

Manufacturing industries

1. The significance of manufacturing industries for the overall Danish economy

Manufacturing industries' share of the economy has been declining

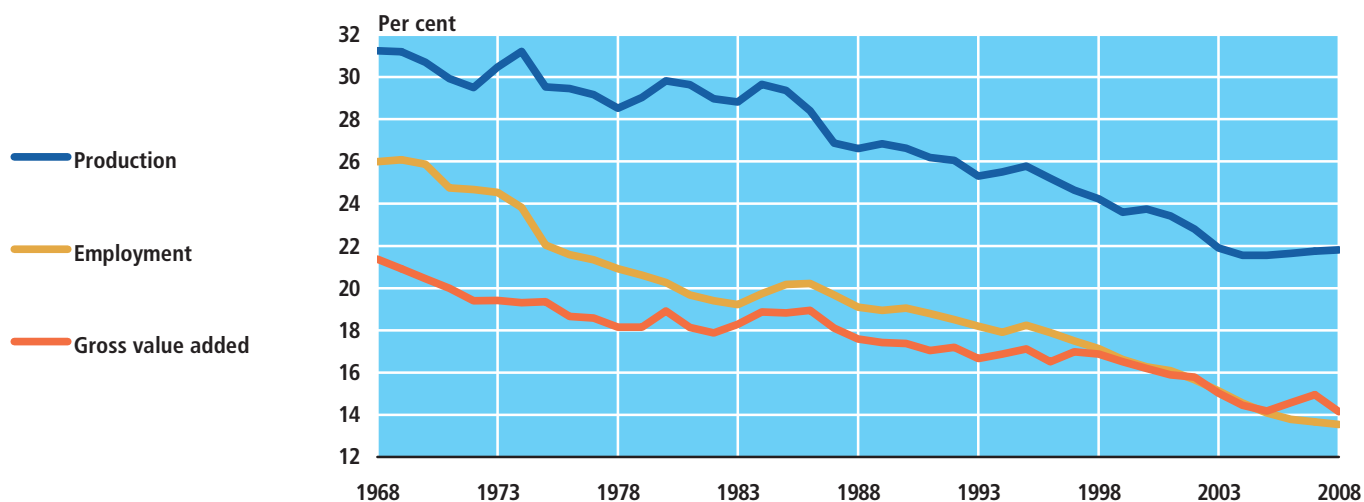
The significance of manufacturing industries for the Danish economy can be described by means of central statistics from the national accounts. Manufacturing industries have a declining importance for the Danish economy, regardless of whether it is measured by share of total employment, production or value added.

Manufacturing industries make up 14 per cent of employment and value added

Manufacturing industries' share of total employment has declined markedly from 26 per cent in 1968 to 14 per cent in 2008. The manufacturing industries' share of gross value added has also decreased from 21 per cent to 14 per cent. Finally, the share of production has fallen from 31 per cent in 1968 to 21 per cent in 2008.

Figure 1

Manufacturing shares in per cent of total activity



Note: Mining and quarrying are not included.

For further information visit www.statbank.dk/nat18.

2. Manufacturing industries trends

Production in the manufacturing industries

Production in the manufacturing industries can be illustrated by means of an index of production calculated at constant prices. The period 1990-2008 comprises a number of different business cycles, which are reflected in the index of production.

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1990-2000

The period 1990-1991 was characterised by moderate economic growth, which was significantly influenced by the Gulf War. In the autumn of 1992, a period of economic recession followed the international instability in foreign currency markets. The following period of economic recovery peaked in the spring of 1995 and was followed by a six-month period (approximately) of zero growth. The zero-growth period was followed by a period of renewed growth in 1996 and 1997, but in 1998 the Danish economy lost its impetus after a five-year period of more or less uninterrupted growth. Manufacturing production increased again in 1999 and 2000 due to positive international economic trends.

2001-2004

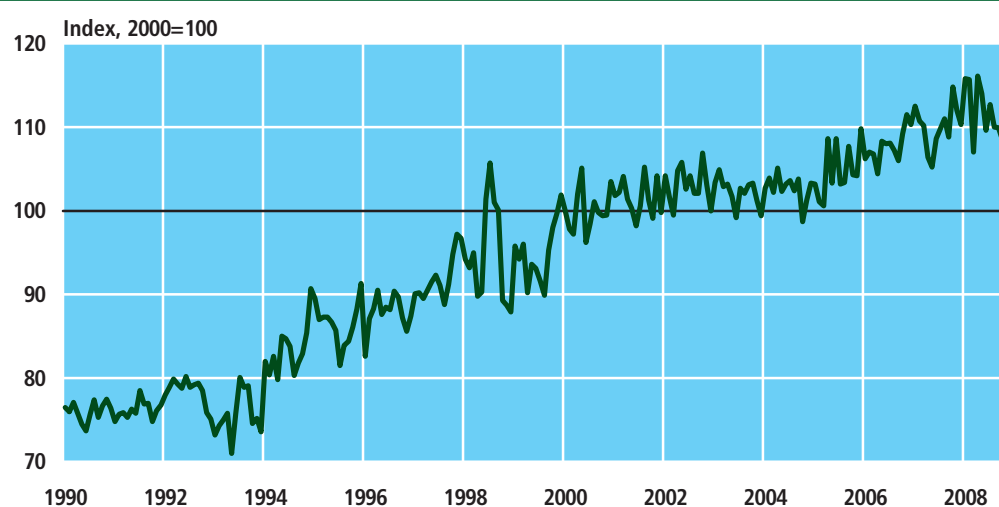
The decline in the world economy from 2001 affected Danish manufacturing production, which experienced a very modest increase in 2002 and 2003. The tendency continued throughout 2004 – affected by the weakened US dollar.

2005-2008

From 2005 to mid-2008, the Danish manufacturing industry again experienced increasing production. However, the last half of 2008 has seen a sharp decline, reflecting the international economic crisis.

Figure 2

Production in the manufacturing industries, seasonally adjusted values



For further information visit www.statbank.dk/prod01x.

3. Exports of the manufacturing industries

Export shares of the manufacturing industries

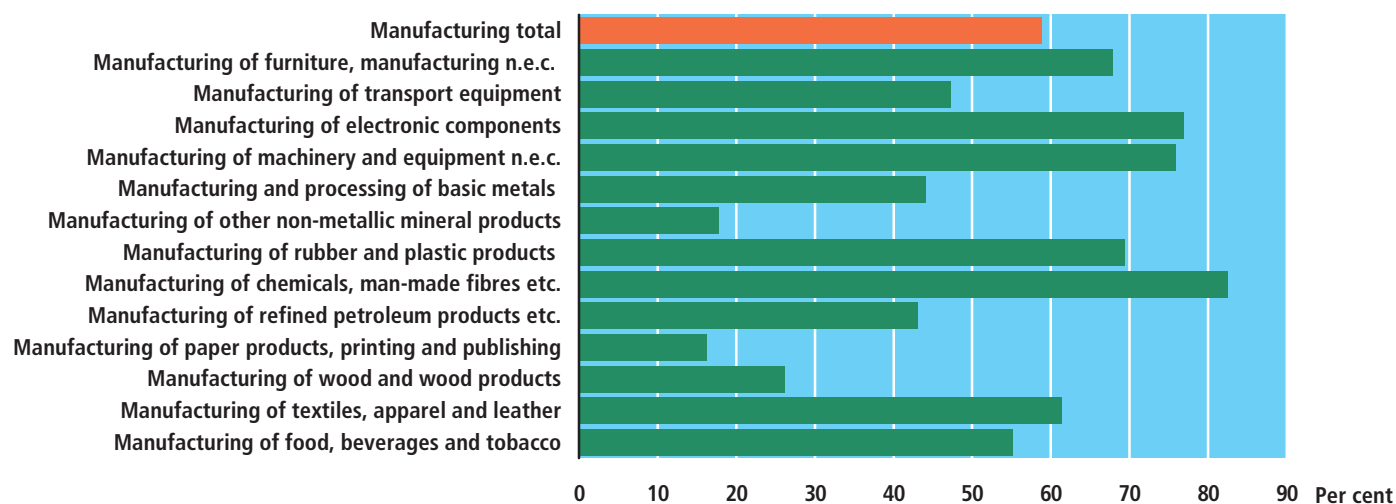
Export markets are of great importance to the Danish manufacturing industries. In 2008, total export turnover accounted for 59 per cent of total turnover of the manufacturing industries.

There are wide differences among the groups of industries in the export shares of the manufacturing industries. The industries *manufacturing of paper products*;

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printing and publishing and *manufacturing of other non-metallic mineral products* have the lowest export shares with, respectively, 16 and 18 per cent in 2008. With 83 per cent, *manufacturing of chemicals* accounts for the highest export share. Manufacturing of chemicals include the pharmaceutical industry. *Manufacturing of electronic components* and *manufacturing of machinery and equipment* account for 77 and 76 per cent, respectively.

Figure 3 Export shares of the manufacturing industries by groups of industries. 2008



4. Manufacturing industries' total turnover by main sectors

Manufacturing industries' sector profile in 2008

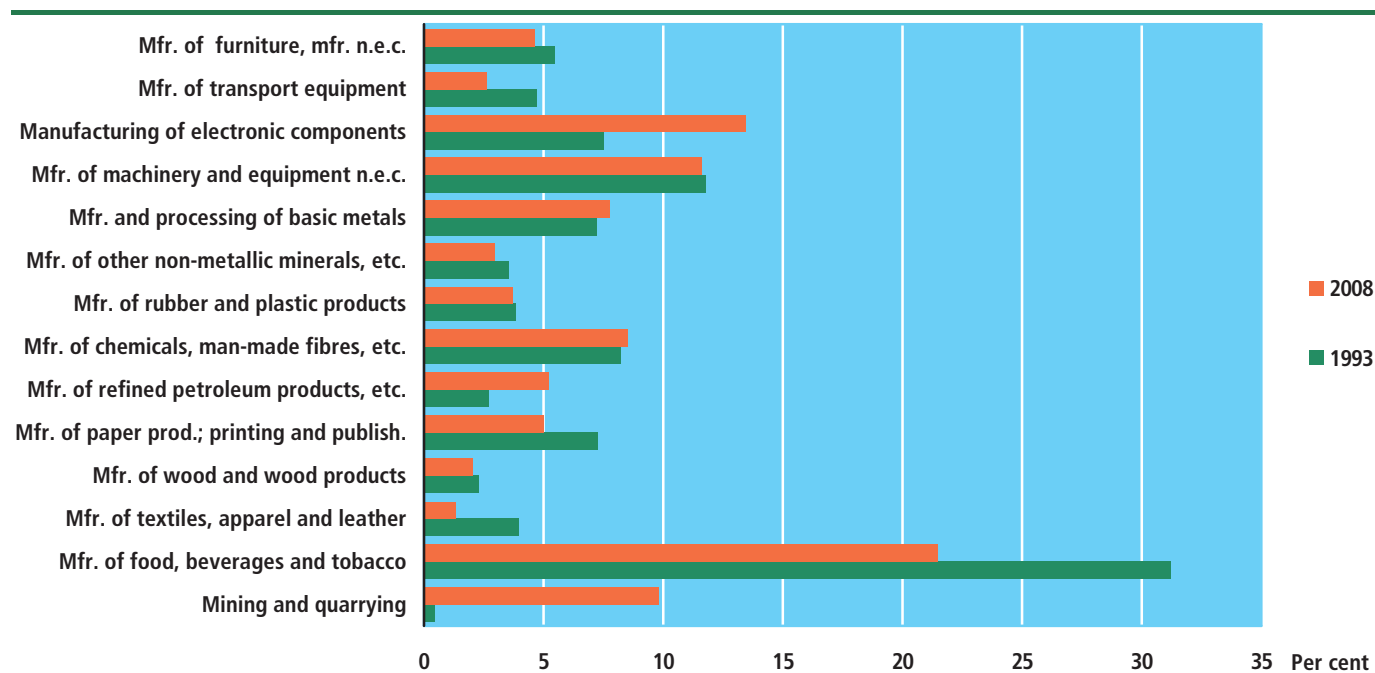
Since 1993, manufacturing industries' total turnover (at current prices) for enterprises with 10 employees or more have increased from DKK 343 billion to DKK 740 billion in 2008. *Manufacturing of food, beverages and tobacco* accounted for 21 per cent of the total turnover and had the largest turnover of all the industries. This was followed by *manufacturing of electronic components* with 13 per cent and *manufacturing of machinery and equipment* with 12 per cent. *Mining and quarrying* accounted for 10 per cent of manufacturing industries' total turnover.

Growth in manufacturing of electronic components

The relative composition of Danish manufacturing industries has not seen radical changes since 1993, when *manufacturing of food, beverages and tobacco* also held the dominant position among manufacturers. This dominant position has, however, diminished in terms of relative importance, as the proportionate share of this industry in total turnover has been reduced from almost one third to one fifth. This means that other main groups of industries have increased in terms of relative significance. This is particularly true regarding the *manufacturing of electronic components* where growth in particular is due to rising turnover of windmills.

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Figure 4 Manufacturers' total turnover by groups of industries



For further information visit www.statbank.dk/oms2.

5. Concentration ratio of enterprises and commodity groups

Concentration of industrial enterprises

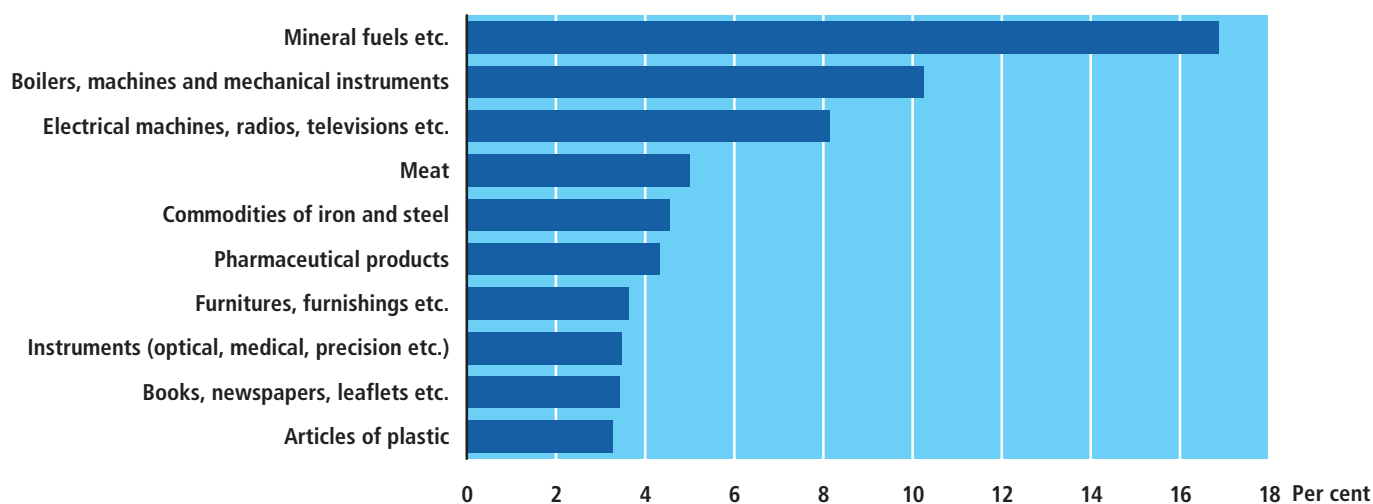
The three largest enterprises in the manufacturing industries account for 10.6 per cent of total turnover of the manufacturing industries, while the 10 largest enterprises account for 26 cent. The concentration ratio, i.e. the share of total turnover accounted for by a limited number of enterprises, differs widely among the groups of industries. Turnover is concentrated in a few large enterprises in particular within *manufacturing of refined petroleum products* (the three largest enterprises accounted for 100 per cent of total turnover in 2008), *manufacturing of leather, footwear and leather products* (the three largest enterprises accounted for 91.4 per cent of total turnover), *manufacturing of tobacco products* (the three largest enterprises accounted for 92 per cent), and *manufacturing of dairy products* (the three largest enterprises accounted for 88.5 per cent of total turnover). *Manufacturing of construction materials of metal* and *manufacturing of machines for industries* are examples of industries characterized by very low concentration ratios, as the 10 largest enterprises accounted for, respectively, 22 per cent and 28.2 per cent of total turnover in 2008.

Production in the manufacturing industries by commodity

The production of industrial products can be divided into about 100 main commodity groups, where the 10 commodity groups accounting for the highest output in Denmark in 2008 appear from figure 5. *Mineral fuel, etc.* accounted for almost 17 per cent of industrial turnover, while *boilers, machinery and mechanical apparatus* constituted more than 10 per cent.

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Figure 5 The 10 commodity groups accounting for the highest output as a percentage of total turnover of the manufacturing industries. 2008



See table 293.

10,000 different groups of commodities

The manufacturing of industrial products can be divided into more detailed commodity groups, of which there are a total of about 10,000. An overview of the 25 most commonly manufactured detailed commodity groups in Danish manufacturing industry is given in Table 291. Crude oil, gas oil and natural gas have prominent positions, but also windmills, animal feeding stuffs and medicines with insulin feature near the top of the list.

Table 291

Manufacturers' total turnover. 2008

DB03	Group of industry	Total turnover	Percentage of total turnover	
			The three largest groups	The ten largest groups
		DKK mio.	per cent	
1009+2	Mining, quarrying and manufacturing	739 861	10.6	26.0
1009	Mining and quarrying	72 488	83.8	95.7
2	Manufacturing	667 373	10.6	23.0
15009	Mfr. of food, beverages and tobacco	158 676	31.5	46.4
151000	Production, etc. of meat and meat products	40 884	66.5	86.3
155000	Mfr. of dairy products	29 127	88.5	94.9
158909	Mfr. of other food products	71 889	14.8	34.7
159000	Mfr. of beverages	12 514	75.4	96.5
160000	Mfr. of tobacco products	4 262	92.0	100.0
17009	Mfr. of textiles, clothing and leather	9 690	23.6	40.6
170000	Mfr. of textile	6 713	32.3	51.1
180000	Mfr. of clothing	2 706	34.6	64.9
190000	Mfr. of leather, footwear and leather products	271	91.4	100.0
20000	Mfr. of wood and wood products	14 980	25.4	48.0
21009	Mfr. of paper products; printing and publishing	37 012	14.6	30.9
210000	Mfr. of pulp, paper and paper products	9 882	32.2	68.6
221200	Publishing of newspapers	8 000	57.0	85.5
221309	Publishing activities, excl. newspapers	9 069	27.2	52.9
222009	Printing activities, etc.	10 060	17.2	36.0
23000	Mfr. of refined petroleum products, etc.	38 576	100.0	100.0
24000	Mfr. of chemicals, man-made fibres, etc.	62 848	43.2	69.9
241009	Mfr. of chemical raw materials	12 427	66.6	88.4
243009	Mfr. of paints, soap, cosmetics, etc.	19 553	40.1	66.1
244000	Mfr. of pharmaceuticals, etc.	30 868	84.1	96.4
25000	Mfr. of rubber and plastic products	27 287	28.6	43.5
26000	Mfr. of other non-metallic mineral, etc.	21 933	18.7	40.0
261009	Mfr. of glass and ceramic goods, etc.	3 139	45.4	74.6
263009	Mfr. of bricks, cement and concrete	18 794	21.9	46.4
27009	Mfr. and processing of basic metals	57 501	10.8	21.4
270000	Mfr. of basic metals	11 657	45.4	77.4
281009	Mfr. of construction materials of metals	29 893	11.8	22.0
286009	Mfr. of hand tools, packaging of metal, etc.	15 951	14.0	28.8
29000	Mfr. of machinery and equipment, n.e.s.	85 927	20.6	34.0
291000	Mfr. of marine engines, compressors, etc.	33 737	52.4	77.9
292000	Mfr. of other general purpose machinery	25 260	15.5	29.9
293000	Mfr. of agricultural and forestry machinery	5 104	28.6	59.2
294009	Mfr. of machines for industries, etc.	19 512	12.2	28.2
297000	Mfr. of domestic appliances, n.e.s.	2 315	40.4	74.5
30009	Mfr. of electrical and optical equipment	99 479	36.2	53.6
300009	Mfr. of computers, electric motors, etc.	67 789	53.2	74.4
320000	Mfr. of radio and communication equipment, etc.	8 256	54.4	74.6
330000	Mfr. of medical and optical instruments	23 433	24.9	50.4
35009	Mfr. of transport equipment	19 301	34.2	54.5
351000	Building and repairing of ships and boats	8 596	71.1	92.7
352009	Mfr. of transport equipment, excl. ships	10 705	22.4	47.3
36000	Mfr. of furniture; manufacturing n.e.s.	34 164	36.7	57.8
361000	Mfr. of furniture	19 287	26.5	44.4
365009	Mfr. of toys, gold and silver articles, etc.	14 878	79.9	91.0

For further information visit www.statbank.dk/oms2

Table 292

Industrial production index

		2007	2008
		2005 = 100	
BC	Mining and quarrying and manufacturing	102.2	101.7
B	Mining and quarrying	84.6	83.2
	Manufacturing excl. manufacture of ships and other transport equipment	107.0	106.7
C	Manufacturing	106.6	106.3
CA	Manufacture of food products, beverages and tobacco	100.5	99.3
10001	Production of meat and meat products	95.3	93.4
10002	Processing and preserving of fish	85.8	92.2
10003	Manufacture of dairy products	93.3	94.0
10004	Manufacture of grain mill and bakery products	111.4	105.2
10005	Other manufacture of food products	108.8	108.5
11000	Manufacture of beverages	105.2	107.8
12000	Manufacture of tobacco products	93.5	85.2
CB	Textiles and leather products	89.5	80.2
CC	Wood and paper products and printing	105.6	96.5
CE+CD	Manufacture of chemicals and Oil refinery etc.	101.8	105.9
CE	Manufacture of chemicals
CF	Pharmaceuticals	92.6	85.0
CG	Manufacture of plastic, glass and concrete	105.2	106.7
22000	Manufacture of rubber and plastic products	104.6	107.8
23001	Manufacture of glass and ceramic products	108.0	128.8
23002	Manufacture of concrete and bricks	105.5	101.8
CH	Basic metals and fabricated metal products	111.9	113.4
CI	Manufacture of electronic components	119.0	108.3
CJ	Electrical equipment	110.2	113.2
CK	Manufacture of machinery	122.8	131.8
28001	Manufacture of engines, windmills and pumps	126.0	149.1
28002	Manufacture of other machinery	120.2	117.6
CL	Transport equipment	85.7	82.2
29000	Manufacture of motor vehicles and related parts	98.5	90.0
30000	Manufacture of ships and other transport equipment	64.3	69.1
CM	Manufacture of furniture and other manufacturing	105.7	109.2
D	Electricity, gas, steam and air conditioning supply	100.3	91.1
BCD	Mining and quarrying and manufacturing and energy supply	102.1	101.0
	Capital goods	116.5	122.8
	Capital goods excl. manufacture of ships and other transport equipment	117.9	124.2
	Intermediate goods	107.4	105.9
	Durable consumer goods	100.8	87.4
	Non-durable consumer goods	97.6	94.5
	Energy	89.0	85.9

For further information visit www.statbank.dk/prod01

Table 293

Best selling commodities made in Denmark

	2007	2008
	DKK thousands	
Production, total	597 519 276	638 986 511
Petroleum oils and oils obtained from bituminous minerals, crude (excl. natural gas condensates)	40 919 090	47 710 517
Generating sets, wind-powered	18 749 332	25 287 790
Gas oils of petroleum or bituminous minerals, with a sulphur content of <= 0,05% by weight	13 187 349	15 863 580
Natural gas in gaseous state	11 569 401	15 385 342
Preparations of a kind used in animal feeding (excl. dog or cat food), n.e.s.	9 909 809	11 222 440
Medicaments containing insulin but not antibiotics, put up in forms or packings for retail sale	11 098 503	10 604 038
Structures and parts of structures of iron or steel, n.e.s.	8 448 331	10 443 602
Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes	9 127 517	9 364 992
Newspapers and periodicals, also illustrated or containing advertising material, at least 4 issues/week	8 241 715	7 881 968
Fuel oils obtained from bituminous materials, with a sulphur content of <= 1% by weight	3 773 203	7 087 978
Frozen boneless meat of domestic swine (excl. bellies and cuts thereof)	6 933 250	6 630 768
Articles of iron or steel, n.e.s.	6 087 532	6 471 022
Articles of non-textile glass fibres, n.e.s.	4 791 549	6 408 868
Fresh or chilled boneless meat of domestic swine (excl. bellies and cuts thereof)	5 407 307	6 306 547
Motor spirit, with a lead content <= 0,013 g/l, research octane number between 95 and 98	5 743 218	5 715 900
Enzymes and prepared enzymes, n.e.s.	4 304 549	5 111 568
Structures and parts of structures, of iron or steel, solely or principally of sheet, n.e.s.	4 647 960	4 900 597
Sea-going vessels (excl. warships, rowing boats, other vessels of heading 8901-8905, vessels for breaking up)	5 365 281	4 707 988
Windows and French windows and their frames, of coniferous wood	5 400 511	4 408 857
Fresh or chilled with bone in, domestic swine hams and cuts thereof	4 438 798	4 196 603
Books, brochures and similar printed matter (excl. single sheets and publications devoted to advertising)	4 884 685	4 088 839
Newspapers and periodicals, also illustrated or containing advertising material, 1 issue/week	4 133 189	4 082 447
Food preparations containing milkfat, glucose or starch, n.e.s.	3 109 479	3 943 640
Needles, catheters, cannulae and the like (excl. syringes, tubular metal needles and needles for sutures)	2 988 244	3 865 792
Natural gas condensates	3 422 554	3 828 902

Note 1: Commodities may be omitted for reasons of confidentiality.

Note 2: The table is based on a 10-digit nomenclature derived from the 8-digit CN (Combined Nomenclature).

For further information visit www.statbank.dk/varer1