TRADE AND INVESTMENT SWITZERLAND

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Switzerland – Some Key Considerations

~16,000 Square Miles
area of Switzerland
(roughly the size of Massachusetts and Connecticut combined)

Berne
is the capital city

8 million inhabitants
but about 25% are foreign born

500 million consumers
can be reached within one day

4 national languages
German, French, Italian, Romansch
(with English as de facto business language)

GDP pre capita
CHF 80'214 USD
USD 55'836 USD
Switzerland - USA

MA + CT = Switzerland

ALASKA  41x
TEXAS    17x
USA      238x
Swiss FDI in the US Economy

- The U.S. is the most important destination for Swiss FDI by far (18.8%)
- Switzerland is the 6th largest investor (cumulative) in the U.S. economy
- More than 700 Swiss-owned companies in the United States employ nearly 450’000 people (estimate, 2012)

Sources: US Bureau of Economic Analysis, Swiss National Bank, Eidgenössische Zollverwaltung EZV, Swiss-American Chamber of Commerce
### Swiss Exports to the US

**USA are the 2nd largest export market (behind Germany)**

Total exports to the US reached a value of **CHF 27.5bn in 2015** (increase of 6.1% from last year)

### The three biggest CH export sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>Volume 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemical and pharmaceutical</td>
<td>CHF 84.7bn</td>
</tr>
<tr>
<td>Machines, appliances, electronics</td>
<td>CHF 31.1bn</td>
</tr>
<tr>
<td>Watches</td>
<td>CHF 21.5bn</td>
</tr>
</tbody>
</table>

### Swiss Exports 2015

<table>
<thead>
<tr>
<th>Country</th>
<th>Volume 2015</th>
<th>Growth '14-'15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>CHF 36.6bn</td>
<td>- 5.1%</td>
</tr>
<tr>
<td>USA</td>
<td>CHF 27.5bn</td>
<td>+ 6.0%</td>
</tr>
<tr>
<td>France</td>
<td>CHF 13.9bn</td>
<td>- 7.3%</td>
</tr>
<tr>
<td>Italy</td>
<td>CHF 12.8bn</td>
<td>- 6.9%</td>
</tr>
<tr>
<td>Europe</td>
<td>CHF 108.9bn</td>
<td>- 4.4%</td>
</tr>
<tr>
<td>Asia</td>
<td>CHF 15.8bn</td>
<td>- 6.0%</td>
</tr>
</tbody>
</table>

**Total Export increase of + 6%**

### USA: The New Export Locomotive

<table>
<thead>
<tr>
<th>Country</th>
<th>Swiss Exports 2011-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>-8.3%</td>
</tr>
<tr>
<td>Italy</td>
<td>-17.9%</td>
</tr>
<tr>
<td>France</td>
<td>-2.8%</td>
</tr>
<tr>
<td>EU</td>
<td>-3.0%</td>
</tr>
<tr>
<td>USA</td>
<td>+37.7%</td>
</tr>
<tr>
<td>BRICS</td>
<td>-9.8%</td>
</tr>
</tbody>
</table>

**Total Export: +2.7%**

Quelle: Eidg. Zollverwaltung
### Key Export Indicators

<table>
<thead>
<tr>
<th>Market Potential for Swiss Exporters</th>
<th>Trend 2016</th>
<th>Trend Forecast 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemicals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharma</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MEM (Machinery)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Precision instruments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Watches</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food, Beverages and Tobacco</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICT</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Legend for trend indicators](legend.png)

- **Strong growth**
- **Growth**
- **Stable**
- **Slight decline**
- **Strong decline**

- **Very attractive**
- **Attractive**
- **Neutral**
- **Rather negative**
- **Negative**
US FDI in the Swiss Economy

- The U.S. are the most important investor in the Swiss economy by far.
- Switzerland is the 7th largest destination of U.S. direct investment (2013).
- > 1’100 American companies in Switzerland employ 100’000 people of which 250 are headquarter functions.
- US companies create approx. 90’000 jobs in Switzerland.

Logos of companies such as John Deere, Google, Biogen, GM, Johnson & Johnson, P&G, Stryker, Kasten, Abbott Vascular, Kuka, and Cargill.
Business Location Switzerland

INNOVATION + TECHNOLOGY

- Motivated workforce: No general strikes for almost 100 years
- Strong dual education system
- World's highest purchasing power
- World's best working conditions
- World's third-highest life expectancy
- Multilingual employees with 4 national languages plus English
- Leading industry clusters:
  - MEM
  - ICT
  - Life sciences
  - Cleantech
- 3 Swiss firms are among the 20 most valuable companies in the world
- Among the top 3 nations with the highest number of Nobel laureates per capita
- Happiest nation in the world

SECURITY + TRUST

- Employees with significant international experience
- Multilingual employees with 4 national languages plus English
- Most attractive country for highly qualified foreign workers

ENVIRONMENT + LIFE

- Among the top 10 most popular country for expatriates
- 3 in the top 15: Swiss cities offer a very high standard of living
- World's most innovative country
Switzerland Global Enterprise

Switzerland Global Enterprise – Worldwide Organization present in 21 countries

Swiss Business Hub USA – Output

<table>
<thead>
<tr>
<th>KPI</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016 (Q3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supported Business</td>
<td>n.a.</td>
<td>270</td>
<td>509</td>
<td>707</td>
<td>630</td>
</tr>
<tr>
<td>Contacts</td>
<td>170</td>
<td>128</td>
<td>298</td>
<td>523</td>
<td>450</td>
</tr>
<tr>
<td>Projects</td>
<td>20</td>
<td>27</td>
<td>34</td>
<td>49</td>
<td>47</td>
</tr>
</tbody>
</table>
Services For Swiss SMEs Entering New Markets

- **Business Partner Search**
  - Distribution partner
  - Importer
  - Logistics / warehousing

- **Market Intelligence Reports**
  - Competitor analysis
  - Identification of business opportunities
  - Market structure

- **Business Development**
  - Targeting & outreach
  - Network contacts
  - Qualified introduction

- **Site Selection Analysis**
Most Relevant Topics Currently Under Discussion

• TTIP / TPP (discrimination potential)

• Mutual recognition of organic products: done!

• Internet copyright protection: in progress

• Trade in meat and cheese: open

• US program to resolve legacy of tax evasion (80 cat. 2 banks signed NPAs with DOJ. Other category banks in ongoing negotiations)

• FATCA – negotiations to switch from model 1 to model 2

• Swiss Corporate Tax Reform CTR III

• Immigration

• Swiss participation in Global Entry: pending in CH
Conclusion

Opportunities, Opportunities, Opportunities

• US economic outlook is positive
• Swiss companies will continue to invest in the US
• US companies will continue to consider Switzerland on their short list
• Uncertainty with regards to Switzerland (tax reform, immigration) are close to being resolved
• Swiss economy is stable (no risk of “Swexit”)
• US-Swiss business relations have great growth potential
• Let’s work together to support Swiss and US companies looking to expand!
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Thank you