

**KOREAN  
BUSINESS**



**DANISH  
NETWORK**

# End of Year Newsletter

## Successful Visit by the Danish Prime Minister Puts Focus on Healthcare, CleanTech, and Lifestyle

*The Danish Prime Minister, Lars Løkke Rasmussen, paid a successful visit to Korea from October 23<sup>rd</sup> – 26<sup>th</sup>. During the 3 days the Prime Minister had a busy schedule where he participated in several events.*



After several months of planning and preparation, the Danish Prime Minister finally visited Korea on October 23<sup>rd</sup> – 26<sup>th</sup>. The Prime Minister had a tight schedule with several high level meetings aimed at strengthening the bonds between Korea and Denmark. The Lord Mayor of Copenhagen, Frank Jensen, also participated in the official visit as did representatives from 25 Danish companies, organisations, and universities. The visit focused on three main industry areas: CleanTech; healthcare/life science; and food and lifestyle.

One of the highlights of the visit was the Prime Minister's visit to the Blue House that resulted in a joint Action Plan for 2016-2019 and a joint Statement where the two countries agreed to strengthen the existing strategic partnership and Green Growth Alliance, covering political, economic, trade, social, and cultural cooperation. The visit

ended in a ceremony where Ambassador Thomas Lehmann and the Korean Foreign Minister Byung-se Yun signed the Action Plan. Also, Memorandums of Understanding (MoUs) were signed respectively between the Danish Ministry of Business and Growth (EVM) and the Korean Ministry of Trade, Industry and Energy (MOTIE); and the Danish Medicines Agency (DKMA) and the Korean Health Insurance Review and Assessment Service (HIRA).



The Prime Minister's visit also included visits to a Danish inspired "after school", the Korean War Memorial, and Yonsei University. Furthermore, he attended the 6th meeting of the Danish-Korean Green Growth Alliance (GGA) with Korean Prime Minister Kyo-ahn Hwang, where 10 MoUs concerning energy, research, business, and fire safety were signed.



## The Little Mermaid's Sister Settles In at the Han River

*One of the highlights of the Danish Prime Minister's visit was the grand unveiling ceremony of The Little Mermaid statue in the Yeouido Hangang Park, marking the strong ties between Korea and Denmark.*

The Little Mermaid is a popular fairy tale by the world renowned Danish writer Hans Christian Andersen. Since 1913 the statue of the mermaid has been a landmark for the city of Copenhagen. In August 2014, Seoul Mayor Won-Soon Park met the Lord Mayor of Copenhagen, Frank Jensen, and signed an agreement for increased cultural exchange that included an exchange of symbolic city icons, where it was

decided a replica of the Little Mermaid statue should be sent to her new home at the Han River in Seoul, Korea. This year, more than two years after the agreement, the replica was finally unveiled to the public by the Danish Prime Minister, during his official visit to Korea. The Prime Minister also used the occasion to promote 2019 as the Korean-Danish Year of Culture and Tourism that celebrates the 65<sup>th</sup> anniversary of Danish-Korean diplomatic relations. The statue, nicknamed The Little Mermaid's Sister, is now permanently located at the Yeouido Han River Park.

The project was able to materialize thanks to the support of 9 Danish companies. The two main sponsors were **Novo Nordisk** and **Hempel Korea**. **Kopenhagen Fur** and **LEGO Korea**, as well as **Jabra**, **LEO Pharma**, **Lundbeck Korea**, **Oticon Korea** and **Ecco Korea** were also crucial in the realization of this project. Her journey from Denmark to Korea took 6 weeks, and was provided courtesy of the Danish shipping company **Maersk Line**. As a part of the cultural exchange agreement between Copenhagen City and the Seoul Metropolitan Government, Copenhagen will receive a replica of the Gwanghwamun gate.

## Denmark Once Again Best European Country for Business

*For the 6<sup>th</sup> year in a row Denmark ranked the best and easiest place in Europe for doing business. Globally Denmark is 3<sup>rd</sup>, behind New Zealand and Singapore. Korea is ranked 5<sup>th</sup>.*

The World Bank's "Doing Business" report presents indicators on 11 areas of business regulation for 189 economies. The Report is a valuable tool for companies wishing to identify investment opportunities. The report also aids governments and local authorities in improving economic framework conditions.

The former Danish Minister for Foreign Affairs, Kristian Jensen, said:

"It is important for our ability to attract foreign investments that Denmark is acknowledged as one of the world's best places to start and run a business. We will use the opportunity presented by the excellent ranking to make even more international companies aware of Denmark as an attractive business environment. I am pleased to see that Denmark is also the best country in the world to use as a base for international trade."



## Increasing Korean Investment in Denmark

*2016 has been a year of upward momentum among Korean companies in establishing themselves in Denmark. The Danish Embassy's Invest In Denmark sector has facilitated several successful projects.*

Foreign direct investment from Korea to Denmark amounted to 23 million USD for the first half of 2016, according to the Export-Import Bank of Korea (KEXIM), signaling an optimistic future of increased awareness among Korean companies for all that Denmark has to offer.

Investments finalised in 2016 included the case of Happy Enzyme, a Korean health supplement company that established a sales office in Copenhagen based on their partnership with Chr. Hansen. Furthermore, LS Cable & System, which won orders from Danish Energinet to deliver underground cables, is set to complete the wiring connection between wind farms and grid in the Zealand Region.

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### Foreign direct investments in Denmark are on the rise in general

The latest report by the National Bank of Denmark on in- and outgoing investment flows shows that foreign direct investment inflows into Denmark in 2015 grew by 4 billion USD. The value of foreign direct investments in Denmark amounted to 96 billion USD by the end of 2015.

Denmark offers a low corporate tax rate, competitive business costs, flexible labour market conditions, and simplified procedures for setting up a business. Moreover, Denmark provides an ideal hub to the Scandinavian region, as well as the rest of Europe and the Baltics. Excellent infrastructure for transport by road, air, rail, and sea provides access to 100 million consumers in 24 hours or less.



Bali Padda, CEO of LEGO

## LEGO Appoints New CEO - And Gets New Office Space in Seoul

*One of the most famous Danish companies, LEGO has undergone a major reshuffle in the top management.*

Jørgen Vig Knudstorp, who has been the CEO for the last 12 years, will leave his position to become the Chairman of the board. He has also been appointed Chairman for the new business unit, LEGO Brand Group. The new business unit will have Thomas Kirk Kristiansen, fourth generation of the LEGO family, as Vice Chairman.

LEGO's current Chairman of the board, Niels Jacobsen, will step out of the board but continue in the LEGO family's holding company, Kirkbi, that is the

majority owner of the LEGO company. The new CEO will be Bali Padda, who has been with LEGO for 14 years as the Head of Production and Logistics.

### Upcoming KDBN Event:

LEGO Korea is moving to a new office space in Seoul. Don't miss the chance to visit the new office located in the Prudential Tower in Gangnam! KDBN's next event is set for **January 19th, 6PM** as a company visit to LEGO Korea's new office. Please join us in hearing more about LEGO's strategy and business in Korea in their new location. If you would like to join this event, please send an RSVP via e-mail to [jachas@um.dk](mailto:jachas@um.dk).

## Danish Exports to Korea Sees Drop

*In the first 9 months of 2016 the Danish exports to Korea dropped by 30% compared to the same period last year. This is after historically high exports in 2015.*

Trade Between Denmark and South Korea since 2011

Mil. USD	2011	2012	2013	2014	2015	Jan. - Sep. 2015	Jan. - Sep. 2016
Export	550	659	626	740	907	710	499
Import	297	371	856	1,653	1,672	1,568	265

Since the EU-Korea free trade agreement (FTA) was implemented in 2011, Danish exports to South Korea have been on a steady rise. In 2011 exports amounted to approximately 550 million USD and peaked in 2015 at approximately 907 million USD.

In the first 9 months of 2016 exports amounted to approximately 499 million USD, a 30% drop from 2015's 710 million USD of the same period. South Korea is Denmark's 16th largest export market and

last year's figures amount to roughly 1% of total Danish exports.

Another noticeable change is the drop in Korean exports to Denmark. The first 9 months of 2015 saw exports of 1,568 million USD compared to only 265 million in the same period this year. This drop can be explained by the few high orders on Korean ships from the Danish shipping company Maersk Line last year.

## Danish Audio Company Steinway Lyngdorf Enters the Korean Market

*Steinway Lyngdorf enters the market in a partnership with local company ODE, seeking to sell high-end Danish speakers to Korean consumers.*

Wealthy Koreans interested in the highest quality audio systems now have a new place to shop: ODE Maison. Steinway Lyngdorf's amplifiers and speakers will now be available via ODE, which recently partnered with Steinway Lyngdorf as the exclusive seller of their speakers in Korea.

The Danish brand's name stems from a partnership between the world renowned piano manufacturer Steinway & Sons and the CEO Peter Lyngdorf, as his audio systems were able to precisely reproduce the sound of a Steinway & Sons piano to the point where pianists couldn't tell the difference.

“ **When God and Mozart hang out, they listen to these speakers** ”  
- Wired Magazine

Having already established successful partnerships in China, Taiwan, and Hong Kong, the Danish company has been searching for a partner to penetrate the Korean market. But finding a partner to sell exclusive speakers to the Korean consumers is not as straightforward as it may sound. The Korean market for high-end audio is narrow and limited. Most stores and showrooms display new products along with secondhand speakers and older products, mainly targeted the mass-segment.



This posed a challenge for Steinway Lyngdorf trying to differentiate their products from competitors and have them presented in the right atmosphere. They believe when audio systems of this quality and design are showcased, it should be in the right setting where the audio systems can truly be enjoyed by the customers, who can experience exactly how exceptional the sound is.

This demand opened the door for a partnership with ODE, who are able to present the Steinway Lyngdorf speakers in the right surroundings at the ODE Maison. ODE is equipped with the best and newest demo facilities in order to enhance the unique selling points of Steinway Lyngdorf. Moreover, the ODE team shares the same vision and ideas for quality sound and are known to possess the connections, creativity, and marketing know-how needed for Steinway Lyngdorf to successfully enter the Korean market.

## Vestas Receives New Wind Turbine Order in Korea



*Danish wind energy company Vestas received a 24 MW order for the Stage 2 Wind Farm project in Yeong Yang County.*

GS Yeongyang Windpower Co. is once again cooperating with the Danish wind company Vestas, placing an order of seven of their largest turbines, the V112-3.45 MW. This follows the successful 59.4 MW Yeong Yang's Stage 1 Project in 2014. The Stage 1 project, which achieved commercial operation in 2015, was supplied by Vestas' 18 V112-3.3 MW turbines and a 10-year-full-scope service agreement. Vestas is the leading wind turbine supplier in Korea. The installation and commissioning of the new turbines are planned for the end of 2017.

## Maersk Line Enters into Strategic Cooperation with Hyundai Merchant Marine

*Maersk Line announced on December 11<sup>th</sup> that it is entering a strategic cooperation with Hyundai Merchant Marine to enhance their presence in Transpacific Trade.*

The cooperation is a combination of slot exchanges and purchases, and provides Hyundai Merchant Marine access to the 2M network. The network is the world's largest vessel-sharing agreement between Maersk Line and the Mediterranean Shipping Company (MSC), and focuses on East-West shipping and trade. The strategic cooperation, which also includes the MSC, will be effective starting April 2017. The term of the agreement is 3 years with an option to extend the duration. The strategic cooperation was announced only a few days after Maersk Line presented its agreement to take over the world's 7th largest container shipping company, Hamburg Süd.



## Denmark Gets New Government - But Same Prime Minister

*On November 28<sup>th</sup> the Danish Prime Minister presented a new government. Lars Løkke Rasmussen remains Prime Minister, but the government now includes two new political parties as well as five more ministries.*

After stranded negotiations for a comprehensive plan for 2025 the Danish Prime Minister decided to break up his single-party minority government that had been in place since the election in June 2015. Instead he invited two new parties to form a new three-party government consisting of his own party "Venstre", "Konservative", and "Liberal Alliance". The new government cabinet consists of 22 ministers, which is five more than before. Among the newly established ministries are the Ministry of Public Innovation and the Ministry of Development. Denmark now also has a new Minister of Foreign Affairs, Anders Samuelsen, from the "Liberal Alliance" party. The former Minister, Kristian Jensen, was appointed the new Minister of Finance.

The new government is focused on lowering the growth of public expenditures and lowering income



tax. It is still a minority government controlling 53 of the 179 seats in the Danish parliament, which means that the government will need to obtain support from other political parties in order to pass new laws.

## New Store Openings!

### Kvadrat

Kvadrat is one of the leading manufacturers of quality design textiles for private and public spaces. Their showroom opened in September.

Kvadrat Showroom  
Gangnam-gu  
Nonhyeon-dong 67-14  
REN Building 5F  
06049 Seoul

🕒 By appointment only  
☎ +82 2 563 7170  
✉ southkorea@kvadrat.org



### HAY

The Danish design company HAY sells furniture, rugs, design products, and accessories.

HAY Seoul  
68, Hoenamu-ro  
Yongsan-gu, Seoul  
🕒 Mon-Sun / 11-20  
☎ +82 2 749 2213  
✉ hay1@innometsa.com

### Lakrids by Johan Bülow

Lakrids by Johan Bülow has opened 2 pop-up shops that sell their delicious chocolate-coated liquorice.

Lakrids by Johan Bülow  
Shinsegae Gangnam  
(21<sup>st</sup> - 25<sup>th</sup> of December) &  
Centum City Busan  
(15<sup>th</sup> - 28<sup>th</sup> of December)  
🕒 Mon-Sun / 10:30 - 20

### House of Amber



House of Amber sells exclusive Danish amber jewelry. It is one of the oldest and largest producers of amber jewelry in the world.

House of Amber  
12th floor Shinsegae  
Myeong-Dong  
🕒 Mon-Sun / 9:30-21  
☎ +82 02 6370 4309

## Visit Danish Artist Olafur Eliasson's Exhibition at the Leeum Museum

*The world-renowned Danish artist with Icelandic roots is now exhibiting at the Leeum Samsung Museum of Art. The exhibition ends on February 26<sup>th</sup>, 2017.*

The Parliament of Possibilities exhibition introduces visitors to a wide range of Eliasson's key works from throughout his career. Eliasson's works are often light and colorful and many incorporate optical illusions, movement, light, mirrors, and visual experiments. The exhibition features a total of 22 of the artist's works.

Eliasson is among the most famous Danish artists and has made art installations all over the world. His atelier, Studio Olafur Eliasson, is located in Berlin.



## Danish BioTech Sector Dubbed Best In Europe



*For the second year in a row Denmark's biotech sector maintains its top global rank in the 2016 Scientific American Worldview Scorecard.*

Denmark is ranked the best in Europe and third in the world on the global scoreboard "2016 Scientific American Worldview Scorecard".

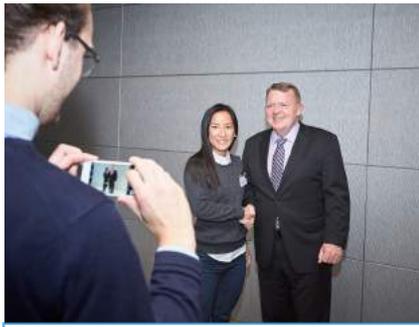
While behind the US and Singapore, Denmark is praised for its public investment and speedy drug trial application process among the seven categories comprising the scoreboard. Korea is ranked 24<sup>th</sup>.

Denmark had 215.4 international patent applications filed per million inhabitants per year, putting it ahead of France, the UK, and the Netherlands, second only to Germany. Overall, the Danish life science industry employs more than 40,000 people and has an estimated export of approximately 18 billion USD per year.

## Impressions From the Danish Prime Minister's Official Visit to Korea



Seoul Mayor Won-Soon Park, and Copenhagen Lord Mayor Frank Jensen pose for a snap at the unveiling of the Little Mermaid statue.



A participant of the entrepreneurship seminar has her photo taken with the Prime Minister.



The Prime Minister and the embassy staff at the Shilla Hotel, where the Prime Minister stayed during his visit.



Korean models on the catwalk at the Copenhagen Fur fashion show during the Gala Dinner.



CEO of the Danish Agriculture and Food Council, Karen Hækkerup, is handing over his Royal Highness Prince Henrik's Medal of Honour, to Mr. Sangwoo Lee, CEO of Plemax.



Lars Løkke Rasmussen receives the honorary degree of doctor of political science at Yonsei University, before his lecture about the Danish welfare system.