

FINNLink



Nordic ideas



Believe it or not, this man is busy harvesting our greatest natural resource and it isn't fish - it's ideas. We love ideas, the wealth of our region is founded upon ideas and the ability to realise those ideas. The future will be built

upon ideas and we encourage our customers and our employees to dream. We will partner our customers, helping them to realise their ambitions and dream up new ideas. We are a reflection of our region and its

most important natural resource, ideas. We bring a clear Nordic outlook and approach to the market places of the world. We are looking forward to doing business with you ... the Nordic way.

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Nordea Singapore branch, 50 Raffles Place, #15-01 Singapore Land Tower, Singapore 048623, Tel: + 65 6225 8211, Fax: + 65 6225 5469.

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Become a Member of the Finnish Business Council (FBC) in Singapore

Please contact Kirsi Korpela, Coordinator, FBC Secretariat

Tel: +65 6449 8453 Fax: +65 6253 4101
Mobile: +65 9674 6973
Email: kirsi@singnet.com.sg
<http://www.finland.org.sg/FBC/FBC.htm>

For information about the advertising and editorial in future issues, please contact:

Kirsi Korpela, Editor-in-chief

Tel: +65 6449 8453 Fax: +65 6253 4101
Mobile: +65 9674 6973
Email: kirsi@singnet.com.sg
<http://www.finland.org.sg/FBC/FBC.htm>



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Designed and printed by:

Stamford Press Centre
209 Kallang Bahru
Singapore 339344
Tel: 6294 7227
Fax: 6294 4396 / 6294 3319
stamford@singnet.com.sg
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From The Chairman's Desk

From The Chairman's Desk



Less than one month to Christmas. I cannot quite figure out what happened to 2004. Between SARS, Bird Flu and the problems in the Middle East it has been a very eventful year and time has gone too fast.

The FBC has also had a relatively event-filled program during the latter

part of the year. In **September**, one of our members, Henrik Mikkelsen gave a briefing on the investment environment and outlook in Asia, which has steadily been improving over the course of the last year. The conclusion from the presentation was that there are now more investment opportunities and structures for investment than ever before and Asia presents an interesting investment climate.

In **October**, Jonathan Wootliff, a communications consultant from Europe spoke on the growing recognition by companies that their businesses have a lot more stakeholders than previously thought and they need to actively communicate with them to avoid potential problems. In particular the growing presence of non-governmental organizations has a major impact on our businesses, as they are effective lobby groups to achieve change, not only on the environmental front but also in social and corporate responsibility issues.

December is of course the celebration of Finnish Independence Day with both the annual golf tournament as well as Reception by the Ambassador. The golf tournament is again proving to be a popular event with a

large number of participants registered for the round at Sentosa Club. Here's hoping that the rainy season will hold off for at least that early part of the day. The reception at the Mandarin Hotel, co-sponsored by both the Embassy and individual Finnish Business Council Corporate Members is also expected to be a "wild" event! Also in December we have organized a FBC Christmas Party for members and friends to celebrate, before we all run off for both the last minute Christmas shopping as well as well deserved holidays.

I attended the **European Chamber of Commerce Executive Committee** meeting in November. This group, which contains all of the European Business Councils, is in the process of becoming more active particularly as a lobbying organization. I also, however, got the feeling that the FBC is one of the more active Business Councils and we want it to stay that way.

At our last meeting, the **FBC committee** discussed the idea of widening the current individual membership concept, which complements the corporate memberships. This would be designed to broaden the membership base and provide a greater opportunity for networking. We would be pleased to get feedback on this idea, as it will also involve changes to the FBC Constitution if we proceed.

Next year is an important year for the FBC in Singapore as we turn 20. During the year, we plan to organize some major events as well as our regular program. We are looking forward to an active series of networking and fun events, as well as visiting celebrity guests.

Have a very enjoyable Christmas season and welcome back in 2005.

David Walker

< continued from page 3

in your personal environment. One shouldn't expect, that things are handled here in the same way, as they are back home. Our business entry into Asia was gradual. As our business was visibly growing, we saw a need to have continuous presence in Asia. Based on our experience, working with a local Finpro office, while planning the market entry is beneficial, as it provides a well developed one-stop service point for all your enquiries."

As to how important the participation in industry specific trade exhibitions is, Hans says: "Trade exhibition participation is important to us. Visibility in these exhibitions often brings us new contacts, as our name

becomes more familiar. We take part in the larger exhibitions in all our target markets for example Cannes in Europe and CommunicAsia in Singapore."

To my last question how the Ahnlund family spends their free time, Hans replies with a grin: "Our 1½, 3 and 7 years old children could literally live 24 hours per day at the swimming pool so free time is spent relaxing at the pool area of our condominium. Sometimes we also make little adventures to islands like Pulau Ubin and Sentosa. Every now and then we also take off to nearby beach resorts. Our whole family enjoys living in Singapore – kids just love it at school." (KK)

ECE designs mobile networks for the future

European Communications Engineering (ECE) Ltd founded in 1998, is a Finnish engineering and consulting company specialized in the mobile/wireless network design. Flexibility to support new services, and a high cost-efficiency are the hallmarks of good mobile network design. One key factor in the success of 3G networks is their successful integration with 2G cellular systems to provide seamless end-user services.

Hans Ahnlund is the Vice President (Asia) at the **ECE Singapore** office, which was established in April 2002. "After graduation from Lund University of Technology in Sweden, I started working in Finland for Nokia Telecommunications— that was about 10 years ago. In the beginning of the year 2000, I joined ECE in Helsinki and in 2002, the expansion of ECE highlighted an opportunity to head for Singapore."

ECE's business areas are R&D, Training, and Consulting and Engineering of GSM/GPRS/EDGE/UMTS radio networks. "In these radio technology areas, we provide services like development of planning guidelines and audits, functionality assessment of the radio network, vendor evaluations as well as radio planning and optimization of radio access networks. ECE also offers a wide range of customized courses in radio planning and optimization."

ECE has built up a strong network of technology and local partners. Hans explains: "Our co-operation with Elektrobit, field measurement tool provider, and **Nethawk**, protocol analyzer provider, in Singapore as well as globally is working well. With services complementing each other, we can together provide a complete planning and optimization environment. The co-operation with strong partners and our ability to offer a range of tailor made service packages according to customer needs, gives ECE a competitive edge."

Hans continues by saying that **ECE Benchmarking** and **ECE End-to-End Turnkey Optimization** services have been brought to the market in co-operation with Elektrobit and NetHawk. "Benchmarking service contains

measurement campaign, analysis of the results and optionally competence transfer e.g. on-the-job-training. Respectively, End-to-End Turnkey Optimization service makes use of our service environment and gives full support for demanding tasks during the network optimization process."



Hans Ahnlund

So how essential is the analysis of existing networks while planning to deploy 3G services? "Analyzing the configuration and locations of current systems provides valuable information to enhance deployment strategies and help predict the probable behavior parameters of 3G networks. We can extract a fair amount of information from the data provided by existing networks. One factor is current traffic distribution; in other words, how mobile phone usage is spread geographically and time-wise. Coverage is always critical for the mobile user. We can also analyze what kind of problems and bottlenecks the existing networks are experiencing and mirror that to the challenges of the new technologies."

When asked about ECE's future directions, Hans emphasizes that ECE's future looks very positive in Asia. "We have a clear growth target for our business in Asia. The 3G-technology enables services such as wireless high-speed Internet access, high-quality video and music services. The emergence of new technologies naturally increases our business opportunities. It might though take time before consumers get excited with the services offered with 3G. When GSM was brought to the market the very first time in the early 1990's, consumer adoption took its time. ECE has currently offices in Helsinki (Finland), Singapore and Dallas (USA), and is present in major markets of Europe, Asia, the Middle East and North and South America."

What kind of advice would you give for Finnish companies who are looking into entering the market in Asia? "I think it is very important to be open minded and accept from the beginning that there are cultural differences both in the business environment and

HOSPIMedica ASIA 2004

Premiered in 1997, HOSPIMedica ASIA is the Asian version of MEDICA Germany, the world's leading exhibition for doctors, surgeries and hospitals. HOSPIMedica ASIA is today a benchmark event for the medical and healthcare industry in South East Asia. The exhibition focuses on hospital development & management, medical & healthcare equipment and technology, pharmaceutical, diagnostics and rehabilitative care.

More and more serious buyers from Asia congregated at HOSPIMedica ASIA 2004 in search of better medical and health technologies, equipment and devices. More than 80 percent of the 5,540 trade visitors came from the Southeast Asian region. The exhibition attracted some 320 exhibiting companies from 32 countries and economies among them several Finnish companies.

Ani Biotech Oy produces diagnostic test kits and reagents for laboratory, physician office and home use. The main product groups are fertility tests, infectious diseases tests, and cardiac marker tests for determining the risks of heart diseases and deep vein thrombosis. "We will introduce this year some highly advanced multi-tests to the world market such as an allergy microarray, which will include some 5-10 most common allergens and the content will vary from region to region."

"The knowledge of Celiac disease has increased recently. For this purpose we have now to offer a rapid test, which measures anti-human tissue transglutaminase antibodies from finger tip whole blood samples. The test is meant for laboratories and doctors offices but also for home use. Based on broad clinical studies, it has excellent sensitivity and specificity," explains Export Marketer, Mr. Max Kreander.

Ani Biotech's affiliate, Ani Labsystems Ltd. Oy, manufactures diagnostic kits and reagents for use in clinical and research laboratories. "We have concentrated today on the development, manufacturing and selling of EIA kits of three product families: tests for respiratory infections such as Chlamydia pneumoniae, tests for neonatal screening such as PKU (genetic inborn error of metabolism), TSH (thyroid disorders) and Toxoplasma and tests for diseases transmitted through blood such as HIV, Hepatitis B and Chlamydia trachomatis," says Marketing Manager, Mr Ilari Tuominen.

"Asian trade is today for Ani Labsystems fastest growing and very important. We have now quite reasonable

position e.g. in Japan, China and India for some of our products, however much is still to be done and to reach the goal the HospiMedica and similar exhibitions are valuable. In Finland the operations of both Ani Biotech and Ani Labsystems have just moved together into new "state of art" facilities. We believe this will in the future improve our possibilities to develop new innovative products."

Hankintatukku Oy is the leading manufacturer of health food supplements and natural remedies in Finland and in Scandinavia. "We have more than 300 special products covering the whole range of supplements and



other special products: vitamins, mineral and trace element products, lecithin and oil products, slimming products, herbal remedies, various extracts, tonics and herbal cosmetics. Our exports to Asia are continuously increasing and there is a lot of interest into our products in Asia for example in Korea. Finland's reputation and products are highly regarded and that has also boosted the interest into our products," says Export Manager, Ms. Maritta Savolainen.

Innokas Medical Oy produces technology for healthcare sector, both as own products and as a contract designer & manufacturer of large international brands. "At the moment our product palette includes diathermy devices for electrosurgery and electrotherapy & analyze products for physiotherapy and rehabilitation.



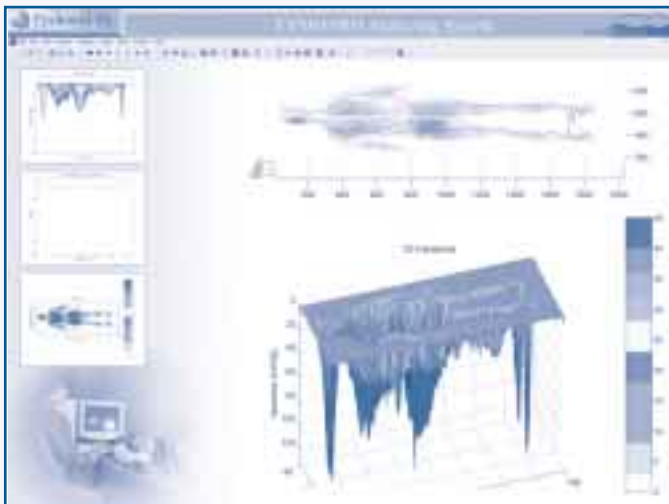
Innokas Medical Oy is also one of the key drivers in the "World's First Wireless Hospital" project, which is expected to reach its piloting stage in Oulu, Finland during 2006," explains Managing Director, Mr. Jouni Ihme.

Serres Oy's Disposable Suction Liner System is revolutionary compared to traditional liners used for clinical suction of blood and other fluids. Innovative product solution not allowing misconnection maximizes the ease-of-use for the nursing staff and ensures safety in all situations. "We are the biggest European manufacturer of suction liner systems and with this product range the market leader in the Nordic countries as well as in many European countries," says Marketing Manager, Mr Eetu Koski.



"In Asia and Pacific region our products are currently available in Japan, Thailand and Australia. The distributor network is continuously extended to cover more of the important markets in Asia. Participation in the HOSPI Medica ASIA 2004 provided us an unequalled opportunity to exhibit our capabilities and values to potential customers," concludes Mr. Koski.

Spina Balans Clinic has developed a computerised Fysio Pro Analysing System (FPAS), which is totally a new way to plan and analyse physiotherapy. FPAS method can



be used in diagnosis, examination, and control tests. It gives instant feedback for patient and therapist. "FPAS is totally a new method to relieve back and neck pain, joint and muscular malfunctions, as it helps create customized supports, mattresses and pillows," says Managing Director, Mr. Jouni Paavilainen.

"Next spring we are starting a Fysio Pro training together with Häme Polytechnic here in Finland. Later this training will be arranged also in English. Spina Balans Ltd. manufactures also products that are meant to maintain the results of physiotherapeutic treatment such as lordosis (swayback) pillow, mattresses and different kinds of supports. These products are made of our own foamy material called Meditherm. It is very endurant and breathy and reacts to warmth giving an individual support." (KK)

Exhibition



Maritta Savolainen,
Hankintatukku



Serres Stand



Jouni Ihme, Innokas Medical



Jaana Paavilainen, Spina Balans

Starcut keeps you entertained while you are on the move



Ville Meloni

A large number of companies are competing for a role in the market and a slice of revenues, as we progress from the current generation of voice-based services towards a new era of mobile entertainment.

Starcut's story began in the year 2000, when **Teemu Virtanen**, the then host of a show called Hollywood Express, "the Entertainment Tonight of Finland", came up with an idea to bring the rich experience of the movies to mobile customers by utilizing the latest technological innovations. He partnered with **Juha Tihonen**, a former media company CEO. The duo then assembled a team of talented communications specialists, who had backgrounds both in telecom and Hollywood.

Their extensive network within the entertainment industry helped them to acquire content rights. Starcut closed a deal



with **Universal**, giving it access to more than 100 top film and television properties. A wide selection of branded content, including movie-themed phone logos and

mobile games, were made available through **Club Nokia**, an online community and loyalty program for Nokia phone owners. In 2002, **Lucasfilm**, Nokia, and Starcut entered into a multi-year agreement to bring the adventures of the Star Wars to the mobile world.

"Starcut is a mobile media publishing company that develops and manages premium mobile entertainment services for mobile operators, mobile device manufacturers, entertainment companies and brand marketers globally. Our focus content areas include movies, music, TV, games, sports and life-style. We have offices in Los Angeles, Helsinki and Singapore," explains **Ville Meloni**, Regional Manager, Starcut Asia Pacific in Singapore.

Starcut has participated in the Global Content Partnerships project launched by Finpro's Wireless industry team in 2003. Many of the participating companies have found partners and established global relationships with the help of this project. How successful has this project been for Starcut?

- Our participation in this project has brought us mobile operator contacts as well as initiated new projects in Europe and Singapore. In addition to mobile operators, we met with advertising agencies, department stores and record labels in Singapore. These meetings helped us to understand better what clients want in these markets, how interested they are in mobile media and, at what development stage they are with mobile media usage. This project was an effective way to gather valuable information about market opportunities.

Finnish mobile content is both high quality and innovative. Still Finland is not alone leading the development of mobile content offerings. The USA, the UK and countries in East Asia are major sources of competition for Finnish companies. What are Starcut's strengths compared to competitors?

- Competition in the mobile content industry is rather fierce. There are many companies out there offering for example ringing tone, graphics and games services to consumers. One of our strengths is that we are not focused on a few basic mobile content service types only. Starcut has an excellent track record in working with the leading entertainment companies on mobile media. Apart from pure mobile content products, we are also able to create innovative new concepts that for example enable the consumers to get more out of their regular TV and Radio media consumption experience. Our clients such as **Nokia** want to find new ways of enhancing their products – and at the same time serve their customers who in turn are looking for new revenue and promotional opportunities. We can help them by bringing in our profound understanding of and experience in the mobile medium.



Mobile phones are turning into something more than what you use to talk to other people. They are increasingly becoming a source of entertainment. Do you think that consumers are willing to pay a premium for ringing tones, graphics, and other branded content they would never pay for on a PC?

- Mobile phone is more personal than the PC so many consumers want to for example further personalize the phone and are willing to pay for this. So the two mediums are different in nature.

- The mobile content purchasing decision is also more impulse based and mobile content usually has a relatively low price point. The mobile shopping experience is usually more straightforward compared to purchasing games, software or even downloadable music content for PC. And now even more easy to use mechanisms emerge that enable consumers to access the latest mobile content for example through user-friendly mobile content shopping clients. So simplicity of purchasing is one of the keys here.



- One way to attract consumers to purchase mobile content is to offer them brands they're already familiar with. Media companies are increasingly realizing the potential of the mobile medium and are licensing their brands for partners

who can create attractive mobile consumer services utilizing them.

How would you comment on the role mobile media plays in the daily life currently? Is it still seen as supplementary in relation to other media like Internet and newspapers?

- Mobile medium is great because it is practically in your pocket almost all the time. I think that for many people mobile medium still is equivalent to SMS but nowadays you can also for example read "**Channel Asia News**" in Singapore via WAP or access **CNN** through a mobile news-application. I often times even read short headlines from

Finnish magazines using the mobile phone while on my way home from work. Currently mobile media is a good complement to other media and mostly consumed in short patches.



- One good example of the supplementary role of mobile media is the "Nokia Idol" application. Using this application, "Singapore Idol" fans can continue the viewing experience

even after the broadcasting time ends. For example, artist

interviews, video clips and voting machine can be accessed through the mobile media.

- Listening of music and watching video clips through mobile media are likely to increase when data transmission rates increase and the handsets gets more sophisticated – provided that the pricing is right.

Does the mobile media bring the advertisers closer to the consumer in the future?

- Even though traditional models change slowly, it is clear that advertising industry is going through some radical changes because of the expansion of the media landscape and the growth of interactive media – which the mobile media is an emerging part of. For example SMS campaigns, which consumers have not experienced as being unwanted SPAM, have achieved good response rates. Charm of novelty could also play a part here, as the number of received SMS campaign messages is still fairly low. Of course these messages should be very wisely targeted. Measurability, targetability and two-way communication are the key strengths of interactive media. But mobile media is even more personal and omnipresent so it adds interesting possibilities for the marketing companies to establish a very personalized two-way dialogue between them and the consumer. You can nowadays also find companies such as **Coca Cola** rewarding their customers with complementary mobile content.

What should Finnish companies keep in mind when they plan a market entry to Asia?

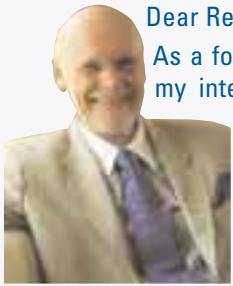
- This is a very different market. My best advice to you is - do your homework. It gives you some basic understanding to start with. Also do not forget that Asia is not one large market, but it consists of number of separate markets. This is of course demanding, but on the other hand it also offers a vast number of opportunities. In our experience, Finpro's assistance was very helpful at survey and partner search stage. It was also very beneficial to discuss with Finnish companies, who have been active in the area already longer time. At an as early stage as possible try to find reliable local people, who understand local culture and local business culture, to manage the affairs.

If you polish your crystal ball, what do you foresee for Starcut?

- The future scenario is that different media will converge into one digital media accessible through any means imaginable without wires. Starcut is a significant aggregator, packager, and distributor of entertainment content who strategically cooperates with many entertainment companies. We also help premium brands to use mobile and other interactive media as a channel to market and sell their core products to their customers. (KK)

Ambassadors Column

The Finnish Model and Singapore



Dear Readers,

As a follow up to one of the points I raised in my interview in the 3rd Quarter Finn Link, I would like to elaborate the things that I consider important for the Embassy and the Finnish High Tech companies present in Singapore or planning to enter the Singapore-based regional market.

* * * * *

Traditionally, Silicon Valley has been considered the model that societies should imitate to succeed in the information age. In recent years, the Finnish Model has attracted widespread international interest. The model has been analyzed by Dr. Castells and Dr. Himanen in their book **"The Information Society and Welfare State: The Finnish Model"**, published by the Oxford University Press in 2002.

The model started taking shape in the early 90s with the strategic corporate decisions taken by the emerging new Nokia that later, at the turn of the Millennium, became the sales leader of Mobile Phone Handsets. In mid 90s the then Finnish Prime Minister and the Government made a firm and important political commitment by drafting and adopting the principles of the long-term national strategy to set Information Society as a national goal.

There were **four major guidelines** that were adopted:

1. Information technology and information networks tools in private and public sector renewal.
2. Information industry to become an important future sector of economic activity in Finland.
3. Professional expertise in information and communication technology to be maintained at high overall level, with selected peaks.
4. The Finnish information structure to be competitive and capable of providing high quality services.

In 1998, the Finnish National Fund for Research and Development (SITRA) published a document entitled: **"Quality of Life, Skills and Competitiveness"**, which deals with the starting points and goals of strategic information society development. The following is presented as a national vision: "The Finnish society will develop and apply the possibilities of information society in an exemplary, diversified and sustainable manner in order to improve the quality of life, skills, international competitiveness and interaction".

* * * * *

Due to these wise and farsighted policy decisions and investments on research and development both at public and private sectors, Finland has globally become one of the most advanced countries in the field of information and communication technology.

A number of Finnish High Tech companies are also present in Singapore and the regional market. I think, however, that much more can and should be done. Many more Finnish companies should be encouraged to enter the local and regional market. I will utilize my longstanding contacts with the Finnish companies to urge them and help them enter the Southeast Asian dynamic market.

Being one of the major knowledge and know-how bases of the area, Singapore is ideally located for the Finnish companies not only to establish their regional offices, but also to enter into fruitful cooperation with the Singaporean universities and research institutes. As a matter of fact, some promising cooperation projects are shaping, and some are already in progress. I can promise that the Embassy will be active as a facilitator, door opener and an intermediary between the companies, authorities, and research institutes.

I hereby send my warm Season's Greetings to the Finnish Business Community and look forward to an intensive and fruitful cooperation in the coming year.

Risto Rekola

Mr. Henrik Mikkelsen from Refco, gave an excellent briefing on the investment environment and outlook in Asia at the September Luncheon. In October, Mr. Jonathan Wootliff, Corporate Responsibility Consultant from Europe, talked about the importance of building productive relationships between companies and non-governmental organizations, pressure and advocacy groups.



(l-r) Mr Lim Finpro with Mr Ranta Nordea



(l-r) Mr Heiniö Vertex, Mr Mikkelsen Refco and Mr Mäki M-real



(l-r) Ms Yip and Ms Persson SAS, Ms Gylden HSEEE and Ms Larson Helu-Trans



(l-r) FBC Chairman Mr Walker with guest speaker Mr Wootliff

We were honored to welcome the new Head of the Embassy of Finland in Singapore, Ambassador Risto Rekola as our guest speaker for the August Luncheon, the opening event of the autumn season of Finnish Business Council activities. He spoke enthusiastically on the topic of "The Promotion of Export and Globalization of The Finnish Companies" with a big audience in attendance.



(l-r) Mr Mäki M-real, Ambassador Rekola and Mr Ojanen Contra



(l-r) Ms Chuah and Ms Tan from Huhtamäki with Mr Goh Nordic European Centre



(l-r) Mr Koivuaho Elektrobitt, Ms Persson SAS, Mr Björkman SEB and Mr Gylden Gylden Oy



(l-r) Mr Poulenard Stora Enso, Mr Julian Silvermaze and Ms Gylden HSEEE

For the fifth time, HOSPIMedica ASIA, brought manufacturers and suppliers from the global arena into closer contact with South East Asia's health care markets. The cocktail reception held at the residence was well attended by the exhibition delegates, Finnish business community members and Sami Seliö F1 Powerboat Team.



(l-r) Ms Wohlström NIB with Ms Metsäranta Serres Oy



(l-r) Ms Savolainen Hankintatukku with Ms Winnie Peck and Mr Victor Loo from Medic Marketing



(l-r) Maestro Kamu, Ms Airaksinen Finpro Marketing, Mr Koski Serres Oy and Mr Orpana Valon Kone



(l-r) Mr Paulin, Mr Seliö and Mr Nurmi



(l-r) Ms Hänninen and Ms Salo Embassy of Finland, Mrs Himanen VTT and Mr Himanen Jaakko Pöyry Infra



(l-r) Ms Rutherford, Ms Kujala, Ms Salminen and Ms Häärä

Mr Okko Kamu, Principal Guest Conductor of SSO, returned to conduct at Russian Rousers Concert and Mozart Festival in September. Ambassador Rekola and Mrs Rekola hosted a reception for the Maestro's honor.



Mrs and Mr Salokangas



(l-r) Mr Zilliacus and Maestro Kamu



Malcolm Tham Wine Resources with Ms Pang Siu Yuin SSO



(l-r) Ms Ramula, Ms Mäki and Ms Haimi

Photo Gallery

Photo Gallery

Nordic markets and technological expertise are attracting foreign investment to Finland

A new survey shows that foreign-owned companies increasingly operate in Finland to serve the Finnish and surrounding markets and their short-term expansion plans are centred round Russia, the Baltic countries and Central Europe. The survey, **"Foreign businesses in Finland: investment motives and views on the operating environment"**, was commissioned by Invest in Finland, in conjunction with Tekes, the National Technology Agency of Finland, and Sitra, the Finnish National Fund for Research and Development, and reveals that the market sector that foreign-owned companies operate in has a big impact on the reasons why businesses invest in Finland.

Greenfield companies emphasise the market reasons. The opportunity to reach the Finnish and surrounding markets has attracted the majority of Greenfield investment to Finland. This is explained by the fact that nearly 70 percent of foreign-owned Greenfield companies in Finland operate in the wholesale and retail sector. Greenfield companies are also attracted to the cooperation and networking opportunities the Finnish business environment offers. In addition, corporation tax and transport costs have also become more important considerations in recent years.

More foreign-owned companies acquire Finnish companies than launch Greenfield operations, according to the survey, which highlights that the most important motives for the acquisition of Finnish companies is the need to expand existing markets and the opportunities offered by the marketing and business expertise of the acquired company. The Nordic markets, and the conditions for research and development, have also become more significant investment factors for companies making acquisitions. Acquiring technological expertise is still very important but less so than a few years ago.

Findings from the survey show that the sector of foreign-owned companies is a big determiner in how companies establish a presence in Finland. Technological expertise is a significantly more important motive for industrial companies compared to companies working in services, energy and construction and wholesale and retail.

Foreign subsidiaries carrying out development or innovation activities in Finland also see technological expertise as a major competitive advantage and feel it provides benefits for their groups' foreign units. Consequently, they cooperate with Finnish Universities and education and

research institutions more than businesses in other sectors.

The three strongest operational advantages provided by the Finnish business environment are revealed in the survey as the honesty and dependability of Finns, the region's infrastructure and access to technological expertise.

The future is bright for foreign-owned companies investing in Finland. They have a higher growth expectation than domestic companies, with those based in the service sector setting the highest projections. Following an acquisition the majority of Finnish companies also increase in head-count and profitability.

The survey concludes: "The companies have been interested in Finnish markets or market areas that can be served from Finland. This is particularly true for commerce and service sectors. For industrial companies, technology has been a considerable incentive in making the decision to locate in Finland. Foreign companies have clearly been seeking expertise related to the Finnish core businesses, such as the forestry industry and information and communications technology.

The single most important factor influential to a company's future prospects in Finland is the domestic demand for their products. The second most important factor is the excellent Finnish expertise and the third most important factor is the group's regional strategies beyond Finland."

Sirkka Aura, Chief Executive of **Invest in Finland** comments: "The Finnish and surrounding markets are proving a popular pull for foreign investors. Finland's excellence in technological expertise, its top-level business environment and its location as a business centre for Northern Europe continue to be very competitive factors for foreign-owned companies. The findings from the research confirm our thoughts and show that companies are coming here to stay with investment plans for the surrounding markets."

The survey is part of a larger report entitled **"Finland's position in the global marketplace – companies' motives for locating abroad"** and was carried out by ETLA, the Research Institute of the Finnish Economy. The report involved in-depth interviews with managing directors and senior management personnel in over 1,300 companies operating in Finland.

(Source: Invest in Finland)

Your Financial Partner in Asia!

The SEB Group is one of the largest financial service groups in the Nordic region. The business, which provides a wide range of financial services for private individuals, companies and institutions, is carried out in some 20 countries around the world. SEB's office in Singapore has been serving customers in Asia since 1979 with both private and commercial banking services and products.

Corporate Banking

Sven Björkman
Tel (65) 6357 0821
E-mail: sven.bjorkman@seb.se

Trading and Capital Markets

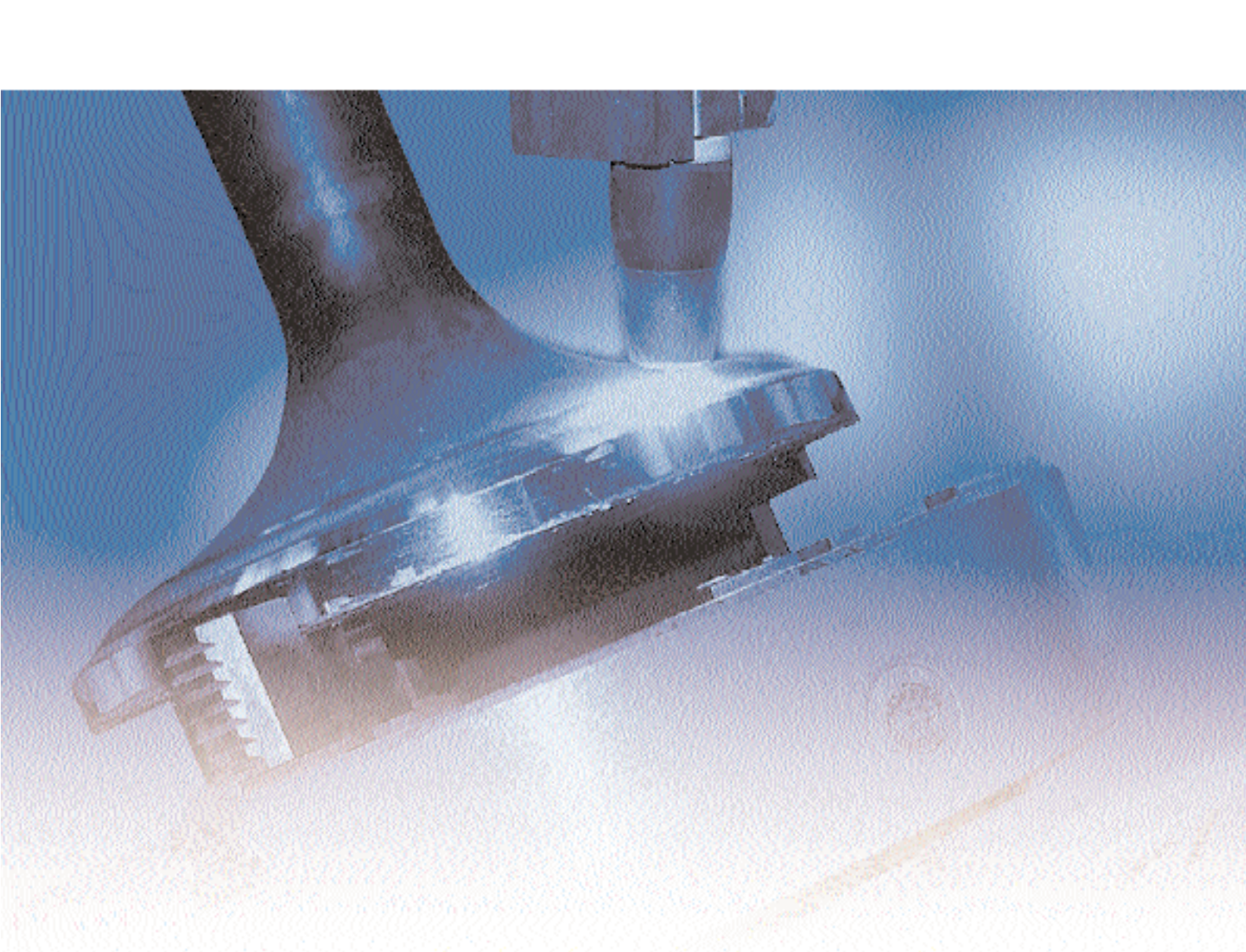
Eddie Amin
Tel (65) 6357 0863
E-mail: eddie.amin@seb.se

Private Banking

Ole Fr. Harre
Tel (65) 6357 0882
E-mail: assetasia@seb.se

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Monica Lim
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Greetings from Finland

Our columnist Mr Erkki-Jussi Erkkilä worked in Singapore for eight years and was active within FBC for six of those years. Since his return to Finland, it has been a pleasure for him to contribute to FinnLink in the form of this quarterly column.

The sound of traffic outside the apartment windows has changed: the rustle of steel against the asphalt as cars speed past. Yes, it is the time of lower speed limits on the motorways and roads – winter is coming and steel-studded winter tyres for more grip on the icy road surfaces are a necessity. Well, here in the South of Finland the studded tyres are really needed but a few times during the winter months but you better be prepared for those snowy or icy days. So far, no snow here in Helsinki but the forecast promises that the end of the long and mild autumn is near.

This autumn two elections took place, one overseas raising concern and passionate opinions pro and con, and one local to elect about 12,000 members to the city, town and municipal councils. The Finnish electorate was not eligible to vote for the president of the U.S.A. and yet had a strong opinion on who would be the right man. On the local scene, however, the low turn-out was a sign of people being alienated from local politics. The parties tried to activate the young, first-time voters, to the polls by presenting candidates with name in TV, radio and popular music. A lot remains for the parties to do to bring about a change of attitude towards active participation in the local politics.

In early October, the Centre for Finnish Business Policy Studies, EVA for short, published a report called **"Finland's resources for success – a road map to the future"**. Where are we

going? Are we able to change and effectively adopt the global markets and technology? Are we able to maintain competitive education, and effective and affluent society? Can we sustain the development, the balance between economy, welfare and environment?

A serious debate by the political leaders and top men and women in industry and commerce is needed to work out means and ways to meet the challenges of globalization. We have to compete with other nations on new distribution of work, the corporations on markets and capital. For the Finns new skills are needed for work that suits us: knowledge-based activity. There are less and less purely Finnish things. Most of the technology, and even most services are international. We have to learn international cooperation. It is essential to maintain trust: between employers and employees, on politics, judicial system, and economy.

The collective bargaining discussions seem to be proceeding at snail's pace. The employers' federation considers the demands of the employees' negotiators as far too expensive. A major issue is the compensation in a case of dismissal due to economic and productive reasons. Wage levels have not even been touched yet. On top of that a wildcat strike by the drivers in two metropolitan bus companies threatens the negotiations further. Interesting weeks ahead.

As you can see there is nothing about sports. Well, we seem to be superior in the European ice hockey scene, so why boast. Best wishes, dear readers, and Season's Greetings. I hope you have a joyous Christmas, wherever you spend the holidays.

Increased Asian demand for Finnair Daily from Singapore in Summer 2005 Non-Stop from Hong Kong to Helsinki

In response to increasing demand, Finnair flight connections between Asia and Europe will be further boosted next summer with daily flights between Singapore and Helsinki together with three weekly non-stop flights between Hong Kong and Helsinki.

"There is the greatest demand in the Hong Kong and Singapore markets in June, July and August," says VP, Network Strategies and Management, Petteri Kostermä, explaining the increase. Flights between Singapore and Helsinki continue via Bangkok during the summer on a daily basis. Singapore connects very well with flights to and from other parts of Asia and Australia.

The flight time between Hong Kong and Helsinki is cut by as much as four hours to about ten hours by removing the stop at Bangkok.



Passengers traveling from Asia to Helsinki have excellent connection options through Finnair's extensive European network, which will be supplemented, for example, with flights to Venice next summer. For European travelers, there are good connections between Hong Kong and mainland China and other capitals of South-East Asia.

Finnair's Hong Kong and Singapore services, like all Finnair's other Asian flights, are operated using Boeing MD-11 aircraft. Departures will be on Wednesdays, Saturdays and Mondays from Hong Kong, and Tuesdays, Fridays and Sundays from Helsinki, from May 31 to September 2, 2005. The three extra Singapore flights, adding to the four already operating, will be scheduled from May 30 to August 31, 2005.

Sharing Christmas memories

I'm feeling a little bit nostalgic when I think about the Christmas celebrations of my childhood in the Finnish countryside. The whole Christmas preparation started when



I went to pick up the Christmas tree with my brother, father and frame saw. It was always an incredibly difficult job to choose the best looking tree considering how thickly snow was covering them in our spruce forest. My father always joked about that the best Christmas tree is the one that you have taken from the neighbor's forest.

The day before the Christmas Eve we went to the cemetery to light up candles at the graves of our departed loved ones. Even though the degrees of frost were sometimes close to 25 Celsius, it couldn't keep us away. After that we attended the evening Christmas Mass. I have to confess that I preferred the morning Mass at Christmas Eve – it was a shorter one.

My brother and I thought that the Christmas Eve was absolutely the longest day of the year. In the morning we ate rice porridge with plum soup. I always sprinkled a lot of cinnamon to my rice porridge, as I hadn't yet discovered the good taste of plum soup. Then we decorated the Christmas tree. As I was the older one, I was honored to help my father put the electric candles on the tree.

At noon, we gathered in front of the television set to listen how Turku, the oldest city in Finland, declared Christmas peace to the whole of Finland. My mother told us that this peace also included my brother and I. According to her, there were still a slight chance that the little helpers of Santa Claus would report to him that certain two children were naughty. She also warned us that the naughty ones wouldn't get any Christmas presents – only a faggot. So we took her words outmost seriously.



Christmas Sauna was always an important part of our Christmas traditions. Some daredevils weren't satisfied just with the heat – they ran straight from the sauna to the ice hole that was specially sawn for winter swimming. In the absence of the hole in the ice, you could always roll in a snowdrift. I was told that it would improve the circulation of blood. Honestly, I thought that it had done the opposite - frozen their brains. Anyhow, after that experience you would need to sip some mulled wine mixed with blanched almonds and raisins to warm yourself up.

Finally, it was time for the highlight of the evening. We heard a knock on the door and there he was. A plump looking, white-bearded man dressed in a red suit carrying a heavy looking sack. We climbed bravely on the knee of the Santa and did our best to convince him the final time that we had been good during the whole year. What a joy it was to open all those presents! Sometimes I was surprised to get so many "soft" presents even though I had specifically mentioned in my letter to Santa Claus that I would prefer the "hard" ones. I had already several years reserve of pajamas.

The evening ended with the Christmas dinner. The first couple of slices of oven-baked ham with special mustard



were just melting away in my mouth. Potato, carrot and rutabago casseroles, mixed beetroot salad, cold-smoked salmon and herring dishes were also an essential part of the Christmas menu. The plum sauce filled star-shaped Christmas pastries and gingerbread cookies topped off the dinner.

Christmas Day and Boxing Day were spent with our relatives. Everyone was eating too much but you have to remember that Christmas is only once a year.

The most beautiful Christmas is probably the one that exists in my memories. However, I still hope that Santa Claus will find his way from Korvatunturi to Singapore also this year, as I am looking forward to sitting on his knee again! (KK)



Watch Darude - the renowned Finnish DJ - spin the records on Christmas Eve Evening at the *WOW! XMASRAVE party, Suntec Singapore, Hall 602, 20:00 - 04:00. Presented by SingTel, Finnair, Pioneer and Visa, the *WOW! XMASRAVE party will bring the rave scene in Singapore to the next level.



Here is your chance to WIN TICKETS to see Darude LIVE!

Five first Singapore-based FinnLink readers to send an email with name and mobile phone number to darudesingapore@hotmail.com, win each 2 tickets to *WOW XMASRAVE party. The subject of the email should be "Win tickets". You will be notified by phone, if you have won.

Tickets through SISTIC: S\$28.00

At the door: S\$38.00

Finnish Christmas tree at Singapore Botanic Gardens

Fiesta in the Gardens 2004 was an interesting and fun-filled event at the Singapore Botanic Gardens. Families could find lots to do with programs such as human-sized puppet shows, interactive storytelling sessions, children's gardening workshops, public talks on orchids and evening concerts. Lining the Gardens' walkways from the Visitor Centre to Palm Valley was also over 30 stalls selling exotic plants, handcrafted gifts, unique collectibles and gift items.



To make the event one of international interest, Embassies were invited to trim Christmas trees with decorations representative of their countries. Embassy of Finland naturally took up the challenge and teamed up with SISU (Finns in Singapore) to adorn the tree with traditional Finnish Christmas ornaments.

The trees are displayed at the Visitor Centre until 30th of December 2004. Visit the Singapore Botanic Gardens and see if you can instantly point out which one of the beautiful trees is the specimen of skill of the Finnish team! (www.sbg.org.sg)

JOB NETWORK expands in Singapore

SWEA Job Network was started by a group of Swedish women in September last year. The primary aim of this network was to help Swedish related companies in Singapore to easily find qualified staff in short notices and to help SWEA's members to find a project, part-time or full-time job here in Singapore.

The feedback from the Swedish companies, from the first two rounds of Job Network Newsletters, was very positive. This encouragement has prompted the Job Network to expand its service to cover all Nordic related companies present in Singapore as well as Nordic candidates, both female and male.

If you would like to join the Job Network or just want to know more about it, please contact Job Network at sweajobnet@hotmail.com.



Singapore Post and the Warner Bros organized children's Slumber Party related to a new movie, The Polar Express. Finnair sponsored two return tickets to Rovaniemi for the lucky draw. Ms Salo and Ms Hänninen from Embassy of Finland assisted event organizers by gathering PenPal friends from Finnish elementary schools.

Eero Hauta-aho's triumphant "Sterna Hirundo" at 19th International Salon of Colour Photography 2004 Exhibition in Singapore

FBC Welcomes The New Members

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Mr. Juha Seppanen, Director

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Mr. Ville Meloni, Regional Manager

Activities: Services (mobile entertainment)

Noviant merges with CP Kelco

Noviant, the world leader in Carboxy Methyl Cellulose (CMC) production, will be merged with CP Kelco, the leading manufacturer of the water-soluble polymers Pectin, Carrageenan and Xanthan gum. Huber, which had acquired Noviant in July 2001, purchased CP Kelco in July this year. Noviant's integration will be realized during 2005.

Huber's purchase of CP Kelco further expands the company's reach into the food, pharmaceutical, and personal care segments. It also significantly expands Huber's research and development capabilities. CP Kelco's production facilities are located in the USA, Philippines, U.K., Germany and Brazil. Anekoski, Skoghall and Nijmegen are Noviant's production sites.



Hannu and Liisa Verasdonck, Darwin Ho, Razeena Begum, James Lim and Teuvo Piilola

The new operation will have three production divisions: Bio gums, Food gums and CMC. The marketing and sales will operate in two divisions: food and industrial. Sales to the dental care industries will be handled by Huber's Engineered Materials' division: HEM consumer products, with production facilities in the USA,

India and Finland, with the products Silica, CMC, Xanthan and Carrageenan. Hannu Verasdonck, Managing Director of Noviant (Pte) Ltd passed his duties to Poul Christoffersen on October 1, 2004. Our sincere thanks to Hannu for his active presence at FBC events and his continued support for FinnLink Magazine.

Holidays Year 2005

Singapore Public Holidays 2005

Saturday, January 1st
Friday, January 21st
Wednesday February 9th
Thursday, February 10th
Friday, March 25th
Sunday, May 1st
Sunday, May 22nd
Tuesday, August 9th
Tuesday, November 1st
Thursday, November 3rd
Sunday, December 25th

New Year's Day
Hari Raya Haji
Chinese New Year
Chinese New Year
Good Friday
Labour Day *
Vesak Day *
National Day
Deepavali
Hari Raya Puasa
Christmas Day *

* The following Monday will be a public holiday.

Finnish Public Holidays 2005

Saturday, January 1st
Thursday, January 6th
Friday, March 25th
Sunday, March 27th
Monday, March 28th
Sunday, May 1st
Thursday, May 5th
Sunday, May 15th
Friday, June 24th
Saturday, June 25th
Saturday, November 5th
Tuesday, December 6th
Saturday, December 24th
Sunday, December 25th
Monday, December 26th

New Year's Day
Epiphany
Good Friday
Easter Sunday
Easter Monday
May Day
Ascension
Whit Sunday
Midsummer Eve *
Midsummer Day
All Saints
Independence Day
Christmas Eve *
Christmas Day
Boxing Day

* Partial holiday only

Wartsila moves under one roof

From January 2005, Wartsila Singapore, Wartsila Propulsion Singapore and Chuwac Engineering will be relocated to 11 Pandan Crescent, Singapore 128467. The main lines and fax numbers will remain unchanged. Only DID numbers will be changed. Ciserv Singapore, a wholly owned subsidiary of Wartsila Singapore, has its repair workshop facility at the premises already.



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Hyvää Joulua - Merry Christmas from Finnair Singapore!

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