

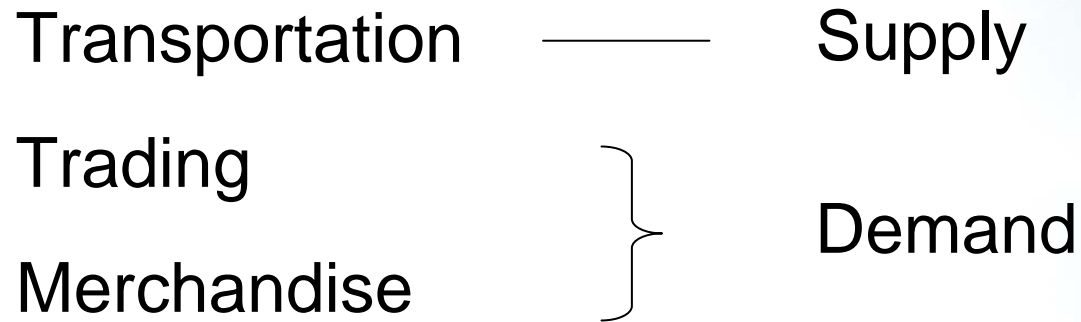
The Nordic Model formula for European success?

— *Raoul Hasselgren* —

The vikings



The vikings 800 – 1000 A.D



ECR was born

The Northern Light covers ...

Sweden

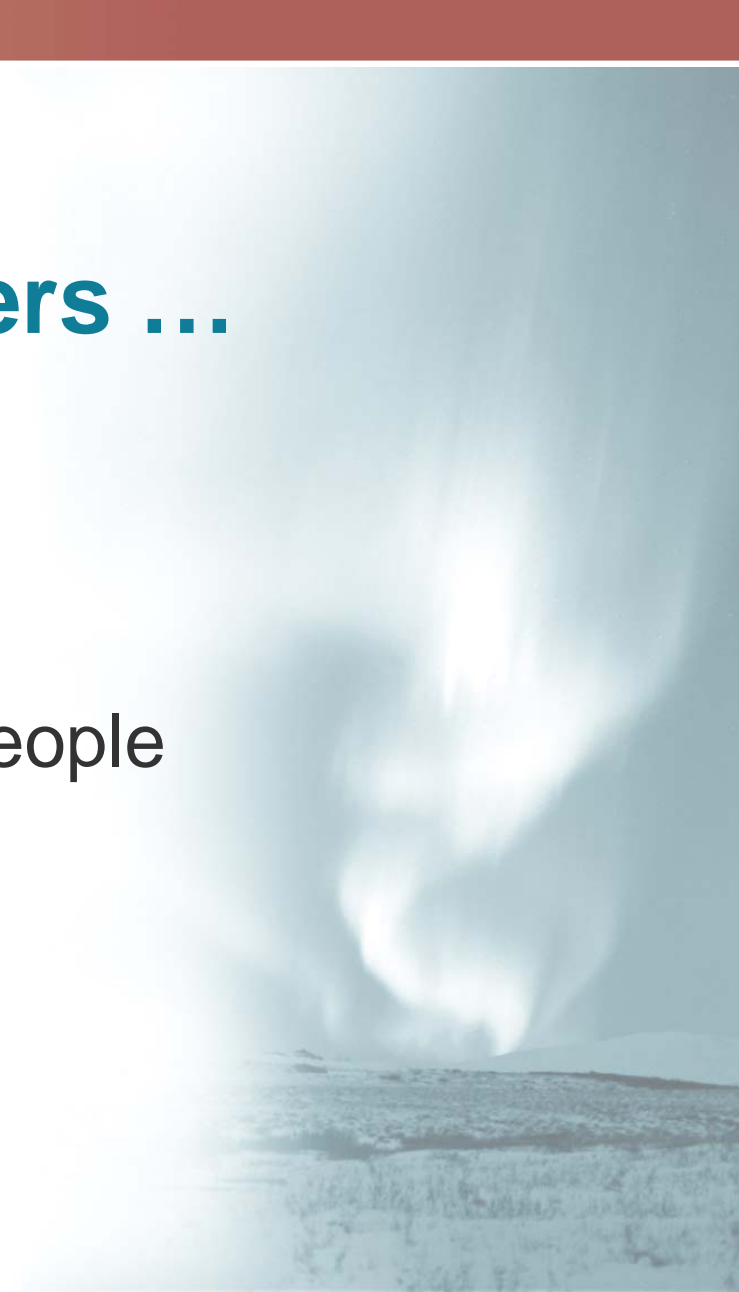
Denmark

Norway

Finland

Island

25 million people



Supplychain 1800 - 1900

Farming

Fishing

Timber

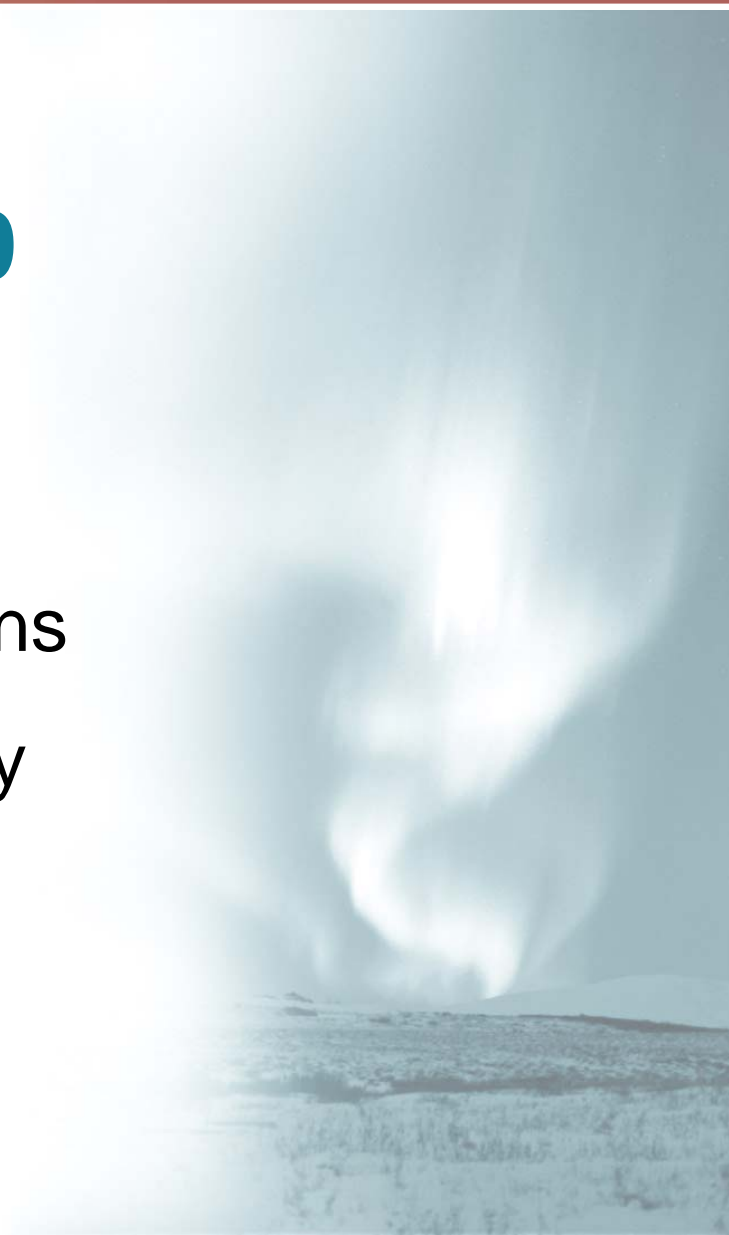
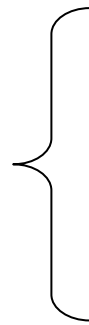
Iron



Hansa

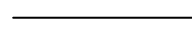
Walloons

Industry



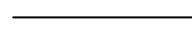
After 1945

Iron ore



Industrial products

Agricultural



Food industry

Fishing



Shipping



Big companies – world wide

Ericsson

Ikea

Volvo

Astra

Nokia

Statoil

Danish crown

Östasiatiska kompaniet

Norsk Hydro

Enso/ Stora

Bang & Olofsen

Tetra pak

Asea/ABB

Atlas Copco

Past, present and future

Working together...

Increased flexibility

Trade and products – improvements

Entrepreneurial attitude

Seize the opportunity

Nordic companies most competitive

Internet, PC, mobile telephone,
R&D, freedom, free press,
environment.

*World Economic Forum 117 countries

Strong economy ...

Sweden (3rd) + 3.5 % GNP + 22 %

Denmark (4th) + 3.6 % GNP

Norway (9th) “the richest”

Finland (1st) + 4 % GNP

Iceland tremendous growth

The league of prosperity

Norway	146 %	}	USA	144 %
Iceland	122 %		Great Britain	111 %
Denmark	118 %		Germany	103 %
Sweden	113 %			
Finland	107 %			

*GNP per head in % of OECD

A formula for European Success?

- Product development / marketing
- Design, innovation and life style
- Distribution in vast areas
- Strong societies – high tax
- Small net income – low cost / prices

Created companies like ...

IKEA

Low cost

H&M

Low price



world wide success

(Self service – leisure time)

The trade is the winner

12.5 % of all employees

The grocery trade > 50 % sales

Ica – entrepreneurial retailers > 40 % in market share

FMCG – retailers fail?

Keen interest: Food, books, furniture, clothes, and garden products.

Most inspiring: Clothes, furniture, books, garden products and food.

*1 000 consumers were asked

The Nordic countries / prime position

(Professor Richard Florida)

“Creativity is key ...

..Nordic countries the most creative...

..an active state – people take risks...

..high degree university students...

..extensive research and a lot of patents...

..modernity, tolerance and self-realization”

Dynamic Innovation Systems

“Good presumptions – positive development”

The knowledge economy in Sweden

4 % of economy resources to R&D

Innovation policies in D,N,F,I

*SNS – 2005

Board directors about collaboration

- 86 % gross margin more than 3 %
- 76 % did not make use of it
- 79 % long term customer relations
- 65 % product development
- 64 % better logistics

*win-win Sweden 2005

Board directors about collaboration

- 62 % better supply flow
- 45 % reduced purchase cost
- 40 % joint marketing
- 38 % less complaints
- 29 % less administrative work

*win-win Sweden 2005

So who will win the game?

“If the battle results in a one sided biased fight for better conditions or elimination of products and producers ECR has failed and the consumer lost. But if we go hand in hand and use best practise the consumer will be satisfied”