

## **2009 AmCham Member Company Survey** *Investments and Jobs at Risk*



**November 5, 2009 – AmCham Denmark’s annual survey of its members, completed by 98 general managers during their companies’ budget planning phase, revealed that an alarming 50% are considering moving jobs and/or investments out of Denmark. The Danish Government needs to prioritize reducing the costs of doing business if investments and jobs are to be kept in Denmark.**

### **Cost of Doing Business too High and Supply of Skills too Low**

More than 80% identified the rationale behind the consideration – the high cost of doing business in Denmark. Also contributing to the prospect of moving investments and/or jobs out of Denmark, in order of response rate, are the personal tax rate, inability to attract the needed skills, downsizing, shortage of highly skilled labor, the taxation of benefits, and immigration policies.

AmCham’s survey also showed that 9 out of 10 managing directors remain concerned with the supply of highly qualified labor in Denmark. When asked to rank Denmark’s ability to attract highly skilled foreign employees, more than half ranked Denmark as below average to poor.

To improve this ranking, 3 out of 4 general managers emphasized an overall reduction in personal income tax as very important to essential. An equal number, 75%, identified the availability of international school places and the availability of public information and services in English as very important.

### **Foreign Investment Must be Prioritized**

With 75% of companies surveyed incorporated outside of Denmark, there is a critical need to address the cost of doing business if foreign companies are going to stay. AmCham believes Denmark needs to focus on improving efficiencies to ensure it stays competitive versus other countries, especially the emerging markets where costs are drastically less than in Denmark. Denmark has the basic infrastructure to attract foreign investment but an increasing focus should be put on retaining it.

“The survey sends a clear message to the politicians – a continued, and preferably increased, focus on the conditions for foreign companies is needed if Denmark is to retain and attract the foreign investments that are so beneficial to the Danish society,” says Julie Edwards, AmCham Chairman of the Board and GlaxoSmithKline General Manager.

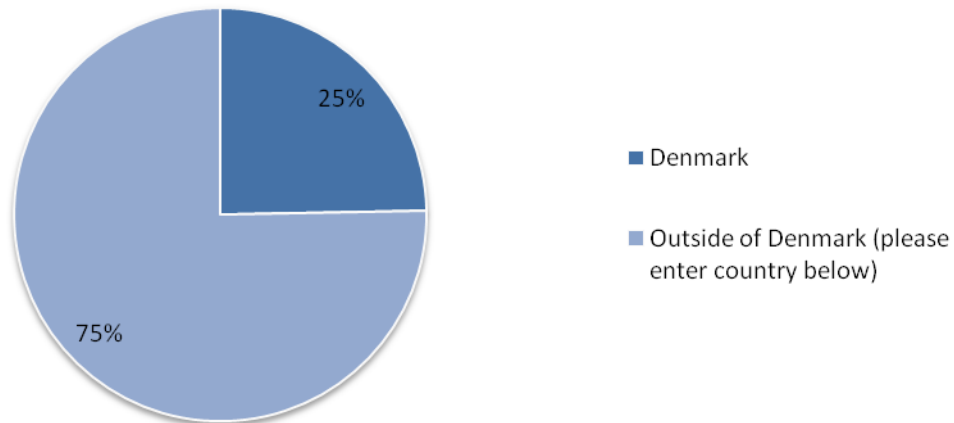
### **Situation Hasn’t Improved Since 2008**

When compared to AmCham’s 2008 member survey, the results are similar. In October 2008, 90% of AmCham companies surveyed asserted that to some degree they would be negatively affected by the shortage of highly qualified labor. One in three named the high personal tax rate as the biggest barrier to growth.

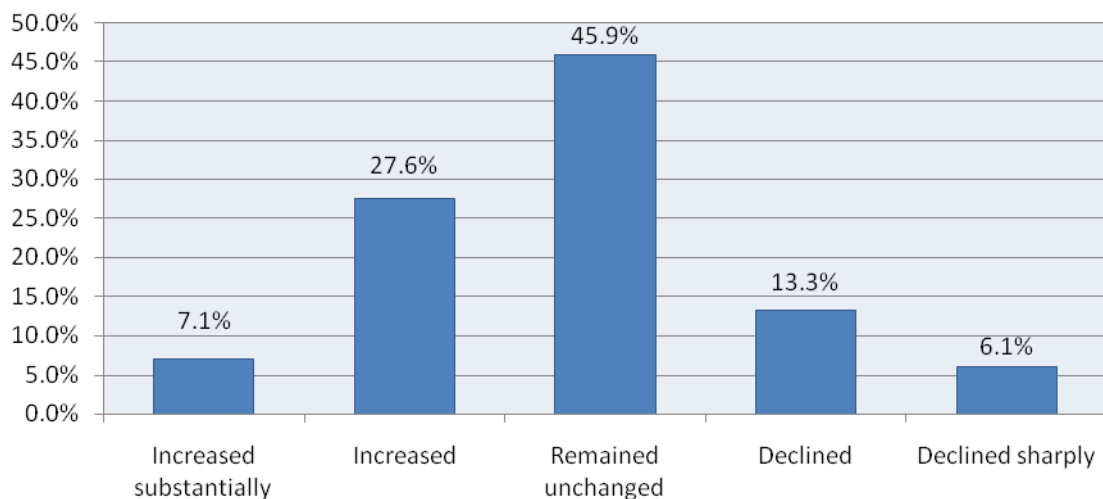
“The underlying issues negatively impacting our companies has been around for some time. In this year’s survey, AmCham’s companies have clearly shown that now there is uncertainty around maintaining investments and jobs in Denmark. AmCham is greatly concerned that Denmark is failing to address the high cost of doing business and is at a severe competitive disadvantage compared to other European countries and emerging markets,” says Stephen Brugger, executive director of AmCham Denmark.

“On the positive side, approximately 30% stated that they would increase hiring in 2010. What’s needed is cost reducing initiatives to encourage the other 70% to do the same,” Brugger added.

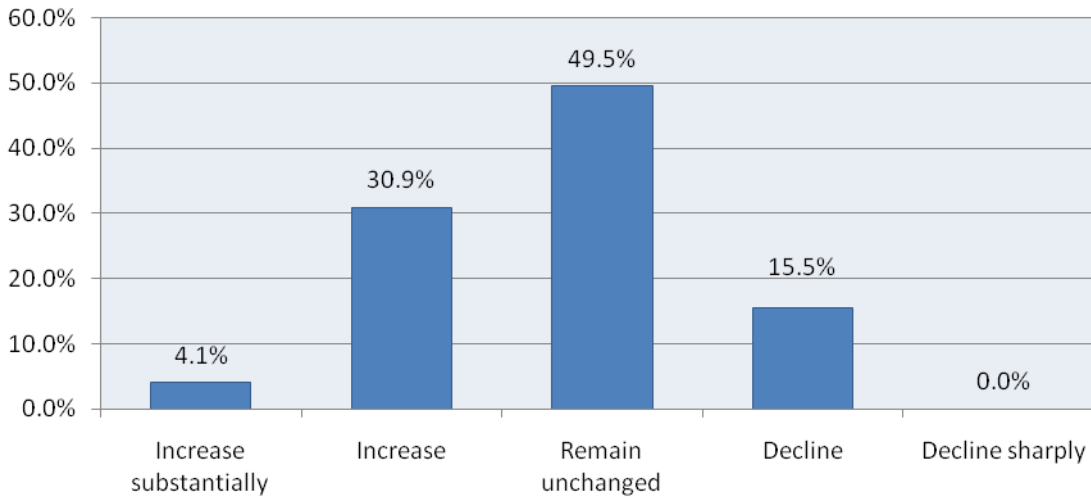
## Where is your company's global corporate headquarters located?



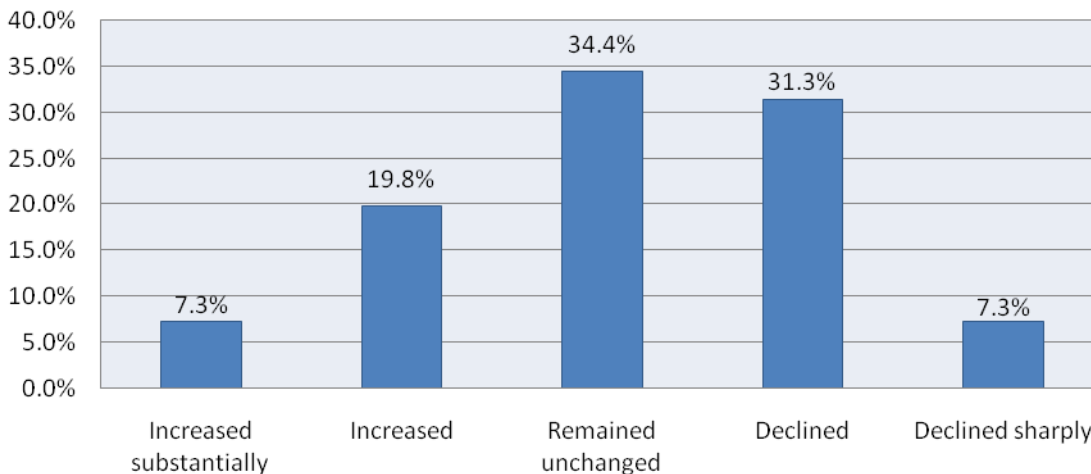
## How have your company's investments in Denmark changed over the past year (2009)?



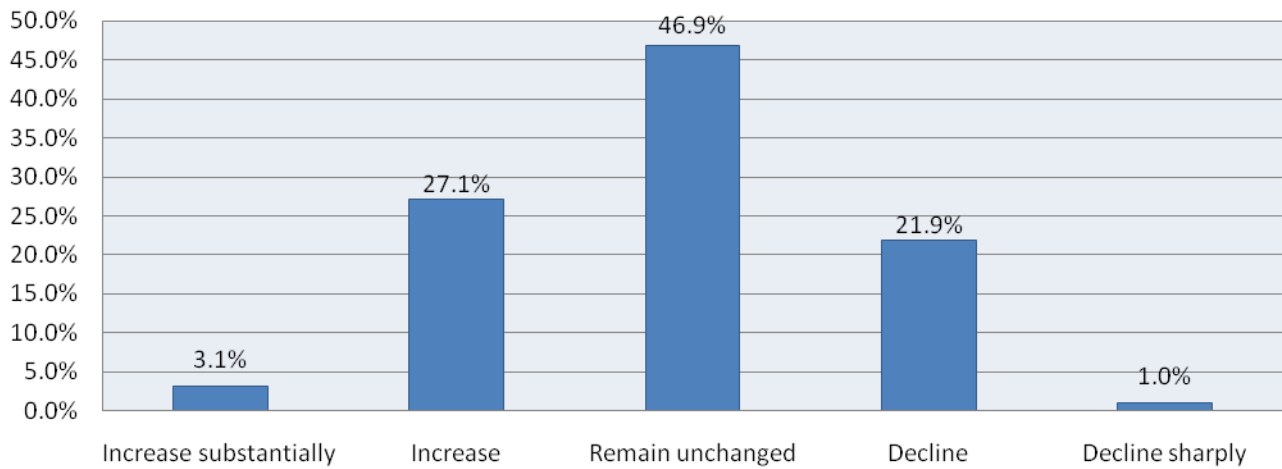
### What is your company's anticipated investment in Denmark in 2010?



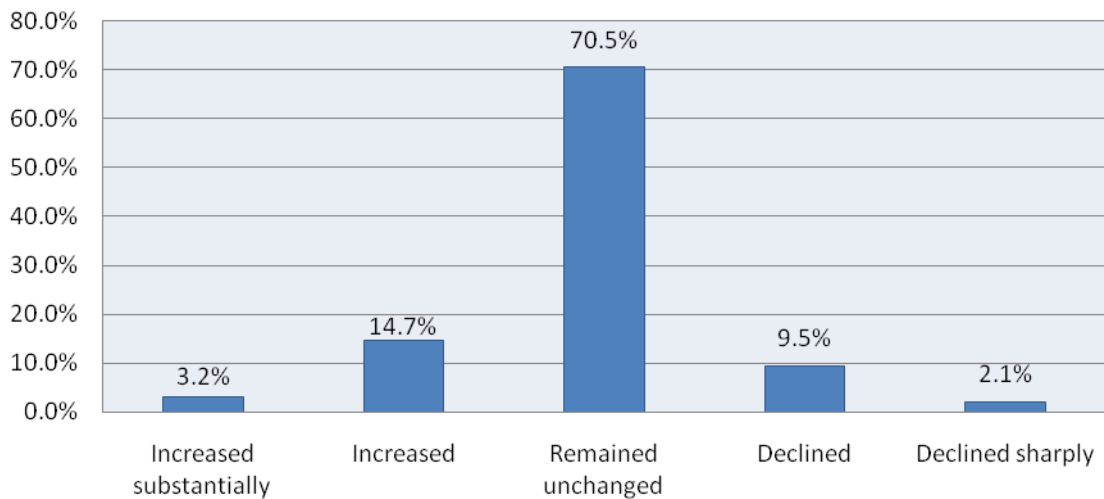
### What was the trend with respect to the number of people employed in your company in Denmark over the past year (2009)?



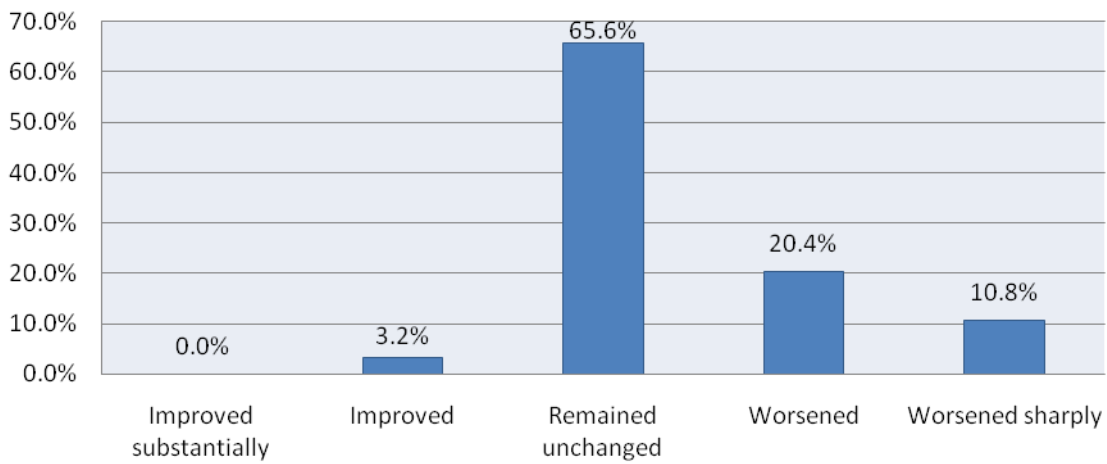
### What is the anticipated trend with respect to the number of people employed in your company in Denmark in 2010?



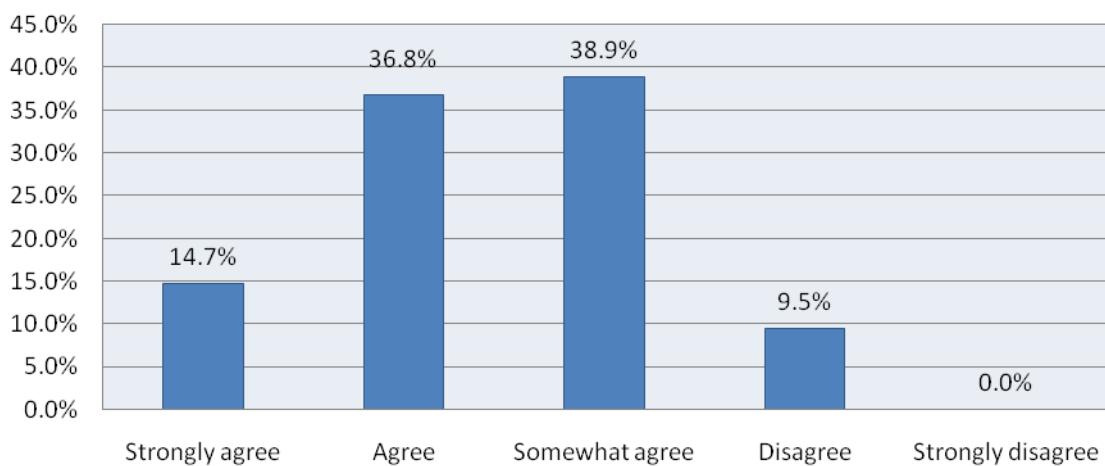
### How has your company's need for bank financing changed during 2009?



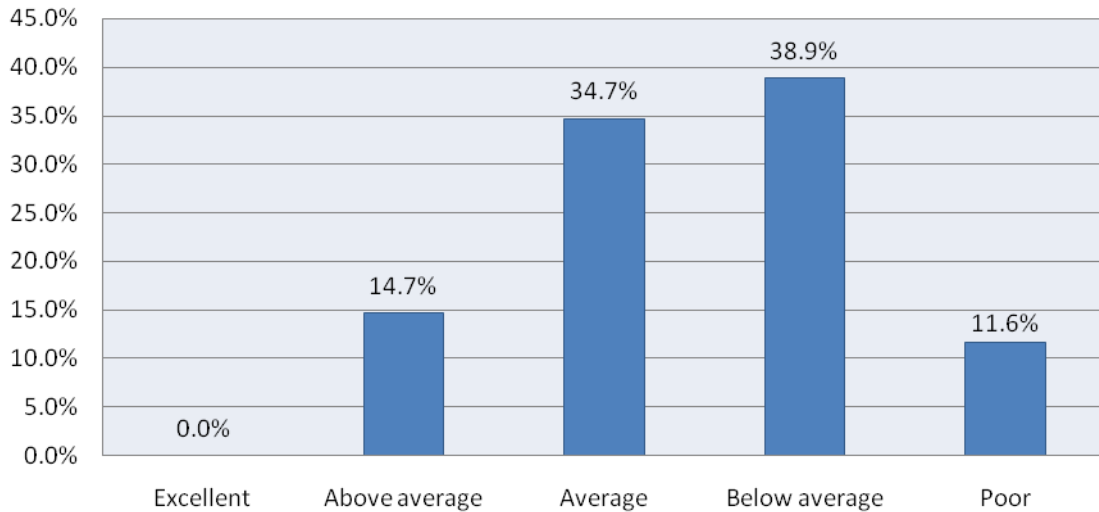
### How has your company experienced the availability of bank financing in Denmark during 2009?



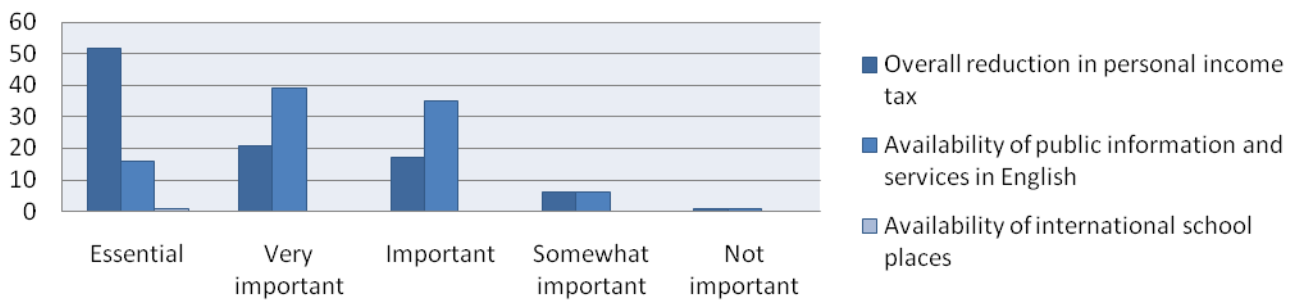
### Do you agree that the shortage of highly qualified labor will continue to be a problem in the coming years?



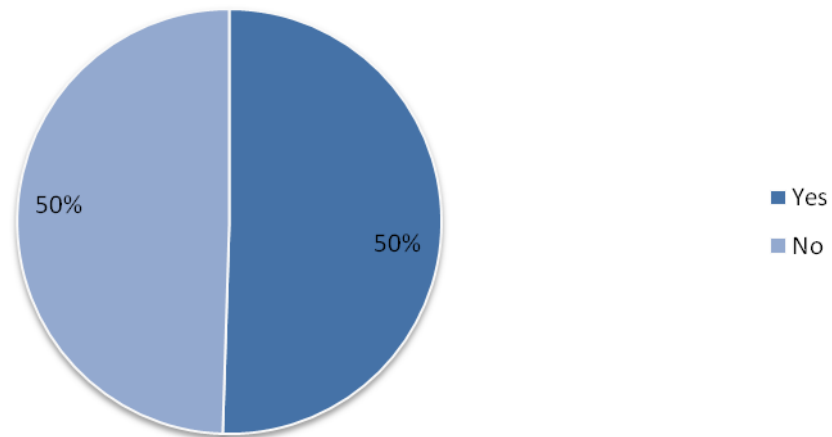
### How do you rank Denmark's ability to attract and retain highly skilled foreign employees?



### How important are the following to enhance Denmark's ability to attract and retain highly skilled foreign employees?



### Is/has your company considered options of moving investments/jobs out of Denmark?



### If you answered "yes" above, which of the following are/were factors in the decision?

