



# Blowing in the wind

As a sensible Swede working for a Danish company, Roland Sundén prefers to keep to the facts. And the fact is that 'his' LM Wind Power Group is making an unprecedented major contribution to the sustainability of our planet. To back up this remarkable claim, he mentions that emissions of harmful greenhouse gases were reduced by 74 million tonnes last year with the help of wind turbines made by the Denmark based company. From his office that looks out over Amsterdam Airport Schiphol and the surrounding area, the CEO estimates that the amount in question is likely more than enough to offset a medium-sized metropolitan area's carbon footprint.

Sundén and his employees are rightfully proud of this achievement. In fact, LM Wind Power's ambition to maintain a leading role in the global utilisation of wind power as an inexhaustible source of energy was one of the main reasons why the former executive at Volvo and other companies accepted the invitation from LM Wind Power's owners (a British private equity firm) to prepare the organisation for the next phase of development. "This company owes its growth to the enthusiasm of its employees. Everyone here is convinced that the amount of fossil raw

materials used to generate energy must be cut down as quickly as possible and that clean, renewable wind energy must play a key role during both the transition process and afterwards. I have never worked for a company with such fervent dedication to product and organisation alike. Still, as soon as I got here I saw that if we want to continue to excel then certain essential steps must be taken. Market developments are now calling for us to additionally globalise and professionalise our operations, as well as adapt our company structure. Of course, we must do so while preserving our unique corporate culture, too. After all, this culture is what makes LM Wind Power so special."

After pausing for a moment he continues: "One of our first conclusions was that the only way we can do this is by setting up a new global business office in addition to our headquarters in Denmark. Specifically, one located somewhere with a more international orientation, easily accessible from all over the world, and most importantly, not only sufficiently appealing to offer our existing all-star team a new challenge but also to attract new talent. Using these and other criteria, we carefully compared all of the European options and ultimately settled on the

Amsterdam Metropolitan Area. We moved our staff positions at the holding level to this office four years ago, and this has been the seat of our international organisation ever since."

## FURNITURE FACTORY

Having started out as a modest furniture factory in the Danish town of Kolding, LM Wind Power Group has expanded enormously. In their search to expand the limited product line, the founders experimented with building fibreglass windmill blades. Suddenly, in the face of the rapidly growing awareness that the planet must switch to renewable energy sources, their side project took an unexpected turn: Lunderskov Möbelfabrik became LM Wind Power Group, the world's largest manufacturer of parts and service for wind turbines and one of the most respected quality brands in the wind energy market. "We are an international player in the wind market," explains Christopher Springham, the British Vice-President of Global Communications. "There are some 130,000 wind turbines around the world using our parts, thus making us the market leader. We have offices in every major market, and huge production plants in countries including India and China. We employ over 4,700 people worldwide, including the staff that is now part

of our management centre at Schiphol and a research centre outside the Amsterdam Area.”

But the production market for wind systems is changing, and LM Wind Power must change accordingly. Sundén, who has been commuting between Amsterdam, Kolding, his home in Sweden and basically everywhere else in the world ever since the move: “Traditionally, production was based in Europe and the United States but has shifted to manufacturing nations like China and India in recent years. China in particular is aware that clean technology is one of the most important emerging economic sectors and is strongly devoted to it. The same goes for India. Furthermore, both countries are turning into increasingly interesting markets for systems. In China, for example, increasing the sustainability of production processes will become an increasingly important competitive factor, which is why the Chinese have come up with a plan designed to transform the entire energy supply into clean and fully renewable energy by 2050. Wind energy will play a significant role, and the level of investment is rising spectacularly as a result. Given our established presence in the country, we stand to profit from this, too. Right now, 40 percent of our turnover is generated in China, and I expect to see this figure go up. We are seeing a similar trend in other emerging markets.”

Sundén hastens to emphasise that the US and Europe are still important markets for LM Wind Power Group. This will remain unchanged. He points out that in Western Europe alone there are dozens of investment plans, particularly for offshore windmill parks, and that the demand for wind energy systems in this part of the world will at least

double in the years ahead. Which is good news for local manufacturers. “The market dynamic is incredible. We receive orders and requests for information from all over the world. Now we have the in-house technology to be able to make wind energy profitable virtually everywhere on earth. For example, our blades yield anywhere from five to ten percent more than our competitors’ and we are also ahead of the rest in the field of controlling and monitoring systems. Our capacity to innovate has always been our forte.” Nevertheless, the wind group’s CEO says that the industry is now facing the most formidable challenge it has faced in its relatively brief history, and the same is true for LM Wind Power. “We must expand capacity and scale in order to be able to meet increasing global demand, and we must adapt our forms of organisation and move up in the chains in which we operate. Simply being a parts supplier alone no longer suffices by any stretch of the imagination. We must also capture the market for the full range of service and repairs for systems, and be able to control our part of the supply chain. On a global scale, that is.”

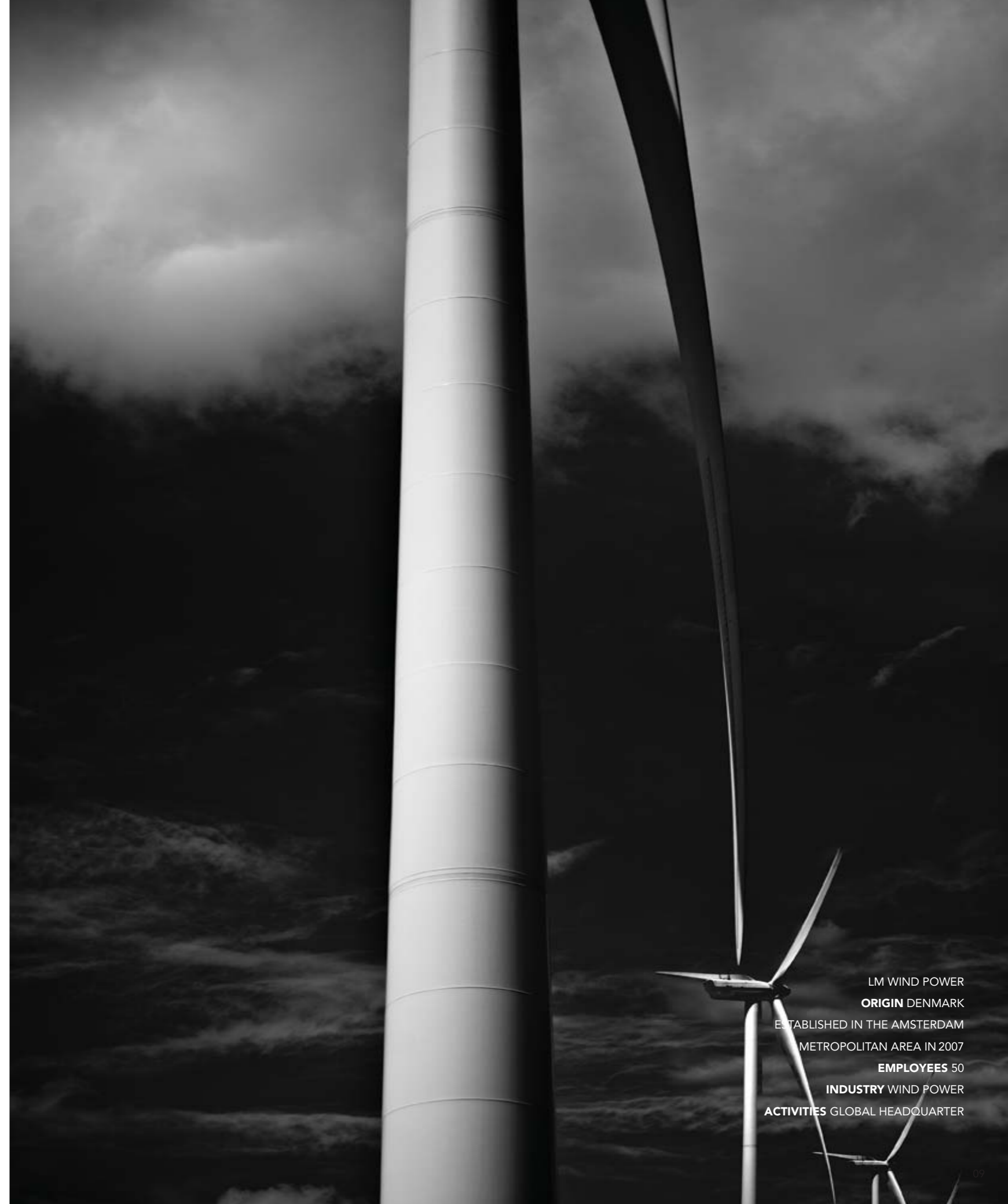
**QUINTESSENTIAL WINDMILL COUNTRY**

The fact that LM Wind Power Group decided early on to transfer the group’s senior management and staff positions to the heart of the quintessential windmill country has proven to be an advantage so far in making the necessary transition. “Of course the fact that the Netherlands has been using wind energy for centuries to keep the polders here dry figured into our final decision. The legacy of this history is a tremendous amount of technological expertise here, and an impressive array of suppliers, engineers and serv-

ice providers. This was one of the reasons why we established one of our three R&D centres here at the time, and why we have maintained close contacts with the engineers at Delft University of Technology, one of the world’s leading specialists in sustainable forms of energy. That has proven to be an important source of inspiration and knowledge for us, and vice-versa, too, I think. But you can also tell that the people and the government here are receptive to the advantages of wind energy.”

The geographical location and proximity to one of the best equipped airports in the world (Amsterdam Airport Schiphol is literally around the corner) were also huge selling points. “Nowadays we must divide our attention between East and West. So it helps when you are based in a time zone where you can have a conference call early in the morning with people in China and end the day consulting with customers in the US or Canada. And of course we are now operating in the Eurozone, and you can fly directly to virtually every destination in the world from here. Plus, office and housing costs here are reasonable, especially in comparison with other international centres, and the fiscal climate is favourable and stable.”

Still, to expat Roland Sundén the most important advantage to the global business office in Amsterdam Metropolitan Area cannot be measured in material terms. “This is a place where talented people from all over the world converge. This is an incredibly significant asset to us. If we intend to maintain our jump on the competition and expand then we must establish lasting relations with the best employees. When it comes to doing so, it turns out that our location here has proven to be a real ace up our sleeve.”



LM WIND POWER  
**ORIGIN** DENMARK  
ESTABLISHED IN THE AMSTERDAM  
METROPOLITAN AREA IN 2007  
**EMPLOYEES** 50  
**INDUSTRY** WIND POWER  
**ACTIVITIES** GLOBAL HEADQUARTER