

Swiss Trade

YOUR GUIDE TO NEW MARKETS



Export Boom

5 Swiss exporters are thriving in a flourishing global economy, in part thanks to a weaker franc. But risks include a trade war and economic slowdown, warns Christoph Lindenmeyer, president of international relations at Economiesuisse.

Cementing ties with allies

6 A free trade agreement with the U.S.? Thomas Borer, a former Swiss ambassador to Germany, discusses why this and a successful conclusion to the Framework Agreement with the European Union are critical for the future of Swiss exports.

Watching China

16 The Swiss watch industry is powering ahead in 2018 with good prospects for next year, says Jean-Claude Biver, chairman of Hublot and Zenith. He sees vast potential in China – already one of the most important markets – as the middle class expands.



**I'm not leaving
Switzerland.**

**I'm taking it
with me.**

Over 100 destinations in 46 countries.

A STAR ALLIANCE MEMBER 

[swiss.com](https://www.swiss.com)

Made of Switzerland.

Staying ahead of the global competition

Swiss exporters are flourishing in a booming global economy, despite the threat of increasing protectionism and rising political risks in a world where many countries are turning inwards and retreating from international cooperation. Switzerland is not among those withdrawing from the world. Both its companies and its government are signalling loud and clear that the country is open for business – and exports continue to account for almost two-thirds of the Swiss economy.

In this issue of Swiss Trade, we examine progress and obstacles in negotiations for a Framework Agreement with the European Union and look at the vast opportunities offered by the renewed prospect of a Free Trade Agreement with the U.S. Experts give advice on how to tap the enormous potential of the Chinese e-commerce market and how to continue trading with Iran, despite the obstacle of renewed U.S. sanctions. Jean-Claude Bi-

ver, the CEO of TAG Heuer, discusses the opportunities worldwide for the Swiss watch industry and Peter Gisler, the director of SERV, gives exporters tips on minimising risks when entering new markets. We also take a look at new opportunities in blockchain and cryptocurrencies and how AI is transforming the translation industry.

A recurring theme is the reminder that especially when times are good, Swiss companies should be doing everything they can to stay ahead of the competition. As Biver tells us: "No tradition equals no future. But no innovation means no future too." For Magdalena Martullo, the CEO of EMS Group, planning for the long term and working on innovations with customers are key to success.

The bilateral Swiss Chambers of Commerce offer an invaluable resource for companies operating abroad – whether they are seeking to conquer new markets or trying to navigate an increasingly diffi-

The bilateral Swiss chambers help executives build links with local partners and customers



Alexander Hornickel, Editor in Chief.

cult environment. The chambers provide information, host forums and seminars, encourage networking and help executives build links with local partners and customers.

Swiss Trade

YOUR GUIDE TO NEW MARKETS

is produced by NextMedia in cooperation with bilateral Swiss Chambers of Commerce

nextmedia

Journalists Catherine Hickley, Cristina Leifland

Cover Photo Daniel Lopez-Paullada

Graphic Design Stellan Stål

Printing Swissprinters AG

Distribution Published in Bilanz on 26th of October 2018 and distributed through the chamber network

printed in
switzerland

For more information about the content and the production of special feature publications, please contact:

Alexander Hornickel, Managing Director NextMedia AG
Phone: +41 41 726 32 35 E-mail: info@nextmedia.ch

For more information about publications in daily press, please contact NextMedia AG

Phone: +41 41 726 32 35 E-mail: info@nextmedia.ch

Swiss Trade is also available online at
WWW.SWISSTRADEMAGAZINE.CH

Get Your Benefits & Services from bilateral Chambers of Commerce

Arab Countries
Argentina
ASEAN Countries
Austria
Brazil
Bulgaria
Central Europe
Chile
China
Colombia
Cuba
Czech Republic
Dom. Republic
Finland
Hungary

www.casci.ch
www.suiza.org.ar
www.sacc.ch
www.hk-schweiz.at
www.swisscam.com.br
www.bscc.bg
www.sec-chamber.ch
www.swisschile.cl
www.sccc.ch
www.col-suizacam.com
www.swisscuban.org
www.hst.cz
www.camaradominicosuiza.org
www.sveitsi.fi
www.swisscham.hu

Germany

India
Italy
Iran
Korea
Lichtenstein
Malta
Mexico
Mongolia
Morocco
Pakistan
Peru
Polen

www.handelskammer-d-ch.ch
www.sdwc-ffm.de
www.vsud.ch
www.sicc.ch
www.ccsi.it
www.sihik.ch
www.sacc.ch
www.hk-schweiz.at
www.maltacham.ch
www.swisscham.mx
www.sacc.ch
www.ccsma.ma
www.sacc.ch
www.swisschamperu.org
www.swisschamber.pl

Portugal
Romania
Slovakia
South Africa
Spain
Sri Lanka
Sweden

Taiwan
Timor-Leste
Turkey
Uruguay
UAE
USA
Venezuela

www.camsuica.com
www.ccer.ro
www.hssr.sk
www.scsa.ch
www.aehs.info
www.sacc.ch
www.swisscham.se
www.swecham.ch
www.sacc.ch
www.sacc.ch
www.tr-ch.org
www.swisschamuruguay.org.uy
www.swissbcuae.com
www.amcham.ch
www.camarasuiza.org



HOW TO STAY AHEAD

Sovereignty and free trade agreements help Switzerland stay ahead

Magdalena Martullo is a member of parliament for the Swiss People's Party, a majority shareholder in EMS-Chemie Holding AG and CEO of the EMS Group. Her advice for Swiss businesses is to specialize and plan ahead; politicians, she says, need to guarantee sovereignty so that Switzerland can hold on to its location advantages.

HOW CAN EXPORT-ORIENTED companies thrive in international competition?

As a Swiss company with high costs, it is essential to distinguish oneself from the competition and to specialize. That is the secret of many successful Swiss exporters. Ultimately, the business has to pay off.

HOW CAN ESTABLISHED COMPANIES ensure constant renewal and momentum for innovation?

We constantly think ahead for the next ten years. We work closely with the development departments of our customers and introduce ideas that could help their businesses. In the auto industry, reduction in component weight is a continuous and important issue. Based on our experience, we are able to replace metal in critical parts, such as seat shells, with our

high performance polymers. The customer saves 50 percent in costs and as much as 70 percent in weight.

WHICH EXPORT MARKETS do you know particularly well and what are the differences?

EMS operates globally, and is well-represented in all industrial regions with 26 production sites in 16 countries. The rate of development varies – in China, innovation can be achieved very quickly. In the U.S., customers are willing to outsource work; in Europe, everything is very carefully reviewed and evaluated.

WHAT ARE THE BIGGEST CHALLENGES in trade policy, and how can they be solved?

Ensuring good economic relations, concluding numerous free trade agreements while still maintaining the best framework conditions and sovereignty – this is what politics are about, especially in a small country.

WHAT DO POLITICIANS HAVE TO DO to ensure the best conditions for successful exports and companies?

Because of Switzerland's high wages, we need a lean state and better framework conditions. Direct democracy has guaranteed us this and brought us prosperity. It is important that we now don't simply adopt foreign laws and lose all our location advantages. In the long term, people make



Magdalena Martullo,
CEO of the EMS
Group and member of
Parliament.

Direct democracy has guaranteed us this and brought us prosperity

better decisions than bureaucrats and politicians. That's why I am campaigning for the sovereignty initiative on which we will vote on November 25. Unfortunately, in recent times the Federal Court has given international law precedence over our own.

WITH WHICH TRADE PARTNERS should Switzerland pursue free trade agreements?

The most important for Switzerland is the U.S. And the doors are open at the moment, so we must seize the opportunity and negotiate!

TRANSLATED BY CATHERINE HICKLEY

FRANKLIN
TURM



Your future in northern Zurich

franklinturm.ch

Contact:

SBB AG, Immobilien Development, Christian Toso

Phone: +41 79 652 83 00, E-mail: christian.toso@sbb.ch

ECONOMIESUISSE

Swiss exports boom – industry calls for more free trade agreements

Swiss exporters are thriving in a benign world economy, says Christoph Lindenmeyer, who is the Chairman of the International Economic Relations Commission of Economiesuisse. Conditions that will enable them to continue flourishing include the successful conclusion of negotiations on free trade agreements and a favourable rate for the Swiss currency.

After the Swiss National Bank removed its ceiling on the franc's rate against the euro in 2015, a dramatic appreciation in the currency created tough conditions for exporters. Since then, the franc has declined – and exporters, particularly in engineering and manufacturing, have focussed on becoming competitive again, says Lindenmeyer, who also serves as Chairman of the supervisory board of Schindler Management AG.

"Many companies have worked hard to streamline operations, cut costs and slim down, particularly with the pressure of exchange rates," Lindenmeyer says. "Companies have managed to get back into shape and are in a position to benefit from a more favourable exchange rate."

Risks to Growth

Economiesuisse has warned that this winning streak for the Swiss economy may come to an end sooner rather than later. It predicts economic growth may slow to 1.7 percent in 2019 from 2.7 percent this year. Export growth, though still strong, may weaken to 3 percent from 4 percent this year.

"The U.S. economy is booming as it hasn't for many years, so we can assume that it will return to lower growth rates at some point," Lindenmeyer cautions. First signs of a slowdown in the German auto industry will also impact Switzerland, he says. German car manufacturers in September warned that they might miss this year's profit targets, partly because of the escalating trade war between the U.S. and



Christoph Lindenmeyer,
Chairman of the International
Economic Relations Commission of Economiesuisse.

Photo: Nique Nager

Companies have managed to get back into shape and are in a position to benefit from a more favourable exchange rate

China. That has already weighed on the stocks of Swiss auto component makers.

Increased protectionism in the U.S. threatens Switzerland directly too, Lindenmeyer says. "The steel industry, which isn't particularly big in Switzerland, is already suffering from U.S. trade actions. This trade war will definitely have a dampening or a negative effect on the whole world economy."

Promoting Free Trade

In this context, free trade agreements with partner economies are more important than ever, Lindenmeyer says. "There are moves towards a free trade agreement between Switzerland and the U.S., which is extremely important," he says. "But it is also important to conclude the FTAs which are already in negotiation – such as with Mercosur," the Latin American trade bloc comprising Brazil, Argentina, Uruguay and Paraguay.

"Agriculture plays a big role in a lot of the negotiations and we have to ensure that the Swiss agricultural lobby doesn't hinder FTAs," Lindenmeyer warns. "This is also a subject with Mercosur – above all in relation to meat."

EU Framework Agreement

More important for the export outlook than any of these discussions are nego-

tiations on a framework agreement with the European Union, by far the biggest market for Swiss companies, Lindenmeyer says. The agreement, which the EU wants to conclude this year, would create a process for five bilateral agreements to adapt to new EU legislation without requiring individual negotiations at every stage.

"This is absolutely crucial," Lindenmeyer says. "A very high percentage exports go to the EU, and if this is threatened, then it would be a catastrophe for Switzerland. It overshadows everything. It is essential for the bilateral relationship."

Brexit is also a concern for exporters, Lindenmeyer says. "Great Britain is export market No. 5 for Switzerland, and Switzerland is doing everything to ensure that if Brexit does happen, trade can continue undisrupted," he says. "For insurers and banks particularly, Brexit is a big subject because they employ a lot of people in London, the world's biggest international financial centre. There is uncertainty about whether these people can continue there or should be withdrawn, and some transfers have already taken place."

WRITTEN BY CATHERINE HICKLEY

KEY PARTNERS

Switzerland edges towards closer bilateral

The European Union and the United States are by far Switzerland's most important trading partners. Switzerland is negotiating a Framework Agreement to simplify bilateral relations with the EU. And twelve years after talks with the U.S. on a free trade agreement failed, Switzerland and the U.S. are trying again. Thomas Borer, a former Swiss ambassador to Germany who founded his own consultancy in 2002, tells Swiss Trade why both sets of negotiations are critical to the future of Swiss exports.

Switzerland has over 120 bilateral treaties with the European Union, its biggest trading partner. Until now, these treaties have had to be negotiated individually after each change in EU law – a time-consuming, painstaking business. Since 2014, Switzerland has been negotiating a Framework Agreement with the EU to simplify this process with a system under which Switzerland would adapt automatically to EU rules.

The Framework Agreement would also provide a platform to solve bilateral disputes. The Swiss government has warned that breaking off negotiations on the Framework Agreement could mean that treaties with the EU are no longer updated, leading to legal vacuums and trade barriers.

“The Framework Agreement is necessary for Switzerland to be able to develop its relationship with the EU further, and the EU is demanding it,” Borer says. “If this framework doesn't come together, then further developments in bilateral relations are blocked. The existing bilateral agreements don't go far enough.”

Single Market Access

The EU argues that if a non-member wants to have access to its internal market, then that country must accept the rules of this market as well as an authority to rule on disputes. Pressure is increasing on Switzerland to conclude the Framework Agreement successfully by the end of the year. European Commission President Jean-Claude Juncker recently pointed out that he is in office only until November 2019 and that things “could be really bad” for Switzerland after his departure. Both the EU and Switzerland face elections next year that could shift the parameters for the talks.

“I would wish the Framework Agreement could be concluded now, because it

is very important for the future of Switzerland,” says Borer. “I regret very much that the government doesn't have the courage to communicate that to the Swiss people. A majority is in favour of it, but there are unfortunately fears from opponents on the right and the left.”

Unresolved Issues

The Swiss government says the Framework Agreement will affect five treaties that secure Switzerland's access to the EU market – the agreements on the free movement of people, on road and rail transport, on air transport, on technical trade barriers and on agriculture.

There is still a long list of unresolved issues. One major sticking-point in the negotiations has been how disputes will be resolved. Both sides have agreed on a court of arbitration with three people – a judge from Switzerland, a judge from the EU, and a third judge from a third, impartial country. In the case of a conflict on EU law, the arbitration court would rely on an evaluation by the European Court of Justice. The Swiss People's Party has criticised this, seeing it as compromising Swiss sovereignty.

Labour unions are concerned that the government will use the Framework Agreement to try to ease rules guaranteeing EU workers Swiss wage and employment conditions in Switzerland (and thus protecting Swiss workers from foreign competition).

Brexit Tailwind

The Brexit negotiations are also weighing on the talks, Borer says. “The EU has shown itself to be very tough towards the U.K., and it can't give big concessions to Switzerland because it knows that it would then have to make concessions to the U.K.,” he says. “So Switzerland is prisoner to the Brexit negotiations.”

Thomas Borer, CEO
Dr. Borer Consulting.
Photo: Renate Wernli



The Framework Agreement is necessary for Switzerland to be able to develop its relationship with the EU further

On the other hand, Brexit is an opportunity for Switzerland, Borer says. After the U.K.'s departure from the EU, “we should act quickly to negotiate a free trade agreement with the U.K., because the U.K. will have more flexibility.”

Free Trade with the U.S.

Economics Minister Johann Schneider-Ammann announced in September that Switzerland is engaged in “intensive talks with the Americans” on a free trade agreement with the U.S., Switzerland's biggest market after the European Union.

Switzerland has 30 bilateral trade agreements with 40 partners, including Norway, Iceland, Japan and, since 2014, with China. Schneider-Ammann, a former entrepreneur whose term in office has been characterised by “hyperactive trade diplomacy,” according to the *Tagess-Anzeiger* newspaper, says free access to the U.S. without customs duties would be “very attractive” for the Swiss economy. After negotiations on the Transat-

ties with the European Union and the U.S.



Atlantic Trade and Investment Partnership between the EU and the U.S. came to an

indefinite halt in 2016, Switzerland now has a chance to leap ahead and gain a competitive advantage for its companies.

“Given the context that free trade negotiations via the WTO have come to a standstill, it is imperative for Switzerland to negotiate more free trade agreements bilaterally, and the U.S. is one of our biggest trading partners,” Borer says.

“Dynamic Partnership”

In a July paper for the U.S. Heritage Foundation, a Conservative think-tank, Anthony Kim, Ambassador Terry Miller and Edwin J. Feulner also argued in favour of a free trade agreement with Switzerland, describing “a long history of dynamic economic partnership that has enhanced prosperity in both countries.” They predict that a bilateral free trade agreement between the two countries “would be a catalyst for advancing freedom to trade and invest as well as for promoting overall economic freedom in both countries.”

The Heritage Foundation urged the Trump administration to consider granting Switzerland tariff exemptions on steel and aluminium products. The U.S. ambassador to Switzerland, Edward McMullen, has also encouraged Switzerland to try again.

Talks failed in 2006 because of opposition from Swiss farmers.

“Agriculture accounts for less than one percent of the Swiss economy,” Borer says. “We can’t allow ourselves to miss out on free trade agreements because of agriculture.”

All seven members of the government are behind the idea of making progress in bilateral trade agreements

Both Schneider-Ammann and Doris Leuthard, another firm advocate of free trade agreements, have announced they plan to step down from the Swiss government at the end of this year. But Borer believes their departures won’t hinder progress towards a free trade agreement.

Government Departures

“All seven members of the government are behind the idea of making progress in bilateral trade agreements,” Borer says. “I think momentum won’t slow, even after two new members of the government are selected. First a proposal must be put forward at the administrative level and that will certainly take several months.”

On the U.S. side, there is interest from President Donald Trump, despite increasing protectionism in the U.S., Borer says.

“Trump’s argument is that he is in favour of free trade but that the current agreements are disadvantageous for the U.S.,” Borer says. “We have seen this with NAFTA – he bangs on the table, cancels the treaties, but then he does want to seal a deal that he can present as his victory. A free trade agreement with Switzerland would also give him leverage to put pressure on the EU, because the German, French, Italian companies competing with Swiss industry would be disadvantaged.”

WRITTEN BY CATHERINE HICKLEY

Efficient management of supplier declarations and correct use of free trade agreements – globally

There are already more than 400 ratified free trade agreements (FTAs) around the world to ease trade among the involved countries and offering savings potentials to companies with respect to customs duties, which results in competitive advantages.

However, companies can leverage such savings potentials and competitive advantages only by mandatory fulfilment of several complex rules of origin of goods as well as their detailed documentation.

This is where MIC OCS supports you! It provides the necessary tools for the entire process of managing the origin of goods for a multitude of FTAs: From automated obtaining of supplier’s declarations using an innovative supplier web portal, to optimized calculation of the origin of goods.



You want to know more about MIC OCS? Please contact us:

MIC
Tel.: +43(0)732-778496
sales@mic-cust.com

www.mic-cust.com

mic managing international customs & trade compliance

IRAN

Maintaining trade with Iran in the face of U.S. sanctions

U.S. President Donald Trump's decision to pull out of the Iran nuclear deal and re-impose sanctions has already prompted some Swiss companies to cancel deals there. The business environment in Iran is "tough," says Simon Tiberius Fundel, the president of the Swiss-Iranian Chamber of Commerce and Industry. But the EU is trying to find ways to help its companies to continue to conduct business there. And Fundel has a few ideas himself.

The costs of U.S. sanctions to the Iranian economy are devastating – even before the next wave takes effect on November 5.

The International Monetary Fund warned in October that the Iranian economy may shrink by 1.5 percent this year, compared with a forecast for 4 percent growth in May, before the new U.S. sanctions were announced. Next year, economic output could decline by 3.6 percent, the IMF said.

In August, the Swiss train manufacturer Stadler Rail abandoned a billion-dollar agreement to build 960 underground carriages in Iran. Stadler has a U.S. subsidiary that would be liable to penalties under the US sanctions.

"Doing business is tough," says Fundel, whose St. Gallen-based company, 4bridges, exports Porsche Design computers to Iran. "The Iranian rial has plummeted against the dollar. Things will certainly get even more difficult for Iran if there is a lack of income from oil sales."

Sanctions to Target Banks

The November wave of U.S. sanctions is expected to include banks, and is likely to interrupt traditional payment channels for companies doing business in Iran. The European Union has said it is determined to protect its companies from U.S. penalties while ensuring that they can continue to operate in Iran. It has already passed a "blocking statute" allowing EU operators to recover damages arising from the sanctions from the person causing them and forbidding EU citizens from complying with them.

Among the measures the EU is discussing is a Special-Purpose Vehicle that



Simon Tiberius Fundel, President of the Swiss-Iranian Chamber of Commerce and Industry.

There is an exchange of views over Iran between the EU and Switzerland



would circumvent sanctions by operating independently from the U.S. banking system. It would create a kind of barter system under which, for example, payment for an Iranian oil delivery to one country could be covered by machinery exported there from another.

Blockchain Solutions

Fundel says he expects Switzerland to benefit from these measures too.

"We are entering the age of digitalisation where decentralized ecosystems are becoming available, and the EU is looking for solutions without involving the U.S. financial system, the U.S. dollar and U.S. citizens," Fundel says. "There is an exchange of views over Iran between the EU and Switzerland. Switzerland is famous for its decentralized system and Switzerland has blockchain companies that can contribute to the SPV. If Swiss banks can bring their local advantages into play, then the EU will be open to that."

Fundel's company is still able to continue business in Iran as products are eli-

gible for a general licence from the U.S. government and his company is linked to a strong compliance and "know your customer" datapool. But he is also examining alternative methods of payment, including blockchain, to bypass the need to use the international banking system and SWIFT. "With blockchain, you don't need banks to transfer currency," Fundel says. "The risk is also much lower that a payment wouldn't arrive than with other current solutions."

He advises any Swiss companies considering trade with Iran to join the Swiss-Iranian Chamber of Commerce and Industry. "We are offering a trip to Iran for companies in November," he says. "You get an insight, you visit a local company, you get to know business people and the city of Tehran, and you can see whether it appeals." On the bright side, he says, "Swiss products and services and Swiss precision are very highly valued in Iran."

WRITTEN BY CATHERINE HICKLEY

RISK MANAGEMENT

Insurance matters when entering new markets

Peter Gisler is the CEO of SERV, the Swiss export risk insurer. He spoke to Swiss Trade about his switch to the insurer last year, the risks exporters face in unstable political situations, the importance of a solid contract between supplier and buyer, and how insurance can help exporters conquer new terrain.

YOU HAVE LED SERV for more than a year. What differences do you notice to your earlier work in banks and industry?

There are three sides in this business: the banks, industry, and insurance. I went from the first to the second and now I am in the third. At first it was a challenge to understand the mind-set of the insurance branch, because it has a different approach to problems from banks or industry. Secondly, it is a novelty for me to lead an organisation that isn't engaged in completely open competition. But it is important for me to point our employees in a direction that ensures we are constantly improving in order to be able to act in a fast, solution-oriented manner. The third special characteristic of SERV is that it operates sustainably and for the long-term. My background is in companies that are publicly listed on the stock exchange and plan quarterly. It's a different pace.

WHAT PROBLEMS do export companies face in politically uncertain situations?

In uncertain situations, payment risks increase and so does the pressure on exporters and payment conditions. Generally speaking, availability of local financing in the purchasing market means that the ability to offer export financing can be an important competitive advantage.

WHAT RISKS should exporters pay special attention to?

The risks are numerous. One that we often recognize in handling claims is the quality of the sales contract. As trivial as



Peter Gisler,
CEO of SERV.
Photo: Markus Bertschi

We need a functioning banking market to give Swiss exporters the best financial solutions in combination with our insurance products

this might sound, the basis of an export deal is always the contract between the supplier – in our case the exporter – and the buyer. I often see contracts containing legal and commercial deficiencies. Depending on the situation, these can cause the exporter difficulties. For example, if he can't meet delivery deadlines – this can quickly have a financial impact on the exporter. The fact is that the best insurance solutions don't help if the contract isn't solidly structured and the exporter therefore is not in a position to claim payment from the buyer.

IN WHICH IMPORTANT export markets have risks changed most noticeably in recent times?

Foreign exchange-rate turmoil in Turkey and Argentina has changed the risk situation there. SERV remains open to insuring deals in these markets but carries out more detailed assessment on these requests.

WHAT IS THE ROLE of SERV in relation to private banks and insurers?

SERV is by law subject to the subsidiarity principle. That means that it works to complement the private market. It is a so-called Pure Cover Agency, which means that it only offers insurance and not fi-

ancing, in contrast to many other state export credit insurers. As a consequence we need a functioning banking market to give Swiss exporters the best financial solutions in combination with our insurance products.

THERE ARE COUNTRIES which offer great potential for Swiss exporters – Iran for example – where banks refuse to do business. How can SERV support exporters in these markets?

SERV is open to examining deals and offering insurance solutions in Iran. The condition, however, is that payment channels and financing possibilities are known in advance. Given the problems in Iran, this is very difficult at the moment. Our hands are often tied at this level. In other difficult markets we offer insurance solutions to cover short, medium and long term payment risks. With these, we can sometimes even enable exporters to enter a market they would otherwise not tackle. This was confirmed by our latest customer-satisfaction survey. In these markets, financing is a challenge. With the help of insurance, the exporter can offer the buyer financing that can be decisive in winning a contract in an international tender.

TRANSLATED BY CATHERINE HICKLEY

COMMUNICATION

New playing field for communication

In an increasingly globalized and digitalized business environment having the right communication skills is paramount. Many companies underestimate the risk for unintended consequences when communication is not adapted to new media channels and the global playing field.

Swiss companies have a multi-lingual, international outlook ingrained in their very DNA. But today communication is changing fast. Not only has it become even more important in and of itself, with a strong focus on customer experience. With the forceful corporate push to digital communication every message and image is exposed to billions of potential readers. It is no longer enough to look at a well-defined, targeted market and use the correct language or make the relevant cultural considerations for this particular area.

"The number of communication channels at companies' disposal adds immensely to the complexity," says Pius Fellner, Country Head Switzerland for CLS Communications. "Businesses need

Language is more art than science. It involves hundreds of rules and nuances

to tailor their communication so that it is not only locally relevant, but also works on a global basis, where anyone, anywhere will be looking at the website."

Underrate risks

Even overlooking a small detail in an image or using a single word that may be ambiguous to some readers can trigger unpredictable negative reactions. And once the damage is done it can take time to rebuild corporate image and customer confidence.

"These completely inadvertent oversights can lead to very acute and sensitive situations, whether they are temporal and confined or represent a broad cultural challenge. A recent example is when a major soda producer's marketing slogan, mixing English with Maori, backfired in New Zealand. Most companies, large and small, underrate these risks," he adds.

AI evolving

AI has been used by businesses for many years to facilitate translations and its use in corporate and public communication is evolving quickly. However, Pius Fellner



Pius Fellner, Country Head Switzerland for CLS Communications.

points out that relying too heavily on AI entails considerable risks.

"Language is more art than science. It involves hundreds of rules and nuances. The question is to what extent we want to embrace the bulk work of machines. It definitely has its place, but in the end it is still the expertise and judgment of the human communicator or interpreter that will prevail."

WRITTEN BY CRISTINA LEIFLAND

zhaw School of Management and Law

International Executive MBA – Your next Career Step!

A practical executive education program that will provide you with the key competencies required by successful business leaders today.

- Executive MBA with a truly international perspective
- Practical, work-relevant education
- Personal development program with coaching
- 2 study trips - to China and the Middle East
- AACSB accredited business school

Contact us for an individual appointment or visit one of our information events: zhaw.ch/iemba



EUROPA FORUM

Staying ahead in a competitive global market

Innovation and a speedy response to customers' needs are the key to staying ahead in a competitive global climate for exporters, says Michael Willome, the Group CEO of Conzzeta AG.

HOW CAN EXPORT-ORIENTED companies thrive in international competition?

Innovation and permanent renewal are the keywords for me. Ultimately, it's about added value that customers are prepared to pay for. And the key is to never stand still, because success can be copied, and that's when the competition gets a foothold. You have to stay ahead. That requires vision and the courage to venture down new avenues. Particularly in high-cost locations like Switzerland, companies have to make permanent, uncompromising efforts to increase efficiency. Innovation doesn't just apply to products: it involves the entire business model and process optimization. The whole package must be right. It is an advantage to have a solid capital base – this creates independ-



Michael Willome,
Group CEO of
Conzzeta AG.

Your product range must offer added value that customers are prepared to pay for

ence and insures freedom, which is particularly helpful in difficult times.

HOW CAN ESTABLISHED COMPANIES ensure constant renewal and momentum for innovation?

Even if digitization is changing our world, it is the people who ultimately make the difference. Creativity and an entrepreneurial mindset are essential. It's a question of the business culture. Unfortunately, we still see too much bureaucracy and caution. The perfect solution often comes too late – it's better to offer an 80-percent solution quickly, then take the last steps together with the customer. Companies have to respond rapidly and work backwards from the customer's needs to determine how they can meet their requirements, rather than the other way round. Successful companies have open and communicative employees who are ready to take risks.

WHICH EXPORT MARKETS do you know particularly well?

From personal experience, I know Asia, Europe, the Middle East and North America.

I have lived and worked in all these regions. Of course, local characteristics play a role, and the differences are considerable and multi-faceted. In order to sell, it is important to listen to everyone, be self-effacing, and show presence. Respect, modesty, honesty and consistency are virtues that are valued everywhere in the world. I see the biggest difference in Asia, where speed is of the essence and big solutions are required. In Europe, progress can be incremental.

TRANSLATED BY CATHERINE HICKLEY

THE EUROPA FORUM:

Global competition of locations

Learn from top representatives of international companies how you can seize the opportunity in this increasing competitive environment for your company.

The upcoming forum:

12th November 2018 – KKL Lucerne

www.europaforum.ch

Expand and strengthen your business network

www.swecham.ch

STRATHCLYDE EXECUTIVE MBA AT ZURICH AIRPORT - YOUR FLEXIBLE MBA IN SWITZERLAND

- Ranked 6th in Corporate Strategy world-wide
- Triple Accreditation (AACSB, AMBA, EQUIS)
- British Part-Time EMBA at Zurich Airport
- 20 years in Switzerland

FOR INFORMATION EVENTS
PLEASE HAVE A LOOK AT OUR WEBSITE

www.strathclyde-mba.ch
info@strathclyde-mba.ch

THE UK Entrepreneurial University of the Year 2014/15
UK University of the Year 2015/16

CHINA

How to tap the world's largest e-commerce market

China's enormous e-commerce market is alluring for foreign companies seeking to target consumers directly. A new law to take effect in January 2019 may make it more attractive by eliminating some of the risks and uncertainties, says Lukas Zuest, a board member of the Swiss-Chinese Chamber of Commerce who also serves as an attorney and head of the China desk at the Swiss law firm Vischer AG, based in Zurich and Basel.

The market potential is almost limitless. The number of internet users in China surpassed 800 million in the first half of 2018, according to the China Internet Network Information Centre – more than the combined population of the U.S., Russia, Japan and Mexico.

All those internet users are potential e-commerce customers. In the second quarter of the year, the Chinese internet giant Alibaba, which operates the e-commerce platforms Tmall.com and Tmall.hk, reported 576 million active users. And the market is growing – fast. “The Chinese are among the most enthusiastic internet users, in all age groups,” says Zuest. “Older Chinese are very open to the internet.”

Zuest distinguishes between two types of e-commerce in China: local and cross-border. The local industry – where Chinese companies sell their products to Chinese consumers on platforms like Tmall – is “a mature market, it has had 15 years to establish itself,” Zuest says. Foreign companies can engage in local e-commerce as long as they have a subsidiary in China. The market, which totalled \$400 billion in 2016, is expected to grow to \$800 billion by 2020.

Cross-border e-commerce allows foreign companies to sell their brands directly to Chinese consumers without a local subsidiary. The first cross-border e-commerce platform was Tmall Global, which was followed by many others like JD Worldwide and Kaola, and the market is newer: it has developed over the past four years “in a low-regulation environment,” Zuest says. Cross-border e-

It is necessary to set up a base in China in order to have access to the whole Chinese market

commerce sales are expected to increase to \$160 billion in 2020 from \$85 billion in 2016.

Powerful Platforms

The size of the market, its rapid growth, and a low level of government regulation has meant that the enormous e-commerce platforms “have become very powerful,” Zuest says. The new law, which takes effect on January 1, 2019, is aimed “at protecting the interests of all participants – consumers, the e-commerce operators and the platforms,” he says.

Consumers and e-commerce operators who sign up to a platform have until now had to accept terms and conditions that often change without notice, Zuest says. “Under the new law, there will be some restrictions,” he says. “Platforms will have to seek public comments on proposed changes and publish any changes in terms and conditions seven days in advance.”

Intellectual property will also be better protected, Zuest says. Companies will have the right to demand that the platform removes any products that infringe on intellectual property rights, and failure to do so will make the platform

jointly liable with the infringing party for damages. The law also strengthens consumers' right to data privacy.

“Good Foundation”

“The law offers more legal security,” says Zuest. “We will have to see how it is enforced, but it is a good foundation for a healthy e-commerce environment.”

Swiss companies which already engage in cross-border e-commerce in China include Migros, the country's largest retail chain, and the confectionary producer Lindt & Sprüngli. Zuest believes that foreign companies entering the Chinese consumer market should consider an omni-channel strategy by starting with cross-border e-commerce, then graduate to domestic e-commerce and classic retail markets to provide Chinese consumers with a seamless shopping experience.

“It is a very dynamic environment,” he says. “If companies get involved, then they should probably not limit themselves to cross-border e-commerce in the long term. It is necessary to set up a base in China in order to have access to the whole Chinese market.”

WRITTEN BY CATHERINE HICKLEY

Lukas Zuest, board member of the Swiss-Chinese Chamber of Commerce.

Photo: ©T+T Fotografie / Toni Suter + Tanja Dorendorf



TOKYO 2020

Opportunities for Swiss companies

The Summer Olympic Games 2020 will be held in Tokyo from July 24 to August 9. They represent the highlight of a series of international events, starting in 2019 with Japan's presidency of the G-20 and the first Rugby World Cup ever in Asia.

The Olympic Games as a major sports event are expected to stimulate economic activity in Japan, the third-largest economy in the world. The urban Tokyo Olympics are of particular relevance in a country where over 94 percent of the total population of 126.7 million people live in cities – a perfect opportunity for Swiss brands to position or increase their presence in the dynamic capital city of Tokyo.

Boost to Growth

Thanks to more than five years of the relatively successful economic policy known as “Abenomics,” Japan is back on a posi-



Martin Herb, President Swiss-Japanese Chamber of Commerce.

Overall, Japan is the sixth-largest market for Swiss merchandise exports

tive growth path. In 2017, real GDP expanded by 1.7 percent and the upcoming Olympics are expected to have additional benefits, particularly with a sustained increase in tourism as well as higher levels of investment in the construction sector. One example is Swiss building materials company Sika, which is involved in several projects in Tokyo.

Overall, Japan is the sixth-largest market for Swiss merchandise exports with a total of CHF 7,467 million in 2017. Ms. Jacqueline Tschumi, S-GE consultant for Japan, emphasises that Swiss quality products, especially medical devices, pharmaceuticals and machinery, are well-known and in demand in Japan. Switzerland's role as the third-largest European foreign investor is equally noteworthy, after the Netherlands and France, making up 4.4 percent of all FDI stock, i.e. 11.3 billion CHF in 2017.

House of Switzerland

During the Summer Olympics in Tokyo, Switzerland will be represented with its own House of Switzerland, thereby gener-



Photo courtesy of Tokyo 2020

ating visibility for Switzerland through ceremonies and press conferences, as well as providing opportunities for Swiss companies to showcase their products or services.

In Switzerland, the Swiss-Japanese Chamber of Commerce will supply a platform for executives to meet the director of the House of Switzerland in Tokyo at the New Year's reception “Shinnenkai” on January 14, 2019, in Zurich. Beyond that, a joint business seminar with S-GE and Jetro, “Impulse Event: Japan,” will take place on March 7, 2019, in Zurich to showcase different success stories of Swiss companies in Japan. Detailed information is available on www.sjcc.ch/events.

WRITTEN BY MARTIN HERB
AND DOMINIQUE URSPRUNG



**SWITZERLAND
GLOBAL
ENTERPRISE**

enabling new business

“Thanks to Switzerland Global Enterprise and receiving the Export Award, we were able to benefit from a high level of media exposure.”

CÉDRIC MOREL
CEO

SENSILE TECHNOLOGIES SA

Are you an internationally successful company?
Become one of our candidates! Submit your application
at s-ge.com/exportaward by 15/01/2019.



REACHING YOUR MARKET

Small nut cakes for the big world market

Reto Schmid from Sedrun makes what is surely the smallest Bündner Nusstorte, or Grisons nut cake, in the world and is currently conquering international markets with them. It's a success based on innovation and determination – and a little help.

Reto Schmid's bakery lies in the heart of the Grisons mountains, at over 1,400 meters above sea level. Together with his employees, he produces up to 50,000 small tartlets every day – and this is still not enough to meet demand: "We've already had to turn some customers away," says Schmid, who owns La Conditoria. His business is flourishing and La Conditoria exports nut tartlets to countries like Germany, Japan, Russia, South Korea and the USA. In order to meet demand and grow further, Reto Schmid is building a new production center in Sedrun with a capacity of 20,000 tartlets per hour.

Up until a few years ago, the family-run business was a typical village bakery with a café, but the declining population, the ending of the NRLA construction site and crumbling tourism forced Schmid to use his innovative spirit. He therefore began work on the creation of a new form of Grisons nut cake, smaller and lighter than before. After several hours in the bakery and various tastings, the mini form of the Grisons nut cake was born, weighing 19 g and measuring 4 cm tall. The snack tartlets made consumers' mouths water, and it quickly became clear to Reto Schmid

We're convinced that potential customers become aware of us via the Swiss stand



that this product could be developed into a long-term project.

International trade fairs as a shop window

Reto Schmid has not only reinvented a product rich in tradition, he also wants to conquer international markets with it: "Everyone on the planet should have the opportunity to eat a nut cake from Grison," he says decisively. In order to find potential buyers and tap into new markets, Reto Schmid exhibits at international trade fairs, where he can present his product directly to visitors and offer it for tasting. To get noticed at the trade fairs and to attract attention, La Conditoria is part of the Swiss joint stand, the SWISS Pavilion. This is organized by the project team from Switzerland Global Enterprise

(S-GE), the official export promotion organization on behalf of the Swiss Confederation. Reto Schmid reflects: "We're convinced that potential customers become aware of us via the Swiss stand."

In addition to the Swiss Pavilion, La Conditoria has already used other services from S-GE. "We planned our market development in Germany together with the consultants in Zurich." More specifically, the aim was to find the right business model and the right business partner. Reto Schmid has now successfully gained a foothold in Germany and various other markets, and this international success is symbolized by his world map, on which he marks each new export country with a colored pin.

WRITTEN BY SILVANA GIGER

Swiss-Asian Chamber of Commerce,
your partner in doing business in the ASEAN region –
Bahrain, Kazakhstan, Korea, Mongolia, Pakistan, Sri Lanka,
Taiwan, Timor-Leste, United Arab Emirates and Uzbekistan!

Please contact: sacc@sacc.ch or www.sacc.ch

Swiss-Asian Chamber of Commerce

Bahrain • Brunei • Cambodia • Indonesia • Kazakhstan • Korea • Laos
Malaysia • Mongolia • Myanmar • Pakistan • Philippines • Singapore
Sri Lanka • Taiwan • Thailand • Timor-Leste • Uzbekistan • Vietnam

CRYPTOCURRENCIES

Exciting opportunities with blockchain

Cryptocurrencies have seen sharp rises and dramatic falls this past year. But one thing is certain – electronic cash and the underlying blockchain technology are here to stay and offer exciting investment opportunities.

Just like Zug outside of Zürich, Dubai and the United Arab Emirates have developed into dynamic hubs for start-ups in the blockchain sector. Advantageous decisions, where crypto assets are treated as commodities and fall under free-zone regulations, as well as the explicit goal of the Dubai government to conduct at least 50 percent of its transactions in blockchain-technology within the next two years, have contributed to the buzz.

“We see many exciting, innovative start-ups here in Dubai and the UAE,” says Urs Stirnimann, Vice President of the Swiss Business Council and Chairman of the Swiss Financial Group. “Many

Zug-based companies in the sector are opening offices in the region and local financial centers are very active, working to attract new, international businesses.”

Immature market

The market for cryptocurrencies has proven volatile, with the rise and fall of Bitcoin as a prime example. In the wake of Bitcoin, a large number of other cryptocurrencies have joined the hype, only to quickly fade away. However, as in any immature market, where there is a high risk there are also potentially high rewards.

“As with any new product or technology, it is impossible to know at an early stage which companies will survive and prosper. Just look at the automobile industry, only a few companies have made it long-term,” Mr. Stirnimann points out. “This is a risky market, but there are many opportunities for investors. Now we see the focus shifting more and more to blockchain technologies and the vast array of possibilities that they offer, such as smart contracts.”

As with any new product or technology, it is impossible to know at an early stage which companies will survive and prosper



Urs Stirnimann, Vice President of the Swiss Business Council United Arab Emirates.

Urs Stirnimann emphasizes that despite the security concerns and risks that we see today, blockchain technologies are sure to become established, integrated parts of how we conduct transactions in the future.

“We estimate that blockchain technology will play a role in virtually all types of transactions in the future. It will take a few years, but it has started to happen and it is happening fast.”

WRITTEN BY CRISTINA LEIFLAND

VISCHER

菲谢尔

Zurich Basel

www.vischer.com

VISCHER CHINA DESK
YOUR LEGAL TEAM FOR BUSINESS IN CHINA



GET IN TOUCH
CHINADESK@VISCHER.COM

SWISS WATCH INDUSTRY

Swiss watch exports gain strength, boosted by China

The Swiss watch industry – the third largest national exporter after chemicals and machines – is powering ahead in 2018, benefiting from a strong world economy and a depreciation of the Swiss franc against other major currencies. If the environment remains stable, 2019 should be another good year, says Jean-Claude Biver, Chairman of Hublot and Zenith.

After a tough year in 2016, “we are returning to much better times,” Biver says. “We’re expecting to see a good 2018. If there are no misfortunes in the financial industry, the economy, the political environment, then we have good prospects for 2019 too.”

Watch industry exports rose 9.5 percent from the previous year between January and August 2018, to 13.8 billion francs, according to figures from the Federation of the Swiss Watch Industry. Growth was particularly vigorous in Singapore and in China and Hong Kong, which are among the most important markets for Swiss watches. Asian nations together account for half of total exports.

Broken down by territory, the figures don’t expose the dimensions of the Chinese market, Biver says. “Every watch that is sold in China equals two watches sold elsewhere, because the Chinese travel a lot and they have the tradition of bringing back a small present,” he says. “If we are strong in China, then we are also strong in every country or city where the Chinese travel.”

Chinese Potential

Biver says the potential for the Swiss watch-making industry in China is still enormous – even though sales there already total close to 200 million francs a month. “People say that the Chinese middle class will number 300 million,” he says. “Today it is perhaps just 100 million. There is colossal potential for the

next 50 years. The same goes for India, Indonesia, Latin America. Luxury markets will grow and grow, because more and more people are entering the middle class.”

Potential risks, he says, are political, financial and economic. “The trade war between the U.S. and Europe and the U.S. and China is creating unrest and disrupting international trade, and it could lead to economic slowdown,” he says. “We have seen weakness in Greece, now we are seeing risks in Italy.”

Innovation and Tradition

He also warns that the industry has to keep innovating while maintaining its roots in tradition. “No tradition equals no future,” he says. “But no innovation also means no future. We need both.” One important area of innovation for TAG Heuer is metallurgy, Biver says – particularly in the colour and weight of watch casing.

If we are strong in China, then we are also strong in every country or city where the Chinese travel

“Watches were always white or yellow for centuries – white gold, platinum, steel or titanium; or yellow like gold,” he says. “There were just two colours. Now there are other options like ceramic and ultra-light materials. The young don’t want gold, and they want a super-light watch.”

Being innovative also means adapting to a young generation of millennials – many of whom grow up without wearing watches, he says. “For a German man aged 50, it is almost a matter of course to wear a watch. But many young people no longer wear watches.” TAG Heuer has set up a millennials advisory board and meets regularly with a group of people aged between 14 and 18 to listen to their views.

“I know what older people want because I belong to that generation,” Biver says. “I cannot by instinct know what a young man wants – I have to listen, to learn from the millennials.”

WRITTEN BY CATHERINE HICKLEY



Jean-Claude Biver,
Chairman of Hublot
and Zenith.

Photo: Fred Merz / Rezo.ch

PALM TREES AND GLACIERS:

Switzerland Offers Tourists Compactness, Diversity

Martin Nydegger, the new CEO of Switzerland Tourism, says his homeland offers tourists the compactness and diversity of a Swiss army knife combined with the reliability of a Swiss watch. No wonder the number of tourists who visit from China, South-East Asia and India has been climbing rapidly over the past four years.

AT THE BEGINNING of the year, you became the new CEO of Switzerland Tourism. What is Switzerland for you?

Switzerland, my homeland, is a country with an incredible diversity on a very small territory, with breath-taking nature and a mosaic of cultures and traditions. When you travel in Switzerland, in just a few hours you discover a variety of landscapes, new traditions, a new culture. In the morning, you can walk on a glacier and in the afternoon enjoy a cocktail on the lake shore under palm trees. The Swiss army knife is a good metaphor for Switzerland as a tourism destination: very compact and yet diverse, reliable, well organised, it has everything you need and still, it will always surprise you with all the possibilities it can offer.

HOW DID THE INCENTIVE MARKET develop from Asia?

We started specific activities in this segment with dedicated incentive managers in China, South East Asia and India about 4 years ago. Since then, we have seen annual double-digit growth in both the turnover and the number of incentive trips to Switzerland from the markets of the Asia-Pacific region.

WILL THE MARKET continue to grow?

Currently we can attract about 150 Switzerland incentive trips from the Asia-Pacific market per year with an average size of 80 to 100 people. We believe that we will be able to increase this figure to over 200 in the next couple of years.

WHY IS SWITZERLAND the perfect destination for incentives?

The awe-inspiring landscape, combined with world-class infrastructure and services, as well as the legendary Swiss hos-

There is probably no other country that can offer as wide a variety of discoveries and impressions within such short distances as Switzerland



Martin Nydegger, CEO of Switzerland Tourism.
Photo: Switzerland Tourism

pitality are key elements of our USP for corporate clients. Short distances between attractions, premium locations for exceptional meetings and events, and the guarantee that everything works like a Swiss watch make it the ideal choice for all meeting/incentive planners.

CAN A GROUP VISIT different destinations in one day?

There is probably no other country that can offer as wide a variety of discoveries and impressions within such short distances as Switzerland. It's an ideal place for hub and spoke tours. Staying in one area and exploring attractions in other regions without packing and unpacking is really easy, in particular thanks to a very reliable and dense public transportation system. Incentive groups can enjoy a cruise on a lake steamer in the morning, touch eternal snow on the top of a mountain in the afternoon and have dinner in a medieval old town classified as a UNESCO World Heritage site.

WHAT ARE THE MUST-SEES for clients coming from Asia?

Touching eternal snow and ice high

up on our mountains, enjoying a scenic train ride on a line of our legendary Swiss transport system, such as the Bernina or Glacier Express, and having some time for shopping to buy a genuine Swiss watch, a Swiss army knife and some Swiss chocolate.

WHERE DID YOU LAST ATTEND a meeting outside your office?

I recently attended a meeting with my colleagues from the executive board of Switzerland Tourism at the Grand Hotel Giessbach. This is a truly exceptional place in the Bernese Oberland, on the shores of Lake Brienz. This hotel, built in 1873, is a jewel among Swiss hotels and a witness to the history of tourism in Switzerland. Surrounded by mountains, forests and alpine meadows, located just above crystal-clear Lake Brienz, it's an oasis far away from the hustle and bustle of everyday life and traffic, with its own funicular and framed by the much-celebrated, silver foaming Giessbach Falls. A wonderful place to hold inspiring meetings.

WRITTEN BY CATHERINE HICKLEY

Swiss Know-how for a Mexican Brewery

A small company holds its own against international competition in the beer industry. The example of M&L Consulting shows that this is possible. Even so, export deals also present some challenges in this case.

Surviving as a small company in the beer industry, alongside multinational giants? Impossible. You might think so. Ernst Meier, certified brewer and CEO of M&L Consulting GmbH in St.Gallen, proves the opposite. M&L Consulting advises breweries in the area of filtration technology. With its services, it

"If we want to stay in business we have to be able to offer finance for the project."

Ernst Meier, CEO of M&L Consulting

supports its customers in improving their quality and efficiency, and creates new concepts as well as the detailed engineering for this area of production. M&L Consulting

outsources the actual manufacture of the equipment. This enables it to concentrate on its core competencies. One "M&L speciality" is, for example, its long-lasting filter cartridge, which cleans the beer of yeast, rubber residue, etc. with diatomaceous earth (alginate powder).

The Recipe for Success

M&L Consulting supplies customers in every part of the world and is currently growing: from originally two employees in 2005, the small enterprise now employs 12 people, with a total of up to 20 employees together with its partner companies working on M&L projects. What is its recipe for success? "If you have a certain talent, you work hard and you can count on skilled employees, you can achieve something," says Ernst Meier. The abil-

ity to see things through the eyes of the customer is another essential factor: When a contract is awarded the M&L employees first listen to the customer's ideas, defining the task together with him. Only then do they start concept development.

A Mexican brewery is one of their longstanding customers. It commissioned M&L Consulting to equip a complete space with production facilities worth around EUR 3 million. As in other industries, tough contractual terms are the rule even in this small industry: in spite of the fact they have worked together for years, the customer is not prepared to make a down payment. "If we want to stay in business we have to be able to offer finance for the project," said Ernst Meier. The long payment periods, which often only start when the goods arrive on the

customer's factory site, are a significant reason why M&L Consulting sometimes has to "ditch" projects. So that this does not happen in this case, SERV is supporting this transaction with working capital insurance, making financing easier.



SERV insures political and del credere risks involved in exporting goods and services.

SERV Swiss Export Risk Insurance
Phone: +41 58 551 55 55
info@serv-ch.com
www.serv-ch.com



M&L Consulting GmbH supplies a Mexican brewery with a complete production facility.



Franklinturm – the new centre of Oerlikon

Everyone is talking about northern Zurich – and with good reason.

Oerlikon is justifiably frequently named as a trendy new place to be. It is growing and changing more quickly than any other district of Zurich. More and more young people are moving there and more than 2,000 new apartments were built there last year. Its dynamic development is supported by ideal transport links to eastern Switzerland, to the airport and to Zurich main station. Oerlikon is set to become a desirable service centre in the coming years.

The latest milestones in its development are the re-opening of the extended railway station in 2016 and the opening of the newly completed Andraesturm in 2018: Oerlikon now has the sixth-biggest station in Switzerland with over 100,000 people using it daily. It is an urban hub for creative people.

New urban link

The next highlight is on its way: on Hofwiesenstrasse, right by the station, the Franklinturm will rise up – a modern building with 15,000 square metres of space for offices

and services, including an attractive retail and gastronomy area on the ground floor.

One unique feature of the new building is that it will offer a way into the central pedestrian tunnel, so it will be almost directly connected to Oerlikon station, granting tenants, passers-by and customers easy access. It will provide a new urban link between the station and the Leutschenbach residential complex. This major construction project is designed to meet the requirements of the “Platinum” certificate issued by the Swiss Sustainable Building Council. Construction begins in 2019 and completion is scheduled for the end of 2022.

The Franklinturm will become the counterpart of the Andraesturm, which SBB Real Estate built on the eastern side of the station. The Franklinturm is designed by Armon Semadeni Architects. It is tiered at the top, so it fits in well with the Neumarkt tower block, which is 20 metres shorter, and the neighbouring Swissôtel, which is a few metres taller. The existing



tower blocks and those in planning are changing the skyline around Oerlikon station in this important Zurich hub. The city of Zurich initiated a development process more than ten years ago to improve the quality of life in this former industrial area in a sustainable way.

Thomas Rinas, the project manager, highlights the advantages of the Franklinturm:

“One big advantage is the multi-functional space at the Franklinturm. Whether it’s for a small technology company, or for a big corporate tenant which requires a staff restaurant including a terrace, maximum space efficiency, indoor and outdoor parking and catering on the ground floor, the Franklinturm offers all of these options.

The great view and the central location directly by Oerlikon station are added benefits that are important to today’s employees.

Some floors have already been let, four years before completion. This shows the quality of the Franklinturm.

The Franklinturm focuses on the essential, even when it comes to parking. There is no need to waste time and energy squeezing into narrow parking spaces here. Instead, vehicles will be parked automatically while tenants are already on their way into the office and will be ready for departure on demand.”



SBB Real Estate

SBB Real Estate operates or is developing around 3,500 buildings and 3,600 sites. The real estate projects range from stations of varying sizes and small buildings to major complexes near stations. SBB is continuously developing stations according to demand, responding to increased passenger traffic and changing customer needs. In addition, it develops the areas around stations carefully and sustainably. SBB Real Estate thereby creates modern, lively station districts and actively contributes to the improvement and evolution of city centres. This generates space for living, working, education, shopping and relaxing. SBB Real Estate also sells land and buildings which are no longer strategically relevant to SBB.

Contact:

SBB AG
Real Estate Development
Christian Toso
Vulkanplatz 11
P.O. Box
CH-8048 Zurich
christian.toso@sbb.ch
+41 79 652 83 00

franklinturm.ch

 SBB CFF FFS



Effective, yet agile leadership

How do you improve effectiveness as a leader and deal with the increasing need for agility? – Find answers from academia, business and sports during the Rochester-Bern Leadership Summit in March 2019.



Great leadership is THE success factor in today's world, be it in business or sports. You must know how to lead yourself and others in order to form effective collaborations and achieve goals.

New Dimension

The reason for the increased importance of leadership lies in the continuous and sometimes fast change, which has become a constant in our lives. Innovation and digitalization are just two important drivers thereof. In this challenging environment, every leader has to find

an answer to the question: How do I inspire and guide myself and enable others to discover and grow their potential to become proactive shapers in our rapidly changing globalized business environment?

The Future of Leadership

Above question and many others will be addressed from various perspectives during the upcoming Rochester-Bern Leadership Summit. Inputs from academia, business, and sports, workshops and panel discussions as well as lots of networking and experience sharing

will inspire you and help you find solutions. Join our Summit and dive with us into the world of agile leadership in an inspiring surrounding:

- Explore tools and methods to improve efficiency
- Deal successfully with new leadership dimensions and agile environments
- Collaborate on leadership in the context of innovation, virtuality, and millennials
- Learn to apply principles of high level sport in achieving goals and creating a more productive environment

i

Rochester-Bern Leadership Summit 2019

Leading Myself & Others in an Agile Environment

March 7–8, 2019

Victoria-Jungfrau Grand Hotel & Spa, Interlaken

Target audience: Leaders, managers, directors, founders, entrepreneurs, and interested guests

Program details and registration:
www.rochester-bern.ch/summit2019



Rochester-Bern Executive Programs

University of Rochester
Universität Bern

- Network and share your experiences with business leaders and peers from various industries
- Reflect, discuss and raise questions on how to become a new generation of leaders

Advertorial

Exclusive Swiss-made cryptocurrency watches in a limited edition

Inspired by the concept of cryptocurrencies, the renowned independent Swiss watch brand Chronoswiss has created five luxurious crypto-design watches. These extravagant models from the Blockchain Series are produced in a limited edition of 101 in each set.

The traditional Swiss watch manufacturer Chronoswiss, known for its

high standards of quality, showed an early openness to technological innovation. It was one of the first brands in the luxury watch market to offer its exclusive timepieces via its own E-Shop. In autumn 2017, the company decided to accept payment by Bitcoin (and other selected cryptocurrencies) at its E-Shop and at its company boutique.

The next step was logical: in 2018, Chronoswiss presented a collection of watches inspired by the concept of cryptocurrencies – the Blockchain Series Limited Edition, which consists of five different models.

Oliver Ebstein, the owner and CEO, says “as a mechanical-watch brand which was founded against all odds in the quartz crisis, we have long combined tradition and vision. So it goes without saying that we are curious about the future and open to it. Cryptocurrencies and blockchain technology are the future, and Chronoswiss is following them actively and supporting them. With this homage to cryptocurrencies, Chronoswiss is combining the roots of traditional watch-making with the digital revolution caused by new world currencies.”

The guarantee certificates for the watches in this innovative special edition are already registered in blockchain via smart contracts – forever! These luxury watches have been produced to the highest standards of Swiss watchmaking at the

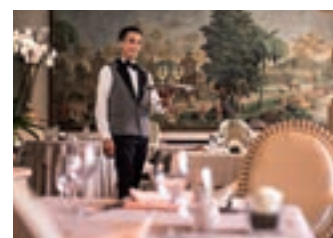
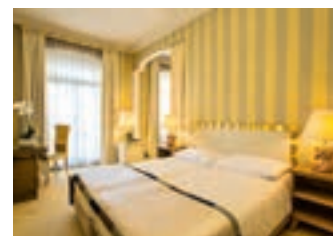


House of Chronoswiss in Lucerne. Not only are they unique, they meet top-league technological and quality standards. For more information, go to www.chronoswiss.com

House of Chronoswiss
Löwenstrasse 16b
6004 Luzern
Tel +41 41 552 21 80
www.chronoswiss.com



CHRONOSWISS



Excellence by the lake

Grand Hotel Villa Castagnola, Lugano, is a five-star property, located within a subtropical park, and member of Small Luxury Hotels. It was built in 1880 by a Russian noble family to be their winter residence, before being bought by a Swiss family in 1885 and transformed into a renowned hotel.

Rooms and suites for an elegant stay

The hotel offers 74 rooms, of exceptional charm, individually styled, with stunning park and/

or lake views, balcony, terrace or loggia. All rooms, of which 32 are Junior Suites and Suites, have individual air-conditioning, and provide the most modern comforts.

Three Restaurants for your dining experience

Visiting La Rucola, Le Relais or Gallery Arté al Lago, means basking in the delicious Mediterranean-inspired dishes prepared by our Chefs, made with only the freshest seasonal ingredients. Silent and intense symphony for your palate.

La Rucola, born under the motto "Fresh & Easy Dining", offers light and delicious meals in a cosy and informal setting.

Le Relais – 14 points GaultMillau: In an elegant setting, our Chef Christian Bertogna, offers a light and innovative Mediterranean cuisine, a balance between colours and

delicate flavours that you won't forget. During the warm season, dinner is served on the outdoor terrace, overlooking the garden and the lake. Restaurant Gallery Arté is the only 1 Michelin Starred Restaurant in Lugano. A theme restaurant inside an art gallery, it offers a magnificent and unique view over the gulf of Lugano as well as a dainty cuisine. Signature dishes of our Executive Chef Frank Oerthle are entirely new and original. The menu stands out for sweetwater and sea food specialties.

The Hotel bar Le Bar, renowned as much for its rich, opulent interior as for its menu of new and classic cocktails also has live piano music.

Live the moment

Wellness Area, which offers a heated indoor pool that opens onto a large garden with sunbeds,

a Fitness room, Sauna & Bio-Sauna, Calidarium & Steam bath and a Hydropool, a clay tennis court, a private lakeside terrace, the Clarins Beauty Corner, which provides a wide range of massages and body treatments & the Danilo Hairstyling hair salon.

A unique space for creative minds

Each of our 10 meeting rooms, with seating capacity of up to 120 people, have an elegant décor, original artworks, direct daylight with large windows overlooking the park, and are equipped with high-tech audio/visual equipment. "The" place for distinguished presentations, outstanding events, private meetings or conferences that will be organized for you with the utmost professionalism and discretion.

Grand Hotel Villa Castagnola
Viale Castagnola 31
6906 Lugano
Phone: +41 91 973 25 55
Fax: +41 91 973 25 50
info@villacastagnola.com
www.villacastagnola.com


Grand Hotel
Villa Castagnola
6906 Lugano - Switzerland

Le Mirador Resort & Spa

– Pamper yourself above the clouds



High up on the green slopes of Le Mont-Pèlerin, among Switzerland's UNESCO heritage vineyards and only 50 minutes from Geneva Airport by car, lies the splendid Le Mirador Resort & Spa. The hotel is member of "The Leading Hotels of the World" and "Swiss Deluxe Hotels", and combines inspiring views of the alpine landscape with a sleek, contemporary design and world-class services. In 2016 Le Mirador Resort & Spa was bought by the Citychamp Dartong Group.

Guestrooms

From the 63 well-appointed rooms & suites, choose between the classical yet refined rooms of the historical building, and the elegant contemporary design of the rooms of the new wing of the hotel. The breathtaking view of the surrounding area can be admired from the private balcony each of them are featured with.

Culinary delights taken to new heights

In the restaurant "Le Patio", with its 13 points in the culinary guide "Gault&Millau", fresh and local products are served in a taste-

ful variation of international dishes that will fulfil the appetite of the gourmets. French Chef Philippe Bossert's refined cuisine goes along with the magnificent panoramic view from the restaurant, and in summer, with what is recognised as one of Europe's most beautiful terrace. Every Sunday, a delicious brunch is served from 12h to 15h. In the sifted and elegant ambiance of the Bar, Lounge & Terrace, an enviable selection of vintage whiskies can be discovered. The Japanese Hinata restaurant will offer you delicious Sushis and typical Japanese dishes in a design décor.

Relaxation made in heaven

The Givenchy Spa (one of only three worldwide) features 1,750 sqm of contemporary décor in muted earth and cream tones, creating a calming effect and a sense of peace and relaxation. The spa offers 11 treatment rooms, a relaxation room, an 80-sqm Day Spa Suite with a private Hammam and Jacuzzi, a heated indoor swimming pool and a sun deck; it is a true sanctuary of health and beauty. It offers treatments that feature gestures and essential techniques to relax body and mind, har-

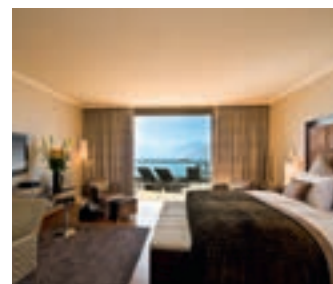
monise the silhouette, revive the skin and preserve youth.

The Mirador Health & Wellness Center

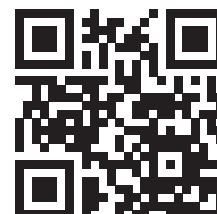
Enjoy relaxing, detoxifying and energising cures at the Mirador Health & Wellness Center. The holistic and integrative approach enhances well-ageing treatments with alternative therapies such as ozone, hyperthermia, hydrocolon, magnetic, chinese medicine, bioresonance or neurofeedback. The nutritionists, personal fitness coaches and diet kitchen provide you the optimal elements to succeed in a weight management programme above the Swiss Riviera clouds.

Meetings & Events

Whether it is for an exclusive meeting or for a fairy-tale wedding, the hotel's unique setting makes it the perfect location for any type of event. The eleven meeting and banqueting rooms, with a capacity of up to 200 people, can be set with the help of Le Mirador Resort & Spa dedicated team to meet precise requirements. All of them are set in a superb and unique setting with natural daylight and air conditioning.

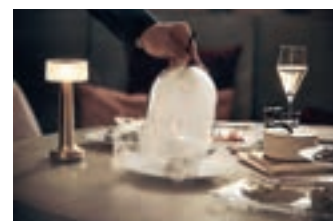


For special offers:



**LE MIRADOR
RESORT & SPA**

Le Mirador Resort & Spa
Chemin de l'Hôtel Mirador 5
1801 Le Mont-Pèlerin
Switzerland
Phone: +41 21 925 11 11
reservations@mirador.ch
www.mirador.ch



Grand Resort Bad Ragaz

Surround your soul – and immerse yourself in a world of peace and relaxation at Europe's leading wellbeing and medical health resort.

Nestled in a spectacular location, amidst the foothills of the Alps in Eastern Switzerland, the luxurious Grand Resort Bad Ragaz has been attracting those seeking wellbeing, relaxation and medical expertise for more than 150 years.

The resort, one of Switzerland's best hotels for wellness, welcomes its guests in four hotels that unify five different styles. The five-star property Grand Hotel Quellenhof embodies the classically elegant style of an era long gone. The Spa Suites which form part of the Quellenhof, on the other hand, surprise with an ultra-modern and purist look. Traditional and comfortable but with modern influences best captures the essence of the Grand Hotel Hof Ragaz**** while the historic Palais Bad Ragaz (Member of Relais & Châteaux) radiates historic and princely charm.

The boutique hotel Schloss Wartenstein in nearby Pfäfers towers above the Tamina valley and offers stunning views of the resort, the famous wine region Bündner Herrschaft and the surrounding

mountains. While the resort of the resort will remain open, the Grand Hotel Quellenhof will be closed for five months of complete renovations next year and will open once again in July 2019.

Covering almost 14,000 m², the spa area offers an extraordinary and authentic spa experience at the Thermal Spa and the public Tamina Therme thermal bath. Medical guests will find excellent care and extraordinary expertise at the resort's Medical Health Center and the rehabilitation Clinic Bad Ragaz. Two golf courses, several tennis courts, a Casino and a business and events center complete the on-site experience.

Healing Waters

At Grand Resort Bad Ragaz, it's all about the water. The resort's success story starts in 1242 when hunters discovered a body-warm thermal spring in the nearby Tamina gorge. The healing attributes of the clear, 36.5°C warm water gushing from deep within the rocks were soon recognized and those seeking health and wellbeing came

from near and far to immerse themselves in the water.

600 years later, in 1840, a 4 km long pipe was built to connect the spring with Bad Ragaz and thus started the international fame of the village and the Grand Resort Bad Ragaz. Today, all eleven pools throughout the resort – from the baby pool at the newly opened Family Spa to the therapy bath at the Medical Health Center – are filled with the famous thermal water.

The healing waters are an essential element in many signature spa treatments such as the award-winning unique haki® treatments. Immersing oneself in the comfortably warm thermal water and letting it work its magic – what could be more relaxing. The medical experts of Bad Ragaz went one step further and even developed guidelines on how to bathe most effectively in the thermal water.

Diner's delights

Decorated with one Michelin star and 58 GaultMillau points, the seven restaurants belonging to Grand Resort Bad Ragaz invite their guests

to embark on a culinary journey – from the Mediterranean Sea to the Far East. The "IGNIV by Andreas Caminada" (1 Michelin Star & 17 GaultMillau points), surprises its guests with an innovative fine dining sharing concept. With a new restaurant concept by Sven Wasmser (2 Michelin Stars), the resort will turn into a culinary hot spot even more after the re-opening of the Quellenhof in 2019.



**GRAND RESORT
BAD RAGAZ**

★★★★★

Grand Resort Bad Ragaz
Bernhard-Simonstrasse
7310 Bad Ragaz
Switzerland

Tel.: +41 81 303 30 30
reservation@resortragaz.ch
www.resortragaz.ch



CHRONOSWISS

REGULATE YOUR TIME



FLYING REGULATOR NIGHT AND DAY
CH-8763-BLBL

WWW.CHRONOSWISS.COM

