



Bern Economic
Development Agency 



2017 Annual Report

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Canton of Bern: pacesetter and benchmark

The economy of Switzerland and of the Canton of Bern grew slightly in 2017, spurred on by global economic trends and the depreciation of the Swiss franc. Bernese businesses, particularly those in the export-oriented sector, also benefited from this. The situation improved in tourism as well, with the number of overnight stays rising sharply compared to the previous year. Both developments are good news for the industry and tourism canton of Bern.

The Canton of Bern served as a veritable pacesetter and benchmark for successful public-private institutions in 2017, both economically and in terms of innovation policy. Hard to believe? Just take a look at the milestones achieved in 2017 in the development of the National Center of Excellence for Translational and Entrepreneurial Medicine (sitem-insel), for example. Major medtech companies have pledged their support for sitem-insel and are helping to drive this new Bernese center of excellence forward with all possible speed.

This annual report contains a special supplement marking 20 years of the Economic Development Act (WFG) in the Canton of Bern. Join us as we reflect on some of the highlights. Turning our attention back to the present day, you will find in this report plenty of examples of the successful work being done right now by the Bern Economic Development Agency (BEDA). Its new president, Sebastian Friess, reports on the funding it has provided for existing companies, on interesting new arrivals in the canton and on some important current trends in tourism. I am delighted that he has already embraced this key role so wholeheartedly and look forward to the coming years with the utmost confidence.



Christoph Ammann
Minister of
Economic Affairs
of the Canton of Bern

Innovative solutions with an eye to the future

2017 was a year of change. I had the honor of taking over as President of BEDA in May. The good reputation which we enjoy with companies in the canton and the confidence they place in us are both a privilege and an obligation.

Companies relocate, municipalities change canton, and innovative solutions shake up entire industries, and that is as true in the Canton of Bern as anywhere. So there has been – and still is – plenty to do. I am pleased to report that we attracted an above-average number of new companies to the canton and helped many existing companies step up their growth in 2017. Several internationally renowned mountain railway projects received the green light for further expansion. The progress we made in opening the Swiss Smart Factory at the Switzerland Innovation Park Biel/Bienne and in securing the Federal Laboratories for Materials Science (Empa) site in Thun attracted widespread attention.

I would like to thank our canton's entrepreneurs for welcoming me as a partner. My thanks also go to my colleagues at the Department of Economic Affairs for their support. And, finally, I would like to thank my team at the Bern Economic Development Agency for the patience they have shown me throughout these months of change.

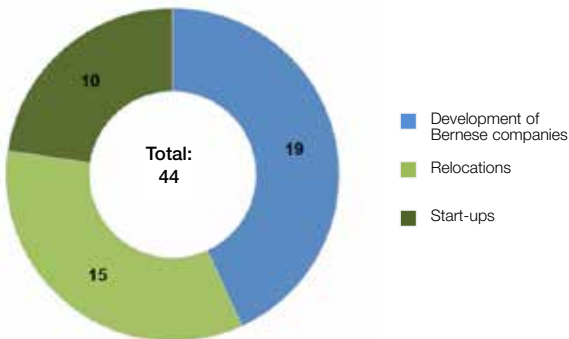
The process of handing over of the baton is now complete and we can head into the future with a clear vision. And hopefully with a few unconventional ideas as well.



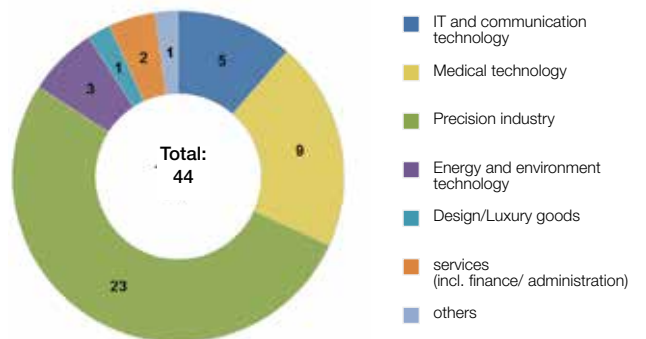
Dr. Sebastian Friess
President Bern Economic
Development Agency

Projects supported under the Economic Development Act

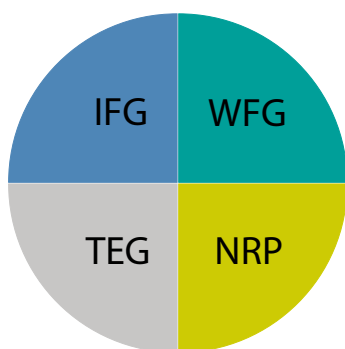
to type of support



to cluster



Supported projects 2008–2017



- Economic Development Act (WFG)
- New Regional Policy (NRP)
- Tourism Development Act (TEG)
- Innovation Promotion Act (IFG)

Legal basis for BEDA funding and support

The work of the Bern Economic Development Agency is based on four laws. The Economic Development Act (WFG) enables us to support innovative projects, start-ups and companies relocating to the canton. The Innovation Promotion Act (IFG) allows us to provide funding for applied research and development institutions. The Cantonal Investment Aid Act is the basis for the support we provide for infrastructure and development projects under the New Regional Policy (NRP). And finally, the Tourism Development Act (TEG) enables us to support events and marketing activities in the tourism sector.

The Bern Economic Development Agency (BEDA) supports companies and their activities with a wide portfolio of advisory and other services. Our services are tailored to meet the needs of export-oriented and international companies of all sizes, ranging from start-ups and small and medium-sized enterprises (SMEs) to multinationals.

BEDA helps companies to get in touch with the right people in the administration. Our key services are:

- Advice
- Arranging contacts, real estate, cantonal realty, and guarantees
- Initial advice for SMEs and start-ups
- Financial assistance and tax relief (criteria-based selection)

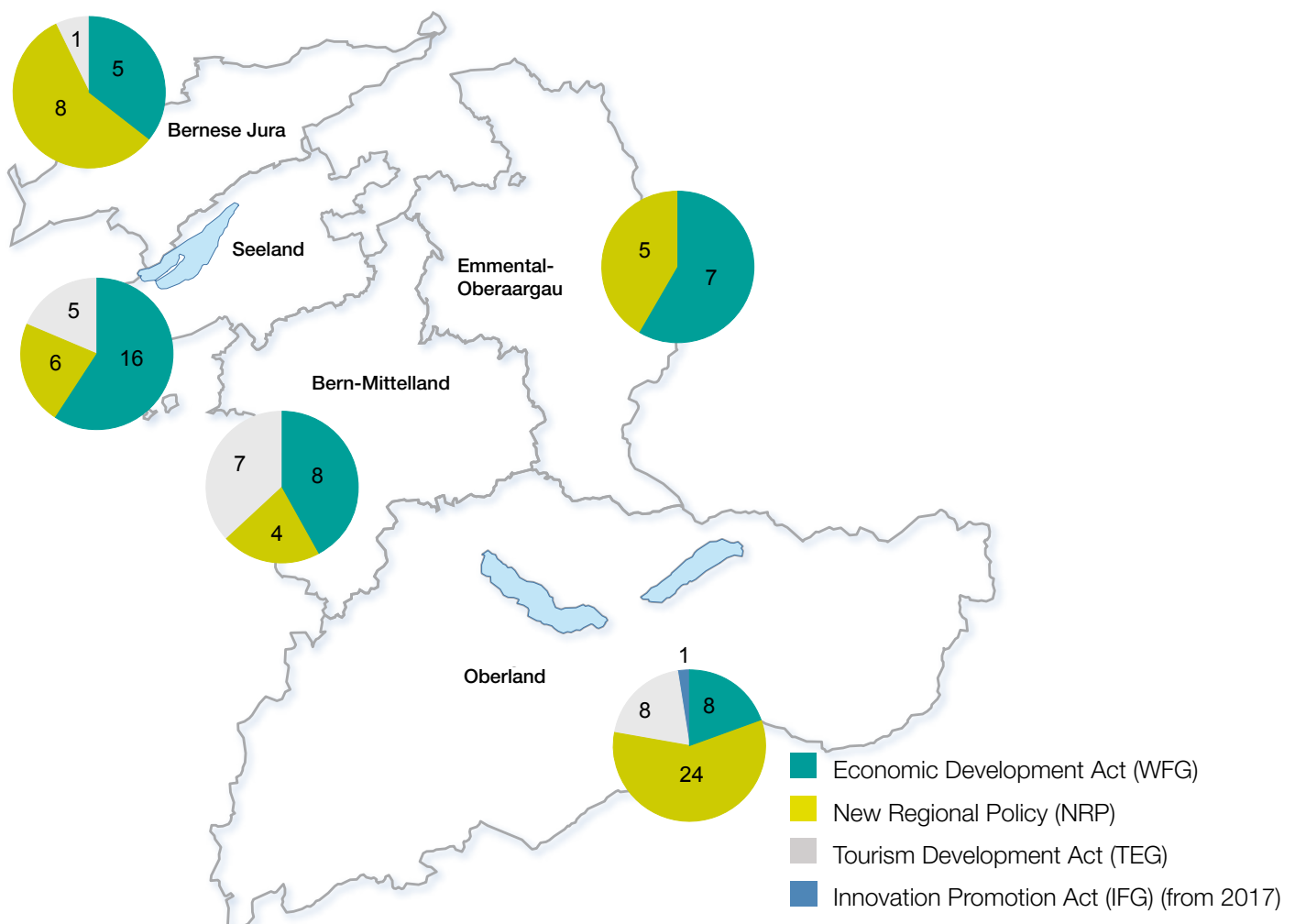
In order to boost economic development, BEDA markets the Canton of Bern as a business location abroad in collaboration with Switzerland Global Enterprise and the

Greater Geneva Bern area. Another important partner in the canton is the innovation promotion agency be-advanced, an advice center for SMEs and start-ups.

One of BEDA's key tasks is to improve the overall regional environment for business and tourism. Our regional policy boosts competitiveness in rural areas, generates added value and creates jobs, benefiting residents, companies and tourists alike. The strategic action areas that define the focal points of our regional policy are tourism and industry, 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 its own against the competition and develop. Key areas of our support are market promotion and events.

In addition, BEDA supports strategic projects relating to innovation promotion and real estate development. These activities boost the attractiveness of the canton as a business location in the long term.

Supported projects according to region 2016¹



¹not including cantonal and intercantonal projects



It's not just the athletes that the press sets its sights on at major events but the canton too.

Canton of Bern – bastion of sports

Euro 2008, the 2011 European Figure Skating Championships and the 2016 Tour de France – these are just three examples of the wide range of international sporting events which have received an enthusiastic response from athletes and spectators alike. Working in partnership with the venues, the canton supported a number of projects bidding for these events. The Department of Economic Affairs is currently working on Sion 2026, a possible Swiss bid for the Winter Olympics, having taken over management of the cantonal project organization.

A key feature of these major events is the global media coverage they attract. This significantly enhances the image of the regions involved and brings them much greater exposure than could ever be achieved with the usual budgets.

Tourism impulse program

Between 2016 and 2019, BEDA is implementing additional measures geared towards developing the tourism offering in the canton. The main priority of this program is to increase the attractiveness of the facilities and services on offer to visitors staying in the canton.

The projects, which were selected jointly with the regions and destinations, are intended to deliver tangible benefits for visitors and will be further developed up until 2019.

By the half-way mark of the program we had undertaken and supported 17 projects, including the Jungfrau Railway's V-Cableway project, the Dittligmühle show mill and the "No Limits" wheelchair-accessible circular lake trail, the first of its kind in Switzerland.

Destination development

The last ten years have witnessed the realization of several sustainable destination development projects with financial support provided under the New Regional Policy and the Tourism Development Act. The focus was on pooling financial resources, efficient marketing of tourism offerings and creating lean structures.

This work has given rise to organizations such as Bern Welcome (the tourism holding company for the destination of Bern), Jungfrauregion Tourismus AG (the tourist umbrella organization of the Lütschine and Hasli valleys), and TALK AG (the tourism joint stock company for the Adelboden, Lenk and Kandersteg areas) and brings to an end the long-standing process of consolidation for the time being.



Wheelchair-accessible: The hiking trail around Lake Hinterstocken
Photo: Stockhombahn AG (KSM fotografie)

Digital manufacturing/Industry 4.0

The Canton of Bern set its course for the future of digital manufacturing (“advanced manufacturing”) early on. Research is being carried out in this technological environment at Empa in Thun and at the Switzerland Innovation Park Biel/Bienne (SIP BB).

EMPA specializes in basic research in aspects such as material processes and the use of alloys in 3D printing. The grants approved by the cantonal parliament for EMPA were contractually agreed in late 2017, thus securing the site in Thun.

Meanwhile, Industry 4.0 is already being applied in the industrial context at SIP BB: Switzerland now boasts a service and demonstration center for Industry 4.0 projects in the form of the Swiss Smart Factory, which was inaugurated in 2017, and the recently opened FABLAB.

Relocating to Bern

In addition to looking after its existing companies, the Canton of Bern has focused on helping new companies, especially foreign ones, relocate to the canton for many years. These new arrivals keep the economy dynamic and complement existing businesses in a targeted manner. The Canton of Bern works closely with partner organizations on this, as well as operating on its own in a small number of selected target markets.

2017 was a particularly successful year for BEDA, with an above-average number of new companies relocating to the canton (13 from abroad and two from other cantons). The vast majority of these are small businesses operating in technologically-oriented and research-intensive fields.



Digital production: man and robot work together, hand in gripper arm.



SME Digital Roadmap

Digitization – sure, but how? This is a question that many companies ask. The Biel-Seeland Chamber of Commerce has addressed the problem by initiating a practical digitization program for SMEs.

This program is based around an in-depth process which guides companies through every aspect, from selecting a site and generating ideas to drawing up a concrete digital business model and implementation planning. Armed with their tailor-made business models, the companies should then be able to lay the foundations for their long-term future success.

The SME Digital Roadmap is the first program in the Canton of Bern to go beyond simply raising awareness. The program was supported by BEDA.



A design by Aplantis AG

Aplantis AG

Aplantis AG is the first architecture and design studio to specialize in building greenery. This up-and-coming company works at the interface of architecture and landscape design.

The founders' professed aim is to "transplant a piece of wild nature into urban space". Their interdisciplinary work incorporates aspects of building greenery, air conditioning (BioAirTech) and vegetation technology planning. One of Aplantis AG's first commissions was to renovate the sky gardens in the Commerzbank Tower in Frankfurt.

Founded in 2015, the joint stock company based in Muri near Bern plans to increase its workforce to 15 by 2020. BEDA supported the company by providing start-up funding.

strasserthun.

Strasserthun, a long-standing carpentry and design agency, has been steadily expanding its activities ever since it was established in 1947. What started out as a traditional carpenter's workshop in Thun has evolved into a competent materials partner.

One of the key technologies in its current work is material sublimation. Strasserthun has developed its own laser system called Sublidot which processes solid wood, veneers and a wide range of other organic materials. Sublidot won Gold in the Excellent Product Design category at the German Design Awards 2017.

BEDA provided the company with funding in 2017.



Laser sublimation from the Sublidot database



Two-wheeled frenzy in the Bernese Oberland
 Photo: Snow Bike Festival / Nick Muzik

Snow Bike Festival Gstaad

Attractive sporting events are an important part of the profile of a region and of the canton of Bern as a whole, generating both added value and media attention.

One such event is the Snow Bike Festival, which takes place each January in Gstaad. It is the world's first bike race on snow to be accredited by the Union Cycliste Internationale, the world governing body for sports cycling. The route offers unique views of the valleys and world-famous mountains around Gstaad, attracting professional mountain bikers, amateurs and fans from around the world to the Bernese Oberland.

BEDA provided funding for the 2017 Snow Bike Festival.

Wollreich Haslital GmbH

Wollreich Haslital processes and sells wool from happy sheep – or more precisely, happy blacknose sheep. In addition to wool products, it also offers felting courses, events and educational tours. This “kingdom of wool” has developed into a center of excellence for the raw material of wool.

The company won two awards for its work in 2017: the innovation prize for mountain farming awarded by the Bernese Oberland Chamber of Commerce and the UNESCO Swiss Alps Jungfrau-Aletsch World Heritage Crystal.

Wollreich Haslital was assisted by BEDA in producing its business plan under the New Regional Policy.



Alpine ascent of the blacknose sheep



Manufacturing facility at Manufacture Wolf

Manufacture Wolf AG

Manufacture Wolf AG has set itself the goal of supplying Swiss watch-making companies with high-quality watchcases. Its services include the development, manufacturing, finishing, reprocessing and marketing of watch components.

At its new site in Biel, Wolf AG is developing an innovative and highly automated process for cutting and machining watchcases. The innovative feature of this production process is the combination of machining elements with integrated robotics and automated quality control units.

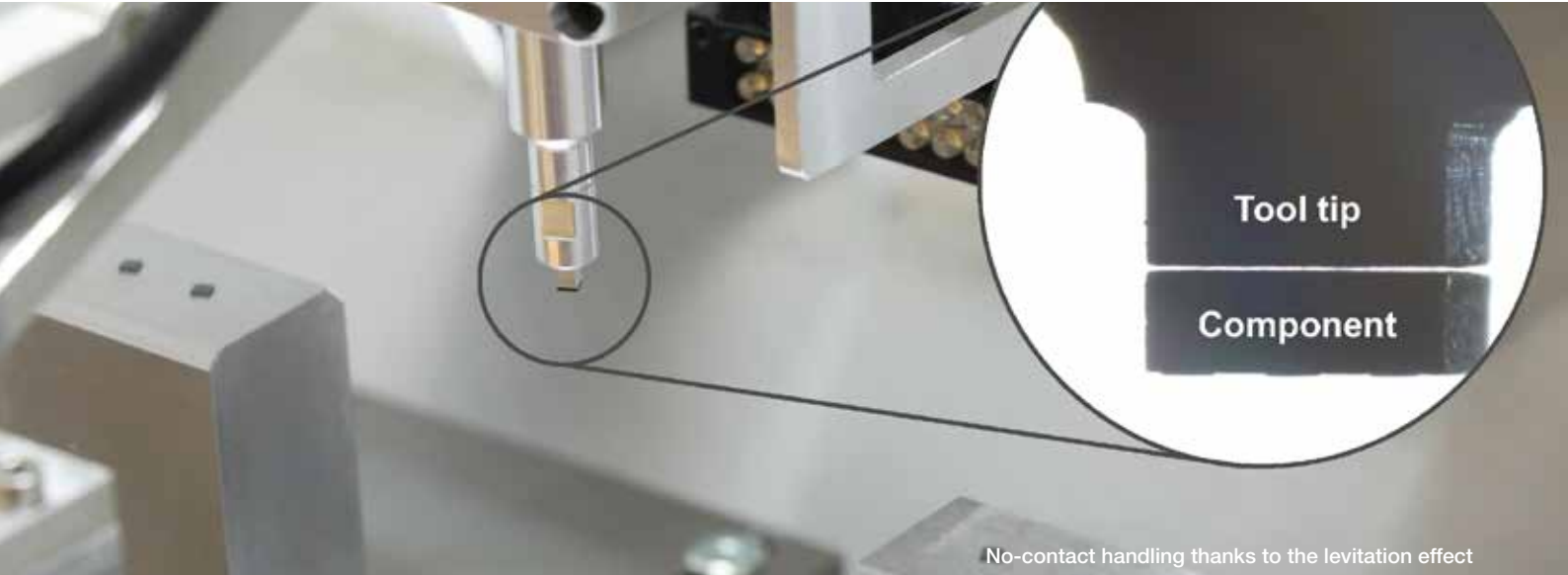
BEDA helped the company set up its Biel location.

Touchless Automation GmbH

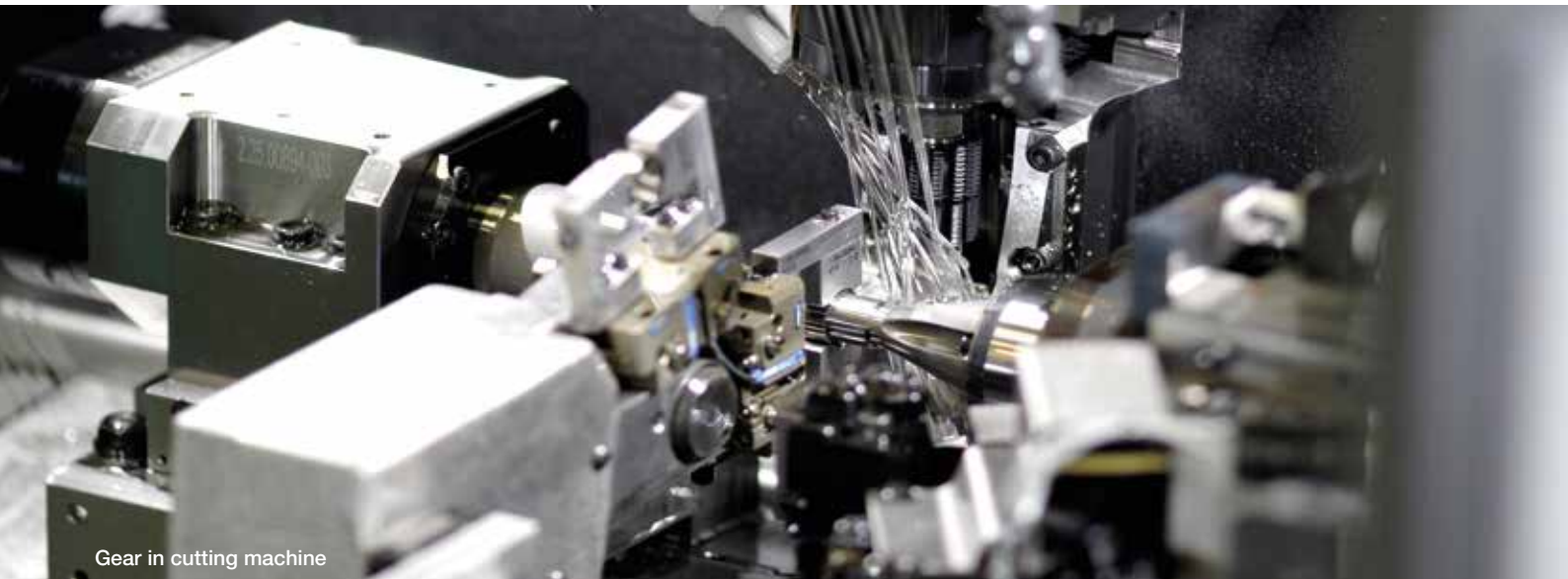
Contactless handling of micro-components – avoiding adhesion effects – that is what high-tech start-up Touchless Automation is all about. The technology behind its new tool has the potential to revolutionize high-precision manufacturing.

The tool operates using the levitation effect: attraction via a vacuum combined with simultaneous repulsion via ultrasound. It was designed as an attachment for robots and gripping systems used for assembling microcomponents in industrial manufacturing. A functional prototype already exists and is currently being tested by various companies.

BEDA is providing this innovative company with a funding contribution.



No-contact handling thanks to the levitation effect



Gear in cutting machine

Affolter Innovations AG

The technology company Pignons Affolter set up Affolter Innovations AG Malleray in June 2017, bringing together all of the Affolter Group's research and development activities under one roof. In doing so it aims to further improve its existing technologies and develop new products geared towards Industry 4.0.

Pignons Affolter specializes in the manufacture of machine tools for the watch industry and the microtechnology sector. The family business has made a name for itself all over the world with its high-precision gears and ultra-fine-toothed gearing systems.

BEDA advised and assisted the group in establishing Affolter Innovations AG.

Biketec AG

Biketec develops, produces and sells electric bicycles under the FLYER brand. The company has been based in Huttwil since 2009, where it has built Europe's first state-of-the-art factory designed exclusively for electric bicycles complying with the Minergie-P standard.

As part of the FLYER Intelligent Technology (FIT) project, Biketec intends to merge key components such as the drive and the battery in a single system and ramp up the digitization of its eBikes. It also plans to further automate its manufacturing processes.

BEDA provided the company with a funding contribution in 2017.



Intelligent cycling thanks to the new FIT technology



Weight-optimized titanium satellite sensor bracket made by additive manufacturing at ProtoShape

ProtoShape GmbH

ProtoShape is a pioneer in additive manufacturing. Alongside its current mass-produced aluminum and super alloys, it is planning to make the production of complex titanium components a second mainstay of the business.

In 2017 the company launched a research project to precisely evaluate the mechanical properties of 3D printed titanium components. ProtoShape works closely with the Switzerland Innovation Park Biel/Bienne. The research project is being supported by the federal government and by BEDA.

Established in 2012, ProtoShape has been based in Biel since 2016 and now employs five people. It plans to take on more staff, increasing its workforce to 15 by 2020.

LASEA AG

LASEA is a pioneer in laser micro-machining. Its revolutionary technologies make athermal machining possible.

The company is headquartered in Liège, Belgium, with branches in Bordeaux, San Diego and, since May 2017, in Biel. LASEA has been active on the Swiss market since it was established in 1999. To bring it even closer to its customers it opened a new branch in Biel, which features a 3D processing machine with two laser sources for techniques such as concity-free cutting and drilling.

BEDA assisted LASEA in establishing its branch in Biel.



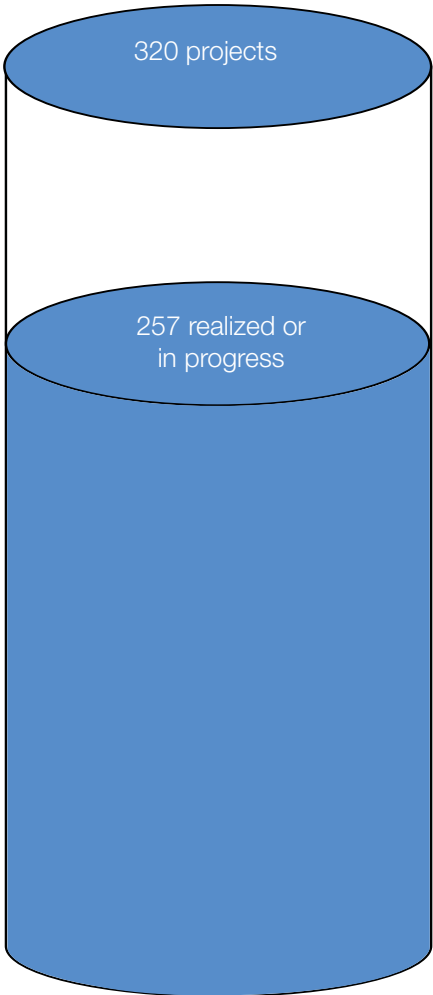
Laser micro-machining

BEDA's success is measured in terms of the actual investments made by Bernese companies and the number of jobs they create. We therefore continuously monitor the progress of the projects and organizations we support and conduct regular reviews of the effects and benefits of our funding activities. Based on the last review, which was carried out in 2016, it can be assumed that the instruments we employed generate net revenues and thus ease the burden on the canton's financial budget.

The total number of projects funded by BEDA (2005-2014) is listed below, as are the total numbers of planned and actual jobs and investments (2005-2014) of the companies based in the Canton of Bern.

As yet, no reliable results are available for the years 2015-2017, as there is a time lag between the commitment to provide support and the implementation of the projects.

Supported projects, jobs and investments in a long-term comparison 2004-2013



Planned jobs: 7,796¹



Jobs created: 4,755¹



Investments planned 3.74 billion²



Investments made: 3.18 billion²



¹shown in 100 jobs
²shown in CHF 100 million

Projects supported under the Economic Development Act (WFG)

Number of projects, promised contributions, planned jobs and investments

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of funded projects	65	41	58	39	49	37	47	47	48	44
Promised contributions in million CHF	3.96	2.36	3.66	2.40	3.48	2.24	3.16	2.45	2.30	1.81
Planned jobs ¹	1150	610	1340	1110	740	350	1500	1030	610	610
Planned investments in million CHF ¹	328	400	622	208	392	88	1122	390	85	256

¹ According to information provided by the companies

Funded projects by type

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expansion projects by Bernese companies	39	25	39	24	28	23	30	19	27	19
Evaluation visits ²	58	65	61	69	69	68	61	59	61	50
Resulting Relocations	20	11	13	13	16	8	11	15	10	15
Start-ups	6	5	6	2	5	6	6	13	11	10
of which CTI ³	6	5	12	8	10	14	4	7	10	6

² For the purpose of relocating to the Canton of Bern; summary representation

³ The Commission for Technology and Innovation CTI (as of 2018: Innosuisse) is the Federal Government's innovation promotion agency. The canton supports companies that are industrial partners of a CTI project.

Funded projects by activity/sectors

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
ICT	9	6	8	6	17	3	6	7	10	5
Medical technology	4	10	12	6	5	13	9	8	10	9
Precision industry	29	14	22	13	14	12	21	18	16	23
Energy and environment technology	2	1	3	2	5	7	2	7	4	3
Design/Luxury goods	1	0	5	5	3	1	0	0	1	1
Services (incl. finance/administration)	6	4	1	3	2	0	4	2	2	2
Others	14	6	7	4	3	1	5	5	5	1

Regional distribution of projects⁴

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Bern Mittelland	25	11	15	16	21	9	14	10	15	8
Biel-Seeland	15	10	18	7	9	12	12	21	16	16
Bernese Jura	9	8	5	6	8	5	12	9	8	5
Oberaargau	9	4	4	3	3	3	3	2	3	3
Emmental	1	3	8	4	4	5	3	3	4	4
Berner Oberland	6	5	8	3	4	3	3	2	2	8

⁴ The Economic Development Agency provides its services throughout the canton. It is not possible to control regional distribution.

Other services under the Economic Development Act (WFG)

Advisory services⁵

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Advisory services for start-ups	233	284	333	353	307	330	208	324	336	200
Advisory services for SMEs	137	148	158	141	113	108	135	106	94	31

⁵ Provided by: be-advanced AG (before 2017 innoBE and BaseCamp4Hightech), CEP Coaching Berner Jura

Projects funded under the New Regional Policy (NRP)⁶

Number of projects, promised contributions, planned jobs and investments

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of supported projects	31	34	43	28	33	34	28	40	29	47
Promised contributions and loans in million CHF ⁷	10	4	6	3	3	6	3	2	4	15
Jobs ⁸	310	100	290	120	300	390	560	210	140	400
Planned investments in million CHF ⁸	44	41	48	47	35	81	44	62	52	241

⁶ from 2008 (Investment Aid Act)

⁷ These contributions also include the regional management

⁸ According to the project sponsor's statements; number of created and assured jobs

Supported projects Tourism Development (TEG)

Number of projects and promised contributions

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of supported projects	18	21	7	21	14	13	13	10	17	21
Promised contributions in million CHF ⁹	5.3	6.1	5.0	5.3	5.6	9.7	10.1	9.4	5.5	4.3

⁹ Including the annual contributions for marketing



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