

## Manufacturing industries

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

#### Manufacturing industries' share of the economy has been declining

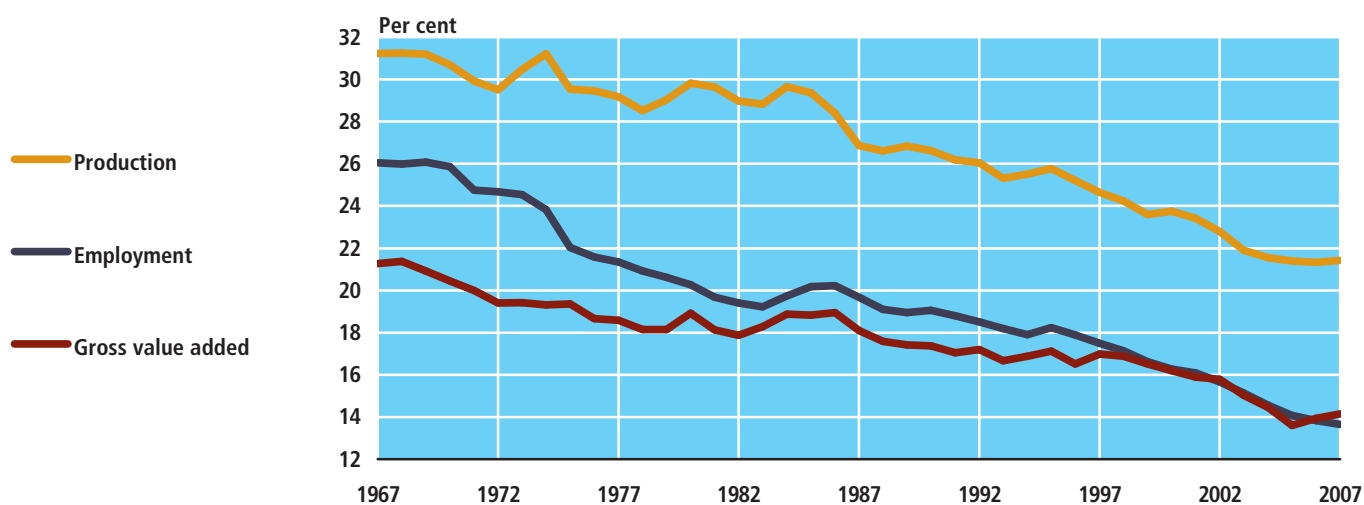
The significance of manufacturing industries for the Danish economy can be described by means of central statistics from the national accounts. Manufacturing industries have experienced a declining importance of the Danish economy regardless whether it is measured by share of total employment, production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

#### Manufacturing industries make up 14 per cent of employment and growth

Manufacturing industries' share of total employment has been markedly declining from 26 per cent in 1967 to 14 per cent in 2007. The manufacturing industries' share of total value added has also decreased from 21 per cent to 14 per cent. Finally, the production has fallen by 31 per cent in 1967 to 21 per cent in 2007.

Figure 1

Manufacturing shares in per cent of total activity



Note: Mining and quarrying are not included.

### 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 1990-2007 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

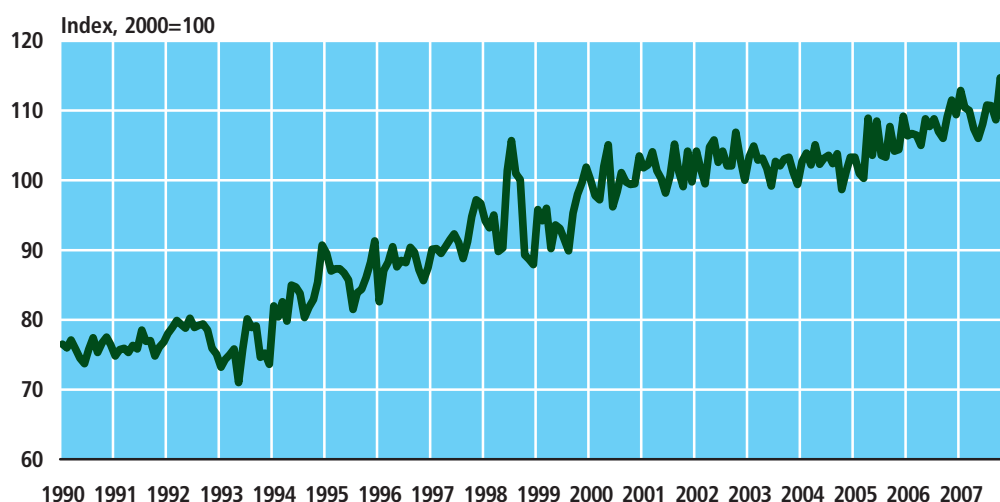
The decline in the world economy from 2001 affected Danish manufacturing production which experienced a very modest increase in 2002 and 2003. The tendency continued throughout 2004 – affected by the weakened US-dollar.

### 2005-2007

In 2005-2007, the Danish manufacturing industry has been growing again.

Figure 2

Production in the manufacturing industries, seasonally adjusted values



See table 292.

## 3. Exports of the manufacturing industries

### Export shares of the manufacturing industries

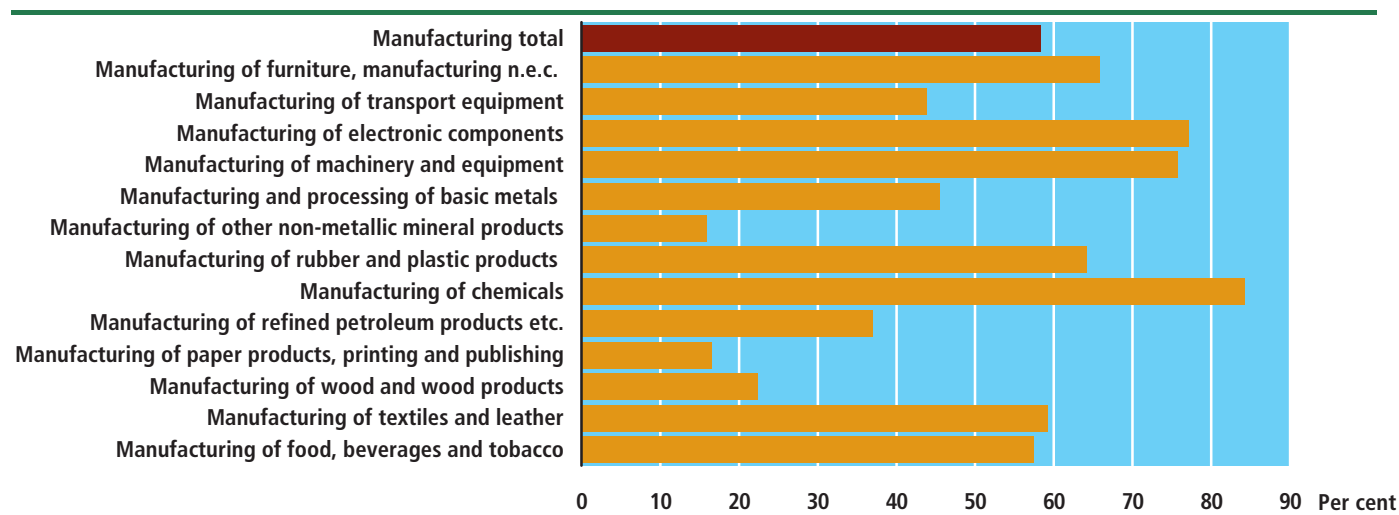
Export markets are of great importance to the Danish manufacturing industries. In 2007, total export turnover accounted for 58 per cent of total turnover of the manufacturing industries.

There are wide differences among the groups of industries in the export shares of the manufacturing industries. The industries *manufacturing of other non-metallic minerals, etc.* and *manufacturing of paper production; printing and publishing ac-*

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counted for an export share of 16 and 17 per cent in 2007. With 84 per cent, *manufacturing of chemicals* accounts for the highest export share. Manufacturing of chemicals include pharmaceutical industry. Subsequently, *manufacturing of electrical and optical equipment* and *manufacturing of machinery and equipment* accounts for 77 and 76 per cent, respectively.

Figure 3 Export shares of the manufacturing industries by groups of industries. 2007



### 4. Manufacturing industries' total turnover by main sectors

#### Manufacturing industries' sector profile in 2007

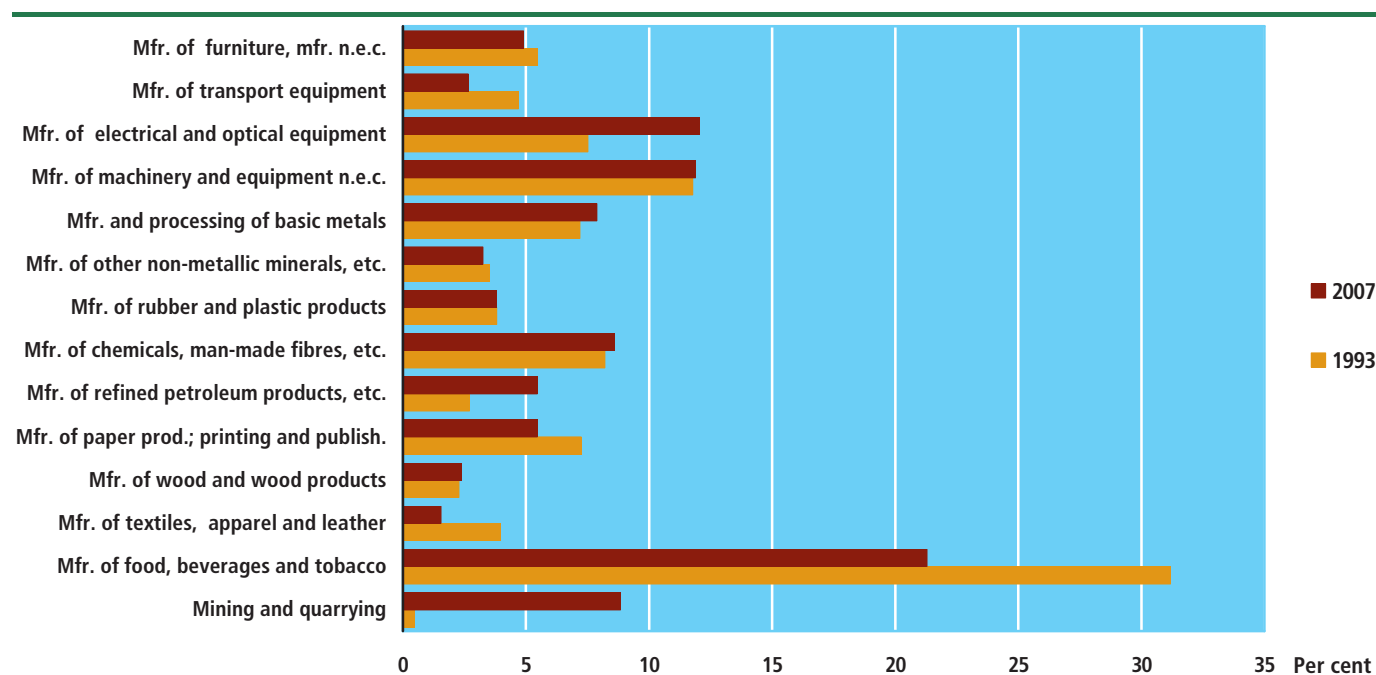
Since 1993, manufacturing industries' total turnover (at current prices) for enterprises with 10 employees or more have increased from DKK 343 billion to DKK 687 billion in 2007. *Manufacturing of food, beverages and tobacco* accounted for 21 per cent of the total turnover and had the largest turnover of all the industries. This was followed by *manufacturing of electrical and optical equipment* and *manufacturing of machinery and equipment*; each of these accounted for 12 per cent. *Manufacturing of chemicals* accounted for 9 per cent and *mining and quarrying* also accounted for 9 per cent of manufacturing industries' total turnover.

#### Growth in manufacturing of electrical and optical equipment and pharmaceuticals

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 the manufacturers' 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 electrical and optical equipment* where the growth in particular is due to rising turnover of wind-mills.

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Figure 4 Manufacturers' total turnover by groups of industries



See table 291.

## 5. Concentration ratio of enterprises and commodity groups

### Concentration of industrial enterprises

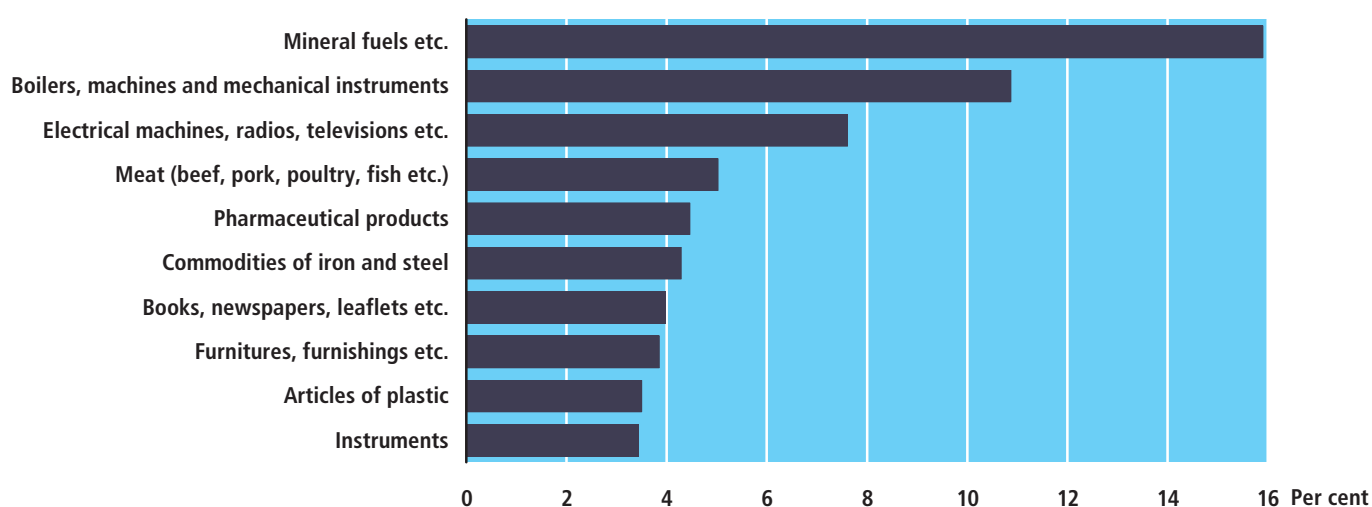
The three largest enterprises in the manufacturing industries account for 10.0 per cent of total turnover of the manufacturing industries, while the 10 largest enterprises account for 23.5 per cent. The concentration ratio, i.e. the share of total turnover accounted for by a limited number of enterprises, differs widely among the groups of industries. Turnover is concentrated on 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 2007), *manufacturing of leather and footwear* (the three largest enterprises accounted for 93.3 per cent of total turnover), *manufacturing of tobacco products* (the three largest enterprises accounted for 91.8 per cent), and *manufacturing of dairy products* (the three largest enterprises accounted for 86.6 per cent of total turnover). *Manufacturing of building materials and metals* are examples of industries characterized by a very low concentration of large enterprises, as the 10 largest enterprises accounted for 20.9 per cent of total turnover in 2007.

### 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 2007 appear from figure 5. *Mineral fuel, etc.* accounted for 16 per cent of industrial turnover, while *boilers, machinery and mechanical apparatus* constituted 11 per cent.

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Figure 5 Top 10 industrial commodity groups mainly produced. 2007



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. In this account, manufacturing of crude oil, gas oil and natural gas have a prominent position. An overview of the 25 most commonly manufactured detailed commodity groups in Danish manufacturing industry is given in a table in one of the next pages of this chapter.

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## Manufacturers' total turnover, by industry and concentration. 2007

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>686 732</b>	<b>10.0</b>	<b>23.5</b>
<b>1009</b>	<b>Mining and quarrying</b>	<b>60 752</b>	<b>83.6</b>	<b>95.5</b>
<b>2</b>	<b>Manufacturing</b>	<b>625 980</b>	<b>9.8</b>	<b>20.9</b>
<b>15009</b>	<b>Mfr. of food, beverages and tobacco</b>	<b>146 243</b>	<b>28.8</b>	<b>43.9</b>
151000	Production, etc. of meat and meat products	38 640	69.3	87.5
155000	Mfr. of dairy products	24 763	86.6	94.2
158909	Mfr. of other food products	66 448	12.6	32.9
159000	Mfr. of beverages	12 060	76.4	95.4
160000	Mfr. of tobacco products	4 333	91.8	100.0
<b>17009</b>	<b>Mfr. of textiles, clothing and leather</b>	<b>10 600</b>	<b>21.4</b>	<b>39.1</b>
170000	Mfr. of textile	7 319	29.3	50.1
180000	Mfr. of clothing	2 850	34.0	66.5
190000	Mfr. of leather, footwear and leather products	430	93.3	100.0
<b>20000</b>	<b>Mfr. of wood and wood products</b>	<b>16 382</b>	<b>25.0</b>	<b>48.8</b>
<b>21009</b>	<b>Mfr. of paper products; printing and publishing</b>	<b>37 473</b>	<b>15.4</b>	<b>30.5</b>
210000	Mfr. of pulp, paper and paper products	9 610	26.9	61.5
221200	Publishing of newspapers	7 439	48.7	74.3
221309	Publishing activities, excl. newspapers	9 385	26.5	48.1
222009	Printing activities, etc.	9 867	14.5	31.4
<b>23000</b>	<b>Mfr. of refined petroleum products, etc.</b>	<b>37 554</b>	<b>100.0</b>	<b>100.0</b>
<b>24000</b>	<b>Mfr. of chemicals, man-made fibres, etc.</b>	<b>58 989</b>	<b>46.8</b>	<b>66.7</b>
241009	Mfr. of chemical raw materials	10 813	62.1	86.5
243009	Mfr. of paints, soap, cosmetics, etc.	14 374	27.0	57.1
244000	Mfr. of pharmaceuticals, etc.	33 802	78.5	95.1
<b>25000</b>	<b>Mfr. of rubber and plastic products</b>	<b>26 063</b>	<b>22.0</b>	<b>38.9</b>
<b>26000</b>	<b>Mfr. of other non-metallic mineral, etc.</b>	<b>22 338</b>	<b>18.4</b>	<b>39.8</b>
261009	Mfr. of glass and ceramic goods, etc.	3 076	36.1	72.0
263009	Mfr. of bricks, cement and concrete	19 261	21.3	46.0
<b>27009</b>	<b>Mfr. and processing of basic metals</b>	<b>54 114</b>	<b>9.6</b>	<b>19.8</b>
270000	Mfr. of basic metals	10 559	42.7	75.2
281009	Mfr. of construction materials of metals	25 433	10.6	20.9
286009	Mfr. of hand tools, packaging of metal, etc.	18 122	15.6	30.4
<b>29000</b>	<b>Mfr. of machinery and equipment, n.e.s.</b>	<b>81 632</b>	<b>22.6</b>	<b>34.4</b>
291000	Mfr. of marine engines, compressors, etc.	31 541	58.5	80.8
292000	Mfr. of other general purpose machinery	24 384	14.0	30.2
293000	Mfr. of agricultural and forestry machinery	5 478	32.8	63.7
294009	Mfr. of machines for industries, etc.	17 378	9.5	26.3
297000	Mfr. of domestic appliances, n.e.s.	2 850	42.2	77.0
<b>30009</b>	<b>Mfr. of electrical and optical equipment</b>	<b>82 686</b>	<b>29.2</b>	<b>46.5</b>
300009	Mfr. of computers, electric motors, etc.	49 998	45.3	69.0
320000	Mfr. of radio and communication equipment, etc.	10 179	52.6	73.0
330000	Mfr. of medical and optical instruments	22 508	24.5	50.6
<b>35009</b>	<b>Mfr. of transport equipment</b>	<b>18 245</b>	<b>38.2</b>	<b>57.8</b>
351000	Building and repairing of ships and boats	8 225	78.4	93.1
352009	Mfr. of transport equipment, excl. ships	10 020	21.8	50.9
<b>36000</b>	<b>Mfr. of furniture; manufacturing n.e.s.</b>	<b>33 662</b>	<b>32.3</b>	<b>53.8</b>
361000	Mfr. of furniture	20 955	25.8	43.5
365009	Mfr. of toys, gold and silver articles, etc.	12 706	78.0	90.2

For further information visit [www.statbank/oms2](http://www.statbank/oms2)

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## Industrial production index

		2006	2007
		2000 = 100	
<b>1009+2</b>	<b>Mining, quarrying, and manufacturing</b>	<b>107.8</b>	<b>110.0</b>
<b>1009</b>	<b>Mining and quarrying</b>	<b>105.8</b>	<b>95.2</b>
<b>2</b>	<b>Manufacturing</b>	<b>108.1</b>	<b>112.3</b>
<b>15009</b>	<b>Mfr. of food products, beverages and tobacco</b>	<b>111.0</b>	<b>118.7</b>
151000	Production, etc. of meat and meat products	94.5	94.5
155000	Mfr. of dairy products	97.6	117.4
158909	Mfr. of other food products	129.2	142.5
159000	Mfr. of beverages	115.4	113.6
160000	Mfr. of tobacco products	80.1	72.5
<b>17009</b>	<b>Mfr. of textiles, clothing and leather</b>	<b>67.0</b>	<b>59.6</b>
170000	Mfr. of textile	80.8	78.5
180000	Mfr. of clothing	63.3	42.9
190000	Mfr. of leather, footwear and leather products	12.3	11.6
<b>20000</b>	<b>Mfr. of wood and wood products</b>	<b>117.4</b>	<b>114.9</b>
<b>21009</b>	<b>Mfr. of paper products; printing and publishing</b>	<b>91.5</b>	<b>92.2</b>
210000	Mfr. of pulp, paper and paper products	89.7	86.9
221200	Publishing of newspapers	96.6	93.4
221309	Publishing activities, excl. newspapers	91.0	88.4
222009	Printing activities, etc.	90.1	97.8
<b>23000</b>	<b>Mfr. of refined petroleum products, etc.</b>	<b>133.5</b>	<b>142.3</b>
<b>24000</b>	<b>Mfr. of chemicals, man-made fibres, etc.</b>	<b>106.4</b>	<b>98.7</b>
241009	Mfr. of chemical raw materials	91.0	95.5
243009	Mfr. of paints, soap, cosmetics, etc.	100.3	78.2
244000	Mfr. of pharmaceuticals, etc.	114.2	107.6
<b>25000</b>	<b>Mfr. of rubber and plastic products</b>	<b>108.6</b>	<b>111.9</b>
<b>26000</b>	<b>Mfr. of other non-metallic mineral, etc.</b>	<b>106.3</b>	<b>108.7</b>
261009	Mfr. of glass and ceramic goods, etc.	90.7	95.4
263009	Mfr. of bricks, cement and concrete	110.5	112.3
<b>27009</b>	<b>Mfr. and processing of basic metals</b>	<b>101.7</b>	<b>109.9</b>
<b>29000</b>	<b>Mfr. of machinery and equipment, n.e.c.</b>	<b>110.1</b>	<b>119.9</b>
<b>30009</b>	<b>Mfr. of electrical and optical equipment</b>	<b>127.5</b>	<b>143.0</b>
<b>35009</b>	<b>Mfr. of transport equipment</b>	<b>113.8</b>	<b>100.7</b>
351000	Building and repairing of ships and boats	111.4	91.5
352009	Mfr. of transport equipment, excl. ships	115.4	106.6
<b>36000</b>	<b>Mfr. of furniture; manufacturing n.e.c.</b>	<b>110.7</b>	<b>109.0</b>
361000	Mfr. of furniture	91.4	88.2
365009	Mfr. of toys, gold and silver articles, etc.	175.0	178.1
<b>4009</b>	<b>Electricity, gas and water supply</b>	<b>123.2</b>	<b>90.7</b>

For further information visit [www.statbank.dk/prod01](http://www.statbank.dk/prod01)

Table 293

## Best selling commodities made in Denmark

	2006	2007
	DKK thousands	
<b>Production, total</b>	<b>580 421 144</b>	<b>603 327 262</b>
Petroleum oils and oils obtained from bituminous minerals, crude (excl. natural gas condensates)	43 029 714	40 919 090
Gas oils of petroleum or bituminous minerals, with a sulphur content of <= 0,05% by weight (excl. f	16 845 931	18 337 992
Natural gas in gaseous state	12 255 893	11 569 401
Medicaments containing insulin but not antibiotics, put up in forms or packings for retail sale	11 245 537	11 098 503
Windmills, output between 375 and kVA	6 479 496	9 878 500
Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes	8 754 039	9 046 208
Windmills, output over 750 kVA	8 858 340	8 870 832
Motor spirit, with a lead content <= 0,013 g/l, research octane number RON between 95 and 98	8 279 159	7 477 058
Frozen boneless meat of domestic swine (excl. bellies and cuts thereof)	7 682 401	6 933 250
Fresh or chilled boneless meat of domestic swine (excl. bellies and cuts thereof)	5 789 628	5 407 113
Roll-On/Roll-Off and other containers, seagoing, new	3 638 939	5 365 281
Articles of iron and steel, n.e.s.	4 789 230	5 249 605
Newspapers, published at least 4 times weekly, from the publishing house, not printed by own printing works	5 977 050	5 162 680
Feeding stuffs for pigs	3 799 797	5 152 531
Iron and steel structures and parts thereof, mainly sheets excl. sluices, chimneys and ceiling sheets with ridge	3 876 561	4 531 946
Fresh or chilled with bone in, domestic swine hams and cuts thereof	4 771 306	4 438 800
Enzymes and prepared enzymes, n.e.s. (excl. rennet and concentrates thereof, lipoprotein lipase	4 186 114	4 304 549
Articles of glass fibre for windmills	3 934 848	4 026 603
Hearing aids (excl. parts and accessories)	2 999 581	3 464 585
Articles of plastics (incl. plastic film) n.e.s.	3 544 439	3 437 916
Petroleum oils and oils obtained from bituminous minerals, crude, in the form of natural gas condensates	4 077 477	3 422 554
Articles of iron and steel for windmills	3 467 895	3 403 834
Iron and steel constructions, n.e.s.	2 810 728	3 323 464
Fitted kitchen units, of wood	3 217 994	3 268 354
Fuel oils obtained from bituminous materials, with a sulphur content of <= 1% by weight	2 952 160	3 019 629

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).

For further information visit [www.statbank.dk/varer1](http://www.statbank.dk/varer1)