



2015 Annual Report

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Confidently facing the challenges ahead

In the past year, the Bern Economic Development Agency has done the utmost in order to promote optimal support for innovation, expansion and export projects. We succeeded in important projects. For example, the Biel/Bienne location will become a networking site of the Switzerland Innovation Park – a milestone in Bernese innovation policy. At the same time, a number of companies are realizing important expansion projects. The internationally active Georg Fischer (GF) industrial group will be investing in a new building at its Biel/Bienne location. The biotechnology company CSL Behring received the final building permission for a new factory in Lengnau where approximately 300 new jobs will be generated as part of an initial phase. Starting in 2019, the company plans the manufacturing of three new drugs there for global sale. These and other projects will further develop the Canton of Bern as a high-tech industrial base.

2015 was a great challenge for the economy. The strong franc had a negative effect on competitiveness. I am always thrilled by the assurance expressed by companies in the Canton of Bern when approaching challenges. With great confidence in their own abilities, they seek after innovative solutions and products. The Economic Development Agency will continue in 2016 to go to all lengths in order to provide favorable circumstances to the economy.



Andreas Rickenbacher

Minister of
Economic Affairs

Commitment to continuity and innovation

In terms of location promotion the Bern Economic Development Agency works hand-in-hand with Switzerland Global Enterprise and the Greater Geneva Bern area. This cooperation works well; we combine our strengths and optimize the range by all available means.

Continuity is assured: in autumn 2015, the necessary means for Switzerland Global Enterprise for the years 2016 – 2019 were approved by the Swiss Parliament. The cantons have negotiated a new service agreement and the Greater Geneva Bern area has undergone reorganization under a new management. We are therefore well equipped to maintain an active and innovative presence in our target markets such as the USA, China and our neighbors Germany, France and Italy. The development of the Brazilian market shows great promise. In 2015, we succeeded in convincing Welle Laser Technology, a leading Brazilian laser technology company, about the merits of Bern as a business location.

Also in 2015, we renewed the basis for regional policy over the next four years with the Federal Government. This is particularly crucial for tourism, a very important sector in the Canton of Bern.

At the Bern Economic Development Agency, we are aiming to provide our services for businesses in the Canton of Bern with continuity and innovation in 2016. Together, we will successfully master challenges ahead.

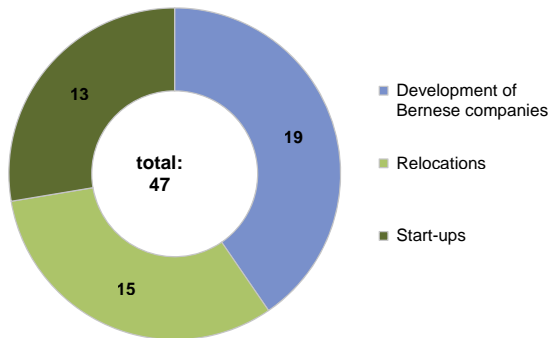


Denis Grisel

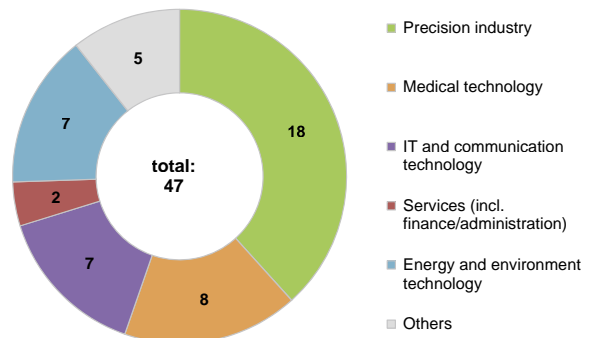
President Bern Economic
Development Agency

Projects supported under the Economic Development Act

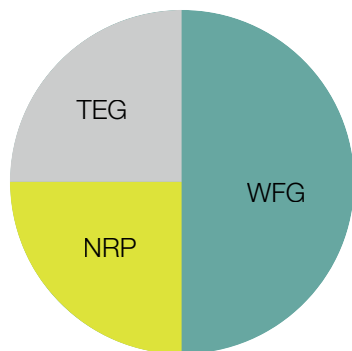
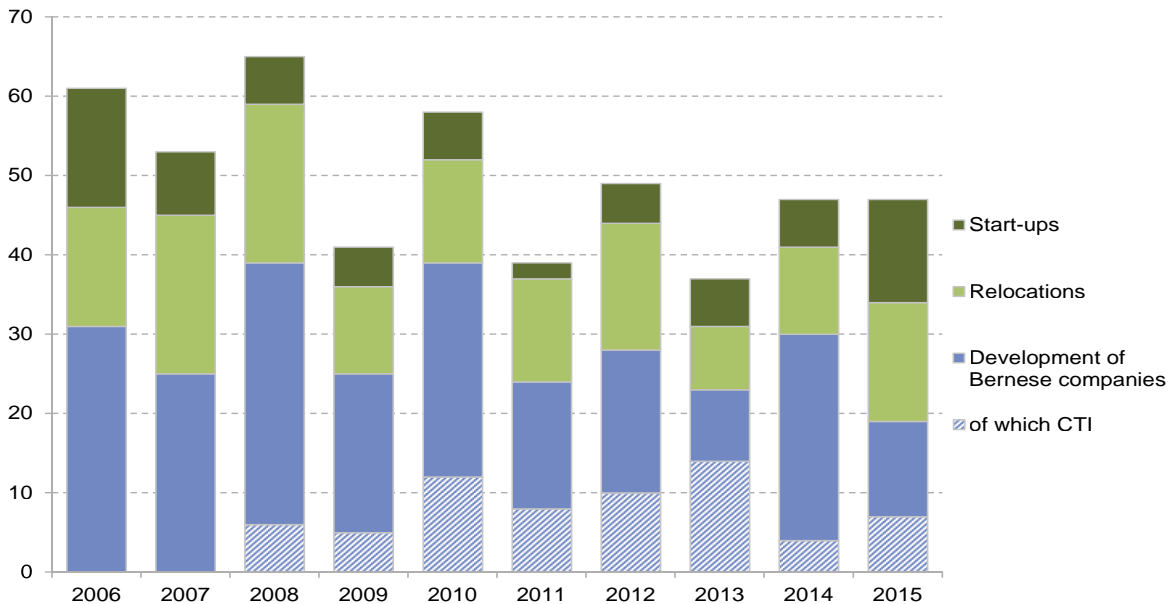
to type of support



to cluster



Supported projects 2006 – 2015



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

Financing of supported projects

The work of the Bern Economic Development Agency is based on three acts: the Economic Development Act (WFG) enables us 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 of events and market promotion in the tourism sector.

The Bern Economic Development Agency (BEDA) supports companies and their activities with a wide portfolio of advising and other services. It particularly addresses the needs of small and medium-sized enterprises (SMEs) as well as start-ups.

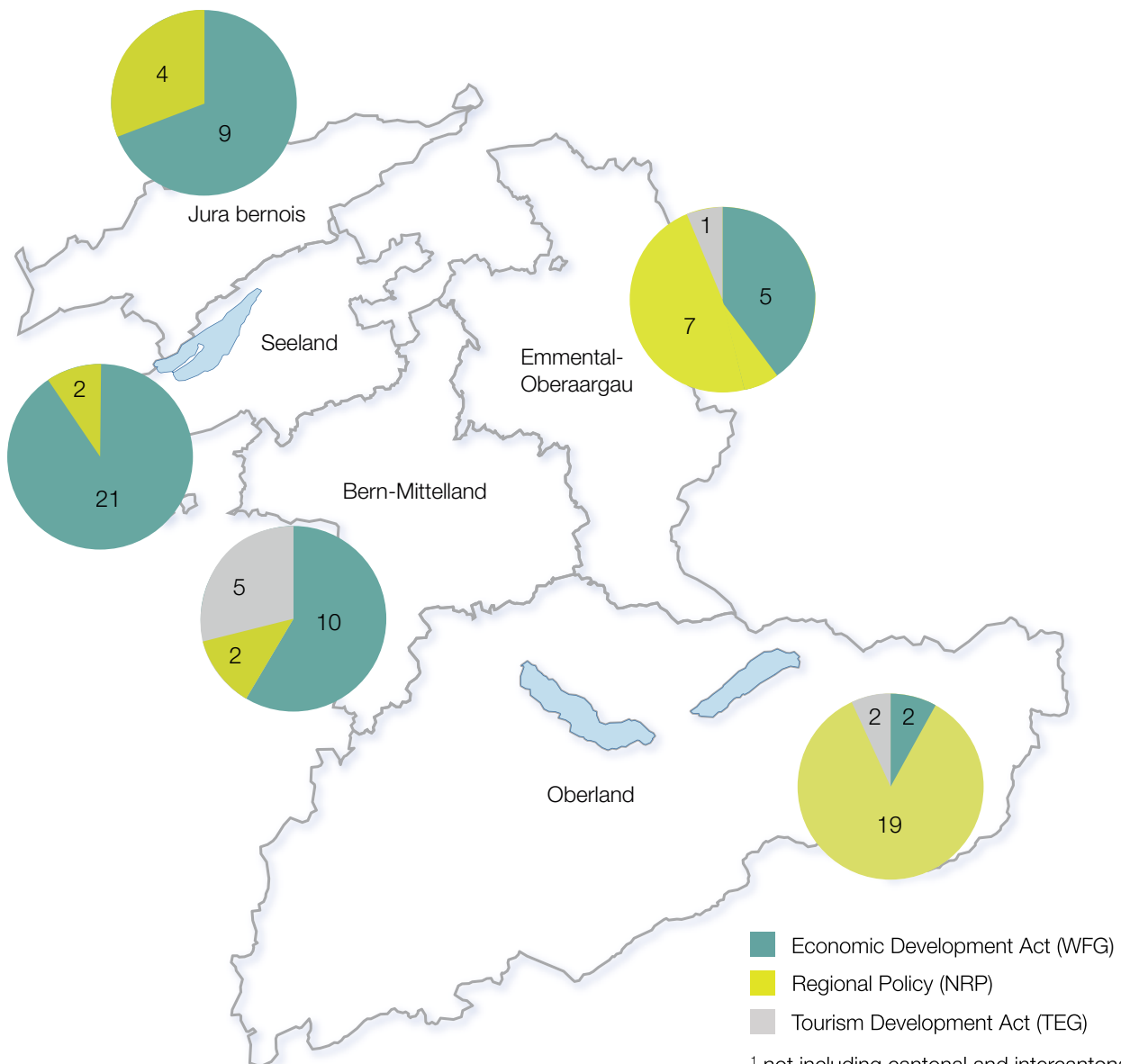
BEDA helps companies to get in touch with the right administrative bodies. Its key services are:

- advice,
- arranging contacts, real estate, cantonal realty and guaranties,
- initial advice for SMEs and start-ups,
- in selected cases, financial assistance and tax relief.

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 Bern area. It works closely with the cluster organizations and ensures the transfer of know-how and technology in conjunction with InnoBE.

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 focal points of regional policy: tourism, industry and 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 hold steady in the competition and to develop. Key areas of our support are market cultivation and events.

Supported projects according to region 2015¹



¹ not including cantonal and intercantonal projects



Model sitem-insel

Promoting innovation

With the new Innovation Promotion Act (IFG) the Canton of Bern is creating the legal basis with which to support research and innovation projects. Thanks to the IFG, important innovation projects such as the Swiss Institute for Translational and Entrepreneurial Medicine (sitem-insel) and the Switzerland Innovation Park Biel/Bienne will be able to receive future financial support in the form of lump sum contributions over a number of years. Furthermore, the Canton can also participate in non-profit-oriented research and development institutions as well as in real estate companies. In the Canton of Bern, where the technology sector plays a central role, the IFG means a boost especially for the many SMEs that deliver top-class national and international performances.

Shenzhen

Due to its strong position in the precision, electronics and telecommunication industries as well as in the pharmaceutical sector, Shenzhen is of particular interest to Bernese companies. The Canton of Bern has signed a «twinning agreement» with the emerging Chinese city with a population of many millions. The goal of the agreement is close economic collaboration. In future, the Canton of Bern will receive preferential treatment in the economic cooperation as a sister region.

China is an important trade partner for Switzerland: the free trade agreement between Switzerland and China which came into force in mid-2014, offers easier access to the Chinese market for Swiss goods and services and facilitates mutual trade.



Shenzhen



Horasis India Forum 2015

The Horasis India Meeting is the most important annual get-together of Indian business leaders with prominent representatives of the economy and government from all over the world. It was held for the seventh time at Interlaken in the Bernese Oberland in July 2015. More than 300 managers spent two days discussing economic, social and technological developments in India and the world.

For example, various panels considered how Switzerland can support Indian companies with their growth plans. Other topics were financing in the globalized economy and strengthening Indo-Swiss economic relations.

NRP 2016 – 2019

The New Regional Policy NRP is being financed jointly by the Federal Government and the Cantons. Control is exercised via a number of four-year implementation programs. The 2016-2019 implementation program has the following key areas:

- Tourism
- Industry & Cleantech
- innovative regional offers

In the tourism area, support is envisaged for measures and projects that lead to an increase in tourism attractiveness and the quality of the services offered. The Confederation is set to significantly step up the funds available within the framework of its 2016-2019 impulse program. In addition, from 2016 the Confederation is enabling the support of «Regional Innovation Systems» (RIS). In the Canton of Bern, the «RIS Mittelland» is being set up. Its main focus will be on knowledge transfer and cluster development.



Mont Soleil

Switzerland Innovation Park

A great success for the Canton of Bern: Biel/Bienne is to become an independent network location of the Switzerland Innovation Park. This is a milestone in the Canton of Bern's innovation policy which can now be mentioned in international location promotion in the same breath as the world-renowned Swiss Federal Institutes of Technology in Zurich and Lausanne. The Biel/Bienne location's strengths are its proximity to industry, markedly application-oriented research and the city's role as a bridge between French and German-speaking Switzerland. The Biel/Bienne park has already commenced work in an existing building. Close by, the new Technology Campus of the Bern University of Applied Sciences is being built in the center of the city. This gives Bern a head start over other locations that are still in the planning phase.

Swiss Energypark

The Canton of Bern, in conjunction with the BKW group and the Canton of Jura, has founded the innovation, research and demonstration platform Swiss Energypark. The goal is to test research projects in the energy sector in order to find innovative solutions to future energy issues. Start-ups and technology suppliers are particularly singled out for support: They can submit their own projects and participate in the Swiss Energypark in this way. New technologies are integrated into the energy system and tested. The findings will provide valuable stimuli with which to develop fresh solutions for distribution grids and Switzerland's energy future. The Swiss Energypark is non-profit-oriented; its projects are financed by the three partners and supported in part by the New Regional Policy NRP.



Welle Laser Technology

Welle Laser Technology is the market leader in the Brazilian laser technology market. The young company has performed pioneering work in the development of laser coding and secure marking for the traceability of components. Welle works closely with the world's leading centers for laser technology such as the Fraunhofer Institute in Germany.

In Biel/Bienne, Welle Laser Technology is opening its new European headquarters and a new production site with its own research and development department that will work closely with the Switzerland Innovation Park Biel/Bienne. Among Welle's customers are major groups such as Bosch, ABB, General Electric and Mahle. The decision by this up-and-coming Brazilian high-tech business to base itself here testifies to the competitiveness of the Canton of Bern as an industry location.

Hopman ST

At its Biel/Bienne location, the newly founded company Hopman ST SA is responsible for mass production of acoustic equipment for the Hopman brand as well as for international sales. With the patented «Hopman Sound Transfer» (HST) technology, various surfaces are transformed into loudspeakers.

The company runs R&D activities as well as planning and prototyping in the acoustics, vibration and sound area in Biel/Bienne. Areas of application for these innovative products include noise protection and therapeutic uses. The Biel/Bienne location – at which up to 26 jobs are planned – came out top in an evaluation process against several other Swiss cantons.



Model Authentici-Cité

Georg Fischer

Georg Fischer AG, an internationally active group, is investing in the Biel/Bienne location. With its subsidiary Mikron Agie Charmilles Ltd, it will erect a production and administration building occupying an area of around 23,000 m² in Bönzingenfeld. Georg Fischer intends to concentrate its activities in the milling machine, spindle production and laser machines area at its new location in Biel/Bienne. Investments in infrastructure as well as in research and development totaling over CHF 100 million will result in several hundred jobs being created in Biel or relocated there.

From the company's perspective, some of the major advantages of the Biel/Bienne location are the existing personnel and customer base in the region, an ideally situated and developed plot of land, good transport links and close proximity to the Switzerland Innovation Park as well as the future Technology Campus of the Bern University of Applied Sciences.

Chocolat Camille Bloch

The chocolate producer Camille Bloch SA, renowned for its Ragusa brand, is planning new production, logistics and administration facilities at Courtelary in the Bernese Jura. It also intends to construct a new visitor center with Café und Shop in its Authentici-Cité project. The family company employing 180 people will invest around CHF 30 million. The opening of the new buildings is scheduled for the end of 2017.

With this expansion, Camille Bloch SA is underlining its commitment to Swiss production and the Canton of Bern business location. CEO Daniel Bloch defined this building project as the basis for the planned doubling of chocolate production.

Balluff HyTech

Balluff HyTech AG in Brügg near Biel is a member company of the Balluff Group, the leading supplier of high-quality sensors to the industrial automation sector. Balluff Hytech AG is the group's center of excellence for miniature sensor technology and develops inductive, optical, magnetoresistive and customer-specific sensors.

In its new building at Bellmund, Balluff HyTech AG is aiming to create space in which to develop, industrialize and manufacture its innovative products from prototyping to series ramp up. This will enable the existing 70 jobs to be secured and a further 25+ skilled jobs to be created in the coming years. BEDA, working with InnoBE AG, has assisted the company all along this restructuring process.

Swissframe

Swissframe AG in Münchenbuchsee near Bern develops and offers solutions for the refurbishment of bathrooms in apartment buildings. In an interdisciplinary collaboration with the three universities of applied science Buchs NTB (heat pump technology), Burgdorf BFH (electrical engineering) and Rapperswil SPF (solar and storage technology) Swissframe has developed a patented system for decentralized supply of hot water. The new system is intended to be a milestone for hot water supplies in apartment buildings and to massively enhance energy efficiency and use of renewable energies.

BEDA has supported this new development together with the Federal Government (Commission for Technology and Innovation CTI).



Jungfrau Region

Jungfrau Region destination development

With around 4.6 million guests a year, the Jungfrau region ranks among the most important and oldest established tourism destinations in Switzerland. The tourism organizations of Grindelwald, Wengen, Mürren, Lauterbrunnen and the Haslital valley have opted to establish a close cooperation.

The goal of the destination development is to outsource the marketing of the individual locations to a joint marketing company: Jungfrau Region Tourismus AG. The local organizations concentrate on planning the offer, event management and looking after guests. With this development step, the organizations involved intend to optimize the collaboration with the important service providers and maximize synergies.

Hotel cooperation Frutigland

The hotel trade in the Alpine region faces big challenges. In the present environment, it is becoming ever more difficult to achieve economic success, especially for smaller businesses. One option for cutting costs and increasing efficiency is cooperation with similar businesses.

Around a dozen hoteliers in the valleys around Adelboden and Kandersteg have joined forces to form a hotel cooperation. Joint purchasing and knowledge exchange are just two of the subjects to which the hotel cooperation intends to devote itself. To give themselves binding structures, the initiators have set up a cooperative.



Burgdorf

Gesundheitswirtschaft Burgdorf

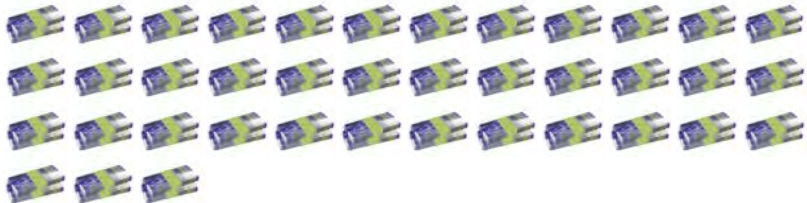
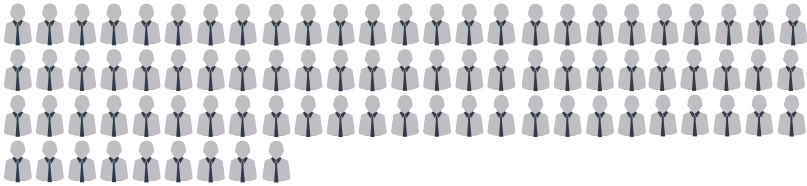
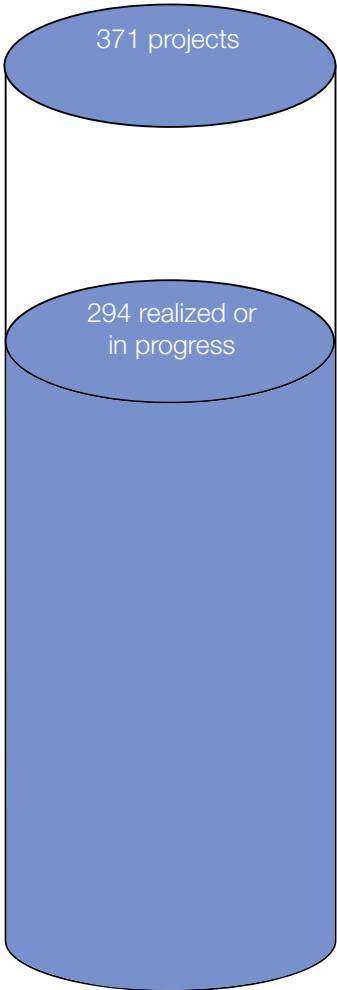
Renowned, globally active companies in the health sector make up an important economic factor in the Burgdorf region. The health sector creates jobs and brings prosperity to the region.

The Gesundheitswirtschaft Burgdorf association has set itself the goal of promoting and strengthening the Burgdorf business location. In conjunction with BEDA it aims to further develop the location as effectively as possible within the framework of the New Regional Policy NRP.

The Canton of Bern periodically monitors the progress of the projects and organizations it supports. It conducts regular reviews of the effects and benefits. The next results will be published in the first half of 2016. 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 2012. No verified results are available yet for the years 2013 - 2015.

Supported projects, jobs and investments in a long-term comparison 2003 – 2012



Projects supported under the Economic Development Act 2006 – 2015

Number of projects, promised contributions, planned jobs and investments

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of supported projects	61	53	65	41	58	39	49	37	47	47
promised contributions in million CHF	3.43	2.73	3.96	2.36	3.66	2.40	3.48	2.24	3.16	2.45
planned jobs ¹	800	800	1150	610	1340	110	740	350	1500	1030
planned investments in million CHF ¹	290	213	328	400	622	208	392	88	1122	390

¹ According to company statements

Supported projects according to type

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expansion projects by Bernese firms	31	25	39	25	39	24	28	23	30	19
relocations	15	20	20	11	13	13	16	8	11	15
start-ups	15	8	6	5	6	2	5	6	6	13
of which CTI ²	-	-	6	5	12	8	10	14	4	7

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
IT and communication technology	8	11	9	6	8	6	17	3	6	7
Medical technology	3	7	4	10	12	6	5	13	9	8
Precision industry	22	20	29	14	22	13	14	12	21	18
Energy and environment technology	2	0	2	1	3	2	5	7	2	7
Design/Luxury goods	1	1	1	0	5	5	3	1	0	0
Services (incl. finance/administration)	4	2	6	4	1	3	2	0	4	2
Others	21	12	14	6	7	4	3	1	5	5

Regional distribution of projects³

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Bern Mittelland	19	15	25	11	15	16	21	9	14	10
Biel-Seeland	14	8	15	10	18	7	9	12	12	21
Berner Jura	8	10	9	8	5	6	8	5	12	9
Oberaargau	9	9	9	4	4	3	3	3	3	2
Emmental	3	6	1	3	8	4	4	5	3	3
Berner Oberland	8	5	6	5	8	3	4	3	3	2

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

Other services

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Accompanying evaluation visits	37	50	58	65	61	69	69	68	61	59
Advisory services for start-ups	217	255	233	284	333	353	307	330	208	324
Advisory services for SMEs	120	112	137	148	158	141	113	108	135	106