Veterinary Official will shortly visit Denmark to discuss the recent Hoof and Mouth Outbreak and the current situation with Danish authorities. Consideration will then be given for reinstatement of the previous status allowing uncanned and fresh pork items to be sent from Denmark to the United States.

(Henry Greenebaum)

U.S. CUSTOMS SEMINAR

The Swedish American Chamber of Commerce in cooperation with the Danish, Finnish and Norwegian Chambers of Commerce held a sparsely attended US Customs Seminar on Tuesday, November 16, 1982 at the Barbizon Plaza Hotel in New York.

The seminar was designed to assist both beginners and professionals to understand the federal regulations governing importation into the United States.

The about 20 attendees heard several excellent presentations by Jack Gumpert Wasserman and Louis Sneider, both partners in the law firm of Freeman, Wasserman and Sneider.

The two attorneys covered such interesting subjects as dumping, subsidies (up and downstream), classification of products, duty free importation regulations and trends in protectionism.

Presentations were also made by US Customs employees Craig Walker, Jeffery Margalit and Phillip Metzger.

Mr. Walker, who is from US Customs Headquarters in Washington D.C., discussed customs valuation under the Trade Agreement Act of 1979.

This appeared to be a rather complicated subject that deals with definition of and elements which make up transaction value.

Margalit and Metzger from the New York Customs Office spoke with conviction about the US Customs requirements in preparation, submission and retention of documents used in entries, payments and refunds. They also hinted at the possibility of "internationalizing" the customs procedures by starting to use the Brussels nomenclature. This idea is currently under study but they were not certain as to when it would be concluded. Margalit and Metzger also indicated the US Customs' interest in becoming selfsupportive and had therefore started to look at changing handling fees although this would be a low cost.

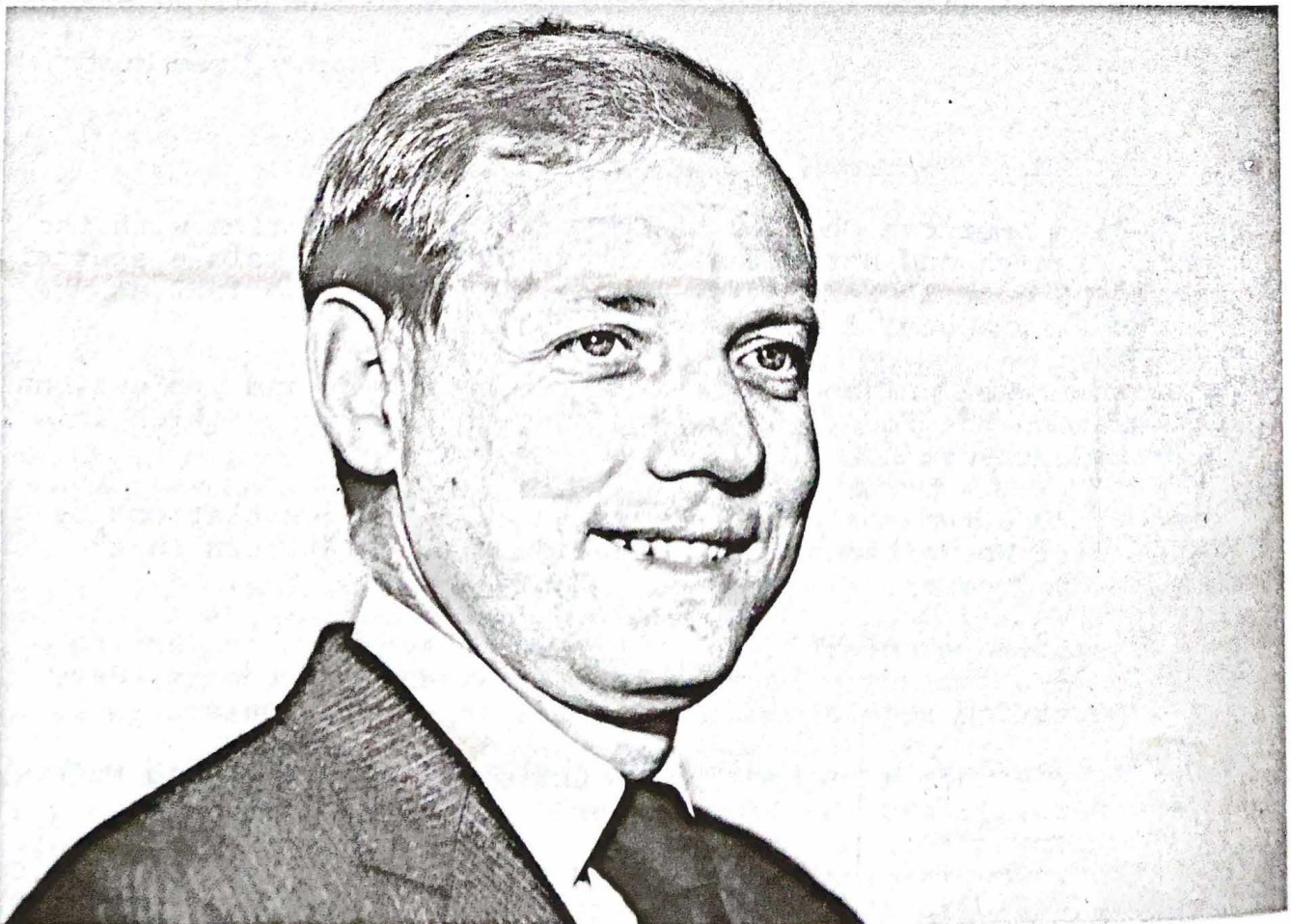
In conclusion it must be said that the seminar covered the many subjects well by highlighting an area that continues to change with new materials, composition and products.

(Leif Wassermann)

CHAMBER NEWS

Chamber Member Elected Freeholder in New Jersey

In the November 2nd elections our member Henning Holmgaard, Pres. of Advantage Foods Corp. was elected Freeholder for Hunterdon County in New Jersey. Mr. Holmgaard, a republican, had been the Mayor of Alexandria Township since 1979, and won over the incumbent democratic freeholder with a 9.9% margin.



The DACC's traditional Christmas luncheon will be held at the University Club commencing noon on December 17th. The charge will be \$22 for members and \$25 for guests. Any company wishing to contribute to the "Care Package" to be presented to each guest should call Lennard Rambusch at (212) 344-6800.

Plans are also under way for the formal dinner dance to be held again this year at the Starlight Roof of the Waldorf Astoria. The date is set for Friday, March 11 1983. Details will be forthcoming.

Knud Sørensen, who is a member of the Board of Directors, celebrated his 60th birthday on November 29. We wish to congratulate Mr. Sørensen on this occasion.

Mr. Sørensen was President of Plumrose Inc., New Jersey, for many years until he recently decided to establish his own consulting business.

NEW MEMBERS

We welcome the following new members of the DACC:

CORPORATE MEMBERS

Wim and Karen
Scandinavian Furniture Inc.
319 East 53rd Street
New York, NY 10022

Mr. Lennart Elmlund
LGE Corporation
One Exchange Place
Jersey City, NJ 07302

INDIVIDUAL COMMERCIAL MEMBERS

Mr. Jens Glysing-Jensen
230 Snowden Lane
Princeton, NJ 08540

Mr. Keld R. Hansen
Lenox Inc.
Old Princeton Pike
Lawrenceville, NJ 08648

COMING EVENTS

December 10

Danish American Chamber of Commerce luncheon at New York Yacht Club. Special guest speaker will be the Danish Prime Minister, Mr. Poul Schlüter.

December 11

Danish Home for the Aged's Annual Christmas Dinner for friends and delegates at the Danish Athletic Club, Brooklyn (for info call Sven Hansen, Phone 539-9769)

December 12

Danish American Society's Annual Meeting and Christmas Party at New York Athletic Club (for info call Evelyne B. Henriksen, phone 697-6202)

December 17

Danish American Chamber of Commerce's Christmas Luncheon at University Club.

BUSINESS OPPORTUNITIES

The following Danish manufacturers are looking for importers/agents in the US:

ADVERTISING STANDS (flashing ads on screen), 401/33/01-06:1 IBH

SILVER POLISHING PRODUCTS, 401/34/05 MJ

SAUNAS, EXERCISE EQUIPMENT, TRAMPOLINES, FITTINGS FOR YACHTS, 401/97/06 MJ

FITTINGS (door handles etc) in contemporary Danish design, 401/94/00:6 MJ

LENS AND MIRROR SET (for use with vertical camera) for special effects in creative graphic work, 401/90/07-10 MJ

FARMER TYPE SALAMIS, 401/16/01-03 JJ

BABY PRODUCTS, mainly in plastic, for the drug and mass markets, 401/39/01-07.12 JJ

WOODEN SHOES (CLOGS), SPORTS AND JOGGING SHOES, CASUAL AND SPORTS CLOTHING, 401/64/01-06.2 JJ

SOLARIUMS, 401/85/20.6 JJ

For further information please contact Irene Hartmann (IBH), Michael Jørgensen (MJ) or Jan Jacobsen (JJ) at the Danish Consulate General, (212) 697-5101.

POSITIONS WANTED

Danish citizen (26, male, single) holding Danish B.A. in Economics/Business Administration. Graduating in May 1983 from the Masters Program of International Business Studies (MIBS) at University of South Carolina, seeks marketing position.

2 years experience in export sales and marketing of products from Denmark. Presently doing 6 months internship with Colgate-Palmolive International in New York.

Fluent in the Scandinavian languages, English and German, plus working knowledge of French.

Danish computer programmer with broad experience in business applications seeks position. Computer languages: BAL, COBOL, and PPG.

Educational background: Danish College Degree in Modern Languages, plus two years training at Computer Learning Center in San Francisco.

Languages: Danish, Swedish, Norwegian and German.

Commercial Assistant, Danish Consulate General, New York, terminating "Scandinavia Today" assignment beg. February, 1983, seeks permanent position in international business. Preferably Philadelphia, will consider Eastern Seaboard.

B.A. from Temple University, Philadelphia, and degree from Handelshøjskolen, Denmark. Permanent US visa.

Extensive international background in shipping, import/export, PR/Marketing, sales coordination and research. Worked in England, France, Spain, and in the US since 1976.

Fluent in the Scandinavian languages, English, Spanish, French and German. Will travel.

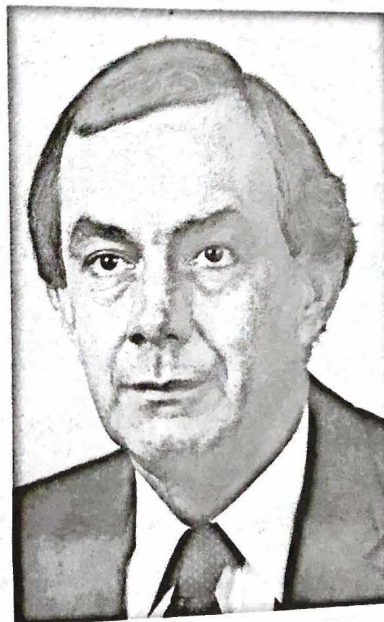
For further information regarding these applicants please contact Poul Essemann, (212) 697-5101.

CHAIRMAN'S GREETING

I take this opportunity on behalf of the Board of Directors to wish all of our members and their families a joyous and peaceful Holiday Season.

The year 1982 has been productive for our Danish American Chamber of Commerce and my personal thanks to all who gave their support. May we all be blessed with health, happiness and prosperity in the New Year.

E.W. Lichtenhagen



ALL MEMBERS ARE CORDIALLY INVITED TO SUBMIT ADVERTISEMENTS,
PERSONALS, BUSINESS OPPORTUNITIES AND NEWS OF INTERESTING
DEVELOPMENTS FOR INCLUSION IN THE NEWSLETTER.