

# **Documentation of statistics for Enterprise Groups in Denmark 2022**



#### 1 Introduction

The purpose of the statistic Enterprise groups in Denmark is to describe enterprise group relations amongst Danish companies. Thus the statistic contributes to the description of the business structure in Denmark. The statistic was complied for the first time for the reference year 2009.

# 2 Statistical presentation

The statistic is a yearly compilation, which emphasizes the extent of both the number of enterprise groups and the number of full time equivalent employees herein.

The statistical unit is therefore the "Enterprise Group". An enterprise group, in these statistics, is regarded to be two or more companies located in Denmark and at the same time have a mutual ownership. A mutual ownership is regarded to be present if one Danish company owns and/or controls more than 50 per cent of another Danish company.

# 2.1 Data description

The statistic covers the enterprise groups in Denmark and their extent, measured on both the number of enterprise groups, number of enterprises and the number of full-time equivalent employees.

This statistics are covering those enterprises, which were active in the period of time and who were a part of an enterprise group in Denmark, meaning that these enterprises had a connection to one or more Danish enterprises.

Danish enterprises that solely owns foreign affiliates and are not owned by another Danish enterprise, are not considered an enterprise group in Denmark, and are excluded from the statistics. Danish enterprises, who are directly owned from abroad (outside Denmark) and doesn't own a Danish enterprise, are not considered an enterprise group in Denmark, and are excluded from the statistics. Unless they are controlled by another Danish enterprise through the foreign owner.

Two or more Danish enterprises with the same foreign owner (hence are enterprise group sister companies) are not considered an enterprise group in Denmark, as there are no connection between the two Danish companies. Therefore these are also excluded from the statistics.

An enterprise group, in this statistics, is regarding to be two or more companies located in Denmark and at the same time have a mutual ownership. A mutual ownership is regarded to be present if one Danish company owns and/or controls more than 50 per cent of another Danish company.

Control is regarded as being present if a Danish company owns and/or controls more than 50 per cent of another Danish company.

#### 2.2 Classification system

Enterprise groups in Denmark are disseminated in groups of sizes distributed on:

- number of full-time equivalent employees (that are part of the enterprise group)
- number of enterprises (that are part of the enterprise group)

Furthermore the enterprises that are part of enterprise groups are disseminated in industry groups based on DBo7 10-grouping.



#### 2.3 Sector coverage

The statistics covers the private primary, secondary and tertiary sector.

Enterprise groups in Denmark covers private sector enterprise groups in the following activities: Agriculture, forestry and fishing, Manufacturing, mining and quarrying, and utility services, Construction, Trade and transport etc., Information and Communication, Financial and insurance, Real estate, Other business services, and select activities within Human health and social work (Societies, charitable trusts and funds for the prevention of diseases and for social and welfare purposes) and Arts, entertainment and other services (Sports activities, Amusement and recreation activities, Repair of computers and personal and household goods, and Other personal service activities). This also applies at the level of the individual enterprise belonging to the enterprise group population.

#### 2.4 Statistical concepts and definitions

Enterprise group: A parent company together with one or more subsidiaries constitutes an enterprise group. A subsidiary company can have only one direct parent company. The parent company is the company that exercises controlling influence over the company's financial and operating decisions.

Enterprise: Usually corresponding to the legal unit, e.g. limited-liability corporations, sole traders, partnerships, etc. In a few cases several legal units which are run as one entity are gathered into one enterprise.

Full-time employee: Staff (excluding apprentices) whose regular working hours are the same as the collectively agreed or customary hours worked in the enterprise, even if their contract is for less than one year.

#### 2.5 Statistical unit

The statistical unit is the Enterprise Group.

# 2.6 Statistical population

The enterprises in Denmark that are part of an enterprise group in Denmark, which were legally active in the period of time, of which at least one of the enterprises was also economically active. Enterprise group relations are defined as controlling influence.

#### 2.7 Reference area

Denmark.

# 2.8 Time coverage

2022.



# 2.9 Base period

Not relevant for this statistic.

#### 2.10 Unit of measure

Number of enterprise groups

#### 2.11 Reference period

01-01-2022 - 31-12-2022

#### 2.12 Frequency of dissemination

Enterprise groups in Denmark are compiled on a yearly basis.

## 2.13 Legal acts and other agreements

The data is collected in accordance the the general law on Statistics Denmark §6.

#### 2.14 Cost and burden

There is no respondent-burden as the statistics is based on information received from administrative sources and other statistical registers.

#### 2.15 Comment

Please refer to the subject page on enterprises and enterprise groups.

# 3 Statistical processing

The statistic is based on the Business Statistics Enterprise Group Register. Enterprise group relations are confirmed via the annual reports of the enterprises and by looking up in the Central Business Register.

#### 3.1 Source data

The statistics is based on information about enterprise groups from the Business Statistics Enterprise Group Register which are based on the Central Business Register. Sources for background information are a number of sources notably the Business Statistics Enterprise Group Register and the General Enterprise Statistics and external sources such as the annual company reports and http://www.CVR.dk.

# 3.2 Frequency of data collection

Annually.



#### 3.3 Data collection

Data are collected by direct access to registers within Statistics Denmark.

#### 3.4 Data validation

Several data validation procedures of the available register data are carried out, in order to secure a high data quality for the statistics.

Legal form, sector code and activity classification are checked to ensure that an enterprise can be a part of a possible enterprise group relation. Furthermore controlling influence in terms of majority ownership and/or voting majority in enterprise group relations, are confirmed through annual reports/CVR.

- The data material are also checked for doublets and similar redundancies, in order to secure that any one enterprise only appears once in the data.
- The data material is also checked for completeness, to ensure that, mainly large enterprises, which apparently doesn't have an enterprise group relation and therefore doesn't appear in the data material, is included (manually) if they indeed have an enterprise group relation and therefore are relevant.

# 3.5 Data compilation

It is assumed, upon the completion of the data validation checks, that Enterprise Groups in Denmark contains a complete frame of the enterprise group relations in Denmark. This means that no enumeration or imputation of data are carried out to compensate for missing data.

If the topmost Danish enterprise (the Head-of-Group) are excluded due to the chosen demarcation of enterprise groups, then the entire enterprise group will be excluded. Similarly if every underlying enterprise/enterprises are excluded, then the topmost Danish enterprise will also be excluded, and the entire enterprise group are removed.

#### 3.6 Adjustment

No correction of data are conducted, besides the initiative described under Data validation and Data compilation.

#### 4 Relevance

The primary users of the statistic are various industrial organizations, politicians, researchers and the news media. As part of the establishment of the Business Statistics Data Warehouse, the statistical content and the framework for the enterprise groups statistics have been presented to the project's external research follow-up group.

## 4.1 User Needs

The statistic focus on both the magnitude and significance of enterprise groups in Denmark. Therefore it contributes with important new information regarding the Danish business structures. The primary users of the statistic are various industrial organizations, politicians, researchers and the news media.



#### 4.2 User Satisfaction

As part of the establishment of the Business Statistics Data Warehouse, the statistical content and the framework for the enterprise groups statistics have been presented to the project's external research follow-up group. The research follow-up group consisted of statistics users from universities and organizations with insight into statistics at the micro-and macro level. The discussions in the research follow-up group has not given rise to any changes.

## 4.3 Data completeness rate

Not relevant for this statistic.

# 5 Accuracy and reliability

Generally the statistics is considered to be of high quality, since the central variable on number of enterprises are based on the administrative registrations, which are deemed to be reliable to a high extent.

# 5.1 Overall accuracy

The total margin of error is very low. It is assessed that with the sources available, this statistic gives a fair and true view of enterprise groups in Denmark.

The results are based on ownership-relations obtained from administrative databases, combined with data validation of primarily the large and significant enterprises (100+ full-time employees) in Denmark.

The sources available for establishing ownership-relations are mainly the annual reports from the enterprises. This means that in case these annual reports for some reason are unavailable and/or insufficient, then there will be a risk of an underestimation of the number of enterprise groups in Denmark.

# 5.2 Sampling error

Not relevant for this statistic.



#### 5.3 Non-sampling error

The total non-sampling error is very low.

It is assumed, upon the completion of the data validation checks, that Enterprise Groups in Denmark contains a complete frame of the enterprise group relations in Denmark. This means that no enumeration or imputation of data are carried out.

As Enterprise groups in Denmark doesn't cover all activities, such as selected service industries, then in the case that an enterprise actually are conducting activities in an industry that are not covered, but erroneously are placed in an activity that are covered (and at the same time have a valid ownership-relation), then this enterprise will be a part of the statistic. The significance of this, is appraised to be low.

Likewise if an ownership relation has been terminated, but this information have not been removed from the source material, then an overestimation of the number of enterprise groups can conceivably occur.

Enterprise groups in Denmark shows the ownership relations for enterprises/enterprise groups in Denmark. If non-active ownership-relations have been included and/or the opposite that active ownership relations have not been included, then this of course will influence the extent of enterprise groups, and distort the statistical value. However the impact of this is appraised to be very low and insignificant.

#### 5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

# 5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.



#### 5.6 Quality assessment

It is assessed that with the sources available, this statistic gives a fair and true view of enterprise groups in Denmark.

The results are based on ownership relations obtained from administrative databases, combined with data validation of primarily the large and significant enterprises in Denmark.

The sources available for establishing ownership relations are mainly the annual reports from the enterprises. This means that in case these annual reports for some reason are unavailable and/or insufficient, then there will be a risk of an underestimation of the number of enterprise groups in Denmark.

# 5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the <u>Revision Policy for Statistics</u> <u>Denmark</u>. The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

# 5.8 Data revision practice

No preliminary figures are published.

# 6 Timeliness and punctuality

Enterprise groups in Denmark are disseminated 18-24 months after the end of the reference year. The statistic is normally published without delay to the announced time.

#### 6.1 Timeliness and time lag - final results

This statistic is normally published 18-24 months after the reference period.

#### 6.2 Punctuality

Enterprise groups in Denmark are normally disseminated without delay to the announced time. The punctuality are measured in the latest available calendar year.

## 7 Comparability

This statistic is only carried out in Denmark. Since 2022, the enterprises in Enterprise groups in Denmark has been based on the new activity threshold, which includes economically active enterprises. For the same year, the statistic has been expanded to include sector A: Agriculture, forestry and fishing. It is therefore not directly comparable to the previous time series covering 2009-2021.

## 7.1 Comparability - geographical

This statistics is not based on EU-regulation and is not carried out in a comparable format in other countries.



#### 7.2 Comparability over time

Since 2022 are the enterprises in Enterprise groups in Denmark based on the new activity threshold, which includes economically active enterprises. It is therefore not directly comparable to the previous time series covering 2009-2021.

From the reference year 2022 active enterprises are defined as enterprises with employees measured as atleast ½ of a full time equivalent or either turnover, purchase of goods, imports, exports, value added and balance sheet totals above a certain threshold. If the enterprises own enterprises or are jointly settled with regard to VAT or employees with enterprises that are economically active, the enterprises will also be considered to be active enterprises.

From the reference year 2022 the statistic has also been expanded to include sector A: Agriculture, forestry and fishing, in addition to already included sectors.

The sector expansion and change in activity threshold have both been contributing factors to an increase in the number of enterprises and enterprise groups in the statistics.

#### 7.3 Coherence - cross domain

Enterprise groups in Denmark is comparable with the general enterprise statistics, when the criteria mentioned is taken into consideration.

#### 7.4 Coherence - internal

Overarching groups of number of enterprises that are part of enterprise groups and their number of employees, are calculated based on the underlying detailed information on the individual enterprises, which secures an internal consistency.

## 8 Accessibility and clarity

The results are available in Statbank Denmark. See also Enterprise groups.

It is possible to buy tailor-made tables, and researchers can obtain access to the micro-data upon request.

## 8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

#### 8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

#### 8.2 Release calendar access

The Release Calender can be accessed on our English website: Release Calender.

#### 8.4 News release

These statistics are published in a Danish press release.

#### 8.5 Publications

Not relevant for this statistic.

#### 8.6 On-line database

Tables for Enterprise groups in Denmark are available in the **StatBank**.

#### 8.7 Micro-data access

Researchers can obtain access to the micro-data upon request.

#### 8.8 Other

It is possible to buy tailor-made tables upon request at **DST Consulting**.

#### 8.9 Confidentiality - policy

The statistics Enterprise Groups in Denmark follows the Statistics Denmark guidelines on <u>data</u> confidentiality.

## 8.10 Confidentiality - data treatment

Enterprise Groups in Denmark is disseminated on such a detailed level, that the data has to be checked for any confidentiality issues, in order to ensure that no single enterprise group can be identified in the data. In more practical terms this means that information are not disclosed if this data is based on less than three units.

## 8.11 Documentation on methodology

Documentation of the statistical variables can be found at the webpage of Statistics Denmark.

No further description of methods is available.

#### 8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

#### 9 Contact

The administrative placement of these statistics is in the division of Business Dynamics. The contact person is Asbjørn Hviid Mikkelsen, tel.: + 45 2942 6836, and e-mail: AHM@dst.dk.