



SWITZERLAND - YOUR DESIGN AND BRANDING HUB

TOP 10 "MADE IN" LABELS 2017

Country	Rank
Made in Germany	1
Made in Switzerland	2
Made in European Union	3
Made in United Kingdom	4
Made in Sweden	5
Made in Canada	6
Made in Italy	7
Made in Japan	8
Made in France	9
Made in USA	10

Source: Statista, 2017

INTRODUCTION

A solid brand strategy can build shareholder value, attract good employees and create strong bonds with customers. To win hearts and minds, the brand strategy must understand and be aligned with their beliefs and values. Empowering customer experiences with insights and information builds confidence and trust. It is therefore vital that responsibilities for developing and overseeing brands be carefully defined and allocated. Engaging stakeholders across businesses is key to managing and maintaining consistency and retaining a brand's distinctive personality.

What could be better than "Made in Switzerland", which stands for an excellent customer experience? Customers associate Swiss-made products with reliability, the highest quality, longevity and technological superiority. From a design and branding perspective, this makes Switzerland one of the most competitive countries in the world.

WHY SHOULD YOU CONSIDER SWITZERLAND?

Among the various reasons you should look to Switzerland is if you:

- Want to associate your products or services with the "Made in Switzerland" brand
- Plan to benefit from Switzerland's unique offering of design skills and outstanding manufacturing capabilities
- Are looking for a highly developed test market

KEY TRENDS IN DESIGN + BRANDING

Trend 1: Creating individualized content

Individualizing products and services may be an irreversible trend, but it requires a sophisticated customer base that can afford products and services designed and developed specifically with their needs in mind.

The challenges:

- Securing a sophisticated customer base
- Accessing a suitable test market
- Creating individualized customer content

Why Switzerland:

1. Favorable conditions for product testing

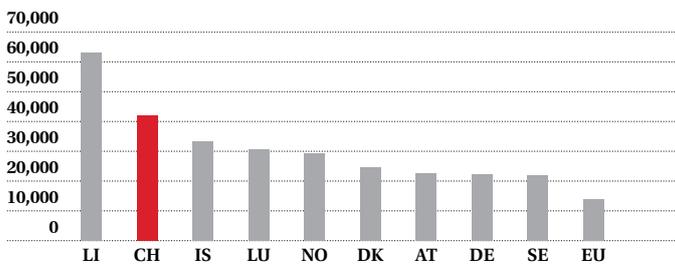
Even the US Department of Commerce advises US companies to use Switzerland as a test market for products they intend to market in Europe. In particular, the Swiss test market is “ideal for introduction of new high tech and consumer products.” (Source: 2014 Country Commercial Guide for U.S. Companies, US Department of Commerce)

2. High purchasing power

Swiss customers enjoy some of the highest purchasing power in the world. Their market is well-suited to individualized products - ranging from specially designed medical devices to customized motorcycles. In 2017, Switzerland ranked second in Europe after Liechtenstein for purchasing power.

Average Purchasing Power

Per capita in EUR, 2017



Source: www.gfk.com, 2017

Case Study:

Harley-Davidson Switzerland GmbH, the Swiss subsidiary of US-based Harley-Davidson, manufactures unique motorcycles. Handlebars, seats, suspensions and foot controls are fully customizable, meaning customers can purchase a product with which they truly identify. Strong Swiss purchasing power and customized products are both important ingredients in the company's success in Switzerland. The strategy clearly pays off, as Harley-Davidson is the best-selling motorcycle brand in Switzerland.

Trend 2: Connecting innovation with design and production

Customers increasingly regard “authenticity” - meaning the integration of innovation, design and production in one country or within one company - as a desirable quality. Switzerland offers unique opportunities not only to invent and design products but also to manufacture them. The ‘Made in Switzerland’ label can be an important boost to growth and can be of vital significance in the global market.

In order for a company's industrial product to earn the “Made in Switzerland” label, at least 60% of the product's manufacturing costs (including R+D, material and production costs including costs for quality assurance and certification) must be incurred in Switzerland. In addition, the main production stage must take place in Switzerland (see also www.s-ge.com/swissness).

The challenge:

- Finding a location with great design and production capabilities

Why Switzerland:

1. Build a brand that reflects your strengths or that makes credible promises. Switzerland is one of the most highly industrialized countries in the world with advanced manufacturing capabilities ranging from medical devices to cosmetics and from watches to industrial machinery.
2. Switzerland also offers outstanding high-precision manufacturing enabling the production of highly complex products. This enables companies to combine the design and production of a product in Switzerland, thus adding to its quality and authenticity.

The Country Brand Index is an annual ranking published by FutureBrand, a leading brand think-tank. Not all of the 75 countries covered by this study qualify as ‘brands.’ In fact, only 22 meet the criteria. As a result, they have a measurable competitive advantage over their peers.

Switzerland ranked second in 2014-15, outpacing all other European countries and other ‘country brands’ including the USA, Canada and South Korea. Only Japan ranks more highly.

According to the ranking, “key drivers of a ‘country brand’ include having a reputation for high quality products, a desire to visit or study in a country and perceptions of good infrastructure.”

Case Studies:

US company Medtronic is a leading company in the cardiac, vascular and diabetes market, with operations in more than 160 countries and more than 91,000 employees worldwide. Its European, Middle Eastern and African headquarters, Medtronic Europe Sàrl, are located in Tolochenaz, Switzerland. With around 1,100 employees based in Switzerland, the Swiss business manufactures 1,600 to 2,000 heart pacemakers each day, one third of all those manufactured and implanted worldwide. The company benefits from the strong reputation of Swiss manufactured products, including for innovation, quality and design.

The world-famous Danish coffee maker manufacturer BODUM has located its Design and Service Center in Triengen in the Canton of Lucerne. There it combines top international design talents with typically high Swiss service quality to develop some of the world's most famous kitchenware.

Trend 3: Strategic management of brands and design

In a globalized economy where companies face intensifying competition, integrated management and exploitation of intellectual property (brands and design) is of increasing importance. IP protection is essential when managing design and branding content such as innovative industry design, brand labels and trademarks.

The challenges:

- Making efficient IP protection an integrated part of the business strategy
- Optimization of IP management from a business and tax perspective

Why Switzerland:

1. International protection of IP rights against infringement by competitors or fraudsters is extremely important. Switzerland is one of the most active countries in terms of patent applications. With 7,283 patent applications, it ranked sixth in the world and third in Europe in 2017. In terms of applications per capita, it outperforms every other country. Due to its strong brand recognition and the high number of patents submitted annually, Switzerland places a strong emphasis on enhancing IP protection domestically and internationally through bilateral treaties with many leading emerging and industrialized countries. Switzerland is also home to the WIPO (World Intellectual Property Organization). Strong data protection regulations and leading secured data centers reduce the risks of industrial espionage.
2. **Efficient exploitation of IP**
Several attractive tax planning models are available for IP in Switzerland including an IP Box that can help to reduce tax on patent and trademark royalties. The Canton of Nidwalden, for example, taxes net licensing income derived from IP exploitation rights at a flat rate of 1.2%. The definition of the income from qualifying intellectual property rights (IP) meets international standards (OECD).

Case Study:

The Swiss subsidiary of an international US-based hotel chain with resorts in more than 80 countries manages the licenses of its various brands worldwide.

