



High Tech Heart of Europe: SWITZERLAND MATTERS!

U.S. Embassy Bern

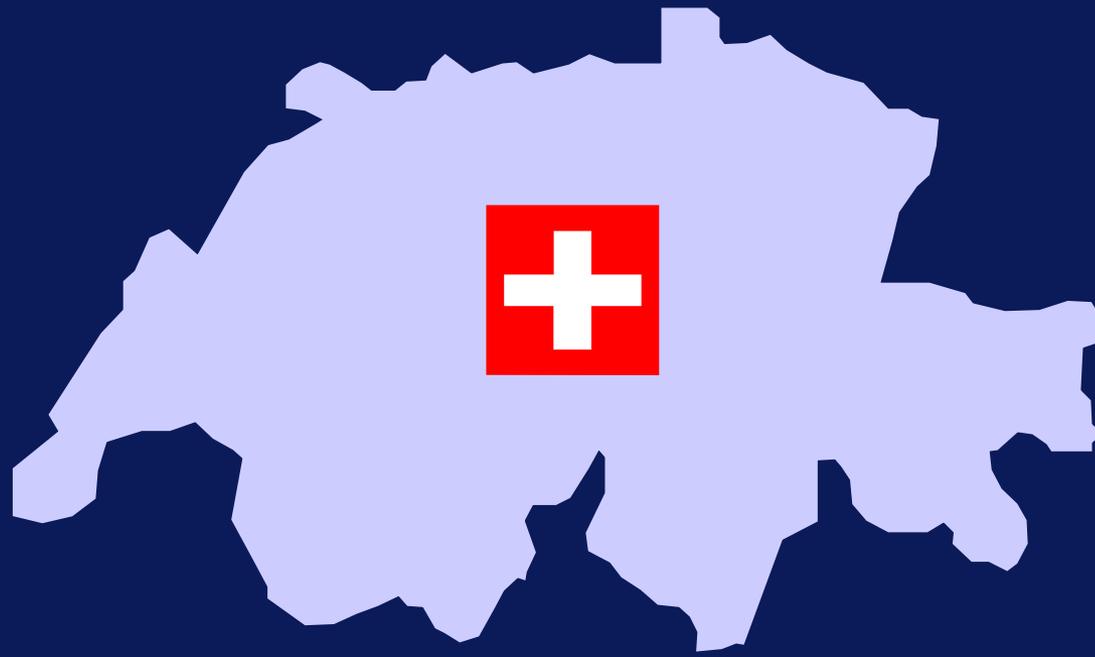
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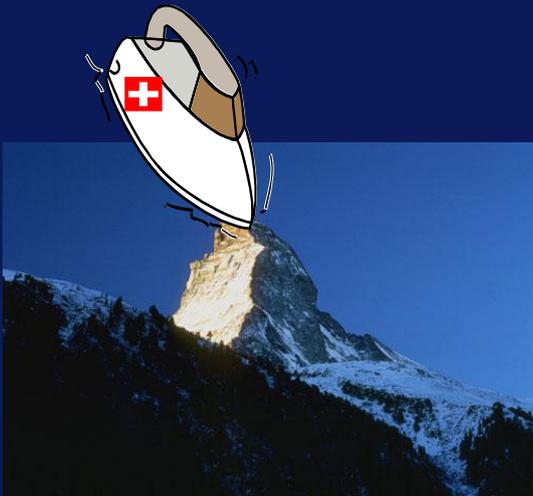




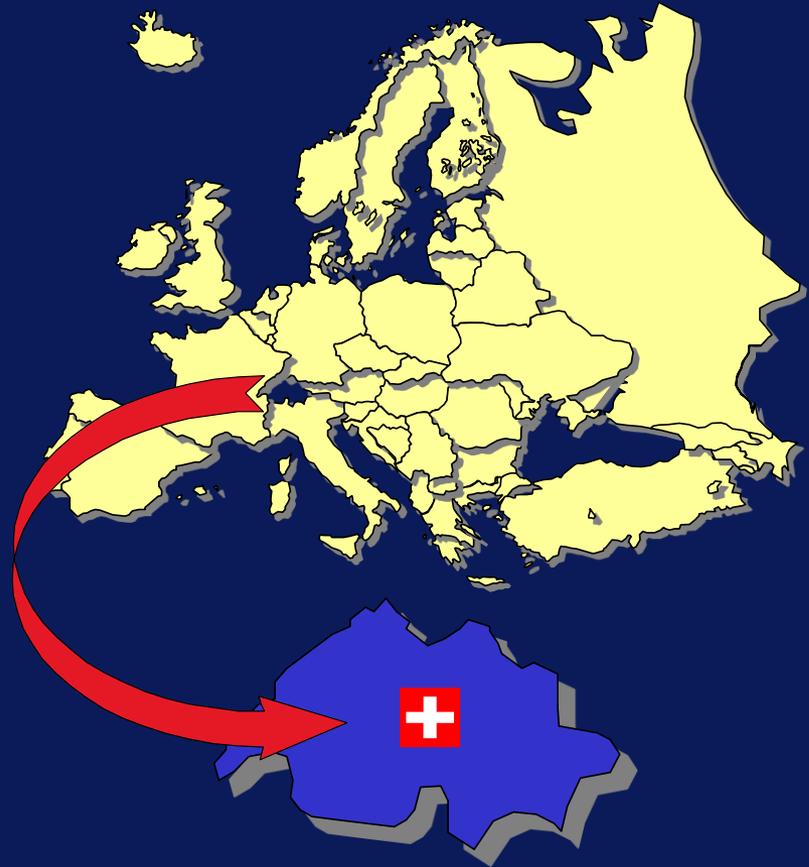
U.S.
COMMERCIAL
SERVICE
United States of America
Department of Commerce

Appearances Can Be Deceptive





If you iron out the mountains of Switzerland

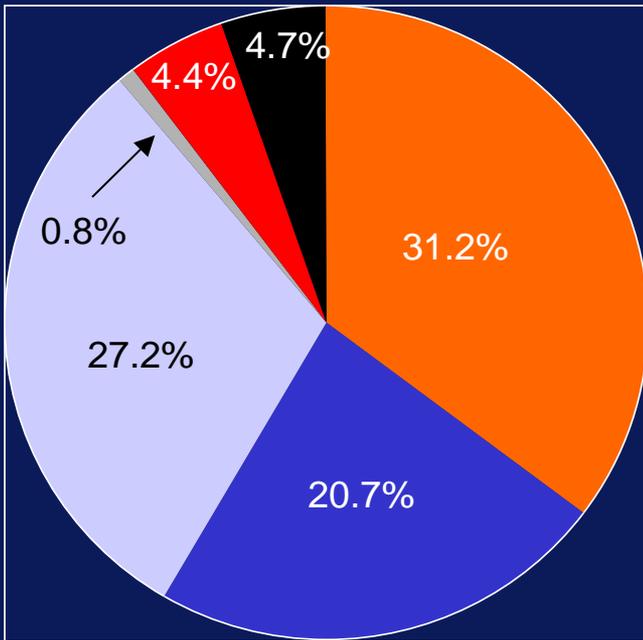


It becomes the largest country in Europe!

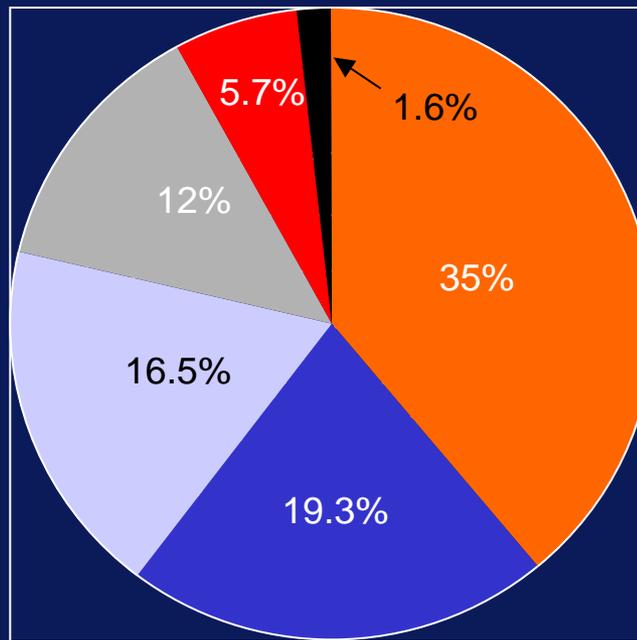
US-Swiss Bilateral Trade

- Switzerland is the 16th largest trading partner for the U.S.
- U.S. exports to Switzerland in goods valued at USD 20 billion in 2010
- The fastest growing market in Europe and fourth fastest growing market in the world for U.S. exports
- U.S.-Swiss bilateral trade (USD 59 billion) comparable to bilateral trade with Italy and with Spain and four times larger than U.S.-Austrian trade

U.S. / Swiss Trade by Main Commodity Groups



U.S. Exports to Switzerland



Swiss Exports to U.S.



Swiss Economic Indicators

- Population of 7.8 million
- GDP in 2010 of about USD 551 billion
- About 50% of Switzerland's GDP is generated by exports
- U.S. is second most important market after the EU

Market Characteristics

- World-class infrastructure
- High concentration of computer and Internet usage per capita
- Business-friendly legal environment and few market impediments
- Few large companies; small high tech manufacturers throughout the country and dependent on trade for survival
- Producer of high quality, valued-added goods
- Highly automated manufacturing sector
- Demand for high quality products with competitive prices
- Strong competition from EU suppliers

Market Characteristics

- Switzerland at epicenter of European competition
- Innovative products often introduced first in Switzerland
- Ideal test market—“Europe in Miniature”
- Follows EU regulations for standards, packaging, and labeling
- Additional standards for medications, cosmetics, and chemicals
- Switzerland as a “Gateway to Europe”—distribution channels to EU
- Multilingual and multicultural market—German, French, and Italian

Regulations

Import Tariffs:

Swiss duties are generally "specific" rather than "ad valorem". Duty varies according to the item imported, and the Swiss customs tariff uses the Harmonized System (HS) for the classification of goods. Customs duties are levied per 100 kilograms of gross weight, unless some other method of calculation is specified in the tariff (e.g. per unit, per meter, per liter). The gross dutiable weight includes the actual weight of the goods and their packaging, including the weight of any fixing material and supports on which the goods are placed. Although Switzerland has one of the highest applied average MFN tariff rates for agricultural products (almost 30%), its tariff rates for non-agricultural or manufactured exports are quite low, in fact one of the lowest (at roughly 2% or half the average U.S. rates). Hence, with some exceptions, import tariffs for U.S. exporters of manufactured goods to Switzerland tend to be negligible.

As a member of CEN (European agency for standards), Switzerland adopts any new European standards in reconciliation with any conflicting national standards. Switzerland applies “Harmonized European Standards” pertaining to health, safety and environmental criteria. All products covered by those standards must carry the CE label as a sign of compliance in all EU countries. **However**, Switzerland does not require the CE label on products for domestic (Swiss) use. Swiss manufacturers, if qualified, may use CE labels on their products.

All standards organizations in Switzerland are under the umbrella of SNV, the Schweizerische Normen Vereinigung or Swiss Standards Association. SNV provides local manufacturers with guidance on worldwide standards, serves as the link to relevant European (CEN) and international organizations (ISO), and is responsible for introducing the Swiss position at conferences and meetings.

Market Strategies

- Express commitment to market
- Establish long-term relationships
- Work directly with a Swiss importer/distributor/end-user
- Meet customers' needs; prepare to sell in small volumes
- Offer high quality and environmentally-friendly products
- Enter market early for competitive edge
- Consider regional and global potential of prospective Swiss customers

Major Swiss High Tech Market Segments

- Aerospace & Defense
- Biotech
- Energy/renewable energy
- Factory automation
- Information Technologies (IT)
- Laboratory and scientific equipment
- Medical devices and technologies
- Nanotechnology
- Precision instrumentation
- Safety and Security equipment