

Area News

www.baselarea.ch

Basel business news

December 2006

Editorial

10 years of partnership

Dear Readers

The cantons of Basel-Stadt and Basel-Landschaft have been working together for over 10 years to promote the Basel region as a business location throughout the world. This joint business development activity operates under the name BaselArea and its task is to market the locational advantages of the region at an international level. BaselArea helps international companies to set up branches in the area and assists in the establishment of new firms.

BaselArea's broad base is a key factor in its success. In addition to the two Basel cantons, major employer and employee organizations are also involved. BaselArea Business Development is an example of how employer and employee organizations can work together to create jobs. This constructive and future-oriented cooperation is one of the big plus points of our country and region in terms of the international competition.



Dr. Suzanne Thoma
President BaselArea,
CEO Rolic Technologies Ltd

BaselArea Unlimited

International projects in the region and elsewhere

Evolve receives 26.7 million dollars



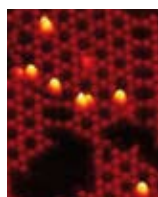
The Allschwil-based biotech company Evolve has won an award from the United States Defense Threat Reduction Agency DTAR amounting to 26.7 million dollars (33 million Swiss francs). The company submitted a bid in a public tender and was the only non-US company among the 16 finalists. Evolve will use the money over the next five years to develop agents for combating bioterrorism.

Actelion acquires California-based competitor



Actelion, a biopharmaceutical company, has acquired its California-based competitor Cotherix for 420 million dollars. With this acquisition, Actelion, based in the Basel region, has secured access to a product called Ventavis, used to treat high blood pressure in the pulmonary system. Incorporating Cotherix in its product range will enable Actelion to diversify its portfolio.

New nanocenter at the University of Basel



In mid-November, the Swiss Nanoscience Institute was opened at the University of Basel. It receives annual support of 5 million francs from the canton of Aargau. This consolidates the position of the University of Basel in a key area of research.

Haeusler – a company in the Basel region – wins the entrepreneurs' prize



Haeusler, a mechanical engineering company based in Duggingen, has won the Swiss Venture Club 2006 Northern Switzerland Entrepreneurs' Award. The family-owned company produces bending machines used for instance in oil pipelines or ship hulls. Haeusler employs 150 people and generates annual turnover of between 30 and 40 million francs.

BaselArea has assisted in the establishment of around 500 companies since 1996. These include many small enterprises as well as spectacular success stories such as the pharmaceutical company Actelion, the EasyJet hub at EuroAirport or the European headquarters of the American watch manufacturer Fossil, which have resulted in hundreds of jobs being created in the region. Here are a few examples:

In focus

Ten years of BaselArea

1997

Genedata

In 1997, Dres. Hugo Flühler and Othmar Pfannes founded Genedata as a spin-off in Basel. The idea was to produce and market software for biology-related applications.

The company now has branches in the USA and Germany and a worldwide network of renowned partners. Genedata employs over 90 specialists, primarily scientists in the fields of biology and IT. It is one of the few bioinformatics companies in the world that is a commercial success.

www.genedata.ch

Actelion

In fall 1997, Dr. Walter Fischli asked BaselArea for support in setting up a research company for pharmaceutical ingredients. Suitable premises were soon found in Allschwil. Actelion Ltd was established by its five founders in mid-December 1997. It has advanced to become the fastest-growing biotech company worldwide. A few months ago, a large, state-of-the-art research building was inaugurated in Allschwil and has since commenced operations.

Nine years after it was founded, Actelion employs 1,200 people worldwide, of whom 500 work in the Basel region.

www.actelion.ch

Ramco Systems

The Indian company Ramco Systems is one of the world's leading manufacturers of component-based company software.

Lars Frutig, Marketing Manager, explains that a perfect mix of market, competitive and environmental conditions as well as the high quality of life were key in selecting Basel as the European headquarters. Other important advantages were the international nature of science and business in the region, and the proximity to France and Germany.



Medgate

Around 80 employees work in Basel for customers such as Swatch AG, ETA SA, Air Lloyd, Galenica Holding, RUAG Aerospace, Ciba Specialty Chemicals and others.

www.ramco.ch

Swiss Pharma Contract

Following the merger of the two pharmaceutical companies Ciba and Sandoz, physician Rolf Pokorny and two colleagues decided to establish a research institute. Based in Allschwil, it now conducts between 20 and 30 clinical trials each year. The company has 30 permanent employees, of whom 4 are physicians. Its international customer base includes 40 pharmaceutical companies in the USA, Japan and Europe. Swiss Pharma Contract conducts studies on drug tolerance and efficacy of drugs in a wide range of therapeutic fields.

www.pharmacontract.ch



Presstrade

1999

U.S. RE

The US-based reinsurance broker U.S. RE has operated a branch in Denmark for several years. The decision to expand in Europe resulted in the need to expand the organization and move to a more central location.

The high quality of life in the Basel region and direct flights to Copenhagen were key points in choosing the location. Euro RE Ltd was established in May 1999 with three employees. The European headquarters of U.S. RE has performed well and now has a headcount of seven.
www.usre.com

Medgate

At a time when telemedicine was an unknown topic in Switzerland, three young friends from Basel – economist Lorenz Fitzi, physician Andy Fischer and IT specialist André Mori – founded Medgate AG in 1999. The idea was to provide a team of doctors who would be available round the clock, 365 days a year, to provide patients with medical advice over the telephone.

Medgate now has a staff of over 120. The medical team comprises 40 physicians and 20 other medical specialists. Every day, up to 1,000 people contact Medgate via the Internet or by telephone to seek medical advice.
www.medgate.ch

2000

Safilo

Sunglasses by Gucci, Dior, Ralph Lauren or Yves Saint Laurent are known and popular throughout the world. What is perhaps not so well known is that these fashionable frames are produced in Italy by the Safilo Group. The company makes and markets its products throughout the world and is one of the biggest in its field.



Safilo

In 2000, Safilo was looking for a strategic location in Switzerland from which to develop and coordinate its international marketing activities. A number of criteria and the cooperative conduct of the cantonal authorities in Basel-Landschaft resulted in Safilo Switzerland AG being established in Liestal the same year.

Safilo now supplies over 650 opticians in Switzerland alone from its Liestal base.
www.safilo.com

2004

Fossil

In 2004, Texas-based Fossil – the second-largest watchmaking company in the world – was looking for a suitable location for its European headquarters.



Fossil



Urs Bringold, Sabine Wolz and Mark Dole from Zebrafish (left to right)

After an intensive search, the Executive Board ultimately selected Basel. Key criteria behind the decision included good transport connections, central location in Europe and the availability of English-speaking specialists.

Fossil Group Europe GmbH was established in Basel in June 2004.

Fossil now has a staff of around 100 people in Basel and recently moved into a renovated property as its new European Headquarters Fossil.

www.fossil.ch

2005

Presstrade

Presstrade, based in Kehl, Germany, is the world's leading company for high-quality used forging machines. As Switzerland has liberal laws, excellent infrastructure and international specialists, Presstrade wanted to open a branch here. The company's management soon realized that the Basel region was ideal for its needs. The branch was established in four weeks.

Presstrade is planning to handle its entire worldwide business volume from its Reinach site in the near future.

www.presstrade.com

2006

Zebrafish

A zebra fish is not only an attractive ornamental fish but also a model organism in genetic and biodevelopment research. Mark Dole and Urs Bringold decided to give their communication agency, founded in February 2006, this catchy name. A third employee has since been recruited.

The young company's services are not limited to the natural sciences, however: Zebrafish also works for clients in other fields.

www.zebrafish.ch

Spotlight

Basel companies strong in research

A study by the British Department of Trade and Industry states that spending on research and development increased by 7% in 2006, up from 5% the previous year. The 1,250 largest companies in the world spent a total of 249 billion pounds sterling (600 billion Swiss francs) on developing new products.

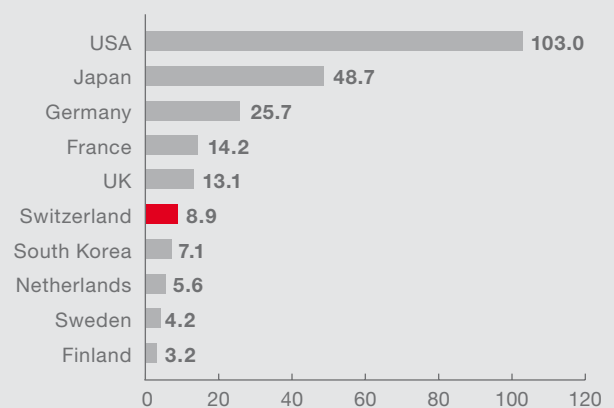
Switzerland occupies sixth place in the ranking, which is very high in relation to the country's GDP. This is closely connected to the strong position of the Basel pharmaceutical industry. Novartis and Roche alone account for around 60% of total private research expenditure in Switzerland. Marc Tubbs, the author of the study, is also impressed by the fact that in addition to the multinationals, a number of small and medium-sized firms in Switzerland are also continually upgrading their product range.

Emphasis on research at Actelion

Marc Tubbs cites Actelion – also from the Basel region – as a Swiss example of the strategic value of research. The Allschwil-based biotech company invested 25.8% of its turnover in research, up from 46.1% in 2002/2003. It obviously has a clear focus on investing in new products. Marc Tubbs pointed out the sharp increase in turnover as proof that the efforts made in earlier years are now bearing fruit.

Overall, companies in the Basel region account for around three-quarters of private research investment in Switzerland.

Expenditures for research and development



Source: NZZ

in Bn Pound

Interview

Dr. Walter Fischli Founder member of Actelion



Dr. Walter Fischli is a biochemist and founder member of Actelion. After 15 years of working as a researcher at Roche, he established the company together with four colleagues, investing some of his own money in the venture. Along with two colleagues, he is now in charge of research at Actelion. He is one of the promoters of the Allschwil innovation center and the follow-up project i-Park Allschwil, where around 1,000 people are currently employed.

1. Actelion is one of the fastest-growing biotech companies in the world. What is your recipe for success?

Our success is based on a unique combination of different strengths: excellent research and development competencies, a professional sales and marketing organization, financial independence and a dynamic corporate culture. Our employees focus on one common goal: to provide patients and their physicians with innovative drugs.

2. The company is expanding rapidly: how do you manage to find so many well-qualified specialists?

There are many highly qualified specialists in the Basel region, and the unique corporate culture of Actelion is an attractive factor. We have an informal working atmosphere but are highly professional at the same time, with a minimum of bureaucracy and hierarchies. We concentrate on scientific discipline, creative thinking and interdisciplinary teamwork. Our employees like being part of this dynamic culture where decisions are taken and implemented rapidly. We are very careful in choosing the best scientific minds. We give our people a good deal of room to maneuver and encourage them to investigate new ideas.

3. How do you see the company developing?

I'm optimistic about Actelion's future. Our culture is geared to innovation. We are committed to seeking out medical solutions for patients with as yet unsolved health problems, and our approach has paid off. The momentum at Actelion contin-

ues unabated, several research projects are already bearing fruit, and the results are promising. These latest discoveries will safeguard our future and testify to our desire to create and develop our own innovative research products.

4. Actelion was established in 1997. In the meantime, many other life sciences companies have commenced operations in the region. What do you advise someone who would like to set up his own company here?

A key success factor is the company's clear focus. This applies to start-up companies too. It makes more sense to concentrate on promising research projects and to allocate sufficient resources to them rather than having too many projects on the go and not having enough resources for each one. What's also important is to have an opportunity to convert unexpected results into positive energy.

“The Basel region takes an international approach and can certainly bear comparison with other regions in the pharmaceutical industry.”

5. How do you rate Basel as a business region in international terms?

The Basel region takes an international approach and can certainly bear comparison with other regions in the pharmaceutical industry. We have all the suppliers we need right here. Investors are also important: The local banks, for example, are familiar with the pharmaceutical industry.

6. If you could make a wish for Basel as a business region, what would it be?

I would like to see a more homogeneous business region in which taxation for companies is standardized. These aspects should not be allowed to rule out locations. This includes the neighboring parts of France and Germany, which could be an excellent area for further expansion of our technology sector.

Forthcoming events

Where to find us

- **“Setting up a company in Switzerland” seminars**
in cooperation with LOCATION Switzerland.
For information and to register, please contact
BaselArea, info@baselarea.ch, tel. +41 295 50 00.
25 January 2007, Baden-Baden, DE
12 February 2007, Bangalore, IN
14 February 2007, Hyderabad, IN
14 February 2007, Düsseldorf, DE
27 March 2007, Stuttgart, DE
26 April 2007, Heiligendamm, DE
10 May 2007, Amsterdam, NL
12 June 2007, Ghent, BE
- **BioAsia 2007**
15–17 February 2007, Hyderabad, IN
www.bioasia2007.org
- **BioSquare 2007**
12–14 March 2007, Lyon, FR
www.biosquare.com
- **Forum France-Switzerland CFSCI**
29 March 2007, Basel, CH
In cooperation with the French-Swiss Chamber of
Commerce.
For information and to register, please contact
BaselArea, info@baselarea.ch, tel. +41 295 50 00,
www.cfsci.ch
- **Basel in Hamburg**
4–5 May 2007, Hamburg, DE
- **BIO 2007**
6–9 May 2007, Boston, US
www.bio.org
- **Nanotech 2007**
20–24 May 2007, Santa Clara, US
www.nsti.org

The new BaselArea team



Top row, left to right:

Sheena Bethell, Business Consultant
Seraina Nachbur, Knowledge Management
Sabine Schenker, Communications

Bottom row, left to right:

Lorenz Rudin, Business Consultant
Michael Bertram, Chief Operating Officer
Bruna Henzelin, Administration
Dr. Hans-Peter Wessels, Chief Executive Officer
Ruben Werner, Junior Consultant

Sponsors and stakeholders

BaselArea is sponsored by the cantons of Basel-Stadt and Basel-Landschaft as well as the Chamber of Commerce of Basel, the Basel Association of Employers, the Chamber of Commerce of Basel-Landschaft, the Trade Union Association of Basel-Landschaft, the Basel Trade Union Association, the Employee's Association of the Basel Region, the Association of Commercial Employees of Basel-Landschaft and the Employer's Association of Basel-Landschaft.

Contact details

Published by: BaselArea, Aeschenvorstadt 36, 4010 Basel, www.baselarea.ch
For address changes or to order additional newsletters:
info@baselarea.ch
Editorial: Sabine Schenker
Layout: Continue AG

This newsletter is also available in German.
Reproduction only with the written consent of BaselArea.