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# Mapping Successful Young Danish Firms

(VERY PRELIMINARY,  
PLEASE DO NOT CITE)

# Purpose

- Project with Anders Sørensen (CBS and the ROCKWOOL Foundation)
- Motivation: The Draghi Report (2024) and the European Commission (2025) claim that Europe has too few young firms that scale up and too many that move to the US.
- Reallocation and creative destruction is crucial to productivity growth (Bartelsman and Doms (2000), Grossman and Helpman (1991), Aghion and Howitt (1992))
- Investigate characteristics and extent of successful young Danish firms.
- The end result is a list of Danish startups since year 2000 and a map of their development. We want to know:
  1. If the firms grew organically within Denmark or in other countries
  2. If they were acquired by another firm
  3. If they moved abroad
- Today: Only discuss method and show first checks of data quality

# Method

- Traditional approach: Firm = cvrnr. Success = growth of cvrnr
- Our approach (inspired by Decker et al (2016)):
  - A firm is a corporate group including domestic and foreign subsidiaries
  - A new cvrnr could be continuation of existing cvrnr with same activities
  - Success could be growth at the group level or firm death due to successful exit/aquisition or relocation to another country
- We work off the servers since:
  - We need to measure firms moving abroad
  - We want a full picture of foreign activities and ownership
  - We want to know firm names

# Data

- CVR.DK: api access to all CVRNR's since 2000. Address, names, employment.
- EXPERIAN: Ownership up to and including the first foreign parent/subsidiary, financial statements.
- ORBIS: Full foreign ownership chains. Financial statements of foreign firms.
- Scraped more than 800.000 Børsen articles to find relocations abroad and acquisitions

# Data

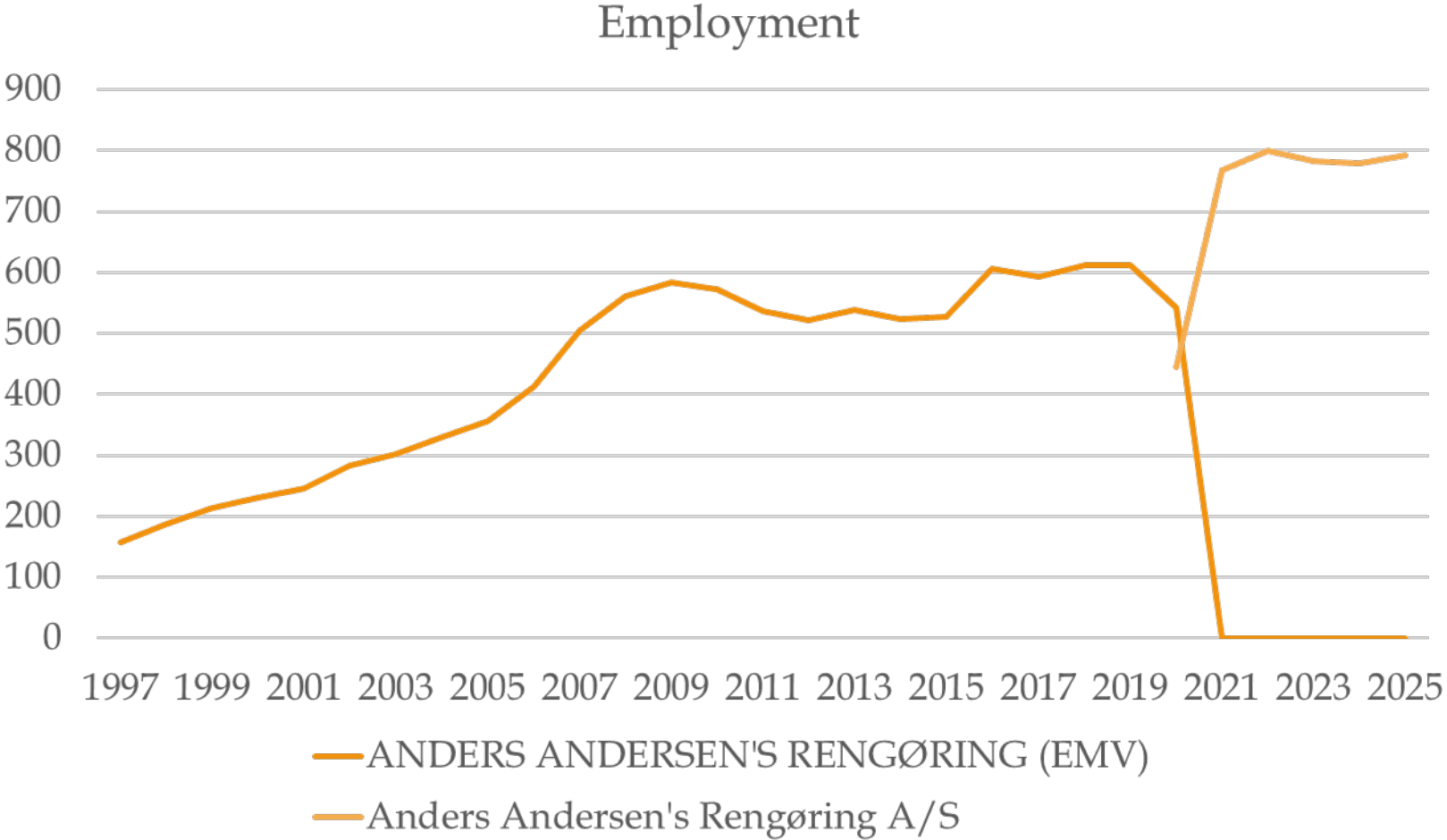
Focus in this  
presentation

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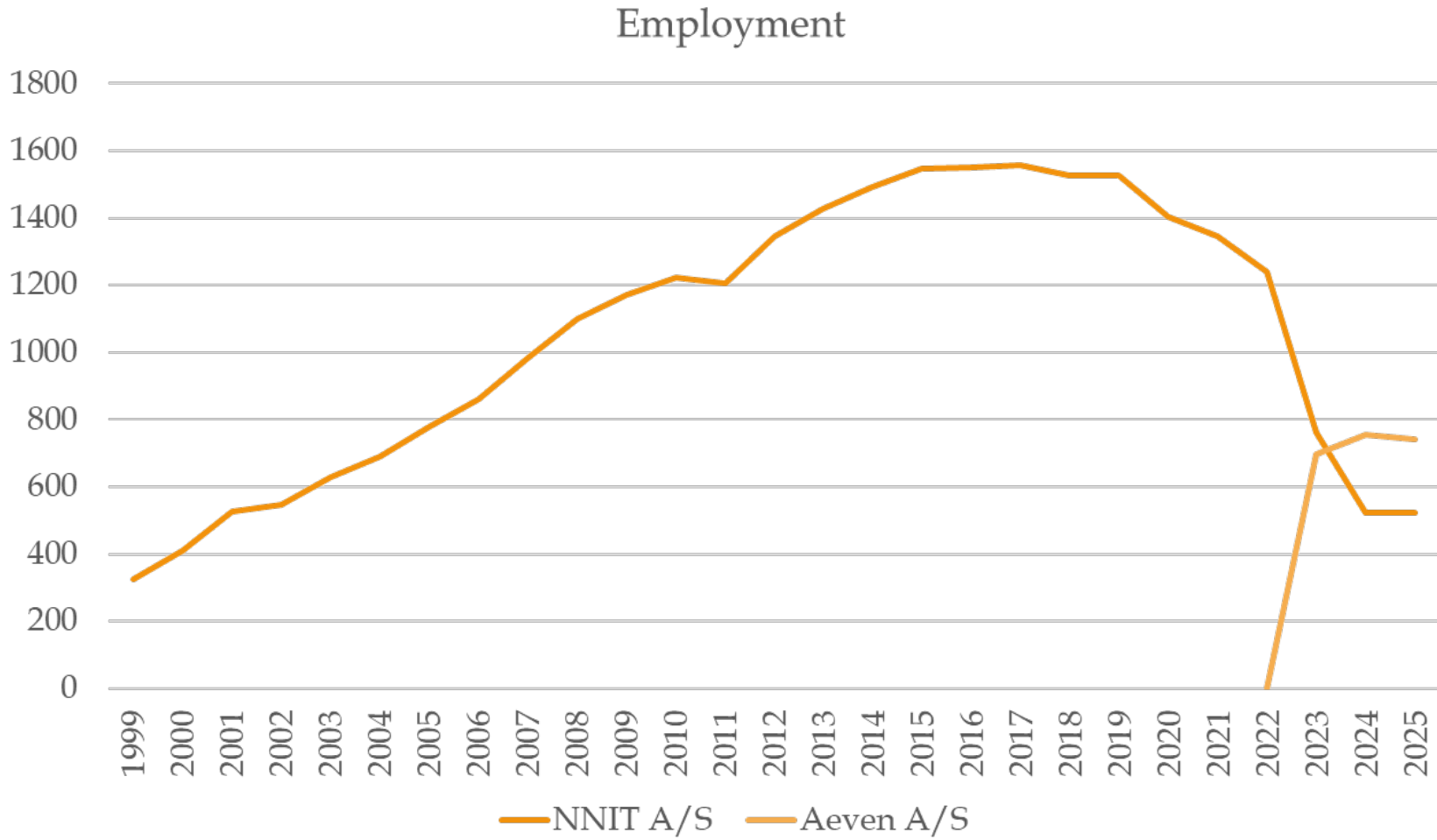
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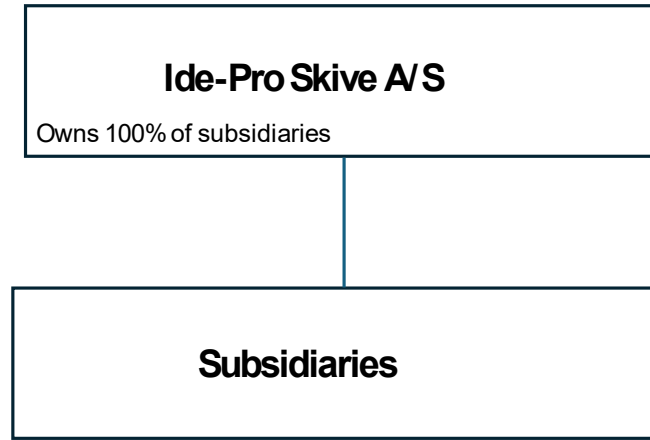


# Why is it important to take into account firm groups?

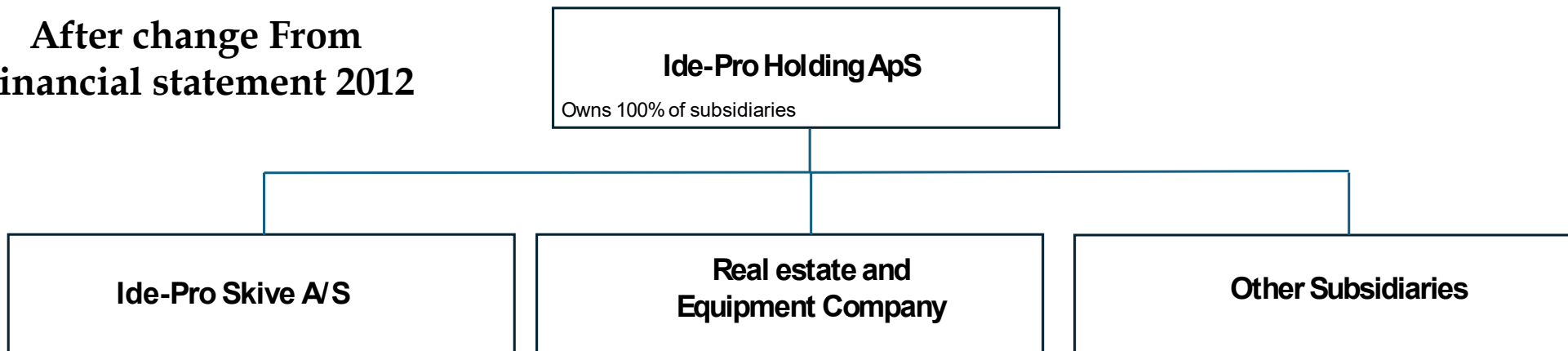


# Why is it important to take into account firm groups?

Before change



After change From  
Financial statement 2012



# Why is it important to take into account firm groups?

	Ide-Pro Skive A/S (unconsolidated)	Real estate and Equipment Company (unconsolidated)	Holding (consolidated incl other subsidiaries)
2010	28250	..	..
2011	49291	..	..
2012	6097	43438	48110
2013	4017	41935	51766

PPE: Property, plant and equipment

# What we do

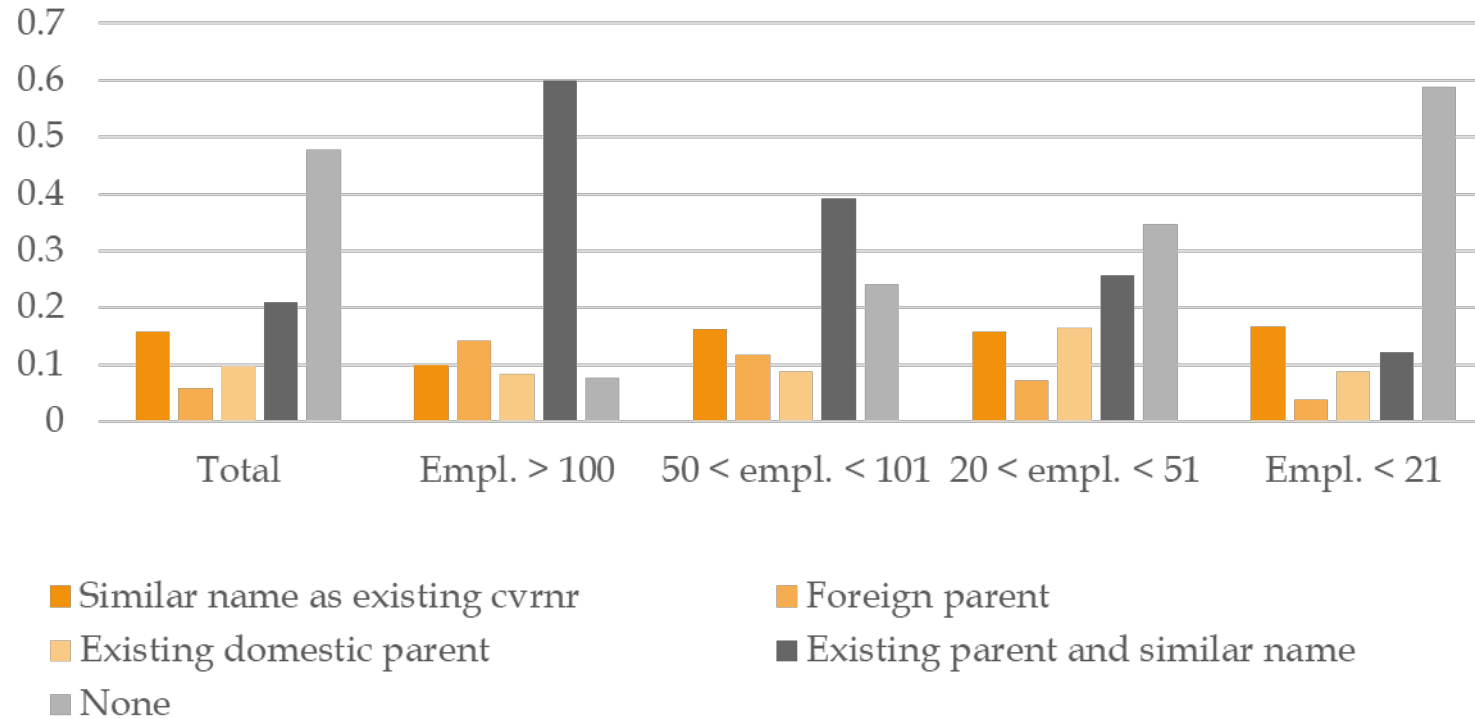
- Step 1: Link cvrnr's temporally using names and addresses.  
Rule: A newly generated cvrnr takes the oldest age of any existing cvrnr it is linked to
- Step 2: Link each cvrnr to a firm group using ownership structure. Two alternative approaches:
  1. Use the ultimate Danish owner or foreign owner.
  2. Use the first Danish owner that has a *consolidated income statement*. If no consolidated statement => use ultimate owner
- 2) yields smaller firm groups. Consolidation below ultimate owner is not a legal requirement, but it is used for large firm groups when they want to separate part of the group that constitutes an economically significant entity in its own right
- Examples:
  - Novo Nordisk A/S + its subsidiaries is a separate firm group and not included in Novo Holdings A/S.
  - Normal A/S and Bestseller A/S are two separate firm groups

# Preliminary quality check: All new cvrnrs since 2010

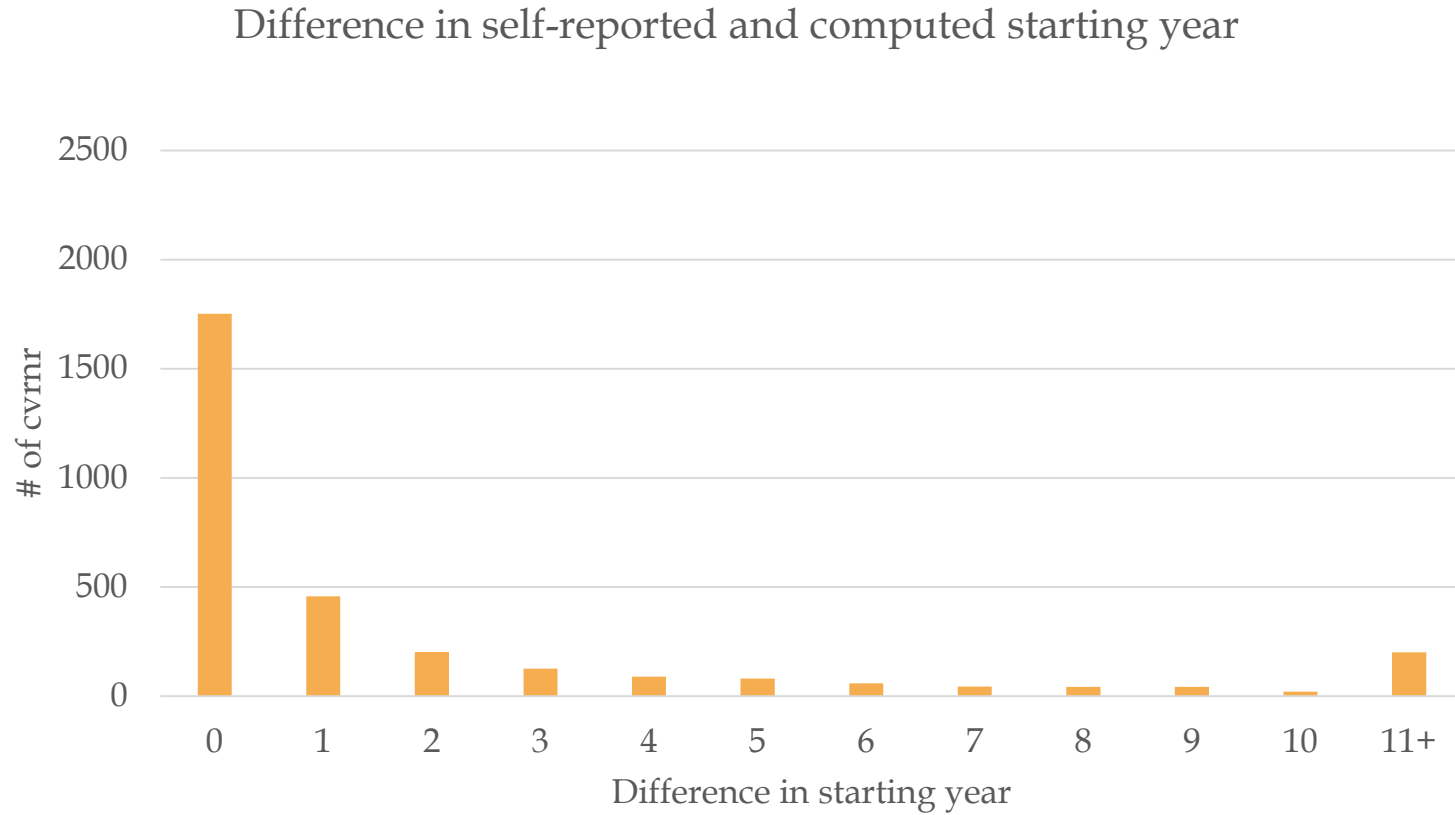
Group	<u>No. of cvrnrs</u>	<u>Employment one year after birth of cvrnrs</u>				
		Total	<u>By firm size</u>			
			Total	Empl. > 100	50 < empl. < 101	20 < empl. < 51
Similar name as existing cvrnrs	72,300	80,162	8,844	6,543	10,810	53,965
Foreign parent	7,365	17,235	4,010	2,286	2,807	8,133
Domestic parent	20,600	26,267	3,156	1,809	5,514	15,788
Similar name as existing cvrnrs and domestic/foreign parent	11,667	54,896	20,525	5,419	7,849	21,103
None	922,109	206,970	8,048	6,749	19,326	172,846
Total	1,034,041	385,530	44,582	22,806	46,307	271,834

# Preliminary quality check: All new cvrnrs since 2010 – share of employment

Distribution of employment on cvrnr types



# Preliminary quality check: Self-reported startups from the thehub.io



# Conclusion

- When measuring young firms one has to take into account that
  - a) some new cvrnr's are a continuation of existing cvrnr's
  - b) some new cvrnr's arise as a consequence of reorganization within a firm group
- A successful firm can be many things
  - a) high organic growth
  - b) moving or expanding abroad
  - c) being acquired by another firm