

DANISH AMERICAN CHAMBER OF COMMERCE NEW YORK

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NEWSLETTER

April 1985

COPENHAGEN HANDELSBANK OPENS NEW YORK BRANCH

Copenhagen Handelsbank has decided to open its own branch in New York. The bank will apply to the state authorities for permission and will establish itself in New York as soon as this has been granted.

The decision means that Copenhagen Handelsbank will sell its stake in Nordic American Banking Corporation, which was established in 1979 and is a consortium whose other participants are Svenska Handelsbanken of Sweden, Den norske Creditbank of Norway and Finland's Kansallis-Osake-Pankki. Copenhagen Handelsbank will be selling its shares to Den norske Creditbank.

By setting up an independent operation in New York, Copenhagen Handelsbank carries its international strategy a step further. The bank established branches in Los Angeles, London and Singapore last year. The growth in the bank's international business has been - and continues to be - dramatic, so there is every reason for setting up an independent operation in the world's leading financial center.

The branch is expected to start up with approximately 25 employees.

ISS WINS CONTRACT AT TWA TERMINAL AT JFK

International Service System, Inc. (ISS) has won the contract for cleaning services at the TWA Terminal at JFK Airport, New York. The contract period started April 1, 1985, and runs for 3 years. The contract is worth approx. \$1 million per year.

Carsten Schmidt

PROMOTION AT PRIVATBANKEN

Carsten Jensen, Chief of business development in Privatbanken, New York, has been promoted to Head of the bank's corporate department in Copenhagen as of January 1, 1986.

Carsten Jensen has been in the U.S. since January, 1981, where he started as Assistant Manager. His successor has not yet been appointed. In order to insure continuity for its customers, Privatbanken will send the new person to New York this summer.

DL

No. 2

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LEGO TALK

"We at Lego Systems cannot and will not allow our trade name to become a generic term through negligence. After all, all that we have accomplished rests with our name." Such was the concluding statement of guest speaker Vagn Holck Andersen, CEO of Lego Systems, Inc. (USA) before a luncheon gathering of the Danish American Chamber of Commerce at the New York Yacht Club on March 25.

Mr. Holck Andersen shared the experiences, both good and bad, of the leading Danish toy manufacturer from 1961 when it entered the U.S. market with Samsonite as its marketing partner, to its present structure and strategies. Lego Systems, Inc., as the totally owned and funded U.S. subsidiary it is today, was established in 1973. From the outset it was staffed with young, proven sales people from such major companies as General Foods and Procter & Gamble.

At the core of the company's continuing growth are strategies which include selling Lego toys as American products, not Danish imports, and tough merchandising terms that demand that retailers buy a majority of items in the line.

Lego Systems, Inc. headquarters and factory facilities are based in Enfield, CT. Today the company employs some 450 people.

EN

WANAMAKER CANCELS SCANDINAVIAN PROMOTION

John Wanamaker's has decided to cancel the Scandinavian October promotion 1985. The press release publicizing this decision also mentioned that the president of J. Wanamaker's, Mr. Richard Hauser, has resigned and that Mr. Richard Boje of Sacramento, CA, has been appointed Chairman of the department store in Philadelphia. It has still not been revealed what caused Wanamaker to make the decision of cancelling the promotion.

Carsten Schmidt



UPDATE ON MISS DENMARK USA 1985 AND CONSTITUTION DAY

This year's Miss Denmark USA will be selected among a larger representation of Danish-Americans than ever before. Currently communities, organizations and individuals closely related to the Danish American communities are working together to find the young Danish-American lady who will be presented as our "queen" at the Danish Constitution Day celebration on June 2, 1985, at the Danish Home in Croton-on-Hudson, New York.

Constitution Day at the Danish Home will open officially at 2 pm with a cannon salute by Werner Valeur-Jensen, followed by a welcome speech by Consul General Villads Villadsen. Other prominent guest speakers will be announced at a later date.

The entertainment will be by the famous Danish duo Grethe Hyldgaard and Toni Landi from the Royal Danish Opera, our local soprano Inga Hulgaard, and North Jersey Wind Orchestra conducted by professor Carl Wilhjelm. As usual there will be Danish smørrebrød, beer, soda, coffee, strawberries etc.

This year's celebration will be covered by Danish National Television and aired on June 5 - the original Grundlovsdag.

On May 31, the second annual Constitution Day dinner will be held at Scanticon-Princeton, where the semi-finalists will be presented as part of the show. They will be interviewed on stage by Niels Olsen, National Chairman for the Miss Denmark USA contest, and John Høst Schmidt, Committee Chairman and Chief Judge for the contest. Also this event will be covered by Danish Television, as well as local press and cable television. Toni Landi, Grethe Hyldgaard and the Glenn McClelland Orchestra will entertain at the dinner and dance.

Deadline for the Miss Denmark USA registration is May 15, 1985 (for further information please contact your local Danish American organization), and for the Constitution Day dinner at Scanticon-Princeton May 20 (limit 260 people).

IKEA IN PHILADELPHIA

The Swedish furniture chain IKEA will open their first department store in Philadelphia in June. The company, which is one of the world's leading retail distributors of knock-down furniture, already has several outlets in Canada. The president of IKEA USA, Mr. Thomas Brandt, is Danish. He is the former president of IKEA International which is headquartered in Copenhagen.

Carsten Schmidt

THREE SCANDINAVIAN SCULPTORS IN NEW YORK

Lone Højer Hansen (Denmark), Kirsten Langkilde (Denmark) and Karin Westerlund (Sweden) exhibited at Central Hall Gallery on West Broadway March 27 through April 14.

The exhibition was based on a sculpture scenery created from wood, plaster, iron, and plastic in the weeks preceding the opening, but also included other media such as slides, super-8mm film, sound and performance. The sculptors all received their training at the Royal Academy of Fine Arts in Copenhagen and work mainly in the minimalist tradition.



This exhibition was the first part of a sculpture tour which will also include Stockholm, Sweden, in October, and Copenhagen, Denmark, in December 1985.

DEN DANSKE BANK TO OPEN NEW YORK OFFICE

Den Danske Bank has decided to establish either a branch or a subsidiary in New York before the end of 1985. This decision was recently announced in Denmark by the president of the bank, Tage Andersen. The time frame for establishing the bank is still unclear as permission from the state authorities has not yet come through.

Den Danske Bank is presently part of the consortium American Scandinavian Banking Corporation.

5 + 1

5 + 1 was the name of a presentation of five Danish jewellers and one weaver by the American Scandinavian Society Art Committee at the Bjorn Lindgren Gallery, 575 Madison Avenue, New York City.

The six artists - five of them women - combine their very different and versatile works in an exciting way.

They are all fairly young but already quite well known in Denmark. The chances that they should become so in the States seem promising judging from the very nice turn-out for the opening reception on March 7. The exhibition continued through April 5.

- The names of the artists are as follows:
- Jytte Kløve, goldsmith
 - Claus Bjerring, silversmith
 - Annette Krøn, goldsmith
 - Irene Griegst, enameller and goldsmith
 - Annemarie Serritslev, jewelry designer and goldsmith
 - Annette Holdensen, weaver
 - John Høst Schmidt

THE DANISH ECONOMY (KJØBENHAVNS HANDELSBANK A/S)

Rise in production leads to higher employment in private sector

In 1984 Denmark's economic growth was just over 4 pct. in real terms. This is the best performance for many years and was only beaten in the international stakes by countries like the U.S. and Japan. We were right at the top of the European league, however.

Higher production has been translated into higher employment. Figures from the Danish Bureau of Statistics on payments into the Labor Market Supplementary Pension Fund indicate an increase of 61,700 (in terms of full-time employed) during the fourth quarter of 1984 as compared with the fourth quarter of 1983. The figures do not give any direct information on the number of people in employment but can be taken as an indicator.

This extremely positive trend in employment is concentrated entirely in the private sector.

The rise in employment has been particularly marked in manufacturing, building and construction, trade and the private part of the transport sector.

More moderate rise in domestic demand in 1985 but continued growth in exports and corporate investment

The relatively high level of economic activity in 1984 was based on a real increase of not only domestic demand (private consumption up 3 pct., housebuilding up 15 pct. and corporate investment up 14 pct.) but also exports (up about 5 pct.).

In 1985 the rate of increase of domestic demand is expected to be half that of 1984 while exports will rise at the same rate - although with a somewhat higher rate of growth for service exports.

1984 saw a more moderate rate of activity on the domestic market as compared with the export market.

Private consumption is expected to have increased by about 3 pct. at fixed prices in 1984.

Total retail turnover rose by 11 pct. in nominal terms and 3 pct. in real terms.

The number of newly-registered automobiles reached 134,475 in 1984 - an increase of about 15½ pct. representing an extra D.kr. 10 billion in sales.

A clear levelling out of consumption was generally in evidence in the second half of 1984.

The latest survey of consumer expectations by the Danish Bureau of Statistics was in January 1985. The results were more or less the same as shown in the surveys for the last 18 months (relatively high index of consumer confidence and a relatively large majority in favor of making large purchases now).

The levelling out (or stagnation) in private consumption is expected to continue through 1985, an annual increase of 1 pct. in fixed prices being expected.

Public-sector consumption is expected to remain unchanged in real terms in 1984 and 1985. The Government and the Radical Liberal Party agreed in April last year to keep real public expenditure

unchanged from 1984 to 1985. What is involved is a freeze on the level of public spending, except for those items directly affected by the economic cycle.

Housebuilding seems to have topped during the summer of 1984. The number of building starts is expected to have reached about 25,000 in 1984, and this is practically unchanged in relation to 1983. In terms of square feet, however, a relatively steep increase is involved; a relatively construction is expected to show an increase of about 15 pct. for 1984 and about 8 pct. for 1985 (at fixed prices).

Corporate investment rose sharply throughout 1984 (about 14 pct. at fixed prices). If industrial investment is taken on its own, we are experiencing a veritable investment boom - despite the low starting point. Hence 1984 has seen a much needed boost in the general level, and the trend is expected to continue into 1985, which should see a real growth of about 10 pct. in investment. The positive trend is now being reflected in the spheres of both commercial building and capital goods.

Investment seems to be directed at increasing capacity - but, significantly, in a way that gives a more flexible manufacturing apparatus. This is because companies will be obliged to adapt more quickly to changes in the industrial environment; therefore flexibility on the production side and in all other aspects of business will be necessary.

Public-sector investment stagnated throughout 1984 and is expected to show a rise of around 5 pct. in 1985 - from a low starting point.

Exports of goods and services rose by just under 5 pct. at fixed prices in 1984. Industrial exports (including milk and canned products) and agricultural exports of vegetable origin were mainly responsible for this increase: agricultural exports of animal origin stagnated.

In 1985 exports of goods and services are expected to grow by about 5 pct.

Taking the December 1984 report of the OECD as our yardstick, we can expect imports from our major trading partners to show a weighted increase of about 7 pct. in 1985 (weighted in relation to their share of total Danish exports in 1984).

On aggregate world demand and exports of goods and services are expected to grow by 5 and 3 pct. respectively in 1984 and 1985.

Demand trends push up imports

Imports showed a fairly steep rise in 1984; if GDP growth is adjusted for the exceptionally large grain harvest, growth in imports was twice as large as GDP growth (fixed prices). This is only natural in view of the trend in demand in 1984 since exports, investment and private consumption expanded - and these are the demand components which have the highest import content.

External deficit falls only slightly in 1985

The deficit on the balance of payments reached D.kr. 17.2 billion in 1984 (more or less as predicted in our last report). A look at the deterioration of nearly 6 billion kroner from 1983 to 1984 reveals that 4 1/4 billion alone is attributable to a rise in net interest and dividend outflows.

1985 holds out the prospect of only a slight improvement in the deficit, which is expected to be reduced to 14 1/2 - 15 billion kroner.

Trends in prices and wages

The annual rate of increase in inflation (consumer prices) has been falling, and 1984 saw the lowest increase for several years. Inflation is now well under control, and it is worth pointing out that this was achieved in 1984 by a dampening of domestic inflationary pressures. The same was not true in 1983 when inflation was constrained by outside influences.

Competitiveness

Denmark's international competitiveness has improved in recent years. The improvement in both 1983 and 1984 was primarily due to the rise of the dollar. For a period of several years wage trends made no contribution towards improving competitiveness. But they did so in 1983 and continued to do so in 1984.

Presuming the Government continues its policy of maintaining a stable exchange rate, the main improvement in competitiveness will come from ensuring that our costs do not rise as fast as those of our competitors. Alternatively we can concentrate on parameters such as improved marketing, product development and so on.

At the moment new collective agreements on the labor market are being negotiated. What we need is a result that does not undermine our competitiveness - and preferably improves it. If we can achieve this, interest rates will fall.

Interest rates decided by labor agreements

There is still an unnecessarily wide gap between

Danish bond interest rates and international interest rates. Foreign investment in Danish bonds clearly demonstrates this.

The balance of payments - strongly influenced by the continuing strong growth in consumption - is the decisive factor in maintaining this overlarge gap. If they are not, the Government will have to take corrective fiscal action afterwards, and the interest gap will not be reduced until then - if at all.

It would be a great advantage if the two sides of industry could come to reasonable terms, since this would allow us to keep wage inflation and price inflation running in step - as they have been doing recently. The beneficiaries would be those sectors of industry producing exports and import substitutes.

THE MORE WE WORK TOGETHER

Three Danish companies, as true gentlemen, have decided to forget about competition, bury the battle axes and attack the U.S. market jointly. They are Vølund, H.S. and Nilan, who all sell heating products.

These companies are fierce competitors in Denmark and Europe. However, they realize they may be better off in the U.S. by co-operating and each concentrating on their best product. They expect to sell for \$200 million a year here.

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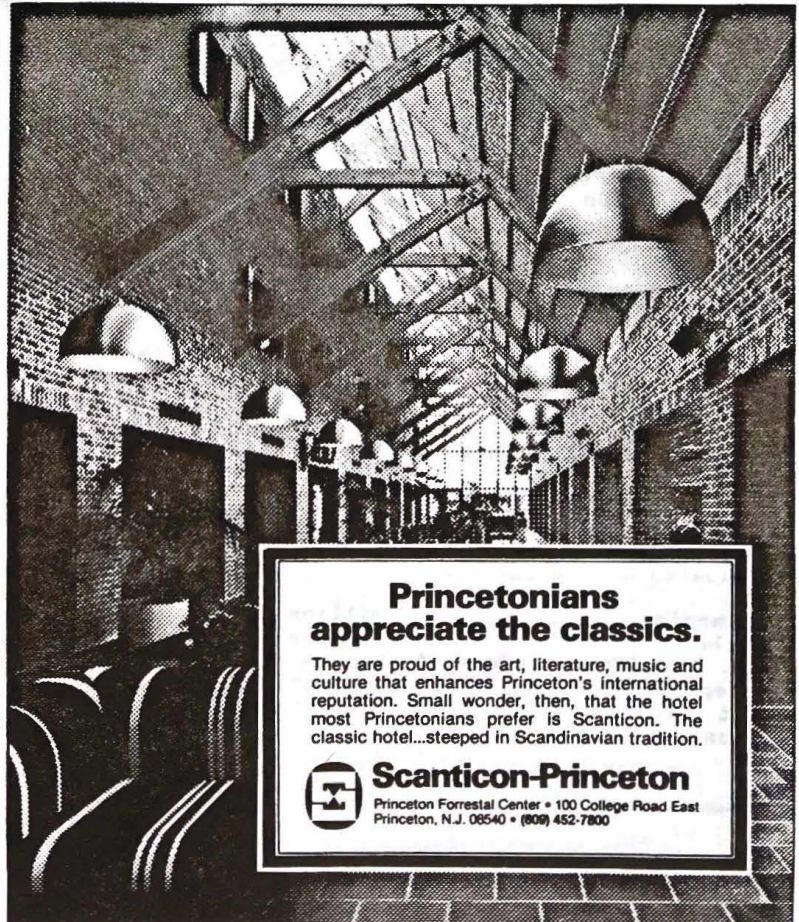
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THREAT OF COUNTERVAILING DUTIES ON DANISH PORK PRODUCTS

The Senate Finance Committee has asked the International Trade Commission, ITC, for an investigation of EEC pork exports to the U.S. With exports of 115,500 tons in 1984 Denmark accounts for 90 pct. of the EEC total. The initiative comes from the National Pork Producers Council in Iowa which feels itself subjected to unfair competition.

The U.S. has just initiated countervailing duties on Canadian pork exports. The final decision in this case will be made this summer, but since both the ITC and the Commerce Department have found Canada guilty of subsidizing a bond measure has been introduced in the meantime. Canada and the EEC both have about four pct. of the U.S. pork market.

Danish exports of pork to the U.S. grew in 1984 by 88.5 pct. and Canadian exports by 195 pct. The National Pork Producers Council sees the two situations as being basically identical cases of unfair export subsidies. Danish exports to this country is today subsidized with 6-7 cent per pound.

The Common Market recently cut the subsidies in half and is expected to eliminate them completely in a few weeks. The NPPC does not find this significant. The American organization is concerned about competition on a global scale. This spells trouble for Danish pork producers, who have asked the EEC to increase restitutions on third country markets in exchange for the loss here.

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PCR IS JOINED BY CHEMCONTROL A/S

It will take an investment of \$80 million to construct a Danish-style hazardous waste incinerator in New Jersey, and that is just what Precision Conversion & Recovery, Inc. and Chemcontrol plan to do. The new partnership, Environcare International, is in the process of making their official proposal.

On March 26 the State of New Jersey decided to accept proposals for an incinerator very much like the well-known Danish "Kommunekemi". Walther B. Jensen, Executive V.P. of Environcare, explains that the State followed the recommendations given by his company quite closely.

PCR has worked with this project for quite some time and is now joined by Chemcontrol as a partner rather than a consultant. Chemcontrol is owned by Kommunekemi, Kampsax International, I. Krüger and Niro Atomizer. The Danish Environmental Board also participates in the partnership.

The planning costs about \$7 million. The State will allow 18 months for project review by the public. New Jersey is one of the few states where the legislature can override possible public protest to site selections. The construction of the plant will take one year.

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A NEW ROUND OF TRADE TALKS IS TRICKY BUSINESS

The U.S. is about to lose its patience with the European Common Market. The Reagan administration intensely wants a new round of negotiations under GATT, the General Agreement on Tariffs and Trade. But Bruxelles is giving it a hard time even if it could cool off Congress a bit.

Washington does not have problems with Japan or other Asian countries, as one might think from reading the papers. They all support the Reagan administration's desire to negotiate. Washington wants a top level meeting by July and the round to start in 1986. The EEC refuses to put a date on anything until an agreement on schedules, subjects, participants and procedures has been obtained.

Reagan primarily wants to discuss liberalization of trade in services. He also wants new and stricter safeguard clauses to stop developed countries from protecting high-tech industries as were they "infants". Safeguard clauses are mostly used by poor countries. Washington furthermore wants better protection of "intelligence property" to limit counterfeiting and patent abuse.

The EEC is not inherently against discussing these matters but have some demands themselves. (Denmark is more in tune with the U.S. free trade position). To tease Washington they propose to call the talks "THE BRUXELLES ROUND". Europe is very concerned with a "standstill". This means they want guarantees that no new trade measures can be introduced while negotiations are proceeding. The EEC also wants an early "rollback" of the tariff cuts negotiated during the Tokyo Round.

Among the problem issues is agricultural trade. The U.S. wants to change the European system of price and production support. The EEC will only negotiate if Washington promises not to attack their basic system. Furthermore, the Europeans, especially France, desire parallel discussions and studies of ways to control the dollar and the international debt crises.

Ronald Reagan seems to be very serious about international trade. The president is willing to go the bilateral way to reach his goals. Washington has already made a free trade arrangement with Israel and has approached Canada with similar thoughts. The possibility of GATT breakdown is real even though remote.

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DANISH COMPANIES WIN CONTRACTS FOR U.S. BASES IN GREENLAND

After a heated international competition, Danish companies have won several work contracts on the American military bases in Thule and Kangerlussuaq (Sdr. Strømfjord), Greenland. The contracts are estimated at a total of \$30 million.

The two engineering firms Hoffmann & Sønner and Pihl and Søn will build a heat and electricity plant in Thule. Also in Thule, Danish Arctic Contractors (DAC) will build a control tower while Superfos will put asphalt on the landing strips in Kangerlussuaq.

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Denmark's Export to the United States

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1981/82</u>	Change from	
					Previous year	
	-mio. D.kr-				<u>1982/83</u>	<u>1983/84</u>
					per cent	
Ham, bacon, salami and other						
meat products.....	1584	1756	3299	45	11	88
Cheese and other dairy products..	435	464	526	31	7	13
Fish etc. for consumptionx).	273	535	678	60	96	27
Butter Cookies.....	196	305	429	85	56	41
Beverages	37	41	47	19	11	15
Tobacco	36	51	51	24	42	0
Mink pelts and other skins	470	518	541	-7	10	4
Animal and vegetable raw						
materials	172	162	181	59	-2	12
Raw chemicals and combinations...	449	581	639	11	29	10
Medicals and pharmaceuticals	288	428	503	32	49	18
Wood products (except furniture).	32	54	119	19	69	120
Paper and paper products.....	18	77	81	80	328	5
Textiles (except clothing)	66	97	114	43	47	18
Stoneware, glass, china, etc. ...	116	151	202	27	30	34
Metal goods, n.e.s.	62	99	163	-6	60	65
Machinery (except electrical) ...	668	1030	1981	-2	54	92
Electrical machinery and						
equipment.....	649	779	995	27	20	28
Transport equipment	62	863	1339	114	1292	55
Furniture	724	1155	1894	47	60	64
Clothing	27	45	69	80	67	53
Technical, scientific, photograph-						
ic and optical instruments..	287	400	538	18	39	35
Other manufactured products.....	407	503	832	33	24	65
Commodities not classified						
according to kind	168	243	197	8	45	-19
Products in other categories	<u>265</u>	<u>340</u>	<u>486</u>	<u>-18</u>	<u>47</u>	<u>43</u>
Total	<u>7491</u>	<u>10677</u>	<u>15904</u>	<u>25</u>	<u>43</u>	<u>49</u>

x) does not include Faroe Islands and Greenland.

1981: 1 US dollar is equal to D.kr. 7.12
 1982: 1 US dollar is equal to D.kr. 8.34
 1983: 1 US dollar is equal to D.kr. 9.14
 1984: 1 US dollar is equal to D.kr. 10.35

Source: Danmarks Statistik: Udenrigshandel.

Denmark's Import from the United States

	1982	1983	1984	1981/82	Change from Previous year	
	-mio. D.	D. kr.-	-		1982/83 per cent	1983/84
Cereals	140	49	60			
Vegetables and fruits	145	152	169	-32	-65	22
Fodder	274	293	335	-13	5	11
Tobacco	104	92	466	-45	7	14
Hides, skins	131	83	107	93	93	406
Oil Seeds, etc.	374	405	359	5	-37	29
Crude fertilizers and minerals	27	22	24	-17	8	-11
Crude animal and vegetable materials, n.e.s.	179	280	176	-49	-19	9
Coal	1566	848	402	19	56	-37
Crude oil and mineral oil products	206	203	178	-24	-46	-53
Raw chemicals and combinations	130	129	122	58	-1	-12
Pharmaceuticals	87	88	83	12	-1	-5
Fertilizers manufactured	43	81	38	24	1	-6
Plastics etc. (not processed).	100	115	137	-53	88	-53
Chemical materials and products	111	101	128	-7	15	19
Rubber, manufactured	64	36	35	66	-9	27
Wood products (except furniture)	137	182	155	10	-44	-3
Paper and paperboard	63	73	76	-23	33	-15
Textiles (except clothing) ...	61	59	68	-14	16	4
Non-ferrous metals	26	17	27	0	-3	15
Metal goods, n.e.s.	84	81	102	30	-35	59
Machinery (non-electrical) ...	1399	760	905	6	-4	26
Electrical machinery and equipment	1391	1624	2184	7	-46	19
Transport equipment	296	188	328	24	17	34
Clothing	48	39	41	-81	-36	74
Technical, scientific and optical instruments	422	460	557	-39	-23	5
Misc. manufactured articles, n.e.s.	339	368	518	12	9	21
Commodities not classified according to kind	1596	1121	682	20	9	41
Other goods	347	428	456	21	-30	-39
	<u>4990</u>	<u>8377</u>	<u>8918</u>	<u>24</u>	<u>23</u>	<u>7</u>
Total	<u>9890</u>	<u>8377</u>	<u>8918</u>	<u>-11</u>	<u>-15</u>	<u>6</u>

1981: 1 US dollar is equal to D.kr. 7.12
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Source: Danmarks Statistik: Udenrigshandel

DENMARK'S EXPORTS TO THE USA

Danish exports have grown in recent years compared to most of our European competitors. According to U.S. import statistics the total growth in imports from the EEC were 2.1% in 1982 (Denmark 6.4%), 3.3% in 1983 (Denmark 17.9%), and 3.1% in 1984 (Denmark 35%). The reason for the relatively slow EEC growth rate at the beginning of the economic recovery is partly because the larger EEC countries have a different economic structure, and the export of investments and steel, for example, have more impact on the statistics than in Denmark. At the beginning of the economic recovery the American industry was working at low capacity, and building starts were at a low. As the situation improved, investments in capital goods began to accelerate. Also the lower interest rates had a positive impact on building starts.

Main export products

Meat and canned meat is still the most important products. The exports of meat rose considerably in 1984, mainly because the U.S. in January of 1984 re-opened the imports of fresh meat from Denmark. The outbreak of hoof-and-mouth disease on Fyn in January 1982 instantly resulted in a ban on fresh meat from Denmark. In 1984 meat exports totalled D.kr. 3.3 billion, compared to 1.7 billion in 1983. Most of the increase stems from fresh meats, especially ribs and sirloin to the restaurant sector. Traditionally, however, canned meat is still the single most important product.

Cheese. American cheese imports are based on a quota system where Denmark competes with the other EEC countries. The volume of Danish cheese exports to the U.S. fell in 1984, mainly because of diminished sales of industrial cheese. Other cheese types, however, have sold well, and total sales of dairy products in 1984 were at D.kr. 526 million, compared to 464 million in 1983. The most popular cheeses are Havarti and blue cheeses.

Danish cookies continue their success in the U.S., and the many brands available compete for the highest market share. Total sales in 1984 were more than D.kr. 400 million.

Fish exports from Denmark, Greenland and The Faroe Islands were satisfactory in 1984 in spite of reduced takings especially in Greenland. Fish exports totalled approx. D.kr. 1 million in 1984 and 1983. The majority of fish exports are frozen filets.

USA is the most important export market for Danish furniture. 30% of Danish furniture exports (22% of total production) are sold on the U.S. market. Furniture exports in 1984 totalled D.kr. 2 billion which is a 80% increase over last year. The main furniture categories exported are dining room sets, wall units, stereo benches etc. in teak and palisander.

Capital goods: 1983 and 1984 saw new vigor in U.S. investment programs, and this influenced the sales of Danish equipment and know-how in a most positive way. Danish know-how and equipment is already being used in American waste disposal plants, and there are strong efforts to enter the district heating, chemical waste and alternative energy markets.

The energy aspect is also of interest in connection with the construction of a Danish house at Brookhaven National Laboratory, New York. The

single-family house is partly financed by the Danish Ministry for Housing and is an integrated part of a promotion of Danish housing and building components. The Danish house - which will be the first of 10 houses constructed by 10 different countries - will open in late May of 1985, and the Danish Building Research Institute and BNL conduct a 3-year energy testing program.

The electronics industry is one of the largest and fastest growing industries in the U.S. In 1980 the production value was \$100 billion, and in 1984 150 billion. Components have the largest market share of 26%, computer equipment 25%, radio and TV communication 21%, test, control and medical electronics 12%, telephone and telegraph products 11%, and entertainment electronics 5%. The electronics industry is constantly entering new fields such as hospital and test equipment, and production, environmental, teaching, communications, defense and entertainment technology.

Over the past few years Denmark has won a steadily increasing share of the U.S. electronics market in such fields as telecommunications, medical electronics, computer products and various components.

In 1983 and 1984 Danish wind mill manufacturers gained a strong foothold on the American market, especially in California. Tax benefits, on both federal and state level, paved the way for a rapidly accelerating export of Danish wind mills, which have proved to be extremely competitive on both price and quality.

Most of the Danish mills are concentrated in Californian wind mill parks. Other states, such as Oregon, Montana, Maine and Hawaii, are considering wind power as a supplement to already existing energy sources. In 1984 Denmark exported 1,600 wind mills at a total of D.kr. 900 million. At the end of 1984 there was a total of 6,000 wind mills in the U.S. of which 4,500 are located in California.

If the federal and state tax benefits expire at the end of 1985 and 1986 respectively, this might affect the exports of wind mills on the long term. It is generally held, however, that sales should hold even without the tax benefits, but the character of the market will change, and Danish exporters will face new challenges.

As can be seen from the above examples, some modification of the growth in exports can be expected in 1985, but for other smaller product groups the growth in exports will be undiminished. The expected growth in exports to the U.S. in 1985 is 30 - 40%.

Carsten Schmidt

LEMANS SALAMI ORGANIZATION GROWS ON THE EAST COAST

Leman of America is expanding on the East Coast to prepare for more Danish companies. The company already hosts half a dozen customers here, and additional 25 in its facilities in Racine, WI. The expansion comes only six months after Leman opened in Connecticut.

Jan Møller, Head of the East Coast office, describes the Leman service as a "salami operation". Customers can cut any slice of his organization, from legal assistance over storage to secretarial help. The only service he does not offer is sales.

"It has cost us plenty to start so small here", said Jan Møller in a conversation with DACC. "After the expansion we will have an additional 20,000 sq.ft. of storage space and a total of 5,000 sq.ft. of office space. In Racine we have 45,000 sq.ft."

Leman of America, which is managed by Danes but Belgian-owned, plans to open another salami center in Los Angeles in 1987 and later on in Texas or Florida.

DL

STANDARD & POOR'S CONFIRM DENMARK'S CREDIT RATING

Denmark's long-term debt rating has been confirmed at AA+ by Standard & Poor's. The U.S. financial institution writes in the March 18 issue of "Credit Week" that Denmark has made considerable progress in addressing the economy's structural problems. The Government's efforts over the last two years to contain transfer payments and wage expenditures have led to tangible results in budgetary balances and net borrowing needs.

S & P writes that Denmark at the same time has had one of the highest economic growth rates in Europe (1983-84 3.5%). The growth comes not just from exports, as in other countries, but also from domestic consumption and private investments, it says.

Denmark has difficulties in containing and correcting external imbalances because imports to industry and the private sector is still very strong. Also the national economy is burdened by huge interest payments resulting from many years of borrowing. To offset these factors persistent budgetary restraint and improved balance of payments is necessary.

Ask to see the undeniable look that is Georg Jensen in a new jewelry collection without comparison for simply stated elegance. Madison Avenue at 61st in Manhattan (212) 759-6457.

ROYAL COPENHAGEN PORCELAIN
GEORG JENSEN SILVERSMITHS

ILLUMS BOLIGHUS SOLD TO UNITED BREWERIES

Danish design is more than ever concentrated in the hands of the United Breweries after the purchase of Illums Bolighus. The breweries also own Royal Copenhagen Porcelain, Georg Jensen and Holmegaards Glasværker. The first two companies are neighbours on Amager Torv in central Copenhagen.

Illums Bolighus has been sold two times within the last year. Per Bork bought it last year from his wife Marianne Illum Bork as part of their divorce settlement. United Breweries (De Forenede Bryggerier) see a strong future for Danish design at the international level.

The merger took place April 11 and will in the future be called Royal Copenhagen. New management has not yet been selected.

Illums Bolighus had losses of D.kr. 8.5 million in 1984 in spite of a 10% increase of sales to 104 million. Apart from 1982/83 when the company sold its downtown building profits have been sluggish.

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NEW TWA DAILY SERVICE TO COPENHAGEN

SAS and Northwest Orient will get company on the routes to Copenhagen on April 28 when Trans World Airlines introduces its daily service to Denmark. The plane leaves New York at 6.20 pm to arrive in Denmark at 10.00 am the following morning. There is a one hour stop-over in London.

This route to Denmark is a natural extension of TWA's network in Europe. The London route is quite successful which means that there will only be 50 seats assigned to Denmark. The airline expects it will be quite easy to fill the seats from its 60 city feeding system in the U.S.

The secret behind the Copenhagen decision is partly a union contract negotiated last year. The company agreed with flight attendants and pilots to extend the London trip since salaries were already paid to the crew.

The substantial savings will not benefit the passengers. TWA has an introductory super apex fare of \$449 R/T through May 14. Thereafter prices will increase to \$727 and \$900 during the high season. TWA starts the high season June 1 - two weeks before other airlines. The prices on TWA are very similar to those of SAS. A O/W ticket on Ambassador Class (business) costs \$703.

DL

THE QUEEN AND PRINCE CONSORT TO VISIT "SIRIUS"

It is an established tradition that the reigning monarch of Denmark includes special greetings to Danes far away from home and in unusual circumstances in the New Year's Eve speech. In April Queen Margrethe and Prince Henrik take it a step further when they make a visit to the Danes in what is perhaps the most remote location of all: the members of the renowned Sirius sledge patrol in Northeast Greenland.

The royal couple will leave Tirstrup Airport in one of the Royal Danish Airforce's Gulfstream aircraft heading for Daneborg, with short stays in Scoresbysund and Mestersvig. In Daneborg they will stay for two nights in a very small wooden house of one of the members of the patrol. An excursion takes the royal couple as far as Station Nord, manned by only five members of the patrol. The Queen and Prince Henrik will leave Greenland on April 11.

The Sirius patrol maintains Danish sovereignty in an uninhabited area almost four times the size of Denmark by means of dog sledges, skis, motor boats and helicopters.

John Høst Schmidt

NEW MEMBERS

We welcome the following new members to the DACC:

CORPORATE

Mr. Erik Hornung
NKT (US), INC.
300 Knickerbocker Road
Creskill, NJ 07626

(201) 871-0620

Power and telecom cables etc.

INDIVIDUAL COMMERCIAL

Ms. Donna E. Jones
221 E. 50th Street, 5 F
New York, NY 10022-7735

(212) 980-6874

Attorney at Law

Mr. James E. Connors
ALEXANDER & GREEN
299 Park Avenue
New York, NY 10171

(212) 758-6900

Attorney at Law

CORRECTION from last issue

Mr. Niels Ole Christensen
PROFF5ET GRAPHIC, INC.
122 E. 42nd Street, 35th Floor
New York, NY 10017

(212) 661-6910

POSITIONS WANTED

Danish immigrant, with Green Card, is seeking a sales/marketing position, preferably on the East Coast. Has 15 years experience in international trade with a major Danish company, including 6 years in the USA and Canada. For further information, please call the Secretariat at (212) 980-6240.

Resident Dane in New York City is looking for position. Experience: legal secretary in Denmark for five years. For further information, please contact Susan Walther Rasmussen at (212) 614-0341.