

Entrepreneurial Switzerland

Setting up your own business? It's certainly not for the faint-hearted! Nevertheless, there are a number of success stories being built in Switzerland

BY ARADHNA SETHI

Small and medium sized enterprises (SMEs) account for 99.7% of all Swiss firms. Some 88% have fewer than 10 employees. Twenty-four companies were set up as spin-offs from Zurich's Federal Institute of Technology in 2009 – one more than in 2008 – despite a global recession. Two-thirds of employment in Switzerland comes through SMEs. Yes, Switzerland thrives on SMEs that form a significant chunk of its private sector businesses.

The importance of small to medium

sized firms does not go unnoticed by the Federal government. The Swiss government has created policies to decrease administrative red tape, develop e-Government, encourage start-ups, improve business, financing and global market access and encourage innovation.

It does this by creating several support agencies – from websites on how to create your own SME, to networking arrangements and indicating financial support at times, too. swissnex Boston is one such initiative run by Switzerland's State Secre-

tariat for Education and Research and the Department of Foreign Affairs.

swissnexboston provides a physical and virtual environment to encourage closer ties between Switzerland, New England and Eastern Canada in academia, industry and society. It places particular emphasis on the next generation of creative thinkers and leaders, through a network that promotes the exchange of knowledge and generates cooperation in an innovative, inspiring, and rewarding atmosphere.

The organisation also develops annual programmes such as Venture Leaders to help young entrepreneurs launch their companies. As Jordi Montserrat, the current Head of the Swiss initiative for entrepreneurship "Venturelab" in western Switzerland, explains: "The entrepreneurs submit an application and the top 20 are selected based on different criteria to spend 10 days in Boston to participate in the entrepreneurial boot camp "Venture Leaders."

Swiss Business selected three of the most innovative projects being developed in Switzerland:

THE VENTURE LEADERS PROGRAMME

For 10 days, entrepreneurs plunge into the US entrepreneurial scene and benefit from personalised development training. The visit is a unique blend of workshops, presentations, business development cases and networking:

- Start-up visits and meetings with successful US entrepreneurs;
- Presentations to experts and investors from the Boston area, per industry sector;
- Several networking events within the high-tech entrepreneurial community;
- Entrepreneurship development training at Babson College;
- Knowledge workshops with experts in US business development, IP, and corporate affairs;
- Executive workshops focusing on "hands-on" company development;
- Group feedback sessions;
- Flexibility for personal business development activities during the visit.

www.swissnexboston.org

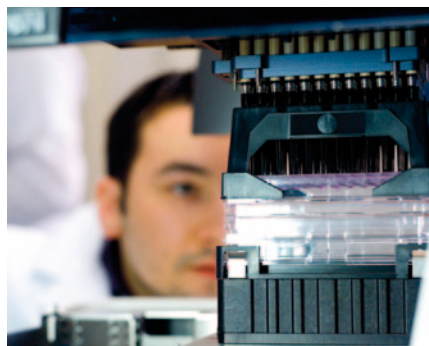
Useful information for entrepreneurs:

www.kti-cti.ch
www.ctistartup.ch
www.venturelab.ch



“ The crisis helped us establish our bootstrapped seed-phase business ”

Based on culture systems which allow the formation of three-dimensional micro-tissues, InSphero has developed a new test method for screening biochemical compounds that can be integrated into established pharmaceutical development processes. With InSphero's unique and revolutionary worldwide solution, the drug production process can be accelerated. In the span of one year, InSphero has already introduced to the market a number of tumour micro-tissues for efficacy studies. Six global pharmaceutical and cosmetic companies are among the customers of the young start-up company with 12 employees.



InSphero's microtissues production line

Jan Lichtenberg, co-founder and CEO of InSphero, talks of his experiences and expectations:

Challenges

InSphero was founded in the middle of the global financial crisis in 2009. Nevertheless, we believed – and do so even today – that this was the perfect time to prepare the launch of our products for the pharmaceutical industry. In fact, it turned out that the crisis helped us establish our bootstrapped seed-phase business: suppliers volunteered large discounts and we were able to purchase used equipment from companies reducing their infrastructure. The crisis also changed the perception of employees regarding job safety: large companies are not regarded anymore as safe harbours compared to the job security offered by a small and rapidly growing company in rough times.

Motivation

We draw our motivation from the success of our customers. Although quite young, InSphero has attracted a number of large key accounts from the Top-20 pharmaceutical companies worldwide. The acceptance that our technology and company receive in the market is extremely rewarding. We make sure that everybody in the company knows when we achieve a new milestone or have a new customer on board and we enjoy the moment together.

Success route

Like in any other high-tech company, different mindsets live in symbiosis. Unlike in large companies, InSphero is still small enough to have the whole staff around one table to discuss and to put everybody in sync. As founders we put a lot of emphasis in clearly and transparently informing the whole team about the continuous changes, achievements, bottlenecks and successes. Finances and our sales pipeline are no secret and we make sure that we have everybody on board not only in terms of technical achievements but also of how we sell and market our products.

Expectations

Looking at our current development and the increasing collaborations with global pharmaceutical companies, we expect to grow 40-50% per year in terms of turnover and staff. As our sales process focuses strictly on key accounts, a global service offering will be required starting in the US in 2012 followed by Japan the year after.

www.insphero.com



Jan Lichtenberg



“ We are recruiting ”

In Europe the annual average consumption of plastic is greater than 40 kg per person. In Switzerland, 850,000 tons of plastic were used in 2004, more than 500,000 tons wound up in landfills, and some even ended up in compost environments.

BioApply, with a team of 7 employees, offers practical and economically viable solutions for ecological alternatives to plastic packaging and petroleum-derived products using renewable, biodegradable and compostable materials of vegetal origin.



BioApply: biodegradable retail bags



Frederic Mauch, founder and CEO of BioApply, explains the business:

Challenges

BioApply was created with relatively limited private funds. As our products tend to be more expensive than traditional plastic-based applications, we focus on providing our customers with cost effective solutions; eventually economically outperforming traditional products.

The key challenge is to handle an increasing number of small to medium sized customers (plus three agents) while handling increasing number of large customers.

Another challenge is the commercial launch of our proprietary technology, BioS, a bio-compound adapted for injection moulding with unique flexibility and elongation characteristics. In order to be prepared for growth and to capitalise on a maturing market, we are recruiting. This, at the moment, too, is both a strategic and financial challenge. Finally, BioApply is expanding internationally (UAE, EU and maybe US), the challenge is to not over spread.

Success route and motivation

Innovation, communication, branding, strong values and excellence in products/services delivered are the way to go. (Our plans and goals keep us motivated).

Expectations

Unlike many start-ups, we commenced generating revenues and brand awareness before investing strongly into R&D innovation. Our growth has been solid without being extreme. We have secured funding for our R&D projects without giving up our capital. We received support from Canton de Vaud, CTI and also from swissnex, Genilem, OPI and Swiss-Cleantech.

In the next 5 years, we intend to follow this strategy, though we do not exclude having a Business Angel joining the venture. Our key commercially available product, biodegradable retail bags, is the main source of growth. 2009 has been the year our business has grown strongly (120% turnover increase). The trend is continuing in 2010 with an estimated 120% turnover growth again.

In 2009, our turnover was close to USD 0.8 million. In 2010, it should be close to USD 2 million and by 2015, we forecast a turnover of USD 12 million.

www.bioapply.com

MIRASENSE

mobile product interaction

“ We strive to build a scalable, sustainable and highly profitable business in the long run ”

The spin-off company of ETH Zurich is the creator of the Scandit SDK, the world's fastest and most accurate 1D barcode recognition technology for mobile phones. The technology is a low-cost alternative to classical laser scanners and an enabling technology for innovative consumer applications alike. Mirasense was founded in 2009 and currently has 8 employees, including the four co-founders.



Mirasense: cutting-edge barcode recognition software for mobile phones



Samuel Mueller

Samuel Mueller, co-founder and CEO of Mirasense, talks about the business:

Challenges

Our current main challenges are building an own brand and getting more visibility in the fast growing market for mobile services. To this end, we're currently presenting our scanning technology as well as sneak previews of our new product, a barcode-based mobile shopping application called Scandit, at major US technology conferences.

Motivation

Our greatest asset with respect to our competition is our patent-pending barcode scanning technology. Scandit SDK is faster, more accurate and available on more platforms than any competing technology. Moreover, it scans blurred, curved or scratched barcodes from any angle, even upside down, thus greatly simplifying the interaction with products at the point of sale. It is also highly motivating to be launching our new product Scandit soon, because it is built on top of such great technology. Of course, we're all waiting to finally see it in action.

Expectations

With the growing availability of smartphones with large screens and affordable data plans, consumers increasingly use mobile applications, for example, to search for product information directly at the point of sale. With the goal of claiming a share of this fast growing market, we founded Mirasense AG in 2009.

We have since been busy generating initial revenues from our first product, Scandit SDK, our leading-edge barcode recognition software for mobile phones. Early October marked another highlight in Mirasense's development: the US launch of Scandit, a new iPhone application that makes mobile comparison shopping a social experience.

In the short term, our primary goal is to provide direct benefits and the best possible product experience to our users. By addressing and relieving real-life pains of consumers, we strive to build a scalable, sustainable and highly profitable business in the long run.

www.mirasense.com