

DANISH AMERICAN CHAMBER OF COMMERCE NEW YORK

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NEWSLETTER

No. 2

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THE ANNUAL D.A.C.C. DINNER & DANCE

The Chamber's March meeting took place Friday, March 27, in the Baroque Room at New York's Plaza Hotel.

Although the U.S. Postal Service managed to lose a good number of invitations in their system, the turn-out was good, and everybody had a most enjoyable evening.

As usual Mr. Werner Valeur-Jensen was a charming, witty, and eloquent toastmaster. Mr. Hans Peetz-Larsen proposed a toast for the President of the United States, Ronald Reagan, and the toast for the Queen of Denmark, Margrethe II, was proposed by Mr. Flemming Søderlund.

Everyone was moved by Mrs. Inga Hulgaard's singing of the National Anthems of the United States and Denmark.

The Guest of Honor was Ms. Mimi Stilling Jacobsen, Denmark's Minister for Social Affairs, who brought greetings from Prime Minister Poul Schlüter. Ms. Stilling Jacobsen talked about social problems in Denmark which in some cases are similar to those in the United States, although the proportions may differ. Many social problems today could be minimized, if not totally eliminated, if the family units would/could work out these matters from the inside out. In closing, the Minister said about Danish-American relations: "We are okay alone; however, we are better together".

The EAC USA, Inc. used the Dinner Dance to celebrate their parent company's 90th birthday by inviting a number of business friends for the evening.

Mr. Edward Lichtenhagen of Scandinavian Airlines asked the guests to speculate on the total number of passengers S.A.S. flies each year on their world-wide routes. The answer is currently 11,708,000 passengers. The lucky winner of one round-trip First Business Class ticket New York-Copenhagen was Mr. Peter Hesselund-Jensen, who came pretty close to the correct figure.

March-April 1987

The Board of Directors would like to thank the following sponsors for their contributions to the evening:

Copenhagen Handelsbank - Cocktail Reception
The EAC USA, Inc. - music provided by Walter Ericssons Orchestra
S.A.S. - First Business Class round-trip ticket

EN

ANNUAL MEETING

The Annual Meeting of the DACC will take place on Wednesday, April 22, 1987, at 11 am, at the New York Yacht Club. The meeting will be held prior to the April Meeting and Luncheon.

Further details of the Annual Meeting will be mailed to the membership at large.

The speaker at the Luncheon will be Mr. John Heilmann, Chairman and CEO of The Distillers Somerset Group, Inc., who will speak on the subject: "If It Is Wednesday, It Must Be Guinness..... Or, The Diary Of A Takeover Survivor".

EN

DANISH CONSTITUTION DAY CELEBRATIONS

The annual Constitution Day celebrations kick off on Constitution Day, Friday, June 5, with the traditional dinner at Scanticon-Princeton. This year's entertainment will be provided by Susanne Breuning and Kurt Ravn, accompanied by Thyge Thygesen.

The finals of the Fifth Miss Denmark-USA National Contest will also take place on this evening, when the five regional winners meet for the selection of this year's Miss Denmark-USA.

On Sunday, June 7, the Constitution Day festivities continue on the beautiful grounds of The Danish Home in Croton-on-Hudson.

The program starts at 11 am, when Rev. Henrik Fossing of the Danish Seamen's Church will hold a "Pinse" service. The official opening will take place at 1.30 pm, and entertainment and speeches will follow throughout the afternoon.

DSH

TALL SHIP "DANMARK" IN BALTIMORE

The training ship "Danmark" will visit Baltimore from April 29 to May 4, 1987. During the visit the Danish Consulate General in New York and the Association of Danish Furniture Manufacturers will host a reception onboard the ship on April 30. The guests will be the many importers of Danish furniture in Maryland and surrounding states.

CS

DANISH AMBASSADORS APPOINTED

Former Consul General in New York in the period 1972-1977, Erik H. Krog-Meyer, has been appointed Ambassador to the German Democratic Republic, Berlin.

After Mr. Krog-Meyer left New York he headed the Trade Department of the Ministry of Foreign Affairs till 1979, when he served as Ambassador to the Netherlands.

Mr. Krog-Meyer's successor in New York was Consul General William Thune-Andersen, who served in the period 1977-1984. Mr. Thune-Andersen has now been appointed Ambassador to Japan after serving as ambassador to Egypt in the period 1984-87.

S

DANISH CONSULATE IN BOSTON RELOCATES

The Royal Danish Consulate in Boston, MA, has recently relocated to:

99 Boylston Street
10th Floor
Boston, MA 02116
Phone: (617) 266-8418

SITUATION AVAILABLE

Ørrebrødsjomfru
Ørrebrødsjomfru
Ørrebrødsbanken, New York City, is looking for a part-time (9-3) person to be in charge of our kitchen/luncheon room. The menu consists of ørrebrød, sandwiches and salads.

Please send resume to:

Ørrebrødsbanken A/S
100 Park Avenue
New York, NY 10022
Attention: Personnel Department

SITUATION WANTED

WANT TO LEARN DANISH? Private tutoring by experienced Danish teacher. Day and evening hours available.

Please contact ANITA RASMUSSEN, Danish Consulate General, at:
Phone: (212) 832-9316 (Home) or (212) 223-4545 (Office)

NEW MEMBERS

We welcome the following new members to the DACC:

CORPORATE

Mr. Gerald J. Briemer
Inter-Maritime Forwarding Co., Inc.
156 William Street
New York, NY 10038
(212) 791-0544

International freight forwarder/custom broker, freight consolidator.

Mr. Peter Dam
Farma International Corporation
20 W. 55th Street
New York, NY 10019
(212) 713-1690

Dietary fiber products.

INDIVIDUAL COMMERCIAL

Mr. Jørgen Kragh
Mercuri International New York, Inc.
312 Silvermine Road
New Canaan, CT 06840
(203) 966-8834

Sales and management training.

Mr. Brian G. Andersson
Louis Saunders Co., Inc.
450 Park Avenue
New York, NY 10022
(212) 755-2000

Real estate and corporate leasing services.

Mr. Jens Larsen
Trelleborg USA
54 River Colony
Guilford, CT 06437
(203) 453-6809

Subsidiary of Danish panelized housing manufacturer Trelleborg Huse.

SVEND ASMUSSEN RETURNS TO FAT TUESDAY'S

Svend Asmussen, the legendary Danish jazz violinist, returns for an encore at Fat Tuesday's Jazz Club in New York. Mr. Asmussen will play every night from April 28 through May 3, 1987.

DSH

On the following 2 pages are photographs of some DACC members enjoying themselves at the Dinner Dance on March 27.



Mrs. Mimi Stilling Jacobsen,
Minister for Social Affairs



Mrs. Kirsten Olsen, Allan & Connie
Rasmussen, Plumrose, Mr. Niels
Olsen, Scanticon



ma Mr. Lars Jappe, Secretary to the
Minister, the Minister, Werner &
Susanne ValeurJensen



Adam Trier, Per Loft, Ministry of
Social Affairs, Karen & Tage
Benjaminsen, Provinsbanken



Werner & Susanne Valeur-Jensen,
Bodil & Flemminn Soderlund, the
Minister



Erik & Evelyn Norup, Star & Lennard
Rambusch



Mr. & Mrs. Peetz-Larsen, EAC USA,
Bodil & Pastor Henrik Fossing



Mrs. & Mr. Roger Anderson, Privat-
banken, Consul Chr. Halby, Boston,
Ingeborg Larsen, Privatbanken



Ed & Judith Lichtenhagen, SAS, Bent
& Kirsten Hansen, Copenhagen
Handelsbank



Bodil & Flemming Søderlund, Jette &
Carsten Schmidt, Danish Consulate

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THE DANISH ECONOMY (PROVINSBANKEN)

The sixty-four-dollar question in financial quarters in Denmark right now is when the next general election will be held and how the Danish competitive power will be following the recent conclusion of the new collective wage agreement which allows wage increases of 6-9%, an increase above the one expected abroad. This undermines the fixed krone rate that has been one of the cornerstones of the economic policy of the present right-wing coalition government.

A general election seems imminent after stock has been taken of 1986. Especially the development in the balance of payments gives cause for concern. The balance of payments deficit amounted to DKK 34.6 billion or 5% of the gross national product as compared to DKK 29.1 billion in 1985. Denmark's total external debt now amounts to DKK 262 billion or a formidable 40% of the gross national product!

Concern is also expressed about Denmark's credit standing as Standard & Poors downgraded it from A to AA. This will mean that the Danish government will have to finance the considerable external debt on less favorable terms.

The uncertainty caused by the rumours of a general election has influenced the development in the financial markets to a considerable degree. The yield on the leading 20-year bonds touched bottom at approx. 9% in March 1986. Now, in March 1987, the yield is approx. 13%. The trend on the share market has been equally disheartening. During the last twelve months the share index has fallen from 250 to 200.

The reason for the falling share prices are the increasing interest rate level and the poor prospects for the earnings of Danish businesses. Industry is faced with serious problems. Its exports, which were to be the mainstay of the solution to Denmark's balance of payments difficulties, have not come up to expectations.

na things explain why Denmark's export performance is so poor. The first explanation is that the Danish home market has seen a heavy demand for goods. The production has, so to speak, found a more than ready market. Why then would anyone bother about the foreign markets whose growth rates were lower than Denmark's?

The problem in 1987 is the prospect of zero growth in the Danish economy. Therefore, Danish businesses will be forced into the export markets in order to maintain earnings that will measure up to those of the previous years. However, the outlook for the world economy is not too promising either. In the OECD countries the real growth rate is expected to be just under 3% in 1987 and 1988. In other words, it will be an arduous job to win market shares in the foreign markets.

The other explanation to the poor development in Danish exports is to be found in the considerable deterioration of Denmark's competitive power in 1986. This deterioration has been brought about primarily because of the exchange rate fall of the US dollar, sterling, Swedish and Norwegian kroner against the Danish krone. For instance, the worth of the dollar in terms of the Danish krone has fallen by some 25% since the beginning of 1986.

Thus, the prospects are not bright for the Danish economy in 1987, a year in which the main task will be to lower the current balance deficit. This task seems almost insoluble given the odds that the Danish economy is up against.

LOWER DANISH CREDIT RATING

The economists at Standard & Poors find the Danish deficit on its currency account so grave that in mid-March they lowered the Danish credit rating for long-term government debt from AA+ to AA.

All other Scandinavian countries still enjoy the best rating, which is AAA, as do all the leading Western countries. The Danish rating was lowered the first time in 1983, just after the change of government.

A lower rating means more expensive loans. This little change is expected to cost at least 150 million D. kroner when the current debt is to be renewed.

CJJ

NEWS SERVICE TO DANISH-RELATED FIRMS

The latest news on Danish politics and the markets there is now available via a fax service provided by the Danish newspaper Jyllands-Posten.

"The intention is to keep our customers updated on Danish news from the early morning", says the leader of this new project, Sune Salling-Mortensen. He explains that dead-line for the news service, which will feature two pages five days a week, is in the early afternoon in Denmark. "So we will be able to report on most of the events of that day, and still be on the desks of our customers in New York and the rest of the U.S. by eight in the morning", he adds. The basic price for this service will be 1.900 D.kr. for three months.

These fax-news can be received by anyone who has a fax machine of group two or three. For further information: fax your requests to 011-45-6-146642.

CJJ

NORDIC V.A.T. REFUND NOW POSSIBLE AT KASTRUP

Visitors to Denmark, Norway, Sweden and Finland can now be reimbursed V.A.T. paid in any of these countries at Kastrup Airport, Denmark.

Danish Tax-Free Shopping A/S, which is owned by Diners Club, recently opened new offices in the transit area of Kastrup Airport. The office services passengers who have made their purchases in any of the above-mentioned four countries, provided the shops are associated with the tax-free shopping system.

Ms. Helle Ilmi, Director of Danish Tax Free Shopping A/S, says that Copenhagen, being the gateway to Scandinavia, was an easy choice for the new service center.

The service center will also be able to issue your new Diners Club card in 30 minutes.

DSH

DMI OPENS PERMANENT SHOWROOM IN HIGH POINT, SC

The Association of Danish Furniture Industry (DMI) opened a showroom/office in High Point, SC, on April 1, 1987. President of the U.S. office is Mr. Hans Rix, previous export manager for the Association. The 3,000 square-foot showroom is located in the North Wrenn Building.

This means that both Danish furniture associations are now represented with permanent showrooms in High Point. In the fall of 1986 the Danish Furniture Manufacturers Association established themselves on the 5th floor of the Southern Furniture Design Center.

This exemplifies just how important the U.S. market is to these Danish manufacturers. 70% of the furniture manufactured in Denmark is exported, and most of those exports go the U.S.

U.S. APPROVES NEW DANISH LABORATORY

The Department of the Navy in Massachusetts recently approved the new laboratory of Det Danske Stålværk, Frederiksværk, for testing of steel materials. Testing is done in accordance with the standards of The American Society for Testing Materials (ASME).

This means that Danish manufacturers can now buy their raw materials for products required to meet ASME standards directly from Stålværket, instead of importing them from for example West Germany. This in turn means lower costs, shorter production time - and more competitive products.

CS

ma EXPECTS MUCH FROM NEW PARTNER AT & T

The Danish manufacturer of electronics and fibers, NKT, has joined forces with American Telephone & Telegraph to start a new production of optic fibers in Denmark.

This cooperation can also lend the company more credibility in its efforts on the American market, says Erik Hornung, V.P. and General Manager of NKT, in an interview.

NKT does not expect to start exporting optic fibers to the U.S., though. Instead they focus on selling the components that control such fibers, an area where NKT has attained a lot of experience.

CJJ

BUSINESS OPPORTUNITY TOUR TO DENMARK

Many of the DACC members in New York signed up for the business opportunity tour to Denmark.

However, as the minimum number of participants stipulated by the Board of Directors has not been reached, the Board has now decided to cancel the tour.

CS

NO GO-AHEAD FOR SAS

After preliminary talks with the American aviation authorities SAS seems far from a permission to expand their flights into and within the U.S.

SAS wants permission to fly domestic flights in the U.S. The argument is that American carriers can relatively freely serve passengers flying between European cities. The federal authorities said after these first talks that SAS may be granted permission to fly to one more American city beside the five already served by the company.

CJJ

CHRYSLER EXPORTS TO DENMARK

The Danish Interdan Group will start importing Chrysler cars to Denmark in the fall of this year.

A representative from the Interdan Group recently visited the Chrysler plant in Detroit, MI, and was favorably impressed with the standard of the cars, which he says are quite up to European and Japanese standards.

Interdan plans to introduce three models: Chrysler Shadow (estimated sales price D.kr. 130,000), Chrysler Lancer (D.kr. 170,000) and Chrysler Caravan (D.kr. 230,000). The company hopes to sell a total of 4-6,000 of the cars within the next 4-5 years.

DSH

CONSULATE GENERAL OF DENMARK

March 1987

Denmark's Export to the United States

| | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>Change from</u> <u>previous year</u> |
|------------------------------------|---------------------|--------------|--------------|--|
| | <u>- mio. D.kr-</u> | | | <u>- per cent -</u> |
| Ham, bacon, salami and other | | | | |
| meat products..... | 3299 | 3771 | 2878 | - 24 |
| Cheese and other dairy products.. | 526 | 535 | 299 | - 44 |
| Fish etc. for consumptionx). | 678 | 775 | 708 | - 9 |
| Butter Cookies..... | 429 | 609 | 518 | - 15 |
| Beverages | 47 | 36 | 44 | + 22 |
| Tobacco | 51 | 51 | 41 | - 20 |
| Mink pelts and other skins | 541 | 564 | 425 | - 25 |
| Animal and vegetable raw | | | | |
| materials | 181 | 216 | 197 | - 9 |
| Raw chemicals and combinations... | 639 | 653 | 570 | - 13 |
| Medicals and pharmaceuticals | 503 | 564 | 534 | - 5 |
| Wood products (except furniture).. | 119 | 94 | 105 | + 12 |
| Paper and paper products..... | 81 | 41 | 37 | - 10 |
| Textiles (except clothing) | 114 | 126 | 108 | - 14 |
| Stoneware, glass, china, etc. | 202 | 206 | 140 | - 32 |
| Metal goods, n.e.s. | 163 | 148 | 130 | - 12 |
| Machinery (except electrical) ... | 1981 | 2927 | 2041 | - 30 |
| Electrical machinery and | | | | |
| equipment..... | 995 | 1150 | 1268 | + 10 |
| Transport equipment | 1339 | 954 | 327 | - 66 |
| Furniture | 1894 | 2175 | 1615 | - 26 |
| Clothing | 69 | 85 | 53 | - 38 |
| Technical, scientific, photograph- | | | | |
| ic and optical instruments.. | 538 | 609 | 678 | + 11 |
| Other manufactured products..... | 832 | 954 | 856 | - 10 |
| Products in other categories | 683 | 905 | 970 | + 7 |
| Total | 15904 | 18148 | 14542 | - 20 |

k) does not include Faroe Islands and Greenland

1984: 1 US dollar is equal to D.kr. 10.35

1985: 1 US dollar is equal to D.kr. 10.59

1986: 1 US dollar is equal to D.kr. 8.09

Source: Danmarks Statistik: Udenrigshandel.

CONSULATE GENERAL OF DENMARK

March 1987

Denmark's Import from the United States

| | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>Change from previous year - per cent -</u> |
|--|-----------------------|--------------|-------------|---|
| | <u>- mio. D. kr.-</u> | | | |
| Vegetables and fruits | 169 | 159 | 171 | + 8 |
| Fodder | 335 | 171 | 401 | +135 |
| Tobacco | 466 | 455 | 395 | - 13 |
| Hides, skins | 107 | 117 | 75 | - 36 |
| Oil Seeds, etc. | 359 | 235 | 112 | - 52 |
| Coal | 402 | 1116 | 749 | - 33 |
| Crude oil and mineral oil products | 178 | 199 | 207 | + 4 |
| Raw chemicals and combinations | 122 | 165 | 169 | + 2 |
| Pharmaceuticals | 83 | 125 | 117 | - 6 |
| Plastics etc. (not processed). | 137 | 139 | 140 | + 1 |
| Chemical materials and products | 128 | 128 | 130 | + 2 |
| Wood products (except furniture) | 155 | 90 | 160 | + 78 |
| Paper and paperboard | 76 | 60 | 77 | + 28 |
| Textiles (except clothing) ... | 68 | 78 | 97 | + 24 |
| Machinery (non-electrical) ... | 905 | 992 | 1408 | + 42 |
| Electrical machinery and equipment..... | 2184 | 2541 | 2193 | - 14 |
| Transport equipment | 328 | 1579 | 1109 | - 30 |
| Clothing | 41 | 43 | 44 | + 2 |
| Technical, scientific and optical instruments | 557 | 404 | 553 | + 37 |
| Products in other categories.. | <u>2080</u> | <u>2508</u> | <u>1379</u> | - 45 |
| Total | <u>8918</u> | <u>11366</u> | <u>9744</u> | <u>- 14</u> |

1984: 1 US dollar is equal to D.kr. 10.35

1985: 1 US dollar is equal to D.kr. 10.59

1986: 1 US dollar is equal to D.kr. 8.09

Source: Danmarks Statistik: Udenrigshandel