



Extensive Investments in People

In 2014, C.C.JENSEN employed and trained 29 new employees, and it shows in the financial results

Svendborg:

During the last year, oil filter manufacturer C.C.JENSEN on Løvholmen in Svendborg is experiencing such strong growth, that the financial results have had a hard time keeping track with previous years.

After employing another 29 employees, the total number of staff in Denmark and internationally have now reached 274. But not all of these employees have contributed positively to the financial results from the start of their career; on the contrary, investments have been made in training them. This shows in the annual account, where salary expenses have increased from 17.5 million Euros in 2013 to 20.1 million Euros in 2014. In the same period, company profits have dropped from 2.5 million to 0.7 million Euro.

The annual report deems the result as “not satisfactory”, but CEO Stig Due is far from pessimistic as we catch him on the phone from India, where he is visiting the latest established subsidiary.

“You can say that we employed more people in 2014, than we could actually afford. However, it has been an investment in further expansion, and this early on in 2015, we’re already starting to see the results coming in”, Stig Due explains.

Solid Base

“Last year, we primarily employed sales and engineering staff, but they did not contribute to increasing the turnover, because they took part in our onboarding programme with extensive training” says Stig Due.

It should be noted, that the results in C.C.JENSEN are far from being in the red in the old Svendborg company, which has experienced many good years in the past. With a turnover of 45.6 million Euros, profits of 0.7 million Euros, an equity ratio of 46% and total equity at 16.4 million Euros the company is still rock solid. But the management’s expectations to the year did not materialize.

“Our budget turnover was 48.3 million Euros, which we did not reach. But as mentioned, the reason for the poor result is primarily increasing salary costs”, says Stig Due. “In addition, we invested in fully automated process equipment for our factory in Hesselager, and this investment is also part of the explanation”.

The CEO expects continued growth in the coming years, and that the profits will meet the goals during 2015.

It is primarily abroad, C.C.JENSEN has experienced growth, and 85% of the turnover comes from subsidiaries in 13 countries. These days, Stig Due is thrilled about visiting the latest establishment in India, but that does not mean that it is easy establishing position abroad. Three years of working massive red tape have finally made our new subsidiary a fact. “Since we originally established our first subsidiary in the United Kingdom 25 years ago, we’ve opened a new subsidiary approximately every two years”, says Stig Due, who is heading on to another subsidiary in Dubai one of the coming days.



CEO, Stig Due, C.C.JENSEN visiting today the latest established subsidiary in India. Continued expansion leads to more employees - and it costs!