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The Canton of Bern – a business location for innovative organizations

In the course of an interview in December 2014, I was asked when I would do away with the Economic Development Agency. I replied that it will not happen during my term of office. What the journalist was trying to imply was that through tax holidays, the Economic Development Agency is enticing to the Canton of Bern foreign companies whose main interest lies in short-term gain.

In reality, we provide two thirds of our services for existing companies and one third to help foreign companies set up in Bern. The best example of this is the biotech group CSL Behring, which already has a large base in Bern and is about to construct a new production facility in Lengnau, creating several hundred jobs in the process. The decision in favor of Lengnau in May 2014 was a great success for the Canton of Bern business location in the face of tough competition, both within Switzerland and abroad.

The economy is subject to continuous structural change. Some jobs disappear, new ones are created. Our task is to convince decision-makers that the Canton of Bern is a place where innovative businesses with sustainable production processes will find ideal conditions.

As you will be able to see from the Economic Development Agency's Annual Report, 2014 was a very good year for us.

A successful year in a difficult economic environment

The strong Swiss franc and the unfavorable economic prospects represent a tough challenge for businesses in 2015. At the Bern Economic Development Agency (BEDA), we have responded to the changed overall conditions and adapted our instruments. Support for export projects and the criteria for the support of start-ups have been introduced.

With the innovation cost contribution instrument, we are pursuing the goal of positioning the Canton of Bern as an attractive location for new businesses.

The goal of the export support instrument is to support companies with a market differentiation strategy when building their market presence and developing foreign markets.

The Canton of Bern is a business location with a host of advantages. We do everything in our power to convince businessmen and women of these advantages – no matter whether they already have an active presence in the Canton of Bern or are seeking a new location.

2014 was an exceptional year for the Economic Development Agency. A number of very large projects resulted in new highs in terms of planned investments as well as jobs. The abolition of the minimum Euro exchange rate means a fundamentally different basis for 2015, one that also poses new challenges for us.



Andreas Rickenbacher

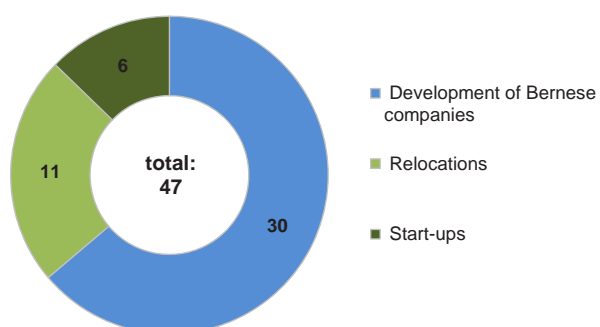
Minister of
Economic Affairs



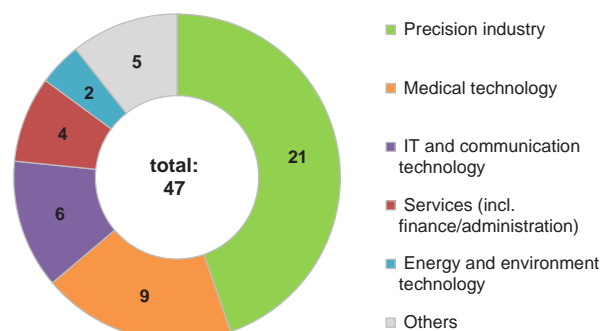
Denis Grisel

President Bern Economic
Development Agency

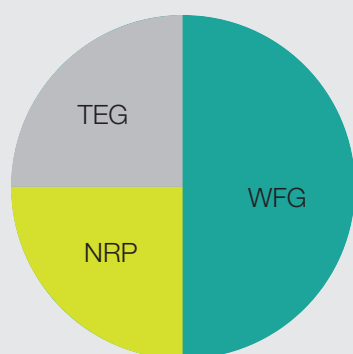
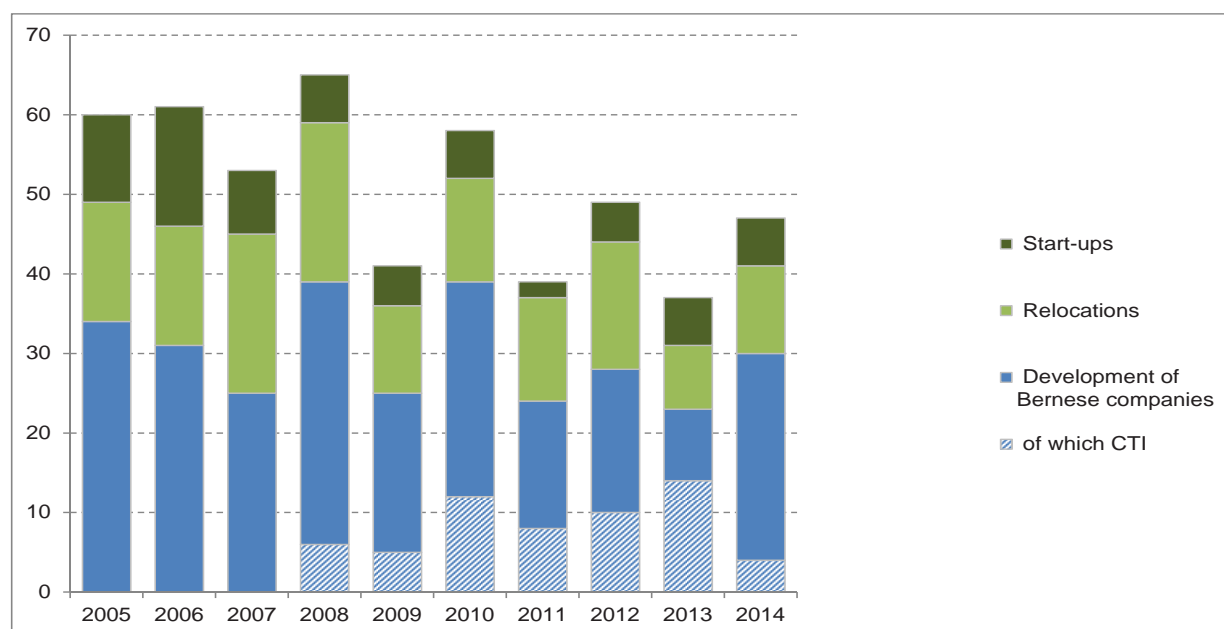
Supported projects according to type of support



Supported projects according to cluster



Supported projects 2005-2014



Financing of supported projects

The work of the Canton of Bern Economic Development Agency is based on three acts: the Economic Development Act (WFG) in order to support innovative projects, start-ups and relocations. The Cantonal Investment Aid Act is the basis for the support of infrastructural and development projects in the New Regional Policy (NRP). The Tourism Development Act (TEG) provides for support for events and market promotion in the tourism sector.

- Economic Development Act (WFG)
- Regional Policy (NRP)
- Tourism Development Act (TEG)

The Canton of Bern Economic Development Agency supports companies and their activities with a wide portfolio of advisory and other services. It is geared particularly towards the needs of small and medium-sized enterprises as well as start-ups.

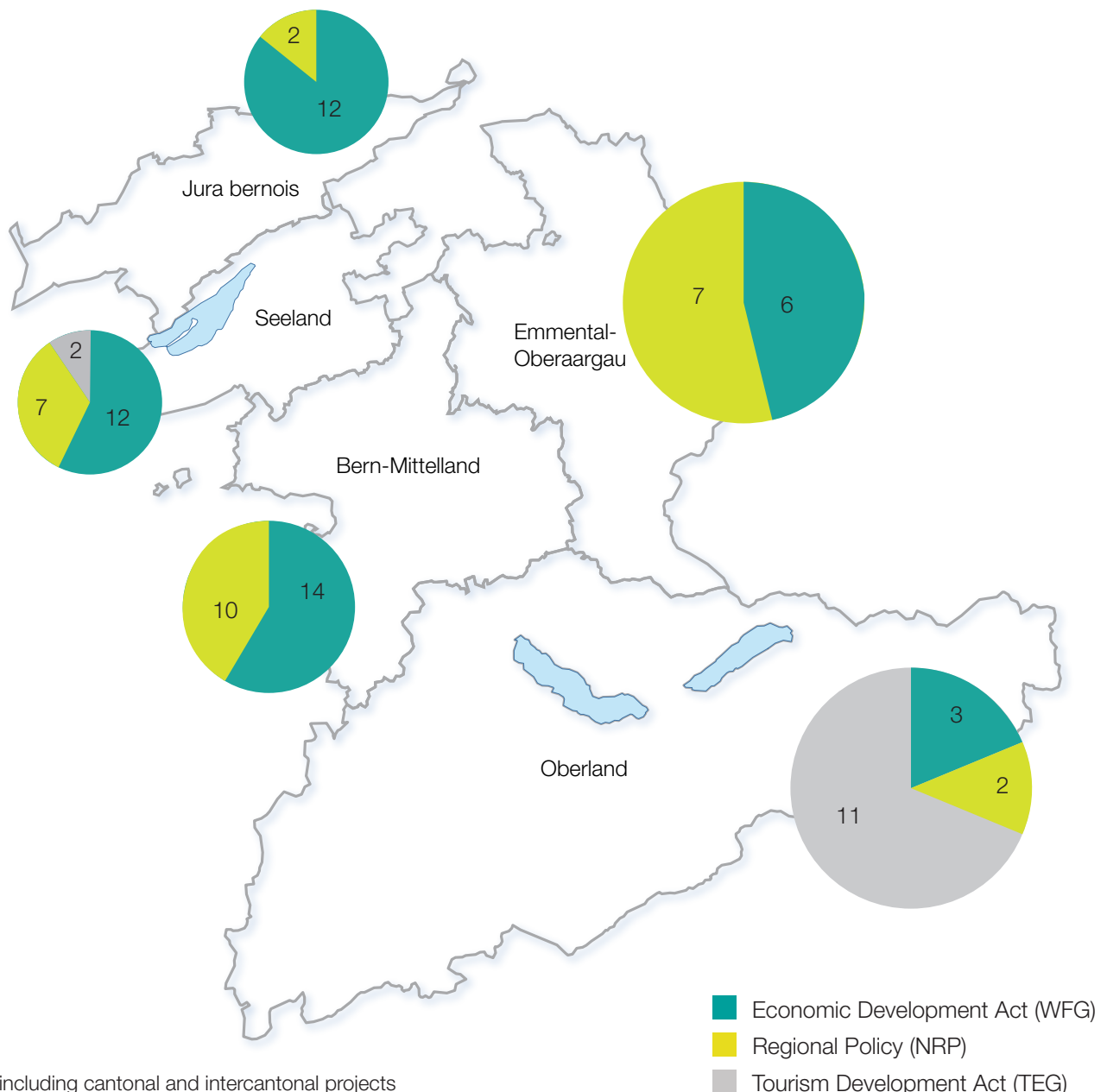
BEDA helps companies to get in touch with the right administrative bodies. Its most important services are:

- advice,
- arranging contacts, property, cantonal land and guarantees,
- initial advice for SMEs and start-ups,
- in selected cases, financial assistance and tax holidays.

In order to boost economic development, BEDA markets the Canton of Bern business location abroad in collaboration with Switzerland Global Enterprise and the Greater Geneva Berne area.

In addition, BEDA implements the regional and tourism policy. The regional policy boosts competitiveness in rural areas, generates added value and creates jobs. The following strategic action areas define the key aspects of regional policy: tourism, industry, renewable energies as well as structural reforms and innovative projects in the fields of culture, sport, leisure, education, social matters and health. BEDA supports the tourism sector to enable it to develop and hold its own in the competition to attract visitors. Key areas are marketing and events.

Supported projects according to region 2014¹



¹ not including cantonal and intercantonal projects



CSL Behring

At the end of a selection procedure lasting several years, the international biotech group CSL Behring decided in favor of the Canton of Bern. The canton prevailed in the face of tough domestic and foreign competition – thanks not least to extensive support from BEDA.

CSL Behring is building a new production facility in Lengnau near Biel as a complement to its existing site in the Wankdorf district of Bern. In the first stage, the company is investing several hundred million US dollars and creating 300 jobs. A totally new area of business (recombinant blood coagulation factors) is being set up in the factory. This example demonstrates that Switzerland – and the Canton of Bern in particular – is highly attractive as an industrial production location.

Tudor Tech SA

Tudor Tech SA is constructing a new production facility in Saint-Imier. In the process, it is creating more than 120 jobs and investing 45 million francs. Construction work for the production hall began in autumn 2014.

Manufacture of the «Roboscan Aeria» aircraft scanner is scheduled to commence in Saint-Imier at the end of 2015. This mobile, truck-mounted scanner system is able to identify the most minute cracks in an aircraft. It can also help to detect contraband such as drugs or weapons. Tudor Tech SA is bringing a new branch of the high-tech industry to the Bernese Jura. The company will be able to benefit from existing knowledge in the precision industry, telecommunications and IT as well as microelectronics.



Tudor Tech SA

GRÜN 19

GRÜN 19 has been conceived as a national exhibition with an international appeal. It offers an excellent opportunity to present and build upon the strengths of the Canton of Bern. In a feasibility study, the sponsoring organization has demonstrated that GRÜN 19 is a practicable proposition technically and in terms of content.

Clarification is still needed with regard to the financing and dates. According to current estimates, the expenditure involved in preparing for and holding GRÜN 19 amounts to 300 million francs. The intention is for GRÜN 19 to be financed primarily by corporate partners and by the Federal Government. BEDA accompanied the feasibility study co-financed by the canton.

sitem-insel AG

A national center of excellence for translational and entrepreneurial medicine is to be created in Bern. It will improve the translation of findings from medical research and industrial development into clinical applications.

The new center will be constructed and operated by sitem-insel AG, a company founded at the beginning of November. The project's goal is to establish better overall conditions for translation in the global competition to attract investors. The Cantonal Government has approved the sum of one million Swiss francs for the center's construction.



Swiss Innovation Park SIP Biel/Bienne

Switzerland is planning a national innovation park with hub locations in Zurich and Lausanne. A network location is to be created in Biel/Bienne in the Canton of Bern for which BEDA has prepared the candidature. The strengths of the candidature are the proximity to industry, the outstanding application-oriented research and Biel/Bienne's role as a bridge between French and German-speaking Switzerland.

An attractive plot of land, in close proximity to Biel/Bienne station and in the immediate neighborhood of the Bern University of Applied Science's planned Technology Campus is available for the construction of an innovation park. The project is being sponsored by the Canton of Bern, the city of Biel/Bienne and the operating company INNOCAMPUS AG, around 90 per cent of whose shares are held by the business community.

PaxVax

Following the decision by Crucell to withdraw to a large extent from Switzerland, BEDA has initiated contacts between potential purchasers and Crucell Schweiz AG.

PaxVax is taking over the production of the typhoid vaccine Vivotif from Crucell Schweiz AG. As a result, around 80 of the threatened job losses in Thörishaus will be saved. In the medium term, the Californian company intends to expand the Thörishaus location, where it will develop and manufacture additional vaccines. PaxVax was founded in the USA in 2007. The company concentrates on special vaccines in the key areas travel medicine and biohazard defense.

**Model of the planned
International School of Berne**



Swiss-9 GmbH

Swiss-9 is a spin-off from EMPA in Thun. It operates in the nanotechnology sector and has attracted a great deal of attention with a highly water-repellent liquid. If this liquid is sprayed on glass surfaces such as windows or tiles, it leaves behind an invisible nano coating. It is self-cleaning and repels dust and dirt. The first customers have already been acquired. An important market exists in the Arab Emirates, where protection against sand represents important progress. Another interesting prospect for the future is a new development for use in medicine: Swiss-9 is developing special endoscope coatings.

Since July 2014, Swiss-9 has been based within the premises of INNOCAMPUS AG in Biel, thus becoming one of the first companies to take advantage of the benefits offered by the innovation park.

ESPI Swiss SARL

Since its foundation in February 1996, the parent company ESPI based near Lyon has conceived and realized technically innovative solutions for flexible, precise and fast measurement instruments.

A Swiss subsidiary by the name of ESPI Suisse SARL was founded with an office at the INNOCAMPUS AG in Biel. The goal of ESPI Suisse SARL is to exploit synergies and develop the «factory of the future» in collaboration with INNOCAMPUS AG.

Advance Pay AG

Advance Pay AG is a high-tech start-up that has established a market niche for itself with solutions for contactless payment. A new technology turns the smartphone into a fast, secure, mobile and inexpensive payment terminal. Compared to other systems, the difference lies in the fact that the risk management takes place not on the bank's server, but locally at the user's end. Security elements in the payment terminal and in the user's credit card enable an extremely fast and secure transaction.

In the year gone by, BEDA provided support for the continued development of this innovative solution.

International School of Berne

In the international competition to attract investment, a top-class international school with a modern infrastructure is a critical element for companies choosing a business location.

With this in mind, the Canton of Bern is supporting the construction of the new campus for the International School of Bern in Gümligen with a sum of 3.9 million francs. The Cantonal Parliament approved the contribution in the November 2014 session. The cantonal contribution is going towards the construction and fitting out of the new campus. Building work is expected to commence in the second half of 2015.



Inomed Technology SA

Inomed Technology SA

Inomed Technology is an up-and-coming enterprise in the medical technology sector. As a Swiss manufacturer, Inomed specializes in the planning and production of sterilizing baskets for surgical instruments.

The baskets are distinctly different from those of the competition in terms of design, closure and stacking systems. At the same time, Inomed Technology also carries out research into new, innovative materials. With the support of BEDA, the company was able to double its production area at the Courtelary site in 2014 and currently employs a workforce of 18.

Exilant Ltd

Exilant Ltd, a fast-growing company headquartered in Bangalore India, employs more than 1,500 people all over the world, including Singapore, New York and London. It provides ICT services for its customers and develops new production solutions. Its core areas are textiles and clothing, the engineering industry and foodstuffs.

In June 2014, Exilant Ltd set up a subsidiary for the development and sale of its products in Europe. BEDA helped Exilant Ltd establish a partnership with Easy SA in the Bernese Jura; the Haute Ecole Arc is investigating a pilot project for the engineering industry.

Tebetec AG

Tebetec AG, established in 2010, specializes in the development and production of innovative components for the prevention of thermal bridges in building construction. Thermal bridges are weak spots in building components that allow heat to escape and may cause damage to the fabric. The patented wall connectors prevent thermal bridges on new buildings, thereby cutting energy losses on reinforced concrete components by as much as 40 per cent. In this way, they are helping Switzerland achieve its environmental and ecological goals.

BEDA supported the continued growth of the company within the scope of an international marketing campaign launched at the start of 2014.

Multiple Dimensions AG

Multiple Dimensions AG, a start-up business launched in October 2013, commenced operations at its site in Brugg within a matter of months.

The company is engaged in the development, manufacture and marketing of injection-molded circuit carriers (molded interconnect devices). It has chosen to focus on extensive automation of production processes and is making a name for itself with specialized expertise in the field of design. The activities of Multiple Dimensions AG serve as a boost for the precision industry, which constitutes an important strategic axis of the Canton of Bern's economic policy.

Network infrastructures (Smart Capital Region Bern)

In the project «Network infrastructures: en route to the Smart Capital Region» intelligent use of the network infrastructures is paramount.

The Smart City concept is to be extended to the entire capital area with its smaller and larger towns, urban agglomerations and rural spaces. State and industry players are standing shoulder-to-shoulder to form a shared platform in order to utilize synergies.

Adelboden: Construction of the new Bergläger-Höchst four-seat chairlift

The Chuenisbärgli-Silleren-Hahnenmoos tourism region is an important part of the Adelboden-Lenk tourist destination. The new Bergläger-Höchst cableway is a detachable four-seat chair lift.

The new chairlift will increase the attractiveness of the return transport of guests from the Boden area and create a link between the Chuenisbärgli World Cup mountain and the entire Silleren-Hahnenmoos-Metsch skiing area. The new cableway replaces two outdated skilifts. BEDA is supporting the project with an investment aid loan.

Economic effects of the V project on the Canton of Bern

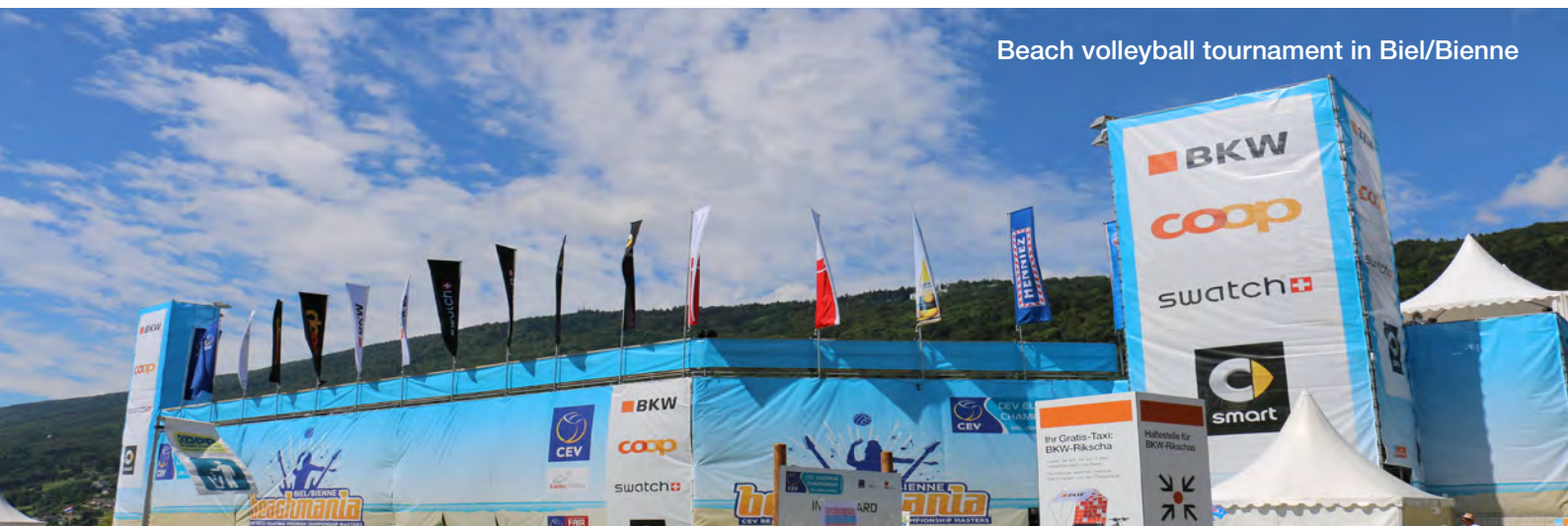
The economic effects arising from the V project by the Jungfrau Railways and the Grindelwald-Männlichen Aerial Cableway are the creation and long-term security of between 182 and 529 full-time jobs in Grindelwald. This amounts to 8 to 22 per cent of the current number of jobs. The project will generate a net added value of 370 million francs. These figures are documented in a study commissioned by BEDA and undertaken by Ecoplan Bern.

Beach volleyball tournament – 2016 European Championships in Biel/Bienne

The 2016 European Beach Volleyball Championships will be held in Biel/Bienne, the largest bilingual town in Switzerland. The central committee of Swiss-Volley reached this decision on the basis of a multistage candidature process.

The Canton of Bern will thus again be the venue for an attractive international sports event following the 2008 European Football Championships, the 2009 Ice Hockey World Championships, the 2011 European Figure Skating Championships and the 2013 European Mountainbike Championships.

Beach volleyball tournament in Biel/Bienne

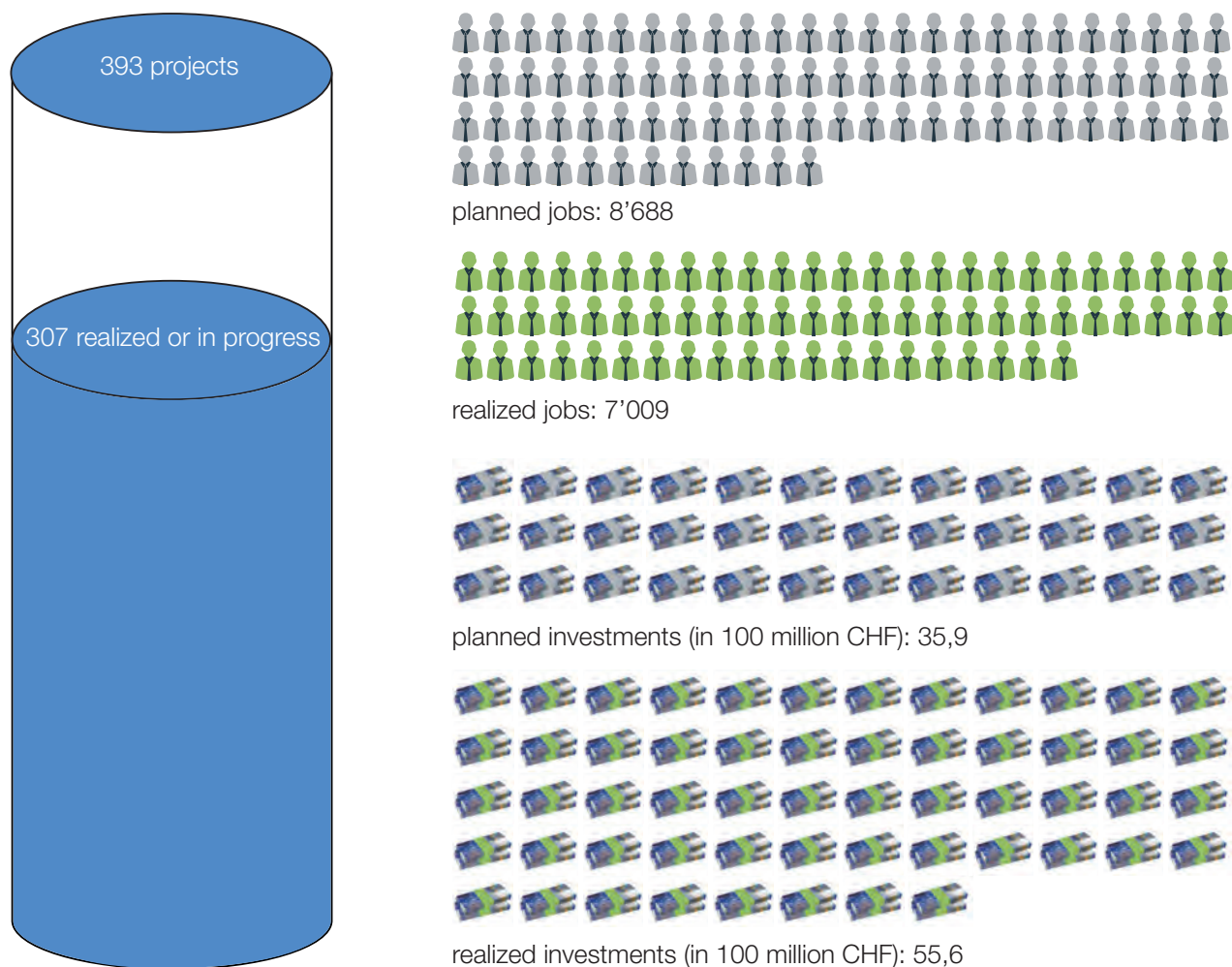


The Canton of Bern periodically monitors the progress of the projects and organizations it supports. It conducts regular investigations into the effects and benefits. The next review is scheduled for 2015.

Based on the third investigation in 2011, it may be assumed that the economic development instruments employed generate net revenues and thus ease the burden on the cantonal financial budget.

The organizations receiving support document their progress. The Canton of Bern reports not only on intentions, but also on actual investments and jobs created. Because some time may elapse between the promise of support and the implementation of the project, the latest available figures come from the support years up to 2011. No verified results are available yet for the years 2012 – 2014.

Supported projects, jobs and investments in a long-term comparison 2002 – 2011



Projects supported by the Economic Development Agency

Number of projects, promised contributions, planned jobs and investments

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Number of supported projects	60	61	53	65	41	58	39	49	37	47
promised contributions in million CHF	3.43	2.60	2.73	3.96	2.36	3.66	2.40	3.48	2.24	3.16
planned jobs ¹	840	800	800	1150	610	1340	1110	740	350	1500
planned investments in million CHF ¹	375	290	213	328	400	622	208	392	88	1122

¹ According to company statements

Supported projects according to type

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expansion projects by Bernese firms	34	31	25	39	25	39	24	28	23	30
relocations	15	15	20	20	11	13	13	16	8	11
start-ups	11	15	8	6	5	6	2	5	6	6
of which CTI ²	-	-	-	6	5	12	8	10	14	4

² The Commission for Technology and Innovation CTI is the Federal Government's innovation support agency. The canton supports Bernese firms that are industrial partners of a CTI project.

Supported projects according to cluster

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
IT and communication technology	8	8	11	9	6	8	6	17	3	6
Medical technology	6	3	7	4	10	12	6	5	13	9
Precision industry	17	22	20	29	14	22	13	14	12	21
Energy and environment technology	0	2	0	2	1	3	2	5	7	2
Design/Luxury goods	5	1	1	1	0	5	5	3	1	0
Services (incl.finance/ad-ministration)	3	4	2	6	4	1	3	2	0	4
Others	21	21	12	14	6	7	4	3	1	5

Regional distribution of projects³

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Bern Mittelland	18	19	15	25	11	15	16	21	9	14
Biel-Seeland	14	14	8	15	10	18	7	9	12	12
Berner Jura	13	8	10	9	8	5	6	8	5	12
Oberaargau	5	9	9	9	4	4	3	3	3	3
Emmental	5	3	6	1	3	8	4	4	5	3
Berner Oberland	5	8	5	6	5	8	3	4	3	3

³ The Economic Development Agency offers its services throughout the canton, control of regional distribution is not possible

Other services

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Accompanying evaluation visits	57	37	50	58	65	61	69	69	68	61
advisory services for start-ups	205	217	255	233	284	333	353	307	330	208
advisory services for SMEs	200	120	112	137	148	158	141	113	108	135

Supported projects New Regional Policy (NRP) and Tourism Development (TEG)

Number of projects, promised contributions, planned jobs and investments

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
New regional policy from 2008 (Investment Aid Act)										
Number of supported projects	-	-	-	31	34	43	28	33	34	27
promised contributions and loans in million CHF ⁴	-	-	-	10	4	6	2	3	6	4
jobs ⁵	-	-	-	310	100	290	120	300	390	560
planned investments in million CHF ⁵	-	-	-	44	41	58	57	35	81	44
Tourism Development Act (from 2006)										
number of supported projects	-	25	18	18	21	7	21	14	13	13
promised contributions ⁶	-	6.1	5.5	5.3	6.1	5.0	5.3	5.6	9.7	10.1

⁴ These contributions also include the regional management

⁵ According to the project sponsor's statements; number of created and assured jobs

⁶ Including the annual contributions for marketing

List of supported projects NRP and TEG

Project sponsor	project title	region
BGL Wärmeverbund	BGL Wärmeverbund AG	Bern-Mittelland
Frienisberger Holz AG	Nachhaltige Waldbewirtschaftung im kleinstrukturierten Wald	Bern-Mittelland
IG Biathlon Gurnigel Gantrisch	Überbauungsordnung für nationales Trainingszentrum Biathlon Gurnigel/Gantrisch	Bern-Mittelland
Ökonomische und gemeinnützige Gesellschaft des Kantons Bern	Betreuung von älteren oder kranken Menschen auf Landwirtschaftsbetrieben.	Bern-Mittelland
Regionalkonferenz Bern-Mittelland	Umgebung Bern - Teil der Destination Bern Tourismus (BET)	Bern-Mittelland
Verein Wärmeverbund	Wärmeverbund Rüderswil	Bern-Mittelland
Wärmeverbund Lauperswil	Wärmeverbund Lauperswil	Bern-Mittelland
Wärmeverbund Riffenmatt	Wärmeverbund Riffenmatt	Bern-Mittelland
Wärmeverbund Schlosswil	Wärmeverbund Schlosswil	Bern-Mittelland
Wetras Wärmeverbund	Wärmeverbund Schwarzenburg	Bern-Mittelland
BuFra Holz GmbH	Förderung der Waldbewirtschaftung	Emmental-Oberaargau
Emmentaler Schaukäserei AG	Strategie Emmentaler Schaukäserei 2020	Emmental-Oberaargau
Emmentaler Wald&Holz GmbH	Waldpflegeverträge im Emmentaler Wald	Emmental-Oberaargau
Projektgruppe Schloss Trachselwald (Gemeinde Heimisbach)	Betriebskonzept Schloss Trachselwald	Emmental-Oberaargau
Regionalkonferenz Emmental	Touristisches Uebernachtungsangebot Emmental-Oberaargau (Stellplätze)	Emmental-Oberaargau
Schweiz. Stiftung für Design	Neuausrichtung der bernischen Designinstitutionen	Emmental-Oberaargau
Verein zur Förderung des Sauerkrautkonsums	Dem Sauerkraut auf der Spur	Emmental-Oberaargau
arcjurassien.ch, La Chaux-de-Fonds	Bureau pour la promotion de l'Industrie de l'arc jurassien et ses métiers Techniques	Interkantonal
arcjurassien.ch, La Chaux-de-Fonds	Mesures d'accompagnement	Interkantonal
Verein Hauptstadtregion	Netzwerk Infrastrukturen	Interkantonal
Association régionale Jura-Bienne	Développement des cleantech	Jura bernois
Crescentia SA	Parc Technologique III in St. Imier	Jura bernois
BE!Tourismus AG	Projekt Incoming & Sport	Kanton Bern
CRED Uni Bern	Expertise zum Tourismus im Kanton Bern	Kanton Bern
STV Schweizer Tourismus Verband	Studie Parahotellerie	Kanton Bern
Adelboden Tourismus	Kooperationsprojekt Hotellerie BO-Mitte	Oberland
Bergbahnen Adelboden AG	Neubau 4er Sesselbahn Bergläger-Höchst	Oberland
Ecoplan AB Bern	Studie: Volkswirtschaftliche Auswirkungen des V-Projekts	Oberland
Interlaken Tourismus	ICE MAGIC Interlaken	Oberland
Menuhin Festival Gstaad	Gstaad Academy	Oberland
Mobile Day Association	Beitrag Mobile Day	Oberland
OK Schlittenhunde WM	Schlittenhunde WM 14.-16.02.14 Kandersteg	Oberland
Regionalkonferenz Oberland-Ost	Weiterentwicklung Kulturlandschaft Oberland Ost	Oberland
Stiftung Schweibenalp	Alpine Permakultur Schweibenalp - Phase II -	Oberland
The Grand GmbH	The Grand Gstaad Winter Games 2014	Oberland
Verein «WLC 2014 Brienz»	World Logging Championships 2014 Brienz	Oberland
Verein WollReich	Machbarkeitsstudie Wollenweg	Oberland
Swiss Chamber Music Festival	Swiss Chamber Music Festival Adelboden 2014	Oberland
InnoCampus AG	Additive Manufacturing Innovation Center	Seeland
Swiss Volley	Beach Volley Turniere 2014 und 2015; Europameisterschaft	Seeland