ACCESS
THE NORDIC REGION

A Guide to Doing Business in THE NORDIC REGION
ACCESS THE NORDIC REGION

Powerful Economies

$1696 b
Nordic countries
(Denmark, Finland, Norway and Sweden)

$1624 b
Saudi Arabia & Gulf States
(Saudi Arabia, UAE, Qatar, Kuwait, Oman & Bahrain)

$1560 b
Australia

(Source: World Bank 2013)

25.2 million
Combined Nordic Population

4.7 million
Irish Population

€533 million
Value of Irish exports to the Nordics

440
Irish companies exporting to the Nordics

1st
Norway ranks 1st in Prosperity

2nd
Denmark and Finland are joint 2nd in Human Development

2nd
Sweden is 2nd in Global Innovation

GROWTH SECTORS

Automotive  Construction & Engineering  Digital Media  Oil & Gas  Financial Services  Life Sciences & Healthcare
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1. Introduction

“All the countries of the Nordic & Baltic Region are ranked in the top 30 of the countries that are most friendly for doing business. Time after time Nordic countries come out on top in international business rankings.”

Doing Business ranking compiled by the World Bank, 2014

The Nordic region, comprising the countries of Sweden, Denmark, Norway and Finland, makes up the twelfth largest economy in the world.

It is ranked as one of the top regions in the world for internet usage and information technology penetration; in 2012, three of the countries, Norway, Denmark and Sweden, made it to the top ten in the United Nations e-Government Survey rankings. In addition, they have a very well-developed and powerful oil and gas industry as well as advanced adoption of green technology such as wind, solar, wave and hydropower.

It’s a great place to do business. The Nordic region is economically resilient, and as a result has not been much affected by the latest recession. The combined population is just over 25 million (Sweden 9.5m, Norway 5m, Denmark 5.5m, Finland 5.3m). Population density varies greatly: Denmark has 130.1 inhabitants per km²; Sweden, Norway and Finland each have 16-23 inhabitants per km².

It regularly ranks amongst the Economist Intelligence Unit’s top places in the world to live, thanks to a strong work/life balance. Some of the world’s top consumer brands come from here – Saab, Ericsson and H&M from Sweden, Carlsberg & Danske Bank from Denmark, Telenor & Statoil from Norway, as well as Nokia and Rovio from Finland.

The Nordics do particularly well in areas of innovation and social inclusion and rank with high scores on the e-intensity index, which measures the internet’s impact on business and society. Many leading-edge companies often test-market new products on Nordic consumers due to their willingness and openness to try new technologies and products.

The Nordic countries also led the world in introducing mobile-phone networks in the 1980s and the GSM standard in the 1990s. Today, they are ahead in the transition to both e-government and the cashless economy. Locals boast that they pay their taxes by SMS.

The region offers Irish suppliers of pioneering products and services a wealth of opportunities and an ideal set of markets in which to grow and expand, with their relatively high levels of disposable income plus a willingness to invest in high-quality goods and services.

Why this region is important

The Nordic region incorporates some of the world’s most advanced technological nations, so with their strong and stable economies, the relative ease of the business culture plus an openness to adopt innovative products, these four countries form a very attractive market for Irish exporters.

Economic Resilience & Growth

Even during the recent financial crisis, the four main Nordic countries of Sweden, Denmark, Finland and Norway showed resilience. They suffered during the downturn but bounced back quite quickly, and none of the countries went through a bank crisis or have unsustainable budget deficits. In fact, public debt is well below the EU average in the Nordic region’s countries.
The four Nordic countries have economic similarities in that they are small, open economies with high per capita incomes. All four have large public sectors with high taxes. Economists are forecasting that they are optimistic about positive economic growth in 2014 and 2015 in the Nordic region, with GDP growth rates of 1.5% for Sweden, 0.6% for Norway, -1.4% for Finland and 0.4% for Denmark. The wealthiest Nordic country out of the four is Norway, based on its growing wealth from oil and gas revenues. Denmark’s economy is based on transport and agriculture whereas Sweden is successful in manufacturing, pulp and paper, telecoms and design. Denmark and Sweden have the highest tax-to-GDP ratios in the world although Finland has lower taxes.

**Open trade and economies**
Nordic economies are very open and exports amount to 35-50% of their GDP. However, they pursue different economic strategies and this can best be observed in their approach toward the euro. Finland is a member of the European Union and has adopted the euro. Denmark is an EU member but uses the kroner as its currency, having negotiated an opt-out option. Sweden is also an EU member with no opt-out; however, it is not a member of the euro zone and has a floating currency, whereas Norway is neither in the EU nor in the euro zone.

**Purpose of the report**
The objective of Access: Nordic Region is to give practical and up-to-date information on the market for Irish companies. Here you will find useful, easy-to-digest advice on the critical aspects of doing business in the Nordic countries for companies at all levels of business. It is intended to be of use to a wide audience, from companies thinking of exporting to the Nordic region for the first time and to those already selling in the market.

This guide covers:
- Critical success factors for the Nordic markets
- Key legal issues, tax and recruitment considerations
- Information on sector opportunities for Irish companies
- Case studies from Irish exporters currently exporting to the Nordic region
- How to sell to the Government in the Nordic region

**How it was compiled**
This report (written in July and August 2014) is based on the practical experience and knowledge of highly successful people in the market and is written by specialists in areas such as taxation, immigration law and marketing. It is informed by the lessons learned by a selection of Irish business people who have already succeeded in the Nordic Region. The report also includes commentary from a number of these people.
2. Critical Success Factors

"One thing that we did notice across the board was the integrity of the Nordic people that we dealt with. They may come across as very matter of fact, but that’s actually very good to deal with, as they expect you to get it right, and get it right the first time."

John Nevin, Instant Upright

Why this market is attractive for Irish exporters

Conditions in the Nordic countries are among the best in the world. They have a strong tradition of innovation and research, in addition to a well-established infrastructure which offers a business-friendly environment for the international market.

Success factors to consider prior to entering a new market include being aware of what makes products or services successful, a keen understanding of the business culture and practice, as well as a willingness to adapt practices according to how the people in that market work.

Business Culture and Practice

Business culture in the four Nordic countries is very similar; however, they do have their differences. Norway is not a member of the EU (unlike Sweden, Finland and Denmark) but the Norwegian legislation is to a great extent in line with the EU legislation, thus facilitating one Nordic market. The Nordic countries offer a large, consistent market for exporters.

Foreign businesses researching the countries will notice similarities in demand, consumption patterns and business cultures; however, there are also distinct differences of which it is important to be aware.

The Nordic partners are known for their reliability, so if you manage to create a partnership with a Nordic company, it will most likely last for many years to come.

In Denmark, Norway and Sweden, the languages are similar enough to allow people to communicate across borders with each other using their own mother tongue. Swedish is also one of the official languages in Finland.

Business relations

- There is a clear distinction between personal and professional relations. Nordic people put rules before relations and generally they are not interested in getting to know you personally; however, this does not mean they are not interested in doing business with you.
- Direct and honest communication is very important. Nordic people prefer to get straight to the point and it is unlikely there will be any small talk at a business meeting.
Getting the most out of business meetings

- Be prepared for all meetings and always set and keep to an agenda. (Include in this any questions to which you wish to receive answers.) Be an attentive listener and ask questions, and end the meeting by agreeing next steps and action points.

- It is important that you present a strong “needs analysis” that makes it evident that you have listened to and understood your potential customers’ challenges and requirements. Then identify how you would provide a solution through soft-selling your product. Do not commit to any terms if you are unable to achieve them.

- When presenting your business case always support your presentation with facts and figures as Nordic business people make decisions based on facts. Avoid exaggerating during your presentation and be aware Nordic business colleagues will wait until the presentation has finished before asking any questions. Interrupting is considered rude.

- Business dress is often casual and modern. Nordic people are often more informally dressed when compared to people of other cultures, and all levels of management do not dress any differently from each other. You should bear in mind when approaching new connections that a casually dressed person may be the CEO.

- Treat all staff with respect irrespective of their position in the hierarchy. Nordic people strongly believe in equality, therefore business hierarchy is not something that is made obvious and the power difference is relatively small between people at different company levels.

- Women are seen as equals in the Nordic countries and they have the world’s highest participation rate of women in the workforce so you are as likely to have dealings with women as with men at all levels of business.

- Avoid scheduling meetings during July or August as the Nordic business people like to take their summer vacations during this time.

Business Communication & Negotiating the Deal

- Illustrative and innovative marketing material is well received – ensure your marketing communications are up to date, using sophisticated high-quality materials. Websites etc. are important in establishing your credentials when meeting with prospective customers so it is important to ensure your brand is consistent across all touch points.

- Be very specific when negotiating terms. A Nordic business person will generally tell you exactly what they expect from you and what they have to offer. You should not agree to any terms that you are unable to achieve.

- Do not make promises that cannot be kept. It is perfectly acceptable in the Nordic business culture to be assertive and say “No” in certain situations - no-one will be offended if it is explained that it’s something you cannot deliver.
• Nordic people like to communicate directly and prefer to get straight to the point. Feedback and criticism is openly given in negotiations and business discussions, this type of feedback should be considered as a sign of serious interest, not disrespect.

• For example, delivery time is critical in all business sectors. If the importer knows that the delivery time is three months, he is often able to work with that, but if the promise was three weeks and the delivery arrives after two months, the relationship is likely to end immediately. No further orders will be placed as the importer will decide that the exporter cannot be relied upon.

NEED TO KNOW - BUSINESS ETIQUETTE & FOLLOW-UP

Always respond promptly after receiving emails and after business meetings in the Nordic region. Standard practice is to reply within 24 hours. Not replying within this timeframe sends the message that the person is not important to your business.

• It is not common practice in business to exchange gifts so in order not to embarrass your Nordic business partner, any gifts offered should be inexpensive or handmade. Food that may be consumed in the meeting is also an acceptable offering.

• Nordic people favour written contracts. A business contract is viewed as binding and they will expect the contract to be fulfilled to the letter. If the contract is not complied with it is considered unprofessional or even dishonest. Do not sign a contract unless you are 100% sure that you can live up to all terms for as long as the contract stands.

• It is much better to adopt a consultative approach to negotiation which is inclusive of every person's opinions and which encourages an open debate of ideas. Consensus is very important to the Nordic business people. Everyone expects to have a chance to give his or her opinion.

NEED TO KNOW

To ensure you are abreast of current affairs in the Nordic region, contact the Stockholm Enterprise Ireland office in advance.

Sweden - Swedish people love food, so asking about typical Swedish food will be well received.

Finland - Ask about their Sauna traditions as the sauna is an important part of the Finnish identity. The Finns are also very passionate about Ice Hockey which is a great topic for small talk during the winter months.

Denmark - Sport is always a good option to speak to the Danes about. Football is popular in the summer and handball in the winter.

Norway - Outdoor activities are very popular in Norway, so enquiring about walking treks and their foods will help with small talk. During the winter cross country skiing is a popular topic to discuss.
STARTING IN THE NORDIC REGION
3. Starting in the Nordic Region

“Business meetings in the Nordics are generally speaking, conducted in a very deliberate and structured manner. It is good practice to agree a clear agenda in advance. Be wary of being overbearing and allow the buyer set the pace of the meeting. Ensure you are well prepared by taking care of the details, and never go in unprepared. In Norway in particular always exercise humility, ostentatiousness does not go down well!”

John Roche, Enterprise Ireland Manager, Nordic Markets

Geography

The Nordic countries make up a region in Northern Europe and the North Atlantic which consists of Denmark, Finland, Norway and Sweden in addition to Iceland and their associated territories, the Faroe Islands, Greenland, Svalbard and Åland. The Nordic countries do not form a separate political entity, but they co-operate in the Nordic Council.

The Nordic region serves as an entry port into Russia, Scandinavia, and the Baltics which means it has potentially about 80 million prospective consumers. Each country boasts its own strengths, but as a whole, the region is an attractive market for companies seeking stability and diversity.

Getting there

You can travel to the Nordic region by both air and sea; however air is more cost-effective in terms of time and money. Irish airlines such as Aer Lingus offer competitive fares to the Nordic countries. The Nordic regions also have their own national airlines i.e. Cimber Sterling, Norwegian Airlines and Scandinavia Airlines that provide a service to and from Ireland and the Nordic region.
The duration of a direct flight and frequency of flights from Ireland to the Nordic countries can vary slightly depending on the country to which you are flying. Generally it takes just over two hours to get from Ireland to Sweden, Denmark or Norway. Aer Lingus operates direct flights from March to October between Dublin and Helsinki twice a week on Tuesday and Saturday. Norwegian Air also provides a direct route between Dublin and Helsinki. There are other options available to travel between Ireland and Finland using indirect flights with SAS, Lufthansa, KLM, British Airways, Air Baltic and other carriers.

Sweden, Norway and Denmark are one hour ahead of Ireland and Finland is two hours ahead, so you should bear these time differences in mind when organising trips and setting up meetings within the Nordic markets.

**Market research**

Successful Irish companies in the Nordic region will have prepared well for the challenges it can present. Good preparation starts with thorough research of the market to identify whether there is a niche for your company and how you can go about profiting from it. Being abreast of local trends, especially the ones affecting your market sector will help enormously when it comes to building your knowledge about the market.

Below are some websites that will help you to source industry-specific information:

- [www.norden.org/en](http://www.norden.org/en)
  The website gives information on the Nordic Region and Nordic relations with other parts of the world.

- [www.kreanord.org/en](http://www.kreanord.org/en)
  A business portal launched by the Nordic Council of Ministers and Kreanord for creative companies, (such as computer games, design and fashion) where venture capital, knowledge and networking opportunities can be found.

- [http://91.208.143.50/pxweb/pxwebnordic/dialog/statfile1.asp](http://91.208.143.50/pxweb/pxwebnordic/dialog/statfile1.asp)
  Nordic statistics is a database in the public domain which makes it possible, amongst other things, to compare statistics on the Nordic countries over a number of parameters over time.

  The Danske Bank Group, headquartered in Copenhagen, is the largest bank in Denmark and one of the leading financial enterprises in northern Europe. The investors’ pages on this website may be of interest as it contains a lot of business information and statistics for the Nordic region.

- [nordic.idc.com](http://nordic.idc.com)
  International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy.

- [www.gft.com](http://www.gft.com)
  Gft is a global research company, and consumer-focused insights are the main resource on this website. The sectors covered range from financial services to technology, to health and consumer goods. It covers Norway, Sweden, Finland and Denmark under the European section. Innovative market research, with assistance from Enterprise Ireland offices, will provide you with an insight into what the Nordic region has to offer you.
Case study – Dubarry
Michael Walsh, Marketing Director, Dubarry

Dubarry was first established in Ballinasloe, County Galway in 1937. Today, Dubarry is a multinational company, selling in over 25 countries, designing and developing not only shoes, but their world-famous boots, as well as a collection of clothing, bags and accessories.

www.dubarry.com

Why the Nordic Region?
We first entered the Nordic region by exporting to Denmark over twenty years ago. Then, we exported to Sweden, followed by Finland, and Norway in 2002. The people are all very active; they sail, ski, and go wood-trekking on weekends. They have a strong work/life balance and their downtime is very important to them. The Swedes, in particular, are not afraid to pay premium prices for quality brands and they are happy to pay higher, if necessary. They don’t scrimp on quality.

Advice for potential exporters

- It is possible to do business across the Nordic region. There are not huge differences between Sweden, Norway, Finland and Denmark, and if you can, consolidate your distribution across the region.
- Develop a clear business plan before entering the Nordic market. The Nordics like organisation, business plans and agendas as evidence of dedication and focus. Set out an agenda, to begin with, of whom you are going to meet. See what are the benefits of the distributors you meet, and arrange to meet with those people at a later date to assess how it is all going. This helps you to be organised and focused.
- Select the right distributor. We would advise that this is one of the key things to get right. Make sure the distributor will be focused upon your brand, as the initial work to grow and develop it will be essential. We saw that our initial distributor wasn’t really pushing our product as strongly as we would have wanted, so we appointed another distributor that just solely concentrated on Dubarry.
- Visit the market regularly - at least three to four times a year. This will guarantee your representatives’ commitment and loyalty to you and your product while at the same time demonstrating your commitment to them. We saw the benefits of doing business tours with our distributor and meeting people again within a short time frame; it helped build the relationships with the end clients as well.
- Do your market research. Be very clear on whom you are targeting, and what are their wants and needs. Consumers are not afraid to pay premium prices for quality brands, but they need to see that it is a quality brand, and that you are dealing with quality materials.
- Be meticulous with your follow-up from meetings. When you meet with clients and customers, ensure that you do what you say you are going to do.
- Give regular feedback. This is very important to them, and make sure you encourage dialogue with your end customer if you are being represented by a distributor.
Maximising your financial resources

Start with a realistic budget forecast both for short- and long-term business development strategies as this is essential for any business. Generate a specific P&L (profit & loss) for your Nordic business units to monitor the resources used against target sales achieved.

Accurate sales forecasting based on comprehensive market intelligence should be used to set targets. Through discussion with existing Irish companies in the market you can explore options for financial support, your eligibility for Enterprise Ireland support, and the possibility of financial assistance from the Nordic countries’ governments.

When starting up any new business, it is wise to factor in a fluctuating revenue cycle to your financial plan and to break down your targets into short-term (1 year), medium-term (1-3 years) and long-term (5 years +) segments. This will help you deliver the long-term aim of establishing a successful operation in the Nordic market.

Maximising your human resources

It may not be essential at the initial stages to create a base in the Nordic region but frequent travel is advised to build up relationships and gain a sense of the market place. However, from your company’s perspective, having permanent resources in the market can greatly increase your business progress. For example, leads can be followed up straight away rather than on the next trip and in addition, you will be more aware of any major developments taking place locally.

In addition, as with other markets, it is imperative that you are aware of Nordic laws regulating the rights and obligations of employers and employees in Nordic countries and how they apply to foreign nationals working in this region.

These include laws regulating minimum terms and conditions of employment, leave entitlements, privacy, superannuation, taxation, unfair dismissal rights and other general workplace protections, discrimination, workers’ compensation, occupational health and safety and the ownership of intellectual property. (See Section 5 for more on this.) These laws vary in Sweden, Denmark, Norway and Finland, so it is important to be aware of the laws of the country in which you are launching your new business.

NEED TO KNOW

If you have not set up permanent operations in the Nordic region, then you need to be prepared to visit the market on a regular basis. Irish companies that have been successful to date usually visit the Nordics on a monthly basis.
Case study: Fexco

The Importance of Committing to the Nordic Market
Johanna Waara, Head of Nordics at FEXCO Merchant Services

FEXCO is Ireland’s most successful multinational financial and business solutions provider, with operations in 28 countries worldwide. Founded and headquartered in Ireland in 1981, FEXCO employs more than 2,000 people across Europe, the Middle East, Asia, North America, Latin America and Australasia.

www.fexco.com

Why did you target the Nordic region as part of your export strategy?
The Nordic market is an interesting market for Fexco due to the currency profile of multiple currencies across Sweden, Denmark, Norway and Finland. It is also a highly innovative market and it offers a business-friendly environment that is renowned for being accessible, open and transparent.

How long had you been targeting the Nordics market before you set up an office there?
We had been targeting the Nordic region for several years but struggled to gain strong market traction while servicing it from Ireland. Last year, the company decided that the market needed further commitment so we set up an office in Stockholm in August 2013 and have won many projects and contracts since, which has demonstrated that committing to the market works.

What’s the key to building strong relationships and winning business in the Nordic region?
Trust, honesty and commitment are very important when building business relationships in the Nordics. For example, the Swedes have a very strong consensus culture, and it can therefore take some time for decisions to be made, so it is important that you understand how their culture works. You need to be close to the people on the ground in order to build their trust and show that you are there for the long-term, which will in turn help speed up the decision making process. Be aware that although all four countries (Sweden, Norway, Denmark and Finland) are similar in many ways, they also have their own distinct cultures so ensure to research and understand each country culture prior to building business relationships.

Do you think it’s necessary to have somebody who speaks the local language when conducting business in the Nordic region?
Although the region is excellent at speaking English, the one thing that you should never forget is that English is not their first language in business. In Sweden the business language is Swedish. In Norway, it’s Norwegian, and in Denmark it’s Danish. In Finland, it’s Finnish. So when you look at the long-term view for growing market share in the Nordic region, it is necessary to consider the importance of having resources that speak the local language as having only English-speaking resources will simply not cut it in most industries for building long term relationships.

What advice would you give a first time Irish exporter looking to succeed in the Nordics?
First of all, it’s vital that you understand the Nordic culture and approach to business. For example, structure, planning and being goal driven are important in the Nordics, so being prepared, structured and organised will serve you well when doing business there. Secondly, if you want to grow market share, you need to have a local presence and thirdly, take a long term view to winning business in the Nordics.

“
Building market presence

Market strategy

In order to succeed in a new market, there are a number of steps to be undertaken with regard to entry, namely, extensive market research, clear strategic planning, and the financial investment required to be successful.

In addition you need to be aware of potential pitfalls such as hidden costs, protection of intellectual property, and local market conditions that may negatively affect your business.

For further information about developing your value proposition and market differentiators, please visit the Enterprise Ireland range of practical guides to help you become export ready: [Tips-on-setting-out-your-value-proposition](#)

Developing your business proposition

The Nordic region consists of highly developed countries with saturated markets. There is a lot of competition, therefore it is essential that you are well-prepared and have done substantial research and planning which demonstrates how you stand out from your competitors. There must be a key differentiator relating to your business, whether it is based around service, product, or the delivery mechanism.

- Value Proposition: Understand what your proposition is and communicate clearly how your products or services can answer a defined market need. Products and services that are competitively priced and that facilitate a solution to an issue will appeal and win market share in the Nordic region.

- Financial Model: Be clear on how you are going to generate revenue and make a profit. When entering the Nordic market it is essential to establish achievable goals in relation to production capacity and sustainable business practices. Make a compelling business case to your importer/distributor that demonstrates a win-win relationship.

### NEED TO KNOW

At the point of entry into the Nordic region, it is likely that your company or brand may be almost totally unknown in the marketplace. This potentially means having to spend more on marketing than your competitors, especially domestic ones. The most effective way to invest your marketing budget is to test the Nordic market for a specified time limit using an integrated approach, as outlined below.

Marketing and Communications

Company brochures & literature

Corporate marketing material is important in establishing your credentials for Nordic prospects, and is a useful sales tool at events such as trade fairs which are likely to play some role in your initial market building. Brochures should be translated into the relevant Nordic language and should include an overview of the product or service you provide, contact details, and if possible, some endorsement by a significant customer. Your marketing copy should focus on the benefit to the customer rather than the features of your offer.
Developing a web presence in the Nordic region

Having a strong web presence in your new target market is critical to export success, irrespective of whether you operate in the B2B or B2C space. Research has shown that companies looking for a new B2B supplier will have made about 60% of their decision before making contact with or inviting proposals from potential vendors. Most of this initial fact-finding and due diligence is based on what they find online, which is why it is vital to have a competitive, compelling and highly visible web presence in your target market.

**Competitive**
- Who are your main online competitors in the Nordic region? How do they articulate their USP on their website? What is their approach to Internet marketing?
- What content and features does your website in the Nordic region have to provide so that it can successfully compete with its competitors online?
- What Internet marketing strategies do you need to adapt to stand out among the noise created by your online competitors in the Nordics?

**Compelling**
- Trust and credibility: What content and features does your Nordic website need to provide to build trust and credibility in your company and offering, given your brand is likely to be unknown or less well known in the Nordic region?
- Culture: How can you adapt your Nordic site to the country’s specific cultural requirements (see ‘need to know’ panel below)?
- Language: What changes are required to written and spoken text on your website to adapt to the language of Sweden, Norway, Denmark or Finland and to your target audience?
- Standards and conventions: What adaptations do you have to make to the website content and design with respect to Nordic standards and conventions?

**Highly visible**
- How do you optimise your Nordic website for the leading search engines in the Nordics: e.g. domain strategy, keywords, links?
- Scandinavian and Nordic domain names cover the Scandinavian countries of Norway (.no), Sweden (.se) and Denmark (.dk) and the other Nordic countries of Iceland (.is) and Finland (.fi). It is not essential for international companies to use these addresses as Nordic companies are comfortable with .com; however, using .ie for this market is not advisable as it could be perceived as being too parochial
- What other Internet marketing approach do you need to implement to make sure potential customers in the Nordic region become aware of and visit your website, e.g. search engine marketing, social media, online directories, price comparison engines etc.?

**NEED TO KNOW**

Customer case studies you feature on your website need to be relevant to the intended audience, because of a connection to the Nordics Markets. The more local these examples are, the better - if possible. If you are marketing to multinationals, you may be able to use a UK customer reference or a large-scale customer in Ireland if you plan to target similar projects in the Nordics.

**Social media**

Social media can be a good way to build up a network in the Nordic countries. It continues to grow rapidly and offers businesses new and meaningful ways to engage with other businesses, people, events and brands that are relevant to them.

Social media has become a familiar advertising tool in the Nordic region with more than 50% of the population of each country now using Facebook. According to a recent study on Facebook penetration
by social media analysts Social Bakers, 54% of Norwegians, 50% of Danes and 49% of Swedes and 39% of Finns are on Facebook. The percentages are even higher when analysed only as a proportion of those with internet access.

LinkedIn, YouTube and Twitter are following in Casebook’s footsteps and are fast becoming a popular way of promoting both products and services. Businesses in the Nordic region appear to be more active on Facebook and LinkedIn, not so much on Twitter. When creating a Facebook page, ensure the site is managed effectively and someone is responsible for maintaining, updating and responding to queries.

Public relations

When it comes to public relations, your first step in carving out a presence in the market should involve identifying key opinion leaders in your industry. These could be journalists, academics, industry analysts or consultants. A simple way to identify these individuals is to see who is speaking at any of the major industry conferences. Engaging opinion leaders, asking their advice and gaining their support can boost your business’s credibility, especially when you have yet to build your own reputation.

Once you have an on-the-ground presence and at least one major new customer happy to endorse you, consider engaging a public relations consultant or talk to Enterprise Ireland about putting together a media release to announce your company is ready to do business in the Nordic region. Concentrate on trade magazines as the top priority, followed by the large number of online and print business publications. A well-crafted media release is also a valuable tool to include in a newsroom on your new local Nordic website.

Direct marketing

Successful direct marketing remains one of the most powerful lead-generation tools in B2B (business-to-business) and B2C (business-to-consumer) in the Nordic region. Direct marketing is essentially ‘one-to-one’ marketing that, when done properly, is an effective way to target prospective clients while creating impact, and assists in turning a cold call into a warm introduction call. An effective direct marketing campaign is best to be developed and deployed through using a direct marketing agency which has previously worked in the Nordic region.

**NEED TO KNOW**

Exporters should make use of the existing Irish professional network groups already set up on LinkedIn for the Nordic region – in particular the ones that have been developed to date by Enterprise Ireland: [https://www.linkedin.com/groups/Irish-Professionals-Nordic-Network-IPNN-2002118/about](https://www.linkedin.com/groups/Irish-Professionals-Nordic-Network-IPNN-2002118/about)
Case Study: Instant UpRight
John Nevin, Marketing Director, Instant UpRight

Make sure that you maintain very high standards, to meet their exacting expectations. They are uncompromising if you don’t provide the information that they are looking for, because they expect exactly what you say you are going to do.

Instant UpRight is a global provider of access solutions, manufacturing and supplying the world’s leading INSTANT alloy tower system and custom-engineered scaffolding access solutions for the Aviation, Power Generation and Industrial markets.

www.instantupright.com

Why the Nordic Region?
Instant Upright currently services all four countries in the Nordic region. Originally, we entered the Swedish and Norwegian markets as they had a bigger market for scaffolding and leading-edge containers. One thing that we did notice across the board was the integrity of the people that we dealt with. They may come across as very matter-of-fact, but that’s actually very good to deal with, as they expect you to get it right, and get it right first time. We definitely enjoyed working with customers and clients in the Nordic region, and found that the Swedes and the Danes were definitely more relationship-driven than the Finns and the Norwegians.

Advice for potential exporters
- Make sure you do your research before you enter any country. Be aware that the culture is very different to Ireland’s. We found that the Danish are definitely quite different, so don’t assume all of the four countries in the Nordic region are the same, especially from a cultural viewpoint. They all have their own nuances, and you need to be very aware of each country’s specifics.
- The economic issues over the past few years have not affected the Nordic regions as much as other Westernised countries, however it is important to be aware of the economy in each country before entering into the market place. Currently, Sweden, Norway and Finland are quite strong whereas Denmark’s economy has an air of uncertainty surrounding it at the moment.
- Appoint a local. Don’t assume you can service the Nordic region out of Ireland, dependent on the market you are in. A local has greater business knowledge of the Nordic region and its local languages; for example, we appointed somebody in the Swedish market who understood the Swedish culture, and how to do business in that country. This is also beneficial in that you have a person who could service all the markets in the region on your behalf.
- Always maintain high standards with your Nordic clients and continuously meet their expectations. They like to follow a very strong process and detail is very important to them. If you are going to be proposing information or going into a tender process, it is advisable to spend a lot of time preparing the detail. They expect exactly the terms you agreed to and will be uncompromising on those terms.
- High quality and superior service are expected. The Nordics are a very fair and straightforward people but they expect excellence, so ensure you actually achieve this before commencing negotiations with them.
- The Nordic region is very open to innovation in new products and services but you have to prove that you have a product or service worth buying into.
- For construction, be aware that it’s a seasonal business cycle. Everything shuts down from November to March, depending on the sector, so your business can be quite affected.
Case Study: Keenan Systems
Matt Higgins, Commercial Director, Keenan Systems

The most important thing to know about the Nordic people is that they are definitely focused on high customer service and high quality. If you get those two things right you will do very well in the Nordic region.

Keenan Systems has been manufacturing mixer wagons since 1979, when the company was originally founded by entrepreneur, engineer and farmer Richard Keenan. To this day, Richard Keenan & Company Limited remains family-owned and controlled and is now manufacturing world-class feeding equipment that offers technical and nutritional solutions to progressive farmers around the world.

www.keenansystem.com/ie-en/

Why the Nordic Region?
Keenan originally entered the Nordic region in the early nineties. It first set up in Denmark as its niche dairy industry was one of the most advanced in the world. Keenan’s exported to Denmark and later set up a subsidiary in Denmark before beginning to export to Sweden. In 2002, the company then converted to a distribution model and exported to Norway and Finland.

Advice for potential exporters
- Be aware that although the four Nordic countries may have similarities, they also have quite distinct differences between them. However slight the cultural differences may be, it is important to be aware of them and to understand them. For example, Finland is very different from Denmark and Sweden, and the difference in languages can sometimes be a challenge. Their grasp of English is very good, but in order to build trust and understand the culture, it is more beneficial to have the local language of the country that you are in, and this will enable you to grow the relationship with your client.
- You would be better off to set up either a franchise or have a dedicated person on the ground that ensures you are their key focus and have their main attention. No matter where in the world you are, you should not rely on a general importer as they have many other clients and as a result may not give the time and commitment required to distribute and focus upon your product as much as someone on the ground could.
- The Nordic people are considered to be early adopters in terms of new technology and innovation. They are very open to buying high value-added products, so if you have a product or a service that shows very clearly the value it adds, they would be very willing to hear about it. They are very capable people, and definitely have the leading edge when it comes to adopting new innovation, and they are very quick to take it up.
- Commitment and follow-through are essential. The Danes are known to be more detail-focused than the Irish, so it is extremely important to ensure that if you commit to something, you follow it through and complete it.
- Be aware of higher costs of living and working in the Nordic region. Salary levels tend to be higher than in Ireland but the cost of living and travel costs are a lot more expensive. The economies in the four countries are constantly changing so it is important to keep an eye on these, plus be aware of currency risk across the region.
- Finding good quality salespeople in the region is a challenge. It is essential to have good sales people who can clearly communicate both your product expertise and sales capabilities, and they are out there, it’s just a matter of expending time and effort to find them.
 ROUTES TO MARKET
4. Routes to Market

“An appreciation of high product quality, coupled with an active lifestyle and a strong work/life balance, made Sweden a very attractive market to enter.”

Michael Walsh, Marketing Director, Dubarry

Introduction

In this chapter, we look at some of the possible ways to sell to the Nordic region, including direct sales from Ireland, via distribution or through local representatives who can be either independent agents or direct employees. Nordic customers – especially in traditional sectors such as agriculture – like to feel your company is reachable just as a local supplier would be, particularly for after-sales service. That makes your choice of route to market a critical one to give your business the best chance of success.

Identifying your preferred channel to market & options for exporting to the Nordics

There are three main options for export to the Nordics:

1. Exporting directly from Ireland
2. Appointing a representative - partner, agent or distributor & working with partners, agent and distributors
3. Establishing an on-the-ground presence in the Nordic region.

Distribution methods vary widely by product area and local conditions, so it is essential to invest time researching and ideally visiting the marketplace before deciding on the appropriate entry strategy for your business and/or committing to any sort of business partnership.

1. Exporting directly from Ireland

Going direct entails you supplying your products or services to your clients without the involvement of any intermediaries. It is very time and resource-intensive as it means you will need to gain the knowledge of whom you are selling to, obtain end users’ direct feedback and understand the customer needs, as well as dealing with a large amount of communication directly, which may lead to potential communication difficulties and misunderstandings.

It may work for your company, but this very much depends on the nature of your business and your considerations around the risks versus benefits of such an approach.

2. Appointing a representative in the Nordics - partner, agent, distributor

In general, you will need to invest time and energy into finding the right partner in the Nordics if you are to give yourself the best chance of success in the market. The Nordic market has a business culture built on relationship-building and nurturing, so be prepared to visit there regularly.
For more information or to find an expert in any of these areas, it is advisable to speak to Enterprise Ireland for additional support and direction.

2 (i) Working with partners

If you decide to go the Partner route, then how do you select the best partner for your business?

Make up a long-list of potential partners.
This can be done by yourself, but we recommend you hire a salesperson who has experience of products similar to yours. This research can be kicked off by trawling the internet where vendor websites are a good starting place.
Look at the partners of your competitors, as they could be a potential source of reseller, particularly if your competitor is struggling or if the reseller is looking to move away from being reliant on a single source of supply.

Decide if you just want to market test a single new marketplace or several at once.
The implications of this choice are - if you choose a single market in the Nordic region, then your exposure and costs are lower and your management focus can be given to a single area. If you go for multiple markets in the Nordics at the same time, then your investment in all these areas is higher, but the potential advantage is that you have a fast track to success, with bigger returns in a shorter time-frame.

Convincing a partner that you are the right choice for them
How do you make yourself an attractive prospect for your potential partner? Initially, they will see you as a risk, not an opportunity. The key thing to bear in mind is that the partner will love you for the money you can make them, not for how great or cutting-edge your product is.
When approaching your potential reseller, be clear on what your proposition is. Tell them how much they could sell your products for, what margin they could expect and be clear on what your product does. Prepare a one-page overview of your proposition. This should include all of the above items, plus a profile of yourself and reasons why you would be good to do business with.

Weed out the time-wasters
Some potential partners will express an interest in you to gain market intelligence about your business. To weed these out, prepare a Partner Application Form for them to complete. This will help to get rid of the time wasters and those with a casual interest. Include questions on sales for the past few years, trade and client references, a profile of the company, and ask them why they should be chosen. Be careful not to make the form too onerous or you may scare off genuine interest.

2 (ii) Working with third-party distribution & agents

An agent is a person who, for and on behalf of a principal, either introduces a third party to the principal by soliciting orders from the third party, or concludes contracts with the third party on behalf of the principal. The normal reward for an agent is a commission, which is received from the principal.

Key considerations in appointing an agent in Nordic region are:
- Appoint an agent who knows your market well, and has relevant experience in your sector.
- Consider an agent with national distribution, as the Nordic region consists of four individual countries. Smaller agents tend to operate only in their local markets. Larger agencies often have an office in each of the major cities, making any agency agreement easier to control.
- Check whether your Nordic region agent could also handle business in the surrounding countries on your behalf.

Distributors - A distributor buys and holds stock of a product, usually in return for exclusive rights to sell the product in a particular area or to a particular type of customer.
3. Establishing an on-the-ground presence in the Nordic region

The advantage to setting up a presence on the ground is that it gives you more control over your destiny in the market from both an operational and a financial standpoint. If you intend to hire individuals in the country with specific technical skills, your best option is to engage a headhunting agency to make a suitable offer to a Nordic national, otherwise the onus will be on you to recruit and train the person.

Do not decide on your structure until you have considered the tax implications, and seek the advice of a professional services firm before making your decision. For more on this subject, please read the interviews below with existing exporters, and refer to the section on legal issues in the Nordic region.

Advice from successful Irish exporters

There are a number of successful exporters currently operating in the Nordic region. For this report, a selection of Irish CEOs and Export Directors were asked how they established their company in the Nordic market and what important lessons they learned in the process.

Case Study: Arrotek Medical
Ger O’Carroll, Company Director

*Build up a strong relationship with your client as it will certainly be worthwhile and you will reap the rewards. Once you have built a good relationship with your clients, they will always remain loyal to you.*

Arrotek offers a range of development and manufacturing services from initial product assessment to the provision of sterile finished products in the medical device industry. Today, its client list includes US multinationals and a range of European companies.

[www.arrotek.com](http://www.arrotek.com)

*Why the Nordic Region?*

The top three countries in Europe to which Arrotek exports are Germany, which is its largest market, the UK and Sweden. Sweden is its third largest market and it was the first country to which it exported in 2005. It entered the Swedish market armed with an in-depth knowledge of that market’s requirements coupled with the knowledge that there was a demand for its products.
Advice for potential exporters

- Build up a strong relationship with your client. Once you have built a good relationship with your Nordic clients, they will always remain loyal to you. It does take time to build one; however, it is very worthwhile as ultimately it will reap you rewards.
- Visit regularly. If you have no presence on the ground in the country you have chosen to do business in, it is important to visit on a regular basis to maintain a good relationship and to prove to your client that you are committed to their business.
- A culture of openness. There is a lot of transparency from company to company regarding what vendors they use. For example, if you are in an engineering-based industry where the engineers move around a lot, this type of information would be very useful as you might get a lot of referral work as a result.
- Cost of entering the market. The Nordic region is not as expensive as it was 10 years ago which makes entering the market slightly easier in today’s climate.

Case Study: Cicero Networks
Elaine Treacy, VP Sales & Marketing, Cicero

Face-to-face communication is extremely important in the Nordic region, especially in Finland. If you are unable to travel, you may lose a lot of credibility in building a relationship with a client because business is built on relationships.

Cicero Networks is the leading provider of mobile VoIP and Fixed Mobile Convergence (FMC) solutions for service providers. www.ciceronetworks.com

Why the Nordic Region?
Cicero’s main business is in the Swedish market, and its partnership with Nokia in the UK also serves Norway and Finland. Nordic business people are incredibly professional and fair; they are highly process-driven and are very straightforward to do business with.

Advice for potential exporters

- Market research is vital. The Nordics have a very formal partner programme and have quite a complex way of working. When meeting with them, you will need to ensure that you understand their conditions and requirements prior to committing to anything. Building relationships in the Nordic region can be difficult unless you know the right people to speak to.
- Factor in extra time at the proposal stage. The Nordic culture as a rule is very specific and they like to have factual information, with clear and precise detail. So when providing a proposal, you may need to provide an in-depth document (50-60 pages) that clearly outlines your timelines, quality assurance policies, and employee protection etc. Be very clear on the amount of time that it will actually take at the proposal stage in order to be able to meet the demands they require.
- Face-to-face communication is extremely important in the Nordic region, especially in Finland. If you are unable to travel, you may lose a lot of credibility in building a relationship with a client because, as in all business, business is built on relationships. If you don’t have a direct presence in the country in which you are doing business, you should visit regularly to demonstrate your commitment to your client.
- Be aware that many companies in the Nordic region use a lot of consultants and also like to bring in external people to provide information through either proposal or tender processes.
Case Study: Cubis Industries
Cian Cantwell, Director of International Sales, Cubis

The Nordics are highly professional people and expect the same in return. Always be well organised, have your research done. To succeed in the Nordic market, it is important that if you commit to something, you do it and deliver within the timeframes agreed.

Cubis Industries is a world-class innovator of pre-formed structural products for underground network access.

www.cubisindustries.com

Why the Nordic Region?
Cubis first entered Sweden in 1997 and currently also serves Norway and Denmark. Cubis initially sourced a distributor that had a similar target market with complementary services, which later assisted the company in getting into the overall Nordic region.
The Nordic region is renowned for its innovation and openness to new business; they have got a lot of integrity. Overall, all three countries are very easy to work with. They are very open and we found it a very easy place to do business, provided you have your homework done and demonstrate that you know the market.

Advice for potential exporters
• Market knowledge and research is essential. It is extremely important that you have a very clear understanding of the market that you are entering and, in addition, knowledge of the region’s cultures and economic conditions in order to have a successful start.
• Be flexible and be ready to react quickly. In business in the Nordic region, it is important that you are adaptable and have a good understanding of your client’s needs. Never commit to any terms unless you can deliver them 100%. To succeed, it is important that if you commit to something, you do it and deliver within the timeframes agreed.
• Meetings are relaxed in terms of dress code, which surprised me. A lot of business people would wear smart casual in Sweden; however, the meetings are run in a very formal way.
• Excellence is expected. It is important that this is delivered at all levels. The Nordics are highly professional people and expect the same in return. Always be well-organised, send an agenda beforehand, have your research done and never enter a meeting with a blasé attitude as this will not be tolerated.
• Professionalism and good customer service are essential. The Nordics expect a high level of both and very strong follow-up, with close attention to detail. There is a higher level of customer service, and swift response times are very important.
• Language knowledge levels do differ from country to country. There are very good levels of English, especially in Sweden and Denmark, but potentially less so in Norway.
• Nordic people don’t tolerate sub-standard work, so if you want to do well in the Norwegian, Swedish and Danish markets, basically do what you say you are going to do.
Case Study: Suretank Ltd
Gavin Collins, Norwegian Representative, Suretank

Do not go into a business meeting with the intention of trying to negotiate a better deal, go in knowing what you want and what you have to offer them and make sure you deliver on your promise. Also don’t over sell yourself, you are much better off under selling yourself rather than over delivering on something you cannot accomplish.

Established in 1995, Suretank Ltd. is a world-leading manufacturer of CCUs (Cargo Carrying Units) for the Offshore Oil Industry.
www.suretank.com

Why the Nordic Region?
Suretank has serviced the offshore oil and gas market in the Nordic region since 2009, with its main market being Norway. Norway was thus the natural starting point from which to further service Russia, Sweden and Denmark.

Advice for potential exporters
- Be prepared for the long-haul. The Nordics do a lot of their business based on trust and once you have built up a solid relationship with them, they will remain loyal to you. However, building a relationship can take up to two or three years so be prepared for this, as it can take some time before you see tangible results.
- Know what you want to achieve in a business meeting. Put your best deal forward first. Go in knowing what you have to offer them and make sure you deliver on your promise. Also don’t over sell yourself, you are much better off under selling yourself rather than over delivering on something you cannot accomplish.
- Their negotiation techniques are very straight and down the line. Basically, the price is the price that you give them. They have no interest in haggling or trying to do a better deal, or cut you in terms of price behind your back.
- Demonstrate your commitment to and understanding of their market. The Nordic people like to see this. You will need to be absolutely sure of your differentiating points and be able to sell that message better than anyone else. Once you have communicated this clearly and concisely to your client, it will definitely help you in business.
- After-sales service and follow up is incredibly important to the Nordic business people as well as good product knowledge. These are highly professional people and expect the best. What worked very well for us is that we have access to a whole energy team in Ireland, so that was a key differentiator for us.
- Be aware of the business culture in the Nordic regions. In Norway, they dress quite casually for business meetings, but on the other hand, the meeting would be quite formal. They like to work from an agenda, get straight down to business, and small talk isn’t encouraged.
- Social activities outside the workplace are a key part of Norwegian life. They have a great work-life balance: they work to live, and family time is extremely important to them. A lot of Norwegians will have a house in the mountains, where they will have a boat and they will go sailing. They also do a lot of city breaks, skiing, and make many trips abroad.
- There are a lot of great benefits to living in Norway, the education and healthcare system, for example, but the cost of living and things such as petrol and entertainment costs are about two or three times higher than in Ireland.
- Be wary of doing business in Norway in July, as a lot of people seem to be absent from business then and go to Sweden on holidays.
Case Study: Growing Market Share when Working with Distributors in Sweden
Katie Rudd, International Sales Manager, Gain Horse Feeds

Gain Horse Feeds is the equine feed brand of Glanbia PLC and focuses solely on equine nutrition and performance. Manufactured in UFAS BETA NOPS accredited mills in Co. Wexford, Ireland, Gain Horse Feeds prides itself on producing consistent, palatable and innovative feeds of the highest nutritional content to cater for all sectors of the equine industry.

www.gainhorsefeeds.com

To which of the Nordic countries does Gain Horse Feeds export?
We currently export to Sweden. Many years ago, we were approached by a contact in our industry that recognised a gap in the Swedish market for a top quality horse feed and our export journey started from there.

Does Gain Horse Feeds export directly to Sweden or do you use a distribution model?
We use a distribution model. They handle the sales and distribution and we collaborate on marketing initiatives.

How have you developed the relationship with the distributor in Sweden?
We work very closely with our wholesaler in Sweden; it is very important to give support with strong presence on the ground, marketing support and to demonstrate your commitment to the Swedish marketplace. A good working relationship is important to enable flexibility so as to ensure we are effectively answering the demands of the Swedish equine market.

How frequently do you visit Sweden?
I visit Sweden on a monthly basis. This ensures I have complete understanding of what is happening in the market and helps with building relationships both B2B and B2C. It is essential to show commitment to the Swedish market if you want to achieve long lasting market penetration.

How would you describe the Swedish business culture?
The Swedish business culture is organised and well structured. They are very punctual and highly responsive so it’s important to reciprocate this when dealing with them. It is important that both parties have a clear understanding of their business objectives, and where necessary use a third party like Enterprise Ireland, who understand the local culture and language, so as to eliminate potential future problems from the start.

What advice would you give a first time Irish exporter looking to succeed in Sweden?
Plenty of market research, and be aware that geographically it is a large country therefore distribution can be expensive. Be conscious of currency fluctuations and lastly take your time to get it right first time!
Case Study: Winning Business in the Nordic Region

Philip Duffy, Financial Controller & Bjorn Klebe, Sales Director Nordic & Baltic, Virtual Access

Virtual Access have been producing and shipping telecommunications equipment to customers worldwide since 1996. They have specialist skills in the migration of legacy network services from the older TDM based infrastructures onto modern IP and Ethernet networks.

www.virtualaccess.com

What countries does Virtual Access export to in the Nordic Region?
Virtual Access currently exports to Sweden, Denmark, Norway and Finland. Sweden was the first market we entered and we opened an office in Stockholm in 2012 to service the Nordic region.

How has Virtual Access won business in the Nordic region to date?
One of the strengths that Virtual Access has is the ability to move customers from old legacy protocols and legacy equipment to new IP-based solutions without the customer needing to invest heavily in new equipment. We have found that although the Nordic region is very advanced in the telecom sense, there is still a lot of legacy equipment being used there which was an opportunity for us to harvest. We initially won business in Sweden by working with companies such as Telia, a major Swedish telecommunications firm which enabled us to have a reference client to use when meeting new prospective clients. We then expanded to working in Denmark, Norway and Finland where we work with value added resellers that also buy our M to M products, as well as our legacy products.

How would you describe the business culture in the Nordic region?
The Nordic region is a very advanced and developed market. They have high standards, are very punctual and it is important that you understand their business needs, and the business environment – for example, what is needed in the market, who you need to talk to, is there any political influences etc. It takes time to build trust in the Nordics as they need to have confidence in what you’re doing before they will fully commit. It’s vital that you take a long-term approach when building relationships there and respect that they work in a very structured and organised method, and therefore expect the same approach from Irish companies.

Have you found punctuality to be important in the Nordic countries?
Yes, punctuality is critically important. If you agree to meet at 1.00pm, then that means 1.00pm, not 1.15pm or 1.30pm. Also, for business meetings, always send an agenda beforehand that maps out the structure of the meeting and ensure that the meeting doesn’t run over the agreed time. And it’s advisable to send a follow up email after the meeting that outlines the agreed action items and re-confirms next steps and timelines.

What advice would you give to first time exporter to the Nordic region?
The Nordics is a great region to export to and has a wealth of opportunities for Irish exporters. Be cognisant of the language of the country that you are in, as although English is very widely spoken in business, it is not their first language. Use phrases and words that will be easily understood and refrain from using colloquial Irish expressions. Also, sales and marketing collateral are usually of a very high standard in the Nordics, so ensure your company’s presentations and accompanying reading materials are excellent. And, always deliver on your promises and respond within the timeframe that you initially agreed, as keeping your word is very important in the Nordics.
5. Legal issues in the Nordic Region

Introduction

The Nordic countries work closely together in legislation due to awareness of their common cultural and historical heritage as well as the commerce between their nations. By co-operating, the Nordic countries use the wealth of experience of each country as a resource for improving legislation throughout the region.

Nordic legal systems are characterised by their practicality and realistic approach toward the law, and most areas of law have been unified among the Nordic countries, primarily between Sweden, Denmark, and Norway. In the areas not covered by unified legislation, courts of different countries will refer to one another’s legal systems by analogy in order to find the best solutions.

To gain a further understanding of the Nordic co-operation law, visit www.scandinavianlaw.se/pdf/39-4.pdf

Export to the Nordic countries is subject not only to each country’s local laws but in the case of Denmark, Finland and Sweden, EU legislation also, which can make things rather complicated.

The EU legislation has laid down elaborate provisions concerning the standards of protecting consumers, labour and the environment. Food is the most demanding product group, whereas sector-specific legislation on many specialty goods is much more flexible. Of course, the better the European standards are met at the beginning of the export effort, the easier it will be to sell to Nordic and other European clients.

The EU legislation is enacted in the form of regulations and directives. Regulations are directly in force as such in the EU Member States, whereas directives must be transposed in the form of binding national legislation in each Member State. It is impossible to describe here all legislation concerning exports to the Nordic countries. In any case, the relevant legal rights and obligations should be checked from the official legislative acts.

Source:

One-Stop Shops

The Services Directive is a European Act that will make life easier for companies that offer services within the EU - in their home country or abroad. The Directive established the rules that apply for entrepreneurs who want to find a company, or who want to provide a temporary service within the EU/EEA (the 27 Member States plus Iceland, Lichtenstein and Norway). It requires the Member States to remove all unnecessary bureaucracy, simplify formalities for companies and make public administration more effective.

So as to implement the Directive, each Member State must establish “One-Stop Shops”, which are e-government portals that can assist companies to complete their administrative procedures online. The one-stop shops provide comprehensive information on all administrative requirements in relation to founding or expanding a service business in a specific country.

For example, this includes:
- Which licences, certificates or other necessary permits should I obtain to start a new business (at home or abroad)?
- What should I do to apply for a licence? Which is the responsible authority?
- Do I need to pay fees for the licences? What deadlines are in effect?
- Which laws and regulations exist for my sector?
- For example, what must I do to establish a restaurant or a shop? Or to work as a travel agent in another country without starting a company?
- Where can I go for personal advice and further information?

With the one-stop shops, you no longer need to go to different authorities one by one. The one-stop shop provides you with the opportunity to find all relevant information and to send your online application to the responsible authority through a single contact point, the one-stop shop. You can carry out your administrative formalities electronically through the one-stop shop in the country in which you want to do business.

All one-stop shops are a part of the European EUGO network. You can easily access all one-stop shops in Europe through a centralised website, but you can always approach the relevant authorities directly also.

**Sweden**

**Setting up a company**

If you want to start a business in Sweden, different rules apply depending on your citizenship, the form of business chosen and whether you intend to live in the country. Companies can take the following legal forms:

**Sole traders**
A sole trading company is a type of company in which there is no clear division between you as an owner and the company itself. You are personally liable for the company's debts.

Operating as a sole trader may be right for you if you want to start a business on your own. A sole trader business is always owned by one person. Spouses or couples with children can run sole trader businesses together.

**Partnerships and limited partnerships (handelsbolag/kommanditbolag)**
A partnership must have two or more partners. They may be private individuals or companies. A partnership is a legal entity.

The partners decide who will have the right to represent the company and enter into agreements on behalf of the company as an authorised signatory.

**Joint and several liability**
In a partnership, the partners are always personally and jointly liable to other parties, and this can never be contractually relinquished.

Personal liability means that the partners must cover the company's debts, and any agreements entered into, from their own assets. Joint liability means that each and every partner may be personally compelled to pay all the company's debts. The person who has paid may then claim against the other partners for their share of the debt.

A limited partnership (kommanditbolag) is a kind of partnership where there is at least one partner whose liability takes the form of capital invested in the business. Such people are called limited partners (kommanditdelägare). At least one partner, the so-called general partner (komplementär), always bears unlimited personal liability. Otherwise, the rules are the same as for a normal partnership.

**Economic association**
An economic association is an option if there are at least three people who want to start a company together.

An economic association is intended to promote the economic interest of its members. This means that the members must gain some economic benefit from belonging to the association. The benefit
may be a contract, a better price or reduced costs. There is nothing to stop the association from promoting other interests that are not purely economic, provided that economic interest takes precedence. The scale of the investment that each member has to put in may vary from SEK 1 upwards. Both individuals and legal entities may be members.

**Limited companies**
A limited company is suitable where there are several owners or if the company potentially faces financial risks. The limited company is a legal entity in itself. When you start a limited company, you must have at least SEK 50,000 in share capital. This is equivalent to a quantity of shares held by the shareholders as proof that they own the company. The share capital may include cash or other assets of value to the business. These assets are called capital contributed in kind (apportegendom) and must be valued by an auditor.

**VAT**
All business owners are liable for paying VAT when selling goods or services for professional operations domestically. Trade covers sales of goods, the provision of services, exchange and own withdrawals from the business. VAT is levied at every stage of the production and distribution chain, up to and including sale to the consumer.

There are three tax rates for VAT in Sweden:
- 25% VAT is the general tax rate, applied to most goods and services
- 12% VAT on, for example, groceries, hotels and works of art sold directly by an artist
- 6% VAT on, for example, newspapers, books, concerts and domestic travel (taxi, bus, air and train journeys), etc.

When you add VAT, you must add it to the total amount paid by the customer for goods or services, excluding any interest charged.

If you are an entrepreneur, VAT is not a cost, because you can deduct the VAT that you pay on purchases made by your business. You pay the difference between the VAT you collect on your sales (output VAT) and the VAT you pay on your purchases (input VAT).

**Tax registration**
In Sweden, the Swedish National Tax Board is in charge of the administration of taxes. All companies must apply for an F-tax (corporation tax) card with the Swedish National Tax Board. The tax card is proof that the company is running a business that is registered for tax and VAT.

Your corporation tax card means that you are an entrepreneur who takes care of paying your taxes and contributions yourself. For your customers, the corporation tax card is proof that they do not need to deduct tax or pay employer's contributions in relation to any payments made to you.

If you plan to run a business that is liable for VAT, or gives the right to a refund of VAT, you must register for VAT with the Swedish National Tax Board no later than two weeks before the business started.

**Submitting your tax declaration**
Everyone who pays tax and contributions will have their own clearing account for taxes and charges with the Swedish National Tax Board.

All payments you make to the National Tax Board are recorded in your clearing account for taxes and charges. VAT, employer's contributions and tax deductions are also recorded in the tax return.

**Employing staff in Sweden**
All foreign employers are required tonotify the Swedish authorities of all workers posted in Sweden for more than five days. This is according to a relatively new piece of legislation effective from 1 July 2013. Moreover, the foreign employer must also designate a contact person who is to be authorised to receive notifications and to provide documents showing that the requirements of the Swedish Posted Workers Act are fulfilled for any such worker. For more information, see Arbetsmiljöverket (www.av.se).
Recruiting within the EU:
EU citizens can work anywhere in the EU without a work permit.

Recruiting outside the EU/EEA and Switzerland:
If you want to employ someone from a non-EU/EEA country, they must first obtain a work permit. Anyone with a residence permit to study at a university or college in Sweden also has the right to work for the duration of the residence permit. The work permit must be ready and inserted into the passport before arrival in Sweden.

Below are the conditions for obtaining a work permit:

- The person you wish to employ must have received a written offer of work in Sweden; there is a special form obtainable via the Swedish Public Employment Service (Arbetsförmedlingen)
- As the employer, you must guarantee that the salary, insurance cover and other conditions of employment at least comply with collective agreements or Swedish practice within the profession or industry
- Accommodation in Sweden must have been arranged for the employee
- The relevant trade union must have had the opportunity to comment
- The employee must be prepared to leave Sweden when the employment ends
- There are minimum social rules to follow, especially about non-discrimination, gender equality and health and safety.

For more information please go to: Doing business in Sweden

Norway

Setting up a company

If you wish to establish and operate a business in Norway, you need to have a Norwegian D-number and a Norwegian business address. When setting up a business in Norway, there are a number of laws you have to comply with.

The basic principle is that there is full freedom of establishment in Norway, but there are a few rules to bear in mind when producing or selling goods that may be directly harmful or which society wishes to regulate for other reasons. These include requirements for serving food or selling alcoholic drinks. For specific economic activities, special authorisation is required in order to engage in the line of business. Among other sectors, this applies to accountants, auditors, lawyers, debt collectors, healthcare staff and the transport industry.

In Norway, you can choose between various legal structures when starting your own business:

A sole trader (Norwegian: ENK) is a business where the owner bears the full financial liability for the debts of the enterprise.

A partnership (ANS or DA) is an enterprise with one or more shareholders (owners) who each assume personal liability for the debts of the business.

A limited company (AS) differs from the first two legal structures in that the owner(s) do not bear personal liability for the company's commitments. The owner(s) must put up share capital of at least NOK 30,000. They can normally only lose their initial stake in the company.

A public limited company (ASA) has much in common with an AS but, among other things, it has to have share capital of at least NOK 1 million (€120,000).

A Norwegian branch of a foreign company (NUF): Here, the foreign company is liable for the business of the Norwegian branch. The branch will normally be liable for tax and other deductions in Norway, and must otherwise comply with Norwegian regulations just like any other Norwegian company. There are no capital requirements for an NUF.
A co-operative (SA) is an independent grouping which must have at least two owners, none of whom bear any personal liability for the commitments of the enterprise. This legal structure is user-owned and managed.

A foundation is formed when an asset is independently provided by way of a will, bequest or other legal arrangement for a specific purpose of a non-profit, humanitarian, social, educational, economic or other nature. Commercial foundations must have minimum paid-up capital of NOK 200,000 (€24,000).

Most legal structures can be registered electronically via Altinn, the one-stop shop for business. Altinn is an online portal and a technical platform for submitting electronic forms to public bodies, but it also offers electronic services such as notices from public bodies and inspection of public registers. Among other things, users can register a business, submit VAT returns and send in self-assessment forms for both individuals and companies.

Foreigners who do not have a Norwegian social security number can apply for a D-number at the time of registration.

Tax

All taxpayers, both personal and corporate, are liable for a flat rate of 28% on their general income. The Tax Act contains provisions to the effect that foreigners with businesses in Norway are obliged to pay tax on income from activities that they run or in which they participate and which are operated or managed from Norway, including activities where staff are provided to others within Norway.

Norway also has tax agreements with a number of States, mainly to avoid double taxation and prevent tax evasion. Norway may have waived the right to tax businesses that come from countries with which it has entered into tax agreements.

Owners of one-person businesses (sole traders) and members of a partnership must pay advance tax for each period once there is any income. Limited companies and other establishments pay tax in the year after the income year. If the enterprise has any employees, the employer must deduct tax and employer's contributions from each employee's salary. This is reported and paid by way of periodic declarations to the Tax Collector.

VAT

Norwegian tariffs on industrial goods are generally quite low. Most of Norway's trade with EU countries is conducted on a duty-free basis under the provisions of the EEA. About 70% of Norway's exports go to the EU, which supplies three-quarters of Norway's imports.

VAT is payable to the State on sales, imports and exports. This must take place when the sales by the enterprise of VAT liable goods and services together exceed NOK 50,000 over a 12-month period. You can apply to the VAT Register at the same time as the Central Co-ordinating Register for Legal Entities.

The VAT rates are 25% on ordinary sales, 15% on food and 8% on public transport and accommodation services etc.

Indirect taxes associated with production, sales, imports or exports include value-added tax, special levies and customs duty. Special levies include: motor vehicle taxes, environment taxes and alcohol and tobacco duties etc.
## Employing staff in Norway

If you are a citizen of an EU/EEA/EFTA country, you do not need to apply for a residence permit, but you must register yourself. The web site of the [Norwegian Directorate of Immigration](https://www.regjeringen.no) contains information on work permits and application forms for these in several languages.

In Norway, there are no statutory rules on a minimum wage. This means that employees posted to Norway can work for the same wage or salary that they draw at home. However, if the employment is covered by a general collective agreement, these collective provisions on wages or conditions of work and employment will apply. A specific regulation on collectively agreed minimum wages on construction sites has been introduced.

The labour market is regulated by a number of laws. At the centre is the Working Environment Act containing rules on employment, leave, discrimination, health and safety and the environment. The Working Environment Act is administered by the Norwegian Labour Inspection Authority.

For further information please go to: [Doing business in Norway](https://www.regjeringen.no/

## Denmark

### Setting up a company

Trade with countries outside the EU is regulated by a number of World Trade Organisation agreements. Trade in Denmark is often also regulated by bilateral agreements concluded between Denmark and the country concerned.

To start a business, you need to register directly via Virk.dk, or contact the [Danish Business Authority](https://www.dba.dk), which will send you a registration form.

Companies must be registered with the Danish Business Authority in Danish. If the company is registered in another language, you must attach an authorised translation. Exceptions may be allowed in special cases for the registration of subsidiaries of foreign companies. A full list of the registration requirements can be found in the Executive Order on Notification, Registration, Fees and Publication, etc. at the Danish Business Authority.

A wide variety of businesses can be set up in Denmark. The first thing to do is decide **which legal form to adopt:**

1. **Personally owned one-person operation (sole trader)**
   A sole trading company is a type of company in which there is no clear division between you as an owner and the company itself. You are personally liable for the company's debts. Operating as a sole trader may be right for you if you want to start a business on your own. A sole trader business is always owned by one person.

2. **Partnership with personal liability of partners**

3. **Commercial fund**
   All commercial funds must be registered with the Danish Business Authority. The initial capital must be at least DKK 300,000 (€40,000).

4. **Companies with limited liability:**
   - Private limited company
   - Public limited company
   - Co-operative society (Andelselskab)
   - Company with limited liability
   - Association with limited liability
   - Limited partnership

Some business activities require special permits. Some types of business require authorisation, others require a licence and others require special approval. This may be either to regulate the number of players in the sector or to ensure that the work is carried out according to good professional practice.
You must, therefore, investigate whether the business sector in which you are setting up a business requires special authorisation. You can usually obtain more information about the authorisations required for your business from your trade association.

You must have a licence to sell alcohol, drive a taxi, run a pharmacy or be a medical practitioner. Licences are usually issued by the local authorities.

**Tax registration**

If you want to live and run a business in Denmark, you must have a personal identification number (CPR number). You can apply for this number from the local council where you have your place of residence. The local council will then report the information to the Central Civil Registration System. When you start your own business, it is not necessarily clear for tax purposes whether you will be classified as a self-employed businessman, an employee or a fee-based employee.

Your activity will fall under one of the following four categories:

1) Employee,
2) Fee-based employee,
3) Commercial enterprise or
4) Non-commercial enterprise.

Your category will determine the deduction value of your expenses, whether you have to pay labour market contributions and whether loss is deductible.

**Direct taxes**

Public and private limited liability companies pay corporation tax on the company's profits. The rate is currently 25%. Companies are covered by the on-account tax scheme, where payments on account are calculated as 50% of the company's average tax for the last three years. It is also possible to make voluntary payments.

The tax is paid twice a year on account, on 20 March and 20 November, with any outstanding tax collected on 20 November of the year following the year in which the income was earned, with surcharges. The company owner may draw money from the company, in the form of salary or dividends.

**VAT**

How much tax you have to pay depends on both your own personal tax status and the type of business. Companies with sales amounting to more than DKK 50,000 (€7,000) a year must register for VAT with the Danish Business Authority. Companies that are registered for VAT must pay VAT on their purchases and collect VAT from their customers.

VAT in Denmark is 25% for all product groups, with some exceptions. Your business will have to pay 25% of its revenue as VAT. When you start your business, it will be registered for VAT. VAT can be calculated once a month, every quarter or every six months, depending on the type of business. VAT declarations are made to the Danish Tax and Customs Administration (SKAT) or on Virk.dk.

**Employing staff in Denmark**

Since 1 May 2008, it has been a legal requirement for all foreign companies that provide services in Denmark, and have employees based in Denmark for this purpose, to be entered in the Register of Foreign Service Providers in Denmark.

It is possible to employ foreign workers. Nordic nationals do not require a work permit to live and work in Denmark. Other EU/EEA and Swiss nationals can apply for residence in Denmark under the EU rules on freedom of movement.
Employees who are posted to Denmark must have a legal basis for residence in the country, and the work must be done in accordance with the rules.

There are minimum social rules to follow, especially about non-discrimination, gender equality and health and safety.

There is no legislation on minimum wages and normal working hours in Denmark. Wages and working conditions are regulated by means of collective agreements.

The Working Time Directive has been implemented in Danish law by the Working Time Act. This contains rules on breaks, maximum working time, weekly days off, night-time working, etc.

Holiday pay, wages and bonuses must be paid in accordance with the Holidays Act. Employees earn the right to five weeks' paid holiday annually.

For further information please go to: Doing business in Denmark

Finland

Setting up a company

The pursuit of some trades is restricted in Finland. These limitations are imposed by law.

There are a number of different business forms. The business form influences the amount of tax paid, the division of responsibilities and how actions between the company and its owner are treated. It is worth investigating which form is the most suitable for your business.

The most common business forms are:
- Sole trader
- General partnership
- Limited partnership
- Limited liability company
- Co-operative

The company must be given a trading name before the documents for setting up a new business are prepared and the business is registered. The business name is a symbol of the company, and should be easily identifiable.

New companies are registered in the Trade Register of the National Board of Patents and Registration (PRH). Companies can send their information for the registers maintained by the PRH and the Finnish Tax Administration on one form:
- Trade Register
- Pre-payment Register
- Employer Register
- VAT Register

National ministries issue business licenses. In some cases, a licence is not required, only written notification from the business owner.

Tax registration

The company, as an employer, is obliged to deduct and pay income tax at the source, and social security payments to the tax authority. Companies pay direct and indirect taxes for their business activities, such as value-added tax (VAT) and excise duty.
Companies that pursue a trade, agriculture or other profitable activity are registered in the Pre-payment Register. Direct taxes include income tax (for the State), local tax and church tax. Companies also pay church tax. State tax is calculated two ways: progressive or proportional tax. When applying the progressive income-tax scale, an increase in earnings causes a greater percentage increase in taxes. A person coming to Finland for more than six months is taxed in the same way as all other Finnish citizens residing in Finland. Except in certain cases, income in the form of money or benefits with monetary value is considered taxable income. Unless otherwise stated in legislation, all forms of income are taxable.

**VAT**

Businesses pay VAT to the State. The general rate of value-added tax is 23%, but 13% for foods and fodder. For books, medicines, sports services, film showings, transport, accommodation services, culture, entertainment events and television licences the value-added tax rate is 9%.

In the Member States of the European Union, alcohol and alcoholic beverages, prepared tobacco, mineral oils (liquid fuels), electricity, natural gas and coal are subject to harmonised excise duty under the Directives.

In Finland, energy drinks, packaged drinks and pine oil are subject to national excise duty. Lubricating oil and lubricants are also subject to an excise-type oil waste charge and waste that is sent to landfill is subject to a waste tax. Oils are also subject to oil damage duty. The rules relating to each of the groups mentioned above have their own taxation laws. The taxation procedure for all types of tax is regulated by the Excise Duties Act.

**Employing staff in Finland**

**Recruiting within the EU:**
EU citizens can work anywhere in the EU without a work permit.

**Recruiting outside the EU/EEA:**
In Finland, the right to gainful employment is determined according to nationality. Foreign workers may also work as seconded workers. The same working conditions apply to all workers in Finland.

There are minimum social rules to follow, especially about non-discrimination, gender equality and health and safety. There is no minimum wage in Finland, but employers must comply with the collective labour agreements in force, which define low wages.

In contracts of employment and employment relationships, employers must at least comply with the provisions of the national collective labour agreement (generally binding collective labour agreement) that is considered representative of the relevant sector, and especially those terms and working conditions of the employment relationship that relate to work done by the employee or comparable work.

Permits, statements or registration are required by a foreigner moving to Finland to start a business. His or her actions will depend on whether he or she is coming from another Nordic country, an EU or comparable country or from outside the EU.

Relevant permits and statements are registration of the right of residence, the employee's or trader's residence permit and registration in the population register. Foreigners may also, in some cases, require a licence from the National Board of Patents and Registration to act as a partner or company board member.

**For further information please go to:** [Doing business in Finland](#)
6. Growth Sectors

Introduction

In this section, you will find summary information on what sectors might offer the best opportunities for Irish exporters in the Nordic region. The Nordic region is committed to enhancing conditions for business so that the Nordic countries are able to remain affluent societies with high rates of employment. The trade ministers of each country favour working closely together and finding innovative solutions to the challenges they face.

Nordic governments recognise that they need to encourage more entrepreneurs if they are to provide their people with high-quality jobs. They are creating government agencies to promote startups, and are encouraging universities to commercialise their ideas and generate startups. They are telling their schools to sing the praises of entrepreneurship.

Development of energy-efficient and low-carbon cities is a major priority: low-energy buildings, reducing the fuel and electricity consumption of public transportation, together with increasing the share of public transportation, will generate future infrastructure investments across the entire region.

The Nordic healthcare system, which was built on the principle of universalism, has gone through important structural changes over the past 20 years, as increasingly more market-orientated initiatives are put in place to limit rising costs and maximise efficiency.

Across the region, with the exception of Finland, health spending per capita is higher than the OECD average of €2,580 and almost double that figure in the case of Norway. The five Nordic countries spent €81.4 billion on healthcare in 2010 and possess highly advanced solutions in many different fields of the health sector. In addition, introduction of Public Private Partnerships (PPP) represent excellent opportunities in the region for innovation, by increasing competition among healthcare service providers.

Across Sweden, Denmark, Norway and Finland, the healthcare, telecommunications, IT, engineering and construction sectors all offer significant opportunities for Irish exporters.

Automotive

The Automotive industry in Sweden is mainly associated with the passenger car manufacturers Volvo Cars and Saab Automobile. But Sweden is also the home of two of the largest truck manufacturers in the world, Volvo AB and Scania AB. The Swedish automotive industry is heavily dependent on export as some 85% of the passenger cars and 95% of the heavy vehicles are sold outside of Sweden. The Swedish automotive industry, including its sub-contractors, is a major part of the Swedish industry, despite Saab’s demise. In 2011, around 110,000 people were employed in the industry and its exports, valued at almost €20 billion, accounted for 12% of Sweden’s export income.

Main industry players:
- Volvo Cars
- Volvo AB
- Saab Automobile
- Scania AB
**Construction**

Investment in Construction in Norway and Sweden will reach invest €200bn in large scale infrastructure projects over the next decade. The construction sector is also active in Denmark and Finland. Local construction companies have traditionally dominated the sector, but increasingly foreign companies from Spain, Italy and Germany are entering the market and this is driving down prices.

Main industry players:
- Skanska
- Peab
- NCC
- Svevia
- Veidekke
- Sweco
- AF
- WSP
- Vectura

**Data Centres in Sweden and Finland**

Data Centre construction in the Nordic region is increasingly active as Nordic countries are gaining better rankings year after year in the independently published DC risk indexes (Sweden 3rd, Norway 8th and Finland 9th). A favourable climate, inexpensive green-field and brownfield sites, green electricity, availability of new technologies and know-how, excellent communications infrastructure and economic and political stability are some of the reasons for the high rankings. High-profile new data-centre builds for Facebook and Google have done much to raise the profile of the region, but there are many other examples of large-scale data-centre projects from this year (2014), including Yandex from Russia and Ericsson.

**Digital Media**

The Nordics have some of the world’s highest internet, smartphone and social media penetration rates. Web and mobile channels are rapidly emerging drivers of consumption as consumers shift their spending from more traditional channels. As consumers spend more time online, digital marketing is increasing in importance. The Nordic countries are generally recognised as early adopters of digital media technology, especially in terms of common internet access and use. Nordic consumers have been faster than the rest of Europe in adopting online media alternatives having always been a first mover when it comes to technology and consumers quickly adapting to and demanding innovation and new technologies.

Main industry players:
- Bonnier
- Sanoma
- Shibsted
- Egmont
- Spotify
- Netflix

**Energy**

Norway’s Oil and Gas industry is well developed and highly competitive. Supplying to the upstream activities connected to exploration and extraction of oil and gas resources presents, by far, the largest potential. In recent times there have been talks of developing new and more remote areas in the North, supplying the downstream oil and gas segment within refining and distribution, which could prove to be a lucrative opportunity in the coming years. Large enterprises like Statoil, Shell, Esso and ExxonMobile are of course present. Supplying the large energy companies in Norway with engineering services and skilled personnel presents a significant opportunity, but competition is intense and developing the right network of contacts is key to success.
Main industry players:
- Statoil
- Shell
- Esso
- ExxonMobil

Renewable Energy in Denmark
Denmark, in particular, is a leader when it comes to fighting climate change. By 2050, the country plans to meet 100% of its energy needs with renewables, creating more jobs, increasing exports and reducing its energy dependence. With about 7,300km of coastline, the conditions for wind power in Denmark are better than almost anywhere in Europe. Located between the North and Baltic Seas, Denmark has naturally looked to the waters to expand its wind-power projects.
Main industry players:
- Vestas
- DONG Energy
- Sunmark

Financial Services
The Nordic countries are characterized by high levels of bank intermediation and developed nonbank sectors. They have experienced robust growth in recent years in banking, insurance, pension and securities markets as well as in other non-bank financial intermediation. Levels of financial intermediation are particularly high relative to GDP in Iceland, Denmark, and Sweden with insurance, pension, and securities products now representing an important part of total financial assets in these countries. Commercial banks are the most important players in most Nordic countries and their share in total banking system assets has increased. The Nordic stock exchanges have seen rapid increases in their market capitalization ratios over the last several years. Savings banks are particularly significant in the Norwegian banking system, and co-operative banks account for a large part of the banking sector in Finland. Mortgage banks play a prominent role in Denmark and Sweden.
Main financial institutions:
- Danske Bank
- Nordea
- SEB
- Swedbank
- Handelsbanken
- DNB
- Sampo

Payments
The Nordic region is one of the most advanced payments markets in the world. More than half of all transactions in the Nordics are cashless. Both card and point-of-sale penetration are the highest in Europe, and at 210 to 250 annual transactions per capita, card use is three times the European average. All four Nordic countries also rank among the highest in the world for online banking penetration and digital invoicing. New players are emerging. Start-ups such as iZettle, Uniwire, Dibs and Klarna, and industry initiatives such as the Swedish telecoms joint initiative WyWallet, have already challenged traditional payments providers in different parts of the value chain and are exporting their expertise to other countries. Banks are still holding their own and some local players are emerging as regional champions. For example, the Swedish banking sector jointly launched Swish, a peer-to-peer mobile transfer application with immediate account credit and low transfer fees while bank-owned processor Nets launched its white-label mobile wallet solution Mobilpenge in Denmark.

Food Processing and Packaging
The Nordic market size for packaged food in 2013 was €40 billion, compared to the UK's €72 billion and Germany's €75 billion. Food prices tend to be higher in the Nordic countries compared to other European countries. At the same time the supply of food articles in the Nordic supermarkets appear to
exhibit a narrower range of products than in other European countries. The health trend is the key driver behind new product launches and marketing. There has been increasing scepticism towards the food industry. Positioning products as natural and additive-free is increasing in popularity among the packaged food companies. Innovation in packaging has reinvigorated competition in some of packaged foods more mature categories.

Main food industry players:
- Arla Foods
- Unilever Sverige AB
- Priocordia Food AB
- Crown Amba
- Valio Oy
- Tine SA
- Orkla Group

Packaging
AB Tetra Pak is a well known player with a turnover of €1.8 billion and is a multinational food packaging and processing company of Swedish origin with head offices in Lund, Sweden and Lausanne, Switzerland. The company offers various innovative packaging and processing solutions for a variety of food and beverages. Tetra Pak is the largest provider of food packaging and processing solutions, both in Sweden and the rest of the world.

Gaming
In both Sweden and Finland, consoles and games development represent a sector showing promise. According to Game Develop Index, Sweden has experienced strong growth “All figures point upwards, with turnover increasing by 60% to €430 million”. Finland has also had promising sales levels as the second largest in the region at €250 million. The sector employs approximately 5,200 across the Nordics (2,000 within Sweden and 1,800 in Finland alone) across 480 individual companies, mainly based around Stockholm, Malmo, Gothenburg and Helsinki.

Main industry players:
- Mojang
- DICE
- Ubisoft
- King
- Avalanche Studios
- Paradox Interactive
- Rovio

Mining & Metals
Sweden, Finland and Norway remain among Europe’s elite mining nations. Sweden’s mining legacy dates back more than one thousand years with the country today being one of the European Union’s (EU) largest ore and metal producers, and by far its largest iron ore producer. Indeed almost 90% of the EU’s iron ore mining takes place in Northern Sweden. The country, together with Finland, also contributes significantly to Europe’s total production of gold, silver, zinc, copper and lead. Unsurprisingly, given its long and successful history, Sweden’s mining sector also plays a leading role in metallurgical research and development, as well as in the development of advanced and ecological underground mining. Much like its neighbouring country, Finland also has a long history for hosting mining operations. Copper, nickel, cobalt, zinc and lead ores as well as chromium, vanadium and iron deposits have provided raw material for the country’s metal industry for a number of years, with significant processing and refining of copper and nickel concentrates occurring at Harjavalta, zinc at Kokkola, chromium at Kemi, and iron at Raahe. In the years to come the level of activity within the mining industry across the Scandinavian Peninsula is expected to increase significantly. The continuous demand on the global mineral and metals markets has even led to some analysts to suggest that Sweden alone could triple its mining production by 2025, creating as many as 50,000 new jobs.

Main industry players:
- LKAB
Pharmaceuticals & Medical technologies

The Nordic healthcare industry is stable, mature, well developed and receptive to technological innovation. The strongest and most developed industries in pharmaceuticals, biotechnological and medical technology are in Denmark and Sweden, but all Nordic Pharma & Medical Device markets have expanded in the last five years by between 5-10%. As with other developed countries, more elderly people in the Nordic countries are living longer and have fewer people to take care of them. This creates openings for companies with products and services for new and growing sectors such as "remote care" – treating and monitoring patients at home rather than in hospital.

Medicon Valley in Denmark-Sweden

The largest Nordic life science and healthcare cluster is the unique Medicon Valley region, which stretches across Denmark and Sweden, and has more than 200 international pharmaceutical companies and 170 medical technology companies, as well as a strong indigenous cluster. The region has 40,000 employees in the private life-science sector. The international representation in the region is also very strong with more than 200 international pharma and 170 medtech companies located there.

Main industry players:
- Novo Nordisk
- Astra Zeneca
- Orion
- Getinge
- Mölnlycke Healthcare
- Lundbeck A/S
- Leo Pharma
- Orphan Biovitrum AB

Retail

The Nordic Retail market is worth a combined €198 million approximately (Sweden €67m, Norway €52m, Denmark €40m, Finland €38m). Three of the four Nordic markets grew overall this year (2013) with increases in size due to a return to market and economic stabilization leading to an increase in consumer confidence, demand and spending. Norway and Denmark saw their strongest performance and growth in recent times with a return to consumer confidence levels to pre-2007 heights. Finland however had a more challenging 2013 due to an economic downturn, increased unemployment, and high VAT rates.

Main industry players:
- H&M
- IKEA
- ICA
- Axel Johnson

Telecommunications

The Nordic telecommunications sector is among the more progressive in Europe, with considerable emphasis by both regulators and operators to test-bed technologies, particularly in the mobile sector, and provide additional spectrum for telecom services. Sweden's incumbent mobile operator Telia was the first Swedish carrier – and the first in the world – to launch an LTE network, which went live in Sweden's capital Stockholm in December 2009. The Nordic countries have an impressive track record in broadband penetration, mobile development and competitive telecom markets. Broadband penetration across the Nordics has historically been well above the EU average. The fixed-line sector continues to contract, as more people forego fixed phones for VoIP and mobile-only solutions. The mobile sector has seen innovative spectrum use, with extensive network upgrades providing a significant proportion of subscribers with fast mobile broadband services.
Main operators:
- Telia Sonera
- Telenor
- Tele2
- Ericsson (network infrastructure)
SELLING TO THE GOVERNMENTS IN THE NORDIC REGION
7. Selling to the Governments in the Nordic Region

Introduction

Selling to the Governments within the Nordic region is a possibility for Irish exporters, but requires you to do a lot of research and due diligence before even applying. Primarily, it is necessary to be aware of the various Government programme guidelines and timelines, and especially the timelines of tenders, as otherwise you could find yourself locked out of contention for a number of years.

As the Nordic countries pride themselves on the honesty and transparency of their Governments, all public tenders and procurement processes are subject to rigorous scrutiny, procedures and regulation.

Size of the Market

The Swedish market for public procurement is about 500 billion Swedish kronor (€58bn). Government authorities in Sweden account for approximately SEK 200 billion (€23bn) with county, municipal and public sectors accounting for the balance.

In addition to this, in Norway, Finland and Denmark where the market is fully open, the market in public procurement is almost SEK 1,000 billion (€116bn).

General procurement guidelines

It can be difficult for foreign companies to understand how complex it is to respond to many of the special conditions in public procurement within the Nordic countries, so you are well advised to get expert advice before beginning. There are professional companies whose expertise is solely in helping foreign companies get tenders and public contracts within the Nordic region, so this would be a good place to start your investigations.

The EU rules on public procurement are only binding for purchases that exceed certain defined threshold values. For the procurement of goods and services, the threshold is set at €387,000. For construction projects, the threshold is €4,850,000.

Sweden

In Sweden, the public sector is organised on three levels:

- Local level - municipalities
- Regional level - county councils
- National level - via authorities

Purchases of goods, services or construction contracts take place regularly at all three levels, and the procuring department assesses what is needed, and the requirements are compiled into a *call for tenders* document.

The specification states what the supplier is to quote for, what requirements the ordering body has regarding what the tenderer should do and how the different requirements are to be evaluated in relation to each other.
Once prepared, the call for tender becomes public by announcement in procurement journals and databases. If the value of the procurement exceeds the EU threshold, it must be announced in the EU's TED database, and the official journal of the EU (OJEU).

The suppliers reply to the call by submitting tenders. Tenders are usually sent by post, but sometimes also by e-mail.
For more information please go to: Public contracts in Sweden

**Norway**

Public procurement is governed by the **Public Procurement Act**. This Act provides the national legal basis for the implementation of Government procurement, as Norway has undertaken to do under the provisions of the EEA and WTO Agreements.

The term ‘public procurement’ is used for procurement by State, county (fylke) and municipal authorities and institutions established under public law. These are organisations or businesses that are organised as separate legal entities, such as limited companies and foundations, with a close connection to the public sector.

To be covered by the regulation, the entity must serve public needs and must not be of an industrial or commercial nature. The entity must also be mainly controlled or financed by public authorities.

With a few exceptions, public sector bodies have to advertise purchases worth over NOK 500,000 (€60,000) excl. VAT. Purchases under NOK 500,000 may also be advertised on a voluntary basis.

For further information please go to: Public contracts in Norway

**Finland**

The Finnish procurement laws state that the regulation on the awarding of public contracts is based on two key principles: all contracts should be subject to an open bid and **all bidders** should be treated impartially.

Public procurements are divided into two categories: Procurements exceeding the threshold value of the EU and procurements exceeding the national threshold value (but remaining below the EU threshold). Additionally, there are so-called minor procurements which remain below the national threshold value. However, the Public Procurement Act does not apply to these.

HILMA (Hankintailmoitukset.fi) is a free electronic channel run by the Ministry of Employment and the Economy, where announcements for public procurement contracts are made. You may access HILMA to obtain real-time information on on-going procurement contracts and future procurements.

For further information please go to: Public contracts in Finland

**Denmark**

Within Denmark, EU directives on public tenders are enacted by executive order in Danish law, namely: The Utility Company Directive with executive order, Procurement Directive with executive order and the Complaints Board for Public Procurement Act.

The threshold values for EU tenders are divided up into national contracts, county/municipal contracts and contracts concluded by utility companies. In addition, the threshold values are divided up depending on the nature of the service.
The procurement rules basically apply to all kinds of purchases of goods, services or construction work. The value of the contract in question is decisive. Contracts above the EU threshold values, must comply with the rules in the Directives.

Contracts below the EU threshold values, on the other hand, are covered by the Danish Tenders Act. According to this Act, contracts for construction work comply with the rules for open/restricted procedures, and purchases of goods and services must be advertised if the value of the contract is DKK 500,000 (€67,000) or more.

For further information please go to: Public contracts in Denmark

**NEED TO KNOW**

The TED database, which is the EU's official journal for tenders, provides online access to all Executive Orders on European public procurement published in the Official Journal. [http://ted.europa.eu/TED/misc/chooseLanguage.do](http://ted.europa.eu/TED/misc/chooseLanguage.do)
HOW ENTERPRISE IRELAND CAN HELP YOU SUCCEED IN THE NORDIC REGION
8. How Enterprise Ireland can help you succeed in the Nordic Region

Enterprise Ireland is committed to assisting and supporting clients entering new markets and expanding in their current markets. Our team of experienced marketing professionals in our network of overseas offices are ready to help you. An overview of our service offering is listed below:

**Pre-Visit Support**

Enterprise Ireland can provide:
- A sector overview
- A validation of the opportunity for your product/service
- An evaluation of your market-entry strategy
- Suggested channels to market
- Competitor analysis
- Relevant contacts/suggested itinerary
- Summary of relevant market-information resources

**In-market support**

Services available include:
- Introductions to buyers and decision makers
- Identification of potential partners
- Facilitating buyer visits to Ireland
- Assistance with product launches/workshops
- Securing reference sites

**International trade events programme**

Every year, Enterprise Ireland organises an extensive programme of events to support your business abroad. These include:
- Inward buyers missions to Ireland
- Group stands at important international trade fairs
- Overseas trade missions
- Study visits to gain knowledge of overseas markets
- Client knowledge events including seminars and workshops
- Networking events to build and enhance relationships with market contacts.

Further information is available at: [www.enterprise-ireland.com/events](http://www.enterprise-ireland.com/events)

**International market contacts**

Enterprise Ireland has built up an excellent network of individuals in the Nordic region who are available to work with Irish client companies on developing their business. This includes market and sector specialists, business accelerators and members of Irish business associations.
Additional supports

We can offer additional supports in the following areas:
- Access to translation and interpreting services
- Introductions to specialist expertise such as legal, recruitment, public relations and taxation
- Access to mentors
- For further information on the services of Enterprise Ireland overseas, please go to www.enterprise-ireland.com/en/Export-Assistance/.

Contacts in the Nordic Region

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Useful links for the Nordic Region

Irish Professionals Nordic Network IPNN
www.linkedin.com/groups/Irish-Professionals-Nordic...IPNN.../about

Norway
• Norwegian Irish Business association
• Norway official site in Ireland
• Invest in Norway
• Statistics Norway

Sweden
• Gateway to business in Sweden
• The Swedish Trade & Invest Council
• Swedish Chamber of Commerce in Ireland
• Statistics Sweden www.scb.se/en_/f

Denmark
• Invest in Denmark (Ministry of Foreign Affairs)
• The Danish Chamber of Commerce
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DISCLAIMER

Compiled during August & September 2014, this report is up-to-date with the latest available research and findings. Information in this publication is intended to provide only a general outline of the subjects covered. It should neither be regarded as comprehensive nor sufficient for making decisions, nor should it be used in place of professional advice.

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