

DACC NEWS BULLETIN

NO. 4

OCTOBER, 1991

DACC'S OFFICE HOURS ARE:

Monday - Friday 9:30 am - 1:30 pm

The Danish Economy

After two decades with a growing foreign debt, Denmark is now on its way to paying back this debt. At the end of 1991, the debt was about \$20 billion (rate of exch.: US\$=Dkr. 5.9), and by early 1992 the debt is expected to be reduced to \$14 billion (rate of exch.: US\$=Dkr. 6.5).

International confidence in Denmark is growing. Merrill Lynch currently recommends Danish bonds. With a surplus balance of trade of \$1.5 billion (rate of exch.: US\$=Dkr. 6.5), and a record low inflation of less than 3%, there is cause for optimism for an upswing in the domestic market over the next couple of years. Standard and Poor's has just increased the credit rating for Denmark from AA to AA+.

Although the economy may be turning in the right direction, growing unemployment is a major concern. Currently, unemployment is 10% of the working population, or about 300,000 people. Seemingly, Danish politicians cannot get a handle on this situation.

According to information from Denmark's Bureau of Statistics, during the first half of 1991, the country achieved a surplus balance of trade with Germany: the first time in over 10 years. This exemplifies a growing trend for Danish exports to be concentrated in the EC markets, which today account for 55%.

Playground

The Danish company Kompan A/S is today the largest playground equipment manufacturer in the world.

Six years ago Kompan, Inc. started its activities in the USA from its Connecticut office. In May of 1991, Kompan A/S acquired BigToys, one of the larger US manufacturers of playground equipment, located in Olympic, Washington. With the new additions, Kompan's US based subsidiaries employ 90-100 people.

HS

Danfoss Expands in America

One of Denmark's biggest concerns, Danfoss, has within the last couple of years bought three corporations in the USA and expects to buy even more in the future.

At the Danfoss Danish Headquarter in Nordborg it was decided that the concern will invest more than \$150 mio. for the purpose of expanding in America.

Danfoss is Europe's largest manufacturer of thermostats for refrigerators and radiators, and has a big production of hydraulic components and other electronic devices.

Until now the corporation has received only \$150 mio. in annual revenues from the American market, corresponding to a little less than one eighth of the corporation's global turnover. Today Danfoss has four factories in North America one of which is placed in Canada. The corporation expects to grow by at least 10% annually in the USA.

NS

QVC Homeshopping

In the beginning of November the TV homeshopping station QVC will broadcast a program titled "Christmas in Scandinavia". The program came about through the cooperation of KV-Marketing, the Danish Consulate in New York, and the Danish Federation of Small Industries. Representatives from QVC travelled to Denmark and selected products from several Danish companies which will be used on the program. 11 Danish companies hereby got the opportunity to showcase their products for a wide audience. If the program is a success, the plan is to produce a similar program next year titled "Summer in Scandinavia". NH

Victor Borge In New York

The great Danish-American, world-renowned musician and humorist Victor Borge will be honored with The Town Hall Friend of the Arts Award at Town Hall's Gala/Benefit on Sunday, October 27, 1991. The program comprises a cabaret concert at the Town Hall followed by a cocktail reception and dinner and award presentation at the Harvard Club. For further information and reservations please call (212) 997-1003.

LD

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DANISH AMERICAN CHAMBER OF COMMERCE

Thanks For Now

For over five years the Newsletter Committee has enjoyed wonderful cooperation and benefits from the professional expertise of Christian Juul Jessen. But now Christian's newspaper, Jyllands Posten, has transferred him to Frankfurt.

We had hoped to honor him at the October meeting of the Chamber, but he, along with his wife Agnethe and their newborn son Lee, left New York at the end of September.

On behalf of DACC, and especially the Newsletter Committee, I want to thank you, Christian, for your enthusiastic participation and sharing of your journalistic experience in making the DACC Newsletter a lively, informative link to our members.

We all wish you the best of success in your new post, and hope that it will prove to be every bit as exciting, inspiring, and challenging as your New York assignment has been. And don't forget us; we would like to hear from you.
EN

Stamford Denmark Friendship Race

The Stamford Denmark Friendship Race took place on Sunday, September 15, and as usual it was the largest sailing event on Long Island Sound. Upward of 300 yachts between 21 and 82 feet long participated in this 26th Friendship Race.

The nineteen travelling trophies were won by yachts from eighteen different communities in the Metropolitan area. Among them, the Aalborg Akvavit trophy went to Greenwich, CT. Den Danske Bank Cup went to Riverside, CT. The SAS Cup went to Cortland, NY. The Novo Tankard went to Larchmont, NY. The D.D.B. Crown trophy went to Sea Cliff, Long Island. The Royal Copenhagen trophy went to Rye, NY. The Kings Memorial trophy went to Island Harbor. The Tuborg Skaal Bowl went to Belle Haven. The Royal Danish Yacht Club trophy went to City Island and the Roger Sharp trophy went to an 82 foot yacht from New York Yacht Club in Manhattan.
WVJ

Industry Club In Copenhagen

As a member of our Chamber you automatically have membership in the Federation of Danish Industries' "Industriklubben" in Copenhagen.

Its central location at Town Hall Square makes it a convenient as well as a pleasant place for business meetings or a bit of relaxation and a chance to catch up on current Danish and other national newspapers.

The Industry Club can now serve lunch - fast and delicious. By the way, the Club has gotten its own fax number for sending and receiving: 33 11 61 91. You may call our secretariat to obtain a DACC admission card.
EN

DACC Upcoming Programs

Thursday, October 17, luncheon: guest speaker, the Danish Ambassador to the United Nations, H.E. Bent Haakonsen, at 12 noon, New York Yacht Club, 37 West 44 Street.

Friday, November 15, luncheon: at 12 noon, New York Yacht Club. The speakers will be the heads of the two Danish banks in New York: Mr. James Stewart, Den Danske Bank, and Mr. Henrik Bjorn of Unibank. No doubt they will be talking about the economy, markets, and money.

Friday, December 6, the holiday season begins with our annual Christmas luncheon. As usual, it will be held at the University Club, One West 54 Street.

Position Wanted

Danish woman with publishing and translation experience seeks responsible p/t position. Has worked a WP (Wordperfect 5.1) for two years. Please call 212-580-5945.

Change of Staff at Consulate

In August and September the Consulate General said good-bye to Vincent Fisker, Esben Veng-Christensen and their families, as their assignments in New York had come to an end.

Mr. Fisker held the position of Commercial Attache and as of this date his successor has not yet been appointed. Mr. Esben Veng-Christensen's position was Commercial Secretary, and his successor, Gitte Hansen, will be starting her job in New York on October 15, 1991.

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Dan-Transport Expands In The US

Denmark's largest forwarding agency, Dan-Transport, will open five new offices in the US within the next three years. Dan-Transport already has offices in New York, Chicago, Boston, Long Beach, Atlanta, Tampa, and Minneapolis. Dan-Transport is presently the largest forwarding agent within the market segment of general cargo transportation between the USA and Scandinavia. However, the company is now trying to expand its business on the routes between the West Coast and Southeast Asia and also the traffic between Great Britain and the USA.

"We have employed a Taiwanese salesman on the West Coast, who constantly looks through edp-lists from the Pier Journal of all companies sending cargo from the USA to Southeast Asia. First of all he tries to target the companies with which we are already doing business" says Jorgen Moller from Dan-Transport's American subsidiary.

According to Jorgen Moller, on the transports to Southeast Asia they will avoid a popular destination as Hong Kong and only try to get hold of smaller orders.

"We know our limitations and will, therefore, concentrate our efforts on the smaller customer that may only have one container a month. These types of customers do not get much attention from the big forwarding agents on these routes, which therefore gives us a chance to get in on the market".

Dan-Transport has just moved its American Headquarter to new and bigger facilities in Port Elizabeth, New Jersey, consisting of 90,000 square feet office- and storage space.

NS

Big Problems For SAS

Airline companies around the world are in for a rough time because of worldwide falling travel activities. Scandinavian Airlines is one of the many companies whose annual report was less than satisfactory. The first six months of 1991, SAS operated with a loss of about \$180 mio. of which a little more than half was caused by staff redundancy compensation and other initiatives in connection with cost cutting programs.

Current unprofitable routes have been temporarily suspended such as Copenhagen/Toronto which SAS operated together with Canadian Airlines International - Stockholm/Tampere (Finland) - Copenhagen/Sao Paulo will however be flown in cooperation with SAS partner in the European Quality Alliance (EQA) Swissair from their Zurich hub.

The Copenhagen/Chicago service will be flown by Austrian Airlines as a joint operation by the two traffic alliance partners with the start of next summer's timetable. The two airlines have agreed to pool their resources on this route and f. inst. aim to use mixed cabin crews.

It is planned to use capacity released by these service suspensions to expand on profitable routes on the SAS network.

NS



The Tall Ship DANMARK Visits NY

The Tall Ship DANMARK arrived at South Street Seaport on Saturday October 5th, 1991, for a one week stay in New York.

After a very successful visit to New London, where the cadets and the crew had a chance to get to know their counterparts on the US Coast Guard's training ship the EAGLE, everybody on board immersed themselves in the New York activities.

The highlight of the visit, seen from a tourist's viewpoint, was the "theater evening" where the Captain and the crew, and all the cadets, first enjoyed a leisurely dinner at a waterfront restaurant in South Street Seaport, followed by the musical "Phantom of the Opera", and as a "nightcap" the whole gang marched down to Times Square and up Broadway before returning to the ship.

AR

Danish Chocolate

The famous Danish chocolate manufacturer Anthon Berg will double its amount of regional agents in the USA to eight and hopes to establish its own subsidiary in the US within the next five years.

"One can not deal with the US as one single market. For example you lose a customer in NYC, if he can buy the chocolate half a cent per pound cheaper at another place, this, however, is not the case in California, where the relationship with the customers is much more personal" says Chief of Export, Mr. Poul Pedersen from Anthon Berg. He further states that in about half of the American states it is prohibited to sell chocolate containing liquor. Within recent years several states have lifted this prohibition, and it is believed that more states will follow.

"I think one day everybody will realize, that not only does it cost a fortune but you will also get sick to your stomach before you get drunk from liquor filled chocolate" says Poul Pedersen.

NS

Illum Is Sold to Magasin

The department store Magasin du Nord in Copenhagen has recently bought its competitor, Illum. The two stores will operate separately, and continue to compete for customers.

EN

Elder Care In Denmark

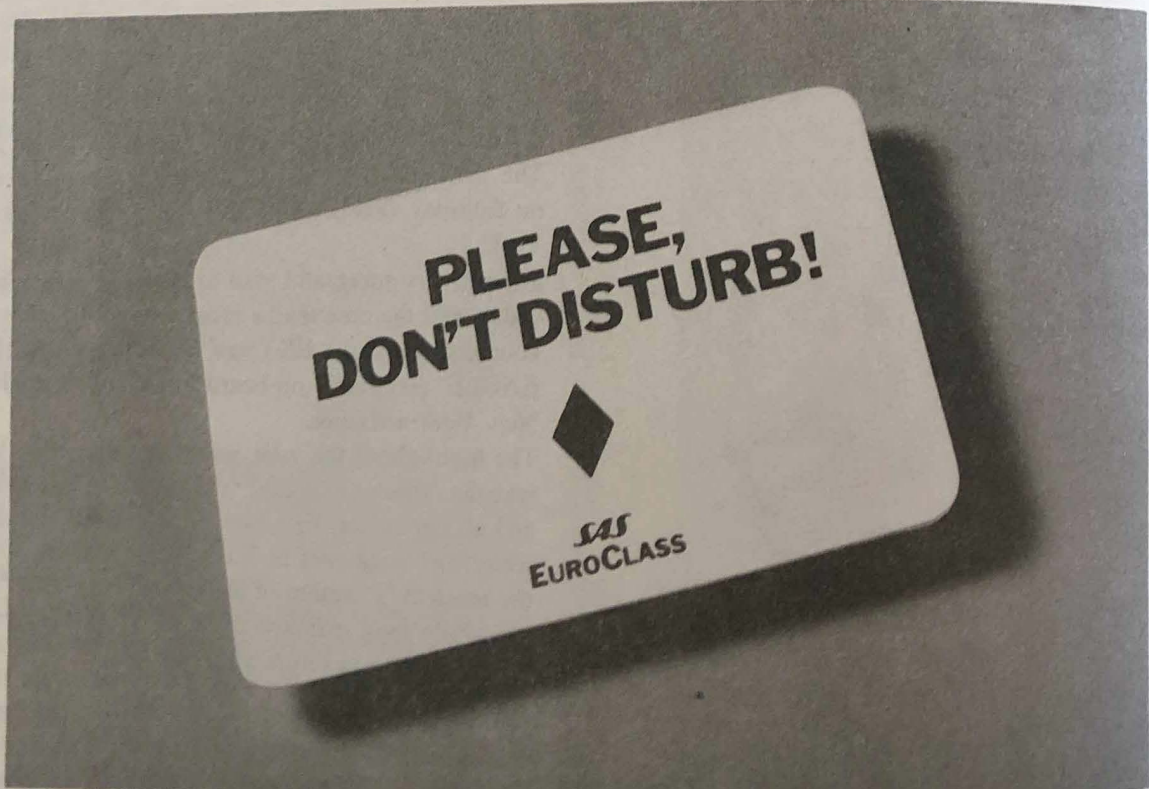
Denmark is well known around the world for taking very good care of its elderly citizens, which among other things includes admission to nursing homes almost free of charge. But in recent years it has become increasingly difficult for the elderly citizens to be admitted to nursing homes unless they are seriously sick and unable to care for themselves. The families, however, who try to care for their elderly at home, risk being taxed for their efforts even though by doing this, they save the state a lot of money.

One example is a citizen from Nordborg in Denmark who chose to let his 90 year old mother stay with him at his house free of charge. But the County of Nordborg demanded that he pay \$1000 in taxes for a presumed, but non-existing rent payment from his old mother. Another example is Mr. Alfred Lorentzen, 103 years old and from Maribo, who was denied admission to a nursing home, as the authorities considered him well enough to stay at his own home with a couple of hours of assistance from a domestic helper.

However, this story has a happy ending, because after some local reporters began writing about it, the mayor decided that of course there was room for Mr. Lorentzen at "Stokkemarked Plejehjem". Needless to say, Mr. Lorentzen is very happy and is looking forward to moving to his new home.

NS

The Ultimate Service?



SAS
The Business Airline

Denmark's Export to the United States

	<u>1988</u>	<u>1989</u>	<u>1990</u>	First 6 months <u>1990</u>	First 6 months <u>1991</u>	From previous year <u>Change</u>
Ham, bacon, salami and other meat products.....	1965	1542	1840	957	871	-8,9%
Cheese and other dairy products.	250	265	279	134	114	-14,9%
Fish etc. for consumption *)....	462	445	432	190	351	84,7%
Butter Cookies.....	299	361	320	76	62	-18,4%
Beverages	48	63	46	19	20	5,2%
Mink furs and other skins	337	295	106	69	66	-4,3%
Animal and vegetable raw materials	203	246	241	112	115	2,7%
Raw chemicals and combinations..	519	569	502	310	349	12,6%
Medicals and pharmaceuticals ...	600	598	366	211	219	3,8%
Wood products (except furniture)	73	58	33	24	8	-66,7%
Textiles (except clothing)	72	74	72	36	33	-8,3%
Stoneware, glass, china, etc. ..	122	146	130	58	53	-8,6%
Machinery (except electrical) ..	1431	1752	1853	913	915	0,2%
Electrical machinery and equipment.....	759	753	679	335	342	2,1%
Transport equipment	175	358	593	282	165	-41,5%
Furniture	915	917	863	428	288	-32,7%
Technical, scientific, photograph- ic and optical instruments...	652	710	687	345	321	-6,9%
Products in other categories ...	<u>1961</u>	<u>2281</u>	<u>1800</u>	<u>888</u>	<u>821</u>	<u>-7,5%</u>
	10843	11433	10842	5387	5113	-5,1%

*) does not include Faroe Islands and Greenland

1988: 1 US Dollar is equal to D.kr. 6.75 (average)

1989: 1 US Dollar is equal to D.kr. 7.32 (average)

1990: 1 US Dollar is equal to D.kr. 6.18 (average)

1991 (first six months): 1 US Dollar equal to D.kr. 6,4774 (average)

Source: Danmarks Statistik: Udenrigshandel.

Business Opportunities

**Bathroom Accessories,
Ref.: 401/73/24 - GDM6**

**Machine Tools,
Ref.: 401/84/54-66 - GDM7**

**Cleaning Machine for Golfer's Gear,
Ref.: 401/95/06 - GDM8**

**Shop Fittings,
Ref.: 401/73/26 - GDM9**

**For further information, please contact the
Danish Consulate General, Trade Department
Tel: 212-223-4545**