

## Manufacturing industries

### 1. Manufacturing industries significance for the overall Danish economy

#### Relatively constant share of the overall Danish economy since the 1960's

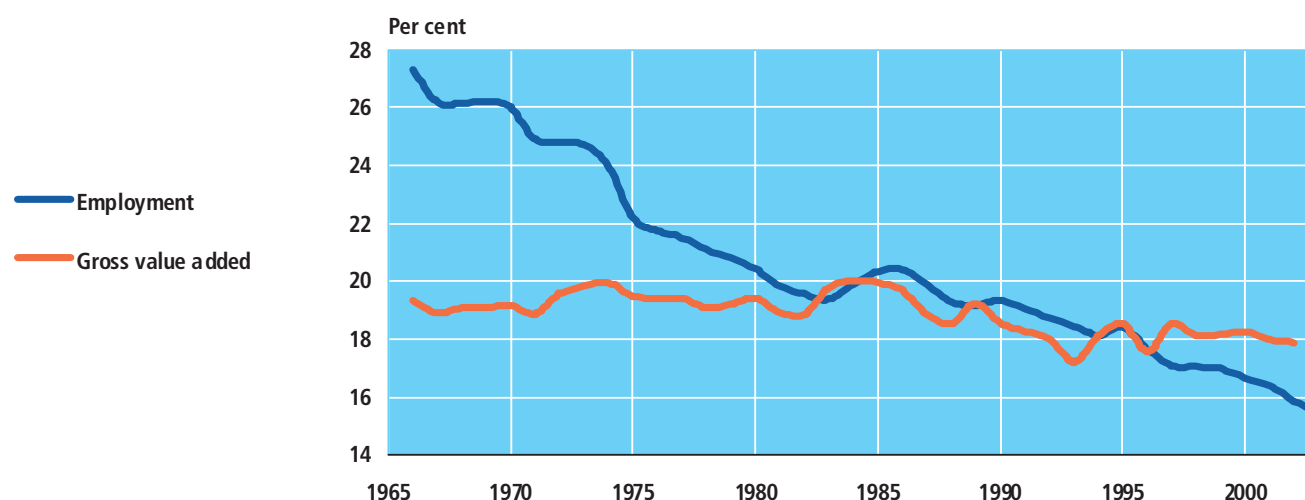
The significance of manufacturing industries for the Danish economy can be described by means of central statistics from the National Accounts. Up until 1980, manufacturing industries represented a more or less constant share of the total value added of 19 pct. Since then, this share has gradually fallen to a level of 18 pct. in 2003.

#### Manufacturing industries share of total employment is declining

Manufacturing industries has experienced a significant reduction in its share of total employment over the period 1966 to 1983, from 26 pct. to 19 pct. The significance of manufacturing industries to employment increased again until 1986; since then, there has been a general decline up to 2003, where manufacturing industries represented 15 pct. of total employment.

Figure 1

Manufacturing shares in per cent of total activity 1966-2003



### 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 1990-2003 comprises a number of different business cycles, which are reflected in the index of production.

#### 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 at the middle of 1993, peaked in the spring of 1995 and was followed by a six-month period (approximately) of zero growth. The

## Manufacturing industries statistics

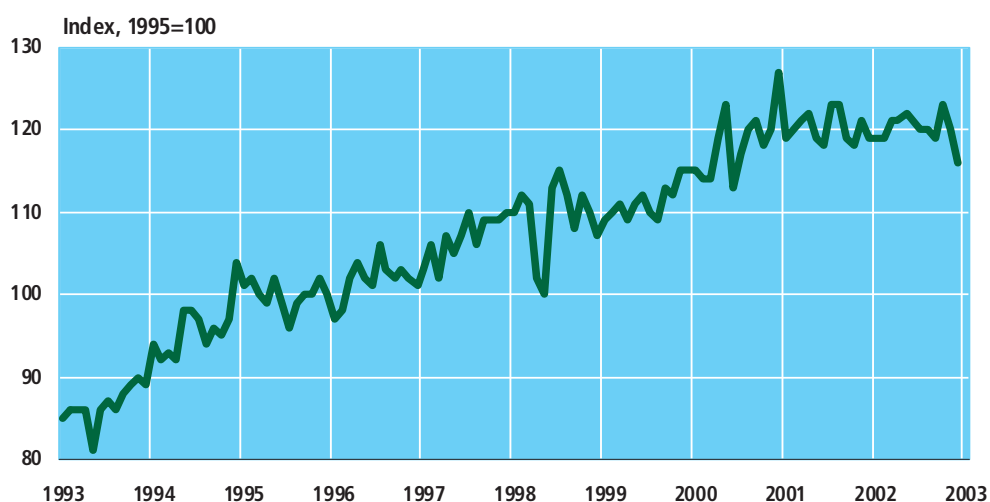
zero-growth period was followed by a period of renewed growth in 1996 and 1997, but in 1998 the Danish economic lost its impetus after a five-year period of more or less uninterrupted growth. Manufacturing production increased again in 1999 and 2000, which was due to the positive international economic trends.

### 2001-2003

The decline in the world economy from 2001 has affected the Danish manufacturing production, which only experienced a very modest increase in 2002 and 2003.

Figure 2

Production in the manufacturing industries, seasonally adjusted values



Note: Quantity indexes for manufacturing sales, excluding goods resold without further processing, Mining and quarrying, manufacturing.

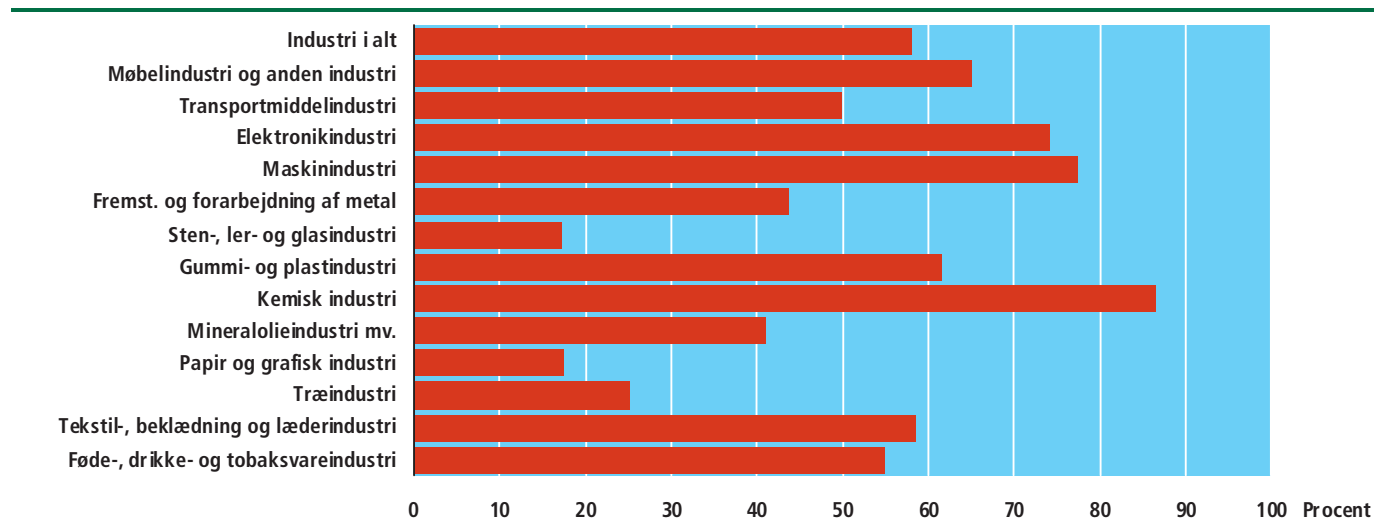
## 3. Exports of the manufacturing industries

### Export shares of the manufacturing industries

Export markets are of great importance to the Danish manufacturing industries. In 2003, total export turnover accounted for 58 pct. of total turnover of the manufacturing industries.

There are among the groups of industries wide differences in the export shares of the manufacturing industries. The industries *manufacture of paper production; printing and publishing* and *manufacture of other non-metallic minerals, etc.* accounted for an export share of 17 pct. in 2003, while *manufacture of machinery and equipment* and *manufacture of chemicals, man-made fibres* accounted for very high export shares of 77 pct. and as high as 86 pct.

Figure 3 Export shares of the manufacturing industries by groups of industries 2003



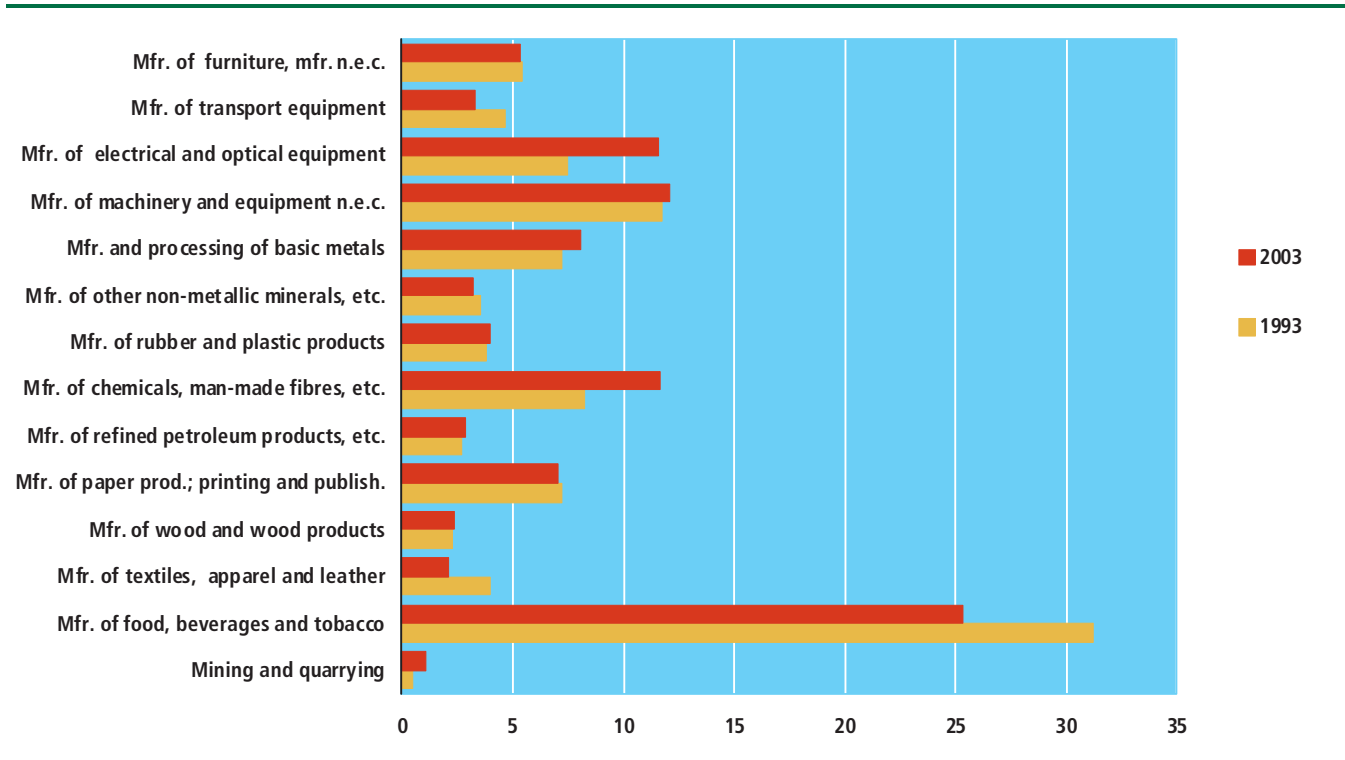
Note: Data for the industry *mining and quarrying* are not published for reasons of confidentiality.

## 3. Manufacturing industries total turnover by main sectors

### Manufacturing industries total turnover

Since 1993, manufacturing industries total turnover (at current prices) for enterprises with 10 employees or more has increased from approximately DKK 344 billion to approximately DKK 516 billion in 2003. Manufacturing of food, beverages and tobacco had the highest turnover.

Figure 3 Manufacturers' total turnover by groups of industries, per cent



### Manufacturing industries sector profile in 2002

Manufacturing of food, beverages and tobacco accounted for the bulk of activity, approximately one-quarter of the total turnover. This was followed by manufacturing of machinery and equipment, manufacturing of electrical and optical equipment, and manufacturing of chemicals, man-made fibres, etc.; each of these accounted for approximately 12 per cent, while manufacturing of paper products, printing and publishing as well as manufacturing and processing of basic metals both accounted for approximately 8 per cent of manufacturing industries total turnover. Mining and quarrying, which does not include oil and gas extraction in these statistics, accounted for 1 per cent of manufacturing industries total turnover.

### Growth in the manufacture of electrical and optical equipment and pharmaceuticals

The relative composition of Danish manufacturing industries has not seen radical changes since 1993, where 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 the manufacturers' total turnover has been reduced from almost one third to the 25 per cent mentioned above. This means that other main groups of industries have increased in terms of relative significance. This is particularly true of the manufacture of electrical and optical equipment, which has risen from accounting for approximately 7 to 12 per cent of the total manufacturing turnover, and to a lesser degree this also applies to the manufacture of chemicals, man-made fibres, etc. (including pharmaceuticals), which has seen an increase in its relative share from 8 to 12 per cent. Both of these groups of industries feature characteristics such as heavy reliance on technology and research and development.

## 5. Concentration ratio of enterprises and commodity groups

### Concentration of industrial enterprises

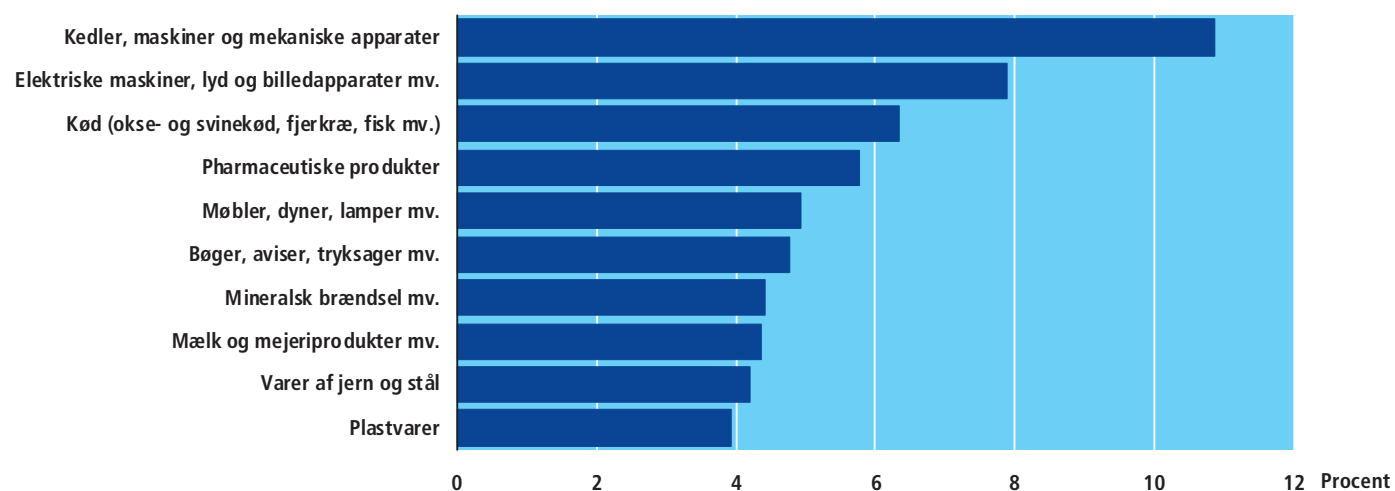
The three largest enterprises in the manufacturing industries account on average for 11.9 pct. of total turnover of the manufacturing industries, while the ten largest enterprises account for 20.5 pct. The concentration ratio, i.e. the share of total turnover accounted for by a limited number of enterprises differs widely among the groups of industries. For example, within *manufacture of refined petroleum products*, *manufacture of tobacco products* and *manufacture of dairy products* turnover is concentrated on few large enterprises. *Manufacturing and processing of basic metals* and *manufacture of paper products; printing and publishing* are examples of industries characterised by a very low concentration of large enterprises.

### Production in the manufacturing industries by commodity

The production of industrial products can be divided into about 100 main commodity groups, where the ten commodity groups accounting for the highest output in Denmark appears from figure 5. *Boilers, machinery and mechanical apparatus* make up 10.9 pct. of total turnover of the manufacturing industries, while *electrical machinery, radio and television sets, etc.* make up 7.9 pct.

Figure 5

The ten commodity groups accounting for the highest output as a share of total turnover in the manufacturing industries 2003



The production of industrial products can be divided into even more detailed commodity groups, of which there are about 10,000 groups. In the present statistics, the production of *pharmaceuticals* has a prominent part in line with *windmills* and *pigmeat* and *gas oils*.

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## Manufacturers' total turnover, by industry and concentration 2003

DB03	Group of industry	Total turnover	Percentage of total turnover	
			The three largest groups	The ten largest groups
		DKK mio.	per cent	
<b>1009+2</b>	<b>Mining, quarrying and manufacturing</b>	<b>516 107</b>	<b>11.9</b>	<b>20.0</b>
<b>1009</b>	<b>Mining and quarrying</b>	<b>5 413</b>	<b>65.7</b>	<b>89.9</b>
<b>2</b>	<b>Manufacturing</b>	<b>510 694</b>	<b>11.5</b>	<b>20.5</b>
<b>15009</b>	<b>Mfr. of food, beverages and tobacco</b>	<b>130 599</b>	<b>34.5</b>	<b>48.6</b>
151000	Production, etc. of meat and meat products	36 752	70.0	87.6
155000	Mfr. of dairy products	23 883	90.7	96.3
158909	Mfr. of other food products	63 604	12.6	29.8
159000	Mfr. of beverages	11 004	72.6	95.5
160000	Mfr. of tobacco products	4 207	92.8	100.0
<b>17009</b>	<b>Mfr. of textiles, clothing and leather</b>	<b>11 051</b>	<b>14.9</b>	<b>29.7</b>
170000	Mfr. of textile	6 721	21.9	42.0
180000	Mfr. of clothing	3 807	24.6	49.9
190000	Mfr. of leather, footwear and leather products	523	66.9	98.9
<b>20000</b>	<b>Mfr. of wood and wood products</b>	<b>12 063</b>	<b>20.5</b>	<b>45.0</b>
<b>21009</b>	<b>Mfr. of paper products; printing and publishing</b>	<b>36 392</b>	<b>8.6</b>	<b>22.6</b>
210000	Mfr. of pulp, paper and paper products	10 661	17.7	49.3
221200	Publishing of newspapers	6 872	42.8	81.4
221309	Publishing activities, excl. newspapers	9 478	29.5	54.0
222009	Printing activities, etc.	9 802	11.9	29.8
<b>23000</b>	<b>Mfr. of refined petroleum products, etc.</b>	<b>14 671</b>	<b>99.6</b>	<b>100.0</b>
<b>24000</b>	<b>Mfr. of chemicals, man-made fibres, etc.</b>	<b>60 281</b>	<b>50.6</b>	<b>69.7</b>
241009	Mfr. of chemical raw materials	10 440	65.1	90.7
243009	Mfr. of paints, soap, cosmetics, etc.	14 282	31.9	64.6
244000	Mfr. of pharmaceuticals, etc.	35 559	83.0	96.4
<b>25000</b>	<b>Mfr. of rubber and plastic products</b>	<b>20 624</b>	<b>20.3</b>	<b>34.3</b>
<b>26000</b>	<b>Mfr. of other non-metallic mineral, etc.</b>	<b>16 708</b>	<b>18.1</b>	<b>37.2</b>
261009	Mfr. of glass and ceramic goods, etc.	2 857	40.5	75.7
263009	Mfr. of bricks, cement and concrete	13 851	21.8	43.5
<b>27009</b>	<b>Mfr. and processing of basic metals</b>	<b>41 708</b>	<b>7.9</b>	<b>19.0</b>
270000	Mfr. of basic metals	8 897	31.5	65.4
281009	Mfr. of construction materials of metals	18 347	13.6	24.9
286009	Mfr. of hand tools, packaging of metal, etc.	14 463	13.5	30.3
<b>29000</b>	<b>Mfr. of machinery and equipment, n.e.s.</b>	<b>62 241</b>	<b>17.7</b>	<b>30.0</b>
291000	Mfr. of marine engines, compressors, etc.	20 022	55.1	77.3
292000	Mfr. of other general purpose machinery	19 442	12.0	29.5
293000	Mfr. of agricultural and forestry machinery	4 778	42.9	67.7
294009	Mfr. of machines for industries, etc.	15 178	9.7	25.1
297000	Mfr. of domestic appliances, n.e.s.	4 297	60.0	87.9
<b>30009</b>	<b>Mfr. of electrical and optical equipment</b>	<b>59 632</b>	<b>25.5</b>	<b>43.1</b>
300009	Mfr. of computers, electric motors, etc.	28 970	44.4	65.6
320000	Mfr. of radio and communication equipment, etc.	14 626	51.3	71.3
330000	Mfr. of medical and optical instruments	16 037	22.9	48.4
<b>35009</b>	<b>Mfr. of transport equipment</b>	<b>17 053</b>	<b>42.4</b>	<b>62.8</b>
351000	Building and repairing of ships and boats	6 611	73.6	92.5
352009	Mfr. of transport equipment, excl. ships	10 443	41.1	62.0
<b>36000</b>	<b>Mfr. of furniture; manufacturing n.e.s.</b>	<b>27 671</b>	<b>28.7</b>	<b>47.1</b>
361000	Mfr. of furniture	19 625	23.6	41.2
365009	Mfr. of toys, gold and silver articles, etc.	8 046	73.3	85.3

✓ New data is expected published 2005.

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## Industrial production index

		2002	2003
		2000 = 100	
<b>1009+2+4009</b>	<b>Mining, quarrying, manufacturing and energy supply</b>	<b>103,0</b>	<b>103,4</b>
<b>1009+2</b>	<b>Mining, quarrying, and manufacturing</b>	<b>103,1</b>	<b>102,4</b>
<b>1009</b>	<b>Mining and quarrying</b>	<b>104,0</b>	<b>102,1</b>
<b>2</b>	<b>Manufacturing</b>	<b>103,0</b>	<b>102,5</b>
<b>15009</b>	<b>Mfr. of food, beverages and tobacco</b>	<b>107,4</b>	<b>114,2</b>
151000	Production, etc. of meat and meat products	95,0	99,9
155200	Mfr. of dairy products	90,3	95,2
158909	Mfr. of other food products	123,3	133,2
159000	Mfr. of beverages	107,8	112,2
160000	Mfr. of tobacco products	94,0	94,8
<b>17009</b>	<b>Mfr. of textiles, clothing and leather</b>	<b>85,3</b>	<b>81,4</b>
170000	Mfr. of textile	90,2	88,4
180000	Mfr. of clothing	83,6	73,7
190000	Mfr. of leather, footwear and leather products	66,7	66,7
<b>20000</b>	<b>Mfr. of wood and wood products</b>	<b>95,3</b>	<b>91,7</b>
<b>21009</b>	<b>Mfr. of paper products; printing and publishing</b>	<b>94,1</b>	<b>88,9</b>
210000	Mfr. of pulp, paper and paper products	96,8	91,0
221200	Publishing of newspapers	89,0	85,6
221309	Publishing activities, excl. newspapers	90,5	83,3
222009	Printing activities, etc.	98,4	94,0
<b>23000</b>	<b>Mfr. of refined petroleum products, etc.</b>	<b>80,0</b>	<b>78,2</b>
<b>24000</b>	<b>Mfr. of chemicals, man-made fibres, etc.</b>	<b>113,6</b>	<b>111,2</b>
241009	Mfr. of chemical raw materials	102,4	102,8
243009	Mfr. of paints, soap, cosmetics, etc.	101,8	95,2
244000	Mfr. of pharmaceuticals, etc.	122,1	120,1
<b>25000</b>	<b>Mfr. of rubber and plastic products</b>	<b>100,4</b>	<b>101,0</b>
<b>26000</b>	<b>Mfr. of other non-metallic mineral, etc.</b>	<b>88,8</b>	<b>93,8</b>
261009	Mfr. of glass and ceramic goods, etc.	77,7	92,4
263009	Mfr. of bricks, cement and concrete	91,7	94,2
<b>27009</b>	<b>Mfr. and processing of basic metals</b>	<b>101,3</b>	<b>104,4</b>
<b>29000</b>	<b>Mfr. of machines and equipment, n.e.s.</b>	<b>102,7</b>	<b>99,2</b>
<b>30009</b>	<b>Mfr. of electrical and optical equipment</b>	<b>107,8</b>	<b>106,9</b>
<b>35009</b>	<b>Mfr. of transport equipment</b>	<b>105,6</b>	<b>97,6</b>
351000	Building and repairing of ships and boats	105,2	89,5
352009	Mfr. of transport equipment, excl. ships	105,9	102,8
<b>36000</b>	<b>Mfr. of furniture; manufacturing n.e.s.</b>	<b>105,4</b>	<b>99,9</b>
361000	Mfr. of furniture	91,7	89,4
365009	Mfr. of toys, gold and silver articles, etc.	150,9	135,0
<b>4009</b>	<b>Electricity, gas and water supply</b>	<b>101,9</b>	<b>120,5</b>

Table 312

## Major manufactured commodities

	2002	2003*
	DKK thousands	
<b>Production, total</b>	<b>457 620 092</b>	<b>454 056 110</b>
Medicaments containing insulin but not antibiotics, put up in forms or packings for retail sale	10 202 943	9 524 981
Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, put u	7 733 678	8 865 693
Windmills, output over 750 kVA	8 942 868	8 317 769
Frozen boneless meat of domestic swine (excl. bellies and cuts thereof)	8 187 793	7 205 897
Gas oils of petroleum or bituminous minerals, with a sulphur content of max. 0,05% by weight per cent	5 797 710	5 862 088
Fresh or chilled boneless meat of domestic swine (excl. bellies and cuts thereof)	4 736 935	4 685 544
Newspapers, published at least 4 times weekly, from the publishing house, printed by own printing works	4 102 989	4 351 775
Iron and steel structures and parts thereof, mainly sheets excl. sluices, chimneys and ceiling sheets with ridge	4 946 600	4 280 834
Feeding stuffs for pigs	2 954 740	4 104 954
Transmission apparatus, incorporating reception apparatus, for cellular networks mobile telephones	4 698 750	4 094 538
Fresh or chilled with bone in, domestic swine hams and cuts thereof	4 101 866	3 864 268
Enzymes and prepared enzymes, n.e.s. (excl. rennet and concentrates thereof, lipoprotein lipase and	3 603 567	3 779 286
Roll-On/Roll-Off and other containers, seagoing, new	3 625 552	3 663 616
Motor spirit, with a lead content min. 0,013 g/l, with an research octane number RON of min. 95 and less than 98	3 573 270	3 448 257
Windmills, output over 375 but max 750 kVA	3 345 980	3 185 185
Medicaments containing hormones or steroids used as hormones, but not antibiotics, put up in forms	2 988 068	3 087 171
Articles of plastics (excl. plastic films) n.e.s.	3 062 594	3 020 378
Books (excl. dictionaries and encyclopaedias) also in serial instalments, from the publishing house, not printed by own	2 994 465	2 939 486
Danbo, Fontal, Fontina, Fynbo, Havarti, Maribo and Samsø, of a fat content by weight of over 40% but max 72 weight per cent	2 332 657	2 756 501
Beer, tax schedule 1, in bottles	2 443 310	2 699 858
Insulin and its salts, used primarily as hormones	2 234 882	2 674 571
Cigarettes, containing tobacco (excl. containing cloves)	2 638 910	2 612 093
Cartons, boxes and cases, of corrugated paper or paperboard	2 657 800	2 593 259
Articles of iron and steel, n.e.s.	2 626 333	2 592 725
Natural butter of a fat content, by weight, of max. 85%, in retail sale packings of max 1 kg	2 368 177	2 464 657

Note 1. Commodities may be absent because for confidentiality reasons.

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

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