

EAC MAGAZINE

3/OCTOBER 1987



EAC
active
in
North Sea

THEME:
EAC in Denmark
Pages 6-17

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EDITORIAL STAFF

Claus Arboe-Rasmussen (liable under Danish law)
Jens Henrik Nybo (editor)
Erik Ljunggren
Erik Clausen
Hanne Emborg

EDITORIAL ADDRESS

EAC Magazine
The East Asiatic Company Ltd.
Information Dept.
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DK-1099 Copenhagen K

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FRONT COVER

It is a hard, relentless life aboard the Felicia drilling rig. EAC Energy is involved in preliminary drilling operations. See page 14 for details. This issue of EAC Magazine highlights EAC activities in Denmark. Pages 6-14.

CONCERN

Main points

Strategic planning (STP) is essential to the survival and well-being of a company or group of companies. EAC is no exception. Not only is it important to plan and continuously develop and adjust one's plans — it is naturally important to a company's productivity that its plans are known to everyone directly or indirectly associated with the business affected by those plans.

For this reason we have circulated the following material to our managers throughout the world:

- Copies of the Executive Board's strategy considerations dated September 1987 and covering the period 1987-91.
- A set of overhead slides based on the Executive Board's strategy considerations. The slides are to be used as an aid in explaining the strategy considerations at staff meetings to be held within a month.
- An abbreviated version of divisional strategy plans for 1988-90 in the form of a set of slides for informing employees at the above-mentioned meetings.

Obviously the strategy plans for a group of EAC's size are extensive — but many principles

and requirements can be seen both in the Executive Board's general plans and in the more specific plans of the individual divisions.

The most important of these are given in EAC's general Mission Statement:

- EAC is an international group of companies, engaging in trade, manufacturing and transport.
- Versatility is the keyword for the Group's activities and at the same time basic to its unique environment. In identifying business opportunities, it is essential that the marketing concept should be of prime importance to the development and future of our activities.
- Future development of the Group will take place as a balance between internally generated growth and investment in other companies.
- Quality is the basic concept on which EAC determines its norms for:
 - human resources
 - production and service
 - the ability to develop the maximum added value for the marketed products, and
 - efforts to achieve mutual benefits in all relations.

Better mid-term report from EAC

EAC sales and earnings during the first half of 1987 were substantially better than for the corresponding period last year — and better, too, than budgeted. Net sales were D.kr. 7,345m (D.kr. 6,857m in first half 1986). The gross profit was D.kr. 1,679m (1986: D.kr. 1,574m), profit before financing expenses was D.kr. 229m (1986: D.kr. 144m), and the result before tax was D.kr. 67m (1986: D.kr. -79m).

SALES 7% UP

Sales during the first half of 1987 were 7% up on the previous year despite the disadvantage offered by the strong DKK in relation to USD. In dollar terms, the sales increase was 26%. Considering that EAC did not achieve its budgeted figures for the first quarter of 1987, this emphasises the fact that the 2nd quarter was exceptionally favourable.

EAC's Supervisory Board and Executive Board were thus able to issue a satisfactory half-year

report on September 17. For the first time, the half-year report provided both the result before financing expenses and the result before tax.

It is expected that both sales and profits before tax for 1987 as a whole will be substantially above those of 1986. As a result, however, the Group's tax liability and the share attributable to minority shareholders will be greater than in 1986. The net result for 1987 as a whole is expected to be approx. D.kr. 300m (1986: D.kr. 311m), which is deemed satisfactory.

THE SEVEN DIVISIONS

The half-year report examines prospects for the Group's seven divisions, which report increasing sales and earnings. EAC's next report is expected in early December, with a review of the first three quarters of 1987 and a forecast for 1988.

of EAC's new strategy



OBJECTIVES

The following specific objectives have been set for 1991:

- Sales of more than D.kr. 25,000m, which means an increase of 10-15% a year distributed between internal growth and new acquisitions.
- A net pre-tax result from new acquisitions of the past four years which exceeds investments in new activities in 1991.
- To increase shareholders' equity to approx. 30% of total assets, which will be necessary in view of the Group's structural development over the five-year period and the necessary flexibility to handle any positive developments in the energy sector.

At no time should the percentage drop below 25.

It is hoped that the above material in conjunction with the staff meetings will provide a broader picture of the Group across professional and geographical boundaries and will generate a frank debate — which is important to our future success.

EAC prepares for further expansion

In this issue of EAC Magazine we turn the spotlight on: EAC in Denmark.

We have tried to give readers an impression of the Danish-based activities from which the Group draws strength for its worldwide operations — and at the same time we want here to comment on the Group's expansion and development prospects for the future.

Group management has just completed a series of strategy meetings, which it is intended should generate a wide-ranging dialogue throughout the Group before the final framework is settled.

We can reveal that over the next four years the Group plans to increase its sales by 10-15% a year. Half will be based upon Group activities as we know them today, the remainder will require us to seek external challenges. It is therefore planned that the rest of the Group's growth will come from outside sources by company acquisitions and expanding in all activities.

The overall strategy is clear: We shall expand the Group by exploiting all opportunities for co-operation in internal and external operations.

'NATIONAL DISASTER'

Only six years ago the Danish economy was headed for the brink of catastrophe. On top of a series of economic shocks imposed on the Danish people, the EAC Group added to the gloomy picture by announcing that its accounts had slipped into the red. Economist

Steffen Møller spoke of 'a national disaster' when journalists asked him to comment on the EAC situation.

That situation has changed radically. The Danish economy is recovering — and the EAC trend is one of solid progress.

EAC is once again paying its shareholders a dividend — thanks to the consolidation and expansion of its international commitment.

But in the midst of this recovery we have not forgotten our national roots. As an international group of companies it is our obligation to serve Danish interest throughout the world.

It is therefore our pleasure to show readers of EAC Magazine how an international group is operated from Denmark. And how its employees are offered exciting, challenging work.

The reader will also have observed that this issue of EAC Magazine 'looks different'. We have launched a new image and adopted a fresh editorial line in both layout and policy. At the same time the magazine's circulation has been widened considerably: it is now distributed to all our registered shareholders in addition to our business associates, employees and other contacts.

We hope you enjoy your copy of EAC Magazine!

EAC INFORMATION DEPARTMENT

Mobile publicity for Fibre Trim

Two double-decker trams have been chosen by the Consumer Products Division to create public interest in and awareness of the fibre dietary tablet, Fibre Trim, which has been marketed in Hongkong since March 1986.

From a monthly sales level of some 30,000 equivalent units of 100 tablets last year, current sales are now running at twice that level.

The Division also makes use of TV commercials for this market.



30-metre offset press from Erik Levison

A 30-metre, 40-ton rotary offset press has just been supplied to a printing works in Jutland, Colour Print North. The supplier is Erik Levison, an EACgraphics subsidiary. The machine is a Heidelberg Web 8 and can print four-colour offset of extremely high quality and at a fast speed (40,000 impressions an hour). Fitters from Levison and Heidelberg began installing the press in September, and the customer is gradually picking up production speed. In the picture Arne Reher, senior fitter, Levison,

points out some of the technical details to Flemming Wiedenbein, Levison's marketing manager.



Effective training

Five new employees of EACgraphics have undergone a rather special training programme in the graphic-arts industry this year. In April they began a long tour during which they visited suppliers in Denmark and abroad. The tour took them to Eskofot at Hjørring in Jutland, Heidelberger Druckmaschinen AG in Heidelberg, West Germany, Agfa Gevaert, Belgium, and many other companies. The five new employees were introduced to every aspect of the modern printing process and will undoubtedly find their experience to have been of inestimable value. They are expected to be posted to the Far East in June 1988.



A four-metre roll of toilet tissue weighs five tons.

World's biggest toilet roll

EAC's engineering department in Tokyo has installed for a Japanese customer the world's largest machine for the manufacture of toilet tissue. The machine is a Fabio Perini, type 'Alfa'. It produces a four-metre web of paper. The machine itself is 42 metres long — and so high that it had to be installed in a special two-storey building. It can produce 800 metres of paper a minute. One roll of tissue from the machine weighs five tons. The machine has cost D.kr. 25m.

Busy in Mexico

EAC is active in several spheres in Mexico. EACgraphics, for example, has been appointed agent for Stahl products for the whole of Mexico. Stahl is one of The Big Three in the printing industry (the others are Heidelberg and Polar). News of the agency was released during an open-doors celebration at the end of June, attended by many EAC people from all over the North American continent. A total of 170 customers also enjoyed the three-day open-doors event. EAC Trading Division is also having success with its activities. A large engineering trade fair was held in Acapulco in August and the biggest exhibitor was ... EAC, Mexico. Many important customers ad-



At the Acapulco party many of the guests wore EAC shirts.

mired the company's products. EAC invited 300 guests to a celebratory dinner and party in Acapulco.



Grouped around a Heidelberg S-offset press, l. to r.: Per Brøndum, Flemming N. Enevoldsen, Søren Larsen, Instructor M. Wagner, Hans Bundgaard, Ole K. Isaksen, Anne Kirk Christensen, Henrik Brønner and Keld Thorsen.

SPOT

New office in Kowloon



EAC's Transport Division in Hongkong moved into new premises in the Kowloon district in spring in conjunction with the offices in Great Eagle Centre, Wanchai, and Terminal HIT 2, Kwai Chung. The move has solved serious space difficulties and given the Division better facilities for customer service. The manager of the Transport Division, Knud Erik Hansen (picture) carves the roast suckling pig, which it is hoped will ward off evil spirits.

EAC 40 years in Japan

It is 40 years ago that EAC began business in Japan. Ever since the opening of the first EAC office in Hotel Tokyo on December 17, 1947, the story has been one of success and expansion. Initially, the office was active in the import and export fields. Typical export products were cement, paper,

canned seafood, iron and steel. Import items included rubber, latex, rice and leathers. Today activities centre on the import/export of machinery, export of Toyota products to Nigeria, timber trading, projects, and consumer products.



Scandinavian design in Hongkong

The Lunning Award Exhibition visits Hongkong from November 11 to December 1. It has been arranged with sponsor support from Carlsberg Hongkong (CBHK) and with transport provided by Scan-Dutch.

The exhibition consists of the works of 40 well-known Scandinavian designers, all artists who have received the Lunning Award during the period 1951-71. Many Danes saw the exhibition at the Museum of Arts and Crafts in Copenhagen last year — and press reviews were highly favourable.

The 40 works of art will be exhibited at Hongkong Art Centre — which was where the exhibition of paintings from Skagen Museum was held in 1984. CBHK has also offered to have the exhibition catalogue, posters, invitations, etc., printed. To win the Lunning Award was the finest honour available to a Scandinavian artist/craftsman or designer from 1951-70.

World-class art for Korsør

Acting as contact between the local authorities and the widow of a late artist, Erik Zachariassen, general manager of the EAC-owned luggage and attaché-case manufacturer, Cavalet in Korsør, has secured a world-class art collection for the town of Korsør. The EAC executive had formed a friendship with the widow of the late Harald Isenstein, Mrs. Olga Bonnevier, and her present husband, Lennart Bonnevier. Mrs. Bonnevier happened to mention that she would like to see the collection of art by her late husband gathered under one roof.

'It was my impression' he says 'that the people of Korsør had missed not having a decent collection of good art. So in spring I asked the Korsør local authorities whether they would be interested in promoting the plan — and they were.'

The collection will be housed in a beautiful old building, Kongegården, in the centre of town. It is expected to open to the public in 1988.

Three famous personalities, Einstein (right), Karen Blixen and the young Victor Borge. Behind the sculptures, l. to r.: Erik Zachariassen, and Olga and Lennart Bonnevier.



EINSTEIN AND BLIXEN

Harald Isenstein, who died in 1981 at the age of 82 years, achieved international renown. He painted portraits of a great many of the personalities of his era, Danish and foreign, especially in the fields of science, art, culture and politics: Einstein, Niels Bohr, Victor Borge, Karen Blixen, Robert Storm Petersen (cartoonist and writer), — to mention just a few widely-differing personalities.

Food for hungry ghosts

Under the Chinese calendar, the 7th month (normally August) is the Month of the Hungry Ghosts. During the month many Chinese offer 'the hungry ghosts' food. To appease the ghosts, one of EACgraphics major customers, Toppan Printing of Singapore, held The 7th Moon Festival on August 29. Two hundred guests, including

10 from EACgraphics, Singapore, were invited to this special event. The main attraction at the ceremony was an auction.

EACgraphics manager in Singapore, Poul Damgaard (2nd from left) has bid (S)\$2,200.



EAC in

CONSUMER



Head of Division, general manager: Carsten Dencker Nielsen

The Division is responsible for the area of consumer-product sales not handled by the Plumrose Division. Its activities include the marketing and distribution of goods which are either manufactured by companies within the EAC Group or are sold on an agency basis. In addition to grocery-sector products, it also handles chemicals in Thailand and paints and coatings in Indonesia. Its 1986 sales totalled D.kr. 1,511m, representing 11% of the EAC Group's total turnover.



Cavalet

Luggage and attaché-case manufacturer in Korsør. Organised as part of the EAC Consumer Products Division. Sales in 1986 almost D.kr. 70m. Cavalet has just installed a new production line, and the factory is now one of the most modern in Europe. The new fac-

ility will undoubtedly strengthen the already familiar Cavalet name in the consumer and the industrial market. The bulk of production is marketed in Scandinavia but sales are also considerable in other northern European markets. General manager: Erik Zachariassen.



TRANSPORT



Head of Division, general manager: Karsten Stock Andersen

The Division engages in the international transport of goods by sea, land and air. It also operates liner services and is responsible for such EAC transport activities as are not associated with liner services: its own and chartered product carriers and dry-cargo bulk carriers, chartering and shipbroking. Its 1986 sales totalled D.kr. 2,462m, representing 17% of the EAC Group's total turnover.

ScanDutch

ScanDutch is a leader in container traffic between the Far East and Europe. It began as a partnership between EAC, Svenska Ostasiatiska Kompaniet (ASOK), Wilh. Wilhelmsen and Nedlloyd Lines. Now includes also Compagnie Générale Maritime and Swedish Transocean Lines, which has replaced ASOK. It has 185 employees. General manager: Finn Frandsen.



Allfreight

The Allfreight Group is a Danish enterprise with worldwide transport connections in the field of terminal operations. It is involved in liner agencies, chartering, forwarding, air freight and

the travel business. The Group comprises Allfreight I/S, Holm & Wonsild, Københavns Stevedøre Compagni, Allfreight Shipping & Terminal, Århus, and C.K. Hansen Travel. The company has 135 employees. General managers: Ole Moshøj and Thomas Jessen.



GRAPHICS



Head of Division, general manager: Bent K. Klerkegaard

The Division sells and markets equipment and products for the graphic arts industry worldwide. In this particular sector EAC is the world's largest distributor, and its list of agencies includes leading manufacturers. The Division has its own representation in 22 markets — including North America, its single most important market. Its 1986 sales totalled D.kr. 2,921m, representing 21% of the EAC Group's total turnover.

Erik Levison

Erik Levison is the leading supplier of equipment to the Danish printing industry. The company was established in 1919 by Erik Levison, merchant, and in 1921 acquired the Danish agency for the famous Heidelberg printing presses. Became an EAC subsidiary in 1970. The company has two sales departments: Machinery (largest agency is Heidelberg presses) and Photocomposition. 115 employees. General manager: Evan Overgaard.

TRADING



Head of Division, general manager: Hans P. Holst

The Division deals in timber, forest products, wool and machinery. Wherever possible, the Division operates through its own purchasing, sales and distribution companies in countries in all parts of the world. Its 1986 sales totalled D.kr. 2,707m, representing 19% of the EAC Group's total turnover.



Bloch & Behrens

Wholly-owned subsidiary of the EAC Group. Administratively part of the EAC Trading Division. The company is exclusively engaged in the wool trade — where it plays an important role, with its own activities in Australia, New Zealand and Western Europe. General manager: Jan Ditlevsen.

MANAGEMENT

Main Administration



Erik Petersen general manager

(Personnel, Secretariat, Information, Internal Administration)

Group Accounts



Sv. Aa. Larsen general manager

(Tax Dept., Audit Dept., Cashier)

Denmark

ENERGY



Head of Division: Asbjørn Holst Larsen

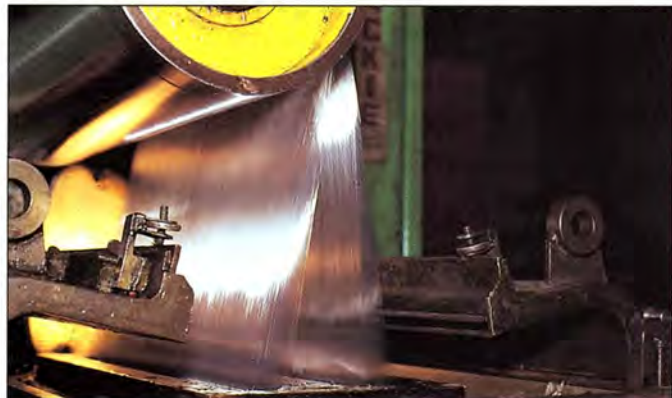
The Division is responsible for the EAC Group's involvement in the hydrocarbon sector and for a number of subsidiary companies in the chemical and synthetic fields. In addition to the companies described here, the Division includes DS Industries, a manufacturer of many components used in foodstuffs, cosmetics, lubricants, cleaning materials, etc. The aim of EAC's commitment in the oil- and gas-exploration sector is active participation and the accumulation of an independent source of know-how in the field. It bases its activities on a firm relationship with major oil interests - both Danish and international. Its 1986 sales totalled D.kr. 1,269m, representing 9% of the EAC Group's total turnover.



EAC Energy A/S

Member of the Energy Division. Looks after the Group's interests in energy exploration onshore and offshore.

EAC Energy A/S is a member of several consortia. General manager: Asbjørn Holst Larsen.



Fibertex

Fibertex is market leader in the field of backing for carpets and floor tiles. The company's products are known as non-wovens. Fibertex was formed in 1968. The company exports 90% of its production, mainly to Europe but

also to North America, Australia and the Far and Middle East. Annual output is approx. 70m m² of Fibertex materials. Fibertex has 225 employees. Its head office is in Ålborg. General manager: Mogens Larsen.

INFORMATICS



Head of Division, general manager: Flemming Marcher.

The Informatics Division operates internationally, marketing and selling computer-based sub and total systems designed to enhance office routines and business administration. Own representative offices in the United States, Denmark, Africa, and the Middle and Far East. The Division accounted for D.kr. 283m (or 2%) of the EAC Group's 1986 sales.



EAC Data

EAC Data is a market- and service-oriented company, supplying a combination of specialist know-how and a broad knowledge of all aspects of data application, enhancing the customer's data-processing efficiency. The company's main product is know-

how. EAC Data works with IBM computers, especially 370 technology. Two major agencies are Geisco and Cullinet. EAC Data has 260 employees. General manager: Flemming Nielsen.

CompuDan



CompuDan was formed in July 1984 and is thus one of EAC's youngest subsidiaries. Today it is among Denmark's 20 largest computer houses, with sales of D.kr. 88m in 1986. This year it is expected to reach D.kr. 118m. CompuDan handles systems solutions in the public and private sectors. Purchases a range of products from IBM, CPT, Case and other suppliers and installs a total system tailored to the client's requirements. Also offers extensive service and user-training facilities. Most of the 100 employees are based at the Ballerup head office, the remainder in branches in Århus and Odense. General manager is Uffe Brage.

PLUMROSE



Head of Division, general manager: Jan H. Laursen

The Division engages in the production, marketing and distribution of high-quality processed foodstuffs: meat products, cheese, yoghurt, fish, jams, biscuits, pasta, etc. It has production companies in Australia,

North and South America and Europe, including Dansk Freeze-Drying ApS of Kirke Hyllinge, near Roskilde, a manufacturer of freeze-dried shrimps and chives. The Plumrose Division exports to more than 70 countries.

The Plumrose Division controls its operations from its headquarters in Copenhagen. Its 1986 sales totalled D.kr. 3,021m, representing 21% of the EAC Group's total turnover.



SERVICES

Shareholders' Secretariat



Ib Henry Hansen general manager

(Also head of EAC Plantation)

Other Management Services

Financial Dept., Legal Affairs Dept., Group Data-processing Dept., Insurance, Telecommunications.

Our view of EAC



EAC distinguished representative

**Uffe Ellemann Jensen,
Danish Minister of Foreign Affairs:**

For a nation like Denmark, heavily dependent as it is on foreign trade, it is of paramount importance that 'our faces' abroad are greeted with respect and a sense of welcome. It should be borne in mind that it is not only our official representatives abroad who keep the Danish flag flying — it is also to a very great extent our men of commerce, who for centuries have travelled all over the world, helping to ensure that the name of Denmark is held in respect.

FURTHEST CORNERS

In many parts of the world EAC has been one of Denmark's most distinguished representatives. In the furthest corners of the globe the red-and-white Danish flag has proudly fluttered over EAC's local offices, which are indeed often also the local Danish consulate — at

which spots the company looks after the interests of the whole nation.

It has always been a tradition within EAC that the company has worked for broader Danish interests than purely its own and it has extended a helping hand to many other Danish companies venturing tentatively into foreign markets. Directly and indirectly, EAC's global presence has been useful to many other Danish companies — if only thanks to EAC's good reputation.

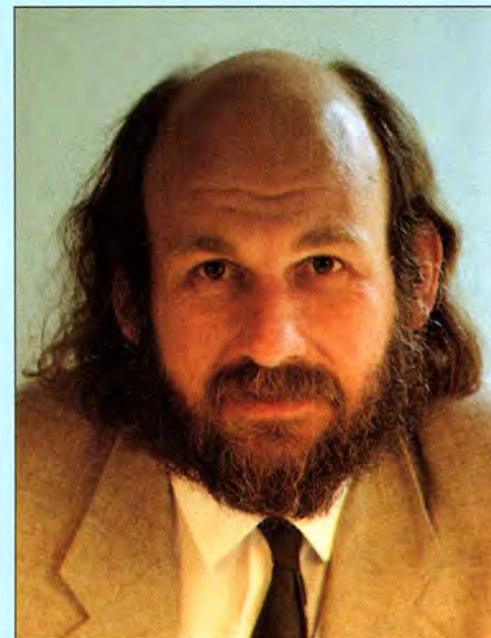
NEW FACETS

EAC, like everyone else, has to move with the times: an image must never be allowed to gather dust. New facets must be added constantly to preserve the picture of a dynamic and innovative company with a pioneering and adventurous spirit — one of Denmark's flagships. I am sure that EAC will succeed in renewing itself, to the benefit of itself and the Danish people.

Companies should learn from EAC's commercial strategy

**Ove Munch, President,
Confederation of Danish Industries:**

Internationally, Danish trade and industry enjoy the fine reputation of being efficient and reliable — a position to which EAC has very clearly made its positive contribution. Indeed, if I could decide these matters, I would like to see Danish companies which operate abroad learning a good deal more from EAC in



Steffen Møller: There was reason to consider EAC's situation a national disaster — in the early 1980s. EAC management had the courage to do what was necessary and present its intentions truthfully.



Ove Munch: EAC is a dynamo for Danish exports interest all over the world.

view, it was to a large extent thanks to the EAC presence in the region that Danish industry was able to hitch reasonably securely onto the export boom after the Second World War. And in this respect it is important to mention that we have always been welcomed extremely warmly by the EAC Group's representatives all over the world – whether we have arrived as individuals or as part of a delegation with a complex travel itinerary.

In recent years EAC has skilfully adapted its structure to the needs of a modern, worldwide company. The decision to open the doors and let the nation see a bit more of what goes on within EAC was the right one, although a difficult task in view of the intensive rate of development. Denmark is the richer for that experience.

EXPORT TRAINING

In this connection, too, I would like to point out the part EAC has played in export-related training in Denmark. We were very slow to offer opportunities to export students, and when we eventually got going it was largely on the basis of EAC's experience and expertise.

In short, EAC has a fine image – and it is of invaluable importance to Danish exports that we have this dynamo all over the world.

the field of basic commerce. All too often, they spend their energy on product development and production generally – with a tendency to forget the commercial side of things. In this field, EAC has often shown the way, and I would like to see a greater number of export enter-

prises making it their aim to live up to EAC's image in the different markets.

EAC HELPED

For decades EAC has helped open many doors in Asia for Danish industrial delegations. In my

Things were serious for Denmark – and for EAC

Steffen Møller, prominent Danish economist:

In the early 1980s the Danish economy was heading for such a massive treasury deficit that it could have bankrupted the country – and a balance-of-payments deficit could again have brought Denmark to the brink of economic ruin.

So it came as something of a national shock when The East Asiatic Company Ltd. published accounts showing a deficit generating visions of economic disaster. The company was so deeply in the red that it would clearly take more than a slight course adjustment to save it.

STRONG VOICE

A strong voice was needed to get the message across. Matters were serious for Denmark – and for EAC. In both cases, a new and firmer

management was called for, one which could work with a single-mindedness of purpose towards ensuring that employees were not only kept busy – but that they busied themselves with the right things. Interestingly enough, Denmark transformed its near-bankruptcy to a surplus – at about the same time that EAC began showing the results of its uncompromising, resolute course.

When the truth is stated plainly and simply, people understand and accept it. When the truth is wrapped up in softness and smiles, nobody takes it seriously. EAC management spoke the truth and took appropriate action – and the results now speak for themselves. There is a very definite point to defining precise objectives – and working unflinchingly and consistently to achieve them. Handling a job like that takes leaders who can stand the heat and criticism – and the results are there for all to see, if they are willing to admit it.

All the problems have not been solved in Denmark or in The East Asiatic Company Ltd. The remaining economic and financial problems still need a lot of work – but now that the process has been started, the positive inertia forces can fortunately be relied upon to do some of the work. Once people have become accustomed to doing things properly, it requires only minor adjustments to solve management problems. Congratulations, EAC, on getting through the worst phase! Now you're in a position both to develop new projects and to consolidate your success.

If EAC had failed to reverse the negative trend, the outlook would have been bleak for more than just the company's own activities. It would have prevented many small-to-medium Danish companies from opening doors in distant and complex markets.

There would have been justification in considering the consequences a national disaster – because EAC's accounts showed a deficit of national proportions.

Plumrose food technology and training all over the world

Plumrose production and sales are worldwide activities – and the Roskilde School of Meat Technology makes a valuable contribution

Plumrose is perhaps best known as an exporter of Danish foodstuffs. In recent years, however, Plumrose has changed its structure, engaging primarily in the production and sale of foodstuffs abroad – concentrating on Europe, North and South America and Australia.

Plumrose activities are controlled from the Division's head office in Amaliegade, Copenhagen, which administers world sales of almost D.kr. 4,000m.

DANISH QUALITY

Plumrose activities are geared to a high international level – but rooted firmly in Danish tradition.

Danish tradition is in evidence, for example, at all Plumrose meat-processing plants. And the training of food technicians at the School of Meat Technology in Roskilde, west of Copenhagen, is a vital part of that tradition.

Plumrose recruits food technicians at the School for service at its plants throughout the world. Five technicians are on Plumrose service at present. One of them is 27-year-old Michael Eliassen, who concluded his training at the school in 1986. Mr. Eliassen is on a three-year tour of duty at Plumrose's pork slaughterhouse in Cagua, Venezuela. The slaughterhouse has a weekly capacity of 5,000 pigs.

TESTED DAILY

Mr. Eliassen is well satisfied with the background he received with his training:

'Here in Venezuela my basic knowledge of control processes and food technology is tested daily,' he told EAC Magazine. 'It can be minor practical, everyday details and guidance in theory and practice at a more abstract level.' He has a strong international, practical background to supplement his studies at Roskilde: he worked for Plumrose in the United States, Ecuador and West Germany before starting in Venezuela at the end of 1986.

FOUR COLLEAGUES

Plumrose has four other food technicians on foreign service: Jan Petersen (29) in the Un-



Erik Bang-Jensen – responsible for training tomorrow's managers at Plumrose.

ited States, Alf Benny Nielsen (29) in Australia, and Michael Strand (25) and Kurt Bjeldal (25). The latter two completed their Roskilde training this summer and have been dispatched to the United States and West Germany respectively.

MANAGERS OF TOMORROW

Erik Bang-Jensen, general manager, is responsible for human resources development within the Plumrose Division. He says:

'We're going to see an increasing demand in the future for greater skills from our production managers in the fields of technology, bacteriology and microbiology – especially in product and packaging development.

'So it's essential for us to recruit people today who can become production managers in the Plumrose Division over the next decade.'

Mr. Bang-Jensen emphasises that Plumrose's relationship with the School of Meat Technology extends beyond the training of technicians:

'The technician's training isn't an isolated course. We send our people to the school on shorter, in-service courses on things like economics and time-and-method studies. The school also handles more specific aspects of projects for Plumrose abroad.

'We're confident that our young employees are thoroughly schooled before they qualify for management positions at Plumrose's foreign factories. Danish quality will always come to the top,' says Mr. Bang-Jensen.



Working at the Plumrose slaughterhouse in Venezuela, Michael Eliassen is constantly faced with problems which draw upon his solid background knowledge – acquired during his training as a food technician at the School of Meat Technology in Roskilde.



Allfreight is worldwide

The Allfreight Group is one of Denmark's largest shipping agencies. Its new headquarters on Vermundsgade, Æsterbro, Copenhagen, hum with activity round the clock. Messages tick in on telex from all over the world, and in order to maintain constant contact with the world's different time zones,

the firm has personnel on duty 24 hours a day. Until the summer of 1987, most of the Allfreight Group was housed in old — but very grand — buildings in Amaliegade. Space had been at a premium for some time, however, and a move to larger premises became necessary. The company chose newly renovated

buildings at Vermundsgade 38. The regional office for Jutland and Funen is located in the Allfreight building at Pier 2 in Århus. The Group has a total workforce of 135 people.

WIDE-RANGING

The Allfreight Group has extremely wide-ranging activities, as a list of its commitments shows: liner agency, chartering, container transport by road and rail, forwarding, air freight, stevedoring, terminal operations, ship-broking, container purchase, sale and leasing, ship clearance, and travel agency. The Allfreight Group comprises Allfreight I/S, which is a subsidiary of EAC and Danish State Railways (DSB). Allfreight I/S markets some of its activities under the following names: Holm & Wonsild I/S, C.K. Hansen I/S, Københavns Stevedore Compagni I/S, Allfreight Shipping & Terminal I/S, and the affiliated C.K. Hansen travel agency.

INTERNATIONAL NETWORK

Allfreight I/S is part of the worldwide network of shipping agencies that EAC owns either outright or in partnership with others. This network, which operates companies under the EAC Transport Division (Agencies), consists of a number of companies with many offices in Europe, the Far East, New Zealand and Australia.

Building a bridge to the Orient

ScanDutch a leader in container traffic

ScanDutch was set up in 1972 to handle container transport between Europe and the Far East. Today the company is one of the industry leaders.

ScanDutch began as a partnership between EAC, Svenske Ostasiatiska Kompaniet, Sweden; Wilh. Wilhelmsen, Norway; and Nedlloyd Lines, Holland. Within a short time the partnership was expanded to include Compagnie Générale Maritime, France, and a few years ago the interests of the Swedish partner were taken over by Swedish Transocean Lines.

CONTROLLED FROM COPENHAGEN

The activities of the Group are controlled centrally from Copenhagen, with regional offices in Rotterdam and Hongkong. ScanDutch employs a total of 185 people, 130 of them in Copenhagen.

In 1986-87 the company's operations were completely reorganised. Today it has two weekly container services: one linking the Far East with Northern Europe, the other the Far East with Mediterranean ports. Arrivals and

departures for both services are on specific days of the week, enabling shippers to plan their transport requirements a long time in advance. A combination of direct calls and feeder services and road and rail transport ensures that the line can serve virtually all destinations on the route.

HEAVY INVESTMENT

"Heavy investment in manpower and materiel is needed to operate such a large network," says Finn Frandsen (51), general manager. "For example, ScanDutch has more than 220 agents in 34 countries. As far as materiel is concerned, we have a fleet of 18 container ships and approx. 39,000 containers. We can ship any type of cargo!"

In addition to the actual sea transport, shippers have a wide range of different services at their disposal. Experts are on hand to assist with the safe and economical loading of goods. Shipments are in experienced hands from door to door. And ScanDutch agents can advise clients on transport logistics.



The guests with a welcome-drink before the dinner.



A glass of champagne is enjoyed by (r. to l.) Mr. Adolf Döpfert, Stahl and Mrs. Döpfert, Mr. Karl Mohr, Polar and Mr. Bent K. Kierkegaard. Behind (r. to l.) Mr. Børge Nielsen, Eskofot, Mr. Wolfgang Mohr, Polar, and Mrs. Mohr, Mr. Evan Overgaard, Erik Levison and Dr. W. Kummer, Linotype.



During the dinner Dr. Wolfgang Zimmermann, Heidelberger Druckmaschinen AG, made a speech. (l. to r.) Mr. O. Jeangros, Bobst, Mrs. Ulla Kierkegaard, Mr. Adolf Döpfert, Mrs. Helga Sparsø, Mrs. Martha Müller, Müller Martini, Mr. John Arthur Hansen, Mrs. Mohr, Dr. W. Kummer, Mrs. Hunkeler, Jobs. Hunkeler, Mr. Hans Peetz-Larsen, Mrs. Jeangros and Mr. Wolfgang Mohr.

All sa aboard G

EACgraphics is the world's largest distributor of printing-industry equipment. In Denmark the activities of the Division are represented exclusively by a subsidiary, Erik Levison. EACgraphics' worldwide operations are co-ordinated from Head Office in Denmark, where there are often visits from foreign customers, business associates and agents. That was the case in early September, when the Division invited executives from its most prominent business connections in Germany, Switzerland and Denmark to visit Copenhagen. The highlights of the visit was no doubt an evening party



H.H. Sparsø, EAC managing director, photographed at the helm surrounded by business associates. Also in the picture are John Arthur Hansen, managing director; Admiral Sven Thostrup; Ambassador Otto E. Møller, director,

Is set org Stage

where also the wives participated, and the day after a cruise on The Sound (between Denmark and Sweden) aboard the training ship, Georg Stage. The guest list comprised:

From West Germany: Dr. Wolfgang Zimmermann, Heidelberg Druckmaschinen; Adolf Döpfert, Stahl; Karl Mohr, Polar/Mohr; Dr. Wolfgang Kummer, Linotype; Wolfgang Mohr, Polar/Mohr. From Switzerland: Hans Müller, Müller Martini; Rolf Hunkeler, Hunkeler; Olivier Jeangros, Bobst. From Denmark: Børge Nielsen, Eskofot; and Evan Overgaard, general manager, Erik Levison.



From right Mr. Evan Overgaard, Mr. Hans Müller, Müller Martini, Mrs. Peetz-Larsen, Mr. Rolf Hunkeler, Mrs. Nielsen, Mr. H.H. Sparsø, Mrs. Döpfert, Mr. Bent K. Kirkegaard, Mrs. Zimmermann, Mr. Karl Mohr, Mrs. Buddi Hansen and Mr. Børge Nielsen.



Foreign Ministry; Hansjoachim Neumann, German chargé d'affaires; Capt. Jørgen Berthelsen; and Bent K. Kirkegaard, division general manager.



All the participants in the cruise were presented with a special print (made on a Heidelberg Printing Machine, of course) of Georg Stage, made by the wellknown Danish artist, Mads Stage. Here Vice-Admiral, S. Thostrup, member of the EAC Advisory Board, and also chairman of the Georg Stage Foundation, shows his copy.



During the dinner Mr. Karl Mohr handed over two silverplated horseshoes – in support of continuing succes. Mr. Mohr, (3rd fr. l.) here together with Mr. H.H. Sparsø, Mr. John Arthur Hansen and the head of Graphics Division, Mr. Bent K. Kirkegaard.

Sparring partner all over the world

What it's like to run an EAC division with its activities scattered abroad in more than 80 profit centres

EAC Trading Division had sales of more than D.kr. 3,000m in 1986 – almost entirely generated outside Denmark. Its primary activities were forestry products, wool, machinery and some manufacturing at companies throughout the world.

The Trading Division is thus the only one of EAC's seven divisions which does not engage in manufacturing and other activities in Denmark apart from the administration of its sales at EAC Head Office, Copenhagen.

What is it like operating such an international division from Denmark?

General manager of the Division, Hans Peter Holst, puts us in the picture:

'Our job is to be the perfect sparring partner for our many worldwide activities. I think it is very valuable to know every nook and cranny of your business, scattered throughout the world as it is. And it gives you inspiration and a vivid impression of your people and their problems. 'We attach importance to everyone feeling that

he or she can look to us for backing, ideas and creativity. At the same time I encourage our different units to exchange ideas and experience.'

VISITING THE ORGANISATION

'That presumably means a lot of travel?'

'I try to visit the different parts of the organisation as often as possible – and not to miss out even the smallest operations because, of course, they all contribute to the overall result. I'm away for at least four months of the year, usually in three-week segments plus ad hoc trips which become necessary to deal with emergency situations which can suddenly develop.

'I once tried keeping count of how many times I took off and landed during one of my longer trips. It was 32 times.'



H.P. Holst – everyone in the Division must feel he has a good sparring partner in Copenhagen.

DAILY CONTACT

Day-to-day operations at Head Office naturally reflect the international trading and manufacturing pattern in which EAC Trading operates.

'We maintain daily contact with many of our managers and profit centres' says Mr. Holst 'and it can be a bit tricky fitting in the various appointments. The time difference around the globe complicates matters, too!

'We use all forms of communication. I prefer too much communication to too little. Rapid, straightforward and simple communication is one of the strengths of our Division. It promotes the team spirit and gives us the competitive edge.

'Felicia' close to her target

As these lines are being written, the staff of EAC Energy A/S are holding their breath and hoping ... hoping that their company's 5500-metre drillhole – the deepest hole ever drilled in the North Sea – will produce the gas everyone believes may be there.

EAC's involvement in oil and gas exploration is handled by EAC Energy A/S under A. Holst Larsen, divisional manager, and relates to interests in seven exploration permits.

In the Skagerak, about 40 km off Hanstholm, the Statoil Group (in which EAC Energy participates) is heavily committed to the new deep-sea hole.

Named Felicia, the hole was commenced on July 1 and is expected to reach its full depth (5.5 km) around the end of October.

On the prospect of the Felicia drillhole striking gas, Mr. Holst Larsen says:

'From the geological point of view, the Skag-



erak area is relatively unexplored, and a rule of thumb indicates that in virgin areas of this sort you can't expect to find oil or gas in more than one hole in 10.'

'But, of course, we have our reasons for drilling off Hanstholm. At a depth of almost 5 km there is a 250-million-year-old salt bed, and under it there is a bed of sand which was a stretch of desert an even longer time ago.

'If there is oil or gas here, it could be trapped in pockets under the impenetrable salt bed.

'Gas fields have been found in similar formations between Holland and Britain,' says Mr. Holst Larsen.

MORE HOLES TO COME

Felicia is only the first of a total of seven exploratory drillings in which EAC Energy has interests. The Norsk Hydro Group will later this year be starting preliminary drilling in the North Sea with Denerco as joint concession-holder. EAC Energy was one of the founders of Denerco and today is the largest single enterprise in the company.

There will be even more activity in 1988, with at least two offshore holes and one on land. The latter will be drilled at Tønder (in southern Jutland) by Danop, a jointly-owned venture set up by Denerco and the Danish state energy company, Dansk Olie og Gasproduktion A/S (DO-PAS).

With all this going on we are optimistic about our overall commitment to the seven licences issued by the Danish Ministry of Energy. In principle, we are prepared to continue when the ministry offers permits during the third contract round,' says Mr. Holst Larsen.

The green elephant in Ålborg

The green elephant in Ålborg stands for strength and reliability, making Fibertex the European market leader in backing for carpets and tiles for the floor-covering market. Fibertex ApS is one of EAC's youngest subsidiaries, established in 1968 and a member of EAC's Energy Division.

But there's nothing young and amateurish about the expertise the company's 225 employees display in their work. Ninety percent of production is exported.

ROUND THE CLOCK

'Fibertex is on the move 24 hours a day, seven days a week — working three shifts,' says the company's managing director, Mogens Larsen. 'Demand is increasing, and we have won ourselves a specialised corner of the market with our few and simple products.' The company manufactures synthetic non-woven felts. Thousands of tons of granulated polypropylene a year are converted into fibre, which in turn is processed into kilometres of finished backing material.

WIDELY USED

For example, it may be sold as components for

Fibertex is European market leader in carpet backing

the carpet industry, which uses Fibertex as backing for tufted carpets or as protective secondary backing. It is a frequently used material in the furniture and mattress industries, where it supplements traditional textiles as a covering and reinforcement.

Another specialised use is in the building and construction sector where — under the name of geotextiles — Fibertex is incorporated as a building component in the construction of roads, airports, railways, coast protection, ports and dams and for drainage. Geotextiles separate, filter, stabilise, drain, reinforce and protect. In Denmark, for example, they have been used in the Rømø dike, Farø Bridge and by the Danish Heathland Company. Market gardeners find Fibertex extremely useful for shading purposes and as capillary mats.

ENVIRONMENTALLY SAFE

'Fibertex is an environmentally safe product and completely stable in a wet or dry state. It is resistant to rot and fungus, contains no chemicals and is non-toxic. In principle, light can cause Fibertex to decompose if left unprotected for a long period of time, says Kurt Lindholt, the company's economics director. The Fibertex factory comprises 17,000 m² and five production lines. A raw-materials plant processes 8,000 tons of polypropylene a year. Annual production of Fibertex materials is approx. 70m m².



Above: Granulate, fibre and finished product. Main picture: Fibertex was used in the construction of a runway at Tirstrup Airport, Jutland

INFORMATICS

No need to reinvent the wheel, says EAC Data



For many years EAC Data was Denmark's largest privately-owned computer-service agency. Times and technology have moved on — and over the past year EAC Data has been transforming into an organisation oriented more than previously to external op-

portunities, markets and service, offering the marketplace a unique combination of in-depth specialist know-how and a broadly based knowledge of all aspects of computer applications.

The know-how it has acquired over the years has come especially from the assignments it has executed for EAC and EAC subsidiaries in Denmark and abroad.

What EAC Data offers the market is solutions which enhance the competitiveness and data-processing efficiency of large companies

MOST IMPORTANT ASSET

EAC Data's 260 employees are the company's most important asset, and they see themselves more in the role of the client's partners than as suppliers. It takes special skills to learn all there is to know about the client's market relations, production and other factors on which the right solution depends.

CONSUMER



Villy Jacobsen, operating a cutter, has helped decide and plan the modernisation, as an employee-nominated member of the board.

Cavalet

EAC's luggage and attaché-case company, Cavalet, extensively modernised its production line this summer. The company has its factory at Korsør west of Copenhagen. Previously, it was a relatively lengthy process to manufacture some of the most demanding items — in some cases it could take up to several weeks before the final product was ready. Now the production line has been geared to day-to-day manufacture for the most common items, while at the same time facilities have been retained for handling more specific tasks.

To our shareholders

Company Name	Change	258	215	213	214	720	10.4	1.02	336	220	315	18
Wessel & Vett C.	+1	258	215	213	214	720	10.4	1.02	336	220	315	18
Ø.K.	+4	214	237	235	236	340	12.2	1.52	228	165	175	153
7 Ø.K.1990 konv.	+4	236	237	235	236	340	-	-	245	183	192	131
Ø.K. Holding Co.	+2	191	192	192	-1160	10.9	1.35	206	152	157	497	
7 Ø.K.Hold.1990 konv.	+2	209	-	-	-	-	-	-	230	175	182	31
4. Rederier		140	155	-	-	-	Neg. -0.93	220	130	100		
Danskbrag		164	163	360	-	-	-	-	-	-	-	-

As mentioned in the introduction to this first issue of EAC Magazine, it is intended to give readers as broad an impression as possible of EAC's activities and to take a look 'behind the news'.

The magazine is an excellent medium through which to keep our shareholders informed of what is going on within their company. We therefore intend sending a copy to each registered shareholder. EAC Magazine will appear three times a year: in January, April and October.

OWN SECTION

The Shareholders' Secretariat will have its own section in each issue — through which we hope to get a little closer to our shareholders. We shall be informing them of specific activities and we shall be writing on topics which we know from the inquiries we receive to be of interest to shareholders.

We are often contacted by shareholders — and we are pleased to inform and assist them in any way we can. They are always welcome to telephone, write or visit us at the Shareholders' Secretariat, Holbergsgade 2, Copenhagen. The phone number is 01 11 83 00, and our staff of three will be only too willing to help you in any way they can.

CONVERTIBLE DEBENTURES

Two-thirds of the 7% convertible debenture loans in EAC and EAC Holding 1983/1990 was converted into shares during the first conversion period, November 18 to December 18, 1986.

The conversion period will be the same in 1987, and the rate of conversion will be unchanged.

In the case of EAC debentures, the rate was 86.65, which means that the sum of D.kr. 1,000.- in debentures realises proceeds of D.kr. 1,154.07 in shares of which amount the nominal sum of D.kr. 1,150.- will be issued in

shares. The balance of D.kr. 4.07 will be paid out in cash at the stock-exchange rate on November 17.

In the case of EAC Holding, the rate is 88.52. This gives D.kr. 1,125.- worth of shares for D.kr. 1,000.- in debentures — and here, too, a surplus of D.kr. 4.69 will be paid out at the stock-exchange rate on November 17.

NO SERIOUS CONSEQUENCES

There are no serious tax consequences for shareholders on having their debentures converted to shares. Shares issued in place of the converted debentures are deemed to have been acquired at the time the debentures were purchased.

If the convertible debentures were subscribed in October 1983, when they were first offered to all shareholders of EAC and EAC Holding, the shares that replace them will be deemed to have been purchased in October 1983, and as a rule they may be sold free of any tax on the substantial profit in excess of the subscribed rate of 105 points.

If the debentures were purchased less than three years ago, the normal (Danish) three-year rule applies but the actual conversion will affect only the amount paid out in cash. As the latter amount will not exceed D.kr. 100.-, the tax consequences are negligible.

DIVIDEND ADVANTAGE

For the guidance of shareholders who are not sure whether they ought to convert to shares, we would like to point out that the new shares carry half dividend for 1987 (in addition, of course, to the interest accruing on the debentures up until November 18), and that if dividend is 5% or more the proceeds on the shares after tax will exceed a 7% rate of interest on the debentures.

Bondholders who converted in 1986 received interest on their bonds until November 18, 1986, and half dividend (4%) for 1986, a total

yield of 11.6%. In addition, shares have a higher face value than bonds.

Details of the forthcoming conversion will be forwarded to debentureholders and shareholders at the beginning of November 1987.

SECURITIES CENTRE

As a result of regulations recently brought into force in Denmark, shares will be liable for registration with the Danish Securities Centre with effect from Easter 1988 — just as happened with bonds in 1983.

Shareholders and certificate-holders whose names are registered with EAC will be given further details in late October/early November.

INTERIM REPORTS

The half-yearly report of EAC Copenhagen is mentioned on page 2 of EAC Magazine. EAC's listed subsidiaries throughout the world have also published their interim reports — and all present a picture of improvements on 1986 figures:

The East Asiatic Company (Thailand) Ltd. reports a profit after tax of Baht 40.3m (D.kr. 10.8m) during the first half of 1987, compared with Baht 14.2m (D.kr. 4.4m) for the same period the previous year. The Thai subsidiary doubled its share capital to Baht 600m during the second half of 1987.

In Malaysia The East Asiatic Company (Malaysia) Berhad reports a substantial improvement for first half 1987 compared with the same period the previous year. Profit after tax was M\$9m (D.kr. 24.6m) compared with M\$2.6m (D.kr. 6.5m) in 1986. One of the contributory factors behind this fine result was an improvement in prices for plantation products, palm oil and natural rubber.

Plumrose (Australia) Ltd. increased its sales in 1987, producing a profit of A\$2.2m (D.kr. 10.9m) compared with A\$1.9m (D.kr. 10.6m) in 1986.

The most recent item of news for shareholders is that EAC's Hongkong subsidiary has gone public, placing 25% of its share capital (which totals HK \$100m) on the market. The share price is HK \$1.65 per share of HK \$0.25. A total of 10% of the shares in question have been offered to employees of EAC Hongkong. The shares have been listed since October 22, 1987. The decision to enter the market can be interpreted as signalling a desire on the part of EAC to identify even more closely with China and Hongkong, whose development plays an increasing role in international trade, manufacturing and transport — fields in which EAC has its principal activities.

EAC and Danish culture dance pas de deux

EAC is one of the sponsors behind The Danish Royal Theatre's new Hans Christian Andersen Ballet Award, the Theatre's first major sponsorship event. 'We are very pleased to have the financial support of EAC and the Danish business community,' says the Theatre's artistic and managing director, Henrik Bering Liisberg in this interview by EAC Magazine.

Our status as national theatre obliges us to mount productions of quality and in quantity — and that costs money. It costs D.kr. 216m a year to live up to that kind of obligation. We're financed by the state — but over the past 15 years we've had our budget cut by 13% or D.kr. 28m so we're delighted to receive sponsor support from EAC and other leading Danish companies. It enables us to embark upon quality projects which would otherwise have to be dropped for austerity reasons.' Henrik Bering Liisberg, artistic and managing director of The Royal Theatre, Copenhagen, was discussing with EAC Magazine the latest development on the Danish cultural scene: sponsorship of specific cultural events, awards and performances by commercial enterprises.



HANS CHRISTIAN ANDERSEN BALLET AWARD

One high-image result of sponsorship support will be that the Hans Christian Andersen Ballet Award, one of the biggest items of international ballet news in recent years, can go ahead next year as planned — benefiting Denmark, The Royal Theatre and those Danish companies which have announced financial support totalling D.kr. 8.5m.

H.M. Queen Margrethe has consented to act as patron of the Ballet Award, which will be presented at a gala performance on May 7, 1988, for which 38 of the world's leading ballet companies will nominate dancers during the closing months of 1987.

A presidium of Danish companies — SAS, Den Danske Bank, ISS, Handelsbanken, Kreditforeningen Danmark, Politiken, De Danske Sukkerfabrikker, Time Manager, SDS, Berlingske Tidende, Skandinavisk Tobakskom-

pagni and EAC — has been appointed under the chairmanship of Mr. Bering Liisberg.

'Denmark is too small a country to have its national theatre depend exclusively on sponsor support. That is possible only in such countries as the United States, where foundations and major corporations provide massive support for cultural life. We still see it as a state responsibility. 'But having commercial enterprises support us doesn't mean that we are commercialising the artistic performance in any way.

CULTURE AND COMMERCE A GOOD TEAM

The Hans Christian Andersen Award — already being referred to by the Danish press as the 'Ballet Oscar' — is The Royal Theatre's first major sponsorship event. But it is unlikely to be the last, says the Theatre's artistic and managing director.



'Next time we could turn the spotlight on the opera or the stage.

'I don't feel any conflict of interest between giving our audiences a memorable experience and accommodating our sponsors. I think that culture and the business community can get on well together,' says Mr. Bering Liisberg.

Among several new project ideas, the Theatre director is toying with is a sponsorship plan for a ballet boarding school for young, new dancing talent. Sponsorship along these lines has proved itself in the field of professional athletics, and an adaptation of the idea could perhaps be applied to the theatre.

This autumn the Danish public can enjoy performances of Don Juan, Solo Dancer Ib Andersen making his choreography debut.

EAC has also undertaken to sponsor cultural projects in the United States (a tour by the Danish Royal Ballet after presentation of the Hans Christian Andersen Award) and in the Far East (a cultural event backed by our Hongkong brewery).

Henrik Bering Liisberg.

WORLDWIDE

New office in Toronto

Plumrose, EACgraphics and EAC Engineering in Toronto, Canada, have realised a long-standing wish for more space. In spring they opened a new office in the city with attractive and well-appointed premises. The event was cele-

brated with an opening ceremony attended by many well-known EAC faces. Pictured: H.H. Sparsø (centre), Hans Peetz-Larsen (left) and Jan H. Laursen cut the magic ribbon.



Target Award for Plumrose, Canada



Ole Andersen, general manager, Plumrose, Canada.

The highly valued Plumrose Target Award for fiscal 1986 went to Plumrose, Canada. The many activities for which Canada won the award included one major event: the introduction of Danish Havarti cheese.

Ole Andersen, general manager, Plumrose, Canada, was the proud recipient of the award at a ceremony in Copenhagen — but observed that 'winning the Target Award has been a team effort, the work of our combined staff in Canada'.

CPT honour for INTAG

INTAG of Saudi Arabia was the only international distributor this year entitled to participate in The CPT President's Circle in October. All international CPT distributors are allotted an annual quota for the sale of CPT equipment. Those who

achieve their quota are then invited to join The President's Circle, which meets at some exotic spot 'somewhere in the world'. This year the meeting place was Maui, Hawaii. CPT covers all expenses for two people.

Tigers born at sea

The crew of the EAC-PNSL container ship handled a pretty unusual assignment earlier this year: transport of a complete circus from Taiwan to Malaysia. The animals included ... a pregnant tiger! And during the voyage she gave birth to a pair of fine twins. Was it the waves that started the birth ...? In the picture the circus director shows off the two new additions to his circus company.



Played against the champions

It is unusual for amateur tennis players to have the opportunity to pit their skills and ability against professional players. But these gentlemen from Carlsberg Singapore (an EAC affiliate) managed to do just that before the Singapore Women's Open Championships, held in spring and sponsored by Carlsberg Singapore. The amateur participants included Poul J. Svanholm, managing director, United Breweries (2nd from right), Carsten Dencker Nielsen, EAC general manager (3rd from left) and Joti Bhokavani, manager of EAC's office in Singapore.



PEOPLE

EAC nester now 90

Former EAC managing director, Consul General **Edvard Strandberg**, celebrated his 90th birthday on October 8.

Mr. Strandberg has been an energetically busy man since joining EAC in 1919 and until well past his retirement in 1962. His career be-



gan in the Chief Cashier's Department at Head Office, Copenhagen, from which he was transferred to the Ship Department's book-keeping department where he became head.

In 1921 he was dispatched on overseas service. Mr. Strandberg was heavily involved in building up EAC's trading interests during the years prior to and after the Second World War — initially in the Far East and later on a wider international market.

SINGAPORE

Mr. Strandberg spent the War in Singapore, and in his capacity as Danish and Swedish consul it was his task to safeguard EAC activities and protect them and the employees during the violent and dramatic events of the period.

On returning to Denmark in 1948, Mr. Strandberg was appointed general manager in charge of trading in the Import Department. Four years later he became the company's managing director.

On his retirement in 1962, Mr. Strandberg was active on the boards of EAC and many other companies.

Edvard Strandberg, this EAC nester, was also Greek consul general in Copenhagen from 1962 to 1974, and still follows with interest the activities of the many companies he helped develop and manage.



40 years with EAC

On July 1 one of the three members of EAC's Executive Board, **John Arthur Hansens** (57), managing director, was able to celebrate 40 years with the Group. A

John Arthur Hansens and Mrs. Hansens daughter, Pia, congratulates her father

reception was held at Head Office in Copenhagen to mark the anniversary. Several hundred employees, business associates, friends and family members turned up to offer their congratulations.

New boss in Malaysia

John Madsen (40) has taken up his post as new managing director of EAC operations in Malaysia. He has spent a number of years in the Far East: in Hongkong, Indonesia — and with Carlsberg Malaysia for six years. So his "new" country is quite familiar to him.



Indonesia in water colours

Scenes from everyday life in Indonesia decorate the home of **Eilzabeth** and **Peter Rømhild** in Jakarta — in the form of sketches and paintings executed by Mrs. Rømhild (26), inspired by the colourful and beautiful Indonesian scenery and its people. She has held three exhibitions in Jakarta, and the local press has praised her skills in watercolour painting. Mrs. Rømhild was born in Denmark, grew up in Iran (her father is Armenian), and since leaving Iran in 1981 she has lived in Saudi Arabia and the United States before moving to Indonesia with her husband — who is with the EAC as associate company, Paramountgraphics.



New head of Allfreight

Ole Moshøj (47) became the new general manager of Allfreight I/S in October. Mr. Moshøj comes to Allfreight from a post as marketing manager at ScanDutch A/S. He has spent a number of years in the Far East. The other member of Allfreight's management committee is Thomas Jessen, formerly with Danish State Railways (DSB). The Allfreight Group is owned by EAC and DSB.



Course at Harvard Business School

Tough — but highly interesting and instructive. That's how **Ole Nielsen** (43), senior vice president, Plumrose USA, described a three-month course at Harvard Business School, Boston. Mr. Nielsen was one of 142 senior international executives at the course. The day's programme is packed with study and problem-solving. 'We didn't have much time off,' says Mr. Nielsen 'and I only managed to visit my family once during the course!'

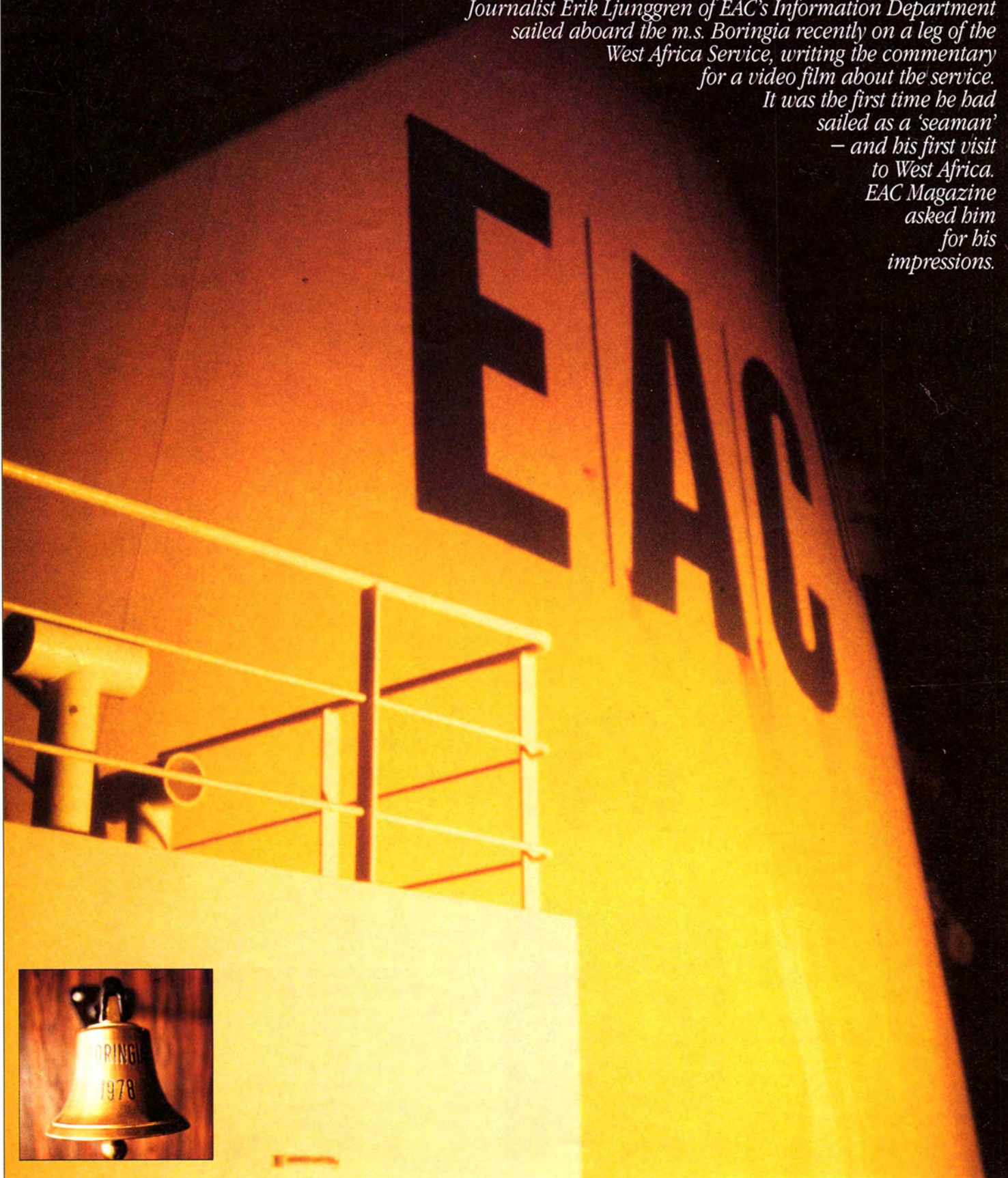
Ole Nielsen — tough but instructive.



Mind-bending impressions

Journalist Erik Ljunggren of EAC's Information Department sailed aboard the m.s. Boringia recently on a leg of the West Africa Service, writing the commentary for a video film about the service.

It was the first time he had sailed as a 'seaman' — and his first visit to West Africa. EAC Magazine asked him for his impressions.



First time on the African continent and my debut as a sailor all rolled into one ... enough mind-bending impressions there to thoroughly stir up my otherwise quiet and sedentary life.

PEOPLE

My impression of people in Africa was that thousands live cramped together. A harsh life. Nightmare. In Lilliputian Denmark everybody strives to get as big a house and as much space as possible. Here, people were packed into 'no space at all'. I had nightmares — imagine living in 'no space at all'!

There were many marvellous human characters along the way.

The ship's master for one. Capt. Knud Sehested — quietly, firmly but always considerately — issuing orders and capably managing his great human and economic responsibility for the vessel.

I met the captain's counterpart ashore. Jamba, on EAC's permanent staff in Abidjan. If anybody can control traffic in the port of Abidjan, Ivory Coast, Mr. Jamba's the man. He seemed constantly to be rapping knuckles, reprimanding in no uncertain fashion. But his workers



clearly held him in friendly esteem — a good man for the West Africa Service to have in Abidjan.

Then there was the fearless Michael Behrendt, the video photographer. He must be one of the few people to have dangled voluntarily in a crane basket over the Atlantic. And he didn't mind climbing over the railing of the basket to get exactly the right shot of the ship steaming full speed ahead ...

One little twitch of that basket and he would have been in the drink, equipment and all.



That's one thing. But aren't these what they call 'shark-infested waters' ...

PLACES

Impressions from meeting many, many interesting people are endless. But we shall move on to another shade of impression — the places we visited.

Most striking, meeting a bustling development teeming with paradoxes.

The explosive development that has permeated African society in recent decades was in evidence everywhere. Side by side I saw equipment for oil exploration — while natives fished as they had done for generations, with simple canoes or merely throwing a net from the water's edge.

The view from the city's luxury hotel — to areas where thousands of people were packed in 'no space at all'.

NATURE AND COLOURS

It was hot. We were there during the rainy season, so nature offered us a fantastic symphony of colours. Nature wasn't the scorched earth I'd been led to believe.

The dream of meeting beasts of the jungle just outside my front door didn't materialise. Fortunately.

The observer is better served with an eye for the smaller details in nature. Flowers, tiny reptiles and the odd flash of larger animals and birds.

Colour was the overpowering theme in our impressions of nature — especially in nature's amazing light effects.

There was the impression, too, of unending nature with countless miles of beaches, vegetation, jungle and less fertile stretches. Especially the beaches ... what an opportunity for the right hotel-builder or tour operator.

TECHNOLOGY

My debut as an 'able-bodied' seaman was a breathtaking meeting with human technical skills at their finest. This was one of many craft which over the centuries have reduced the size of our planet by spinning communications, transport and travel networks.

Not that I shall delve into technical details — 'things technical' are not my particular hobby — but it never fails to impress the layman to see something the size of this gigantic ship being inched towards the quay, in 'no space at all'. The vessel's crew finds its way through the darkness or in dense fog, almost blindfold — and going about its other work at the same time. All in harmony with technology.

Another colour impression comes to mind: visiting the ship's bridge in the dark of the night. The many colours shining from the technical aids that bring the vessel safely to port were quite a sight. As the accompanying photograph shows.



HOMESICK

I saw and experienced this part of the world for the first time ... the maritime world of West Africa.

The trip lasted just 14 days ... a brief sojourn compared with the seaman who spends months away from home.

And yet I must admit feeling frequent and strong pangs of homesickness.

But as a Bornholmer born and bred it was difficult not to think of my Baltic island. We were aboard the m.s. Boringia (Latin for Bornholm) — and that's not all. The walls of the ship's dining room, saloon and passageways were decorated with photographs and ceramic reliefs with motifs from Bornholm.

But the homesick traveller's 'worst' sight was right outside my cabin door. A photograph on the wall with the most beautiful motif I could ask for: the street and the house where I was born in Rønne!



A typical Australian sheep farm. The wool passes through a long, complex process from shearing to the point where it is ready for the textiles industry.

Australia together account for 40% of the world's wool production).

As Bloch & Behrens has also been doing well in New Zealand, the company has decided to extend its influence in the wool-washing field in that country, too. To this end, the company has purchased a 20% holding in two washing facilities, one in Auckland on North Island, the other in Invercargill on South Island.

The two washing facilities, with a capacity of 90,000 and 125,000 bales of wool respectively, are owned and operated by a consortium



Two experts evaluate the quality of the wool.

Heavy investment in washing wool Down-Under

Bloch & Behrens, EAC's wool trader, consolidates its position in the international wool industry

Bloch & Behrens, the international wool company and wholly-owned EAC subsidiary, is currently investing heavily in Australia and New Zealand.

In the near future the company will be building a brand-new wool-washing facility in the Melbourne area of Australia. The buildings will house two large washing installations. Initially, one of these will be in operation, with an annual capacity of approx. 85,000 bales.

The first phase of the new scheme will require an investment of D.kr. 25m.

The investment has been necessary in order to cater for Bloch & Behrens' extensive trade in high-quality Australian wool. The Australian share of the market is now sufficient to justify the company's investing in its own washing facilities — and it will enable the company, too, to boost its sales of scoured wool.

PROSPECTIVE PARTNER

The first washing plant will be used primarily to cover Bloch & Behrens own wool-washing requirement but negotiations have started with a



The wool-washing facility in Auckland.

prospective partner who may be able to use the second plant. If talks are successful, the second plant will be commenced as soon as the first has been completed.

While the first phase will cost D.kr. 25m, the second will be implemented for approx. D.kr. 10m.

The new wool-washing facility is expected to be completed in July-August next year — in time for the 1988/89 season.

NEW ZEALAND

Bloch & Behrens has also been investing in its New Zealand operations (New Zealand and

comprising the New Zealand Wool Board, Robert Ferrier Ltd. and Wright Stephenson — a wholly-owned subsidiary of Fletcher Challenge Ltd., which controls seven major wool-washing facilities in New Zealand.

These investments secure for Bloch & Behrens a rational production structure, covering the company's geographical operations in New Zealand.

THREE TYPES OF WOOL

Bloch & Behrens, a company formed in 1856 and acquired by EAC in 1956, has its head office in Copenhagen, with branches and subsidiaries in Australia, Britain, France, Italy, New Zealand and West Germany.

The Group's sales in 1987 are expected to reach D.kr. 1,700m, based on activities spread over three types of wool: greasy wool, scoured and carbonised wool, and carded and combed wool.

All principal country-recipients of wool are supplied either directly by Bloch & Behrens or via agents.

EAC builds village for plantation workers in Malaysia

The heat and humidity hit you like a club when the thermometer climbs close to 40° and you expose your Northern European head to Malaysia's burning sun. You learn to appreciate a shady tree on one of the country's many plantations. EAC Magazine visited one of EAC's three plantations in Malaysia, Teluk Merbau, in the west of the country. Situated in one of the best and most-developed parts of Malaysia, encompassing the coast from Port Kelang to Port Dickson.

EAC has been running plantations in Malaysia since 1905. Total plantation area today is 12,500 ha — at Padang Meiha and Teluk Merbau in West Malaysia and River Estates in East Malaysia. They produce rubber and oil, and employ 2,400 people.

An impressive employee project has been launched at Teluk Merbau.

Teluk Merbau is one of the very few plantations in Malaysia which have offered employees the opportunity to purchase their own homes. The normal practice is for a plantation to provide housing for its staff but at Teluk Merbau a large piece of land was made available free of charge for the project.

Although there were teething troubles, the project is now complete, and workers have begun to purchase their own homes. The individual employee can sell his house again if he wishes. The land on which it stands cannot be sold — it is rented for 99 years in accordance with cur-

rent Malaysian legislation. A total of 180 houses have been built on the housing estate, and approx. 500 workers have moved in.

As a visiting journalist strolling through the village, it was interesting to be constantly invited into individual homes to see the beautiful decorations.

GOOD RETURN IN 1987

Having managed plantations for 82 years, EAC has developed a high degree of efficiency and output in Malaysia. But results are achieved only with a fair amount of optimism and determination. In 1987 the plantations are operating third-generation trees (it takes three years for oil palms to reach maturity, five years for rubber trees).

Good plantation management is a hard-won skill but EAC's three plantations are providing a good return on investment this year. Prices are determined by world-market demand, which — in the case of both palm-oil and rubber — is fluctuating.

YIELD UP FROM 400 TO 2100 KG

Two EAC people with a profound knowledge of plantation life and activities are Ib Henry Hansen, Shareholders' Secretariat, and Erik Andersen, plantation inspector. They report that productivity increases have ensured profitable plantation operation thanks to particularly high-yielding trees, and technological advances in production.

During the course of a few decades the yield has risen from 400 kg processed rubber pr. ha. to 2100 kg, with a corresponding increase per



Tapping rubber.

employee. This is important because wages are to some extent yield-related.

Plantation production is the third-biggest contributor to the Malaysian economy, surpassed in value only by timber and mineral oil. One important factor in this picture is that plantation operations are easy on the environment: new trees are constantly being planted, and there is little or no waste from the production of palm oil.

UPS AND DOWNS

The history of Malaysia's plantations has had its ups and downs: 1905-29 was a golden era, consumption was high; 1929-37 was a period of depression after the Wall Street Crash; during the Second World War production was more or less at a standstill but the Korean War boosted demand again; the invention of synthetic rubber around 1955 introduced a serious competitor — today the synthetic product satisfies about 2/3 of world consumption. Nowadays a mixture of natural and synthetic rubber is preferred for specialist products. Natural rubber meets 30% of world demand. It is used for tractor and aircraft tyres. Heavy equipment needs tyres with a natural-rubber content. Ordinary motor-car tyres are made primarily of synthetic rubber.

PATIENCE IN RESEARCH

The plantation industry meets the cost of its own research via a national research institute, financed by a levy collected as part of the export duty.

Research covers all aspects of modern plantation management and is not limited to the breeding of plant and cultivation material for higher yields. EAC's Padang Meiha plantation conducts its own research, too. Approximately 100 high-yield trees have been identified, and clones have been selected from the most promising of these for field tests on a commercial scale. But patience is a virtue in modern plantation management. In some cases it has taken more than 1,000 tests to arrive at just two new clones which satisfy the test objectives



Transport through the jungles of Malaysia is frequently by river.

Panda is new addition to EAC fleet

The EAC Transport Division's latest vessel, built at the May 3 Shipyard in Rijeka, Yugoslavia, was launched on Monday, October 5. The ship's godmother, Kirsten Hasle, wife of EAC managing director, Flemming Hasle, was able to announce the name of the new ship, 'Panda' (which had hitherto been kept a close secret). The shipyard management had organised a splendid ceremony, and it was a day to remember for the many EAC representatives, headed by Mr. Hasle and Karsten Stock Andersen, divisional manager, EAC Transport Division.



*The Panda's officers (l. to r.):
Capt. Jens Ole Jensen,
First Engineer B. Karlsen,
Chief Officer K. Nielsen,
Chief Engineer J. Magnussen, and
Electrician K. Hansen.*

*The Panda's godmother,
Mrs. Kirsten Hasle, and
Capt. Jens Ole Jensen on the bridge.*

