

Villum Kann Rasmussen: Inventor and Entrepreneur, 1909–1993. By *Per Boje. Søberg*, Denmark: VKR Holding, 2004. 443 pp. Illustrations, photographs, figures, notes. Cloth, 299 kr. ISBN: 8-798-98362-8.

Reviewed by Flemming Just

In 1941 the young Danish engineer Villum Kann Rasmussen established his own company, V. Kann Rasmussen and Co. In reality, he had no partners, but he felt that the suggestion of one in the title would convey a greater sense of trustworthiness. His small operation was the beginning of Velux, a company whose roof windows today are among the best-known international brands in the field of building components. The windows are produced and sold in more than forty countries. The holding company has more than twelve thousand employees, and the turnover is more than two billion dollars. Rasmussen adhered to the motto that “he who lives quietly lives well,” and the company continues to follow this principle today.

The inventor and entrepreneur V. Kann Rasmussen (or KR, as he was called) was born on Mandø, a small island in the Wadden Sea, where his father was a pastor and teacher. KR and his three siblings learned about the wind, the light, and the sea through direct experience. KR went on to study at the Polytechnic Institute in Copenhagen. Later, in 1940, he and a fellow graduate established a wind-power factory, but since Denmark would not become a leading producer of windmills until the 1980s, the idea was ahead of its time. Simultaneously, KR pursued his interest in light, developing in 1942 a new kind of window, the Velux, constructed of metal on the outside and wood on the inside, that made it possible to build houses with sloping roofs. The name itself combined the concepts of ventilation and light (*lux*). By combining two classic types of window—the old-fashioned skylight and the vertical window—KR created a structure that allowed in considerably more light than the traditional small, iron-framed apertures had done. He then added dew channels to drain off condensation. Eventually KR patented a pivot hinge that enabled the roof windows to rotate 135 degrees, making them easier to clean.

To begin manufacture of his design, KR next entered into partnership with a German family to create a factory outside Hamburg in 1952. By 1960, the factory was

producing 125,000 windows (p. 181). From the outset, KR was determined to make his company international. After a number of setbacks, he managed to gain a foothold in the North American market, establishing a factory in Greenwood, South Carolina, in 1978.

KR's main interest, however, was inventing and patenting new products, not only for the housing industry but also for the consumer-goods market. He invented furniture, plastics, coffee- and teamakers, and climate-controlled wine cupboards, to name just a few of his projects, but he did not achieve a breakthrough with any of them. His ambition was to build a strong research-and-development division and to expand his sales organization, enabling enable him to outsource his inventions and earn a profit on the licenses. However, in the 1980s, he had to take over the management of his window-manufacturing plants and thus was not able to pursue this dream.

Velux was probably the first window manufacturer in Europe to introduce statistical quality control based on American military standards. Inspired by Henri Fayol (1841–1925), who wrote *General and Industrial Management* (translated into English in 1949), KR adopted a new approach to personnel management. In the 1950s, he introduced the idea of conducting annual personnel interviews with employees, and in 1965 he formulated the “model company objective,” which is still used today. This forward-looking model of corporate governance, based on a stakeholder rather than a shareholder policy, can be described as follows: the company “works with products useful to society and treats its customers, suppliers, [and] employees of all categories and [its] shareholders better than most other companies in the country” (p. 277). KR continued to expand on this view, creating two nonprofit foundations under the sponsorship of VKR-Holding Ltd., the umbrella organization for a number of separate companies. The foundations were established primarily as a way to ensure a financially secure transition to the next generation and to enable the firm to continue to be self-financing, thus avoiding repercussions from what KR called “the brutal power of capital.” He conceived of them as a way to repay society for his good fortune by making substantial grants to technical and medical research and to the arts.

In this well-written, thoroughly researched biography, enhanced by many fine illustrations, business historian and professor Per Boje manages not only to tell the story of a fascinating personality who was a genuine example of the Schumpeterian

entrepreneur, but also to describe the broader social and theoretical context in which he operated.

*Flemming Just is professor of history at the University of Southern Denmark. He is the author of numerous books and articles about the Danish and European food industry and about administration history. His most recent book is Food and Conflict in Europe in the Age of the Two World Wars, coedited with Frank Trentmann and published in 2006.*