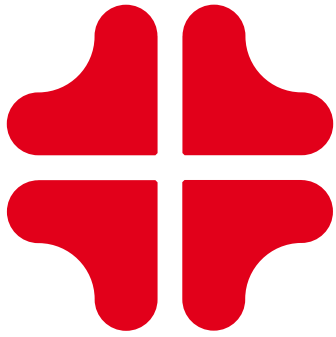
GLUNZ & JENSEN

- an industrial adventure



It is probably most appropriate to begin by explaining what a processing machine is, for without it there would not be any story to tell. A processing machine – or processor – is a machine that automatically processes graphic arts film. Prior to the first availability of automatic film processors around 1962, the graphic arts cameraman had to immerse the exposed films in a developer solution in a large, shallow tray, then in a fixer bath to remove the undeveloped silver halide from the film, followed by rinsing in water to remove the processing chemicals. The wet film was then hung in a drying cabinet. A film processor has sections for developer and fixer solutions, a rinsing section, and a hot air dryer. The film is transported through the processor with a series of rollers. In the first automatic film processing machines the conditions were electronically controlled, but in current processors the transport speed, temperature, chemical stability and all other processing conditions are computer controlled to a very high degree of consistency.
The first processors designed and produced by Glunz & Jensen were not designed for use by professional or amateur photographers, but rather for an important industrial application in the graphic arts industry where photographic film is used as an intermediate for transferring images to a printing plate.

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FOREWORD - to the first edition

Glunz & Jensen A/S was founded on the 16th of April 1973 and has since undergone a remarkable development. Annual turnover in 1998 exceeded 600 million Danish kroner. The company is clearly the world's largest producer of automatic processors for the printing industry. Exports exceed 98% of total sales revenue.

Founders Peter Glunz and Bjarne Jensen are two very different people; so different that one may wonder how they came to cooperate in their highly successful industrial venture. Both of them had a technical education and background. Bjarne had absolutely no training or experience in business management, but Peter had founded Glunz + Löding Offsetrepro in Hamburg some years before. They did however have strong opinions and attitudes about the critical role of their employees and about corporate governance, which have had useful and lasting impacts on the company's development. Employees were regarded as forming the core of operations. They believed that a company can only truly thrive if the employees are sharing in the success.

Peter Glunz and Bjarne Jensen, while admittedly very different, are both extremely creative, but that has never gotten in the way of their mutual respect. Their creativity has kept the company moving forward with innovative approaches to product development, production, customer relations and management. They have rightly been honored and admired for their work.

As discussed further in this book, others have taken over the management of the company. They have inherited a very healthy and vibrant business. They have been able to continue the development and profitability, and this has happened with management philosophies that avoid the stiffeling bureaucracy often found as companies grow.

Every employee, supplier, customer and shareholder can proudly look back on 25 fantastic years and confidently face the future. Glunz & Jensen has a healthy core business and is ready to deal with future developments.

Gorm Ladefoged

AN INDUSTRIAL ADVENTURE

Glunz & Jensen was established on the 16th of April 1973 and therefore has the same birthday as Queen Margrethe II. Since then the company has been restructured to better deal with growth and acquisitions, notably with the establishment in 1979 of Glunz & Jensen International A/S and in 1986 when it was transformed into Glunz & Jensen International A/S of 1986. In 1990 Glunz & Jensen International A/S 1986 was introduced on the Copenhagen Stock Exchange, Børs 1. In 1993 the name of the company was changed back to the original name, Glunz & Jensen A/S.

From the very start of the industrial adventure, the company was closely followed by the Danish newspaper, Dagbladet. Editor Marx Reffstrup rarely missed any opportunity to extol the developments of the two founders, Peter Glunz and Bjarne Jensen.

Bjarne Jensen

Peter Glunz

Also the graphic arts professional trade publications throughout Europe were interested in the early development of the enterprise, or at least for the first products. It was only much later that the Danish national newspapers became interested in the impressive economic developments of Glunz & Jensen.

Like every good fairy tale, the Glunz & Jensen adventure began in all modesty and romantic perfection in a rented shed behind a house in Ringsted. The building, at Skolegade 24, belonged to one of the city's construction tycoons,

The worlds best processor

Gunner Hansen and a few years later Mr. Hansen sold the property at Haslevvej 13-15 in Ringsted to Glunz & Jensen. The Haslevvej property has continued to be used as the company's headquarters.

Peter and Bjarne did not start out with a goal of creating a large industrial enterprise. They simply had some ideas about making the best processor and, above all, an indomitable optimism and confidence. They had plans to construct an electronically controlled replenishment system to maintain the activity level of the chemical baths in processors from all manufacturers, a concept that would provide a breakthrough in consistency of the processed films. They were enthusiastic and confident that they would produce the "world's best processing machine" for graphic film. They focused on product design and development and initially envisioned that production and sales would be contracted out to others. However, it turned out to be a totally different story. The change in plans and direction came about because of one of the many technological developments that were impacting the tremendous growth in use of photomechanical processes in the printing industry since the early 1960's. The plans were changed in response to the emergence of a new photochemical system that was referred to as "Rapid Access".

Some initial tailwind

To understand the history and development of Glunz & Jensen one must also consider the technological, political and socio-economic environment. During the ten years preceding the founding of Glunz & Jensen the printing industry was undergoing a rapid technological transformation, from traditional, centuries-old hot-metal letterpress printing to offset lithography utilizing photographic films and papers to transfer images to a printing plate. In every branch of the printing industry there was a need to develop capabilities for photographic reproduction. Simply stated, this meant that every printed image of text, photographs or illustrations had to be reproduced photographically. With traditional letterpress printing the text had been set with metal letters and the printing plates were cast in lead. Photographs and illustrations were reproduced photographically and those images were etched in metal and combined with the text on a printing plate.

This created a need for new photographic materials and processes that would produce higher quality printing in less time and at lower cost. The new systems required sophisticated equipment for exposing and processing the photographic materials.

Hans Lüth

In 1973 the Danish economy was riding the crest of a wave of inflation that brought rising prices in virtually all areas, and particularly in real estate. The same pattern was seen in Denmarks major trading partners. The annual inflation rate in Denmark stayed close to 10% for an extended period. Denmark experienced excessive foreign borrowing, but politicians were convinced that economic growth was sufficient to compensate for the trade deficit. The technological environment created new business opportunities and the economic situation made it possible to finance a new venture. It was a lucky time to start a business.

Lüth's LT600 - just before decommissioning

Peter Glunz and Bjarne Jensen developed their entrepreneurial skills during their employment in the product development department of Hans Lüth A/S, which was one of the first Danish companies to build film processors. The legendary Hans Lüth has rightly been described as the father of Danish pre-press equipment manufacturing. The small nation of Denmark had a large number of flourishing producers of film processors, reproduction cameras, and other pre-press equipment.

Peter Glunz received his training as repro photographer in the prestigious Springer group in Hamburg in the period from 1958-61. In the 1960's he worked within the Springer Group in Quality Control for reprographic processes, interrupted by two years of military service in 1962-64. He was responsible for the equipment in the repro departments and had a very good knowledge of the operations.

Near the end of the 1960's Peter Glunz left Springer to start his own business with a partner, Glunz + Löding Offset Repro in Hamburg. Peter was the first in Germany to purchase an automatic lith film processor, an LT600 Processor from Lüth. He made various improvements in the machine, essentially modifying it, and his improvements did not go unnoticed by Hans Lüth.

Peter became acquainted with Manfred Ebert, who was then operating a repro service company for photogravure, Centra Repro. The two of them bought into each other's businesses. Peter and his business partner exchanged one-third of Glunz + Löding for two-thirds of Centra Repro. Peter Glunz became involved in the reorganization of Centra Repro, including the introduction of automatic film processors. Manfred later became manager of Deltagraph GmbH.

At one point when Peter was working with a new continuous-tone film processor from Hans Lüth he encountered problems with the film not drying sufficiently and jamming in the processor. This led to discussions with Hans Lüth and a visit to Hamburg by a Lüth representative, Bjarne Jensen. This was the occasion of the first meeting of Peter Glunz and Bjarne Jensen. Bjarne was announced to Peter as the "world champion in designing proces-

sors", however the first thing Bjarne noticed at Centra Repro, was all the darkrooms where the operators where developing the big films in total darkness by hand. Bjarne asked for a demonstration of how film was processed, and exclaimed "I have never seen that…" So, this level of openness and honesty created the foundation for their mutual respect and trust.

The difficulties were greater than anticipated. Bjarne Jensen was not able to solve the problems and, after many attempts to work with the Lüth machine, Peter told Hans Lüth that he was returning the processor.

This led to a dialog between the impulsive Hans Lüth and the equally impulsive Peter Glunz, whereby Lüth invited Peter to come to Denmark to work on the inadequacies of the processor design.

Peter traveled to Denmark, staying at Lindenborg Inn. Peter Glunz and Bjarne Jensen worked together on the problem and within one week they had succeeded in improving the drying section by using Teflon-coated rollers. This was the first use of Teflon-coated rollers in a film processor. Peter was satisfied with the performance of the machine and the following week Bjarne borrowed the Saab from a Lüth colleague, Jan Reimer, so that he and Peter could transport the drying section to Hamburg. When they tried to put the dryer in the trunk of Jan Reimer's Saab they found that it didn't quite fit. Without saying a word or batting an eye Bjarne resolved this problem with a sledge hammer, expanding the trunk's inner walls sufficiently so that the dryer could be placed in it.

Peter Glunz on the way to Danishness

Manfred Ebert and Peter Glunz could now concentrate on running their operations. Peter, the inveterate innovator, continued to work on process improvements and was an easy target when Hans Lüth invited him to assume the leadership of the product development department in Denmark. Peter Glunz made his decision in only one day and found a house at Fugleparken 53 in Karlslunde. Hans Lüth agreed to pay the rent for Peter Glunz apartment in Hamburg for one year, and Peter used that amount as the down payment for the new home. Peter was now a home owner in Denmark, where twelve years later, he became a Danish citizen. On that occasion Bjarne presented Peter

with the Dannebrog, the red and white Danish national flag, which he proudly hoisted to celebrate the occasion.

Perhaps it is not really a coincidence that Peter Glunz became a Danish citizen. His father had worked at Berlingske Tidende as a Linotype service engineer for Louis Wilhelmsen in the 1950's. After the death of his father Peter visited the Wilhelmsen family at Christmas in the 1960's. Mrs. Wilhelmsen says that Peter Glunz, who was then a teenager, claimed that he "would become a Dane" when he grew up.

The Glunz & Jensen story is filled with anecdotes. One of them deals with Bjarne joining Lüth. Bjarne Jensen was trained as a mechanic and machinist but he worked for a period as a roofer in order to train for his weightlifting, while getting paid for it. One day while working on a home near Store Merløse he passed the factory of Hans Lüth just north of Ringsted. It was autumn and his fingers felt like they were freezing so on his way home he stopped at the Lüth plant to inquire if there might be a vacancy. It was this initiative that created his opportunity at Lüth.

Bjarne Jensen, a true son of nature - with his wife and daughter

It is not known why Hans Lüth hired a roofer with cold fingers. Hans claimed that he once felt motivated to hire someone simply because his name was Lüthhans. Bjarne Jensen was hired as a mechanic, but he was interested in doing more than just screwing parts together. He made flow studies in the bathtub at his home, and his insight led him in a short time to a transfer to the product development department.

Despite his German ancestry, Peter Glunz does not focus on procedures or a conventional systematic approach. He tends to look down somewhat on organization and administration. Yet Peter has a very good business sense and of course, an incredible imagination. He is the enthusiastic innovator who can create something in a very short time, and he can just as quickly lose interest when the matter has been resolved – or even before the job has been completed. "You can construct a new processing machine at home on the kitchen table on a Saturday afternoon" he once stated. Perhaps that is an exaggeration, but Peter could indeed provide simple solutions to complex development problems very quickly.

A new processor in one afternoon

A good example of this was a request from Kodak for Glunz & Jensen to develop a so-called tabletop machine. It was at a time when Peter Glunz no longer participated in the daily work of the company, but liked to undertake special projects. In just 28 days from the first sketch on the drawing board, he built a prototype of the Kodamatic 65 with a completely new electronics control system. It ran perfectly and Peter called it a world record.

The surgery was successful, but the patient died. At that time Glunz & Jensen had a U.S. partner, LogEtronics, who had control of deliveries to the U.S. and LogEtronics did not agree to allow Glunz & Jensen to supply the new machine to Kodak.

For many years Peter Glunz advocated what he called "anti-marketing". The company did not need to expend efforts and money to promote their products; product quality and performance would sell itself. Advertising was a waste of money. Characteristic of Peter, at this time he also largely withdrew from daily operations. As the company grew, he was not interested in the

increasing requirements for documentation, registration and other administrative procedures. He took a sabbatical. One of the decisive reasons for this was his dissatisfaction and deep resentment for Danish government decisions to introduce a wealth tax of 2.2% and bureaucratic procedures to control prices, wages and benefits. Peter felt an injustice when he was forced to take out a loan to pay the new wealth tax without being able to increase his salary or receive a dividend.
Peter Glunz quietly withdrew, and when this decision was made the more extroverted Bjarne Jensen took charge of operations.

The organization theory of Baden-Powell

In building their business operations, both Bjarne Jensen and Peter Glunz had cheerful and optimistic dispositions. They were jovial and easily developed friendships, and they had a positive and confident attitude toward their employees. They enjoyed incredible relationships of trust with customers all over the world, so that many business relationships were also personal friendships. Both displayed an enormous self-confidence which was clear in all of their dealings. Neither Peter nor Bjarne had studied management or organizational theory. They simply operated in what for them was a natural process.

Peter Glunz, Bjarne Jensen and Bill Streeter with the first PowerMatic T65

Bjarne Jensen's very simple approach to management during the first years left a strong mark on the company. When Peter Glunz was awarded the Sætternissen prize by the Danish graphic arts trade magazine Aktuel Grafisk Information, journalist Gert Grøndahl interviewed Peter and Bjarne for the November 1985 issue. Grøndahl asked Bjarne Jensen whether he felt that his lack of management training was a shortcoming. Bjarne replied that he had learned everything he needed to know about management when he was a boy scout and had read Robert Baden-Powell's Scouting for Boys books. "You have to start with a small, motivated unit and appoint the best among them as the leader. When you need more people you don't make bigger units, but rather more small units. Together they constitute an effective, motivated company. The concept is easy to overlook, but it works."
Looking at Glunz & Jensen it is readily apparent that the company is indeed made up of nearly independent production units.

Years later Peter Glunz became very interested in the sociology and human relations aspects of organizations. He described the Glunz & Jensen organization as a hierarchy of trust, where each leader appointed those employees as sub-leaders in which he could have complete confidence. Leadership was based on confidence. The leaders intentions were understood and were carried out down through the hierarchy.

There is no doubt that the resulting trust was answered by an unbreakable loyalty throughout the Glunz & Jensen organization, and there was a strong sense of acceptance of authority back up the hierarchy. Authority was not something that a manager had by virtue of his position, but rather something, so to speak, that was awarded by subordinates. The group's organizational structure with many small, somewhat autonomous units was maintained well into the 1990's.

Bjarne Jensen's close, almost paternal, relationship with the employees established the spirit of the enterprise. Most of the workers would have been willing to go through fire and water for him. Bjarne's fraternal philosophy, which permeated the organization, was based on his political attitude; he was a convinced and confirmed socialist. Later, when he gradually shifted further

to the right in the political spectrum, he was fond of quoting the 19th century French statesman François Guizot: "Whoever is not in his youth a socialist has no heart, but to be a socialist at a more mature age is proof he has no head." This is a good expression of Bjarne's pragmatic approach to life. During the early period of the company Peter Glunz clearly favored enlightened despotism and removal of key people who were not performing.

The initial product of Glunz & Jensen was intended to be the perfect lith film processor with an innovative replenishment system, but that idea was put in mothballs for a while. The Netherlands based company, Dalco Inc., a subsidiary of Powers Chemco Inc., USA that was a producer of graphic arts film and papers, had developed a new film and processing chemistry. The new process, referred to as a Rapid Access System, was simpler and faster than the traditional lith film system, and eventually replaced it.

Peter Glunz was already very familiar with Dalco. He knew Dieter Klein, the German importer of both Dalco's materials and Lüth processors and Peter had a very good relationship with Claus Arndt, the Hamburg area representative of Dieter Klein's business. One of the problems that Peter Glunz had had in his business, Glunz + Löding Offset Repro, was due to the variations in sensitivity between boxes of lith film. Claus Arndt arranged for the Dalco plant to supply all films of different sizes in a shipment from the same emulsion number.

The American managing director of Dalco, Bill Streeter, saw the need for a simple, inexpensive processor for the new rapid access system. In 1972 he contracted with Hans Lüth to build the first rapid access film processor, but he could not convince Hans to build a machine that could be supplied to Dalco for Dkr. 7.500. Lüth produced the first rapid access processor, which Dalco marketed as the PowerRapid 600, but Hans Lüth, with his great interest in the history of World War II, called it the T34 processor because it was so sturdy, referring to a famous World War II tank. However the cost was more than twice the target, and there were some performance shortcomings. It was during the many visits to the Lüth factory to follow the development of the T34, that Bill Streeter became acquainted with the product development team

of Bjarne Jensen and Peter Glunz. Hans Lüth had stubbornly refused to follow proposals that Peter and Bjarne had made to make the machine simpler and with lower costs, so when Peter Glunz confidentially told Bill Streeter of the plan he and Bjarne had to leave Lüth and start their own company, Streeter asked them to build a better rapid access processor for one-half of the cost of the T34. This became the basis for the establishment of Glunz & Jensen A/S. Bill Streeter has enjoyed a lifetime close friendship with Peter and Bjarne and a long term business relationship with the company.

By the end of the summer of 1973 Peter and Bjarne had constructed an operating breadboard model of what became the PowerMatic T65 rapid access processor. Within only a few months Peter Glunz and Bjarne Jensen had designed and built a revolutionary processor that could be efficiently produced, at a cost of less than one-third of equivalent conventional machines. They abandoned the use of stainless steel for the solution tanks and introduced innovative molded polyurethane rollers to replace expensive machined rollers. The main body of the machine was molded in a single cast of polyurethane, which had the processing sections for developer, fixer, and rinse water, with spaces for mounting the drive motor, pumps and other elements. All of the recesses, channels and holes were incorporated in the mold so that the final molded part required only a light deburring. It sounds simple, but it was a complex, brilliantly designed mold.

The idea of casting parts in polyurethane was already in use at Tinby A/S in Søndersø, but they claimed that it would not be possible to cast cylindrical items and then remove them from the mold. When casting parts they needed a spacing of three degrees in order to remove them from the mold.

On the way back from a visit to Søndersø to his home in Karlslunde, Peter thought further about the discussions. He had been told at Tinby A/S that cast polyurethane had a shrinkage of three parts per thousand during curing. It occurred to Peter that the shrinkage would allow the rollers to be removed from the cylindrical tubes!
Peter borrowed some plain hydraulic pipes from another supplier, Poul Lunde, Silwa, who quickly made some parts to close the tubes on both ends

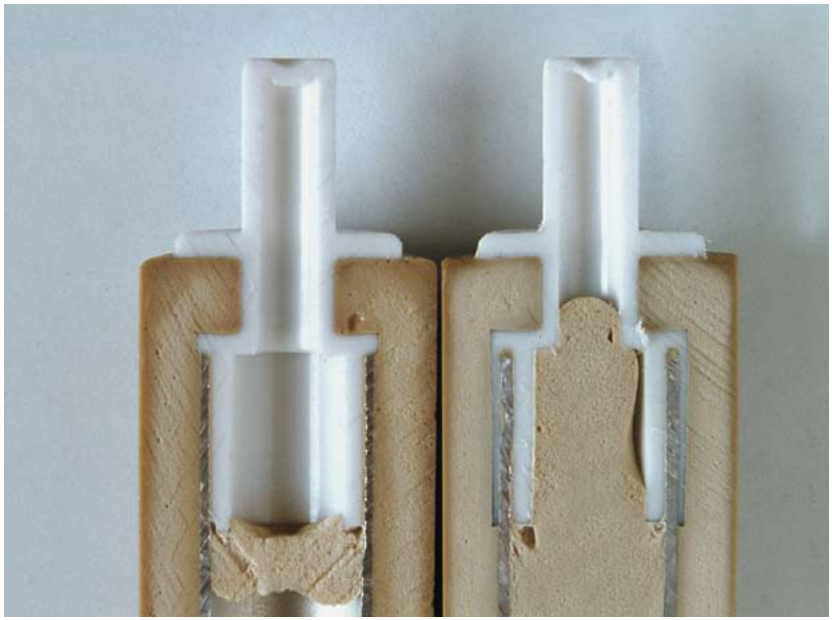
and to form the roller's shaft. Peter returned to Tinby A/S. Where they filled them with polyurethane and - hocus pocus – the high gloss surfaced rollers could be removed. It was successful!

This technique would prove to be the "Egg of Columbus" upon which the development of Glunz & Jensen would be based for many years. For Tinby it was also a good business, since basically the same kind of rollers were later delivered to all of Glunz & Jensen's competitors.

Glunz & Jensen's "egg of Columbus" was made of Polyurethane

The top portion of the processor was manufactured by vacuum molding. This innovative technique, which was also later applied by other processor manufacturers, was initially referred to by competitors, not entirely without reason, as a "flimsy" solution.

The idea of an automatic replenishment system for both developer and fixer solutions was only partially realized in the first Powermatic T65 processors, so the first models were not fully automated.



Cross-section of a Polyurethane roller

THE COMPANY

When Peter Glunz and Bjarne Jensen founded Glunz & Jensen A/S on the 16th of April 1973 (Reg. No. 56,606), they each had 45 percent ownership and the remaining 10 percent was given to their dynamic young attorney, Gorm Ladefoged. It was a requirement that there must be at least three participants when establishing a limited company, and it was not uncommon that the new company's legal council would have a small shareholding. In addition to his legal expertise, Gorm also provided organizational input and advice in the area of company strategy. It was Bjarne who had selected Gorm Ladefoged to provide the company's legal services, so it seemed appropriate to them that Peter Glunz would seek an auditor. Bent Hybholt, based in Karlslunde, was appointed.

The architect and strategist behind the company got only ten percent

At the time of his appointment, Gorm found it "common and probably also reasonable" that he was offered a 10 percent shareholding. He later recalled that when the offer was made Bjarne had asked "Had you expected a greater share?" and Gorm had politely responded, "No, thank you." Gorm already had other similar shareholdings that he had acquired in the same way. However with the later enormous success of Glunz & Jensen, it sometimes bothered him that he probably could have gotten one-third of the company.

Gorm Ladefoged made his mark on the company through his involvement and dedication throughout his many years of service. He served as Chairman of the Board of Directors from its establishment in 1973 until Bjarne Jensen assumed that position in 1982. Gorm was the initiator of the legal restructuring in 1979 that led to the establishment of Glunz & Jensen International A/S. He served as Chairman of the Board of PBI-Holding, Ringsted A/S starting in 1979 and he was one of the driving forces behind the restructuring in 1986 when Glunz & Jensen International A/S of 1986 was founded.
From 1986 to 1991 Gorm served as chairman of the boards of each of the production companies that had been legally established in the years after 1978, guaranteeing that Peter Glunz and Bjarne Jensen's philosophy regarding the sovereignty of these subsidiaries of Glunz & Jensen was maintained.

At a meeting immediately before the establishment of Glunz & Jensen International A/S of 1986, when it was decided that three managers of the production subsidiaries would be appointed as directors, Bjarne Jensen stated that this decision was designed to ensure the representation and protection of those operations.

The building of a global corporation cannot be achieved with only good ideas. It requires adequate financing, and that was a critical issue. Peter Glunz took out a mortgage on his home in Karlslunde for the maximum amount that he was able to negotiate, and Bjarne Jensen borrowed money from his mother, Agnes. Together that was not enough, but they had some good fortune in obtaining the needed financial backing.

It was around this time that Den Danske Landmansbank made the decision to expand beyond their tradition role as banker for the agricultural sector. The bank was renamed Den Danske Bank and they opened a branch office in Ringsted, headed by the young and energetic Erling Honoré. His task was to create a foothold for the bank in the Ringsted area, and he tackled his assignment with enthusiasm and great charm. He became a member of each of the business and social organizations in the area. He was a member of so many associations that it was sometimes noted that he did not have the right pin on his lapel at the meetings. Gorm Ladefoged had met Erling Honoré in a Junior Chamber of Commerce meeting and had initiated discussion of financing of the new venture. In preparation for their credit application, Gorm Ladefoged, Peter Glunz and Bjarne Jensen reviewed the financial projections. They produced a budget that reached the breakeven point at the end of the second year.

The bank's security was in coal mines in Svalbard

Gorm suggested that the budget was overly optimistic and needed to be adjusted but Bjarne Jensen was confident and refused to make changes. In the first meeting with the bank Erling Honoré was startled by the favorable projections and asked with a smile, whether they had intentionally prepared a very optimistic plan. During the meeting Erling Honoré became convinced of the viability of the Glunz & Jensen venture and agreed to provide the requested financing. The cooperation with the bank was to last for more than 17 years.

Peter Glunz was born on the 16th of December 1942 and Bjarne Jensen, on 15th of May 1943, representing respectively only 30 and 29 years. These two young and adventurous entrepreneurs expressed their opinion that if the plan went wrong they would meet their financial obligations by working for a year in the coal mines in Svalbard. They didn't have much money, but they were conscientious and, as noted with interest by Erling Honoré, they had a contract with Dalco for the supply of 15 machines per month in the first three months and at least 240 processors in the first year.

Initially the company had an overdraft facility of Dkr 120.000, which was to be reduced by Dkr 10.000 per month. This was not sufficient for financing inventories for three months' production, which was needed in order to purchase large volumes of parts in order to keep manufacturing costs low. In April 1974, therefore, a comprehensive "Budget Plan 1974-75" was prepared in support of an application to the Danish Trade Fund for a credit guarantee. The plan described the capital expenditures and additional capital needs for producing respectively 25 and 35 machines each month. It included detailed calculations of machine costs and production plans for each month, with production increasing to 55 machines in the last month. Sales were apparently limited only by the ability to build enough machines. The application stated:

Bjarne Jensen and Peter Glunz in 1974-75

"An increase in production will, apart from meeting the current demand, have the following benefits ...".

The capital requirement at a production level of 35 machines per month was Dkr 227.500. The plan projected that further development and production would be self-financing. "There is a need for capital to finance current production, and the generated positive cash flow would finance further growth so that additional borrowing in connection with this project would be unnecessary."

There were many formalities and conditions to fulfill in order to obtain a guarantee from the Danish Trade Fund. The company's auditor Bent Hybholt had spoken in support of the budget plan. However the request was denied.

Peter Glunz remembers the confrontation with employees of the Danish Trade Fund when they announced that they would not participate. One of their arguments was that both Bjarne Jensen and Peter Glunz had left Lüth to start their new business. The Danish Trade Fund already had made a credit guarantee for Lüth so "We are now careful not to compete with ourselves".

Glunz & Jensen did it without subsidies

Peter Glunz and Bjarne Jensen became so angry about this program that they refused to seek or receive any public subsidies after that experience. They became advocates of the viewpoint that all grants from the government to support the Danish economy were an evil that should be abolished.

And it turned out, Glunz & Jensen was easily able to finance the start-up period. Turnover in the first year was Dkr 1.3 million with a loss of Dkr 8.000. Auditor Bent Hybholt explained at the time that they had taken the maximum allowed depreciation in order to have the tax advantage that this offered. Sales in the second year increased to just over Dkr 4 million, with a profit of Dkr 330.000, and in 1975/76 turnover nearly doubled to Dkr 8 million with Dkr 1 million profit. At the end of the third year the balance total was Dkr 4.5 million with equity of Dkr 1.4 million.

Dessert after the General Assembly

After the end of the first year of operations, the General Assembly of shareholders was held at Apotekergården. Everyone in attendance, specifically, the three shareholders and their accountant, had all dressed up for the occasion and all formalities were carefully complied with. After concluding the meeting the small group enjoyed a full course dinner. After the starter and main course, Peter Glunz, who is known to have a sweet tooth, asked if there was also a dessert. Bjarne Jensen replied: "You must ask Gorm about that. If we must have dessert, it must be paid out of his share capital. Ours has gone up in smoke."

It started with processors for Dalco

Invoice no. 1, dated 14 September 1973, was issued to Dalco Inc., Soestduinen, The Netherlands for three Powermatic T65 Processors at Dkr 7.500 each. Soon there were invoices for shipments to Dr. Ing. Kaj Højring, Klein-Krotzenburg, Germany, and to other Dalco dealers in Germany who paid DM 5.760 for each machine. In 1975 there were shipments to Societa Nebiolo in Milan and to Powers Chemco in the U.S. The first invoices for the new Multi-Line 65 processor were in 1976. Serial number 026 was sold to Chemcographic France on the 7th of April 1976. In 1977, just before the major international graphic arts trade show, DRUPA '77 in Düsseldorf, the number of customers began to grow strongly. This was due to Glunz & Jensen processor sales under "Private Labels". Some of the first companies to receive processors under their own trade names were Meteor-Siegen in Germany and AM International, formerly Adressograph-Multigraph, which had sales operations in many countries. In 1978 a collaboration was begun with the American processor producer, LogEtronics Inc. for marketing in the U.S. and Europe under the LogE name. This collaboration was to last for many years, and was soon followed by private label arrangements with DuPont and Kodak.

Already in the summer of 1973 another former employee of Hans Lüth A/S, Birger Josephsen, joined Peter Glunz and Bjarne Jensen. Birger was employed in the sales department at Lüth and quickly saw the opportunities of joining Glunz & Jensen. Peter Glunz and Bjarne Jensen told him he might be too late; "The train has already left the station, but perhaps there are other possibilities!" Peter Glunz had good relations with the German company

Birger Josephsen arrived after the train had left

Deltagraph delivering a T65 by plane from Ringsted airport to Jutland

Adefo Chemie GmbH which produced graphic arts chemistry. In the autumn of 1973 Peter Glunz, Bjarne Jensen and Birger Josephsen jointly established a sales company, Deltagraph A/S, for selling Adefo processing chemistry. In 1974 Deltagraph obtained the distribution rights for Denmark for Dalco products; graphic arts films and chemicals, and notably, the PowerMatic processors produced for Dalco by Glunz & Jensen. Deltagraph operated from the Glunz & Jensen facility at Haslevvej 13-15 until 1979 when they moved to Thorsvej 16, a facility previously occupied by Nilfisk.

Through the years, Birger Josephsen was able to expand the Deltagraph product range to include Glunz & Jensen label processors and spare parts, and the full range of products from LogEtronics in the U.S. He also added photocomposition equipment from Bobst in Switzerland and from the Varityper division of U.S. based AM International.

In 1987 Birger Josephsen bought out the other shareholders and became sole owner of Deltagraph A/S. Around that time Birger became a member of the board of Glunz & Jensen International A/S of 1986, when Peter Glunz stepped out for a few years to fill a post on the board of Lüth International A/S. Birger Josephsen remained on the board of Glunz & Jensen until 1996.

Glunz & Jensen was from the very beginning internationally oriented, although Bjarne Jensen stubbornly insisted that all billing would be in Danish kroner. "We invoice our sales in kroner and pay most of our costs in kroner, and that keeps it simple."

The Danish market for processors and other reprographic equipment was not very big, as demonstrated by the fact that export sales were over 98 percent of turnover through the years. The founders' original idea was based on export and the first customer, Dalco, was an international company. The first sales company that they established was Danish, but that was more a coincidence than a deliberate step. The second sales company was in Germany where Peter Glunz of course had a large number of contacts in the graphic arts industry. Peter drew upon that network in 1976-77 when he established Deltagraph GmbH to serve as the general importer and distributor of Glunz & Jensen processors in the German market. Deltagraph GmbH purchased a facility at Behaimweg 3 in Hamburg for Dkr 882.547, and several of the sales people from that new company attended DRUPA '77. The first employee in the com-

Next stop Hamburg

IMPRINTA 1980 in Düsseldorf

pany was Dörte Meins who had earlier worked with Peter Glunz as a young photo lab technician at Glunz + Löding.

During the initial period Peter Glunz served as Geschäftsführer of Deltagraph GmbH, but he then offered that position to Manfred Ebert, his former colleague from Springer and partner at Centra Repro. Manfred became a part owner of Deltagraph GmbH and managed the operations until his retirement in 1990.

As is customary for equipment sales operations throughout the world, Deltagraph GmbH established a service department with service technicians based throughout Germany to provide service to the many local dealers. Fritz Hammer was one of the first service engineers in Deltagraph GmbH and later, in 1982-83, Fritz helped to build the service organization of the Glunz & Jensen subsidiary, Glunz & Jensen do Brazil.

In 1990 Fritz Hammer replaced Manfred Ebert as senior manager of Deltagraph GmbH, of which he was also a major shareholder.

Manfred Ebert, Dörte Christiansen and Fritz Hammer at IMPRINTA

It is not entirely clear how both Peter Glunz and Bjarne Jensen convinced their wives, Eva Glunz and Inge Jensen, to agree to take the financial risks of starting their own company. Perhaps the movement for the emancipation of women was not very advanced in Ringsted in 1973. Inge stated much later: "It was basically decided before we really knew much about it." Their acceptance was apparently taken for granted, and it was not until long afterward that they heard about eventually working in the coal mines in Svalbard. Inge Jensen's Fiat 600 sedan was not useful for transporting machines and parts so it was sold to help finance a Renault 4 van. Both wives worked in the new company. During the first months Inge Jensen, worked in administration at AC Nielsen A/S in Ringsted and in the evening did the accounting and administration for Glunz & Jensen. After the structural change in 1986 she chose to move from Glunz & Jensen to PBI-Holding, Ringsted A/S.

Bjarne and Inge Jensen's only child, a daughter Susanne, was born in 1968 so she essentially grew up with the company. In 1991, at the age of 23, she joined the Board of Directors to take the place of her father who retired due to his illness.

The wives where not asked

Just as Peter Glunz had done, his wife Eva learned Danish very quickly. She worked in the young company in both administrative and technical activities. She managed Projekt Toast Automat, which many years later became a product of Revomatt ApS. Eva assembled the first 500 electronic control units in the baby's room in their home in Karlslunde, where she also tested and graded infrared sensors before they were released for production.

Peter and Eva have a daughter, Anja, whose interests lie outside Glunz & Jensen. She loved to dance and was educated in both Denmark and the United States as a dance instructor. At the Glunz & Jensen company picnic in 1989 Anja and several colleagues entertained the employees when they danced to the music from Cabaret and danced a vibrant can-can. In 1990 Anja established a dance school in Greve, together with a friend.

It may be worthwhile to give an example of Bjarne Jensen's outspoken and somewhat facetious comments, especially his remarks about women, which

Anja Glunz - in the middle - on fiery Offenbach-tones

The bitches belong home by the kitchen stove

he harshly liked to refer to as “bitches". "They should stay in the kitchen, walk barefoot on the clay floor and always be very pregnant - and in winter they must lie in front of the door to block the drafts.” Of course these comments should not be taken literally. On the contrary, Bjarne was a man with deep respect for the many qualities of the opposite sex, both in his private as well as his business dealings. He made sure that he took care of his "girls", as he liked to call the women both in his family and in the company.

Peter Glunz had left Hans Lüth already in February 1973 to begin the preparations for the start of Glunz & Jensen. Among his first activities, he bought a lathe from a producer in Czechoslovakia which continued to be used in the company for many years. Bjarne Jensen, remained loyally with Hans Lüth to finish an x-ray processor project. Bjarne left Lüth to join Peter Glunz on 15 April, the day before the founding of Glunz & Jensen A/S.

The first employee hired by Peter Glunz and Bjarne Jensen was Niels Jacobsen Karmark, who was always known to everyone simply as Niller. He also came from Hans Lüth and worked only part time for several months, until officially joining Glunz & Jensen on the first day of October 1973. Niller later was in charge of Multi-Line 65 production, which in 1979 became Maskinfabrikken Neotek, Ringsted ApS. One day Bjarne phoned Niller to tell him that his Multiline production would become a separate legal entity so a name was needed for the new subsidiary. Bjarne asked Niller to suggest a name for the new subsidiary the same afternoon. The Multiline 65 team was made up of six employees. One of them cleverly suggested using the first letters of their first names; Niels (Niller), Erik, Ole, Torben, Egon and Kaj. And Bjarne happily accepted the proposed name - Maskinfabrikken Neotek.

The first handpicked employees

Bjarne Jensen gave a similar request to another division, but he gave them a few days to respond. That subsidiary became Ritema (Ringsted Teknik og Maskinfabrik).

Niller remembers the first period in the Skolegade facility, with long days typically ending around 10:00 pm when he and his colleague, Henrik Hoffmann, crept quietly out of the workshop so that they would not disturb Peter and Bjarne who were still working. He also remembers the reason they wanted to move the operation to another site as early as possible. At the Skolegade plant they had to remove a section of a wall and carry the finished processors out through a neighbor's tool room. Their door was simply too narrow.

Henrik Hoffmann Hansen had been hired only a month after Niels Jacobsen had joined Glunz & Jensen. He also had worked with Hans Lüth, having worked there with Peter Glunz and Bjarne Jensen. After a brief period in Ringsted, Henrik was put in charge of production in Skælskør, where a very large number of PowerMatic T65 processors were manufactured. He served as manager, and later director of Glunz & Jensen Skælskør ApS, until January 1991 when he resigned to take a sabbatical year to think about his future.

All employees were "white collar"

Only the first 30 Powermatic T65 processors were produced at the Skolegade plant, where Bjarne Jensen's father, "Big Henry", crated them with plywood.

The first 15 T65's had already been produced when Henrik Hoffmann joined the company. He worked on the production of the next 15 in Skolegade, then on production starting with No. 31 which was carried out in Skælskør.

From the beginning all employees were hired under the terms of the Salaried Employees Act, regardless of their function in the company. They were paid on a monthly basis, with sick pay and notice periods typically offered in other companies only to the higher level employees. This highly valued principle was maintained until the early 1990's when the poor economic climate led to the decision to provide these benefits to new employees in the production companies only after several years of service.

Peter Glunz and Bjarne Jensen felt that employees should feel good and be happy with their work. Wages were therefore very good compared to similar positions in the area. This was probably one of the reasons that the company was not forced to have labor union contracts and Glunz & Jensen did not see any need to join any of the employers' associations.

The fringe benefits for Glunz & Jensen employees included free coffee, tea, water and beer in unlimited quantities, and this never led to abuses. With regard to serving beer, Bjarne Jensen felt that "If we cannot make enough money to pay for the beer, we might as well close down." He drank pilsner, but was actually not very fond of draft-beer. "It's a strange drink. You cannot drink it fast enough to get drunk."

Another early feature was a distinctive billiards table from Søren Søgaard. It took up nearly all of the space in the dining room. All of the company's employees, including those from Skælskør, participated in an annual round-robin tournament.

It soon became very well known throughout the area that Glunz & Jensen was a good place to work. It was never necessary to advertise for new employees. Production workers were typically involved in the hiring decisions, and in this way the company culture – the atmosphere, cooperation and spirit - were preserved. When Bjarne Jensen and Peter Glunz were involved in interview-

Glunz & Jensen's first plant in Skælskør

It could not be blamed on the oil crisis

ing a candidate they did not use any personality assessment tests. Peter might ask an applicant to take him for a ride in a car. He found that the way he drove a car revealed a lot about a person's character. Bjarne Jensen used a dice game to assess a candidate.

There is a company legend that processor production was moved to Skælskør because of the oil crisis in the winter of 1973-74. Because of the oil shortage almost all driving was banned on Saturdays and Sundays. Henrik Hoffman lived in Skælskør so he was not able to get to work in Ringsted in the weekends, and they felt they could not produce without him. To deal with this, processor parts were transported to Skælskør on Friday evening. Processors were assembled in Henrik's basement and shipped back on Monday. During this period Henrik was assisted by his wife, Erna, and their neighbors and friends. In July 1974 production was moved to rented premises in Skælskør, at Den Gamle Oliemølle, Maglebyvej 28, where some of the friends and neighbors became full time employees.

The choice was between pig sties and a coffee roasting company

The legend is in fact not completely true. There was some production in Henrik Hoffmann's basement in Skælskør several months before the oil crisis hit, and not just weekends. This was due simply to lack of space in the premises on Skolegade. A total of 100 machines were built in Henrik Hoffmann's basement before moving to Maglebyvej. A March 1975 article

The building at Haslevvej 13 in 1975

in Sjællands Tidende states that 500 processors had been produced in Skælskør, and that there are four employees. The sales price for a Powermatic T65 processor at that time was Dkr 16,000. It was estimated that the larger new MultiLine 65 would cost about Dkr 50,000, so that was not put into production. In the June 1977 issue of Aktuel Grafisk Information the MultiLine 65 was advertised for Dkr 39,900 and the new, smaller MultiLine 45 was offered for Dkr 14,800.

The facility in Skolegade was too cramped even though PowerMatic T65 production had been moved to Skælskør. Semi-finished products were still produced in Ringsted in 1974 and Niels Jacobsen, who had by now been joined by a new man, Kaj Hansen, "PVC Kaj", was able to start development of the next machine, the Multi-Line 65.

In the summer of 1974 Peter Glunz and Bjarne Jensen inspected abandoned pig sties and other agricultural buildings throughout central Sjælland but they were not able to locate any suitable facilities for processor production. They therefore ended up renting space back in Ringsted from "Tømrer-Gunner". This was in the building on Haslevvej in Ringsted that, with many renovations and additions, has remained as the company's headquarters.

The lease was for only one year and after that, Glunz & Jensen purchased the property for a little more than Dkr 850.000. Scents of coffee and freshly smoked sausages filled the building, where at one time there had been a dozen tenants. A coffee roasting company had moved out, but there was still a fishmonger, butcher Ejner Jensen, a painter, a factory that produced bedding and a carpet dealer.

The move to Haslevvej 13-15 late in the summer of 1974 was carried out by the workers. The pride of the workshop, the Czechoslovakian lathe, was transported slowly along small roads, with half of it in the Renault 4 van and half on a pallet jack. Bjarne Jensen was in the back of the van, holding the pallet jack with his feet. By the time Niller arrived at "Siberia" where the lathe was installed, the pallet jack wheels had been worn off. The small workshop where the lathe was placed was referred to as Siberia because it was not heated. As the years passed, Glunz & Jensen took over space vacated by the tenants and built additions as more space was needed. The last two tenants were a butcher with his special sausages and the Central Sjællands Motorsport Club, which had a large club room on the first floor of one of the buildings. Glunz & Jensen had borrowed it several times for their Christmas parties, and later renovated it for use as a lunch room.

PowerMatic T65

MultiLine 45

TRADITIONS AND AUTONOMY

The picnic became a tradition

Glunz & Jensen's first processor built for sale under their own label, the MultiLine 65, was developed concurrently with the production of Dalco PowerMatic T65 processors at Skolegade in 1973. The completion of the first MultiLine 65 was the occasion for the first company picnic. The company picnic became an annual tradition.

When the first film came out of the prototype MultiLine 65 processor, almost dry and with almost no scratches, Peter Glunz was so excited that he immediately declared that this should be celebrated with a company picnic. Niller scheduled the picnic on 18th of August. That was the third Saturday in August, and the annual company picnic has been held on the third Saturday in August ever since. As a rule the weather has been good, which is attributed to the special relation that Bjarne Jensen has with the higher powers, specifically, Odin and Thor. Bjarne says that he bribes them with a bitter, called "Gammel Dansk".

Soccer referee - correctly in black

It is a picnic for employees and their partners, and it typically lasts from lunch until after midnight. There are basically two parts; an afternoon session in the open countryside and an evening celebration with good food, music and dancing. The afternoon event took place in a wooded area and the attendees were assigned to groups of 6 to 8 persons to participate in a number of competitive events. Each group was given a crate of beer (and a few sodas) and there were fines for teams that still had full bottles and clear heads at the end of the afternoon. The competitive events displayed a great amount of ingenuity. One the competitions involved climbing up a high step ladder and back down carrying a raw egg on a spoon. Other events included swinging across the Lellinge stream on a rope, wading in the meter deep Skælskør Nor, playing the game MasterMind, extinguishing candles with a water pistol and archery with cabbage heads as the target. Once in Vrangeskov one of the tug-of-war teams tied their end of the rope to a refreshments kiosk and the lady selling snacks was in a panic when the other team almost pulled her kiosk from its foundation. One of the directors was no less shaken after being thrown into the Susåen River after canoeing. Spirits were always high by the time the people arrived at the dinner table, which has been housed in everything from military tents to barrooms. There was always lots of eating, drinking and dancing. A lot of alcohol was consumed but the evening was very rarely marred by skirmishes.

The most difficult and annually recurring task that the organizers had to deal with was determining whether Bjarne Jensen's or Birger Josephsen's group had won. They would both use their "*ærekære*" – the Danish expression which cannot be translated in one word: - they would do almost anything to win - even foul play. Over the years everybody was curious to see what kinds of tricks and "bending of the rules" they would come up with this year - but the whole game went on with a lot of laughter - never serious or personal - "creativity" was expected.

There were a great many other celebrations that helped to build a special company spirit. No reason for a good party was missed, and the tone was always relaxed yet exuberant. The Christmas party was another of the company traditions, memorable in part for the tie-clipping that was initiated by

Bjarne and Inge Jensen (right) enjoy watching as Peter Glunz' load of hay is toppled

Bjarne Jensen. During the first years of the company, Bjarne never wore a tie, preferring instead a checkered shirt and jeans. At the first company Christmas party, anyone who was so presumptuous as to wear a necktie was greeted by Bjarne, who promptly cut off the tie. This became a ritual, with the ties that had been cut off being nailed to a beam in the dining room. Some of those ties had belonged to Gerald Nathe and Nick Keating, two officers of the American company, LogEtronics, who unsuspectingly arrived at one of the first Christmas parties wearing very nice ties. Glunz & Jensen also held many company sports competitions, with trophies for the participants and perpetual trophies displayed in the company showing each year's winners.

Harvest work did not become a tradition

In 1976 Ernesto Hansen, a Dane with a Spanish first name, returned from Argentina. He was hired by Glunz & Jensen but he also had a farm. It was difficult for Ernesto to combine both his job and farming at harvest time. To address this, Glunz & Jensen simply closed the plant at noon when the hay was harvested so that the company's employees could help in the hay field. The day ended with an Argentinean grill and red wine, and a competition to climb the highest haystacks.

The harvest experience was repeated a few more times, even without Ernesto. One year the executives from LogEtronics, USA participated, even though it was questioned whether this was a good idea. It was a tradition that quietly disappeared, although the old-timers continued to talk about it.

Many of the same long term employees were convinced that Glunz & Jensen was protected by a very special "vikingeånd", and they spoke of this Viking Spirit with deep emotions. It had, like so much else, originated with Hans Lüth.

Peter Glunz had happened to read Frans G. Bengtsson's historical novel The Long Ships: A Saga of the Viking Age (Röde Orm in the original Swedish version) just before he was asked by Hans Lüth to come to Denmark to develop a new drier section. When Peter arrived in Denmark he felt that he had landed right in the environment that was described in the book. Both Peter Glunz and Bjarne Jensen felt the intensity of this Viking Spirit. Shortly after Peter Glunz joined Hans Lüth they made a replica of a Viking helmet, complete with horns, and presented it to Hans Lüth as a Christmas present. The image of a Viking helmet can be found in the Lüth International logo, and the helmet actually returned to Glunz & Jensen when they purchased Lüth International, together with LogEtronics, in 1979.

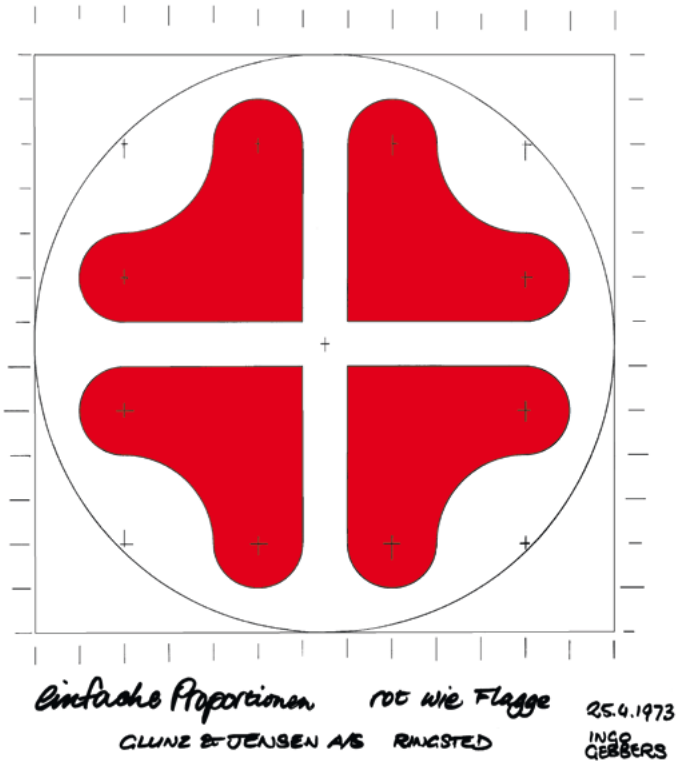
The Viking Image

There is a genuine Viking mask made of iron that was a gift to the company from the employees on Glunz & Jensen's tenth anniversary. It still adorns one of the walls in the current cafeteria. In the heyday of the Viking Spirit in the late 1970's The Long Ships was almost a kind of bible for the company. Bjarne Jensen enjoyed reading aloud the description of Harald Bluetooth's cheerful and bloody Christmas feast in Jelling at the Glunz & Jensen Christmas party. One year a copy of the English translation of The Long Ships was the company's gift to their international customers, and the following year each employee received a Danish copy in their Christmas package.

The first drawings for a company logo, with its Viking symbol, were inspired more by the period that Peter and Bjarne worked with Hans Lüth than by their plan for the new Glunz & Jensen company. They were made by Horst Zimmerman, a good friend of Peter Glunz.

National symbols as logo

The Glunz & Jensen company logo consists of 4 identical red figures which form the shape of a cross on a white background. It is always on the machines that are marketed under the company's own brand names, and is of course on the company flag. The logo was designed in 1974 by another of Peter Glunz friends, German graphic artist Ingo Gebbers, who lists the North German TV network among his notable clients.



For a long time in the last half of the 1970's Glunz & Jensen used a version of Gebbers artwork that Peter Glunz had drawn from memory, since the company did not have the original drawing. They were satisfied with that version until the day a new employee commented that he was surprised that Glunz & Jensen was using a logo that violated one of the geometric construction principles. They spoke on the phone several times with Ingo Gebbers on the issue, and each time they were told that the principle was "very simple" and

that he would immediately send the original drawing. But it never arrived. This was finally resolved when Peter met with Ingo Gebbers at the DRUPA '77 exhibition and succeeded in getting Gebbers to draw the logo on the back of the receipt in the restaurant at the airport in Düsseldorf. Shortly afterward the original drawing was received and since then Glunz & Jensen have used the geometrically correct version of the logo.

“It looks a little like the Dannebrog, the Danish flag”, said Ingo Gebbers. “The company is Danish. The red shapes appear to be derived from a "Maltese cross" which is used in kinematographic projectors, but because the company is Danish it should be distinctly different from the real Maltese cross design”.

It later turned out that in some countries it was not possible to obtain registration and protection of the logo because of its color and shape which can be identified with the Christian cross. Israel and South Africa, for example, believed that the Glunz & Jensen logo violated the international rules for the protection of the Red Cross logo. In most countries, however, there were no problems.

It is surprising that Bjarne Jensen accepted the original incorrect version of the logo when we see how strict he was in the use of the logo. He firmly demanded that a precise distance be maintained between the logo and the first letter of Glunz & Jensen and he developed a formula for the distance between the logo and each of the letters of the alphabet when any brand names other than Glunz & Jensen were used with the logo.

He had the same exact requirements for the location of the logo on the company flag, where the cross should be on the same spot as the cross on the Dannebrog. He also stubbornly maintained the proportions of 3:1:5 in the Dannebrog, even though that was not actually correct. When the advertising agency put the flag with the wrong proportions on the front of the invitation for the ten year anniversary he wrote an irate note on a copy of it to the CEO, John Kejlhof: "Shit, I have consistently emphasized that when we reproduce the Dannebrog it must be with the right proportions. I repeat once more:

Ratio: 3:1:5". But the invitations had already been printed and there was no time for reprinting.

Autonomy in focus

Bjarne Jensen - and to a lesser extent also Peter Glunz – had firm ideas about organization, and specifically about organization theories dealing with autonomous groups. In the 1970's this led to the establishment of separate production divisions for each machine model, with each production operation having a high degree of autonomy. Product development activities were kept separate from the production divisions and essentially had a life of its own.

"They must work as a scout patrols," said Bjarne Jensen, "with one of the members serving as the department manager".

More formal autonomy in Skælskør

The first production divisions were headed by Henrik Hoffmann, Niels Karmark Jacobsen and Ebbe Benn Hansen. Each department had total responsibility for the production of a single processor or a series of related processor models, once the development work had been completed. This responsibility included all aspects of production, from purchasing to quality control, to the final crating for shipment. At the end of the 1970's these production units underwent a legal restructuring whereby they became independent limited companies, with the same owners as Glunz & Jensen A/S. In a legal sense they were all sister companies. With the legal restructuring in 1986 the separate companies became 100% owned subsidiaries of Glunz & Jensen International A/S 1986, and in 1993 they were merged into the parent.

The first production division that was established as an independent private company was Glunz & Jensen Skælskør. That division was selected for the experiment because it was physically isolated from operations in Ringsted, and because it was where that the greatest volume of production occurred. Management wanted to test the idea that the highly autonomous units could be operated as separate legal entities. The conversion to a separate legal entity occurred on 1 June 1978, with Henrik Hoffmann as the manager, effectively serving as Managing Director. The new company had the same members on the Board of Directors as Glunz & Jensen A/S. Hoffmann had organized the company's first Christmas party at his home on 7 December 1973, and had

factory in Skælskør

Skælskør also got the first factory

been asked to manage the first production division while sitting at his kitchen table during the party.

The first employees after Henrik Hoffmann and his wife were Flemming Petersen and Olav Christiansen, who were hired in April and September 1974, respectively. They each had a monthly salary of Dkr. 5.000, which was a very good amount at that time.

When LogEtronics appointed a representative on the Board on 1 December 1979, Henrik Hoffmann was also appointed as a Board member. The leaders of the other production companies had to wait until the structural change in 1986 to receive that distinction.

In August 1974, just months after moving into an old oil mill in Skælskør, the completion of T65 processor no. 250 was celebrated and in March 1975 the 500th processor was shipped.

The experiment succeeded. Glunz & Jensen Skælskør ApS performed very well, and in the summer of 1980 a new factory at Industrivej 51 was built. It was designed by architect Henrik Sørensen of Ringsted and built by GH-Byg, who was interested in gaining experience with brick construction. According to Per Hansen, a director of GH-Byg, it was a good but hard learning experience. The result was that Glunz & Jensen got a very nice building at a reasonable price. Henrik Hoffmann and his 15 employees now had 1130 square meters available.

Bjarne Jensen's perfectionist attitude did not make it easier for Per Hansen, who claimed that Bjarne Jensen demanded quality more typical of home construction than for industrial property. For example, Bjarne demanded that a portion of a brick wall be done over because he found that a slight difference in the color of the bricks gave the impression that the wall had been assembled with a zipper. Bjarne also demanded flowers on the tiles in the bathrooms and felt it was reasonable to request paneling in the workshops.

There are many other examples of this perfectionist attitude. One of them involves the renovation of the old windmill on Køgevej in Ringsted in 1984-85. Bjarne Jensen personally made the drawings for the picket fence, with a unique top on the posts. On the day the last of several hundred sections had been completed, the carpenter sat together with other craftsmen in the mill enjoying a well deserved beer when Bjarne Jensen's car drove past.

“He’ll come in here complaining about something” said the carpenter. But nothing happened. They saw the car pass by several times. However finally Bjarne Jensen came in.

“ There’s a pair of screws that are reversed”, he said. Indeed, in one of the posts, with two by two screws mounted diagonally opposite to each other, one set of screws was mounted in the opposite positions. The mason was not much luckier. He had to remove the tiles in the bathroom twice and put them up again before Bjarne Jensen was pleased.

A REJECTED PROPOSAL

DRUPA '77 and the conflict with Chemco

The first major trade show where Glunz & Jensen had their own stand with their own MultiLine label processors was DRUPA '77. This is the world's biggest graphic arts trade show, held every four or five years in Dusseldorf, Germany. Any supplier to the graphic arts industry with international sales or ambitions must be represented at DRUPA. Glunz & Jensen made their debut at DRUPA in 1977 and has been at every DRUPA exhibition since then.

The plan was to exhibit the Chemco PowerMatic T65 and the two new machines, the Glunz & Jensen MultiLine 45 and MultiLine 65. The MultiLine introduction was a success, but first the company had to reach an agreement with Dalco (by that time operating as Chemco, Inc.) who claimed the marketing of table top processors to any company other than Chemco was a violation of their contractual agreement.

The MultiLine 45 processor processed film or paper with a maximum width of 45 cm and had a different exterior design than the Powermatic T65 and MultiLine 65 which processed materials up to 65 cm wide. The interior was essentially similar to the PowerMatic T65. It was originally intended for processing of microfilm. Already in April 1976 a prototype "microfilm processor" had been sent to GAF (Nederland) BV at no charge for their evaluation. GAF, and others who later marketed the MultiLine 45, sold the processors mainly for graphic arts use, for processing phototypesetting films and papers as well as rapid access film. By the time the MultiLine T45 was fazed out of production in 1993, 16,500 had been produced. That is the largest number of any specific model ever produced by Glunz & Jensen.

The first 500 processors with 45 cm width were sold to the German company Microlith. The brand name for those first machines was MicroLine, but the owner-manager of Microlith, Mr. Koch, felt that the name MicroLine was too similar to the name of his company, Microlith, for marketing by Glunz & Jensen to other companies in the graphic arts industry. Because of this objection, Glunz & Jensen changed the name of the processor to MultiLine 45.

A contract for design and production of the PowerMatic T65 processor had been signed on 24 May 1973 with Dalco, Inc., which was based in The Netherlands but was a subsidiary of the American graphic arts film producer, Powers Chemco, Inc. The contract contained a clause that stated that Glunz & Jensen was not allowed to supply "any automatic processing machines basically similar to those supplied to Dalco to any other parties without written consent of Dalco." Dalco maintained that it was their innovation to market low cost rapid access processors such as the PowerMatic T65 and they had worldwide marketing rights. Glunz & Jensen had a narrower interpretation of the wording and intentions of the contract. They claimed that their new machine is only 45 cm wide, there were not the same number of baths in the two machines, and their new processors had a completely different design, with the film exiting the machine horizontally while film was transported vertically in the drier of the T65.

The confrontation was so severe that Bjarne Jensen asked the accounting department to determine the financial consequences if Chemco would no longer purchase processors from Glunz & Jensen. Deltagraph in Germany was selling all the MultiLine 45 and 65 processors that Glunz & Jensen were able to produce, and it appeared that they could operate at breakeven without the PowerMatic sales to Chemco. Therefore, they stood firm.

Chemco agreed that Glunz & Jensen would market rapid access table model processors to whomever they chose, while Chemco would have the option of including any of those models in their program. Chemco marketed the MultiLine 45 as a Powermatic T45 processor. In countries where Chemco had their own sales company, other than Germany, the Chemco companies became exclusive MultiLine distributors. The controversy was more or less forgotten, barely a “fly in the ointment”, and the close cooperation between Chemco and Glunz & Jensen was strengthened as Glunz & Jensen expanded their program.

Glunz & Jensen’s participation in DRUPA ’77 was an enormous success. They established a large number of international relationships, many of which have lasted for many years. The stand was designed and built profes-

sionally and all Glunz & Jensen people who worked in the stand wore the same blazers with Glunz & Jensen identity. There was a bar serving a range of refreshments, including the traditional Gammel Dansk Bitter. A dozen employees from Ringsted and Skælskør were flown to Düsseldorf to see the exhibition.

Glunz & Jensen now had 25 employees and annual revenue was more than Dkr 17 million. They were well on their way to reaching the rule of thumb that sales should be one million kroner per employee. Profit was more than Dkr 2 million. Participation in DRUPA was a major contributor to the sales increase of 78 percent the following year, to Dkr 30.5 million. The balance total had increased to Dkr 11 million and shareholder equity was almost Dkr 4 million.

Soon after DRUPA '77 the international status of Glunz & Jensen was confirmed by the great number of new customers. First, there were now retailers in many countries marketing Glunz & Jensen MultiLine processors, but there was also a substantial number of companies that wanted to negotiate terms for Glunz & Jensen processors under their own brand names, as was the case with Chemco. This latter category included brand names such as Metoform, Bacherline, Fagline, Euroline and Bobline. One of the first competitors to seek a private label arrangement was LogEtronics Inc., based in Virginia, USA. This important relationship was maintained until 1992.

A LogEtronics Inc. employee based in England had initiated contact with Peter Glunz and Bjarne Jensen at the IFRA trade show in Montreux, Switzerland in October 1976. He told them that LogEtronics was interested in selling Glunz & Jensen processors through its own sales channels in both America and Europe. The MultiLine 65 was exhibited for the first time at IFRA in Montreux, and the first contacts with DuPont were also established at that trade show.

The Americans wanted to buy Glunz & Jensen

LogEtronics' interest turned out to be of a different nature than Glunz & Jensen had expected or preferred. Shortly after the Montreux exhibition, a small delegation of LogEtronics executives led by the company president,

William Merrinan, traveled to Denmark to negotiate the acquisition of Glunz & Jensen. This was a familiar process for Bill Marrinan who had handled many LogEtronics acquisitions, most of which were made in the USA.
The proposal by LogEtronics was firmly rejected.

Peter Glunz recalls driving the disappointed LogEtronics executives to the airport. He lectured them on the philosophy of liberty that he and Bjarne both shared. They are free to make decisions, and responsible only to themselves. “We are free”, he stated to Bill Merrinan. “You are just an employee who is accountable to some uninvolved shareholders.”

However Peter left the door open. “There will be no marriage, but we might be open to some other arrangement. Glunz & Jensen was always ready for a challenge.” Marrinan countered quickly with the possibility of an exchange of shares so that each would have a minority shareholding in the other.

This was followed by a meeting Peter Glunz had with Nick Keating from LogEtronics during the PRINT ’77 exhibition in Chicago. On a quiet September evening they sat for a long time by the fountain in front of the McCormick Building to develop the concept which would be the foundation for collaboration between the companies.

LogEtronics had an extensive development and production operation for processors at the high end of the scale, with controls that are necessary for lith film processing. However those machines were being replaced for many applications due to the success of rapid access systems. Peter Glunz and Bjarne Jensen referred to LogEtronics processors as the Rolls Royce versions and characterized their own as Volkswagens.

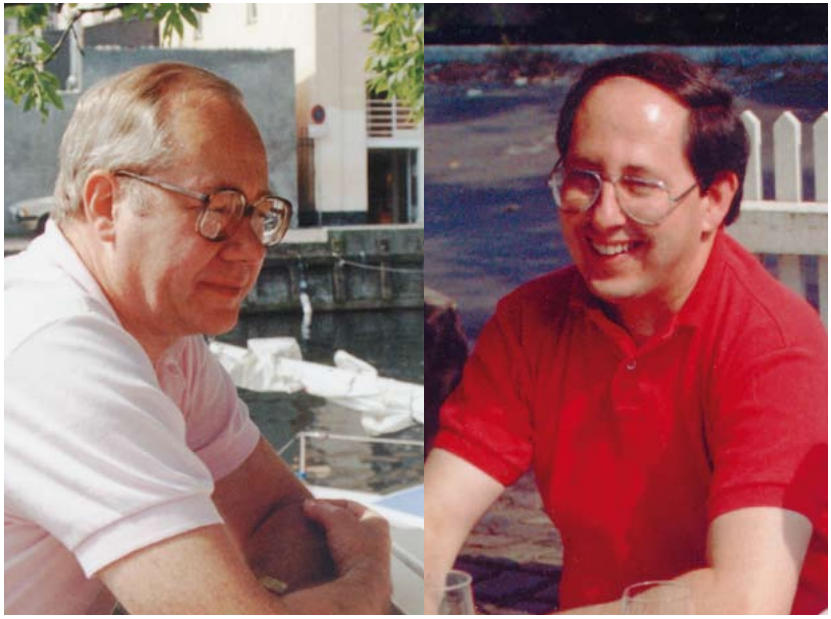
LogEtronics was interested in marketing the Glunz & Jensen smaller and cheaper machines not just in America, but also in Europe through their subsidiaries in Germany and Switzerland. The first were the MultiLine 45 and 65 processors, which were marketed under the name LogEline. As the Glunz & Jensen program was expanded, LogEtronics included most of the new processors in their program, similar to the Chemco marketing program.

Glunz & Jensen saw this program as a good means of entering the U.S. market without having to spend millions of dollars to establish a marketing organization.

Discounted marketing in USA

Kodak, 3M and some smaller companies also marketed Glunz & Jensen equipment under their own private labels in North America. Glunz & Jensen did not establish their own sales company in North America until 1992, when LogEtronics had financial difficulties and was sold.

The cooperation between LogEtronics and Glunz & Jensen was expanded in June 1978 as a follow-up to the discussion Peter Glunz and Nick Keating had had by the McCormick fountain in Chicago and also to take advantage of opportunities for joint development activities that came up from time to time. LogEtronics acquired 10 percent of the shares of Glunz & Jensen in exchange for an equal value in shares of LogEtronics, which amounted to slightly more than 4 percent of the shares.



Gerald Nathe and Nick Keating, LogE

Glunz & Jensen, who at that time had 50 employees, had recently increased their share capital from Dkr 100,000 to one million kroner. Bjarne Jensen became a member of the Board of Directors of LogEtronics, and Nick Keating was appointed to the Glunz & Jensen board. Nick Keating's extensive international experience and many contacts throughout the graphic arts industry proved to be a valuable asset for Glunz & Jensen. His advice and influence contributed significantly to Glunz & Jensen's development during the years of the cooperation.

The LogEtronics board in American was enthusiastic with the often unconventional approach of Bjarne Jensen, who gave new life to board meetings. He was never afraid to speak his mind, even if his English was not perfect. When he was looking for the right words to express himself, he quickly and seemingly without effort created a new term or phrase. The other LogE board members were, as is the American custom, professional directors appointed by the various stakeholders. They often proudly mentioned the turnover of other companies that they represented. At one point this was too much for Bjarne, who interrupted one of them to exclaim: "I don't care about your turn over. Tell me about your left-over".

The relationship with LogEtronics was always very cordial, not only with Nick Keating who worked closely with Glunz & Jensen, but also the Chairman, Gordon Johnson, President Bill Merrinan and Vice President, later president, Gerald Nathe. The personal friendships have continued even after some of the people, for various reasons, had left LogEtronics.

American co-ownership

The common interests of Glunz & Jensen and LogEtronics led to cooperation at the strategic level. Builder Bent Nielsen of Slagelse had purchased the assets of Hans Lüth A/S out of bankruptcy and resumed production in a newly built factory. He wanted to sell the company in 1979, and Glunz & Jensen and LogEtronics purchased Lüth on a fifty-fifty basis. It was on that occasion that the Viking helmet came "home" again. Bent Nielsen delivered it in a plastic bag in accordance with a clause in the purchase contract.

The helmet has achieved the status of a trophy

Lüth - and the Viking helmet - came "home" again

The cross shareholding arrangement between Glunz & Jensen and LogEtronics was dissolved in 1983 when LogEtronics was acquired by DBA Systems, a manufacturer of military equipment. Unfortunately, the repurchase by Glunz & Jensen of their own shares cost them nearly two million kroner, since the value of Glunz & Jensen shares had increased substantially more than that of LogEtronics. The sales and marketing arrangements continued unchanged and in the same year LogEtronics received the Prince Henrik of Denmark Medal of Honour "for outstanding efforts to the marketing of Danish products." Gerald Nathe, who had taken over the presidency of LogEtronics from Bill Merrinan, expressed his gratitude to Danish Ambassador Eigil Jørgensen at a ceremony in Springfield, Virginia, on 13 December 1983.

STRENGTHENING THE ORGANIZATION

A bricklayer as R&D manager

The company's first development manager, taking over that management function from the two founders, was Torben Sørensen. He had worked as a bricklayer and began in Niels Jacobsen's department testing MultiLine 65 processors. He was quickly promoted to manage the development group, where he enthusiastically made refinements in the electronic controls of processing machines. One of his first accomplishments was the 555'er, a small integrated circuit that controlled transport speed.

There were initially only four employees in the development department. Torben's right hand and mechanical counterpart was Leif Ravn, whose inventions can still be found in current Glunz & Jensen processors. Both Torben Sørensen and Leif Ravn left Glunz & Jensen in 1982 to start their own business. In January 1981 Kaj Marum had been hired as the company's first Technical Director. When Torben and Leif left the company a year later, Kaj B. Marum took over the responsibilities of the development activities. Kaj Marum served as Technical Director and head of development until he left the company in 1992.

It was Glunz & Jensen's policy in the production area to make use of subcontractors for components and subassemblies wherever possible. They tried to have two suppliers for each part or subassembly in order to reduce their own investment in machinery and buildings while not being too dependent on any single supplier. This not only reduced interest costs but also avoided high amortization, particularly on low volume or highly specialized components. But perhaps the most important benefit from this manufacturing policy was the use of expertise available from other specialized Danish companies. Roughly 200 Danish companies became suppliers to the company.

An important reason for Glunz & Jensen's economic success is that the company has resisted temptations to produce parts and subassemblies that

could be purchased. They have held steadfastly to this principle at all levels, from component parts to advanced subassemblies. Glunz & Jensen's own production consists mainly of final assembly of components produced by reliable subcontractors. Bjarne Jensen and Peter Glunz placed great emphasis on this principle and the company continues to take great care to enforce this concept. The company has benefitted from the flexibility offered by this principle during downturns in the business cycle and when responding rapidly to increased business opportunities. The benefits far outweigh any disadvantages associated with heavy dependence on suppliers.

Contacts with specialized suppliers were particularly important during the start-up phase. The work done by Tinby A/S in casting polyurethane rollers is a good example. They were specialists in working with polyurethane but had to mobilize all of their experience and skills to meet the specifications and tolerances demanded for processor rollers.

A lot of Danish subsuppliers

Another supplier that has worked closely with Glunz & Jensen since the late 1970's is Schublich A/S. They were initially a producer of rollers but later became a strategically critical supplier of polyurethane foam tanks. So important was this relationship that PBI Holding became a 40% shareholder in 1979. Bjarne Jensen wanted to have a larger stake but the two other shareholders, Schur Group and the entrepreneur and Managing Director, Claus Løwe Rasmussen, would not let go of more than 40%.

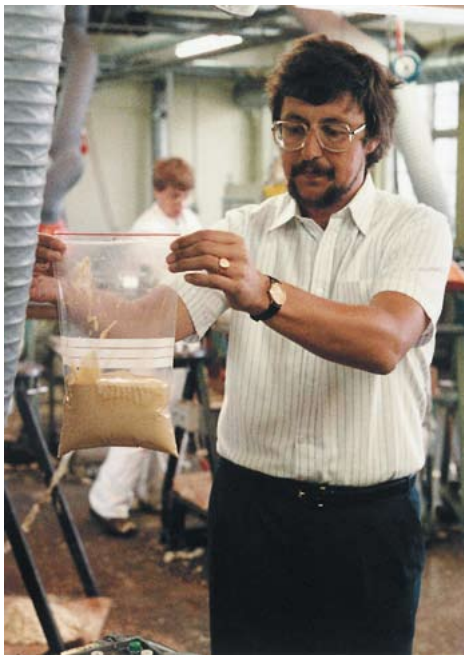
The first polyurethane foam processor tanks were developed in the period 1981-83. Director Claus Løwe Rasmussen remembers the difficult development task as being yet another example of the way that Peter Glunz and Bjarne Jensen forced their suppliers to meet seemingly impossible performance requirements. In this case it involved a close collaboration between Glunz & Jensen, Schublich, BASF, Bayer and Thorsted Machines for achieving a totally new concept for making processor tanks.

The first tank sections produced using this revolutionary design were molded in one piece, weighed 31 kg and contained a number of innovative features. Casting time for a tank was only 10.5 seconds, but the develop-

ment of molds had been a costly affair. It was an innovative and economical production method for Glunz & Jensen, allowing them to produce processors in large quantities at low cost. The method was later used by competitors and continues in use today.

Suppliers under pressure

In 1991, the two suppliers of rollers and other polyurethane components, Schublich and Tinby, merged and then operated under the leadership of Leif Dambo. Today that company is very healthy and is experiencing a strong growth. This story provides a good example of how being a supplier to the very demanding and innovative Glunz & Jensen company was also a tremendous benefit for the supplier.



Claus Løwe Rasmussen

There were similar developments in the intense collaboration with Paul Lunde, Silwa A/S in Fyn, for injection molding of gears, and a great many other plastic parts. Esbjerg Tovvæk made the first vacuum formed processor covers, and that production later moved to Dansk Kunststof Indusri A/S and Thermoform A/S. Preben Jørgensen at Accoat A/S in Tikøb was an expert in coating technology, and particularly with Teflon coatings. Jim Jensen, at Dansk Industrikontakt A/S, developed and built the electronics before this work was transferred to General Instruments ApS in Give, in which Glunz & Jensen purchased a majority shareholding. General Instruments is now 100% owned by PBI-Holding, Ringsted A/S. It was combined with the operations of Teamtech and now operates as GI Teamtech A/S.

There were many other key suppliers during the early years of Glunz & Jensen. The sheet metal work was done by the Struer metal works. Balstrupvej metal foundry in Ringsted produced fan housings and other parts. Standex A/S has supplied thousands of aluminum frames and Nordisk Kinematograffabrik I/S produced a great quantity of machined gears. Farusa A/S supplied custom designed packaging and Parvalux A/S was a major supplier of motors.

The administrative and marketing functions and the management of the technical activities were handled by Peter Glunz and Bjarne Jensen and their wives, Eva and Inge, during the first four years. Peter Glunz managed technical development and international contacts, while Bjarne Jensen, as Managing Director, took care of production, finance and personnel management. It was also Bjarne who had most of the contact with banks, local government organizations and the press, but there were no sharp boundaries. Both Peter and Bjarne were involved in the major international negotiations, and Bjarne did a considerable amount of design work and wrote some of the technical manuals.

Bjarne Jensen also used his contacts with some of the local craftsmen. On at least one occasion it was quite unconventional. The development group had been attempting to use brush rollers to get an even distribution of developer across the film, but the bristles on the available brushes were too long. Bjarne took the brushes to his good friend, Max Christensen, proprietor of the Jernbanesalonen, a barber shop in Ringsted. There he asked Max the Barber to cut the brushes to the correct length. Whether it was Max's fault or not is not clear, but the use of brush rollers was dropped.

Max the hairdresser gave the brush-rollers a new cut

Eva Glunz and Inge Jensen shared the work of bookkeeping and typing in Danish and in foreign languages. The actual accounting work was left to the company's auditor Bent Hybholt, who continued to do this for many years.

During the first year the emphasis was placed on providing good facilities for both production and development, while the working areas for the understaffed administrative functions were somewhat improvised. It was

necessary to walk through Bjarne Jensen's office to get to the development department and the lunch room, and it remained that way until 1978. Offices were added on the ground floor but those were initially leased to Deltagraph. It was not until 1985 that normal office facilities were built to house the administration departments.

The first new people in the administration

Administrative personnel were not added until 1977. By then there were 25 employees, including a couple in Deltagraph that also did some of the Glunz & Jensen administration. Finally, in April 1977, Lene Thomsen was hired for secretarial tasks and Holger Marum joined Eva and Inge to handle general administrative and organizational work.

Around that time Karl Frederik Nielsen was hired as a service technician and he also worked on the service manuals that had previously been handled by Deltagraph's service manager, Ole Olsen. However there was still not really any specialization, as everyone was expected to fill in wherever they were needed.

Haslevvej 13 - in the early 80's

In September 1977 Jan Rasmussen was hired for the warehouse and shipping, but his first day of work was spent harvesting hay on Ernesto Hansen's farm.

By the middle of 1977 the conflict with Chemco had been resolved and the new, compact MultiLine 45 processor was being sold in large numbers. This led to a sharp decline in sales of Chemco PowerMatic T65 processors so that production was moved from Skælskør to Ebbe Hansen's department in Ringsted, and the new MultiLine 45 was built in Skælskør. The larger MultiLine 65, which was produced in several versions, was produced in Niels Jacobsen's department in Ringsted.

Rising turnover, new companies, new factories

Based on the successful experience with the company in Skælskør, in June 1979 two other production departments were incorporated as limited liability companies: Maskinfabrikken Neotek, Ringsted ApS managed by Niels Jacobsen and Ritema ApS which was managed by Ebbe Hansen.

By that time these three production operations had built a total of 2,500 processors. Both Ritema and Neotek were housed in cramped areas of the old buildings on Haslevvej until 30th September 1982 when a new factory building was completed at Jættevej 34. The new building was constructed on a portion of a large tract of land that had been purchased from Rimas A/S for about one million kroner.

This was a very successful period for Glunz & Jensen. From fiscal year 1975/76 to fiscal year 1976/77 total sales revenue increased by 98.5 percent, to 8 million kroner. The following year sales increased to over 17 million kroner. Three years later, when the two new production companies were incorporated, sales had increased to 49 million kroner, with a profit of 8.7 million kroner, and shareholder equity had increased to nearly 24 million. This large equity position was far beyond what was needed for investments in the company's development and production facilities.

On the first of December 1979 Glunz & Jensen ceased to be the manufacturing company, and the operations embarked on a very different course with

a new financial and ownership structure. Because of the financial restructuring it took more than four years before Glunz & Jensen's share capital returned to the level it had reached prior to the restructuring.

The first "sidestep"

Gorm Ladefoged, who was a member of the Board together with Peter Glunz, Bjarne Jensen and LogEtronics' Representative Nick Keating, saw this enormous increase in net worth and in 1978 had started preparing a financial restructuring plan, a "sidestep".

Gorm reasoned that the large share capital that had piled up in the company could be better utilized in a different context since it was not needed for the continuing manufacturing and sales operations of Glunz & Jensen. He also took into consideration the potential risk of product liability claims. Another factor that influenced Gorm's reasoning was the fact that both Peter Glunz and Bjarne Jensen has always been advocates of small operational units rather than a big battleship that can be difficult to maneuver.

These thoughts and considerations led Gorm Ladefoged to propose an industrial investment and finance company.

The plan was realized by the formation of a new limited company, Glunz & Jensen International A/S, with the same owners as Glunz & Jensen A/S. The original Glunz & Jensen A/S was renamed PBI-Holding, Ringsted A/S.

The new company purchased all the assets of the original Glunz & Jensen A/S that were necessary for continuing operations, with the exception of the buildings. These were retained by the original company, which was now known as PBI-Holding, Ringsted A/S.

The new company did not pay for the goodwill, but instead contractually agreed to pay a royalty of 10 percent of sales for a period of 15 years. Ownership of the production companies remained unchanged, but they now had a contractual obligation to pay a royalty to Glunz & Jensen International A/S of 3 percent of their sales.

In financial terms, Glunz & Jensen was starting over again, with share capital of one million kroner. There were of course strong resources to build upon and sales in the following fiscal year, 1980-81, reached 58.8 million kroner. Profit was only 2.4 million kroner, but this was due to the new financial arrangements which included royalty payments.

During the period from the formation of Glunz & Jensen International on December 1st, 1979 and the next restructuring which took place in 1986, Glunz & Jensen International and PBI-Holding, Ringsted A/S were operated in very close cooperation, both financially and administratively. Investments which by their nature should have been be made by Glunz & Jensen, were often made by PBI-Holding, Ringsted A/S because the latter had much greater liquidity. The close relationship also led to the emergence of a number of mutually owned companies, referred to as the Glunz & Jensen Group. These joint ownerships were changed in the next restructuring in 1986.

Examples of investments made during this period include the acquisition of General Instruments ApS and the establishment of Glunz & Jensen Electronics A/S and Best Minilab Systems A/S.

Best for "Apparatebau"

Back when Peter Glunz worked at Axel Springer, someone had put a sign on his darkroom door, "Apparatebau - Glunz". As an apprentice Peter's darkroom was always cluttered with his inventions and modifications. Inspired by this, Bjarne Jensen often said that Peter Glunz was Glunz & Jensen's best inventor. Bjarne therefore questioned whether the company had the ability to engage in more high-tech development projects, and Peter Glunz would probably agree. The company's high-tech projects were in fact conducted on their behalf within other companies.

Nevertheless, in 1985 Glunz & Jensen acquired an advanced project that was the invention of two engineers, Erling Hviid and Gert Thomsen, who had worked at the Niels Bohr Institute where they were involved in the development of a photoplotter. This was a complex computer controlled apparatus for drawing a printed circuit on photographic film by means of a narrow, sharply focused light beam with an improved optical system.

Early prototype of MultiPlotter 60

The plotter was based on well-known principles, but was compact and would cost 40 percent less than plotters that were then available. The project was placed in a newly created company, Glunz & Jensen Electronics A/S, and John Kejlhof, who had recently been hired as managing director of Glunz & Jensen International A/S, served as director of the company. It was housed in a part of the new factory at Jættevej 34 in Ringsted. The further development of the printed circuit plotter proceeded slowly and the costs of the project were running higher than had been forecasted. The development project was however completed and some plotters were sold.

Glunz & Jensen received the Dansk Designråd's ID prize in 1987 for their MultiPlotter project based on "the exceptional quality of the electronic/ mechanical design of the parts of the plotter, parts that the user does not see." The world premiere of the MultiPlotter 60 was at Productronica 1987 in Munich. Sales were however disappointing and there were performance

issues that required continuing work and significant costs. It was not possible to gain market share from competitors and the activities were shifted from Glunz & Jensen to PBI-Holding, Ringsted A/S, where the project was discontinued a few years later.

A second, less successful undertaking, was Glunz & Jensen's participation in the development of a mini-laboratory for processing amateur color films. It was a computer controlled machine for rapid processing of color films and prints. The basic idea was that one could leave their exposed roll of color film at the local camera store on your way to the supermarket, then pick up the processed film and prints on your way home. The system was developed in Refrema A/S in Roskilde by Poul Harder, a native of Switzerland. Glunz & Jensen became interested in the project and in 1984 an agreement was reached whereby the activities of Refrema A/S were placed in a new company, Best Minilab Photosystems A/S which was located in Gevninge in Roskilde. Good progress was made and several systems were installed. One was located in Copenhagen's Central Station and another was installed in Roskilde. The amount of effort to keep them operating was, however, unsustainable. Further development work to refine the system took too long and costs were excessive. There were technical problems that required efforts by Glunz & Jensen people in Ringsted during a period of several months and this, together with poor management, led to growing irritations between the parties. Both wanted to see results. Competition from Japanese competitors with much more advanced systems took over the market. Neither PBI-Holding, Ringsted A/S, which had continued the project after the structural change in 1986, nor Refrema A/S, could see a future for the company and it was shut down in 1988.

Project Toast-Automat and the fourth production company

There was a fourth production company that started with investments in 1977 by Peter Glunz and Bjarne Jensen in a small company, Revomatt ApS, which had an activity called Projekt Toast-Automat. The project, which was still being developed, involved a vending machine for toasted ham and cheese sandwiches. The plan was to get the vending machines placed in bars and railway stations to provide snacks for hungry guests and passengers. The other shareholders operated a number of coat checkrooms, many of which were in the somewhat shady neighborhoods of Hamburg.

The further development of the system was placed in the hands of Kaj Larsen, who of course became known as "Toast-Kaj" - or just "Toasty". He had his hands full. He had to ensure that the sandwiches were hygienically packaged in plastic film, kept fresh in the cooling section before they were purchased, and that they dropped down under the infrared lamp when coins were inserted. The lamp had to make them red-hot in virtually no time, without melting the plastic film or causing it to stick to the bread. The heat from the infrared lamp must not increase the temperature in the cooled storage area right above it. Government authorities demanded that hungry vandals without money could not get an electric shock if they attempted to break into the machine. It was too much! The project was eventually sold to Hardy Jonassen, who had been involved in development work. Kaj Larsen joined the development department of Glunz & Jensen to work on film processors, and his colleagues no longer had to eat toast for lunch. Revomatt ApS was an empty company for a while but was reactivated in 1986 to serve as the production unit for MultiLine 65T processors.

It was a rule of thumb that the production units should not have more than about forty employees. Bjarne Jensen felt that “Everyone should know his fellow-employees well”, and Peter Glunz added that employees should be able to remember the names of the wives of all his colleagues. When production in Ritema was getting too big, Ole Hylleborg, who had previously worked with the MultiLine 65 in Neotek, was moved to Revomatt along with a handful of experienced staff and a few new recruits for MultiLine 65T production. They started in rented space at Deltagraph on Thorsvej, until both Neotek and Revomatt could be moved into the new factory at Jættevej 40. The processor program was expanded with private label versions of the MultiLine 65T. This included the Chemco PowerMatic R650 and the LogEline 25 for LogEtronics. Later the more sophisticated MultiLine 66F was added to the program and sold by LogEtronics as LogEtek 26. Many other processors were built by Ole Hylleborg and his team, including a large number for 3M.

It was as if everyone knew everyone else in the reprographic industry – and many had become acquainted through Hans Lüth. Anyway, that is how Peter Glunz and Bjarne Jensen had originally gotten to know Preben Cederquist.

Preben Cederquist

In 1980 he came to Ringsted with a proposal for Glunz & Jensen to produce processors for offset litho plates. He had been with Ajax International A/S and was one of the most experienced technicians in the field.

The proposal was accepted, representing the first new product line that had been introduced after the color film processing project and the adventure with a sandwich toaster. It was a natural step for Glunz & Jensen whose goal was to be the "Leader in Pre-Press". Pre-press included not only films and phototypesetting paper, but also aluminium printing plates. Preben Cederquist was a devil-may-care type, whose imagination and resourcefulness corresponded well with the spirit of the company. And he worked quickly. The first plate developing machines were ready in record time. The big Concorde plate processor and its little sister, the Conplater were both introduced at IPEX 1980 at the National Exhibition Center in London.

SAPP
- a whole new
product line

Concorde - processor for offset-plates

SAPP turned into a "mixed items shop"

Preben Cederquist's demands for quick results sometimes were the cause of sleepless nights for the Technical Director and the people in development and production. Drawings, parts lists and part numbers had to be prepared and updated before production could begin.

As the development work progressed, Glunz & Jensen purchased a shell company from a well-known tax attorney and later "political-party-owner", Mogens Glistrup, to be used as the production company for plate processors. The name of the company was changed to Systems for Automatic Plate Processing – SAPP ApS. This was Glunz & Jensen's fifth production operation.

SAPP production was placed under the direction of Svend Aage Kristensen. They were able to lease space with GH-Byg on Fredensvej in Benløse, so there was no need to build another factory.

Preben Cederquist asked that work be done on a processor for photopolymer relief plates from Napp Systems, Inc. but that project was not successful. Substantial sales were achieved with specially designed processors for 3M aluminium plates, 3M Onyx polyester plates and 3M Matchprint color proofing materials.

The initial products, the Concorde plate processor and especially the small Conplater, were sold in very large numbers with the Glunz & Jensen trade names and under a great many private labels throughout the world. Substantial sales were achieved in Denmark under the Lüth International trade name, Interplater. The number of variants kept growing, and at one point there were more than 80 different product names, some of which were sold in only small quantities. This placed huge demands on administration and warehousing.
In 1988 Grafolux, a producer of exposure frames for films and plates, was acquired. Starting in 1989 SAPP's product range was expanded to include Grafolux equipment, which was then sold under the MultiLight name. Jan Johansen, former owner of Grafolux, worked on the further development of the product line after the acquisition. He was also involved with Lysteknisk

Laboratorium, where he developed a unique reflector that was the subject of a patent infringement case against Eskofot. In 1991 Glunz & Jensen acquired Artica, a producer of reproduction cameras based in Sorø. The manufacture of Artica products was then placed in SAPP operations.

During this period the Conplater product line was expanded to include the MultiPlater 66 and 88 processors. Equipment for air purification and handling of liquid chemicals was also added to the product line in response to increasing consumer awareness of the need for "environmentally friendly" systems.

The MultiAir air purifier had been produced in Skælskør for several years. A lot of work was done with silver recovery systems and in 1992 two "green" products were introduced. There was a filtration and replenishment unit for developer and one for fixer that also recovered silver. Both of those products were manufactured in SAPP and supplied under private labels to both Chemco and DuPont.

Preben Cederquist sold his interests in the company in 1987 and relocated to England, establishing a service organization for G&J plate processors.

The glass roof, creating an atrium, had not yet been added in this 1988/89 photo.

A ROW OF FACTORIES

Buildings for millions

PBI-Holding, Ringsted A/S became the owner of the buildings on the property at Haslevvej 13 as a result of the financial restructuring on December 1st, 1979. They invested in new buildings and rented them to Glunz & Jensen International A/S and to the production companies. The first investment in new building construction that was made by PBI Holding was the factory at Industrivej 51 in Skælskør where the Chemco PowerMatic T65 was produced. Construction was completed in the summer of 1980. This was followed by the purchase in 1981 of a 26,789 square meter plot of land, lot no. 42al, in Ringsted Markjorder.

This property was located on an extension of Haslevvej where the old buildings were situated on lot 42h, which was 4,689 square meters. It was purchased from Rimas A/S for about one million kroner. There was a plan for development of that property that was delayed when the town was not prepared to sell adjacent property. The situation remained unresolved until 1986 when PBI-Holding was finally able to purchase lot 40ad of 6000 square meters, 40af of 7,124 square meters and 42bh which was 9,692 square meters.

A development plan was prepared that would eventually include six factories and an office building. The initial project included five factory buildings in a row along Haslevvej. They were spaced so that it would be possible to combine two or more of the factory buildings by simply constructing a wall at 90 degrees. In keeping with the production organization philosophy of Peter Glunz and Bjarne Jensen, the size of each factory building was suitable to accommodate a production team of 20 to 25 people. The layout made it possible to subdivide the property so that units could be sold separately if that should ever be considered in the future.

Architect Henrik Sørensen of Ringsted, who had designed the plant in Skælskør, was chosen. The plan included a large central administration building and architect Sørensen made a proposal to construct a very modern, almost futuristic, concrete palace for all administrative functions. That aspect of his plan was not realized.

In 1982 and 1984, two new factory buildings were constructed and a warehouse and shipping structure was built that connected the two factories. In 1986, the third factory, essentially a duplicate of the plant at Jættevej 38-40 where Neotek and Revomatt operated, was completed. At the same time a new, much bigger, warehouse was also built. The old warehouse was demolished in 1988 after only four years of use, and a two-story brick building was constructed on that site. The entire ground floor was occupied by the development department, including workshops and darkrooms. There was a large conference room on the second floor, and the offices of PBI-Holding, Ringsted A/S occupied the rest of the second floor.

Starting in 1978 there has almost always been construction in progress on the Glunz & Jensen properties, and there have often been several construction projects going on at the same time. There were a great many renovations and additions made to the original buildings at Haslevvej 13-15, and there were many discussions about whether it was wise to spend more money on these old buildings. But each time demolition and new construction were brought up, Bjarne Jensen chose for more renovations because of the sentimental value he attached to the original building on Haslevvej.

There was a time in the 1970's when another Ringsted architect, Poul Faebo Larsen, made a construction proposal to connect the two wings of the original, horseshoe shaped building on Haslevvej. This became the company's administration center. When the project was finally completed in 1985, a very satisfied Bjarne Jensen commented: "We could not have imagined how this project would turn out when I signed the contract with Poul." The project was not really completed until the courtyard was finished sometime later.

In 1991 the courtyard project was completed. It was expected that the beautiful glass covered atrium would be the final renovation of the old buildings. The architect's vision was to create a little Italian square, framed with a warm yellow on the sides of the old building and new wing. There is a large pond and lots of light for the abundance of plants. A three meter high granite obelisk was placed in the beautiful reflection pond in honor of Bjarne Jensen, who liked to call himself a "granite" when reminiscing about his days in a

"Granitten" got his monument

select unit of the Søværnet – the Royal Danish Navy – where as spokesman for the marines he had earned the right to wear a special old, gray hat and bearing the title "*granitten*". The obelisk, which also served as a fountain, was made from Swedish granite and bore a brass plate with the word granitten engraved on it. The granite obelisk had unmistakably the resemblance of a phallus. In his speech at the dedication of the courtyard, Børge Bach Andersen, one of the Directors of PBI Holding, jokingly stated that men must look at the obelisk with respect and that female employees should kneel before it when they arrived each morning.

There were kitchen facilities adjacent to the courtyard, which served as an employee lunch room. It was also used for receiving guests.

The bright yellow color on the walls that established the ambiance of the courtyard was not new. Back in 1975, while Bjarne and Inge Jensen were on their summer vacation, Peter Glunz had decided to have all of the grey walls throughout the building, except for the white stone walls, painted in a bright yellow color. Some of the paint was still wet when Bjarne returned. Bjarne was not enthusiastic about the initiative, but he waited until Peter Glunz was on vacation the following year. Peter had left his hunter green 4-wheel-drive-car parked in the company lot. It was repainted with the black and white paint used for processors, so it took a long time before Peter was able to find his car when he returned.

When Lüth (later Graphic Equipment Technology - GET) was purchased for the second – and last! – time in 1995, Glunz & Jensen was again confronted with facility consolidation issues.

GET's headquarters was located in Slagelse, where there was both an administration building and a larger production facility. After lengthy deliberations of the Board of Directors it was decided to choose the cheapest, but not the best, solution.

The cheap solution had the executive office and the finance and sales departments moving into the administration building in Slagelse, while the other

Courtyard with "Granitten"

administrative functions and development departments would remain in Ringsted. It was a good utilization of the space available in all of the buildings, but it was not an ideal situation to have administrative functions located in both Slagelse and Ringsted. Before the plan could be implemented, Inge Jensen stepped in. She felt that it was contrary to Glunz & Jensen's history and culture to operate from Slagelse. "Ringsted is the place," she said.

During the years following the 1986 financial restructuring it had sometimes been suggested that Glunz & Jensen International A/S should purchase the property on Haslevvej from PBI Holding, Ringsted A/S. Inge Jensen's intervention led to a renewal of these discussions, and negotiation delegations were established. PBI was represented by Board Members Eric D. Jensen and Gorm Ladefoged and Director Erling Larsen. The Glunz & Jensen delegation was made up of Board Members Kai Michelsen and Per Møller and CEO Lars Friis Østergaard.

There were arms length negotiations of price and terms. The result was that Glunz & Jensen bought the entire complex on Haslevvej in Ringsted from

PBI, which in turn bought GET's former administration building in Slagelse from Glunz & Jensen. In addition to the buildings on Haslevvej in Ringsted there was a substantial amount of undeveloped land included in the transaction, providing room for future expansion of Glunz & Jensen.

In order to create space in Ringsted for all of Glunz & Jensen's administrative functions, a new four story, 1,800 square meters administration building was constructed on the site of old factory and administration buildings. By the end of the summer of 1997, all of Glunz & Jensen's administrative functions were together again in Ringsted. The administration buildings in Slagelse were leased or sold by PBI. The factory buildings in Slagelse are still owned by Glunz & Jensen and are still used for production.

The purchase of the building complex on Haslevvej in Ringsted can be seen as the end of the restructuring that began in 1986. At that time the newly founded Glunz & Jensen, with a net worth of 2 million kroner, was the company for development, production and sale of processing machines. The royalty obligation was replaced in 1990 and in the summer of 1996 we came full circle with the purchase of the buildings.

The new administration building is seen in the background, summer 1997

DRUPA

Seven fat years and the DRUPA-syndrome

DRUPA (Druck Und Papier) is the largest and grandest of the international printing industry trade fairs, but there are also many others. Since 1977 Glunz & Jensen have participated in DRUPA in Düsseldorf, IFRA held in various European cities each October, ANPA in the US, PRINT in Chicago, IGAS in Tokyo, IPEX in Birmingham, TPG in Paris, Graf-Italia, and many other regional and national graphic arts exhibitions. In some cases Glunz & Jensen had their own stand and in others they worked with the companies marketing Glunz & Jensen equipment. The first major exhibition after Glunz & Jensen's international debut at DRUPA '77 was IMPRINTA in 1979, also in Düsseldorf. Here they presented the redesigned MultiLine 65T table model processor. In retrospect, the introduction was premature as the processor still had teething problems and was not really ready for high volume sales.

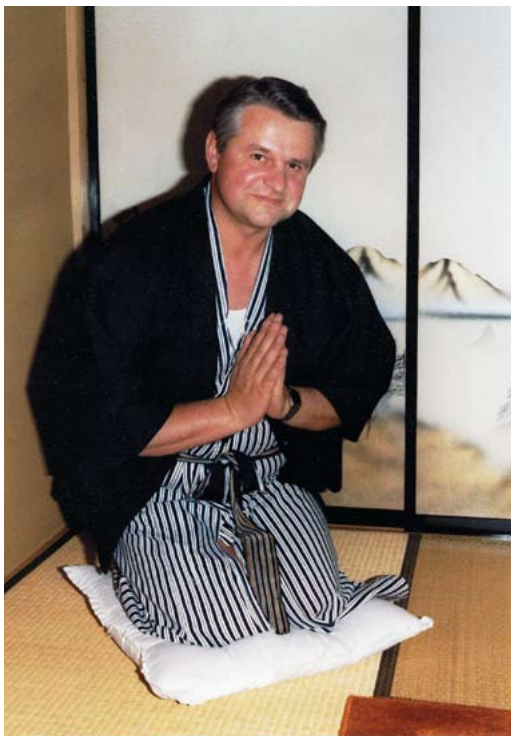
IGAS-exhibition in Tokyo

Glunz & Jensen had enjoyed annual sales increases ranging from 20 to more than 100 percent during the first seven years of operations, so it came as a surprise when sales in fiscal year 1981-82 showed a 12.5 percent decline. It was felt that this was simply the effect of customers delaying new equipment purchases in anticipation of new product introductions at DRUPA '82 in June 1982. Indeed, Glunz & Jensen had not made any important new product introductions since the MultiLine 65T at IMPRINTA in 1979. Like many other equipment manufacturers, Glunz & Jensen was focusing on products to be presented at DRUPA '82.

Glunz & Jensen's new processors incorporated many technical improvements and processors were introduced with an entirely new exterior design. The new products included the MultiLine 95, MultiLine 125 and the world's widest input processor, the MultiLine 155. There were also improved versions of existing processors and the Conplater and Concorde plate processors. DRUPA '82 was a tremendous success for Glunz & Jensen and sales in fiscal 1982-83 were up nearly 50 percent.

Peter Hansen-Hoeck requested time to go hunting

The number of new contacts that were developed following DRUPA '82 was even greater than after DRUPA '77, and the number of dealers grew substantially during the year. A lot of this success was the result of the work of Peter Hansen-Hoeck. Bjarne Jensen had met this gentleman at a lunch with Gorm Ladefoged and was very impressed with the multitude of stories of Peter Hansen-Hock's international experience and adventures. He was hired as marketing manager in 1979, but for the first half year it was part-time, because he also had some other commitments, including a planned hunting trip. Time for hunting was also a stipulation in his agreement with Glunz & Jensen. Peter Hansen-Hoeck traveled tirelessly over the whole world during the first year, appointing distributors and following up on the contacts from DRUPA '82.



Peter Hansen-Hoeck was at home in every culture - with a smile

The sales increase was so great that he was asked to hold back a bit to give production a chance to catch up. Peter Hansen-Hoeck was a charming, versatile person with abundant skills and a cosmopolitan bearing. He was trained as an engineer and had traveled extensively for years as owner of a shipping business before joining Glunz & Jensen where he was Marketing Manager for almost five years. Bjarne Jensen said that he hired Peter Hansen-Hoeck simply because he could tell a naughty story in German with a French accent. And he knew when it was appropriate to do it. He was able to adapt well to any situation and any culture. He could negotiate in the Arab countries without disclosing his lowest price. And he could do business with a Japanese man whose avoidance of saying no did not prevent him from interpreting the conversation correctly.

A tobacco tycoon's summer house became a benefit for the employees

Ankerhus is one of the perks of working at Glunz and Jensen that is greatly appreciated. It is a large brick vacation house, painted red and with a thatched roof, situated atop the first row of dunes on the beach in Blokhus, on the north-west coast of Jutland. In addition to large living and dining rooms, there are a dozen bedrooms to accommodate 26 to 28 guests and a

Ankerhus - just behind the dunes

kitchen that could be the envy of any chef. It was built around 1900 as a vacation home for an executive of a tobacco company in Aalborg who lived there with his servants in the summer.

It is on a 20 acre sand dune and had more recently been used as a summer vacation spot for employees of Dansk Eternit-Fabrik, a fibre-cement producer in Aalborg. In 1982 the entire area was included in a development plan for a large dune field, subdivided in building plots. At that time Ankerhus was listed for sale through a real estate broker, Thorkild Kristensen.

Bjarne Jensen had thought for some time about a company vacation facility where employees could spend a weekend or a summer holiday. He noticed the real estate ad in a newspaper on a Friday morning and was intrigued by the idea of buying Ankerhus. It moved quickly from an idea to action. The next morning Bjarne and Inge Jensen were in a DC9 en route to Aalborg Airport, where they were picked up by the real estate agent in a Jaguar and driven to Blokhus. A few hours later Bjarne Jensen calmly signed a purchase agreement to buy Ankerhus for Dkr. 600,000 and then returned to Ringsted. Within a few months the first Glunz & Jensen employees enjoyed a week long holiday in Ankerhus, and hundreds more have followed.

MODERN TIMES

Professionalism advancing in the organizations

During the first several years the organization was characterized by self-taught managers and staff from many disciplines without concern for matching education and experience with the job functions. This lack of professionalism in some areas was compensated by perceptive selection of people who possessed natural talent and ingenuity. And they were dedicated. However, as the organization grew and competition intensified over the years, both technologically and in developments in the market, management realized that more emphasis needed to be placed on training and experience for future employment. One result of these reflections was the recruitment of Kaj Bretlau Marum as technical director in 1981. He was a civil engineer with experience in product development at Carmen-Clairol and GNT Automatic.

He chose to actively manage development activities while at the same time fulfilling the duties of technical director, and he defended this double role throughout his 11 years of employment with Glunz & Jensen. He steadfastly maintained that standpoint despite an incredibly heavy workload and strong pressure from CEO John Kejlhof to hire a development manager. Instead, the department was organized as a project organization, with each project having a manager and project team, and managers and crews changing with new projects. It worked well, but it placed a heavy burden on Kaj B. Marum.

Under his leadership the development department grew, both in terms of size and capability. There were 5 or 6 people in the development department when Kaj B. Marum was hired, and this increased to 20 skilled employees at one point. He hired only engineers, technologists and draftsmen rather than less well educated craftsmen. The department was well equipped with modern computers and CAD programs. Kaj B. Marum was focused on future developments with a computer environment rather than a workshop with workbenches and tools.

A product planning department was established as an intermediary - some-

times called a buffer zone - between marketing and development. By 1990 there was a product manager for each product group. This department was led by Kim Andersen, who had joined Glunz & Jensen in 1979 as a 21-year-old newly graduated electrical engineer. Shortly after he was hired he was sent to Germany and then to the U.S. for two years to study and to develop a good understanding of the needs of the industry. Due to his background and experience, Kim Andersen's appointment as head the product planning activity gave the marketing department a greater influence in development work. Initially Kaj B. Marum was not enthusiastic about the creation of a product planning department but in time the relationship developed and proved to be very valuable in the implementation of a quality management system.

R&D getting more and more expensive

The days when one could design a film processor at the kitchen table on a Saturday afternoon and then quickly produce and sell large quantities were long gone. Development costs in the mid-1970's were less than a half million kroner and around 1.5 percent of sales, and the company enjoyed a profit of 17 percent. In fiscal year 1986-87, the first year after the structural change, Glunz & Jensen spent Dkr 12 million, or 5.7 percent of sales, on development while profit as a percent of sales was only 6.2 percent.

Kay B. Marum's task was often difficult, both technically and organizationally, for several reasons. He felt that development was rarely given the resources that he felt were needed, and he did not always agree that the priorities dictated by John Kejlhof were the most appropriate from a technical standpoint.

With regard to the company organization, Kaj B. Marum felt that the structure with the independent production companies had an inherent risk of a conflict, not only with him but also for John Kejlhof. Both Kaj B. Marum and John Kejlhof had issues dealing with the competence of some of the managers – later directors – of the small manufacturing companies who claimed their rights of self-determination were very broad. The production company managers were supported by Bjarne Jensen and, after 1986, by Gorm Ladefoged, who as chairman of the board endorsed the management

philosophy of Peter Glunz and most notably of Bjarne Jensen. Ideas about scouting patrols and the sovereignty of the units was not to be compromised.

These problems, some major real difficulties in 1990-91 with the completion of development projects, and disappointing financial results of the company led to a management change early in 1992, and as part of that change Kaj B. Marum left the company. His biggest single challenge had been the implementation of a quality system. In December 1991 DS/ISO 9001 certification was obtained, just a few months before his departure.

Bjarne Jensen would rather design processors

Bjarne Jensen often stated around the end of the 1970's that he would step out of the Managing Director position once he reached the age of 40. He said he really preferred to "build processing machines" and would be pleased to once again sit at the drawing board and do some practical work in the development department. Incidentally, he did not care at all about his title as Managing Director. He was a manufacturer. "A Managing Director is nothing, someone you can buy" was his often stated viewpoint.

Peter Glunz had taken a sabbatical leave. When he returned to Glunz & Jensen he was prepared to take on any special assignments where his knowledge and skills could be used, but the new Managing Director was not very responsive. Peter Glunz had at one point chosen to sell a part of his Glunz & Jensen shareholdings to Bjarne Jensen and Gorm Ladefoged and to invest in other activities. His functions within Glunz & Jensen were limited to membership on the Board, and he was occasionally involved in special marketing activities and technical projects. During this period Peter lived in Germany most of the time but also spent a lot of time in Brazil where he was intensively involved with the start-up of Glunz & Jensen do Brazil.

The new Managing Director

Several people had been considered for the position of Managing Director when Bjarne Jensen would be ready to step out of that function. One name which was repeatedly discussed was John Kejlhof, who was very well known throughout the graphic arts industry and appeared to be well qualified for the task. John Kejlhof had graduated with a degree as reprographic

photographer from Hagen & Sørensen in Odense, and had then joined Gevaert A/S, which is currently part of Agfa. He advanced quickly to the position of Sales Manager for Denmark. After nine years with Gevaert, he joined Hans Lüth as Director of Sales and Product Development. During his employment with Hans Lüth, John Kejlhof of course became acquainted with Peter Glunz and Bjarne Jensen. In 1974 he left Lüth to join the graphic arts division of East Asiatic Company. During his five years as head of a development group, John Kejlhof introduced Glunz & Jensen processors into the program. After that he spent one year with Carnfeldt of Denmark, a subsidiary of Hope Computer Corporation. He left Carnfeldt due to disagreements with Thure Barsøe-Carnfeldt concerning business ethics.

Later, after he had joined Glunz & Jensen, John Kejlhof was quoted in Børsens Nyhedsmagasin, a stock exchange magazine. “I could not live with the fact that a company does not follow the rules of the game". The article pointed out that Kejlhof knew that Glunz & Jensen had sound business ethics. In the same article John Kejlhof was described as a man with a vast international network. “He knows everyone in the industry and everyone knows him. He knows his products and is an eminent businessman. These factors are the reasons for his great success.”

After leaving Carnfeldt, John Kejlhof was headhunted for the position as export director with Rex-Rotary, but after only one year in that position he was approached by Peter Glunz and Bjarne Jensen who had other plans for him.

A sales-oriented “hands on” director

John Kejlhof’s leadership style may be viewed in different perspectives. Most striking is probably a statement that his secretary for seven years at Glunz & Jensen, Birgit Thorsted, quoted in same article: "He is controlling and result oriented. It is his strength but also his weakness. For example, he has difficulty delegating responsibility because he has all the solutions right up his sleeve. He is very quick and that paralyzes some employees who fail to show initiative because they have become accustomed to him coming up quickly with a good solution. And he can inhibit initiative by writing too many memos. Sometimes employees could well use a bit more stimulation".

Birgit Thorsted and John Kejlhof

In all of his previous positions John Kejlhof's contributions had been mainly in sales and marketing within the graphic arts industry. He had been extensively involved with export markets. It was this vast experience that made him a prime candidate for the Managing Director position. The idea had not been floated to him earlier, and during a chance meeting on a flight from the US to Denmark in the summer of 1982 Peter Glunz and Bjarne Jensen convinced him to come for further discussions about the position. John Kejlhof served as Managing Director of Glunz & Jensen for ten years before resigning and leaving within an hour on December 1st, 1992 due to "disagreements with the board about the company's management". During his first seven years as Managing Director, sales were nearly quadrupled to 293 million kroner in fiscal year 1989-90.

The most important single task he had during his tenure was the company's stock market introduction in November 1990.

John Kejlhof joined Glunz & Jensen on September 1st, 1982 and from the outset he threw himself into the task of expanding private label and OEM (Original Equipment Manufacturer) sales. Most of the relationships had already been established before his appointment, so his greatest efforts were directed toward increasing sales to the existing OEM customers. By the time he left the company in December 1992, the proportion of sales to these customers had increased significantly.

He increased the company's ability to meet a great many of the requests for special features and modifications to products. This of course increased sales, but it placed heavy demands on development and production due to the increase in the number of different models and versions. Sales volume for some versions was very low and it sometimes appeared that private label products were given higher priority than Glunz & Jensen's own processor program.

When John Kejlhof was hired as Managing Director in 1982, Peter Hansen-Hoeck's title was changed to Marketing Director. It was anticipated that Peter Hansen-Hoeck's focus on sales of Glunz & Jensen's own dealers, and John Kejlhof's emphasis on private label sales would complement each other very nicely, but in little more than a year, in February 1984, Peter Hansen-Hoeck left the company.

More power in the Sales Department

Prior to the hiring of Peter Hansen-Hoeck in 1979, Peter Glunz and Bjarne Jensen had handled the key sales and marketing decisions in good harmony, with only minor disagreements that were typically related to Peter Glunz anti-marketing philosophy. They also worked together nicely on sales forecasting. Bjarne and Peter would each independently prepare a forecast. They would then sit down to review the numbers, then combined the sales totals and divided by two. It was that simple and it had worked remarkably well. It was only after Peter Hansen-Hoeck was hired that there was any talk about an actual sales department, with Lene Thomsen adding sales and marketing tasks to her secretarial duties. Peter Hansen-Hoeck systematized sales planning and reporting and achieved good results.

Per Nedergaard, Holger Marum, John Kejlhof and Kaj B. Marum in front of Kjeld Heltoft's portraits of the three founders Peter Glunz, Gorm Ladefoged and Bjarne Jensen

When Peter Hansen-Hoeck left in 1984, John Kejlhof hired Per Nedergaard, one of his acquaintances in the industry. Per Nedergaard came from DuPont Scandinavia where he had served as product manager, with the official title of “Technical Manager". He became the new Marketing Director.

The senior management group was then made up of John Kejlhof, Managing Director, Holger Marum, Chief Financial Officer, Kaj B. Marum, Technical Director, and Per Nedergaard, Marketing Director. This construction lasted until 1987 when the senior executive function was redefined to include John Kejlhof as Managing Director/President and Holger Marum as Vice President.

UNDER FOREIGN SKIES

In 1981 it was decided to establish a production operation outside Denmark. Management at Glunz & Jensen were disappointed that exports to Latin American countries had lagged far behind the other regions. Sales to countries in Latin America were handled by Autographica, a distributor based in North America. It appeared to Glunz & Jensen that Autographica might not be making enough efforts, but they also realized that sales to many South American countries are complicated by restrictive import regulations. Glunz & Jensen were, however, not willing to accept such low sales in a major market and decided in 1981 to initiate their own program for dealing with South America. They entered into an agreement with a former DuPont employee, Peter Dieckmann, who lived in Venezuela. A sales office was established in Caracas, but they were quickly confronted with events that negatively impacted the Venezuelan market. The oil crisis had a particularly big effect on the Venezuelan economy, and there was a series of devaluations. The economic impacts made Venezuela a weak market and an unattractive base for Latin American operations. Glunz & Jensen decided to look further.

Everything pointed to Brazil. According to the economic and financial press in Denmark, the Brazilian economy and political climate were becoming more stable, making it the most attractive South American location.

The creation of a base for business in South America was handled by Peter Glunz. He traveled extensively, often with Peter Dieckmann, who was willing to move from Venezuela to Brazil because of the better business environment. Among other things, they needed availability of good subcontractors. John Kejlhof joined Glunz & Jensen as Managing Director in September 1982, so the expansion into South America provided an opportunity for him to demonstrate his talents on both the operational and marketing fronts. He visited the city of Londrina, where he met with people from IFU and Kongskilde Maskinfabrik. They had operations in Londrina and offered to provide administrative services. Based on his travels, Peter Glunz however preferred Curitiba, a city of about one million inhabitants that was one thousand kilo-

meters south of Rio de Janeiro. There were many industrial firms in the area, and a large number of them were subsidiaries of German companies. With his native German language, Peter was able to get assistance from the German consulate, who put him in contact with companies such as Volkswagen, Lufthansa and Siemens. They were very helpful in the search for suppliers and subcontractors. They probably assumed that Glunz & Jensen was a German company.

John Kejlhof took care of the financing and administrative aspects from the company headquarters in Ringsted. Peter Glunz purchased a house in Curitiba and stayed there most of the time from 1983 through 1986. After a few months, he asked Fritz Hammer to travel from Germany to work with Peter Dieckmann and himself in setting up development, production and sales operations. The earlier experience in setting a "world record" in developing the Kodamatic 65 processor was very useful in the Brazilian start-up. In a short time Peter Glunz and Fritz Hammer had designed and built a MultiLine 66B processor, B for Brazil, for sale by Glunz & Jensen and by Kodak in South America.

Peter Glunz and Fritz Hammer have reasons to congratulate each other

Peter Dieckmann had in the meantime moved to Curitiba to establish Glunz & Jensen do Brasil Industria e Comercio Ltda. There were many long sessions with government authorities, lawyers and accountants, and there were extensive negotiations with Cacex, the Brazilian government import agency. With stringent restrictions on imports, it became very clear that it was not feasible to simply start with marketing activities. The original plan was to import 80 percent of the components from Denmark, with local assembly contributing 20 percent of the value added. This turned out to be impossible due to the government import restrictions. The final arrangement was close to the opposite, with local production contributing around 80 percent of total value. Kodak was if fact pleased with this result since they could market the processors as being manufactured in Brazil.

Primitive as seen with Danish eyes, but well intended

The company began operations in October 1983, with about 1400 square meters of factory space in a rented building in the outskirts of Curitiba. Administration was housed in an old building that resembled a monastery. Conditions were primitive, but were in line with local standards.
Glunz & Jensen's attention to working conditions was also applied in the Brazilian operation. Free beverages were available to employees and the company also provided lunch each day. There was a lunch counter along one wall where employees took their lunch break. Any leftover food was available for employees to take home at the end of the day.

Wages were paid twice a month, but high inflation cut into the buying power and required wage adjustments.
A grand opening celebration was held on 19 January 1984. Company executives from Denmark attended the party and there was good attendance by local politicians and government officials. Peter Dieckmann had a special flair for developing relationships with influential people, and the chief accountant was well acquainted with government officials in Brasilia. They created a lot of interest in the project.

Unlike the manufacturing companies in Denmark, Glunz & Jensen do Brasil was both a manufacturing and a sales company. Even before the establishment of Glunz & Jensen do Brasil, Kodak was actively setting up mar-

keting and distribution arrangements. One of the major graphic arts dealers was Clangraph in Curitiba. This company was owned and managed by a very wealthy and charming Lebanese businessman, Antonio Wady Debes, who provided a lot of support during the establishment of the company. He had extensive connections throughout the industry, and this contributed to a very positive reputation for the company. Many of the first processors produced by Glunz & Jensen do Brasil were sold through Clangraph.

In Denmark, Ebbe Hansen, manager of Ritema, was taking an intensive course in Portuguese while applying for a work permit and a residency permit for himself and his family in preparation for a move to Brazil. In the autumn of 1983 he went with Peter Glunz to Curitiba to become acquainted with the conditions, and then returned to Denmark in December to pack the suitcases. There were delays with the final papers and embassy approval, and despite these delays, the papers were still not in order upon their arrival in Brazil. On 10 January 1984, Ebbe Hansen, his wife Mie, and their two daughters flew to Brazil.

Glunz & Jensen do Brasil in Curitiba

Upon arrival in Rio de Janeiro, they were told that they did not have an important physical test report, and there were no x-rays for the younger daughter. Their passports were held by the authorities. An SAS employee got them through customs without their passports. They then had to chase around Rio in an old Volkswagen to obtain the required medical papers. The doctor they worked with was very helpful, and was impressed with Mie Hansen's knowledge of medical Latin, retained from her training as a nurse. She explained that in Denmark a one year old child is not unnecessarily exposed to x-ray radiation. The important physical test report turned out to consist of height and weight measurements and dental examinations.

And then they were confronted with a very unfriendly immigration officer.
Ebbe Hansen was asked, "Do you understand Portuguese?"
He gave a positive answer, with conviction, and was given a handful of forms to be completed. A moment later he went back to the immigration officer with a question.
"Do you understand Portuguese or not!"
He replied that, yes, he understood Portuguese, and went back to finish filling out the forms. Apparently his Portuguese was good enough.
During the summer of 1984 Peter Glunz and Fritz Hammer built the first Brazilian film processor, the MultiLine 66B, based on the design made for Kodak by Peter some years before. The MultiLine 66B was made using components that were purchased in Brazil.

Glunz & Jensen had only very limited success in Denmark, or indeed anywhere in Europe, with the marketing of processors for X-ray films. However in Brazil they were able to achieve substantial sales of X-ray film processors for use in hospitals and clinics.

Do you understand Portuguese, or do you not?

There were other Glunz & Jensen employees in Denmark who were asked to contribute to the developments in Brazil. Engineering drawings needed in Brazil were made by Leo Bach Andersen in the drafting room in Ringsted. He was contacted by Bjarne Jensen who was visiting Curitiba:
"Leo, are you busy during the next few weeks?" - "Well, no!"
"Can you come to Curitiba for a few days?"

Placido Gondro, in the back, and some of his employees in front of a ML36B

The collaboration with Peter Dieckmann lasted only until October 1983. There were disagreements with both Ebbe Hansen and Peter Glunz in Curitiba and with John Kejlhof in Denmark and he left to devote himself to his interests in the modeling and fashion industry. Placido Gondro joined Glunz & Jensen do Brasil early in 1984. He had worked in Africa and Australia, had extensive international experience and possessed the same capabilities that Peter Dieckmann had in maneuvering through the complex Brazilian bureaucracy. He was also involved in the further development of the marketing and administrative functions within Glunz & Jensen do Brasil.

The technical management was in the hands Jordi Agramunt, a native of Chile, after Ebbe Hansen returned to Denmark in 1985. At that time Placido Gondro was promoted to the position of Diretor Superindente.

Four and a half million to get started

The start-up took a lot of time and money, and during the first year earnings were lower than expected. Money had to be transferred regularly from Denmark and there were some doubts as to whether Glunz & Jensen do Brasil would become a successful operation. Nevertheless, the investment in the company continued.

“If we give up now, we will never dare to do anything like this again.” was the judgment of Bjarne Jensen, who at the time was considering setting up a similar operation in Singapore. During the first two years more than 4.5 million kroner was invested, but this led to a period of good earnings.

In 1990 Placido Gondro held a gala grand opening of a new factory, with 4000 square meters that was financed entirely by the Brazilian operation. Because of the rampant inflation, Placido Gondro initially purchased only the plot of land. Materials for construction were purchased in steps when cash was available. And in good Glunz & Jensen tradition, production facilities and space for the service department were built first. The investment in an administration building was made later.

The Brazilian subsidiary ran into difficulties in the 1990s. Brazil's economy was out of control. The new regime after the 1994 elections made efforts to solve the economic problems, but the company results were poor.

During the same period, the Brazilian government reduced restrictions on imports so that there was no longer a need for local production. The company had accumulated a substantial debt and at the beginning of 1997 the shares were transferred to Placido Gondro. Glunz & Jensen had recorded a loss of between 4 and 5 million kroner. The company continued under the new ownership with the marketing in Brazil and throughout South America of processors produced in Ringsted. An epoch was thus ended.

CHIEF BIG BEAR

Glory and honor from many sides

Through the years Glunz & Jensen has received a lot of good publicity, showering praise upon the many great achievements. Not the least has been the trade press and newspapers, which have regularly reported the company's progress. The more tangible evidence of success can be found in the prestigious awards that have been received.

In September 1978 Glunz & Jensen received the Association for Danish Enterprise Award. In November 1983 the company received the Andelsbanken Business Award in the form of the sculpture "Growth", made by sculptor Børge Jørgensen. Four years later Bjarne Jensen and John Kejlhof accepted King Frederik IX's Award for Excellence in Export, presented by Danish Prince Henrik. This was a particularly proud moment for Bjarne, whose national and royalist sentiments have remained strong since his scouting days.

For meritorious accomplishment...

Glunz & Jensen was also honored when LogEtronics received the Prince Henrik Medal of Honour in 1983 for their contribution to Danish export, and again in 1986 when this prestigious award was presented to Chemco.

Peter Glunz and Bjarne Jensen were also honored by the Danish trade press. At the gala grand opening of the new administration center in 1985, Aktuel Grafisk Information editor, Mogens Staffe presented them with the annual "sætternisse" award, which places the blame for any editorial or typographical errors on the printing pixie.

Always nice to have a scapegoat - Peter Glunz and Bjarne Jensen receiving a "sætternisse" each

Bjarne Jensen enjoyed these occasions. Once, when visiting the Gamle Carlsberg brewery near the end of the 1970's, Bjarne looked up at the granite arch over the door to the famous laboratory, with the inscription Laboremus Pro Patria, and said to one of his employees who was with him: "We'll have a granite arch over the door to Glunz & Jensen some day. Think about what we should inscribe on it!" Nothing came of that. But perhaps among his legacies are the works he had done by artist Kjeld Heltoft, such as a portrait of Ringsted mayor, G. Møller Rasmussen, and his great efforts with the restoration of Ringsted Windmill in the mid 1980's. Bjarne worked closely with Kjeld Heltoft for several years, and for much of that time the painter lived in Møllehuset – the house in the windmill - while he painted portraits of the founders Bjarne Jensen, Peter Glunz and Gorm Ladefoged. Bjarne also commissioned Kjeld Heltoft to paint family portraits, a portrait of John Kejlhof, and a series of charcoal drawings of employees with more than 10 years of service. Kjeld Heltoft also wrote and illustrated a book about the history and renovation of Ringsted Windmill.

Glunz & Jensen also commemorated the 10th anniversary of employment in other ways. Bjarne Jensen arranged with Helle Jørvad, a local jeweler and chairman of Dansk Arbejde, the Danish Handicraft Guild, to design a pin with

Big Chief, Big Bear - Bjarne Jensen

the Glunz & Jensen logo in red enamel, mounted in white gold. The award was presented by Bjarne Jensen on the 10-year anniversary of employment with the company. The award ceremony included a speech by Bjarne, and was followed by a lunch for the colleagues or in some cases, with all employees. In his speech Bjarne would typically lecture the employee: "Remember, it is an honor to wear this pin. The first thing you should do when you wake up in the morning is to take the pin off of your pajamas and put it on your shirt before you leave for work."

Swiss watch and chief dignity

Bjarne Jensen talked about stepping out of the top management position before he reached the age of forty. With the benefit of hindsight one might be tempted to think that he had some sort of premonition of the fate that awaited him when he was hit by multiple sclerosis a few years later. The first symptoms appeared around the time of the company's 10th anniversary in 1983. He had to leave a reception for the company's subcontractors for a doctor's appointment but the actual diagnosis had not yet been made.

The 10th anniversary was celebrated with great pomp and splendor over a period of several days. It included a gala dinner at Lindenborg Inn that was attended by a great many Danish and international guests. That evening Bjarne Jensen was a mature, robust and festive host, enjoying and responding to the many speeches. He was particularly happy with an exclusive gift from Peter

Glunz, a Rolex watch as a symbol of fine craftsmanship. Typical of Bjarne Jensen's perfectionism, he later complained about a lack of precision. He used to say that the sun rose according to his watch, but not according to a Rolex.

It was on this occasion that the management of LogEtronics held an Indian pow-wow on stage and appointed all of the members of Glunz & Jensen's board and management to be Indian chiefs of various degrees. Bjarne Jensen was given the title of Chief Big Bear and was presented with a genuine Indian headdress, with long, red plumage.

LogEtronics was responding to a gift from Bjarne Jensen at their 25th anniversary celebration a few years earlier. On that occasion Bjarne had presented a large stone ax with an inscription on a silver plate extolling the durability of Danish craftsmanship. He had started his speech with a quotation from a speech given by Winston Churchill to the Italians shortly after the war: "I must now speak to you in a language not my own, and you might never recognize as yours." Bjarne had told the Americans that the ax was from the Stone Age, but they believed that even the handle was from the Stone Age.

In reciprocating with an Indian headdress, the Americans said that they regretted that their culture was much younger than Danish culture, but they hoped the Danes would count the time of Indian culture.

Bjarne Jensen attended the 10th anniversary festivities on the following day, but he was not able to give the speech he had prepared for the employees party. There was instead a short letter to all employees, with carefully chosen words expressing his regret that he was not able to give his message personally. His dream of returning to the drawing board and again designing low cost processors was never realized. The first priority was other tasks too often requiring his attention and concentration, and he gradually needed to spend more and more time on medical care.

INDUSTRIALIZATION

From crafts to modern industry

John Kejlhof has stated that during the 1980's Glunz & Jensen was transformed from a company of craftsmen into a modern industrial enterprise. This is not unjustified, even though production has always been based on contract manufacturing and continues to operate in the same way. There is a need for flexibility to deal with the great many variations, with many of them supplied in very small numbers, yet with short delivery times. These requirements made it difficult to automate processes. Large production batches were achieved primarily with components supplied by the subcontractors. Modernization of the production stage was mainly accomplished through construction of facilities that were designed for the Glunz & Jensen production philosophy. At the end of the decade an effective quality management system was implemented.

There was a major development in the corporate administration, sales and marketing, and development departments with the additions of highly qualified specialists and computer systems.
The company's first computer was the Radio Shack model that Peter Glunz used during the earliest phase.
A Wang computer, forerunner of today's PC, was purchased for use by Per Stubmann, an engineer who was hired to obtain official compliance certification for TUV, VDE, UL and CSA industrial regulations. At that time he was the only person in the company that was really knowledgeable about computers. Peter Glunz supported the project, while Bjarne Jensen remained skeptical, promising to shoot a bullet through the computer if it did not work as intended. In addition to Per Stubmann's compliance work, the Wang computer was used for parts lists and invoicing, but eventually a computer with greater capacity was needed.
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In 1980 the administration department was able to justify purchase of a Honeywell-Bull 61/DPS mini-computer, with finance, sales order management and inventory modules. The latter was not fully integrated. Despite having only 128 KB of RAM, it proved to be a highly efficient General Comprehensive Operating System (GCOS). There were problems however when more than four users were on the system at the same time, and that became its death

sentence. In 1983, after many long meetings with Honeywell-Bull, DDE and Digital, John Kejlhof decided to work with Digital. The administration department preferred to stay with the same Honeywell-Bull GCOS and upgrade to a computer with greater capacity, but the choice of a Digital Virtual Memory System (VMS) was based on functionality for technical tasks.

The technique came quite to the forefront

Kaj B. Marum had a need for a CAD system for drafting and the plan was to integrate the technical and administrative systems. For this reason, the administrative and technical departments had identical Digital computers. However ten years later, after the Digital computers had been replaced twice with greater capacity versions and a major new financial management system had been implemented, the envisioned integration had not yet been completed.

Kaj B. Marums perfectionist attitude toward technology and the increasing market demands for higher quality led to the hiring of more highly qualified technicians. They were needed for establishing comprehensive parts lists for all processors, and for making and maintaining engineering drawings to meet the new tolerances as required in the quality control system.

A lot of work was required for the introduction of the quality management system. This was begun in 1987 with a program to increase quality awareness in development and production. Japanese "quality circles", a popular approach that year, were an important part of the program. At the same time work was begun on the more formal part of the system, the development of an effective quality manual. This involved detailed descriptions of the organization, all procedures and processes, and the control systems aimed at the avoidance of errors.
There was much enthusiasm for the development of a quality system and ISO certification, but there was also some complaining about the seemingly unnecessary and overwhelming amount of paperwork and bureaucracy.
In the meantime, each of the production companies had computers and the corporate office had a server and network, and a sea of PCs for word processing and spreadsheets. The documentation department had its own local network and was equipped with modern desktop publishing software for the production of operating manuals. In the first years of the company Peter Glunz had developed a special program for production control which was an essential prerequisite for

the company's growth. At that time there had not been any software available on the market that was suitable for that purpose.

Room for one more subsidiary

With five Danish production companies and the somewhat more extensive Glunz & Jensen do Brasil, there was no need to add additional production facilities. There were however more employees in some of the production companies than the limit of 20-22 if the rule of thumb was being applied. Another production facility would only be justified if the company introduced a completely new product line.

It had long been the sales department's dream to be able to market a complete range of pre-press equipment. They had film and plate processors in a full range of sizes, including models for proofing systems, jumbo scanners, fully automated on-line systems for high speed imagesetters and a wide range of exposure frames. There was a program dealing with the last link in the chain, devices for ecology minded users for water purification, chemical replenishment and air filtration. The product line lacked only a reproduction camera, and there were already enough of those on the market. In Denmark alone repro cameras were

MultiCam - a limited success

produced by Eskofot, Helioprint, Danagraph and Artica. Electronic scanners were replacing repro cameras, so it was clearly a declining market. Danagraph in Sorø, owned by Dan Nielsen, was in financial difficulties.

At one point Glunz & Jensen was approached about the opportunity to acquire Artica, which was also based in Sorø. Artica had been founded by Dan Nielsen's former partner in Danagraph, Flemming Nielsen. They had developed excellent repro cameras, but had been unsuccessful in marketing their equipment and they lacked the liquidity to continue operations.

Glunz & Jensen's sales department forecasted that there would be a sufficient market for these traditional cameras for another 5 to 6 years and they were convinced that the sale of a complete “bundle”, including cameras, exposure frames and processors, would be an advantage.

Glunz & Jensen acquired Artica in May 1989. Flemming Nielsen was hired as a development engineer and management of the operations in Sorø was placed in the hands of Terry Jensen, who until then had managed the technical functions at Artica. He was appointed as director of the subsidiary. It took some time to bring the cameras up to the standards of products in the Glunz & Jensen program, not just in terms of functionality and design, but also with regard to technical documentation. There is an old Danish adage: While the grass grows, the filly dies. Smaller and cheaper electronic scanners appeared on the market like mushrooms in a damp autumn forest and sales of repro cameras came nearly to a halt - not only for Glunz & Jensen. There was an attempt to keep Artica alive by transferring production to SAPP in 1991 and then merging Artica with SAPP. However camera production was discontinued in 1993.

THE BIG STEP TO THE STOCK EXCHANGE

As Chairman of PBI-Holding, Ringsted A/S, Gorm Ladefoged was aware of the consequences that the deterioration of Bjarne Jensen's health could have on corporate leadership and succession planning. He feared that the effects might come at an inconveniently early time. Bjarne Jensen was in his mid-forties and personally held the majority shareholdings of both Glunz & Jensen International A/S and PBI-Holding, Ringsted A/S. He initiated a study into the possible alternatives in the ownership structure to fulfill three basic goals:

- To ensure operational continuity and growth of Glunz & Jensen
- Provide a means whereby employees had the option to own shares of the company
- Provide a secure financial future for the Jensen family.

In 1985 the first steps were taken with the establishment of an external advisory committee, including experts in finance, law and taxation. The committee was given a broad assignment without any suggestions as to a specific desired outcome. This group met first with the original three owners and the other shareholders and in the later stages with the senior managers. This team of experts included former Supreme Court Justice Carl Tjur, Kai Michelsen, an attorney from the law firm Jonas Bruun, direktør, cand. jur. N. Mou Jacobsen, chartered accountant Kay Frederiksen from KPMG C. Jespersen, consultant Børge Bach Andersen, and auditors Niels E. Borgbo from KPMG C. Jespersen and Bent Hybholt from RBH-Audit Companies. Børge Bach Andersen was at the time working as an independent business consultant and a year later became managing director of PBI-Holding, Ringsted A/S. The group began its work in early 1985 and finished in the middle of 1986 after completing a number of studies, calculations and projections, and obtaining advance rulings on tax consequences. They protected the interests of the various stakeholders. The result was a construction that eliminated all mutual ownership between companies in the group and ensured that the majority of the shareholder equity remained in the hands of Bjarne Jensen, his family and the other original owners.

The project to manage the transition to the new corporate structure was named "Structural Change", and indeed it involved a new structure. It created a new ownership structure and provided for the later stock market IPO.

A new company was formed, Glunz & Jensen International A/S, 1986. The two existing companies, Glunz & Jensen A/S International and PBI-Holding, Ringsted A/S, were merged. The manufacturing companies, which had been sister companies and subsidiaries of Glunz & Jensen International A/S, were put into the new company. As subsidiaries of the new company, they had their own boards of directors, in each case composed of Bjarne Jensen, Peter Glunz, Gorm Ladefoged, Børge Bach Andersen and John Kejlhof. The parent company had a share capital of 2 million kroner and was further financed by a major bank credit and a subordinated loan of 30 million kroner from the Glunz families, Bjarne Jensen, and Gorm Ladefoged.

Employees bought 200.000 kr. of B-shares

In accordance with the wishes of the original owners, senior managers and other employees were offered shares at a special price of 110 kroner. Senior managers were offered A shares which had ten times the voting rights as the B shares that were sold to other employees. Employees purchase allotments were based on seniority, and nearly everyone exercised their full option to own shares in their employer.

Shares were issued in the amount of 440,000 kroner A shares and 1,560,000 kroner B shares. These were allocated so that Susanne Jensen held 39.5 percent, the Glunz families 8.9 percent and Gorm Ladefoged 4.4 percent. The original owners then held 52.8 percent - a little more than one half of the shares. Four directors bought together 12.2 percent, and other employees bought 10 percent. The remaining 25 percent were placed in the Glunz & Jensen Foundation, which was formed at the same time with gifts and transfers of shares from the original owners.
The distribution of voting rights was different, with Bjarne Jensen initially holding 45 percent. There was an agreement to reduce this from 45 percent to no more than 10 percent by 1 June 1994 through transfer to daughter Susanne or to Glunz & Jensen Foundation. All holders of A shares transferred or sold them to Glunz & Jensen Foundation, but reserved the voting rights.

Glunz & Jensen Foundation thereby held all of the A shares and 26 percent of the voting rights from the start. It was arranged that in the future all of the A share voting rights, and therefore a majority of voting rights, would be in Glunz & Jensen Foundation.

The relationships between holders of A shares, and their relationships with the company were set forth in a Shareholders Agreement. The agreement provided for the appointment by the original three owners of directors with broad powers. It also provided for an employee of the company who is not a member of the senior management to be appointed to the board of directors. Members of the senior management group could not also have a seat on the board of directors. The first employee representative to be appointed to the board was Jan Rasmussen, who was warehouse manager and had been with the company since September 1977. He served as employee representative on the board of directors until 1993, when the employee representative was no longer appointed by the original owners but was instead elected by the employees.

The first members of the board of directors were Bjarne Jensen, Peter Glunz, Børge Bach Andersen, Managing Director of PBI-Holding, Ringsted A/S, lawyer Kai Michelsen from the law firm Jonas Bruun, Per Møller, a director of FDB, Arne Purup, Managing Director of Purup Electronics A/S, and Jan Rasmussen as employee representative. Kai Michelsen, who had led the advisory team, was appointed as Chairman and Børge Bach Andersen served as vice-chairman.

Jan Rasmussen

The foundation shall rule forever

Glunz & Jensen Foundation was funded with contributions in cash, gifts and A-shares from the original owners. Their stated purpose was to accommodate current and former employees and their families, and also to support charitable causes, including cultural, educational, artistic, scientific, research, professional, social and medical research organizations. All of the A shares of Glunz & Jensen International A/S 1986 were placed in the Glunz & Jensen Foundation. In addition, the Foundation had the option to purchase any B shares that became available prior to the stock exchange listing due to resignations or a

decision to sell for any other reason. Rules dealing with the composition of the Board of Directors of Glunz & Jensen Foundation were established to ensure sound economic and legal governance and compliance with the provisions of the charter. The first members of the board were Gorm Ladefoged who served as Chairman, Per Møller from FDB, Hans Schur from Schur Emballage in Horsens, Bent Bryde-Nielsen from Faxe Bryggerierne, and Glunz & Jensen accounting manager Anni Jørgensen who served as representative of the employees.

Royalty increased by fifty percent

The newly created company, Glunz & Jensen International A/S, 1986, did not have any goodwill on their balance sheet, but instead had a commitment to pay a royalty to PBI-Holding, Ringsted A/S of 15 percent of sales for 15 years. This was similar to the construction that had been used with the financial restructuring in 1979. This represented an increase of 50 percent, but was judged to be reasonable based on the projections. It was also agreed that the royalty payment should not lead to a loss, and that it must not exceed 75 percent of the profit before payment of the royalty.

The impressive booth at DRUPA '90

DRUPA-syndrom one more time

Sales in most markets were below forecast during the first half of 1990, but this was thought to be due to customers delaying purchase decisions until after DRUPA, held April 27 to May 10, 1990, as had also occurred in 1982.

In the months following DRUPA, sales remained below budget due to both economic as well as technical factors. The ghost of economic recession cast a long shadow over the economies of Italy, France, England and Spain, and later extended to the United

States. Any willingness to invest virtually disappeared.

As with DRUPA '82, Glunz & Jensen had prepared a very ambitious engineering program for new products that would be presented at DRUPA '90. This program was referred to as Project 90, but it encountered serious delays. The new processors intended for display at DRUPA '90 were not ready for market introduction until almost two years later.

Processors handling large format films up to 400, 550 and 720 mm were planned to meet the needs of new imagesetter and Desk Top Publishing systems, with a modern "office look" to make them suitable for placement in very different environments than the old-fashioned darkrooms.

Project 90, which was started in 1988, was based on a new production technique to use injection molded plastic parts as much as possible. Use of injection molding was not new, but there was no experience with such large sizes. Foreign plastics suppliers were also contacted to participate in the development work. The injection molded parts would have very low cost based on projections of high volume, but the investment in these molds was far greater than any that Glunz & Jensen had previously made. The project was plagued by difficulties in construction and tool manufacturing, disagreement between the sales department and engineering on technical specifications, and problems with programming the controllers. There were probably also delays due to conflicting priorities with other development projects. The processors were not ready for DRUPA. Glunz & Jensen was therefore forced to simply present their old line of processors, together with MultiLight exposure frames and Artica repro cameras, even though the market for repro cameras had been replaced by imagesetters. Despite this, management expected to see good results from the exhibition during the coming months. Sales remained however below budget and fiscal year 1990-91 ended with a loss of 1.9 million kroner.

It had gone incredibly well for many years

The negative trend continued and Glunz & Jensen had a further drop in sales and a loss of 2.5 million kroner in fiscal 1991-92. The recessionary effects were not only felt by Glunz & Jensen. The entire industry was severely impacted.

Ever since its inception in 1973, Glunz & Jensen had had an increase in sales each year, with the exception of fiscal year 1981-82 and that drop in sales was attributed to the effects of DRUPA '82. However, despite the decline in sales in 1981-82 there had always been a profit. In fiscal year 1981-82 there was a profit of 2.5 million kroner.

Record-turnover, but low bottom line to sell to the stock exchange

From sales of 1.3 million kroner in the first year, revenue reached nearly 50 million kroner in 1978-79. During the first couple years of the 1980's sales growth was slightly lower and profits declined due to the financial restructuring that took place in 1979. Sales then jumped by 68 percent in fiscal year 1983-84 compared to the previous year, to 128.5 million kroner, and profit increased by 84 percent to 11.8 million kroner. This resembled the good old days, and the company was again self-financing.

There was continued growth, with sales exceeding 200 million kroner just prior to the financial restructuring in 1986. As had occurred with the financial restructuring in 1979, the restructuring in 1986 again completely changed the financial situation of the company. The first years after the 1986 restructuring were also impacted by a mild recession, but increasing sales and profits gave both the board and management confidence that the company was sound. The debt was paid down on schedule and the royalties were paid despite the rising development costs. Sales increased from 208 million kroner in 1986-87 to 253 million in 1988-89, while profit for the same periods increased from 13 million to 14.5 million kroner.

Sales increased by 16 percent in fiscal year 1989-90 to a record 293 million kroner, but profit was only 12.4 million kroner, which was half a million less than three years earlier, in 1986-87. This could be explained mainly by two factors. Costs of product development were 20.2 million kroner, up from 14.1 million in the previous year. That was an increase of 43 percent. Also, sales costs had increased by 30 percent.

Furthermore, as explained in the annual report, profit was lower due to the replacement of the royalty payment with amortization of goodwill which was not tax deductible. This was a necessary clarification particularly for the po-

tential new investors to whom the report was mainly addressed. The financial statements were indeed a part of the offering circular, and it was therefore interesting that it was precisely because of the planned IPO in 1990 that the royalty obligation had been replaced by a payment for goodwill. Goodwill was calculated to have a value of 267 million kroner when the financial restructuring was made in 1986. This had been reduced to 236 million kroner in June 1990 through the payment of royalties.

The need to finance the goodwill payment of 236 million kroner led to a change in the company's banker. Den Danske Bank, with whom the company had enjoyed a good working relationship since 1973, was very cautious with regard to financing the goodwill, despite the good long term projections. Unibank, with a greater appetite for risk, viewed the increase in long term debt of close to 236 million kroner as being offset by an increase in fixed assets of almost 230 million kroner due to the activation of the goodwill.
Unibank involvement can be attributed largely to the interest of Jacob Halgaard, manager of the local bank then known as Andelsbanken, following his appointment in November 1983. Together with his predecessor, Filip Kastberg, Jacob Halgaard had arranged for Glunz & Jensen to receive the bank's Business Award.

The replacement of a royalty payment with a payment for goodwill was judged to be necessary in order to make the company more attractive to investors, who would likely have objected to a royalty payment to the original owners. This construction however placed demands on earnings in subsequent years. The additional interest charges contributed to an increase in financing costs in 1989-90 of 27 million kroner. In addition to that, there was the amortization of goodwill of nearly 21 million kroner per year, which was not deductible for tax purposes. These charges replaced the royalty payment of 15% of sales. The royalty payment for 1989-90 would have been close to 44 million kroner. But the company had lost a safety net, since the royalty had not been payable if the company incurred a loss.

Introduction well prepared

Another reason to replace the royalty obligation was to facilitate expansion or possible acquisition of other companies - regardless of the nature of the

new activities. In accordance with the royalty agreement those new activities would also have been subjected to the royalty of 15% of sales. It would be difficult, if not impossible, to find an activity that was sufficiently profitable to be able to pay a 15% royalty.

The recent financial performance had, however, given confidence in the future and the annual report stated that "the outlook for the coming year's earnings implies that the bank debt will be repaid over the next 5-6 years."

According to the plan prepared by the advisory group that had started their work in 1985, the new Glunz & Jensen company would seek a stock exchange listing as soon as there were three years of satisfactory results. This facilitated the creation of a free market for the company's B shares, to the benefit of the company managers who held those shares. With the results from fiscal year 1988-89, the requirement of three years of satisfactory results had been met, however the replacement of the royalty agreement still had to be negotiated. In the General Assembly in September 1990 it was decided to seek admission to the stock exchange later that year with the issuance of new B shares with a value of 7 million kroner. Meanwhile, the share capital which was 2 million kroner in 1986, had been increased to 24 million kroner by 1990, with a 5 to 1 stock split in 1987 and another just before the IPO in 1990. The issuance of 7 million kroner in new B shares would therefore bring the nominal share capital to 31 million kroner.

The preparation of the prospectus began early in 1990 under the guidance of Unibank and Gudme Raaschou Børsmæglerselskab A/S. They relied heavily on the auditors from C.Jespersen represented by Finn Louis Meyer and Erik Kold, and RBH-REVISION AKTIESELSKAB represented by Bent Hybholt. The corporate office was used by the legal advisors and the others occupied smaller offices in Ringsted for many months.

In anticipation of the greater technical expertise that would be needed in the accounting area for a listed company, Finn Samuelsen was hired as CFO in June 1989. He was educated as an auditor and held a masters degree in accounting. He had served as accounting manager at 3M, Denmark prior to join-

ing Glunz & Jensen. After studying the company's financial statements and routines, he was well prepared to prepare the data for the offering letter. A prospectus is something that most companies only make once in their history. It is never a trivial task, and it is made even more difficult because the bankers, stock broker, and other involved parties each believe that their advice is the only correct way to handle it. A great many experts were involved in the preparation of the prospectus, and it was a time-consuming undertaking.

Calculations were made for an appropriate initial price per share, and there were a lot of different estimates made as they came closer to the date of the offering. The guesses ranged from 400 kroner to as high as 1,000 on the more euphoric days - but as the scheduled dates of 10 and 11 October 1990 approached the offering price was set at 450 kroner.

The prospectus was completed on time, and was finalized after a meeting at the Unibank head office on Torvegade in Copenhagen on 3 October. The meeting was arranged and managed very professionally by Unibank. Chairman Kai Michelsen made a convincing introductory statement and John Kejlhof made a sound presentation which included a slide show about the business. There was a display of Glunz & Jensen processors and exposure frames in the hall with service technicians in white coveralls with red logo on the back who were available to explain and demonstrate the equipment. There were only a few polite questions from the attendees. From the comments and expressions of the professional stockbrokers during the reception, it was quite clear that they had a positive impression of the presentation.

A nice profit for the old shareholders

At a meeting held by the bank on the morning of 12 October, it was stated that the tender offer totaled 8.3 million kroner at the minimum price of 450 kroner.
The conditions for the IPO had been met and only a few purchase requests were not completely satisfied. For Glunz & Jensen, this brought the shareholders equity to 31.5 million, but the costs related to the offering reduced this to 28.9 million kroner. The company gained 539 new shareholders in addition to the 117 who held shares before the listing. Glunz & Jensen was listed on the Copenhagen Stock Exchange for the first time on 22 October 1990.

The shareholders, who had purchased shares in 1986 for 110 kroner per share, had obtained additional shares through two stock splits and the value of each original share had now increased to 5.290 kroner.

In the year prior to the IPO, Glunz & Jensen had achieved record sales of 293 million kroner, but profits had declined to 12.4 million kroner, primarily due to the replacement of the royalty arrangement. The introductory year was very disappointing with a decline in turnover of 42.7 million kroner. Despite cost reductions totaling 21.5 million kroner, the company incurred a loss of 1.9 million kroner.

JOURNALISTIC MATCHMAKING

In October 1989 journalist John Mynderup had raised questions about the future of the graphic arts industry in his articles in the Børsen, a newspaper dealing with the stock market. He was presumably responding to fears expressed by some investors.

Were Glunz & Jensen and the others committing suicide?

"Denmark's graphic arts industry heads toward collective suicide" was his headline, and the subhead stated: "8 Danish companies with major world market positions". He gave predictions of the difficulties that the industry would be facing, citing opinions of industry professionals and analysts. He argued that the effects of the developments could already be seen.

The eight companies were Eskofot A/S, Purup Electronics A/S, Glunz & Jensen International A/S - 1986, Helioprint Grafisk A/S, Lüth International A/S, Hope Computer Corporation A/S, H. Jessen Jürgensen A/S (Ajax International) and Danagraph A/S, which together generated sales of nearly 2 billion kroner, 96 percent of which was exported, and employing nearly 2,000 employees.

John Mynderup conceded that corporate earnings in relation to equity were fairly high, and "for certain companies, even excellent." He concluded however that the requirements for research and development would be so large that "it is only a matter of time before the Danish graphic arts companies will be forced out of the product areas where they currently enjoy a worldwide market share of 40 to 60 percent.

He argued that the problems were primarily due to a lack of willingness to cooperate on research and development. He quoted analysts who argued that management buy-outs had made it almost impossible to create a powerful consortium. He concluded with the question as to whether the new leaders of these companies might be inclined to cooperate now that they were shareholders. John Mynderup was not blind to the potential bright spots in the situation and pointed out certain areas of contact between some of the companies, such as Peter Glunz position on the Lüth International board of

directors and Arne Purups seat on the Glunz & Jensen board. He also pointed out that several of these companies used Handelsbanken as their primary bank. But he wrote, and this is perhaps the part that he got wrong: "More interesting, however, is the position of Hafnia group, which is a major shareholder in Eskofot A/S, the largest company in the group, and was also involved in the change of ownership in Lüth in 1987. They have acquired a thorough knowledge of the company's competitors and the market for graphic equipment. Possible initiatives for a consolidation among these Danish companies must therefore come from Hafnia and/or Handelsbanken."

Berlingske got it all wrong

A year later, on 25 February 1991, the Berlingske Tidende followed up with the same theme, citing the lack of willingness to cooperate in cost-intensive areas. It concluded: "The consequence will be that only the strongest will survive." The newspaper article reviewed the financial performances during the previous three years. Eskofot had a profit of only 3 percent in 1989. Glunz & Jensen had a profit of 18 percent in the first half of fiscal 1990/91, but it was pointed out that a profit of 28 percent had been projected in the prospectus. The company announced just a few months later that the profit in the first half was only 1.8 million kroner, and the second half would be about the same. When this was reported in the newspaper, they added that "This has led several analysts to talk about fraud".

The article, however, contained substantial errors, which led to a sharp protest from Glunz & Jensen in the form of a letter to the newspaper and an explanation to the stock exchange. The 28 million kroner was the projected result before taxes for the full year, not the first half estimate as reported in the Berlingske Tidende. The profit for the first half year of 1.8 million kroner was not the pre-tax result, but after taxes. Actual pre-tax profit in the first half had been 10 million kroner, which should have been compared with the forecast for the full year of 28 million.

The newspaper had compared apples with pears, and had included a curve that was based on their erroneous interpretation. They showed a decline in the share price following the introduction just four months earlier of 80% (from 1,500 to 300), whereas the actual decrease was about 33% (450 to

305). Based on company reports and a meeting with Berlingske Tidende's business editor, the magazine published a rectification two days later.

The same article in Berlingske Tidende had called for cooperation in the industry. Here they failed to understand that manufacturers of graphic arts equipment are increasingly dependent on collaboration with their large customers for their product development. This presents a barrier to industry consolidation because after a merger some competing customers would also be forced to cooperate with each other.

New newspaper coverage of the GA-industry

In February 1991 John Mynderup was again writing about the graphic arts industry in Børsen. He carefully dissected each of the eight companies, stating that they all had ownership and management issues and that they were effectively heading for collective suicide. Glunz & Jensen's IPO was described as a scandal because of the decrease in earnings and decline in share price immediately following their listing. Arne Purup, who had just invested another 50 million kroner in his business, was criticized for looking for a foreign partner, while “the world leader in the pre-press sector was just outside his own door."

Were the companies too different?

Eskofot was accused of having a manic focus on product development, quality control and sales growth, while the owners were accused of having some questionable transactions on the islands of Egholm and Agersø in Storebælt. Helioprint was only able to show a profit in 1989 because of a debt write-down of their loan from the development fund Udviklingsfondet, while Danagraph should not have been "running back and forth with various activities and should have sold their subsidiary in the United States." There was praise for Jessen Jürgensen as a "small, well run and healthy family-owned company with sound activities," and also Lüth was treated nicely, but with a remark that they would benefit by a "significant amount of development and technological consolidation". Hope was found to be in complete disarray and was considered to be finished by their stock exchange listing. This last point proved to be correct; Hope went bankrupt shortly thereafter.

The article did not make any direct appeals for mergers or other forms of co-

operation beyond the small but sharp point about Purup. However the writer repeatedly mentioned the high costs of product development and declining sales. In that regard the message was the same as in their earlier article.

There was probably some truth in these journalistic critiques, and they certainly led to some introspection within the industry, despite the harsh tone of the articles. One of the few industry executives who supported the thesis was Steen Juel Nielsen from Eskofot. He felt that the possibility of cooperation was present and that there were substantial benefits to be gained from the synergy. He concluded however that "It is only the will that is lacking".

While the discussion did not stimulate actual negotiations, it did lead to many informal talks between the companies whenever the opportunity presented itself. But nothing came out of it. The differences between the companies were probably large in many areas. There were great differences in the companies' general corporate cultures, and this was certainly an issue for Glunz & Jensen. There was also concern about the reactions of the major international Private Label customers. Personal conflicts between some of the company's senior executives would also make collaboration difficult. For some, both board members and executives, there was the question about who would be the survivors to lead the merged companies. They would think about whether or not it would be me!

HIGH-TECH AND QUALITY CONTROL

It was clear that the time horizon for film processors was getting shorter each year, while the development program in Glunz & Jensen was basically the same for many years. The processors were improved and refined, but the key product was still film processors.

Into the high-tech age in Roskilde

Most of the changes were in the design and choice of materials. Kay B. Marum often said that the company was still producing processors in essentially the same way that Peter Glunz and Bjarne Jensen were doing it in the 1970's. It was time to review the new processors developed in "Project 90" which, in spite of many technical improvements, a new production technique and a thoroughly modern design, were still doing basically the same thing that the earlier processors had done.

There was an article about Glunz & Jensen written by Caja Winterø in Industriel Produktion in connection with the marketing of the MultiPlotter 60, which was introduced in 1986, that described the company's product development quite well. "The company has grown over the past 13 years and now has over 200 employees. This demonstrates that while innovation can be achieved by thinking outside the box, it can also come from excelling in doing the traditional things."

The few approaches to real innovation in the 1980s were the diversifications with the photoplotter and the mini-lab project. Neither of these projects was a success, leading to the question as to whether Glunz & Jensen might not be suitable for the high technology systems that appeared to be the future for the graphic arts field.

There were also the acquisitions of Grafolux, a producer of copy frames, in 1988 and of Artica in 1989, but they did not have any innovative products. They simply provided a broader traditional product line. John Kejlhof was quoted as saying in Aktuel Grafisk Information that those two acquisitions followed the strategy to provide Glunz & Jensen with a full line of equipment

Multiscan 3244 - on the road to high-tech

for the traditional reprographic market. There was a strategy, but it was just like Caja Winterø had written; making your traditional products with true excellence.

Vision and strategy formulations had not been Glunz & Jensen's strong point. It was not until around 1989 that management began to actively discuss strategy. There were several seminars on the topic, but without any follow-up. The stated objectives dealt with traditional product lines, without any vision of future market developments. However in 1991 there was a successful strategy seminar where a vision and new target was formulated: "We will be the leader in electronic reprography." It was an ambitious strategy and it provided a clear direction. In the preparations for DRUPA '90, Glunz & Jensen had already established the goal to be the "Leader of Pre-press".

The goal was real enough and well focused. Nobody doubted that the future of graphic arts pre-press would be with applications of electronic high-tech. It also fit perfectly with the product development program that had been started in mid 1987. It would now demonstrate whether Glunz & Jensen could do more that simply build processors.

It was natural for Glunz & Jensen to move into the more high-tech areas of reprographics technology, which had emerged in the 1980's and would eventually impact the market to the detriment of the company. There were scanners produced in other countries for both monochrome and color work, and complete computer-to-plate systems that could increasingly replace the use of film, making film processors an obsolete product. Among the Danish companies, Eskofot had tried to introduce a scanner, and Hope Computer had an advanced direct-to-plate system that was marketed as the LaseXposer.

One of the engineers who had worked on the development of Eskofot's scanner, an Egyptian, Samir Lehaff, left the project and started his own company, Twinsys, to produce his own scanner. The project was partially financed by a French customer and had some initial success. Development costs were high and as the project dragged on they ran out of money.

Glunz & Jensen's new bible

John Kejlhof met with Samir Lehaff several times, trying to negotiate some form of joint project. He was never able to reach any sort of agreement with Samir Lehaff, who chose to await the inevitable bankruptcy. John Kjelhof made several attempts to take over all or part of the project after the bankruptcy, but these were blocked by opposition from a large French creditor. Glunz & Jensen then chose to hire four engineers who had been with Twinsys in order to develop their own black-and-white digital imaging scanner, named MultiScan. Niels W. Knudsen, Lars Møller Kristensen, Christian Poulsen and Torben Warming brought with them an enormous amount of expertise and a commitment to have a scanner ready within a year. They found that Roskilde was too far from Copenhagen and requested that they be accommodated, and so it was. Premises were rented at Københavnsvej 170. They started work under a collective leadership arrangement, but that system did not work in the long run.

Director Arne Purup was one of the people who were very skeptical of this project. He knew of the difficulties and costs of such projects from his own business. He did not believe in budgets or schedules for this kind of project and recommended that Glunz & Jensen should continue to do what they were good at.

There were organizational problems in the scanner project late in the summer of 1989. Some of the four engineers from Twinsys left the company and the management was taken over by Erling Hviid, who had worked on the photoplotter and had then managed a medical imaging project in PBI-Development A/S.

It was not Glunz & Jensen's fault - alone

The project was not a success, essentially for the reasons that Arne Purup had warned about. The scanner had some performance issues as well as high costs. The prototype was ready two years later than planned, and by that time competitors had entered the market with more advanced scanners at lower prices. One of the new color scanners was developed and manufactured by Scanview, a company established by Samir Lehaff with financing by computer industry entrepreneur Michael Mathiesen. Their Scanmate color scanner was sold at a lower price than the Glunz & Jensen black & white scanner, and it was being marketed by Chemco, a long term Glunz & Jensen private label customer.

The company's 1991-92 Annual Report included the MultiScan epitaph: "The introduction of the Group's first product in digital imaging, MultiScan 3244, has taken longer than anticipated ... and the dealers, who are new to this segment of the pre-press market, require more training and education than had been anticipated." The previous annual report had stated that the MultiScan project was delayed so that the effect of the introduction would be in the next year, but that it had performed well in thorough market testing. It had stated that scanners had been installed and that it was in production. An installation in Denmark and one in England were specifically mentioned. In early 1993 the project was abandoned and the special development center in Roskilde was closed.

Work on establishing a quality management system, had been started in 1987 by Kay B. Marum. The program was started with an effort to change the attitudes about the concept of quality, particularly with the technical staff, in response to the growing demand in world markets. There were also demands for ISO 9000 certification from several of the largest Private Label customers.

The decision was made to work toward ISO 9001 certification, which encompasses not only production but all of the product development, sales and support functions. At a very early stage a document, "The Ten Commandments of Quality" was formulated. It can be summarized as:

It hurts to cut, and it is difficult

"Perfect quality is free. It is not a gift, but is the result of a continuous improvement effort"

During the next year a great many meetings were held with various employee groups to develop a good understanding of the program and commitment by every employee as the quality procedures were being established. A quality manual was prepared with support from the Teknologisk Institut, and the program was implemented in the corporate offices and in Ritema, which was selected to be the first production company to implement the program. Dansk Standardiseringråd was chosen as the certifying organization. They made a critical review of the company, including interviews with nearly all employees, from the CEO to the warehouse workers. After completion of this certification audit, the official DS/ISO 9001 certification document was presented to John Kejlhof and Kaj Marum in December 1991.

It was stated in the company's financial statement that the other three production companies would achieve certification in the spring of 1993, and they were able to meet that schedule.

The decline in revenues in the last months of 1990 was to some degree the consequences of the delays and high costs with Project 90 and MultiScan. However the major cause was the severe economic recession that impacted sales in almost all markets.
With new product delays and high development costs, small technical differences in equipment performance were promoted. A substantial portion of the market was looking for inexpensive, less sophisticated processors but design and quality were still important.

Something had to be done

Despite clear signals of economic recession in the first countries to be affected, daily management remained optimistic and confident that the market

Turnaround in the market

was sound and that the company's product development and sales targets were achievable. There was particularly strong faith in the German market, which showed the positive effects of the new demand from the former East German region. It was also expected that sales in the U.S. would pick up when Glunz & Jensen established their own sales organization following the break with LogEtronics.

An increase in sales was budgeted for fiscal year 1991-92, despite the decline from 292 million kroner in 1989-90 to 250 million in 1990-91. The optimistic projections of the Managing Director and the sales executives were not met. Sales in 1991-92 dropped again, to 231 million kroner. But the economic recovery was bound to eventually come.

A CUTBACK, AND THEN NEW GROWTH

It has been expensive to get that far

Common sense says that when you cut, you must cut so deeply that it helps. However, it is difficult to judge how far to go. The optimistic attitude followed by Glunz & Jensen was to be careful not to cut so deeply that the organization is too weak to handle the recovery which should be just around the corner. This meant accepting costs that are still too high in the near term.

Once it was realized that the market for process cameras was gone, the activities in Sorø were shut down and the little camera production that was left was put into SAPP, along with the copying frames. A few people were transferred and the others were terminated. Artica was merged with SAPP. The last repro cameras were produced in 1994.

The downsizing of the other manufacturing companies was carried out selectively, depending on production volumes. Employees were transferred or loaned between the production companies as much as possible, but layoffs were unavoidable. The average number of full-time employees was 200 in 1989-90 and 1990-91, and this was reduced to 170 in 1991-92. Total employment declined further to 160 before it was increased slightly for production of the new Project 90 large format processors that were being sold in reasonable quantities.
The first layoffs were made in the production operations where the workload was clearly declining. In the next stage there was a significant cutback in product development. There were certainly enough development projects, but cost reductions needed to be implemented. There were not very many employees in the sales department and corporate administration, and based on their workload only modest cuts were deemed to be justified.

There was a reorganization aimed at improving efficiency and reducing administrative costs. This involved some reallocation of products, making it possible to discontinue production in Revomatt. That company was also merged with SAPP. By the beginning of fiscal year 1992-93 all Danish production was being done in four production facilities.

The company's board and management were rightly nervous after experiencing significant sales declines for several years in a row, which had led to only small profits after tax and then to a loss. It was questioned whether the prepress market would ever return to the former growth levels. The wisdom of replacing the royalty agreement in preparation for the IPO was debated, but it was easy to be wise after the event. In ten years they can look back to see whether that was economically sound, and whether the series of acquisitions had been justified. The recent purchase of Lüth was also questioned. The board members were not happy with the repeated failures to estimate future revenues and the resulting poor results. The board had frequent, long deliberations to deal with information to present to the stock exchange.

The organization was highly dependent on John Kejlhof, and recognized that management of technology and production had to be strengthened following the departure of Kaj B. Marum early in 1992.
There were also a number of discussions with and among employees. There was concern as to what had happened to the "old entrepreneurial spirit" which had really been put to the test during the many redundancies. Leadership, organizational structure and the future prospects for Glunz & Jensen were regular topics of discussion.

After a thorough search process, the board had made the decision in the spring of 1992 to hire Lars Friis Østergaard to serve as vice president and Technical Director. He had an impressive education and experience as an electronics engineer. Prior to joining Glunz & Jensen, he was a vice president at GN Elmi, responsible for the design and manufacture of advanced measuring equipment for the telecommunications field. Lars Friis Østergaard was given the initial tasks of strengthening the technological base of the company and considering the future organizational structure. In time, other major tasks were assigned to him.
Dark clouds had hung over the market for several years, and the recovery was slower than had been expected. Turnover in fiscal year 1991-92 had declined to 231 million kroner but rose nicely in the next few years. Fiscal year 1992-93 sales were 267 million kroner, followed by 293 million in 1993-94, and sales then jumped to 384 million in fiscal 1994-95. Sales in 1994-95 were

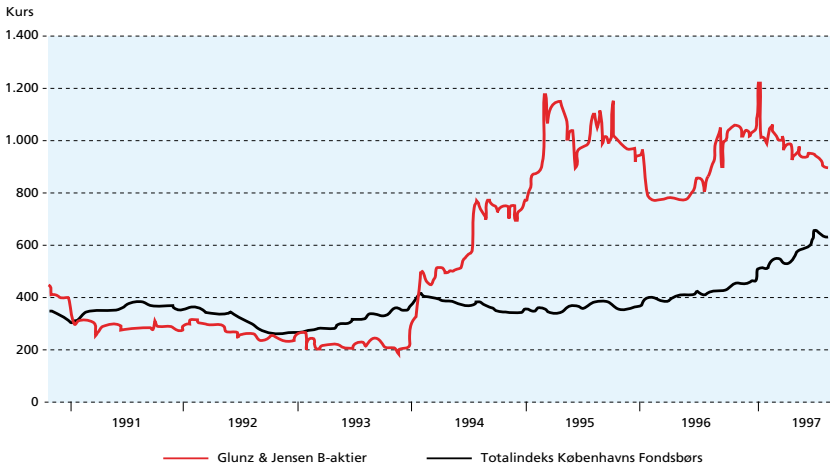
however boosted by 45 million kroner because of the purchase of Lüth in the last two months of the year. The sales growth led to substantial increases in pre-tax profit. For fiscal year 1994-95 the pre-tax profit was 51 million kroner and the profit after tax was 25 million.

The company's profit after taxes was actually more impressive than it might appear at first glance. Depreciation of goodwill, a non-cashflow charge, masks the fact that the company had a unique ability to generate a positive cash flow, even in the years of declining sales. The company had therefore been able to rapidly pay down its debt. If the purchase of Lüth had not been made in 1995, the company would have been able to complete the repayment of the 231 million kroner loan from Unibank and would have been debt-free by the end of 1995/96.

The acquisition of Graphic Equipment Technology (GET), the parent company of Lüth, had its full impact in fiscal year 1995-96. Record sales of 600 million kroner were achieved, and in fiscal 1996-97 sales increased further to 634 million kroner. The financial results were not as impressive, but profit in 1995-96 was 13.1 million kroner and in 1996-97 it increased to 14.4 million. The final result was negatively affected by exceptional costs associated with the sale of the Brazilian subsidiary. The company's good earning capacity is distorted by the annual write off of goodwill of 46 million kroner, which replaced a royalty payment. The goodwill write off, which cannot be deducted from taxable profit, will apply each year until May 2001. The company has, in other words, had good results before tax and has demonstrated an ability to generate a positive cash flow significantly greater than is apparent from only a superficial look at the financial statements.
When sales recovered and began to rise again, stock brokers and investors showed a renewed interest in the company.

The share price had declined to a low of 180 kroner per share in 1991-92, a level that was less than half of the 450 kroner issue price in 1990. The share price recovered dramatically, as can be seen in the graph.
Glunz & Jensen had clearly been through a difficult period of several years, but returned to good health in a somewhat modified form.

During 1991 and 1992 the relationship between the board and John Kejlhof, who had served as Managing Director for almost 10 years, became increasingly strained. At the meeting of the Board of Directors on 1 December 1992, John Kejlhof submitted his resignation with the request that it become effective immediately. He stated that his resignation was related to the continual disagreements with the board about the company's management.



With the resignation of John Kejlhof, Lars Friis Østergaard was asked to take over as CEO. Although he had been with the company as Vice-President responsible for technology and production for only six months, the board was confident that the company was ready to embark on a new era with the change in both structure and management style.

PURCHASE OF THE BIGGEST COMPETITOR

Two Danish companies, Glunz & Jensen headquartered in Ringsted and Lüth in Slagelse, were the global leaders in the manufacture of processors for the graphic arts industry. Together, they dominated the world market, and they kept a close eye on each other's movements in the market. There was always the danger of grueling competition. Lüth's dominant customer was Agfa, which had the largest market share for film in Europe, while each of the other large producers of graphic arts film sold Glunz & Jensen processors.

In May 1992 there was a discussion with the Glunz & Jensen board about the situation at Lüth. There were quite reliable indications that Lüth might be open to discussions about a closer cooperation with Glunz & Jensen.

The board discussed the clear opportunities that could be opened up with various forms of collaboration, but they could also see the risks inherent in any approach they might make. Furthermore they felt that Glunz & Jensen’s management was not at that moment geared to a merger. The topic was also brought up at a time when Glunz & Jensen's financial performance was at a low point. And perhaps the biggest concern was about how the big customers would respond to the prospect of dealing with such a dominant supplier.

There was a consensus that Glunz & Jensen should not take any action, but they would be prepared to respond to an eventual initiative from Lüth.

In January 1993 the board again discussed the possibilities with Lüth. The financial data were analyzed and the advantages and disadvantages of different forms of cooperation were reviewed. It was agreed that there would be obvious benefits of various forms of cooperation, such as through joint purchasing.

At its meeting in March 1993, it was agreed that board chairman Kai Michelsen would contact Lüth's chairman, Nick Keating, to see whether Lüth was open to collaboration on procurement, production, or any other forms of cooperation, and whether Lüth might be open to the idea of a merger.

Against this background, the board decided to establish a merger committee consisting of Chairman Kai Michelsen, Vice Chairman Allan Andersen, Peter Glunz and Lars Friis Østergaard.

Soon thereafter, the Fusion Committee held a first exploratory meeting with the Managing Director of the Lüth group, Bitten Bandholm, with whom there had been occasional contact in the past. The Glunz & Jensen people had a positive impression from that meeting and felt that the timing worked in their favor. From Lüth they had heard that they had thoughts about a public stock offering and other eventual changes in ownership. The Fusion Committee did not find the alternatives that had been discussed by Lüth to be very realistic, but it was obvious that some of the holders of Lüth's A shares were eager to sell.

Early 1994 Kai Michelsen and Lars Friis Østergaard met with Nick Keating and Bitten Bandholm. The conclusion was that a merger might be a possibility in 12 to 18 months and it was agreed that Lüth would come back to Glunz & Jensen if there was serious interest in further discussions.

There were however various further meetings and informal contacts between the parties in the spring of 1994.

In September there were further contacts that were initiated by Peter Glunz. Kai Michelsen, Allan Andersen and Lars Friis Østergaard held three meetings with Lüth, where the parties had clear and frank discussions.

With stubborn but friendly persistence, Glunz & Jensen's negotiators

were able, slowly but surely, to move the discussions in the direction that they preferred. It was shifted from a discussion for a merger of equals in the Spring of 1995, to an arrangement whereby Glunz & Jensen could buy all the shares of the Lüth Group's parent company, Graphic Equipment Technology (GET).

The negotiations were difficult and slow and were to some extent influenced by the different temperaments of the negotiators.

The parties however managed to find each other, and the final result was good for the employees as well as the shareholders. And best of all, it avoided a destructive stride as has often occurred between major competitors. It would have indeed been sad if these two dominant Danish suppliers would have grappled with each other instead of fighting with their foreign competitors.

In retrospect, Glunz & Jensen's negotiating committee could look back with satisfaction on their successful negotiating tactics.
Glunz & Jensen's Board of Directors had agreed that the acquisition was the right step to take.

The price paid by Glunz & Jensen for the purchase of GET was 168.75 million kroner. This was funded in part by an increase in the loan from Unibank, and partly by the issuance of new shares on the Copenhagen Stock Exchange in the autumn of 1995. The share offering had a nominal value of 15.5 million kroner, of which 2.64 million was for A-shares.

The emissions were structured so that Glunz & Jensen Foundation retained its voting majority, including protection from a hostile takeover and assurance that it will be maintained as a Danish company.
The acquisition date was set for 1 April 1995.

Lars Friis Østergaard was appointed to serve as Managing Director of both Glunz & Jensen and GET, and the elected portion of the board of

Glunz & Jensen A/S was also the Board of Directors of GET.

It was decided to formally merge the two companies as soon as possible to better facilitate the many opportunities for rationalization.

A new organizational structure was introduced on the first day of the new fiscal year, 1 June 1995. The senior management of the combined companies was composed of: Managing Director, Lars Friis Østergaard, Finance Director Karsten Bjerregaard, Production Director Claus Melgaard and Sales and Marketing Director Steen Høier. A search process for a new Product Development Director was initiated and on 1 February 1996 Jens Thorup joined the company to fill that position.

It was a major task for management to prepare the administrative and organizational integration of the two companies which had worked very differently. They had very different management styles and business cultures.

The formal merger of Glunz & Jensen A/S and GET A/S took place on 1 June 1996.

Personnel reductions related to the integration had been made in the autumn of 1995. The total number of full-time employees at the end of fiscal 1996-97 was 338.

During the first 25 years of Glunz & Jensen's history, the company had undergone rapid development. The first years were characterized by the pioneering spirit, under the vigorous and creative leadership of Bjarne Jensen and Peter Glunz. These two people defined the company and created what was later described as the special "spirit" of Glunz & Jensen.

It was different under the more centralized leadership of John Kejlhof, who served as Managing Director from 1982 to 1992. His focus was on sales, which dictated development and production priorities.

Lars Friis Ostergaard has led the company since 1992. From the start, he asked all employees to be open to change and to be prepared for the inevitable changes that would come. He recruited a new team of leaders with broader educational backgrounds. Glunz & Jensen, with a balanced mix of new skills and the old "spirit", has grown to become a major player in a highly competitive international market. Glunz & Jensen has become the absolute dominant global supplier of processors for the printing industry and is well prepared for further progress on the eve of their 25th anniversary on 16 April 1998.

The board and adm. direktor, september 1997

Hans-Erik Pedersen
Klaus Øhrgaard
Søren Worm Andersen
Jørn Kildegaard
Per Møller
Peter Glunz
Allan Andersen
Susanne Jensen
Kai Michelsen
Lars Friis Østergaard

Year	Company	Board	Managing director
1973	Company founded on april 16th as Glunz & Jensen A/S with nominal share capital of 10.000 kr. (A/S reg.nr. 56.606). Bjarne Jensen and Peter Glunz own each 45%, Gorm Ladefoged 10%.	Gorm Ladefoged (chairman) Bjarne Jensen Peter Glunz **Revision:** Reg. revisor Bent Hybholt	Director: fabrikant Bjarne Jensen
1978	LogEtronics buys 10% of shares, and pays with 4% own shares.	Nick Keating joins the board	
1979	first sidestep, at Glunz & Jensen A/S changes name to PBI-Holding, Ringsted A/S. Main activities continue in Glunz & Jensen International A/S. 50% of shares in Lüth bought. The other 50% bought by LogEtronics.	Same board as in the former Glunz & Jensen A/S.	
1982		Bjarne Jensen, chairman Nick Keating Peter Glunz Gorm Ladefoged	John Kejlhof joined
1983	Cross-ownership between Glunz & Jensen and LogEtronics cancelled.		
1986	Glunz & Jensen International A/S of 1986 founded with sharecapital of 2 million kr. The old Glunz & Jensen International A/S merges with PBI Holding, Ringsted A/S.	Kai Michelsen, chairman Børge Bach Andersen, vice-chairman Bjarne Jensen Peter Glunz Per Møller Arne Purup Jan Rasmussen	

Year	Company	Board	Managing director
1986 *continued*	Glunz & Jensen Foundation founded	**Revision:** additional to reg. revisor Bent Hybholt elected Revisions-firmaet C. Jespersen.	
1987	PBI Holding, Ringsted A/S sold the 50% of shares in Lüth.	Peter Glunz leaving the board and Birger Josephsen is joining.	
1990	The company is introduced on the Copenhagen Stock Exchange.	Peter Glunz joining the board again.	
1991		Bjarne Jensen leaving and is replaced by Susanne Jensen. Also Børge Bach Andersen is leaving and replaced by Allan Andersen, vice-chairman	
1992			John Kejlhof leaving, and replaced by vice-director Lars Friis Østergaard.
1993	Company name changed to Glunz & Jensen A/S. The Danish daughter companies are merged with mother company.	Arne Purup and Jan Rasmussen leaving, making space for three employee-elected: Hans-Erik Pedersen, Søren Worm Andersen and Klaus Øhrgaard.	
1996		Birger Josephsen leaving and replaced by Jørn Kildegaard.	
1997		On employee-election newly elected Jan Rasmussen and Hans-Erik Pedersen leaving.	

GLUNZ & JENSEN

- an industrial adventure

Glunz & Jensen A/S
Ringsted 2013

FOREWORD - to the second edition

It started in 2009 when Henrik Brogaard, the manager of Glunz & Jensen in Slovakia, contacted Peter Glunz on LinkedIn with the usual link-request. In the message field he invited Peter to visit the factory "whenever it would fit his travel plans…"

What he didn't know was that Peter, his wife Carina, and another couple were on vacation in Graz (Austria) and were planning to leave the next day to drive back home. A quick research on Google Earth showed that it was more or less the same distance home, about 1250 km, with their usual route through Germany compared with a route through Presov in Slovakia and Poland.

Just for fun, he replied "Thank you for the invitation, what do you think about tomorrow afternoon? We are presently in the area…" To make a long story short: They visited the beautiful factory the next day, met the highly dedicated management team and had a wonderful evening. During the discussions Henrik mentioned that he was looking forward to an English translation of the Glunz & Jensen 25 years anniversary book in order to give his employees an insight into the company's history…

And here we are! The first part of the book was translated and then carefully edited and reviewed by Bill Streeter (now living in the USA), who has been with us from the very first moments as a highly valued customer and friend. A second part, more in chronological order, has been added covering the key events of the past 15 years.

Also since the first edition, the question has been brought up: "What was the secret behind the success?" It was the very different personalities of Peter Glunz and Bjarne Jensen, combined with 100% acceptance and respect of each other. This made it possible to discuss technical and business matters sometimes in very fierce style, but without ever taking it personally. There is a lot of truth in the expression "together they were worth much more than 200%".

Peter Glunz

1998

April

The 25 years celebration

As the first edition of the "25 years Glunz & Jensen" book was handed out in connection with the celebrations, naturally it could not contain any report from the celebrations.

So here you can see what happened on that day: April 16th, 1998:

Some days ahead of the event, the local Ringsted newspaper wrote an article under the titel "The worlds best idea", mentioning the importance of the idea for the local community. At this point it is appropriate to make reference to the modern "social accounting" that documents that Glunz & Jensen contributed the astonishing sum of more than 10 billion Danish kroners, not only to the local community but to the Danish national economy! It's an easy calculation since close to 99% of sales were exports.

Dagbladet
11. april 1998

Verdens bedste idé

Glunz & jensen A/S kan den 16. april fejre sit 25 års jubilæum

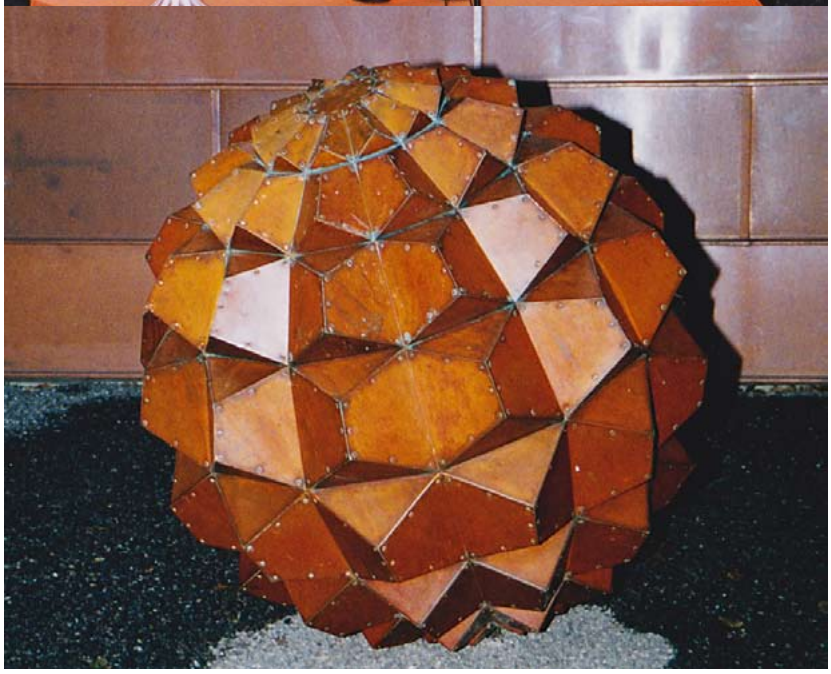
But back to the program for that rainy day in 1998:

7:45 Guard arriving
8:00 flag parade
8:05 3-fold "hurrah"
8:06 morning song
8:10 speech CEO
8:13 speech & employees gift
8:18 CEO thanks for the gift
8:25 CEO hands over 25-years-pin
8:30 CEO info about gift to employees
8:35 coffee
8:50 speech by Bruce Goodwin (USA)
9:00 coffee continued
9:10 speech of chairman
9:20 gifts to the employees handed out

The "Slagelse Guard" marches up

All Danish and foreign employees participated in the celebration

CEO's Welcome



Employee's gift: "Gaia" sculpture

CEO thanking the employees for the gift - "Gaia" - a sculpture from the Danish artist Gerda Thune Andersen

Peter Glunz, (l. to r.) Gorm Ladefoged and Inge Jensen (on behalf of Bjarne Jensen) are receiving the "25-years pin"

Gift of the American employees: "American Eagle"

All American employees were invited to participate, together with their partners

Speech by Bruce Goodwin (USA)

The day's "guest of honour": Bill Streeter and his wife Petra, who asked Bjarne and Peter back in 1973 "if they could..."

Bjarne Jensen, chatting during the party in the evening.

Søren Pilmark, famous Danish entertainer as conferencier

Rikke Solberg, famous Danish sports-girl drawing the ballot for Danish employees to visit the USA

Two of the happy winners for a 5-day trip to the USA with partner -
10 in total!

Speech of chairman Kaj Mikkelsen

Two famous Danish artists: Michala Petri and Lars Hannibal

About 650 guests at Ringsted Congress Center...

High class entertainment

Kim Sjøgren and his violin

The day after... local and nationwide newspapers are reporting about the event

Glunz og Jensen fylder 25 år

En af den grafiske industris sværvægtere, Glunz og Jensen i Ringsted, har den 16. april 1998 bestået i 25 år. Den store virksomhed har i løbet af de 25 år, formået at skabe sig en position på verdensmarkedet, som kun få, og i dag eksporteres virksomhedens produkter til flere end 100 lande verden over. Og der sker løbende en udvikling i firmaet

Grundlaget, som vort firma bygger på, er skabt af firmaets stiftere, Hans Peter Glunz og Bjarne Jensen, for 25 år siden, og vi vil lette den arv, de gav os, siger administrerende direktør Lars Friis Østergaard.

- Vor virksomhed er for tiden inde i en betydelig omstillingsproces, udtaler administrerende direktør Lars Friis Østergaard.

– Grundlaget for vor produktion er den gamle, gedigne teknik, som blev opfundet og udviklet af firmaets stiftere, Hans-Peter Glunz og Bjarne Jensen, hvor vore produkter – fremkaldemaskiner til den grafiske industri – blev fremstillet i rustfrit stål. Nu har udviklingen bragt os videre i retning af mere rentable fremstillingsmetoder. Men det skal præciseres, at alt også i dag bygger på vort firmas stifteres opfindelser og store udviklingsarbejde.

– De landt frem til en smart anvendelse af nogle materialer, som egentlig var beregnet til noget helt andet. Ved ihærdigt arbejde udviklede Peter Glunz og Bjarne Jensen maskiner, som i dag er blevet et verdensprodukt.

– De produkter, de skabte, er så gennem årene blevet raffinerede, og de er i dag eftertragtede. Vi har stort set alle de store firmaer som Kodak, Agfa, Fuji med mange flere blandt vore kunder, og 98 procent af vor produktion går til eksport til kunder i flere end 100 lande verden over.

OEM

- Vi sælger vore produkter på 2 måder. For det første er der OEM metoden. OEM står for Original Equipment Manufacturing. Det vil sige, at vore maskiner, der 100% er udviklet og fremstillet af Glunz og Jensen, sælges under kundens eget navn og logo. Kunden bestemmer, hvilken farve maskinen skal have, samt hvad der skal stå på den, så brugeren ved altså egentlig slet ikke, hvor maskinen kommer fra. Cirka halvdelen af vor produktion går til OEM-kunder. En af disse er Fuji, som under deres eget navn sælger vore maskiner til kunder rundt om i hele verden.

– De bestemmer selv, hvor meget, de vil sælge, og i den ønskes vi har sendt maskinerne

Stort marked i Asien

- I år har vi intensiveret vort salg i Asien. Der er her et stort marked, og i erkendelse heraf har vi her gjort en ekstraordinær salgsindsats. To af vore sælgere er uafbrudt på farten i Asien.

– Det er vor intention, når vi rigtigt har fået fat på dette store område, at etablere et fast kontor i Asien, og det bliver sandsynligvis i Hong Kong, fordi det er det handelscentrum, hvorfra mange tråde udgår til det store kontinent.

– Allerede nu dækker vi med vore filmfremkaldemaskiner mere end 50 procent af verdensmarkedet, og vor markedsandel er voksende.

– Vi har imidlertid også pladefremkaldemaskiner på vort program, og her har vi "kun" en verdensandel på cirka 10 procent af markedet, som dog er noget mindre end markedet for filmfremkaldemaskiner.

– De firmaer, der laver pladefremkaldemaskiner, er ret små, og vi er i dag blandt de største af disse, men vi vil gerne op og være markedsførende på dette felt, så vor intention er at opnå samme markedsandel her som på filmfremkaldemaskine-markedet, siger direktør Østergaard.

Helt nyt produkt

- Vi har et godt navn i branchen, så det er realistisk, at vi stiler mod en markedsdominans på verdensmarkedet. Det er, hvad vi satser på, og vi mener noget med det.

– Det er således en spændende periode, vi er inde i, for resultatet af vor indsats ser vi jo først om nogle år.

– Vi har selvfølgelig konkurrenter ude i den store verden, veletablerede virksomheder. – Derfor er det vigtigt at være forrest i udviklingen, og vi har da også noget nyt på vej, idet vi har udviklet en fremkaldemaskine, der er i stand til at springe processen med film over og gå direkte fra manuskript til trykplade. Der er tale om en meget kosthar udviklingsproces, men vi har allerede nu prototyper på disse

LokalBladet Ringsted 16 april 1998

maskiner kørende i nogle virk-
heder, og dem bruger vi
"døråbner" til det store mar
Det er firmaets spydspids, o
del af vor strategi.

Nye muligheder

- Som nævnt i starten, er vi i
i en omstillingsproces i diss
men vi har til stadighed beh
de af vore stiftere skabte vær
De er det grundlag, vi til enh
tid vil bygge på.

– Hvis vi imidlertid ser
muligheder for vort firma – h
kan vi ud over det, som vi i
beskæftiger os med – kan vi s
noget mere? – så er vi ikke b
for at gå i gang med det. Men
er dog for tiden ingen ak
planer i den retning, præcis
direktøren.

En god arbejdsplads.

– Peter Glunz og Bjarne Jen
havde den faste holdning, at d
virksomhed skulle være en
arbejdsplads for alle medarbej
ne. Den tanke gav de os i arv
det er en arv, vi løfter.

– Vi kræver meget af
medarbejdere, men til gen
kan de så kræve meget af o

– Vi har aldrig i de 25
virksomheden nu har bestået,
efter medarbejdere til monta

Dagbladet 17. april 1999

600 til jubilæumsfest

Foto: Hans-Jørgen Johansen

Administrerende direktør for Glunz & Jensen A/S Lars Friis Østergaard (i midten) kunne glæde sig over stribevis af gratulanter, da Ringsted-koncernen i går fejrede sit 25 års jubilæum. Efterfølgende kunne koncernen i aftes glæde godt 600 ansatte med ledsagere med en flot fest i Ringsted Teater- og Kongrescenter, hvor det ikke var mindre glædeligt, at de tre stifterne af den verdens-omfattende koncern alle deltog i aftenfesten.

Ringsted 2. sektion side 2

Dagbladet 16. april 1998

Administrerende direktør Lars Friis Østergaard (til højre) takker Erik Riis Klausen for medarbejdernes gave til den jubilerende virksomhed.
Foto: Hans-Jørgen Johansen

Regnfuld festdag

RINGSTED: Der var ikke kun regn i luften men også gavregn, da den verdenskendte Ringsted-koncern Glunz & Jensen A/S i morges tog fat på at fejre sit 25 års jubilæum. En festdag der ikke blev mindre festlig af, at den faldt sammen med dronningens fødselsdag.

Til glæde for medarbejderne spillede Slagelse Pigegarde dagen ind, mens flagene stod til top foran koncernens hovedbygning på Haslevvej. Det varmede i kulden sammen med talerne, inden alle trak indendørs til et stort morgenbord, hvor koncernen samtidig i dagens anledning forærede medarbejderne en boggave - et omhyggeligt og til tider muntert rids over koncernens forholdsvis 25 årige historie.

Fra medarbejdernes side talte Erik Riis Klausen og overrakte en firmaets kunstgave til virksomheden. Kunstværket blev efterfølgende omgående stillet op ved koncernens hovedindgang til glæde for de mange gæster, som ved middagstid begyndte at dukke op for at gratulere fødselsdagsbarnet, der er verdens førende producent af filmfremkaldermaskiner til den grafiske industri.

En egentlig jubilæumsfest holdes i aften, hvor Glunz & Jensen har inviteret alle medarbejdere og deres pårørende til fest i Ringsted Teater- og Kongrescenter.

hmm

GLUNZ OG JENSEN FYLDER 25 ÅR

Jeden voksende sig hurtigt stor.
Torsdag den 16. april fylder Glunz og Jensen A/S 25 år, og virksomheden er nu en af den grafiske industris sværvægtere, som for længst har fastslået sin position på verdensmarkedet med eksport til flere end 100 lande verden over.
Glunz og Jensen har føru-

1 9 9 7

IMPRINTA 97

June

For the sixth time Glunz & Jensen participated at IMPRINTA in Düsseldorf, Germany. With a new stand design and a stand area of 280 square meters Glunz & Jensen was represented at Imprinta ‘97 with their biggest and most magnificent stand ever.

Besides our own display of products more than 50 of our products were displayed at many other stands at Imprinta 97

1998

Acquisition of Refrema

May

At the end of May 1998, Glunz & Jensen entered into an agreement with Guldalderens Finans A/S, which is owned by Roskilde Bank, to acquire the total share capital of Refrema International A/S.

At the takeover Glunz & Jensen expanded the business area to include - in addition processing systems for the graphic arts industry - machinery and equipment for the photographic trade for the processing of photographic films and automatic cutting and packaging machines for amateur photography.

In the financial year 1997/98, the net sales of Refrema totalled DKK 48.2 million and the profit after tax was DKK 4.2 million.

The objective of taking over Refrema was to create growth and profit through improved application of the groups resources.

IPEX 98

September

Glunz & Jensen participated in the IPEX exhibition in September 1998 in Birmingham, England with a beautifully designed 130 sqm booth.

The diary reads:

After a rather quiet first day Tuesday, it is positive to note that the exhibition activities is increasing.

On the second day there was significantly more activity also at the Glunz & Jensen stand. There were many visits by customers from all over the world and they were busy around our new machines.

NEWS:

Kodak Polychrome Graphics and Heidelberg have entered into an interesting alliance about these two very large companies in the printing industry in Europe will sell each other's products.

Each will be able to offer customers complete solutions in fierce competition with Agfa and Fuji. For Glunz & Jensen means a positive development, since we are proficient in both these companies.

Employees trip to USA

August

During the 25th Anniversary celebration in Ringsted, a lottery drawing was held and ten lucky Danish employees, including their spouse or friend, won a five day trip to the United States to join the Glunz & Jensen, Inc., 10th Anniversary Celebration during August 1998.

The American employees planned an exciting itinerary of sightseeing activities around the Nation's Capital, Washington, D.C. as well some historic areas in nearby Virginia to show their Danish colleagues a "little bit" of America.

The employees of Glunz & Jensen, Inc. who were unable to join the 25th Anniversary Celebration in Denmark joined their Danish colleagues for the USA tour.

Employees' guided tour in the main hall of Union Station in Washington, D.C.

Danish colleagues enjoying the summer sun outside of the Smithsonian Institution's National Air & Space Museum in Washington, D.C.

Enjoying the wondrous views and natural formations of stalactites and stalagmites inside of Luray Caverns, located in the mountains of Virginia - the largest cavern in the eastern United States.

Employees getting ready to feast on the roast BBQ pig during the 10th Anniversary celebration at Glunz & Jensen, Inc. in Elkwood, Virginia.

Lars F. Østergaard congratulates Bruce Goodwin and Don Cobb following the gift presentation of the "Queen's Guard" during the 10th Anniversary Celebration at Glunz & Jensen, Inc.

Following the BBQ pig roast and typical country Bluegrass music during the 10th Anniversary Celebration at Glunz & Jensen, Inc., the employees enjoyed the delicious Anniversary Cake!

The Glunz & Jensen, Inc. employees gave their Danish colleagues quite the "American experience" during their five day visit. They had an extensive sightseeing tour, from Arlington National Cemetery and Tomb of the Unknown Soldier on the Virginia side of the Potomac River, to the Abraham Lincoln Memorial at one end of the National Mall in Washington, D.C., and to the Nation's Capitol Building on the other end - with many museums in between.

They enjoyed a summer evening dinner cruise on the Potomac River, and visited historic Civil War battlefields in Virginia as well the beautiful Luray Caverns located in the Blue Ridge Mountains of Virginia.

The trip was concluded with a nice country BBQ picnic and presentation of the Danish Queen's Guard statue at the Glunz & Jensen, Inc. facility located in Elkwood, Virginia. The five days spent during the summer of August 1998 were an experience that our colleagues will remember for a lifetime!

1999

May

Acquisition of UNIGRAPH

With the purchase of the share capital of Unigraph Equipment Ltd. in Thetford, England, Glunz & Jensen has taken a very essential step towards a leading position in the world market for plate processors in the graphic industry.

Unigraph's main field of business is the R&D, manufacture, and sale of processing equipment for offset plates for the graphic industry. Unigraph Equipment is the market leader of thermal CTP plate processors, with their Quartz product line being state of the art.

Unigraph is also strong with plate street equipment and technologies used in connection with waterless and flexo plate processing.

In fiscal year 1999 Unigraph had a turnover of 8.5 million GBP, equal to almost 100 million DKK, an increase of 10% compared to the previous year. Exports are approximately 80% of sales, and the customers include several of the biggest distributors in the graphic industry.

Unigraph was founded in 1981, and has approximately 75 employees. The modern production plant, with 3000 square meters, is located in Thetford, about 80 miles northeast of London.

2000

Acquisition of IMACON

January

At the beginning of January 2000, Glunz & Jensen entered into an agreement with the shareholders of IMACON A/S to purchase 91 2/3% of the share capital of the company, including its subsidiary in Fremont, California.

Imacon, which is situated in Copenhagen, makes scanners for professional users. The purpose of the takeover was to accellerate Glunz & Jensen's expansion strategy within it's business area and to position Glunz & Jensen in the digital market for equipment primarily for prepress. With this acquisition, Glunz & Jensen has taken over a successful growth company with a competitive product portfolio and has at the same time established a platform for considerable growth within digitization of photos for professional use.

Acquisition of ColorCrisp

April

At the beginning of April 2000, Glunz & Jensen entered into an agreement with 2M Invest A/S to take over the activities of the digital camera manufacturer ColorCrisp A/S. The camera activities have now been integrated in Imacon.

With this acquisition, Imacon gained access to a competitive digital camera technology, which was introduced under the Imacon label at DRUPA in May 2000.

DRUPA 2000

The DRUPA 2000 fair in May was Glunz & Jensen's biggest sales and marketing activity in several years!

The previous DRUPA was held in 1995. It is the biggest and most established fair of its kind within the graphic arts industry, with exhibitors and visitors from all over the world. Glunz & Jensen had its own stand of 260 sqm, at which it presented a wide range of Glunz & Jensen's new film and plate processors, together with Imacon's scanners and digital cameras. Glunz & Jensen's products were also very well represented at the leading film and plate producers' stands.

The 35 members of the participating staff made sure that Glunz & Jensen's products attracted great interest during the 14 days fair.

Sale of REFREMA

July

The business activities of Refrema for photographic film processors did not meet the expectations at the time of acquisition in May 1998 and it was therefore disposed off in July 2000

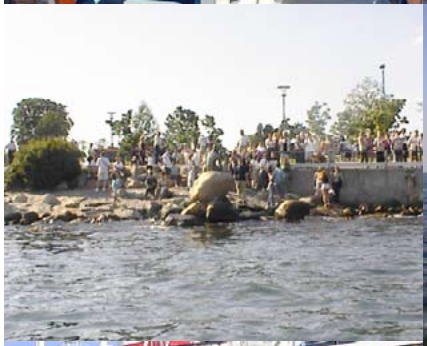
2 0 0 1

August

In August 2001, the Lüth buildings in Slagelse were finally sold and the production was moved to Ringsted. The administrative activities in Slagelse had been moved to Ringsted earlier.








July

The traditional "Summer party" this year was held at the Copenhagen harbour with a harbour boat trip and a splendid dinner and entertainment on a restaurant ship

November

Imacon launched Flexframe 4040

In November 2001, Imacon launched the new camera back, FlexFrame 4040. The product has been highly praised and sets a new standard within digital photography in terms of detail reproduction and colourfastness.

The number of photographers in the high-end segment and the professional segment is estimated at approx. 200,000 worldwide. It is believed that only a small part of these photographers are currently using digital products, and the potential market for digital camera backs is therefore big.

2002

February

About the Imacon FlexTight 848

Written by Thomas White about FlexTight 848 in PEI Magazine
February 2002:

"The overall quality of the scans from the FlexTight 848 is as good as any scanner on the market today, including some selling for two to four times the price. Combine this with the scanner's speed and ease of use and you have a scanner that will change the rules of the game in the digital world, allowing photographers and small labs to produce images that will surpass the best work from labs with expensive drum scanners."

February

Traditional Carneval for the employees' kids in Ringsted

August

Golfmaster 2002 at Skjoldenæsholm Golf Club








CtP Raptor family

April

Raptor family developed

At IPEX 2002, after just over one year's development work, Glunz & Jensen was able to introduce a new group of Computer-to-Plate (CtP) plate processors for medium-sized printers – the Raptor family. Raptor was developed in close cooperation with the world's leading suppliers of CtP offset print plates and covers the three print plate technologies: Silver, thermal and polymer.

Until this time only large printers had benefited from CtP technology. Due to the maturing of the technology, it became possible to adapt it to the requirements of the medium segment in terms of capacity and price.

With the introduction of the Raptor family Glunz & Jensen was able to meet the growing demand from the medium segment, and the company became one of the two suppliers who cover all technologies in this product area.

August

Sales & Marketing on canoe-trip on the Suså-stream

2003

Changes in management

March

René Barington new CEO

In March 2003, managing director Lars Friis Østergaard resigned after ten years' service with Glunz & Jensen.

René Barington was appointed as the new managing director.

René Barington is 43 years of age, and he has a degree in mechanical engineering from DTU.

Previous he served in a position as CEO of B-K Medical A/S.

René Barington

CtP is becoming popular

Large printers were the first to embrace the CtP technology, but as the technology matured and became affordable for even small printers, these also followed suit in adopting the technology. CtP technology means that the offset print plates used for printing can be exposed digitally using a computer-operated laser. Shifting to CtP technology offers numerous advantages: cost reductions, as well as quality and efficiency enhancements.

Glunz & Jensen's CtP plate processors form an integral part of the overall prepress production chain, their function being to develop the offset printing plates to allow them to be used in the printing machine. Today, three different technologies are used for CtP plates – silver, thermal and polymer technology. Glunz & Jensen's CtP plate processors cover all three technologies. In the past year, two new CtP plate processors of the Raptor family have been introduced, catering to the medium segment and based on thermal and polymer technology. On account of the wide Glunz & Jensen product range, very high product quality and the respected and recognised brand, Glunz & Jensen secures a large portion of the rising demand for CtP plate processors, especially from small and medium-sized printers.

Digital Development

May

Imacon wholly owned

Glunz & Jensen's activities within photographic products are gathered together in the company **Imacon**, which is now wholly owned by Glunz & Jensen following the acquisition of a minority interest of 8 1/3% in May 2003. The product portfolio consists of digital camera backs and scanners for the professional segment, and in the past year the company focused on expanding its position in this segment. The objective is to utilise the growth potential of the increased degree of digitalisation of the whole prepress process – including photo digitalisation.

Following introduction at the world's largest photographic fair, **PhotoKina**, in September 2002, Imacon initiated sales of a new digital camera back, Ixpress, in January 2003.

Compared with other camera backs for the professional segment, this camera back offers a unique functionality. Advantages of the new camera back are that it can be used independently of a computer; that the picture quality is very high; that pictures can be taken at a very high speed; and that it offers a large degree of flexibility when used together with other professional products. Ixpress has been awarded the prize as "**The Best Digital Professional Product**" by TIPA (Technical Image Press Association).

Following the introduction of Ixpress, there was a significant slowdown in sales of the previously launched camera backs because many customers chose to defer their purchases until Ixpress had been introduced into the market. After the start of the sale of Ixpress, the new product has attracted great interest and sales have been rising.

The FlexTight 646 scanner was introduced at **PhotoKina** in September 2002, and in February 2003 FlexTight 343 was launched. The product range within scanners ensures Imacon a unique market position.

Despite the favourable market position, total sales of scanners showed a fall against the previous financial year, both in the US and other markets. The setback is believed to be attributable to adverse market conditions in general in the wake of the global economic downturn and to the fact that an increasing number of pictures are taken digitally. However, the setback in sales cannot be attributed to lack of competitiveness.

May

Imacon in strategic cooperation with Kodak and Leica

After the end of the financial year, Imacon has entered into a strategic cooperation agreement with Leica and Kodak's Division for Imaging Sensor Solutions. According to the agreement, Imacon is to develop and manufacture a digital camera back based on a Kodak sensor, and this camera back is subsequently to be marketed and distributated by Leica. The aim is to introduce the new product at PhotoKina in 2004, and the new product is expected to be the first medium format camera (35 mm), which enables the photographer to change between digital and film-based photography using the same camera housing.

Leica is a leading reputable manufacturer of high-quality cameras, and the agreement with Leica is seen as a seal of approval of Imacon's camera technology and expertise.

The new Leica camera will cater to a broader group of customers than Imacon's present camera products. This means that the agreement will enable the introduction of Imacon's technology into new markets and to new groups of customers.

Professional photographers use digital cameras

Digital cameras are becoming increasingly sophisticated and more and more professional photographers use only digital cameras. With its development of state-of-the-art digital camera backs, Imacon has helped to make it possible for photographers to take all shots digitally. This has turned the work of photographers upside down. They are moving their processing activities from the dark room to the computer room, the image treatment is radically changed and digital shots open up new prospects and allow for greater flexibility.

With the launch of its latest digital camera back, Imacon has taken digital photography to the next level. The new camera back, iXpress, which was launched at the world's largest photo fair, **PhotoKina**, in September 2002 has a unique functionality. As it has a photo bank with a storage capacity of up to 1.000 photos, the camera back may be used independently of a computer. Photos may be taken at two-second intervals, and all photos are automatically stored in the photo bank.

On top of that, the image quality is outstanding – among other factors thanks to a special technique designed to reduce the heat generation of the camera. Heat induces noise in the images – so the less heat generation, the higher the image quality

2004

January

On 18th of January Bjarne Jensen died at age 61 - after more than 20 years fighting Multiple Sclerosis

Foto: Peter Frederiksen, Sjællandske Medier

Bjarne Jensen was a trained technician, and while working at the company Hans Lüth A/S he met Peter Glunz and they became partners.

They formed together Glunz & Jensen in 1973 and thereby laid the foundation for one of Ringsted's largest companies. The team had great success, and the company became known as a great and good workplace.

DRUPA 2004

May

Showtime again!
DRUPA 2004

At DRUPA 2004 – we paved the way for future business opportunities with new products and technologies.

An impressive product line-up!

There were plenty of new products to discover at DRUPA: The first iCtP system was ready for introduction! Inkjet-based iCtP technology for example. We were also showcasing the latest CtP processors and plateline equipment. Imacon, our photographic division, was present with their digital photographic equipment.

Demos, updates and inspiration

Our products in action at DRUPA 2004: Live demos each day! Our DRUPA team provided the information our customers required.

By presenting updates to our current product range as well as new technologies, we aimed to make our stand a celebration of future business opportunities. But one thing never changed: We still had our traditional after-hours get-together. See the "evidence" on the next page...

Glunz & Jensen's Happy hour parties

Our happy hour parties on exhibitions have always been a tremendous success!

Customers came to enjoy sausages, beer, "Gammel Dansk" and great jazz music.

No one else in the graphic art industry, other than Glunz & Jensen, has been capable of gathering all the big bosses of the graphics industry on only 100 square meters, to drink beer and eat sausages together!

Most people leave the stand with a smile and some left with a potential hangover...


DRUPA 2008

IPEX 2006

DRUPA 2004

Imacon sold

August

Imacon sold again

On 12 August 2004, Glunz & Jensen A/S entered into an agreement with Shriro Sweden AB regarding sale of all shares in the subsidiary Imacon A/S at a price of approx. DKK 72 million equivalent to an enterprise value of DKK 93 million. The sales price is equal to the booked value at the time of sale.

The buyer of Imacon, Shriro Sweden AB, is the holding company of the well-known Swedish company Hasselblad AB, which manufactures the world's leading analogue cameras. The bringing together of Imacon and Hasselblad will make the business a technological leader in both analogue and digital photography.

Production in Slovakia

November

Decision to start production in Slovakia

The shift from film-based technology to CtP technology has affected Glunz & Jensen's earnings significantly because the margins on CtP products are generally lower than on film-based products. The lower margins are mainly due to much tougher competition as a result of a larger number of suppliers and fewer but larger customers.

In response to this development, cost-cutting measures are being implemented on an ongoing basis. These measures have comprised a reduction of both direct costs and fixed costs and have included, among other things, relocation of the production of wage-intensive components from Danish sub-suppliers to suppliers in low-pay areas and staff reductions. Furthermore, it has been decided to establish production in Slovakia.

The establishment of production in Slovakia will generate significant savings because payroll costs are much lower than in Denmark and the United Kingdom, where Glunz & Jensen's current production is located. Savings will also be achieved from the ability to make greater use of local sub-suppliers.

The relocation of production to Slovakia is expected to result in a significant reduction of unit costs after a commissioning period of 12-18 months. The improvements will be introduced gradually during the period up to 2008 when the relocation of production and the associated changes in Denmark and the United Kingdom are expected to be completed.

Snapshots from

G&J R&D

Raptor Nr. 1000

March

Production of Raptor Nr. 1000 celebrated in Ringsted

2005

Presov / Slovakia

April

Production started in Slovakia

During the last years, several activities were initiated to make the production more efficient. As part of this process, it was decided in the summer of 2004 to establish a production site in Slovakia. In November 2004, Glunz & Jensen acquired property near the town of Presov.

After a major renovation of the plant and employment of staff, the production of the first Raptor product, Raptor Silver, could be transferred to Slovakia from Denmark in April 2005. The start-up of the production progressed according to schedule and the transfer of all Raptor products was expected to be completed in the fall of 2005.

The investment in Slovakia amounted to approximately DKK 18 million. The transfer of production to Slovakia is expected to result in a reduction of the unit costs after a period of approximately one year.

The improvement will gradually be realised in the period up to 2008, when the transfer of production is expected to be fully completed.

Glunz & Jensen has built up a stable network of suppliers outside Denmark.

Thetford / England

August

Thetford / England closed down

In August 2005, Glunz & Jensen decided to close down its activities in the production site in Thetford, England as part of the optimisation of the cost structure and the production. The decision has been made on the basis of several conditions. Firstly, the successful start-up of the production site in Slovakia gives basis for a reasonable assumption that the new site can take over the production of the majority of the remaining products, which are produced in Thetford at the moment.

Secondly, a considerable reduction in the sales of the products, which are produced in Thetford is expected. By reducing the numbers of production sites in Glunz & Jensen from three to two sites, costs are reduced.

The production site in Thetford produces a number of key products for Glunz & Jensen, and the production hereof will primarily be transferred to Slovakia and secondarily to the factory in Denmark. It is expected that this plan will be carried out in the period until the end of the calendar year 2006.

The close down of the production in Thetford will create extra non-recurring costs, including lower net profit due to write-off of assets in the amount of DKK 30 million, which primarily will effect the 2005/06 result. When the close down has been completed, an annual cost reduction of DKK10-15 million compared to 2004/05 is expected.

PRINT Chicago / IPEX

September

An important fair

"You can do more"

Since its establishment in 1973, Glunz & Jensen has been known as a quality supplier of graphic plate processors. In the first years, film processors were the company's main product, and Glunz & Jensen has since assumed a dominant position on the market for CtP plate processors. The strong position on the market for plate processors has helped make Glunz & Jensen a renowned brand in the graphic industry, but it has also created a strong association between the company's name and the plate processor products. As it is part of Glunz & Jensen's strategy to move into new product areas, it has become necessary to communicate that Glunz & Jensen is now a supplier of much more than plate processors.

For the past year, the company's sales slogan has been "You can do more". With this slogan we invite existing and new customers to expand their partnership with Glunz & Jensen.

The partnership may be expanded from plate processors to include other existing product areas, such as plateline equipment, punch & bend equipment or iCtP as well as a partnership concerning the development of new products and services.

During one year, Glunz & Jensen introduced a new and wider range of products and services on three major graphic arts shows – **PRINT** and **Nexpo** in Chicago and **IPEX** in Birmingham.

Here, Glunz & Jensen was able to present complete prepress systems consisting of iCtP, CtP processors, conveyors, punch & bend equipment and stackers – all designed and manufactured by Glunz & Jensen.

2006

Acquisition of K&F Int. Inc.

January

Glunz & Jensen acquired K&F Inc. of Indiana / USA

In January 2006, Glunz & Jensen acquired all shares in the company K&F International, Inc., Indiana, USA, for an enterprise value of USD 2.9 million. The acquisition formed part of Glunz & Jensen's strategy of setting up new activities and business areas to supplement and create synergy in relation to the company's core business. K&F's most important product is automatic punch & bend equipment, which is primarily used in newspaper printing houses to process printing plates before they are used on the printing press. Punch & bend equipment is typically used in addition to CtP plate processors and is, accordingly, the next link in the prepress chain after Glunz & Jensen's most important product.

Therefore, there is a very large degree of overlap between K&F's customers and Glunz & Jensen's end users. The punch & bend process is a precondition for the use of printing plates and is therefore expected to be comparatively insensitive in relation to the technological development towards process-less plate technology. Owing to the acquisition, Glunz & Jensen has expanded its product range to include several links in the prepress chain, and K&F is expected to strengthen its position and stand out as an even more attractive supplier for the graphic industry, including in particular the newspaper printing houses. The North American newspaper printing houses are in the process of converting to CtP technology and, with the acquisition of K&F, Glunz & Jensen will be able to offer broader solutions to this group of customers.

K&F Inc. product-portfolio

K&F Inc. changed name to K&F Glunz & Jensen Inc.

After the acquisition, a process has been initiated in which Glunz & Jensen regularly provides K&F with a range of supplementary competences within, for example, the optimisation of production and logistics.

At the same time, K&F's products are being marketed more actively. So far, K&F has primarily focused on the US market. Via Glunz & Jensen's relations with a wide range of large OEM customers, it is expected that K&F's products can be marketed more efficiently in the USA, and the possibility of establishing a positive position in non-US markets is estimated to be good.

The company name has been changed to **Glunz & Jensen K&F Inc.**, and the integration with the rest of the Glunz & Jensen group is proceeding according to plan. In the period after the takeover, revenue in the acquired company was approx. DKK 15 million.

June

Glunz & Jensen are selling the production buildings in Thetford / England

Thetford / England sold

Glunz & Jensen announces, that it has sold the production site in Thetford, England.

2007

DEVELOPMENT IN 2006/07

2006/07 was a challenging year for Glunz & Jensen. As expected, sales within the largest product area, CtP processors, saw a decline. This is attributable to a fall in demand resulting from the increasing use of new technologies, including the process-less plate technology.

The development within the CtP area has affected both revenue and earnings negatively, for which reason focus has been on the continued restructuring of production and on creating opportunities for generating revenue and earnings within new areas.

The restructuring of production has taken place over the past couple of years. Since the establishment of Glunz & Jensen's factory in Slovakia in 2005, an increasing share of production has been relocated from Denmark to Slovakia, and in 2006 production in England was closed down and relocated to Slovakia as well. The relocation of production has been a success and has resulted in the expected cost cuts, but these have not yet been sufficient to generate satisfactory earnings. This is, among other things, due to losses from the two new product areas, iCtP and "punch & bend".

Within iCtP, 2006/07 saw efforts going into establishing a stable and cost-effective supply chain, and progress continues to be made in this area. We therefore expect to be able to step up our marketing activities in 2007/08.

Glunz & Jensen K&F in the USA, which was acquired in January 2006, is primarily engaged in the production of "punch & bend" equipment which is used by newspaper printing offices and large commercial printing houses for processing printing plates before they are used on the printing press.

In 2006/07, a new management was appointed in Glunz & Jensen K&F in the USA, and new products were developed. More active sales efforts and an expansion of the product range are expected to create growth and improve earnings within this area in 2007/08.

A- & B- share-classes

April

Merger of A- and B-share-classes

In April 2007, it was decided to merge the A- and B-shares of Glunz & Jensen A/S with subsequent listing of the former A shares on the OMX Nordic Exchange Copenhagen.

Since 1986, Glunz & Jensen has had two classes of shares, A and B shares, which gave respectively 10 votes and 1 vote for each share of DKK 20.

Votes relating to Class A shares accounted for 60% of the total votes, while the votes attached to Class B shares together constituted 40%.

Each previous A share of DKK 20 carries after the merger of share classes only one vote.

The former class A shares represent not more than 13% of the total number of votes equal to the proportion of the share capital.

The reason for the Board's proposal to merge the two classes was an assessment of the technological development within the offset prepress - including not least the expected gradual transition to processing-technology that does not require induction printing plates - which results in a decreasing demand for Glunz & Jensen's existing products.

This leads to a need for continuation of investments outside the core area of plate processing equipment.

The merger of A- and B-shares will facilitate the possibility to attract a capital increase on the stock exchange or through a larger and more financially strong company takeover of Glunz & Jensen A/S.

Furthermore, the merger of A- and B-shares increases the company's ability to finance acquisitions of other companies through the issuance of shares of Glunz & Jensen A / S as payment.

August

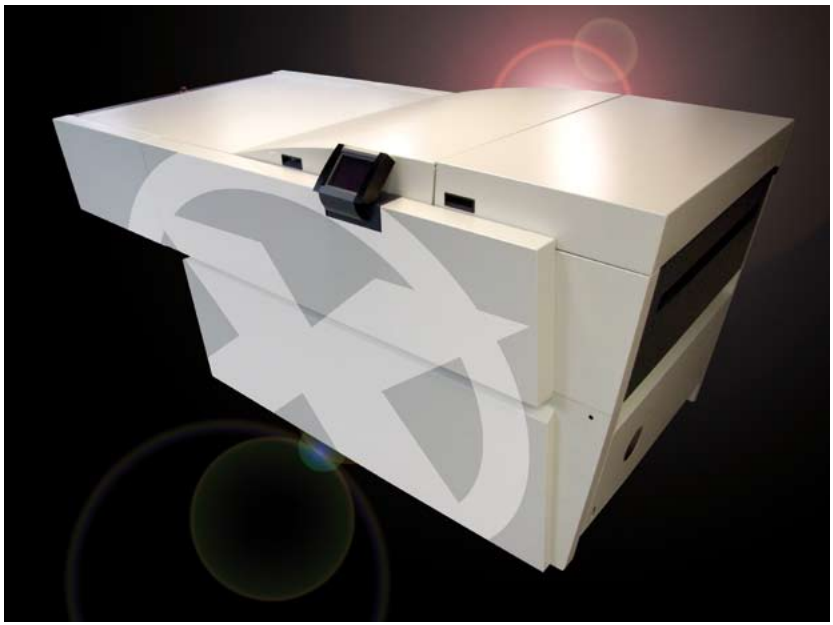
In August 2007, Glunz & Jensen published a prospectus in connection with the merger of A and B shares and the listing of the former A-shares on the OMX Nordic Exchange Copenhagen.

August

G&J on study-trip to Helsingør Dagblad

October

InterPlater introduced at IFRA 2007 in Vienna



With the new range of high-end InterPlater HDX plate processors Glunz & Jensen has managed to improve productivity, serviceability and usability. Extensive cooperation with the plate manufacturers and clever engineering is the X-factor behind the new products.

InterPlater HDX is the new high-end generation of the highly recognized InterPlater HD plate processor platform. The engineers at Glunz & Jensen have worked goal-oriented on well-defined key issues to improve performance and usability of the plate processor and the new product is ready for wide market launch late this year.

At a first glance users will notice several design changes like the new control panel and the hidden cabinet with the electrical components. But beneath the surface of the InterPlater HDX there have been numerous and more drastic changes like increase of speed and upgrading of both the pre-heat oven and developer section.

InterPlater HDX meets the requirements of modern CtP plates and plate setters from all major plate manufacturers to support high-end newspaper and high-end commercial applications. Now heavy-duty users find an even better and more efficient tool to support their business.

October

At IFRA 2007
in Vienna

2008

Developments in 2007/08

Glunz & Jensen saw growth within a number of important areas in FY 2007/08, but the financial year was also characterised by challenges.

Developments within CtP processors and iCtP plate setters were positive. Sales of CtP processors, the company's most important product area, increased by 3% in a slightly falling market.

At the same time, the iCtP technology saw a breakthrough with the introduction of PlateWriter 2000 with a successful start to sales in Europe. On the other hand, developments within plateline equipment and punch & bend products were not satisfactory.

Both product areas are characterised by fierce price competition, and sales have fallen.

On the whole, the targets for revenue and operating profit before special items were achieved.

However, earnings are not at a level which would be satisfactory in the long term. Glunz & Jensen's strategy, which focuses on continued growth through the maintenance of a competitive cost structure, through defending Glunz & Jensen's market-leading position within CtP processors and through the creation of new business opportunities, will ensure higher earnings in the future.

The transfer of the production of CtP processors to Slovakia has now been completed with satisfactory results. In the future, focus will be on optimizing production and purchasing processes.

The biggest marketing effort occurred on the DRUPA-exhibition, which took place from 31 May to 10 June 2008. The exhibition showed Glunz & Jensen products from all product groups and also 8 different OEM customers showed 25 other Glunz & Jensen products. Glunz & Jensen experienced great interest in its products. There was a special interest in the two new iCtP products, PW 2000 and 2400 and the newly introduced InterPlater HDX.

Changes in management

January

New chairman

In January 2008 Peter Falkenham resigned as Chairman of the Board of Directors after two years in that position. He remained on the Board.

Ulrik Gammelgaard was elected as new chairman of the board.

CEO from KJ Industries A/S in Esbjerg, production engineer from Odense Technical College and has a diploma in marketing from CBS.

Ulrik Gammelgaard

DRUPA 2008

May

Granger, Indiana (USA)

Major changes were made at the factory in Granger, Indiana where the company's plate punch and bender products are developed and produced.

A comprehensive review was made of the strategy and structure of this operation, aimed at optimizing development and production processes. Since the founding 35 years ago, K & F International Inc. had followed a production strategy characterized by strong vertical integration, whereby all phases of manufacturing were carried out within the company.

When business volume and complexity do not justify development of all phases of production, operations become less efficient over time when compared with "state of the art" processes for each of the various production phases. The study of the operations led to a change in strategy, whereby most of the individual components will be subcontracted to highly specialized suppliers who are able to provide high quality components at lower prices. Within the Glunz & Jensen operation in Granger, the focus will be on fewer processes and on assembly and testing of the products. This facilitates a more efficient manufacturing process that is less capital-intensive, offers faster delivery and reduces costs. This new structure corresponds with the production philosophy that has been a core competency of Glunz & Jensen since its beginning, and is still applied in the production of CtP processors. This sharing of knowledge between Glunz & Jensen production sites will surely lead to further progress.

December

Glunz & Jensen's legendary Christmas-party

This year held in the atrium at Haslevvej

2009

Developments in 2008 / 2009

In the past financial year, Glunz & Jensen has been noticeably affected by the changed economic outlook.

In the first half year 2008/09, revenue developed as expected, and earnings developed positively and better than expected.

In the second half year, market conditions for the graphics industry, including Glunz & Jensen, have been particularly tough, for which reason both revenue and earnings have been lower than expected.

Many printing houses around the world are experiencing falling levels of activity and earnings, which means that investments in new technology and new production equipment are largely being postponed or dropped completely, which is affecting the pre-press segment in which Glunz & Jensen operates.

Market developments, but also technological developments, have had a particularly negative impact on sales of CtP processors, which is Glunz & Jensen's biggest product area. Revenue within punch & bend equipment has been stable, while we have successfully increased sales of the iCtP products.

As a result of market developments, in the second half of 2008/09 Glunz & Jensen implemented a number of measures with a view to cutting costs and ensuring satisfactory results from the group's operations in the current market conditions.

The aim for Glunz & Jensen's product development is to be a turnkey supplier within CtP processor products and to be a leading supplier of products for the graphics industry within other selected areas.

Traditionally, Glunz & Jensen has set the technological standards within its product areas, and in order to maintain this strong market position, Glunz & Jensen is always seeking to meet customer requirements and discern and adapt to significant market trends.

In 2008/09, the company focused on further development of the inkjet-based iCtP technology, the development of new CtP processors and implementing cost reductions within punch & bend.

Changes in management

May

CEO resigned

In May 2009, managing director René Barington resigned after 6 years' service with Glunz & Jensen.

The board has initiated a search process for a new CEO.

June

New CFO

As of of June 1, 2009 Per Birk-Sørensen joined Glunz & Jensen A/S as Chief Financial Officer (CFO). Per Birk-Sørensen will oversee the daily management of Glunz & Jensen A/S as acting CEO until a new CEO is hired.
Before joining Glunz & Jensen, Per Birk-Sørensen, had served as CEO of CP Kelco and had operated his own consulting firm in business management and the purchase and sale of companies.
Prior to that he had a distinguished career in various positions within the LEGO Group, both in Denmark and abroad.

Per Birk-Sørensen

Granger, again...

August

The group's U.S. operations were consolidated at the Glunz & Jensen facility in Granger, Indiana. This involved moving the activities that had been carried out in Elkwood, Virginia to the Granger site. The two subsidiaries were merged on 31 August 2009.

The building in Elkwood, Virginia was put up for sale.

March

There have been many anniversaries over the 40 years...

Bjarne Andersen's 25 years anniversary is an example that everyone in G&J can receive a day they will remember!

The buildings in Ringsted

September

Buildings at Haslevvej and Jættevej for sale

In September 2007, it was announced that the Glunz & Jensen buildings and plots of land in Ringsted had been put up for sale. There has been interest from various buyers, but at the end of the year the properties had not been sold.

The decision to sell the buildings is primarily attributable to three conditions. First, Glunz & Jensen's needs for production space in Denmark were reduced due to the transfer of production to Slovakia. There is therefore no reason to continue to hold onto all of the production space. The plan is instead to rent space in the parts of properties which may be needed in the future.

Further, sale of the property will lead to a significant reduction in the company's interest-bearing debt. This will lower financing costs.

Finally, it is judged to be in the interest of the shareholders that the "hidden values" that the properties contain should be realized through their sale. This would support a more rational pricing of the shares. The book value of the building is DKR 39 million, and this amount has been transferred to an account for "Assets held for sale ".

2010

Developments in 2009 / 2010

"We are on top of our business challenges and have ensured satisfactory results despite the continued difficult market conditions. We can see that the streamlining of our production processes and strengthened sales are having the intended effect. Our new strategy must now pave the way for a return to profitable growth in our activities in the coming years," says Ulrik Gammelgaard, Chairman of the Board of Glunz & Jensen.

Significantly improved earnings in a challenging market
In 2009/10, we succeeded in realising satisfactory profits despite a 20.6% fall in revenue. Systematic cost reductions of more than DKK 25 million contributed to significantly increasing the group's operating margin (EBITA). The results have been achieved through continued streamlining of processes and an intense focus on strengthening our product portfolio based on market developments and customer requirements.

Total solutions comprising both hardware, software and customer services have been a particular focus area which will be developed further in the coming years. At the same time, sales have been intensified, and the sales organisation has been further expanded to focus on new growth markets in Asia and South America. This has created good results during the year with several new targeted products being launched and new and interesting incoming orders.

Updated strategy
Glunz & Jensen has revised its strategy with a view to optimising the company's business opportunities within its existing business areas. At the same time, the group wants to explore the possibilities of setting up related activities where synergies can be achieved in relation to existing business activities. Our new strategy primarily focuses on innovation and sales. The strategy also comprises continued cost reductions and streamlining the company's supply chain. Glunz & Jensen's objective is to drive consolidation on the market for processors by further strengthening the group's market position and via acquisitions. Glunz & Jensen has established a development project for its Ringsted premises under the name Selandia Park. The project will generate fixed rental income and create a dynamic business environment around the group's head office.

Changes in management

January

New CEO hired

Keld Thorsen joined Glunz & Jensen A/S on the first of January 2010 as the new CEO. He has worked in international graphic companies during the past 20 years i.e. EAC Grahics, Avery Dennison and Strålfors. He has extensive experience in management, turnaround assignments and business development.

Keld Thorsen

June

Per Birk-Sørensen CFO

Per Birk-Sørensen, who joined Glunz & Jensen in June 2009 as CFO, but has also served as interim CEO, will now be able to fully concentrate on his role as CFO.

IPEX 2010

May

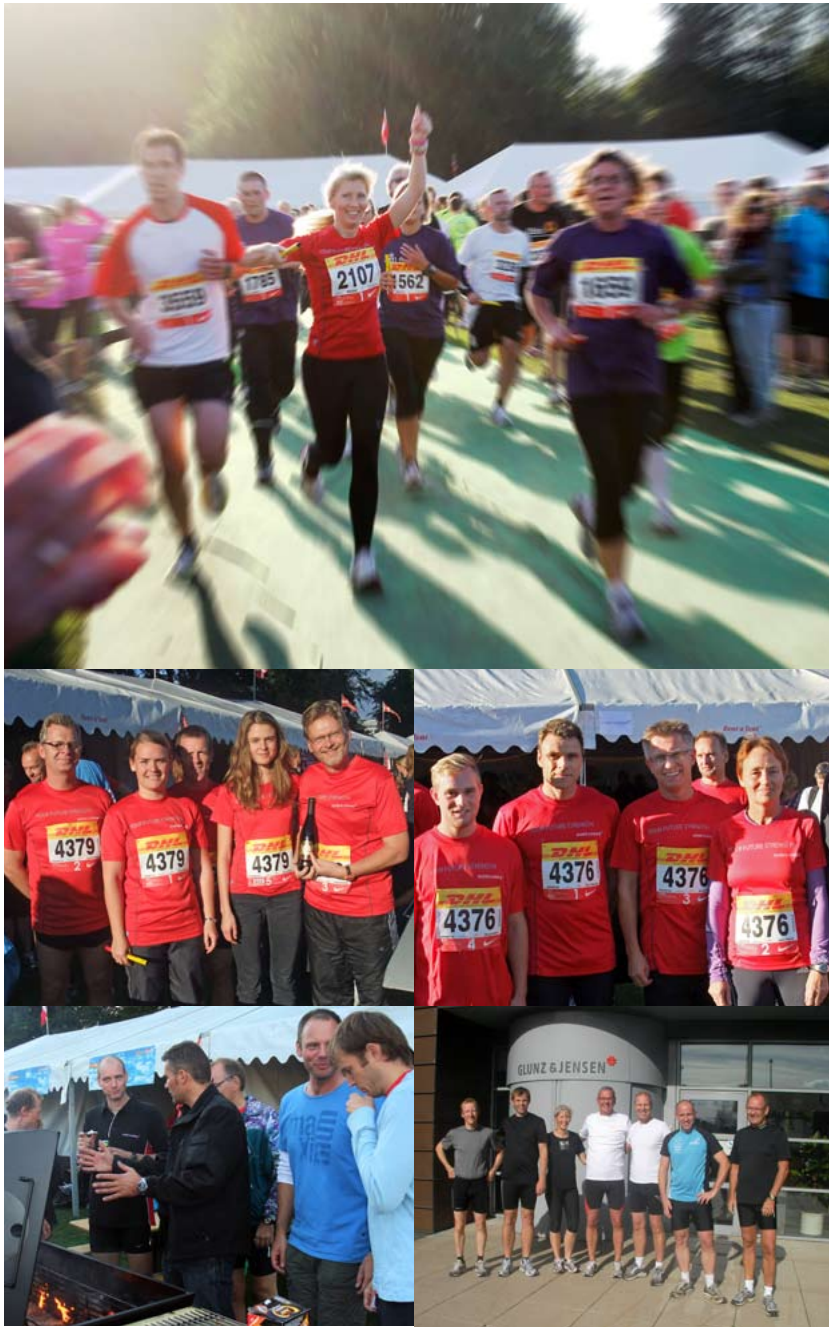
Increasing worldwide PlateWriter™ sales during and after IPEX
Glunz & Jensen ended IPEX in Birmingham by selling more than 30 PlateWriter™ systems through their major dealers in Europe and USA.

The company also announced that they are going global with their iCtP PlateWriter™ systems. To implement this decision, Glunz & Jensen is building up their global distribution channels for the PlateWriter™ sales. Until now sales have been concentrated within Europe and North America.

The PlateWriter™ series is designed to allow customers the ability to reduce plate making costs, improve quality and create digitally accurate CtP plates without the need for chemistry or the use of plate processors. By harnessing the development of inkjet technology Glunz & Jensen drives the green revolution when it comes to plate making, and brings this form of environmentally friendly metal plate making to an affordable level for offset printers.

April

37 years birthday-party at Haslevvej in Ringsted



September

Glunz & Jensen participated in the DHL-Relay 2010

2011

Developments in 2010 / 2011

The financial year 2010/11, was a satisfactory year for Glunz & Jensen. We are better placed today than we were a year ago in a great many areas – in spite of the current global credit situation. The reason for this is that the strategy we launched in 2009 is now seriously starting to bear fruit. The most important indications from the past financial year are that revenue is developing positively again, profits have increased, and we are still in a position to introduce new, innovative products that generate value in the market. We have achieved these results through a focus on product development and efficiency.

The other important signal that we are keen to send to our customers, employees and shareholders is that Glunz & Jensen has always been a global company and will be so to an even greater extent in the future, with activities in all geographical regions. This makes our company less vulnerable. As a global market leader, we can utilise regional growth opportunities where they are largest and simultaneously use our strength to maintain and expand our market positions in regions where market growth is more modest.

New markets are essential to ensure future growth in the same way as many other operators, since we are obliged to recognize that the North American market has suffered from negative growth. In spite of this, however, we have succeeded in maintaining and expanding our position on this market. Unfortunately, there is little to suggest that conditions will improve on this significant market in the immediate future. We have therefore devoted our focus to the regional growth markets. We hold solid positions in Central and Latin America – in Brazil in particular – and in India. We are also working continuously to improve our position in China and the rest of the Far East.

New business areas assure long-term potential

At the strategic level, the big news of the past financial year was the acquisition of the Italian company Degraf S.p.A. – a market leader in the field of flexo prepress equipment, which is used by the packaging industry. Degraf and flexo printing represent a new and extremely interesting business area for Glunz & Jensen in the field of prepress, and we have purchased Degraf and the company's future potential to ensure that we have the capacity to provide our customers with a long-term and improved range of products.

During the 2010/11 financial year, we have also launched a range of innovative products that are sure to have improved our market position in the field of iCtP. Glunz & Jensen has had to work long and hard to develop iCtP, but with the new products and the acquisition of Degraf, we have built up a solid and durable product portfolio.

We would also like to stress that with the full leasing of Selandia Park on satisfactory rental contracts, we have achieved maximum return on our assets and created positive future revenues on our properties. The sale of our empty building in Virginia has similarly generated positive revenue for the coming financial year.

It is important to recognise that we have only succeeded in achieving these results because we have a highly skilled and flexible organisation with around 240 committed employees. We would therefore like to express our deepest thanks to all our colleagues and partners for their input and for the results we have achieved.

All in all, this means that we can start the new financial year with expectations of continued growth in revenue and rising profits, as both Degraf and Selandia Park will be contributing with full-year effect during 2011/12. At the same time, we have strong capital reserves which ensure that we are well positioned for growth and possible acquisitions in the coming financial year.

We look forward to an exciting but also challenging year.

Selandia Park

Selandia Park fully leased out

With Selandia Park in place, we decided to build a new headquarters building for our own organization. This would allow our Danish operations to be physically together, and we thereby create the framework for better effectiveness and a better working environment. The new headquarters building will be constructed on our own land in Selandia Park in the immediate vicinity of Glunz & Jensen's global spare parts center.

It is expected that the new administration building will be ready for occupation and commissioning in the summer of 2012. The premises in Selandia Park have been fully leased to third parties.

March

Aquisition of DEGRAF

DEGRAF IS OFFICIALLY A PART OF GLUNZ & JENSEN

Effective March 15th, 2011 Degraf is officially a part of Glunz & Jensen. Both parties have agreed that the acquisition will strengthen the companies, and also place Glunz & Jensen among the world's leading manufacturers and distributors of exposure, processing and drying-/ finishing equipment for the global Flexo printing industry.

The first visible launch of both companies will be at LABELEXPO 2011 in September - the largest exhibition in the world for the Flexo printing industry.

Keld Thorsen: "Glunz & Jensen would like to strengthen its competencies and activities within the growing global packaging industry.

Degraf is the leading supplier of processing solutions for flexo plates used in the packaging printing industry and is therefore the perfect partner to help pursue the short and long term strategies."

Facts:
Degraf develops, manufactures and distributes flexo plate making systems globally to the packaging industry, both in its own name through a worldwide distribution channel to large users such as Tetra Pak and the security printing industry, as well as OEM products to multinational consumable suppliers such as Asahi, DuPont, Flint, Kodak, Mac Dermid, Toray.

Riccardo De Caria started his business producing equipment for office automation and advertising studios. One of the first products was a "visualizer" for art directors that was presented at the SMAU exhibition, the most important Italian exhibition for office automation. Shortly after, Degraf S.r.l. developed the first series of cameras, attaining an important success with a very simple and solid design at a sound price.

It was the 80's when the company developed a simple-to-use system for the treatment of water-washable photopolymer plates. At the time, it was perfectly matching the needs of the industry and the equipment was sold in large volumes, during many years, under different OEM brand names. During that period, Degraf developed the first compact equipment for the complete treatment and processing of liquid photopolymer plates aimed at the stamps market. More than 10,000 of those units have been sold.

From the mid-1990's, the company started the development of equipment for the treatment and processing of solvent washable flexo plates, the key market where today Degraf is a major leader.

In 2001, the company inaugurated a new facility at the Business Centre "Il Girasole" in Lacchiarella, Milan. A few months later, in 2002, Degraf acquired Global Graphics Italy Srl. Through that acquisition, Degraf pursued the objective of becoming a world leader in supplying equipment for the flexographic industry. Global Graphics Italy was renamed AZ Italy Srl and was relocated in a new facility at the Business Centre "Il Girasole" in Lacchiarella, Milan, where it is located directly next to Degraf.

March

R&D in DEGRAF

K.H. MICROFLEX OFFICIALLY BECAME A PART OF GLUNZ & JENSEN IN AUGUST 2011

September

Aquisition of K. H. Microflex

Effective August 31, 2011, K.H. Microflex officially became a part of Glunz & Jensen. The official contract was finalized in Ringe, Denmark with the signings by Keld Thorsen, CEO at Glunz & Jensen and Søren Jørgensen, one of the three former owners of K.H. Microflex.

Both parties agree that the acquisition will strengthen both companies, and also strengthen Glunz & Jensen's position as the world's leading manufacturer and distributor of exposure, processing and drying/finishing equipment for the global Flexo printing industry.

Keld Thorsen: "This business is structured around dealer and OEM networks, just as with our own current activities. With the acquisition of K.H. Microflex we can achieve great optimisation using the same sales and distribution channels, and after a period of transition we expect to reduce our costs and increase our sales. The two companies are also expected to benefit from each others' strategic alliances in relation to both dealers and OEM networks".

Facts:
KH-Microflex A/S is an engineering company which designs and produces custom-made machines with the Thermal Flexo Sleeve processing technology. KH-Microflex A/S is a market leader in positioning devises for flexo plates, and handles large and complex projects on their efficient and large capacity production plant.

Futhermore KH-Microflex A/S has an in-depth knowledge and profitable after-sales service organization. Today they service all DuPont equipment in the Nordic Area (including Degraf equipment) as well as their positioning equipment in many regions of the world.

Gazelle Award
In 2007, 2008, 2009 and 2010 KH-Microflex received the daily newspaper Børsen's Gazelle Award, which is awarded to particularly innovative and successful Danish companies.

Børsen collaborates with Dun and Bradstreet for selection of companies. Inspiration for the Børsen Gazelle survey comes from the USA. Very few companies manage to get it 4 years in a row.

September

Signing the contract

Keld Thorsen and

Søren Jørgensen

Aquisition of K. H. Microflex

R&D in K. H. Microflex

November

G&J visiting K. H. Microflex in Ringe

K. H. Microflex visiting G&J in Ringsted

From the "family-album" of G&J in Presov / Slovakia

Family-day 2010

Family-day 2011

G&J factory in Slovakia

G&J factory in Slovakia

2011 - Jan Johansen opened the new training-facility

G&J Slovakia management team

5 Slovak employees with 4 Italian colleagues on training at Degraf / Italy in 2012

Some of the employee's of the year in Slovakia

2012

April

G&J participating in half-marathon

May

DRUPA 2012
in Düsseldorf

New design and image presented at DRUPA

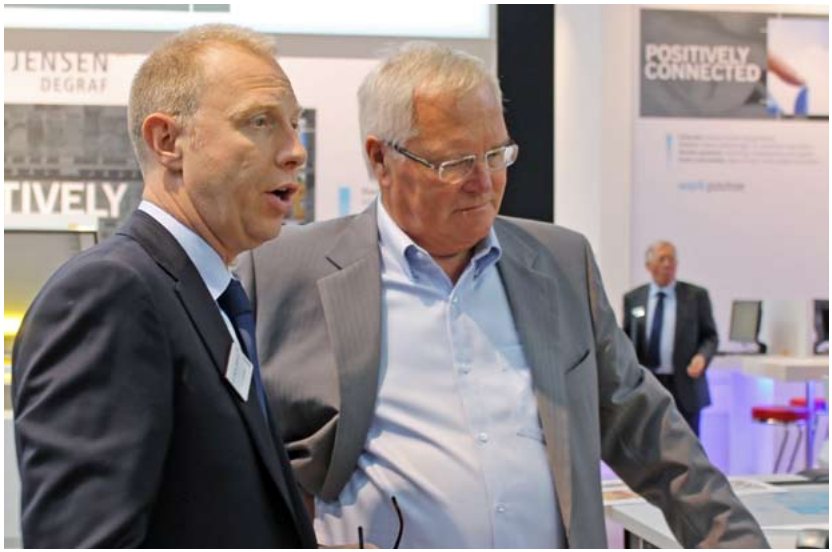
More than 300,000 people from the printing industry met in May 2012 at the German Drupa exhibition, which is held every fourth year. Drupa is the world's largest exhibition within the graphics arts industry. The exhibition was a great success for Glunz & Jensen and the company's new image and design were presented for the first time, promoting Degraf and KH-Microflex as two integrated Glunz & Jensen companies.

"People from 76 different countries visited our stand, and we received signed orders from customers in 44 countries. The result exceeded our expectations within both offset and flexo," explains Steen Andreasen, Vice President for Technology, Business & Marketing.

The decision to establish domestic production in China was good news for many Asian customers who look forward to expanding their collaboration with Glunz & Jensen.

The past and the future met at DRUPA...

...when the present CEO of Glunz & Jensen, Keld Thorsen met John Kejlhof, who served as CEO of Glunz & Jensen from 1982 to 1992.



... also Peter and Carina Glunz paid a visit to the booth, enjoying the traditional "Danish Sausage Party" and the coincidental meeting with Dutch Cathy Leenders from "the good old days"...

May

Seen on DRUPA

May

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G&J's board members visiting Slovakia, incl. Chairman, Søren Stensdal (second from right) and Deputy Chairman, H.C. Hansen (third from right)

Developments

Developments in 2011 / 2012

Looking strategically, we have achieved important results – completely in line with our strategy plan for 2011-14, which we continue to roll out step by step. We constantly aim to increase sales, improve our customer service and identify cost savings.

Only in this way we can maintain and expand our global market position and long-term earnings capacity to the benefit of our customers, employees and shareholders.

The two most important steps during the financial year were the introduction of KH-Microflex A/S as a new member of the Glunz & Jensen family and the decision to establish domestic production and expand the service function in China. We can now start building up production and, at the same time, be closer to our customers – not just in China, but in the entire Asia Pacific region.

The acquisition of the high-tech company, KH-Microflex A/S, in September 2011 supplements our flexo activities in Degraf, which was acquired in the previous financial year. Together, the two companies have strengthened the Group's leading global market position within the flexo industry.

The third important step is actually not just one, but many small steps which combined have pushed Glunz & Jensen forward.

Throughout the value chain – product development, procurement, production, customer service, sales and marketing – we have been improving quality and efficiency – and that pays off. We have introduced several, very strong new iCtP products.

We have made market-oriented adjustments and updated existing products. We perform "benchmarking" of procurements in order to exploit Glunz & Jensen's size and purchasing power in the best possible way. We have developed new after-sales solutions, meaning that automatic emails or text messages are sent from the products if service or replacement of wearing parts is required.

At Drupa, we introduced many new products for the graphic arts industry, as well as reinforcing the new relationship between Glunz & Jensen, KH-Microflex and Degraf by introducing our strong joint group identity. As for the support functions, we have also been able to create more coherence, thereby increasing integration and exploiting the many synergy effects.

Positive outlook in an uncertain environment
Unfortunately, there is no indication that the global market conditions will improve in the remainder of 2012 or even in 2013. In Europe, the situation might become even worse. In the USA, there is a small, but stable growth, while the Asia Pacific region will continue to see reasonable growth. It goes without saying that such market conditions are out of Glunz & Jensen's control.

In the end, it is a very skilled and adaptable organisation with approx. 260 employees which creates the results. I would like to thank all colleagues and collaboration partners for their great efforts and for the results achieved in the 2011/12 financial year.

A new financial year has begun, and we are optimistic. Glunz & Jensen has a strong market position within both the offset and flexo industries, we have strong products and concept solutions, we have a skilled organisation and a solid capital base, which means that our outlook is positive.

It will be an exciting year, but also a challenging year.

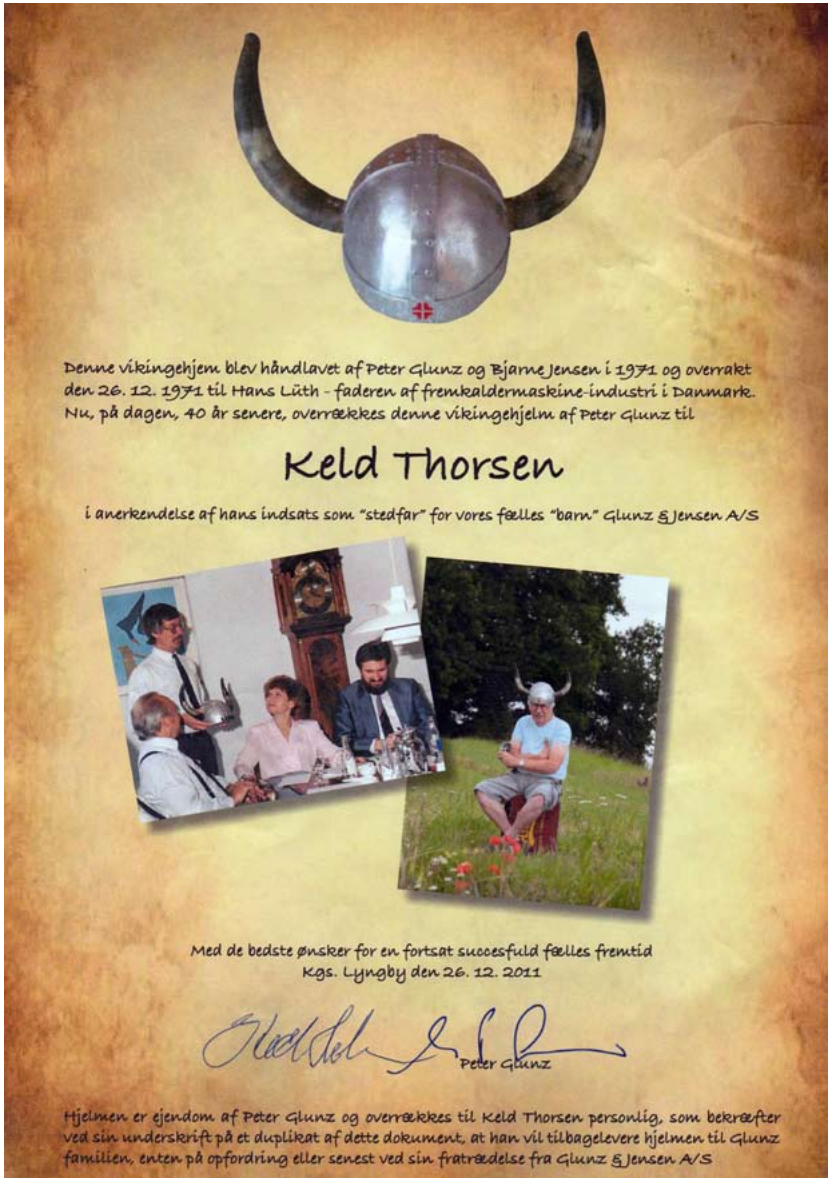
Kind regards,

Keld Thorsen, CEO

December

Special event: CEO's 50th birthday on December 26th.

The Viking helmet goes to: Keld Thorsen



As special gift, Keld received the original viking-helmet in custody, which Bjarne Jensen and Peter Glunz have handmade in December 1972 and gave as a present to the legendary Hans Lüth exactly on this day 40 years ago... (exactly on Keld's 10th birthday, *as Peter remarked*)

G&J staff visiting the new DR-headquarters

G&J staff visiting the new DR-headquarters

The boat passing the national opera house of Denmark

China

A new production setup in China

2012 Glunz & Jensen established a new production facility in the Suzhou region of China, approximately 80 km west of Shanghai. Glunz & Jensen Asia expands on the company's existing production facilities in Slovakia and USA, delivering the widely acclaimed Glunz & Jensen products to the Chinese and South-East Asian markets.

Along with own manufacturing Glunz & Jensen also has dedicated products, dedicated logistic- and service personnel and local warehouse for Equipment and Consumables in China. This is a perfect setup for being much more competitive and transparent to local competitive offerings and improving customer service and after-sales service for both distributors and end users.

The new and dedicated Glunz & Jensen products for the medium- to high end Chinese market, Kylin and Tiger are built for customers who choose to enjoy processing quality and consistency.

The factory is up and running and Glunz & Jensen is already grabbing market share by delivering Kylin and Tiger processors to Agfa Graphia Asia in Shenzhen and to Penghui Fenghua Group in Guangzhou. These companies have chosen to attack the Chinese market with the high quality Glunz & Jensen products, sold at a competitive price level in China.

"Our new set-up in Suzhou has so many advantages for our customers", says CEO Keld Thorsen. "We can offer quick and efficient sales, order handling and technical support within our customers' time zone. We have employed professional and service minded local staff to be sure to breathe in the Chinese business culture and detect every possible opportunity that helps our customers to be successful."

Jackie Cheng – Production Manager

Graph Expo in USA

iCtP reached sales of 1,000 units

iCtP broke all records, and reached a landmark number of 1.000 PlateWriter units at Graph Expo 2012. At 12:00pm that day, we sold the 1.000th PlateWriter to an end-user. This was the 1.000th unit, actually delivered into the field!
The unit was sold to Kelly Printing through the dealer Oldham group. In order to celebrate the 1.000th unit sold, the owner of Kelly Printing (Tom Kelly), was presented with a certificate, and 3 months of plates free of charge. He was quite shocked and very pleased.

Degraf on Label Expo

Degraf at Label-Expo 2011 Show in Bruxelles, Belgium

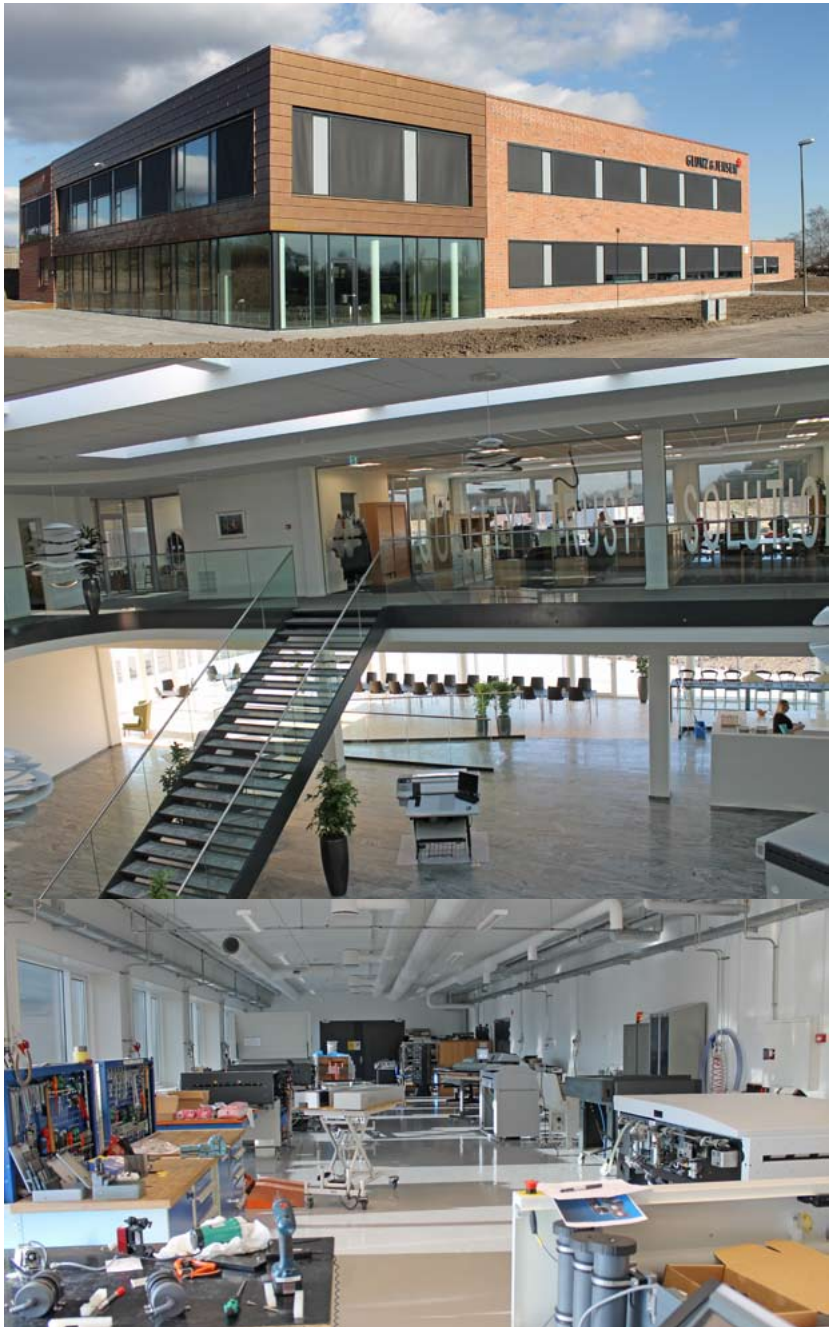
Label Expo 2012 in USA

Degraf at Label-Expo Show 2012 in USA

Label Expo is held every two years - in the United States and Europe. Apart from Drupa this is considered the most important exhibition in the flexo industry. Degraf has traditionally exhibited in Europe, but following the acquisition by Glunz & Jensen it was decided to exhibit in the United States too. For the first time in 2012, where there was a lot of traffic from both North- and South American customers.

to the left:
José Suñol,
Coordinator for
Latin Amerika

to the right:
Jacques Dutard,
General Manager
of Degraf



December

New headquarters in Ringsted at 1, Selandia Park

December

Christmas party on the new headquarters in Ringsted - this year under the "James Bond"-theme together with Microflex

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40 years of dedication and hard work …

Ringsted
March 16, 2013

40 years have now passed since one of Peter Glunz's contacts in Germany made the connection to Bill Streeter, who asked Peter Glunz and Bjarne Jensen to design and build their first film-processor.

The company has been through ups and downs during those 40 years and Glunz & Jensen has been through a change of technology where it has successfully converted the film processors into plate processors and now also entered the flexo plate processing business.

By dedication and hard work we have for decades been able to keep a leading position and a well-reputed name in the global graphics industry. We have managed continually to come up with new products and concepts, manufactured to a high standard and to distribute the products worldwide.

Let the company's image and its ability to create leading and appreciated products and services in the coming decade be our strongest asset. Let us together secure that we can proudly make a new update when the company turns 50 in 2023.

To Peter Glunz and Bill Streeter I would like to express our deepest appreciation to the excellent update from our 25th anniversary and until this year where Glunz & Jensen turns 40.

Many hours have been spent in a relative short time and again, Peter has shown his strong commitment and dedication to the company.

Kind regards from

Keld Thorsen