

## **NEWS from Switzerland Trade and Investment Promotion Volume 14, No. 4 Summer 2011**

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### **Top of the News**

Switzerland was the largest single investor in the United States in 2010 at more than \$42 billion according to the recently released U.S. Department of Commerce report "Foreign Direct Investment in the United States." The alpine nation headed the list of 8 countries that together represented 84% of total investment that year. Others in descending order were the U.K., Japan, France, Germany, Luxembourg, Netherlands and Canada.

The report noted that employment by foreign firms investing in the U.S. has held steady over the past 10 years at 5 million, with the majority of jobs, 2 million, in manufacturing; that the manufacturing sector tends to be more stable than domestic manufacturing jobs, and that compensation per employee at U.S. affiliates of foreign firms is higher than at other US firms. <http://www.esa.doc.gov/sites/default/files/reports/documents/fdiesaisssuebriefno2061411final.pdf>

Conversely, United States companies are by far the single largest investors in Switzerland, significantly outpacing investments from neighboring Germany, France or other European neighboring countries. Overall Switzerland is the 7<sup>th</sup> largest recipient for US FDI globally, amounting to \$148.2 billion. About 800 North American companies are operating in Switzerland with a combined payroll of 72,500.

### **Mid-year 2011 FDI Report**

- To date, at least 24 projects from North America have landed in Switzerland generating an estimated \$625 million in investment and leading to about 1,737 new jobs
- The average number of jobs created by each of these investments is 42
- The leading sector is Software and IT Services, followed in order by Financial Services, Business Services, Biotechnology and Communications
- The leading investment structure undertaken by these investments is Sales and Marketing Support, followed by Business Services, Headquarters and Design, Development and Testing ventures
- Leading location determinants, aside from the growth potential of the market itself, are currently the proximity to other markets/customers, the availability of a skilled workforce, overall business climate and the presence/absence of relevant industry clusters.

### **Wins and Updates**

Michigan-based Dow Chemical Company is continuing to invest in its packaging site in Horgen to better serve the needs of the packaging industry across Europe, the Middle East and Africa. The company is doubling the staff of its packaging center to a total of approximately 20-25 people, and significantly expanding its capabilities for testing and prototyping adhesive laminating and film structures for food and beverage packaging needs. Dow has been in Switzerland since the mid-1950s.

San Diego, CA based ESRI has acquired Procedural, an ETH spin-off and leader in 3D imagination in Zurich. The acquisition strengthens the "cluster" essentially launched and anchored by the Disney strategic alliance with the ETH in visualization and 3D imaging.

California-based RPost, the inventor of Registered Email® services, has opened new offices in Amsterdam and Zurich. The Zurich office is part of RPost AG, a newly-incorporated Swiss subsidiary. It covers the company's expanding activities in Germany and complements RPost's European offices in Amsterdam and London.

Fashion jewelry retailer through independent advisors lia sophia, based in Wood Dale IL, has opened its European headquarters and logistics center in Schaffhausen. Currently, there are about 25 employees but over the next few years – depending on the expansion's success – this number could reach about a hundred people.

Nuance, a speech recognition technology company based in Burlington, MA, said it has acquired Zurich-based SVOX AG, a company that provides voice-enabled capabilities for in-car systems and consumer electronics.

Operations consulting and management services provider Riverwood Solutions, based in Menlo Park, CA, has opened its European headquarters in Zurich. It complements the shop previously opened in the city center on the Bahnhofstrasse.

Identive Group, Inc., a Santa Ana, CA provider of products, services and solutions for the security, identification and RFID industries, has acquired polyright SA, a provider of identity management solutions for the education and healthcare markets based in Sion.

Hasbro, one of the world's leading toy makers, plans to construct a new administrative building in Delémont in 2012. The company has had premises in the city since 2000, where it co-ordinates international distribution and risk management.

Futurestep, a Korn/Ferry company specializing in talent acquisition solutions, has opened an office in Geneva to help support the growth of its business in the EMEA. The company is experiencing significant demand for its recruitment process outsourcing and project-based recruitment solutions across the region and has also made advancements and additions to its EMEA organization.

CNC Software, a developer of Mastercam CAD software, has opened a new subsidiary office in Porrentruy called CNC Software Europe. It will develop the company's Mastercam Swiss Expert, software for Swiss-type turning machines.

Tiffany & Co, has opened its first boutique in Zurich Airport's Airside Center. The store is situated on Level 2 of the center and offers a range of diamonds and other gemstones, sterling silver jewelry, watches and accessories.

In a similar move US-based jeweler Harry Winston, the subsidiary of Canada-based Harry Winston Diamond, plans to open a new store in Geneva as part of plans to open 30 new salons around the world.

WorldOne, a provider of market research within the healthcare industry, has opened a new office in Bern. The branch is the company's 12th international office.

Talent acquisition and technology provider Volt Europe, part of US-based Volt Information Sciences, has opened a new office in Zurich to focus on IT and telecoms, engineering and financial markets.

The Institute Of Management Accountants has opened its first European office in Zurich to manage local membership development in the region. It will also deliver exam preparation through its network of review course providers and will expand its charter base throughout Europe.

Guggenheim Global Trading, a subsidiary of Guggenheim Partners, has announced plans to set up a new office in Geneva to provide a trading platform for its clients and equity owners. The facility is one of three new offices to open globally and is the company's first European location.

## **Reverse Investments**

Basel-based Syngenta is constructing a new state-of-the-art biotechnology research facility adjacent to its existing research campus in Research Triangle Park, NC. The \$71 million investment will focus on discovering and developing new agronomic traits to bring innovative solutions to growers across the world.

Drugs industry supplier Lonza is buying Norwalk, CO based Arch Chemicals for some \$1.2 billion, making it the world's largest player in the multi-billion dollar microbial control market, the groups said. The move puts Lonza in pole position in an area that plays a key role in the fight against disease-causing bacteria.

Subject to regulatory approval Nestlé Health Science S.A. has agreed to acquire Prometheus Laboratories Inc. based in San Diego. Prometheus specializes in diagnostics and in-licensed specialty pharmaceuticals in gastroenterology and oncology,

Reinach-based instrumentation and process automation company Endress+Hauser opened its 12,000 square foot temperature production plant in Greenwood, IN. The facility builds temperature sensors, thermowells, transmitters, recorders, flow computers, safety barriers, displays and other instrumentation to meet the increasing demand for Endress+Hauser instrumentation in North and South America.

Senn Chemicals, USA, a wholly owned subsidiary of Dielsdorf-based Senn Chemicals, AG, has opened new offices in Silicon Valley to better support the needs of local pharmaceutical, biotechnology and diagnostic companies.

Sterci SA, based in Geneva, has opened a Toronto office to better serve North American customers. The company is a leader in service oriented solutions for STP.

Ziemer Group, a Swiss company that manufactures and markets leading-edge ophthalmic diagnostic and surgical products, will expand and establish its new U.S. headquarters in Alton, MO. When completed, the new HQ is expected to house about 10 persons.

Swiss Re has opened an office in Miami, FL, to serve markets in Latin America and the Caribbean. The company is one of the largest reinsurers in the world with net premiums of over \$19 billion and net profits of \$900 million in 2010.

## **From The Foreign Desk**

### Four from the UK

Reinsurance broker JLT Re has opened its new office in Basel following the acquisition of U.S. Re's Basel-based treaty reinsurance business portfolio and assets.

Shire, a maker of drugs for hyperactivity, gastrointestinal problems and rare diseases, has established a European hub in Eysins, Canton Vaud, from where it aims to expand its activities outside the United States. By mid-2012 the company will move into a larger space with a capacity of 240 people, doubling the current headcount.

FE (formerly Financial Express) is planning to open an office in Switzerland as it embarks on an overseas expansion program. The company provides investment data, software and performance analysis to the financial services industry.

Recruitment company SThree has announced plans to open a new office in Zurich during the second half of 2011. The company finds jobs for workers in the engineering, energy, pharmaceutical and finance sectors.

Actavis, based in Iceland and one of the world's leading players in the development, manufacture, and sale of first-class generic pharmaceuticals and with more than 10,000 employees operating in over 40 countries around the globe, has established its headquarters in Zug after evaluating Copenhagen, London and Amsterdam. The company's CEO Claudio Albrecht said "We chose Switzerland because of the outstanding pharmaceutical environment, the availability of qualified personnel, the international atmosphere and the centrally located Zurich Airport." He said that around 100 Actavis employees from 29 different countries are based in Zug. By the end of Q2 2011, the Company expects all six floors of the 4,000 sq m building will be fully occupied, with 150 people on site.

Japan-based Otsuka Pharmaceutical Company established Otsuka SA in Geneva. The facility serves as a central operations center for developing and implementing public health policies and corporate social responsibility programs in connection with its international tuberculosis program.

Dimension Data, a subsidiary of Japan's NTT and a specialist IT services and solutions provider, has opened a Check Point Authorized Training Center (ATC) in Lausanne suburb Crissier. It offers several courses for individuals to achieve professional certification in IT security. The ATC will also provide customer-specific or tailor-made trainings on request.

#### Five from Germany

Linde, a gas and engineering, material handling and refrigeration provider, has announced that its Swiss affiliate PanGas AG has opened a new air separation unit in Basel. The CHF 68 million plant produces high-purity air gases oxygen, nitrogen and argon and will enable Linde to improve its supply reliability, particularly for chemical and pharmaceutical enterprises in Switzerland, Germany and France.

PvXchange an online photovoltaic module and inverter trading platform, has set up a new office in Zug to focus on the company's international operations.

Gemu Switzerland, a subsidiary of German industrial valve manufacturer Gemu, will establish an injection molding plant in Emmen where it will carry out medical technology injection molding of advanced polymers. The new facility will more than double the company's existing capacity and will feature a cleanroom manufacturing unit. Almost half of the new Emmen plant will be completed by April 2012.

Siemens Building Technologies, part of electronics giant Siemens, has announced plans to expand its headquarters in Zug. The company will invest SFr170m by 2015 to construct a new administrative building and a production plant at the site. Construction will begin in 2012 and will include the transfer of 200 jobs to the site from its Volketswil unit.

And the fifth from Germany as the Busch Group announced plans to expand its Busch Clean Air SA operations in Porrentruy. The investment is expected to reach tens of millions of Swiss francs and create about 100 jobs.

From Denmark, sustainable development consultancy firm Ramboll has opened a new office in Zurich that allows the company to gain a greater foothold in the central European energy market. The company specializes in delivering cost-effective and reliable energy solutions for waste-to-energy, offshore wind and district energy projects.

Belgium-based financial services software firm BSB has announced the opening of two new offices in Geneva and Zurich.

Chinese telecommunications company ZTE has opened an office in Bern that will initially employ 30 people with this figure set to rise to 100 in the medium term. The company considered many areas of the country before opting for Bern.

Aircraft leasing company BBAM, part of Ireland-based Fly Leasing, has opened a new office in Zurich to market the company's services to airline customers in Europe and North Africa. BBAM manages leased commercial aircraft with a value in excess of \$11bn.

From down under, Australia's Recall, a provider in document storage, digital solutions and data protection, will conduct business operations in Kloten in response to requests from existing and potential customers asking for support in the local market. The company already services select customers in Switzerland.

### **Other News from our Worldwide Sources**

INSEAD has announced the findings of its 2011 Global Innovation Index, showing Switzerland on top, gaining three places from its position in 2010, and Sweden and Singapore in second and third position, respectively. The Report covers 125 economies, accounting for 93.2% of the world's population and 98.0% of the world's Gross Domestic Product (in current US dollars).

On May 17 the much-anticipated collaborative nanotechnology center involving ETHZ and IBM was opened on the campus of IBM Research-Zurich. Named the Binnig and Rohrer Nanotechnology Center the facility is the centerpiece of a 10-year strategic partnership in nanoscience between IBM and ETH Zurich where scientists will research novel nanoscale structures and devices to advance energy and information technologies. It is named for Gerd Binnig and Heinrich Rohrer, the two IBM scientists and Nobel Laureates who invented the scanning tunneling microscope at the Zurich Research Lab in 1981, thus enabling researchers to see atoms on a surface for the first time.

<http://www-03.ibm.com/press/us/en/pressrelease/34539.wss>

**Did you know?** Archaeologists have discovered traces of Switzerland's oldest known building. It is in the middle of Lake Biel, northwest of the capital, Bern. Scientists used dendrochronology (dating by tree rings) to date the wooden building to 3863 BC. This and similar finds in other lake locations are being added to the UNESCO World Heritage List.

[http://www.swissinfo.ch/eng/Specials/UNESCO-World\\_Heritage/News/Lake\\_dwelling\\_makes\\_world\\_heritage\\_list\\_.html?cid=30542748&ref=nl](http://www.swissinfo.ch/eng/Specials/UNESCO-World_Heritage/News/Lake_dwelling_makes_world_heritage_list_.html?cid=30542748&ref=nl)

**Coming Events** To register for these and other events click the "Event" icon at [www.locationswitzerland.com](http://www.locationswitzerland.com)

September 14 – Soiree Suisse, Washington

September 26-28 – AdvaMed MedTech Conference, Washington

October 12 – Swiss Business and Tax Update Breakfast, Boston

October 13 – Switzerland Seminar with the European American C of C, Cleveland, OH

October 16 – CFO Rising West Conference, San Diego

October 26 – 2010 Tell Awards Presentation, Washington

October 27 – Manufacturing Summit, Washington

### **Publicity and Promotion**

STIP's New York office worked with the Swiss Biotechnology Association and Swissnex to help develop a week-long bio tour for students at the University of San Francisco's School of Business and Professional Studies. The tour was held May 22-30 with stops at leading Swiss biotechnology companies and research facilities. Faculty leader Professor Moira Gunn participated on several STIP media tours.

Invitations to visit the Swiss Pavilions at Nanotech 2011 and BIO 2011 were sent to our list of nanotech and biotech editors as well as the pre-registered press.

Releases distributed since our last newsletter:

May 10 – Kayak Opens European Headquarters in Switzerland  
June 29 – Lia Sophia Opens European HQ and Logistics Center in Switzerland  
July 11 – Switzerland is Largest Foreign Direct Investor in the US in 2010 at >\$42 Billion  
July 26 – Newell Rubbermaid Opens EMEA Headquarters in Switzerland

### **SwissInk**

Our release on Kayak was picked up by IPA World  
Our release on Switzerland being the largest investor in the US was picked up by *Business Facilities* and by 231 online news services with from 3,000 to 69.7 million visitors per day.

### Another score from the Fall 2010 MedTech Tour

Andy Shaw did a feature in *Health Technology Exchange* on Jeffrey Jump's presentation at EPFL regarding the difficulty of securing FDA approvals as a reason why his company Biosensors International moved from California to Switzerland.

<http://www.locationswitzerland.com/internet/osec/en/home/invest/us/news.-ContentSlot-69988-Item-40432-File.File.pdf/Europe%20here%20we%20come.pdf>

### **And a Happy 720<sup>th</sup> Swiss National Day: 1291-2011**

August 1, 2011