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Chair: Håkan Lindgren
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The case of “Creating Nordic Capitalism”
-business history and the case-based teaching method

Draft – please do not quote from this edition

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1. Introduction

Writing a textbook for teaching purposes can be compared to the function of a theatre instructor: You can prepare, discuss and practice but at the end the result of the process is out of your hands. Success or failure depends on the play. In the case of textbooks the crucial scenes are the classrooms of various universities: will your textbook make it as the foundation for fruitful discussions and inspiring learning processes or will it end on the dusty bookshelf as yet another text which was difficult to read but easy to forget?

In January 2005 a small group of business historians from BI Oslo, Copenhagen Business School, Helsinki University and Stockholm School of Economics decided to investigate the roots of capitalism in the Nordic region and to develop a new international course including a common textbook. This paper can be regarded as part of the crucial final practice before the publication of “Creating Nordic Capitalism” three and half years later in August 2008. The paper is initiated by an introduction of the new text book as a case-based teaching book. The next session on the odd relationship between case based teaching and business history considers why the apparently superficial business case-method should be relevant for business history. I will suggest that done cautiously case-based teaching could be a fruitful way forward for business historical teachers and this ascertainment leads to the next section on the (hard) requirements for successful case teaching. Finally I will round of this paper by a concrete teaching plan for the chapter on the Carlsberg brewery. The pious hope behind this paper is that reflections on pedagogical methods can improve the chances for good teaching performance in the forthcoming classroom season.

2. Creating Nordic Capitalism as a case-based textbook

Since the early-19th century entrepreneurs and businessmen from the Nordic periphery continuously have been inspired by new production-, organisation- and marketing methods of the industrialized core countries: Germany, Great Britain, the Netherlands and the USA. The textbook Creating Nordic Capitalism actually confirms this “adaptation-pattern”. From the beginning it was decided to use Thomas K. McCraws (ed.) book “Creating Modern Capitalism” published in 1996 by Harvard

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1 The project was supported by the Nordplus programme under the Nordic Council. The four editors – and initiators – were Susanna Fellman (Helsinki University), Martin Jes Iversen (Copenhagen Business School), Hans Sjögren (Stockholm School of Economics) and Lars Thue (BI Oslo).
2 The Paper is also based on lectures and discussions concerning case-based teaching which the author participated in at 2008 IFDP course, June 2-29, 2008 at IESE, Barcelona, Spain.
University Press as the “role model” or key reference. McCraw’s book was a remarkable publication in the field of business history for two reasons: firstly it was one of the most ambitious attempts to translate the research of business historians into a coherent textbook for teaching purposes – including chapters on four national business systems and eight company cases. Secondly the book was remarkable as it consisted of business historical chapters written to facilitate the case based teaching method. This was hardly surprising as Harvard Business School is focused on this method, but it distinguished “Creating Modern Capitalism” from other books on business history which seldom has been concerned with the coherence between teaching methods and writing style. The choice of “Creating Modern Capitalism” as the key reference - or role model – for the Nordic project had obviously significant consequences. Clearly content-wise the Nordic book has been structured similarly by four country chapters and eight business cases. Behind this highly visible inspiration lays the even more important inspiration of using business historical chapters as illustrations of specific characteristics in the national varieties of capitalism. As most business historical lecturers know it is possible to teach such business cases as ordinary lectures meaning a mostly one-way communication process in which the lecturer presents the problems, analysis and conclusions of the case. In fact the chapters of McCraw’s book is not written for this purpose but rather for a “case-based teaching” situation. In this context it means that the teacher change his or her role from a “lecturer of knowledge” towards a “facilitator of discussion”. In its essence case-based teaching means to replace the lecture with the discussion as the core of the learning process. That might sounds like a convenient short-cut for the busy university researchers but in reality successful case-based teaching requires extremely well prepared lecturers with strong communicative skills. Before the demands of lecturers are analysed in depth it is appropriate to discuss whether the method is relevant at all for business historians.

3. An odd couple: business history and case-based teaching

It seems obvious. Business history and case based teaching should be a perfect match. Just like business history a typical teaching-case is an empirical oriented text based on concrete experiences from business life - even often experiences based on events which happened many years ago. Still the relationship is not so straight forward. In fact classic teaching-cases and business history point in very different directions. The main component of a well structured teaching-case is the dilemma. Typically the case begins with a “hook”. Something that ensures the attention of the

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reader and which perhaps hints to the following dilemma. Then follow the industrial, corporate and personal background and then perhaps description of the business policies, strategies or procedures. The case then moves back to the scene which was introduced in the beginning and the “drama” which includes a business dilemma follows.\(^5\)

The famous, classic case of the Minter-Hale company can illustrate the importance of the dilemma.\(^6\) In this case the dilemma took place at the end of February 1955 when the American automotive products manufacturer Minter-Hale was offered to acquire the competitor “Automotive Products Corporation”. The owner of this company was unwilling to share any breakdown on costs, overhead etc. with the possible acquires. The case described the broad business development of the two companies and the case ended with the following sentence: \(^7\)

They had to have an answer for Mr. Clay within the next hour or give up all together the idea of purchasing Automotive Products

The task is then to discuss pros and cons of the possible acquisition and break down which assets Minter-Hale is about to acquire. Any reader feels uncomfortable with the deal due to Mr. Clays personality and secrecy and the dilemma is to which extent we should overcome this anxiety and the method is to define the criteria for the value of the deal and make a calculation of the financial impacts.

What is relevant is obviously not the company “Minter-Hale”, Mr. Clay, the year 1955 or even the automotive products industry. What is relevant is the dilemma - it could have been an ice cream corperation in Hungary in 2006 which have got a similar offer. The fundamental dilemma and the following discussion and insights in class room would not have changed. In short case-based teaching concerns a learning process with active student participation in the discussion of a particular business dilemma - a dilemma which provides insights to different aspects of management, finance, accounting etc.

The focus on a relevant dilemma rather than insights in context is obviously problematic for business history. The aim of business history is to enhance our understanding of the present business environment through analysis of the dynamic relation between contexts, markets, companies and individuals - often entrepreneurs. In the case of Minter-Hale a business historian would focus on the car industry, the American business system and the technological context rather than “simply” the dilemma of acquiring vs. not acquiring. It is important to keep in mind that the

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\(^5\) See for instance the discussion on the teaching material by Vazquez-Dodero, Juan Carlos, *The Case Method: The Instructor as “Choreographer”*, IESE, ASNN-6-E, March 2000

\(^6\) Pont, Carlos Garcia, *The Minter-Hale Company case*, ASNP-7-E

\(^7\) Ibid. p. 10.
case-based teacher is more interested in the exercise of solving a dilemma (and let the student practice their argumentation and get involved in business problems) than in the “real” outcome of the dilemmas. Can we force business history in to this “dilemma-oriented” context-loose method? What would happen if we did so?

Perhaps we can. But it takes some efforts. First of all the writer of a business historical teaching case should departure from a dilemma which he or she regards as crucial for the understanding of a specific business historical phenomenon or époque. One example is the Carlsberg chapter in “Creating Nordic Capitalism”.\(^8\) This is not a corporate history but rather a text which concerns two aspects of Carlsbergs development: The self-control of competition on the Danish beer market (cartels etc.) from 1899 to 1988 and the transition of Carlsberg from a multinational exporter to a “transnational” globalised corporation from the mid-1990s to the mid-2000s. In the teaching situation we will define 3-4 main dilemmas which Carlsbergs management has faced in relation to these two aspects. For instance should Carlsbergs management enforce a limitation of competition on the Danish beer market of the late 19th century and if so how and why? The aim is of course that answers to this question can provide the students insights on the Danish business system in general and the cooperative capitalism in particular. Note the difference to the traditional business case which would not be interested in the insight of the context rather than a specific business dilemma which could have taken place at any time in any business. This means that business historical cases are difficult and demanding to write. We - as business historians - need to be more explicit on context, on concrete historical circumstances and at the same time aware of which dilemma and which “hooks” we want to use. In fact most chapters in McCraws book Creating Modern Capitalism proved it can be done.

In the concrete teaching situation the business case could be used in combination with other perhaps more traditional texts (and lectures) in order to provide the students with a common reference to the complex context. This is necessary in order to ensure a qualified debate and discussion. In the following section I will discuss more in depth how a case based business history teacher otherwise can meet the requests of facilitating case-based discussions.

4. Case-based teaching and the demands of facilities and lecturers

The case-based teaching method is demanding for the teacher. “Teacher” is actually the wrong phrase. The role is a facilitator for discussion. This discussion might seem incidental - but don’t be mistaken. Every little detail should be prepared in order to ensure a successful session. According to Harvard Professor Benson P. Shapiro case teaching is “the facilitation of student learning”.9 Shiparos first enlightening point is that case-based teaching is structured by the use of themes in order to drive and direct the discussion. Themes can be topics, areas of analysis and decisions. The point is not to have the answers to these themes but rather to ask into them - and thus unveil the knowledge which individual answers and collective debates can generate.10 This leads to the second point namely that the teacher should understand that process in the discussion is the key to drive analysis. It means that if a student have made a decision on a choice - on what to do - the teacher can drive the analysis forward by asking “why would you do that?” or “what evidence supports that approach?” The art of asking questions is crucial. Questions can be used to deepening the discussion and it can be used to move further or heighten possible conflict. The third point is that conflicts are welcome in the case debate. The best discussions include opposing views - and the facilitator can encourage and use this by for instances summarizing that the opinions differ in the class: “Peter and Marianne have different views and both can’t be right; will someone clear this up?” The fourth point is the importance of the black board which can used for instance to clarify conflicts (pros & cons) and to list key factors for a problem. In fact the black board function as the common memory of the class and it should be taken very serious by the facilitator. The teacher needs to decide on a black board plan before the class begins: “I will begin on the left bottom side. Then I move on with some pros/cons on the left top black board and place my key points in the middle and finally I use up-right for calculations.” Case-based teaching does not fit with the widespread use of power point (PP) presentations for the simple reason that PP presentations are prepared and controlled by the lecturer while the blackboard mirrors the inputs from the students combined with the prepared structure of the teacher. In the next section the relevant teaching notes from the Creating Nordic Capitalism chapter on Carlsberg – on competition regulation – is presented including the above mentioned perspectives: themes, discussion points and a detailed black board plan.

10 See the discussion on learning practices in Gragg, Charles I., Because wisdom can’t be told, HBS 9-451-005 (1982) Harvard Business School, 1940.
Carlsberg: regulation of the home market and international expansion

Teaching notes

Introduction

The Carlsberg chapter is the third chapter on Denmark in a series of three. As with the chapters on Danish capitalism and Arla Foods, the main theme of the Carlsberg chapter is the phases of Danish capitalism which varied between the cooperative principles of coordinated initiatives from below and the liberal principles of a market-economy and openness. How did the Danish firm survive and even prosper in these different phases and to which extent did the firms mirror the economic phases? It is obvious that the co-operative dairy, Arla Foods, unveils characteristics of the development in the agrarian cooperative Danish economy. The Carlsberg case on the other hand mirrors the conflict between unregulated liberal principles of open market competition which – due to lack of regulation - made private cartels and trusts possible. This dilemma is followed by the internationalization of Carlsberg which started as a typical Danish home-based exporter and recently (around year 2000) introduced a globalized strategy in terms of global branding, production and HR strategies.

The Carlsberg story is also an opportunity to discuss what is typical “Danish” about this case? With the chapter on Danish capitalism taught in the previous class it is possible to identify examples of Danish characteristics – such as the very liberal capitalist system of the 19th century, the organised capitalism in the mid 20th century and the more recent open market economy with large globalized corporations.

By 2008 Carlsberg was among the five largest breweries in the world. The company provided an example of a Danish food and beverage company able to exploit the new market opportunities which appeared congruently with the economic integration process after 1945 – as did the other case company Arla Foods. Carlsberg was founded in 1847 by J.C. Jacobsen who can be regarded as a typical Danish entrepreneur inspired by production methods from the economic core countries which he later introduced to the Danish periphery-market. Carlsberg expanded in the extremely

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11 Arnold, Andrew, Iversen, Martin Jes, ”Carlsberg: regulation of the home market and international expansion” in Fellman et. al., Creating Nordic Capitalism, Palgrave-Macmillan, 2008
unregulated and liberal beer market of the late 19th century. This market circumstances were unsatisfactory for Carlsberg due to instability and marketing methods which the company did not approve including loans to customers and acquisitions of restaurants and pubs. Carlsberg overcame these difficulties through the formation of a beer cartel in Copenhagen in 1895 and the foundation of a trust with the competitor Tuborg in 1903. This trust lasted until the merger in 1970. The 1903 agreement (as the trust was called) actually prevent Carlsberg from establishing production facilities at the important British market and it forced the company to share its profit 1:1 with the smaller competitor Tuborg. One of the main issues of the chapters is to understand why this agreement could last for so long despite these obvious disadvantages. Carlsbergs development mirrors the protected Danish market of the 20th century, but this competition protection was combined with strong emphasise on export. This combination of home market protection and export orientation mirrors the Danish business development of the first part of the 20th century.

By 1939 55 percent of all imported beer to the United Kingdom came from Carlsberg. The export strategy was highly decentralised mainly based on license agreements and partnerships in which Carlsberg often acquired the minority share of a local brewer which produced and distributed Carlsberg on local level. Internally at Carlsberg the strategy was labelled “the business card strategy” as new partners often appeared randomly through personal contacts and visits to the headquarters in Copenhagen. The strategy proved inconsistent with the increasing competition of the 1990s when large international competitors invested more aggressively through take-overs – Carlsberg needed to adopt to the new circumstances by a global strategy marked by majority ownership of subsidiaries and a coherent global branding, production and HR strategy.

The case follows a chronological structure but the themes makes it necessary to move back in time around the middle of the chapter when focus change from competition regulation to internationalization. This might provide some confusion for the students and it is important that the instructor emphasise how both the competition regulation and the introduction of a globalized strategy mirrors the development of Danish capitalism.

**Key dates**

Carlsberg was founded in 1847 in the very early era of Danish capitalism. The company grew substantially faster than the competitors and since the 1850s the company has dominated the Danish brewing sector. For more than 100 years Carlsberg has appeared as one of the 10 largest Danish
companies and the combination of domestic market dominance and substantial export activities is crucial in order to understand this long-term top position.

1847  J.C. Jacobsen founds Carlsberg outside Copenhagen, Denmark. First brew November 10.

1868  Carlsberg export begins with one barrel of beer sent to Edinburgh, Scotland.

1876  The Carlsberg Foundation is established.

1882  J.C. Jacobsen's son, Carl, opens a brewery under the name Ny (New) Carlsberg. J.C. Jacobsen changes the name of his brewery to Gamle (old) Carlsberg.

1883  Carlsberg's Emil Christian Hansen develops a method for propagating pure yeast, which revolutionises the brewing industry. The yeast is named *Saccharomyces Carlsbergensis* and given freely to the world.

1887  J.C. Jacobsen dies. The Carlsberg Foundation takes over Gamle Carlsberg.

1895  Carlsberg and Tuborg establish a cartel in Copenhagen

1897  Ny Carlsberg Glyptotek opens.

1899  The Danish brewers agrees on a national beer cartel which last until 1988

1903  Carlsberg and Tuborg signs the 1903-agreement of a Danish trust system with shared profit and a new supervisory management system.

1904  Carlsberg pilsner's famous logo designed by Thorvald Bindesbøll is introduced.

1906  Ny Carlsberg and Gl. Carlsberg join forces under the name Carlsberg Breweries with Carl Jacobsen as Director.

1914  Carl Jacobsen dies. Technical Director Poul C. Poulsen becomes Director of Carlsberg Breweries.

1939  55% of all beer imported to the U.K. is from Carlsberg.

1950  Winston Churchill visits Denmark. Carlsberg commemorates the event with the launch of a new beer, Special Brew.

1957  Queen Elizabeth II visits Carlsberg.

1968  Carlsberg opens first overseas brewery in Blantyre, Malawi.

1970  Carlsberg and rival Danish brewery Tuborg merge to form the United Breweries A/S.
1975 "Probably the best lager in the world" slogan is introduced with voice-over by Orson Welles.

1992 Carlsberg merges with English brewery Tetley.

1997 Carlsberg becomes sole owner of Carlsberg-Tetley.

2001 Carlsberg Breweries A/S formed. Owned 60% by Carlsberg A/S, and 40% by Orkla ASA.

2004 Carlsberg A/S buys Orkla's share of Carlsberg Breweries and becomes market leader in Scandinavia.


2008 Carlsberg acquires 50 percent of the British competitor Scottish & Newcastle in conjunction with the Dutch competitor Heineken. As a result Carlsberg becomes market leader in the expanding markets Russia, Eastern Europe and Western China.

**Assigned study questions**

1) One of the important characteristics of Danish capitalism in the first half of the twentieth century was the wide spread self-regulation of competition. Identify the different methods which Carlsberg used in order to control the competition on the Danish beer market and discuss the reasons why the beer market moved from a protected cooperative market toward a competitive liberal market in the 1980s?

2) In the recent years Carlsberg has changed its nature from being an export oriented multinational towards becoming a trans-national company with a globally coordinated policy on branding, management, production methods, R&D etc. Which changes in the context lead to the mentioned transition of Carlsberg and in comparison with other large breweries could we then regard Carlsberg as first mover or late mover in this transition?

**Teaching plan**

I. Introduction (10 minutes)

II. J.C. Jacobsen – an entrepreneur of the economic periphery (10 minutes)

III. The 1903-agreement and Danish cartel capitalism (20-25 minutes)

IV. Carlsberg from early exporter to late globalizer (20-25 minutes)

V. Concluding Remarks (5 minutes)
I. Introduction
The class opens with a picture of Carlsberg CEO Poul Svanholm and the following citation:

We are not so interested in gaining sales by taking market shares from other breweries. That’s not our way.” CEO Poul Svanholm, August 1983. The instructor begins the class with comment such as:
“This chapter concerns the Danish brewer Carlsberg and the limitation of competition in the first half of the 20th century. This citation from Carlsbergs former CEO – Poul Svanholm – is interesting as it origins from a newspaper interview in August 1983. The idea of working for other aims than growth, profitabilility and market share has been apparent at Carlsberg for decades. This is part of what we can call “cooperative capitalism” – a typical feature of Danish capitalism with the existence of cooperatives, business foundations and traditions for strong cooperation between the state, employees and employers.”

II. J.C. Jacobsen – an entrepreneur of the economic periphery

The instructor shows a painting of Carlsberg founder J.C. Jacobsen.
“In this class we will explore how Carlsberg mirrors both the “cooperative” and the “liberal” aspects of Danish capitalism. But before that we investigate these features, let’s quickly review the main outline of the chapter”

Q: How did J.C. Jacobsen build his business?

This question should provide quick answers on the foundation in 1847 with Jacobsens business visits to Munich. The industrialized production methods which distinguished Carlsens in relation to the competitors and the following superiority of the company on the beer market in Copenhagen. Instructors transition:
“Jacobsen travel to Munich in 1845. Is such an act part of entrepreneurship – why / why not?”

Q: What is distinctively “Danish” about this story?
The instructor lists these (see the board plan for a suggested list). Please note that the Carlsberg chapter mirrors both the “cooperative” and liberal” characteristics of Danish capitalism. The instructor place the “cooperative answers on the right side and liberal features on the left side. But with no headline yet.

Instructors transition: “All of these items on the board are important features of Danish capitalism. We can provide a head line on them – as cooperative and liberal. Two features were particular important on the development of Carlsberg: the competition regulation and the export orientation. Lets consider each one separately.

II. The 1903-agreement and Danish cartel capitalism

Q: The early beer market in Copenhagen was marked by open competition. What were the problems for Carlsberg with this open competition?

How did Carlsberg come about the problems of open competition? What were the main features of the cartel agreements and the 1903-agreement (see black bord)

This question and the following discussion constitute the main features of the chapter. The learning points include several important aspects including the weak position of the Danish state in the second half of the 19th century, the principles of self-regulation of markets and the interests in the continued competition limitation in the latter part of the 20th century

The lecturer then ask to the content of the 1903-agreement followed by a discussion on the advantages and disadvantages for Carlsberg. This is the most important stage in the lecture as the students will discuss a concrete cartel agreement which actually on the surface seems to have been very costly for Carlsberg, but which in reality was costly for the consumers. The main question is to understand why the agreement could survive from 1903-1970.

One of the crucial questions in the case is how the agreement could last for so long. As with all the company chapters, the students should be urged to look at these problems with personal commitment. The lecturer therefor adress the question:

Q: If you were Carlsbergs CEO in the 1960s A.W. Nielsen would you support the 1903 agreement – why / why not?
The discussion here should lead to pros and cons which will be listed on the blackboard. (see black board structure. The reasons for rejecting seems obvious from the case (unfair sharing with competitor / restricted options for internationalization etc.). The reasons for the supporting could be stability but also financial.

The instructor´s transition.

“There could be financial reasons for continuing the agreement. The Danish authorities accepted monopoly profit if they were justified from production expenses”. Carlsberg had lower production prices than Tuborg – but the monopoly price was a combination of the two. Carlsberg could therefore take higher prices and violate monopoly legislation.

Here the instructor will show an example on the black board (see black board instruction)
The lecturer can conclude from these figures:

Q.: “According to this calculation Carlsberg in fact could receive a monopoly profit of 40 percent in stead the legal 25 %” (Carlsberg production cost 6 and “common price” 10). Who paid?”

The discussion moves on to the issue of consumers who have to pay for the low efficiency in a protected market system. The instructor shows a picture of Carlsberg board from 1970. Then he / she points out a student:

Q.: It is May 1969. You (student A) are Carlsbergs chairman Stig Iuul. Now you are at the board meeting discuss the possible merger. Stig Iull please identify the three most important reasons for a merger in 1970

The three reasons are registered on the blackboard. One should be possible Danish EC membership or increasing international competition. That constitutes a bridge to the next part of the class discussion. (see black board structure)

III. Carlsberg from early exporter to late globalizer
This part of the class concerns two main aspects: the content of the “business card strategy” and “Carlsberg as a globalizer”.

**Q. What is meant by an “early exporting company”? How did Carlsberg organise export until the 1990s?**

The students will discuss the issue of home market based exporter. The key issue here is concept of a “business card” strategy. The decentralised structure should be discussed and the underlying principles of the decentralised export strategy are the low costs and flexibility. Low costs imply that Carlsberg did not have to invest production facilities and the commitment was always relatively low. On the other hand Carlsberg was present on many markets but very rarely as market leader. The instructor shows a map of Carlsberg market leadership countries in the mid 1990s. This shows that Carlsberg was only market leader in Denmark, Portugal and Malawi.

**Q.: If you were the new CEO of Carlsberg - How could you change this pattern for Carlsberg?**

The students will probably suggest mergers and acquisitions. With partners it could be possible to strengthening the position on a number of markets. The next question is how to manage such a new corporation which results from many different companies with distinct national and corporate cultures? The discussion concerns the creation of a coherent global strategy in terms of branding, production and H&R.

**IV Concluding remarks**

This chapter has shown us the essence of three phases in Danish capitalism:
1. The early stage of extremely liberal market circumstances and a weak state,
2. A second stage of co-ordinated capitalism with limited market forces at work
3. And finally the new open economy with globalized corporations in open competition

In our next case we focus on Norwegian capitalism and you should try to analyse if this economy also developed in wave-like movements between co-operative and liberal principles.
V. Board Plans

Board # 1:

J. P. Jacobsen and the foundation of Carlsberg:
Yes:
- Introduced new methods
- Industrialisation-
- Company founder
- Had been member of DSAP (H.C. Ørsted) since he was 17
- Entrepreneur – an innovative businessman (?)

Board # 2:

Distinctively “Danish” about the Carlsberg story:

(Cooperative capitalism) (Liberal Capitalism)
Market “self-protection” Export oriented
Quality production Globalized business
Entrepreneur inspired in Germany Weak state control of market agreements
Foundation ownership
Family firm

Board # 3:

Competition problems for Carlsberg in the 1890s
- Gifts to customers
- Discounts
- Acquisitions of restaurants and shops
- Over measure (cheating)
- Tuborg Pilsner!!
Carlsberg Core product – Bavarian beer: from 95% in 1893 to 36% in 1912

Board # 3:

1903 agreement:

Background:
1) The pilsner investment - bottling equipment
2) The new owners ”Carlsberg Foundation”
3) Cartels are per definition fragile and unstable
4) Tuborg: part of substantially larger and older company

The content of the agreement:
- Long scope, 1903 --------- 2000
- Share profit (every year pool the profit divided in two)
- Share the cost of investments (veto right)
- A new ”supra managerial committee”

Carlsberg:
### Advantages:
- Stability on the market

### Disadvantages:
- Profit sharing (1915-1948 = 29.8 mill kr. to Tuborg!)
- Investment limitation
- Marketing
- Management costs

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**Board # 4:**

**Monopoly pricing:**

The price setting mechanism – principle: 30% profitability aloud for the "official price":

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<th>Production costs</th>
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**Board # 5:**

**Most important reasons for the merger:**

1) Because the danish authorities enforced us
2) Because of our limits to international growth
3) Because of possible Danish EC membership (1973)

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**6. Conclusion**

In his autobiography "Laterna Magica", the famous Swedish theatre and movie director, Ingmar Bergman, described the need for detailed preparation in a very illustrative way.\(^\text{12}\)

One day I grasped Torsten Hammarén (mentor of the young Bergman) in leafing through my script. There was not a single notation or any scenery. I see, you do not draw sceneries, he stated in scathing terms. No, I prefer to create directly on the scene together with the actors, I replied. Hammarén closed the script and responded: It will be interesting to see how long you possess the mental strain for that sort of thing.

Soon his prediction came to pass. I prepare myself in every detail; impose myself to scribe through any scenery. When I enter the dry run, every moment in my performance have to stand apparent. My directions should be distinct, useable and preferably stimulating. Only the well-prepared is in a position to improvise.

Bergmans experiences from theatre indeed have relevance for university teaching in general and case-based teaching in particular. Any professional teaching-case should be followed by detailed teaching notes which function like the directors shooting script. Here the different stages of the lecture are described in detailed, the opening questions, the expected answers and the plan of the

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black board. The point is not necessarily that the teaching note will be followed in detail - but rather that detailed planning creates opportunity for successful improvisation. The conclusion of this paper is that case based teaching should have relevance for business historical lecturers at universities. Our research field posses a treasure of enriching cases and we should not limit our self to offer these cases to other disciplines such as international management or micro-economy. Rather we should develop teaching cases which can stimulate our learning aims in terms of understanding the role of entrepreneurs and companies in various capitalist developments. McCraw has shown the way with “Creating Modern Capitalism” and hopefully our Nordic book will take our field one step further in the right direction.

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