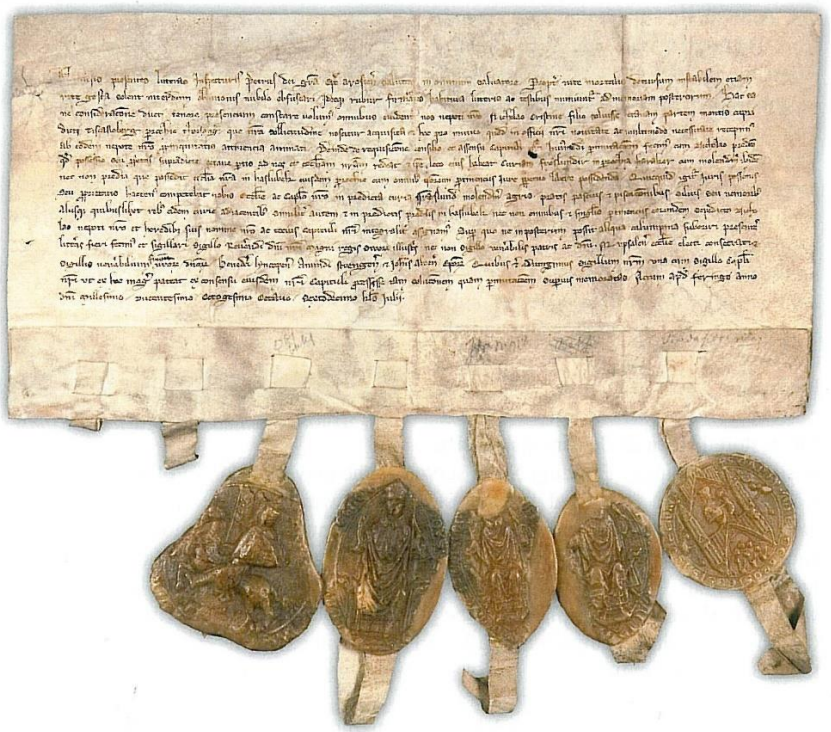
Stora Kopparbergs Bergslags AB, Today's Stora Enso Oyj

BY JOHN ÖRTENGREN

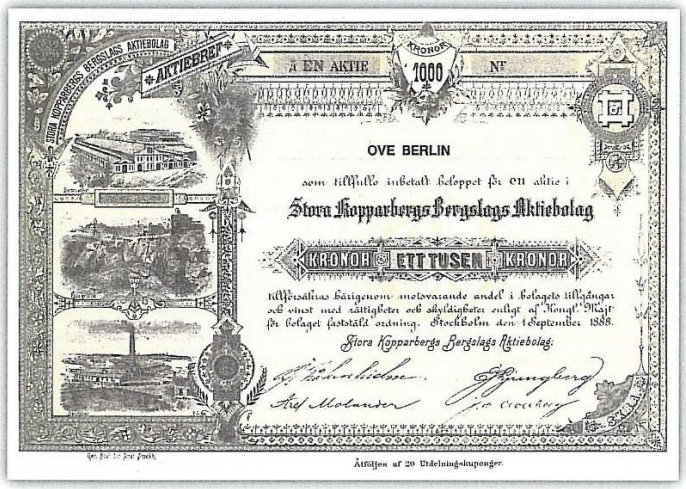
This company has historic roots like no other company in Sweden, not to say in the entire world. ***Guiness Record Book*** has appointed Stora Kopparbergs Bergslags AB to be the oldest corporation in the world, as it has carried out industrial activity on a large scale since its beginning over 730 years ago.

1288 was the first year in the company's history. On June 16 the Swedish king at that time, *Magnus Ladulås,* put his seal on a document (illustrated) confirming that Bishop *Peter Olofsson* in Västerås transferred his ownership of estate and manor house to his nephew *Nicolaus Christineson* to whom he had loaned money in exchange for one eighth of Stora Kopparberget. This document was signed not only by King Magnus Ladulås but also by the Archbishop in Uppsala and the bishops of Linköping, Åbo, Strängnäs and Västerås as well as the chapter of Västerås episcopate. This document, which is the oldest mining share recorded in Sweden, is today in the custody of *Riksarkivet (the National Archive of Sweden).*



Privilege Letter of Falu Gruva (Falu Coppermine from Year 1288. Image courtesy Riksarkivet, Stockholm

Over a half-century later, on February 17, 1347, to be exact, King *Magnus Ericsson,* on his royal estate in Husby at Dalälven (*The Dala River),* issued a privilege letter confirming the previous document - which had disappeared. Hence, the mining men therefore "were under the detention concerning the rights to explore the mountain." While the ruling land use laws at that time governed the Swedish farming community, a new royal legislation was required for large scale mining in Sweden. Hence this privilege document constituted Swedish law at that time.



Facsimile of the share certificate of Stora Kopparbergs Bergslags AB, printed in 9,000 copies. This certificate was given to all participants of the Shareholders Extraordinary Meeting on June 16, 1988

Mining for iron and copper has taken place in Bergslagen since at least around the year 1100 according to pollen analysis, spectral analysis and C-14 investigations. At that time the ore was treated in simple blast ovens after it had been broken into small lumps, called *osmunds.* In the 14th century, blast furnaces were introduced, making the iron float in the melt and making it cleaner. Because of its high carbon content this iron was brittle and non-malleable; hence it was refined by tilthammers (forging).

Toward the end of the 18th century the iron industry began to overshadow the copper industry, whereby the Kopparberget miners became owners of a large number of foundries and forge hammers in Bergslagen. Many foundries came into existence when the *Lancashire method* was adopted in the middle of the 19th century; the majority of these foundries were owned by *'Bergslaget',* i.e. Stora Kopparbergs Bergslags AB.

It was necessary to mine iron for two reasons: copper and iron frequently existed in the same place – hence it was economical to extract both of these metals at the same time. Secondly the company needed iron work tools for its work with copper in Falun. Therefore, it had a ☞

subsidiary – Svartnäs Bruk which at times was the largest iron work in Sweden[1].

The conception *'par'* as a unit of joint ownership or partnership in Stora Kopparberg goes back to the 13th century. Later on this unit was divided into four so-called *"fjärdeparter" (fourth parts)*. The division continued until a fourth *fjärding*, the so-called fourth part was reached.

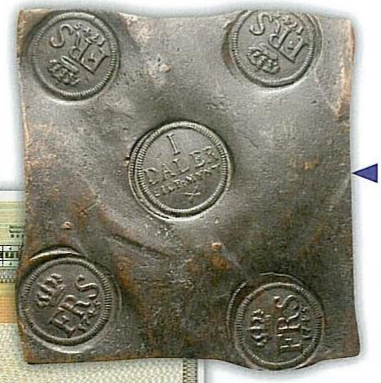
On September 1, 1888, Stora Kopparbergs Bergslags AB formally became a stock company. The ancient fourth parts – at that time 1,200 units – were exchanged for 8 shares at nominal value of 1,000 kronor each. Hence, the nominal share capital was 9.6 million Swedish kronor.

Today's Stora Enso is the result of the merger of Swedish STORA and the Finnish forest company Enso on June 2, 1998. 60% of the shares of the new corporation were alotted to the STORA shareowners and 40% to the owners of Enso. The latter company was formed two years earlier by the merger of Enso-Gutzeit and Veitsiluoto. The goal of the new company was to be the world's leading forestry company. Initially, its annual sales amounted to 90 million kronor. The head office of the company is situated in Helsinki and its shares are currently listed on the stock exchanges of Helsinki and Stockholm.

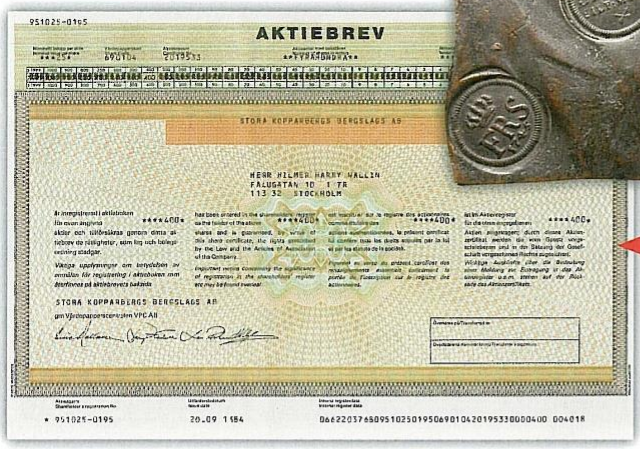
Today Stora Enso is an integrated forestry industry group with production of packaging materials, bio materials, wood products and paper. The company's position in these areas leads the world. The turnover of the group last year amounted to over 10 billion Euros and the net profit after tax was 856 million Euros. The number of employees is just over 26,000 in some 30 countries in 4 parts of the world.

The annual production capacity of Stora Enso is 16 million metric tons, divided between 5.9 million tons of chemical mass, 5.4 million tons of paper and 4.7 million tons of card board plus 1.4 billion square meters of corrugated paper packages and 5.6 million cubic meters of sawn wood products.

The historic archive of the Stora Enso company is administered by *Arkivcentrum i Dalarna* under the direction of *Riksarkivet (the Swedish National Archive)*. This comprehensive archive in total occupies some 13,500 running meters of documents embracing some 50,000 maps/drawings in addition to text and picture documents. The task of Arkivcentrum is to create and maintain company archives and to promote historic, economic and cultural geographic research and to take care of the archives, organizations and individuals with ties to the trade and industry in Dalarna and to carry out consulting work in its areas of activity. ◆



One Riksdalar Swedish copper "plate money" dated 1745, produced from the prolific Swedish copper deposits such as from Falu. Sweden had few silver or gold deposits, so instead the crown made this bulky currency out of the one monetary resource they did have: copper. Plates up to 10 Riksdaler were made, weighing over 40 pounds. This example (about 13 cm square) was produced during the reign of Frederik I (1720 – 1751)



Stora Kopparbergs Bergslags AB, bundna share certificate, 1984

This standard certificate has a denomination counter like the ones we see on American stocks. Here, the possible values are printed horizontally in a row on top. The correct values are not punched out but the inapplicable values are struck through by the printer.

In Sweden, bundna certificates are restricted to domestic ownership, as opposed to fria certificates which can be held by foreign shareholders as well

BIOGRAPHY: Dr. John Örtengren, born in Stockholm on 27 Sep 1931, obtained his Ph.D. in Mass Communication and Media Studies from Syracuse University in 1961. He became a marketing and legal consultant and Europe's first doctor in advertising. Stockholm's Wenner-Gren Center, a tower complex for housing scientists, funded by Electrolux entrepreneur Wenner-Gren, was named that way at the suggestion of John who was then Wenner-Gren's personal PR consultant.

Active in many marketing associations and forums, he wrote books and hundreds of articles, mostly on business management and marketing subjects. John is a spokesman of the Swedish Shareholders Association at AGMs of listed Swedish stock companies.

Passionate about Swedish scripophily, he joined the IBSS in 1978, and SFHV, the Swedish scripophily society, in 1979. He consecutively took on the task of SFHV's vice-chairman, 1991-1994, chairman, 1994-2020, and auditor, 2020. John is co-author of a number of scripophily books on subjects like *Ivar Kreuger* and the Swedish Reference catalog.

In 2009, in connection with SFHV, the Royal Patriotic Society recognized him for "25 years of directed, unselfish work for the stimulation of the archiving of the history of Swedish corporations in general and their shares in particular".

FOOTNOTES: [1] The author's grand grand grandfather headed this work in the period of 1817 - 1834.