Transformation

The future of waste disposal
Contena-Ochsner AG drives innovation.

Fixed, green, flexible
GreenPlaces are conquering industrial areas.

Renato Heiniger, CEO of Contena-Ochsner AG
Bernis SA

The GreenPlaces built by this dynamic start-up breathe new life into drab industrial spaces. Eco-friendly and cost-effective, these permanent structures have a flexible modular design. Page 20

Contena-Ochsner AG

Contena-Ochsner AG deals in waste disposal trucks and trash containers. CEO Renato Heiniger knows one thing for certain: Waste logistics is set to undergo a whole host of changes. Page 04

Ruetschi Technology AG

Christoph Ruetschi, Co-CEO of the highly specialized manufacturer of implants and single-use instruments, knows what it means to completely rethink a situation and to build something from scratch. Page 12

Nidecker SA

A steep curve upward and then quickly back down again: The history of Nidecker SA has seen a lot of ups and downs – and not just by the snowboards that the company manufactures. With a lot of blood, sweat and tears, three creative siblings were able to save their family’s heritage. Page 24
“Transformation is an ever-evolving process.”
Contena-Ochsner AG’s aim is to actively help shape future developments.

Exchange rates: Risks are an issue
The majority of companies hedge against fluctuating exchange rates.

Committed to patient safety
Creating an opportunity out of a crisis. This is a familiar tune to Ruetschi Technology AG – almost as familiar as the medical technology industry in which it successfully operates.

Real estate market
Recovery and challenge

Corporate succession
The most important questions, the most useful tips.

“95% of corporations cannot say for sure who their shareholders are.”
Unclear ownership structures can have unwelcome consequences.

Green spaces in gray industrial areas
Start-up Bernis SA fills a gap in the market with its cost-effective and eco-friendly GreenPlaces.

Ups and downs in the winter sports business
The Nidecker brothers achieved double-digit growth rates by adopting a completely new strategy.

In brief
Key information at a glance: 1e solutions and Online Leasing.

Noted
Television – a thing of the past? Zattoo was quick to recognize the potential of TV in a digitalized world.

Dear entrepreneur
American car maker Henry Ford once said: “If I had asked people what they wanted, they would have said faster horses.” This quote describes the changes in technology that were happening a good 100 years ago, which at the time were barely conceivable for most people. Today, digitalization is bringing about change on a much larger scale, and for that reason in this issue we look at everything from the viewpoint of transformation. I am impressed to learn how Contena-Ochsner AG is actively driving change in its industry. And how Ruetschi Technology AG used a crisis situation as the impetus to develop new, innovative products that are now at the very heart of the company’s success.

Credit Suisse has also undergone continuous transformation since it was founded by Alfred Escher as Schweizerische Kreditanstalt. Throughout all our developments, our focus has always been on giving you the right tools at every stage of your company’s development, from foundation through to succession, and helping you through every transformation by providing the relevant expertise.

I hope you will enjoy this issue of Entrepreneur magazine.

Yours sincerely
Andreas Gerber
Head of SME Business Switzerland
Renato Heiniger, CEO of Contena-Ochsner AG, assumed his current role in 2014 following the merger of two long-established companies – Contena Handels AG and J. Ochsner AG.
As CEO of Contena-Ochsner AG, Renato Heiniger’s business is waste disposal trucks and trash containers. During our discussion, Heiniger talks about the waste logistics of tomorrow, which he says will be very different from that of today. Text: Mariska Beirne

Mr. Heiniger, 716 kilograms of municipal waste are produced each year by each person in Switzerland. That puts us among the top countries in terms of waste volume. What do you think about that?

Of course, as a company that offers waste logistics products, this huge amount of waste benefits us directly. Having said that, we are aware that fundamental changes need to be made! We are responsible for this not only as a company, but also as individual consumers. This starts with the manufacture and packaging of products, which should be closely scrutinized. Nonetheless, Switzerland is leading the way in terms of recycling. Although we produce a lot of waste, a lot of this waste is also recycled.

You are expecting to see changes to the waste market. What do you see changing specifically?

In the long term, I see major changes coming our way as a result of digitalization. There will be changes to waste removal logistics resulting from digitalization – we are already in the midst of this shift. For example, we are currently working on an intelligent container, meaning that it has a sensor that communicates with logistics providers. If you are away on vacation, the
waste removal worker does not have to go near your waste container during their round because they received a message beforehand to tell them it is empty. If, on the other hand, your container is full two days before normal waste collection, a message is also sent to the collector, who will then arrive earlier.

You mentioned before that you expect major changes over the long term. What did you mean by that? It is likely that waste removal trucks will no longer play the same role in waste removal. I personally hope this change will not happen for a long time. There are several theories on the future of waste logistics. These range from self-driving waste removal trucks which will automatically follow the employee from container to container, to robots which will transport and empty containers, carrying them to and from the truck. There are countless different theories, some of them downright crazy. There are already companies that take waste away with them when they deliver their goods. Services like this will also continue to develop.

And what will Contena-Ochsner AG do then? Traditional waste management will not completely disappear, it will simply change. New areas of business will be opened up. Alongside our day-to-day operations, we will branch out into these areas in order to keep up with changes in the industry.

How will you go about doing this? To answer this question, I will briefly outline our company. My co-shareholder is the German company Faun Umwelttechnik, which manufactures waste disposal trucks. This company, Faun, is in turn owned by the Kirchhoff Group, which also owns Twenty-five people are employed in the workshop area. These experts know a thing or two about locksmithing, as well as being pretty handy with electronics.
The second and third generation: Kurt Heiniger (left) is Chairman of the Board, while his son Renato Heiniger manages the business.

“To me, Credit Suisse seems more like an SME – like us – and not a huge corporation.”

...other companies in the waste disposal sector. As a result, we belong to a larger network of companies in a similar line of business that operates in many countries: Germany, Austria, Poland, France, the UK, and the Czech Republic. We benefit from innovations that are being developed within this group and have the ideal market in Switzerland to test them out.

So this means that you benefit from having a strong partner by your side. Do you not have a research and development department here in Switzerland?
No, but we started a separate company with another partner of ours. It is called Koco Solutions AG, and it focuses on digitalization within the waste disposal sector and on data flows between waste disposal trucks and logistics providers. This new company can be seen as a supplement to Contena-Ochsner AG.

Way back, your grandfather and father founded Contena Handels AG. Did you always know that you would be involved in waste management?
No, not at all. As a child, I went with my father on client visits throughout Switzerland during the holidays. However, I never saw myself being part of the company. With 13 employees, and my father as managing director and owner, the company seemed perfectly tailored to him. I didn’t see any place for myself in the company.
Credit Suisse relationship manager Markus Walker (right) is happy to be a sparring partner for Renato Heiniger. Sometimes this requires a tour around the company.

These 800-liter steel waste containers are only used in Switzerland, meaning that the waste removal trucks receive a “Swiss finish.”
Not even as his successor?
So how did you end up becoming CEO of Contena-Ochsner AG?
For a long time I had dreamed of a merger between Contena and Ochsner. From developing the Patent Ochsner bin to introducing the first waste removal trucks to Switzerland, Ochsner is a well-known name with a history dating back to the 19th century. With 27 employees, the company was twice our size, and located only a few kilometers away. For me it was clear, if we could take over Ochsner, a long-established company, I would be on board and would want to take on a leading role.

And it happened just like that?
Yes, it actually worked. Of course, it was a long process. Ochsner was already part of the Kirchhoff Group at the time, so it was not a takeover, but rather a successful merger. I was able to take on the management of the company from day one. Later I bought up father’s shares. This was the ideal transition for him. To this day he is looking after long-term clients with me, which still brings him a great deal of enjoyment. My sister also works for the company and is responsible for the coordination of new vehicles and for scheduling. We were able to keep all 40 jobs – something I am very proud of. The merger made us more efficient and with the free capacity we gained, we began expanding our services.

Can you give some examples where you are particularly pleased to have the bank’s support?
We had a potential acquisition recently. I always approach Markus with an idea first – he not only gives me advice, but also challenges me. If he sees a snag somewhere, he tells me directly, feedback that I value and actually need. I was nearly at my wits’ end during recent negotiations. The bank then offered some new suggestions and got the ball rolling again.

So Contena-Ochsner AG hopes to continue growing?
We are in a constant state of growth. It does not just start at A and stop at B. Transformation is an ever-evolving process. Our core sector alone will see big changes in the coming years, for example in terms of driving possibilities for the vehicles. I have already talked about how I am certain that the waste market will change. When we see companies that fit strategically with what we do, and who can help us to better support our clients with new solutions, we want to start a conversation; with both the companies and with Credit Suisse.

One last question: Do you actually listen to Patent Ochsner?
(Laughs) “Scharlachrot” is one of my all-time favorite songs. We would love to have Patent Ochsner play at one of our events; that would be fantastic.

Was Credit Suisse involved during the merger of Contena and Ochsner?
No, at that time Credit Suisse was house bank for neither Contena nor Ochsner; that happened some time later. I came to Credit Suisse in a roundabout way, first as a private client and was then introduced to business relationship manager Markus Walker. From the very start, everything just worked. To this day he is our man at Credit Suisse.

When you say “everything worked,” do you mean in terms of communication or services?
What makes the relationship work?
To me, Credit Suisse seems more like an SME – like us – and not a huge corporation. Maybe I should explain this: Markus Walker is the one who looks after us directly, but I have also gotten to know his line managers, as well as Andreas Gerber, who is in charge of the corporate client business. Whenever I meet any of them at events, they know about our company without me saying anything, and they are familiar with our projects. I find this fascinating, and of course I’m also rather flattered. From the client’s point of view, there is nothing better than being looked after in this way, and noticing that these people are interested in us and share information with one another.
Exchange rates: Risks are an issue

The Credit Suisse study on exchange rates and currency hedging reveals that the majority of Swiss companies also operate abroad – so foreign exchange risks are an issue for them.

Text: Andrea Marthaler

The Swiss economy is highly geared toward exports. Swiss companies are strongly interlinked with other countries. This is true both of large corporations and of SMEs. Exports provide access to new markets, but they also bring risks. Most transactions abroad take place in foreign currencies, with all the associated foreign exchange risks. It can be impossible to predict fluctuations on the foreign exchange markets – something that has been all too clear in recent years. It is not only changes to a country’s monetary policy that can lead to major changes in exchange rates, but also geopolitical and political uncertainties.

The majority hedge

In Switzerland, even small and medium-sized enterprises are reliant on exports, and as such they are exposed to considerable foreign exchange risks. Andreas Gerber, Head of SME Business Switzerland at Credit Suisse, believes that “well over 50% of SMEs hedge their currency risks (at least partially).”

These estimates are based on the findings of the Credit Suisse study on exchange rates and currency hedging. The study surveyed 760 corporate clients from the industrial and service sectors. The list included large corporations with sales revenue in excess of one billion Swiss francs and over a thousand employees, and also sole proprietorships with an annual sales revenue of several hundred thousand Swiss francs. Only one in six of the companies surveyed operates exclusively in Switzerland. Of those companies that handle at least 20% of their purchases or sales in US dollars, 75% fully or partially hedge against foreign exchange risks using financial instruments. The proportion is somewhat lower among companies that do business in euros. Some 32%
of these companies forgo currency hedging altogether. This approach is particularly common among exporters. According to the survey findings, they handle 72% of sales and 57% of purchases in foreign currencies. Many of their input goods are already from abroad. By contrast, in the case of importers the figure for natural currency hedging is lower. They make the majority of their purchases in foreign currencies (71%), but sell mostly in Swiss francs.

**The challenge of the strong Swiss franc**

The strength of the Swiss franc is a major challenge for Swiss companies. It affects the balance sheet and makes Swiss products more expensive abroad. For exporters, a strong home currency is therefore problematic. As a “safe harbor,” the Swiss franc is subject to revaluation pressure, particularly in the event of political or economic uncertainties. As such, the entrepreneurs surveyed monitor the situation closely. They believe that, among other things, the monetary policies of the European Central Bank (ECB) and the US Federal Reserve System (Fed) have the most influence on the Swiss franc. They also feel that government debt in Italy is a key influencing factor. Conversely, they consider the Brexit negotiations and the looming growth slowdown in China to be less significant.

**Benefits for acquisitions**

The other side of the coin is that a strong Swiss franc can also have positive effects – for example with event transactions such as acquisitions abroad. This applies “provided the currency purchase and the transaction itself are hedged,” stresses Albert Angehrn, Head of Large Swiss Corporates. He also believes that a strong Swiss franc can be positive for purchases of goods, provided the benefits are not wiped out again by selling the end product abroad. “So this topic concerns everyone in one way or another.”

### How do other companies hedge currency risks?

In the study on exchange rates and currency hedging, three entrepreneurs provide information about their currency hedging strategy. Read the interviews online: credit-suisse.com/currencyrisks
In the last 20 years, Ruetschi Technology AG has grown from a turning shop into an international company specializing in medical technology, specifically in single-use medical instruments, which are packaged in sterile kits and ready to use, and in implants for spinal and dental medicine. Not only has the company changed, but the Chairman of the Board and Co-CEO Christoph Ruetschi himself has done so too; and these changes have been key to the company’s success.

There is still a lot to be done in the field of medical instruments,” says Christoph Ruetschi. “Recycling and sterilizing instruments are costly and often sub-standard. Currently, more than 90,000 people die every year across Europe as a result of hospital infections.” This is why the Co-CEO of Ruetschi Technology AG focuses on single-use instruments. These are packed in sterile kits together with the relevant implants. These “procedure kits” reduce both operation times and the risk of post-operative wound infections. Ruetschi Technology AG’s area of expertise is spinal and dental surgery. Christoph Ruetschi can often be found in operating theaters, looking to find out what products could make doctors’ jobs easier. “My passion is designing things that can help improve a person’s quality of life. If our family business had not been there, I would probably have become a surgeon.” His commitment is paying off: Ruetschi Technology AG currently employs more than 200 people, enjoys international success, and operates in three different locations; in Muntelier and Yverdon-les-Bains in Switzerland and in the German town of Renquishausen. Thanks to its innovative products and high precision, the company has become a big player in the development and manufacture of high-tech products in dental and orthopedic technology.

A young man at the helm
“This wasn’t always the case,” explains Christoph Ruetschi, looking back on the early days of the company. His father, Charles Ruetschi, founded the company in 1960 in La Chaux-de-Fonds, the heart of the Swiss watchmaking industry. The company then produced welding machines for manufacturing watches, and later the dial pins and turning parts were added. A new building in Yverdon-les-Bains would deal with the high demand. Ruetschi Technology AG first began to manufacture parts for the
Co-CEO Christoph Ruetschi. Christian Moser is the other man in charge.
medical technology sector in the mid-1980s. Everything was running smoothly up until the patron suddenly developed Alzheimer’s. In a very short time he was no longer able to run the company. His wife had to step in and Christoph Ruetschi had to decide whether he wanted to take over the company. “I was 26, an engineer, and playing in the Swiss NLB volleyball league. Actually, I just wanted to enjoy life for a little while longer,” he recalls. But it didn’t pan out like that. He quickly packed his bags and traveled to the US to complete a two-year business studies course in Boston before taking over the business.

From contract manufacturer to developer
From the get-go Christoph Ruetschi realized that his company needed to branch out. “We were manufacturing on a job-by-job basis. Someone gave us the drawing of a part, we produced it, job done.” That went well for a while, but then the industry margins collapsed. There was only one thing that could save us from going under: a complete reorientation. “At that time, we decided to focus solely on medical technology. We also decided to start developing products – and this was the biggest milestone in our history.” With only around 60 employees at the time, it was a big challenge for the company, but the paradigm shift paid off and marked the start of a positive period in the company’s history. Additional impetus gave way to another decision: “Up until that point we had mastered working with metallic components and could produce spinal and dental implants, for example. However, for the instruments needed to insert implants of this kind during an operation, plastic parts needed to be produced as well. We decided to specialize in this area too, and in 2006 we took over André Gueissaz SA, an injection molding plant.” Shortly after, Ruetschi Technology AG became a holistic manufacturer of medical devices – a novelty in the industry. “The response to this was correspondingly positive, and the business performed just as well,” recalls Ruetschi.

Personal overhaul
The path to today’s model company was not always smooth, however, and required a great deal of endurance. For example, in the years following the economic crisis of 2009, Ruetschi Technology AG lost its two largest clients. “Suddenly we couldn’t invest anymore,” explains Ruetschi. He also started to suffer from physical and emotional exhaustion. The symptoms crept up on him and suddenly it was all too much. The diagnosis of burnout came just in time to prevent collapse. “I realized I had to change something at a fundamental level. Not only in the company, but also in myself,” says Christoph Ruetschi. What was it that finally brought Ruetschi Technology AG and the owner himself back from the brink? Ruetschi laughs: “A stroke of luck – and change at all levels. This started with acknowledging that I can’t do it all alone.” Ruetschi’s first step was to bring in more management. His brother-in-law, Christian Moser, returned to the company and has since shared the CEO role with him. The board of directors and the shareholder structure were also expanded to bring new momentum to the company. “After we made these changes, we were so well organized that we were actually able to weather the Swiss currency crisis of 2015 surprisingly well. Since 2013, we have been growing at double-digit rates year after year.”

Partners in good times and in bad
Christoph Ruetschi’s biggest concern at the moment is how to handle the large amount of orders and projects. “Right now, we are happy to have a partner like Credit Suisse. The

“Currently, more than 90,000 people die every year across Europe as a result of hospital infections.”
bank has experienced the whole transformation with us, has believed in us even when times were not as good, and is to this day by our side, at a time when growth needs to be financed,” says Christoph Ruetschi. Partners like that are essential to a company’s success. This he has learned over the past 17 years. And something else: “For a company to be able to make a real change, it requires not only development in technology, but also development in people themselves.”

**An innovative employer**

Christoph Ruetschi’s goal with Ruetschi Technology AG is to continue to grow and become the market leader in the field of procedure kits for spinal and dental medicine. Ruetschi does not believe that the topical subject of climate protection will reduce the success of the single-use medical instruments contained in the kits. “The energy balance of single-use instruments is actually better than that of conventional products. Furthermore, the amount of plastic being used is very small, and it is something that can significantly increase patient safety.”

As important as product development is to the CEO, so too is the internal development of the company. Management recently launched the “Employer of choice” initiative. This is about helping Ruetschi Technology AG become a top employer. “We firmly believe that the success of a company starts and ends with its employees. Therefore, we are working hard to figure out what we can do to ensure that experts come to us and stay with us.” Ruetschi is open to new ideas in achieving this. “Not only in terms of products, but also in terms of processes, methods, and how we communicate with one another.”

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**Ruetschi Technology AG**

The company develops and produces high-tech products for the medical industry. Their specialty is the combining of metal and plastic components in the best way possible, making them a leading manufacturer of sterile single-use products for spinal surgery and dental implantology. Based in Muntelier, Canton of Fribourg, the Swiss company operates a second location in Yverdon-les-Bains, Canton of Vaud, and a third in Renquishausen, Germany. It is managed jointly by Christoph Ruetschi and Christian Moser and employs around 200 people.

ruetschi.com
Real estate market: Recovery and challenge

Low interest rates make investing in real estate an attractive proposition. But demand cannot keep pace in all segments. The Credit Suisse study on the real estate market illustrates the situation in the office and retail markets.

Text: Andrea Marthaler

In 2018, the strong economy had an impact on employment growth, with demand for office space rising as a result. According to estimates, demand increased by 600,000 square meters last year. Companies are also expected to require additional office space in 2019, though to a slightly lesser degree than we saw in 2018. However, the extent to which recovery is progressing in the individual office markets depends largely on the make-up of local industry. What’s more, the supply of office space has ultimately outstripped demand for it, because construction has continued apace. In central locations, there are clear signs of recovery in the office market, and the total office space advertised for rental in the central office markets of major cities has reduced by almost one-fifth. In Geneva and Zurich, well-established locations in the suburban office markets are increasingly in demand. Whether this recovery will extend to office markets further out of the cities will depend on subsequent demand and, therefore, on employment growth.

Demand for retail space is declining
In contrast to the office market, the retail market has not benefitted from the economic upturn, with sales per unit area even seeing a decrease. This is mainly due to online shopping, which is putting pressure on the traditional retail business and gaining market share. This is yet another sign of the continuing transformation of Swiss retail business. The clothing business in particular has been affected by store closures and job cuts in recent years.

Providers of retail space have responded to the problems in the retail business and are already creating fewer new retail spaces. Despite this, the number of spaces being advertised is increasing. It has become increasingly difficult to rent out empty retail properties, particularly outside of premium locations. This is not only problematic for the surrounding businesses, but also for city centers, which may struggle to attract visitors.

Find out more!
You can find more facts and information about the Swiss real estate market in our study: credit-suisse.com/officemarket
Corporate succession: The most important questions, the most useful tips

Approximately one in five SMEs in Switzerland will be facing a generation change in the coming years, but very few companies have clear plans in place for how the process of succession should evolve. Text: Mariska Beirne

Credit Suisse corporate succession specialist Toni Neuhaus confirms that many SMEs prefer to focus on their day-to-day business rather than start tackling the issue of succession. Over the course of his career, he has been involved in companies passing on the baton on no fewer than 150 occasions, and his top tip is this: “Start tackling corporate succession as early as possible.”

Wish lists and taboos
Once a company has decided to start looking at succession in more detail, there are a number of questions that must be answered right away, such as:

1. What is the family situation and what will happen if nothing is done?
2. What does the main shareholder want?
3. What do the other shareholders want?
4. Do we even know who all the shareholders are?

“Family-run businesses are often overwhelmed by all this. As a bank, our role in this initial phase is to be the neutral party that takes care of the detailed analysis.” It is certainly not uncommon for the idea of selling the company to be taboo within the family.

Working through solutions
Once the analysis has been completed, a potential solution generally presents itself.

Possibilities within the family:
• Succession from within the family
• Third-party management with family control (on the Board of Directors)
• Interim solution because potential family successors are not yet old enough or experienced enough

• Management buy-out (sale to employees)
• Management buy-in (sale to competitors)
• Sale to investor

Searching for a buyer, e.g. with OpportunityNet
Things can get difficult if there is no suitable solution from within the family or the company. For cases such as this, Credit Suisse runs a referral platform called OpportunityNet, which brings together those wishing to sell and buy companies. The advice from Neuhaus is: “Talk to your relationship manager first. Credit Suisse has a huge network and an excellent understanding of entrepreneurs in Switzerland.”

Find out more!
Bigler AG Fleischwaren has a staff of 600 and a shareholder base of around 20 family members. The company recently arranged the process of succession to the fourth generation. In the video, CEO Markus Bigler explains why the SME entered into the process with Credit Suisse as its partner. credit-suisse.com/successionplanning

Entrepreneur June 2019
Today we are discussing the issue of clear relationships within the shareholder structure.
Mr. Arni, Mr. Vischer, why is this topic of interest to companies?
Andreas Arni (AA): The Boards of Directors in many corporations are unaware of how relevant the issue of "clear relationships within the shareholder structure" is to them. In cases of company successions, we found that around two-thirds cannot say for sure who their shareholders are.
Markus Vischer (MV): I can confirm that. I often try to provoke entrepreneurs a little by asking: Are you sure you are the owner of your business? From my experience I would even say that 95% cannot say for sure who their shareholders are. This can be fatal.
What is the worst case scenario?
MV: The company becomes incapable of action. If the shareholders are not known, they cannot be invited to general meetings in a legally correct way, meaning that this meeting cannot be held. Previous general meetings may also be rendered invalid and decisions made can be reversed. A judge may call for bankruptcy proceedings.
AA: However, most companies are not aware of this. Only when a transfer of ownership (e.g. to a successor) or a sale is imminent will such things come to light. And that means a lot of work for people like Markus Vischer.
Why is it such a widespread problem that companies don’t know who their shareholders are?
AA: To answer this, we will briefly explain the different types of shares. There are, for example, registered shares, which are registered in the name of the shareholder and are entered in the share register. Bearer shares, on the other hand, make their owner a shareholder. In Switzerland there are around 50,000 companies with bearer shares, which is about a quarter. However, companies with registered shares are the most common, and they almost always have registered shares with restricted transferability.
And the problem lies with the transfer of the shares?
MV: Depending on the type of share there are different rules that must be followed. Often, the responsible parties believe that the transfer is carried out by making an entry into the share register. But, for example, in the case of securitized registered shares, an endorsement is required; this is a kind of transfer declaration for the share. Non-securitized registered shares must be transferred by assignment. A written declaration of assignment is therefore necessary. In addition to keeping a share register, since the FATF recommendations came into effect in 2015, a directory of bearer shareholders must also be kept and, where necessary, a list of beneficial owners. Basically, there are quite a lot of stumbling blocks and plenty of room for error.
We have discussed the problem in detail, now give us the solution!
MV: I recommend, for larger companies at least, to acquire so-called intermediated securities, a form of digital shares, and to consign them to the bank for handling. This prevents errors in the chain of succession, and the bank will still be there five or ten years later.
Mr. Arni, what solutions does Credit Suisse offer?
AA: For small family businesses with two or four shareholders who have experienced little change, it is not intermediated securities which are required but professional handling of the necessary paperwork. When a company deposits its stock with us, we register them with us and begin to help them. If a company has reached a certain size, let’s say a medium-sized family business, things can start to get very complex by the 3rd or 4th generation as the shares have been passed on through inheritance or divorce. This type of company can suddenly have 50 or 100 shareholders. In these cases, intermediated securities can be useful.

Are there companies that you would specifically recommend acquire digital shares?
AA: Yes, start-ups which are growing rapidly, as well as companies generally where employees participate through the buying of company shares. Employees come and go. This becomes very complex after a short while. In addition, start-ups often go through several rounds of funding. If there is no clear ownership structure, there is no money. Intermediated securities are very useful for such companies.

Intermediated securities are not free of charge and start-ups in particular are probably more likely to use their capital for something else rather than for intermediated securities …
AA: There are indeed costs involved in setting this up. The bank assumes the role of paying agent – this means that it charges fees, for example when paying dividends. But if you think about it, this investment is often worth it. MV: We look after many corporations who have lost track of their shareholders, either during the handing-down of the business or for other reasons. Getting a specialized law firm to handle this will cost a lot more than conversion to intermediated form. When looked at this way you can see that intermediated securities make sense.

For more information:
Would you like to know more about intermediated securities and about digital shares in general? Your relationship manager will give you advice specifically tailored to your company. For more information, visit: credit-suisse.com/digitalshares
Green spaces in gray industrial areas

Bernis SA creates affordable, multipurpose commercial spaces. The eco-friendly “GreenPlaces” constructed by this start-up add color to the usual gray palette of industrial areas, and are rapidly becoming a familiar sight.

Text: Eva-Maria Morton de Lachapelle
The green industrial building cuts an imposing figure against the backdrop of the blue sky. A peek through the windows might be rewarded with a glimpse of a tuning workshop run by two car enthusiasts, an antiques warehouse or even a bakery specializing in kebab bread. Behind the door bearing a bright orange “1” we find the offices of Bernis SA, where the staff of this start-up are all gathered in the meeting room. We receive a warm welcome and laughter is in plentiful supply. The staff will be sticking around while we interview CEO Fabrice Bezençon and architect Bertrand de Sénépart, and as we look around us we see the GreenPlaces logo proudly displayed on their shirts.

**Space for small businesses and hobbyists**

Bertrand de Sénépart, architect and co-founder, explains the business model: “We create multipurpose commercial spaces for small and medium-sized enterprises, e.g. tradespeople such as electricians and painters. Private individuals looking for a space for their hobbies are also part of our target demographic.” The target groups generally find themselves working in garages or basements, but the GreenPlaces are set to change that. The founders hope to add a splash of green to industrial areas dominated by gray tones – in more ways than one.

**Eco-friendly and affordable**

The company’s green industrial buildings are made primarily from wood. The windows, gates, and doors are triple-glazed. The walls and the roof, which is fitted with solar panels, provide excellent thermal insulation. Yet Bertrand de Sénépart finds the term “eco-friendly” too ordinary to describe the company’s concept – for him, it’s about the principle behind the concept. He explains that the profit margin is smaller than with low-cost builds, but the GreenPlaces have proved that environmental compatibility and affordability are not necessary mutually exclusive parameters. In each of its locations, Bernis SA offers spaces at around 10% below the market price. If this isn’t the case, the company doesn’t even launch a project.

**It’s all about speed**

It is all made possible by the efficient design of the GreenPlaces. In perfect harmony with the mantra of CEO Fabrice Bezençon – “You have to be quick, otherwise you’ll be overtaken” – it takes just eight months to go from breaking ground to putting a GreenPlaces building into operation. And based on figures to date, the buildings will be at 80% occupancy just ten months later. The shop floor components are prefabricated in Schaffhausen by MTM Construction AG and assembled on site. First the foundations are laid, then come the outer walls and the roof.
Bernis SA

Bernis SA and its 13 employees build eco-friendly industrial spaces known as GreenPlaces. The start-up creates flexible and affordable commercial spaces for small and medium-sized enterprises as well as private hobbyists. The first locations, in Bösingen near Fribourg and Moudon near Lausanne, have been in operation since 2018. A further ten buildings are planned or are under construction in Switzerland and Germany. The founders hope to use their business to extend and enhance commercial spaces in industrial areas.

greenplaces.ch

And finally the internal walls go up. This approach is what makes it possible to divide the buildings up into sections of varying sizes. It’s just like slicing up a stick of salami, jokes Bertrand de Sénépart; you can cut off as small or as large a piece as you like. A standard unit measures six by 12 meters and is 10.8 meters high.

**Multipurpose**
The units are supplied as shells and are sold or rented out. “Buyers and tenants can decide on how much they want to invest depending on how they plan to use the building. A warehouse, for instance, doesn’t require any interior fittings, whereas an office needs flooring, a kitchen, and bathroom facilities,” says the architect, highlighting the flexibility of these commercial spaces. A trade business would typically use the ground floor as a workshop, the mezzanine for storage, and the top floor as an office or recreation room.

**Bernis SA as asset manager for the GreenPlaces**
Bernis SA is the contact for prospects, buyers, and tenants and takes on the role of asset manager for the GreenPlaces. Working in this capacity, the company seeks out suitable locations and investors, sources the required permits, oversees the build, and takes care of building management afterward. Each of the GreenPlaces is a joint-stock company in its own right and operates as an independent company, financed by 50% equity capital and 50% debt capital. This is where Credit Suisse plays an important role. The bank has been a partner right from the start, providing financing for the GreenPlaces and building up a mutual trust-based relationship with the start-up over time. CEO Fabrice Bezençon has nothing but praise for the collaboration: “Our Credit Suisse advisor is there for us; he believes in our success and is committed to our projects.” As is so often the case, it’s the human relationships that make the difference, and this is no exception.

**Comprehensive service**
Fabrice Bezençon has a background in the hotel industry. It is important to him to continue supporting the buyers and tenants even after they have signed on the dotted line. This might include making the applications for building permits from the municipalities – an area in which the Bernis SA staff are well-connected. “It’s almost like we’re running a hotel for companies,” says the CEO with enthusiasm, explaining that the aim is to promote synergies between the trade businesses and support the development of a community. Networking activities are planned once occupancy is at 60–70%, and then an online platform will be used to digitally network the users of GreenPlaces. This will allow tradespeople to share or exchange tools, and customers will be able to find multiple service providers in one place. One of the next projects in the pipeline is to create industrial co-working spaces.

**Potential for expansion abroad**
Two sites have been in operation since 2018. The first project was a GreenPlaces building in Bösingen near Fribourg, comprising 34 units; the second was in Moudon near Lausanne. By the end of the year, a further seven sites should be under construction or in operation, in the cantons of Basel-Land, Solothurn, Thurgau, Bern, and Vaud. Draft designs are also being drawn up for three GreenPlaces in Germany: one near Mannheim, one in Freiburg im Breisgau, and one in Schaffhausen. And these entrepreneurs also have their sights set on the US, where initial talks have been promising. Bertrand de Sénépart explains that there is no concept like this in the US at the moment. Architects are currently drawing up plans to adapt the buildings to US standards, so that they are able to withstand earthquakes or hurricanes. “Germany is big, the US is huge, and we are small. So we have to be smart,” says the architect with a wink. He explains that the biggest challenge is to identify suitable locations where the land is affordable and demand is high enough. In Switzerland, he tells us, the necessary research in this area is still carried out using conventional methods, but this is set to change in the future when specially developed AI-based software is introduced to automate this process.

**A strong team**
The brief backstory to Bernis SA illustrates that the company is not only fast-paced when it comes to construction of its GreenPlaces. “We first met on March 18, 2016,” recalls Fabrice Bezençon. He goes on to tell us that the start-up may be young, but its founders have a wealth of experience and the team is made up of “big guns.” The employees bring with them many years of experience in the construction industry and in financial management. The founders themselves have a stake in Bernis SA. Everyone has their say. “We have more than seven people involved in the decision-making process; that’s more than in the Federal Council,” laughs the CEO. For Bezençon, this strong team is the cornerstone of the success of the GreenPlaces.
The Bernis SA team sits on the stairs to the mezzanine in an empty unit at the GreenPlaces site in Bösingen. Employees came from all over Switzerland to take part in the photo shoot.

“Today, good ideas alone are not enough. You also need to turn those ideas into reality quickly.”

Fabrice Bezençon

CEO Fabrice Bezençon is a veteran of the hotel industry. For him, the biggest challenge facing this young start-up is successfully handling the rapid growth.
Ups and downs in the winter sports business

The Nidecker Group is headed by Henry Nidecker (right), along with his brothers Cédric (left) and Xavier (not pictured). These young entrepreneurs share not only management responsibilities at the company, but also a passion for winter sports.
Throughout its long history, snowboard manufacturer Nidecker has continuously reinvented itself. Today, the company is run by three brothers. They have managed to bounce back from a rapid slump to become number two in the global snowboard market in just ten years. Text: Eva-Maria Morton de Lachapelle

As you open the door to the Nidecker Group’s headquarters, you are confronted almost immediately with a veritable potpourri of company memorabilia dating back 130 years. A huge cartwheel leans against the wall, beside it some wooden skis, and opposite them the neon glow of a series of snowboards. To find CEO Henry Nidecker, you need to walk past the table football and the ping pong table and enter the open-plan office, where around 30 people sit in front of their computers. They look sporty, laid-back, and young – exactly how you might imagine the employees of a snowboard manufacturer to be. But neither the clothes nor the seating arrangements give any hint as to who the boss might be. A lean young man approaches us and introduces himself; he’s Cédric Nidecker, one of the CEO’s brothers. He brings us into the showroom. Next to the door there is a chalkboard on which some clouds have been drawn. Cédric Nidecker laughs: “That’s our weather report. We have the following rule: If there is more than 30 cm of fresh snow, our employees are allowed to head to the mountains. Or, if there are strong winds, they can go kitesurfing on the lake. It’s right there in the employee handbook.” Henry Nidecker, the older brother, strides into the room. He apologizes for the snowboards, bindings, and boots stacked up on the floor – the paneling in the room is being replaced. The aromatic scent of freshly planed wood hangs in the air. This is what it must have smelled like when the first generation of the Nidecker dynasty crafted wheels and furniture in the original workshop.

From wheels to skis
“Our great-great-grandfather produced cartwheels, tables, and chairs. His son, the second Henri, took over the company and in 1912 made the first skis for the Swiss army,” says Cédric Nidecker, taking us through the company’s history. Cédric’s father, the fourth Henri is also here, having stopped in for his daily visit. He adds that the Nideckers were masters in the technique of wood bending back then, reminding us that a ski is essentially just a piece of wood with a bent tip. Nidecker started out making alpine skis, then branched out into cross country skis. The wooden skis were originally manufactured in the flatlands of Finland. However, the uphill and downhill slopes of the Swiss mountains broke the boards. Henri III cleverly applied the production techniques involved in making alpine skis to cross country skis, and reinforced the wood with fiberglass. “We were pretty much the first to do that in Europe. We were always ahead of the curve,” says Henri IV with pride.

The snowboard boom
Henri Nidecker had a breakthrough in 1984. With him at the helm, the company started manufacturing snowboards, and was the first European company to do so. This decision ultimately led to the Swiss firm becoming an international company that sells its snowboards in more than 30 countries. Back then, the boards were produced in the building that today serves as the office and warehouse. “At that time we were focused on the manufacturing process and were happy with any sales we got,” is how Henri IV describes the picture 30 years ago. Although it’s worth noting that they sold more than 120,000 snowboards even...
back then. The 1990s were a real boom time for the industry. But then came carving skis, which tempted many snowboarders back to skiing. For Henri IV, this brings back memories of a difficult time.

Weathering the storm
Sales and cash flow were in decline. It became increasingly difficult for the 20 Nidecker employees to manage production and development in Switzerland, sales in the US, and a factory in Tunisia. This difficult situation prompted father Henri Nidecker to bring his 20-year-old son, Henry V, into the company. The two younger brothers, Cédric and Xavier, followed suit. "The company had to change to survive," says Henry Nidecker, looking back on the situation. They wound up production in Switzerland and sold the factory in Tunisia. The factory does continue to produce for Nidecker, but like the company’s production partners in China, Dubai, and Taiwan, it operates as an external supplier. Research and development, sales, and marketing remain in Rolle on Lake Geneva. It was a difficult decision, especially for Henry V’s father, who is truly passionate about the craft. His interests lie with the production side of the business, while his sons prefer to focus on brand management and business strategy.

A new brand strategy
Alongside the restructuring activities, Henry Nidecker worked on a new brand strategy. The name Nidecker was too limiting, especially when it came to doing business in the US and Japan. The Swiss company lacked the capital for marketing campaigns or acquisitions. The brothers therefore teamed up with well-known snowboarders. "My sons were the same age as the professional athletes at the time and just as obsessed with snowboarding," explains their father. Following the launch of their first snowboard brand "Yes" in 2008, two more followed: "Jones Snowboard" and "Now." This was a first in the winter action sports industry. Henry Nidecker and his brothers have created a multi-brand platform. "The brands are very comple-

Strong family ties: Father Henri Nidecker (pictured right) retired from the operational side of the business in 2008. The trained carpenter is proud of the success his sons have achieved and brings a positive energy during his daily visits.
As a keen snowboarder, CEO Henry Nidecker is also well-versed in how to wax a board perfectly. A fresh snowfall of more than 30 cm sees Nidecker and his employees hit the slopes. This company rule even appears in the employee handbook.

“The difficult start brought me and my brothers together.” Henry Nidecker

The bank supported the Nidecker Group as it looked to acquire the North American brands “Flow” and “Rome SDS” as well as the Dutch company “Low Pressure Studio” with its three brands “Bataleon,” “Lobster,” and “Switchback.” The two parties tackled these challenges together, and Henry Nidecker was “very, very satisfied” with the partnership that developed.

A perfect trio
CEO Henry Nidecker laughs when asked if there is ever any conflict: “As children, everything was a competition for us. But now at work we never argue. Each of us has our own area of responsibility, and we respect that.” Henry Nidecker is responsible for strategy, Cédric for sales, and Xavier for design. The brothers complement each other perfectly, making decisions quickly and as a team. For the most part, they also consult CMO Thierry Kunz and COO David Fernandez. If an athlete comes up with a new idea or CEO Henry Nidecker conceives a promising idea through his network, the topic is immediately discussed and the idea either developed further or rejected. Prototypes are designed on the computer and printed with the 3D printer. Over the course of 130 years, this approach has seen the company launch a number of products and subsequently withdraw them from the
market: the monoski, the wakeboard, the stand-up paddle. “Theoretically, in an Excel spreadsheet, the stand-up paddle was the perfect addition for a company that produces winter sports items. In practice, however, things were different. Distribution of the stand-up paddles got in the way of orders for new snowboards,” explains Henry Nidecker. On top of that, the market preferred the lightweight, inflatable version to Nidecker’s hard boards. Production of the stand-up paddles was ultimately discontinued. Failure is just as important a part of the company’s history as success. Henry Nidecker views things quite philosophically. It is this ability to respond to changes and learn from failure that has allowed Nidecker to reinvent itself again and again.

The Group has recorded double-digit annual growth since 2008, and sales doubled in 2017 and again in 2018. North America is the biggest snowboard market. Ten years ago, Nidecker’s sales there amounted to just a few hundred thousand francs. Today the figure is 25 million.

Family heritage
Henri IV is proud of his sons, who are successfully and passionately continuing the family tradition, though Henry Nidecker tells us that there was never any pressure to join the family business. His father laughs.

“It was a bit like Obelix falling into the magic potion as a boy,” says Henri IV, who often took his children with him to work or to events. The brothers were already snowboarding by the time they were three or four. The 75-year-old is also keen to get back out on the slopes next winter. Throughout all the changes in the long and turbulent history of the company, it seems that there are two constants: the name Henri/Henry and a passion for winter sports.

Nidecker Group
The Nidecker Group has its headquarters in Rolle on Lake Geneva. The group is 100% family-owned and currently employs around 100 people. Now in the fifth generation, the company is run by brothers Henry, Xavier, and Cédric Nidecker. The company’s product portfolio includes snowboards, bindings, and shoes. Europe, the US, and Japan are the company’s key markets. The Group has nine brands, including Nidecker, Yes, Jones Snowboards, Now, Flow, Rome SDS, and Bataleon.
nidecker.com
Key information at a glance

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You can find out more facts and information about “2019 – Switzerland and Credit Suisse” online at: credit-suisse.com/csswitzerland

1e pension plans: Benefits for insured and companies

Much has been written in recent times about the challenges currently being faced in relation to employee benefits insurance. Among the issues that everyone is talking about are the mandatory minimum rate of return, the conversion rate, and the retirement age.

The BVG 1e middle management plans provide a new pension fund solution in the qualified extra-mandatory sector, specifically for salary components above CHF 127,980 per year (at the time of writing). These 1e pension solutions provide scope for flexibility and customization. Insured (employees) are now able to select their preferred investment strategy from a maximum of ten potential choices. However, the opportunity to customize their investment strategy also means that insured assume the related investment risk. Although insured have the chance to earn higher returns, they also have to bear the negative consequences of the investment risk.

From an employer’s perspective, this approach also spells an end to potential additional payment obligations. Entrepreneurs can therefore enjoy more certainty about the costs associated with their pension fund solutions. It will no longer be necessary to accrue provisions, nor to make additional restructuring contributions.

This sort of plan typically envisages only a lump-sum payment on retirement, which means that the conversion rate is not an issue.

Find out more!
Your client advisor can provide more detailed information. Alternatively, you can find fact sheets and additional information at: credit-suisse.com/future1e
Noted
Andreas Gerber, Head of SME Business Switzerland, regularly takes note of exceptional companies in his contact with clients. Here he tells us about who has particularly impressed him recently.

Zattoo: Recognizing the trends of the future

“Zattoo is a rarely used Japanese word meaning ‘a gathering of people.’ This was explained to me by Bea Knecht, the founder of Zattoo. If you know how the business idea came about – during digital transmissions of the football World Cup in 2006, when crowds of people gathered in front of projections and screens – the name immediately makes sense.

In the meantime, the company, whose majority shareholder has been media group Tamedia since April 2019, has posted respectable growth. Zattoo offers around 250 TV channels via its platform in Switzerland, and over 100 in Germany. Around three million users log in each month. And as today’s consumers have come to expect, programs can be recorded, or viewed on-demand.

Since 2011, the company has recorded annual growth rates of 30%, which can mostly be ascribed to the sustainability of its product. Some 140 employees work for Zattoo; most of them in Zurich and Berlin, with a handful in the US and Singapore.

It’s a good thing that Bea Knecht didn’t listen to those people right at the beginning who wanted to pigeon-hole the start-up. She insisted on placing Zattoo in the center of the market, and since then has been driving development into the B2B market, innovative pay TV solutions, and internationalization. Zattoo was quick to recognize the changes happening in the TV market, and has actively helped to shape them.”

For more information:
You can find out more about Zattoo here: zattoo.com/company
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