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# Introduction

This report covers a design sector fact-finding mission undertaken by Trade Partners UK from 9–12 July 2000. It arose from a decision by the Design Industry Consultative Export Group (DICEG) to target German-speaking Central Europe as one of a number of areas that had been highlighted by the design industry. Preparation for the mission was undertaken by the Commercial Section of the British Embassy in Berne.

# Profile of Switzerland

## Trade

Switzerland and the UK are of major importance to each other as trading partners. Switzerland is the UK's eleventh largest export market, taking £2,827 million of goods and services in 1999. By value per country of origin, over 30% of Switzerland's imports come from Germany, over 11% from France, 10% from Italy, 6% from the USA, 5% from the Netherlands and over 4% each from Austria and the UK. Swiss exports go largely to Germany (23.6% in 1998), USA and France (approximately 10% each), Italy (7.8%), UK (5.7%), Japan, Austria and the Netherlands (all over 3%).<sup>1</sup>

With few natural resources and a quarter of the land surface unproductive, the Swiss economy has a well-established and diversified industrial manufacturing base. A major player in international trade with liberal trade policies, Switzerland is not, however, an ideal market for companies new to exporting. The Swiss, who enjoy one of the world's highest levels of income per person (SFr 42,500 in 1995, ranging from SFr 29,100 in the Jura to SFr 67,500 in Zug) have a taste for well-designed, quality products. Luxembourg apart, they are Europe's richest people.

## Public expenditure

According to Bruno Spinner, the Swiss Ambassador to the UK, public expenditure including social security as a percentage of GDP is 39% in Switzerland, 40% in the UK, 48% in Germany and 52% in France.

## History and politics

Swiss politics are characterised by consensus and stability. Federal elections are held every

four years and Switzerland's four-party ruling coalition, in power for 40 years, was confirmed in the last elections held on 24 October 1999. This power-sharing agreement has been called the "magic formula". (Switzerland devolves most of its affairs to 26 cantons and half cantons and to its 2,929 communes, scarcely leaving a job for the centre.) The cornerstone of the country's system of direct democracy is the referendum. Enshrined in the constitution of 1848, direct democracy is the bedrock that makes the Swiss feel (and know) that they are different. The Swiss are not easily regimented. The government is there to serve the people, not to lead them.

The two chambers, the States Council and the National Council, together elect the seven-strong Federal Council which has to reflect the regional and linguistic balance of the country. The seven are all considered equal and there is no prime minister.

Largely because of its long tradition of neutrality, Switzerland is not a member of the EU, the UN or NATO, although it participates in some of the latter two's activities. (It joined with NATO in the Partnership for Peace and sent soldiers to ex-Yugoslavia, albeit only to do support jobs.) Whilst the political debate on EU membership continues, Switzerland and the EU have signed a series of bilateral agreements covering such things as land and air transport, some farm products, the free movement of people and, as the constitutional hurdles were overcome in referenda held on 21 May 2000. The Government is also working up plans to apply for full UN membership by 2003.

<sup>1</sup> UBS

## Size and population

Switzerland has an area of 41,300 square kilometres and is bordered by France, Germany, Italy, Austria and Liechtenstein. There were 7.2 million people in Switzerland in 1999, of whom approximately 20% were foreigners. Italians and former Yugoslavs accounted for nearly 25% each of the foreign population. Each of the major cities has a significant foreign population: Basel (population 168,700 with 28.2% foreigners), Berne (123,300 with 21.1%), Geneva (172,800 with 43.7%), Lausanne (114,200 with 34.1%), and Zürich (336,800 with 28.1%). The size of Zürich is set to increase dramatically in the next five years with major developments affecting both the working and living population (see the development of Zürich referred to in "Opportunities for the UK").

Although Berne is the federal and administrative capital of Switzerland, Zürich is the financial and commercial centre. Geneva is home to over 250 intergovernmental organisations including the United Nations (UN), International Red Cross, World Trade Organisation (WTO) and United Nations Children's Fund (UNICEF). In the business sector Geneva's prime focus is on the growth industries of high tech, biotech, and research and development. Over 150 leading multinationals, including Procter & Gamble, Hewlett Packard, Reuters, IBM and Motorola, have chosen Geneva as their European headquarters or regional base.

## Languages

In order to do business in a country one has to understand its culture and its complexities. In Switzerland this entails writing commercial correspondence in one of several relevant languages (German, French, Italian and Romansh).

One variety or another of Swiss-German is spoken by 65% of the population, around Basel, Berne, Zürich, Luzern and Zermatt. French is spoken by 18% mainly around Geneva, Neuchatel and Lausanne; Italian is spoken by 10% in the Ticino and Romansh is spoken by less than 1% in Graubunden (alias Grisons, Grigioni, Grisun or Grischun). There are also the languages of the immigrant workers.

English is officially only taught for one or two years before the school-leaving age of 16. Changing this is not easy as there is no national ministry of education. The 26 cantons are sovereign in cultural and educational affairs.

## The British in Switzerland

In recent years a number of projects by British design groups and architects have begun to establish the UK design industry in Swiss minds. These include the work of Grimshaw and Wolff Olins at Zürich airport, the new Credit Suisse corporate identity also by Wolff Olins, and many others, which have all changed the perception of work currently being undertaken for Swiss clients in this sector. For example Siebert Head has been undertaking major brand identity work for a number of Swiss confectioners for the last three years. The Design Distillery has been working for a variety of clients there for five years, including the International Red Cross and Red Crescent for which it produced a millennium identity, "The power of humanity", that has proved so successful it is to be used for a further five years. This has led to work with the Global Road Safety Partnership, a World Bank initiative that is a part of its Partners for Industry programme. Dialogue ABC has worked for international businesses headquartered in Switzerland for over 15 years. This experience covers working mainly on annual reports, branding and communications, both external and internal. It previously had representation in the country but no longer. None of these companies has an office in Switzerland or considers it necessary to establish one. A number of other design groups are, however, actively considering the establishment of an office in Switzerland.

# Swiss Design Sector

## Champion's League architects

The international success of architects such as Herzog & de Meuron, today a firm of four partners and over 100 staff, has created a world label. "The coolest architecture currently in evidence" it has been called by the American critic, Jeffrey Kipnis. The staggering transformation of **Bankside** into Tate Modern represents a quantum leap in their work. The forgotten accomplice in Herzog & de Meuron's success is a British firm Sheppard Robson. This firm, which had worked as executive architects for Venturi on the Sainsbury Wing of the National Gallery, took responsibility at the Tate for much of the translation of the original scheme design into pre-production information, approvals, planning and so on, and several packages afterwards, together with on-site supervision. Le Corbusier wrote of his collaboration with Pierre Jeanneret that "two architects who understand each other can accomplish as much as five". The artistic and professional quality on display at Bankside proves the point.

The landscape architects at Tate Modern are also Swiss, Kienast Vogt. Office furniture was supplied by Vitra, an organisation that has transformed perceptions of Swiss design. Vitra's products are designed by an international array of contributors, but the influence of its Design Museum outside of Basel is immense. The chair has become something of an icon for designers and architects and this museum has over a century's worth on display. "When we design a chair, we make a society and a city in miniature", proclaimed Peter Smithson, and most of Vitra's visitors would agree.

Much of Swiss architecture still follows the legacy of Max Bill. Bill's professional faith as a functionalist – "beauty deriving from function and beauty as function" – became a theoretical

cornerstone for post-war design training across Europe and still resonates through the school of "New Simplicity" in Swiss architecture.

The most influential teacher of his day, his architectural ideas are still reflected today in the work of, among others, Peter Markli, Annette Gigon & Mike Guyer, Marianne Burkhalter & Christian Sumi, all working in Zürich, and Diener & Diener who like Herzog & de Meuron are based in Basel. Peter Zumthor's thermal baths in Vals, completed in 1996, attracted international attention, showing that what critics term "regional architecture" can have an important influence on the profession as a whole.

The elegant Swiss pavilion that he designed at Expo 2000 in Hanover was constructed from exposed timbers laid in dense wall-like stacks, arranged to create a series of interiors. It was one of the stars of the show. Rooted in the idea of sustainability, the whole thing can be recycled. This demonstration of intelligent Swiss calm is yet another example of the fact that the Swiss are at the forefront of contemporary architectural culture. The Swiss message is both thought-provoking and timely.

The capacity of timber to create architecture with a recognisable language and scale, coupled with the growing importance of sustainability, has been further demonstrated in Switzerland at the School of Engineering in Biel/Bienne. This new building by Peter Meili and Markus Peter challenges the preconceptions of wooden architecture.

The influential Musée de la Fondation Beyeler in Riehen was designed in the same minimal tradition by the Italian Renzo Piano in collaboration with Burckhardt & Partner from Basel.

The District Administrative Centre in Jona near Rapperswil is in a similar austere style, built of local sandstone and designed by Andreas Muller and Daniel Truniger. The cool functional architecture is matched by an interior that uses a Haller Modular Furniture System, a world-class Swiss product in manufacture for 25 years. The same manufacturer produced a system called Eleven 22 with the Zürich-based design group, DAI. The product has been specified by Off-Consult, a Zürich interior design group, in its conversion of an ABB factory one year ago for PricewaterhouseCoopers, the management consultancy (see Opportunities for the UK – Workplace).

## Industrial design

The unusual thing about Swiss industrial design firms is that they tend to combine corporate identity in their offering. Nose AG in Zürich, which claims to be one of Switzerland's largest design groups with 40 employees, and Process in Luzern are just two such examples. Process' mixture of design management, industrial design, packaging design, interactive media design, identity and corporate design programmes is a different kind of mixture from a typical UK offering. Nose, whose three founders all previously worked for Interbrand, includes an engineer, a corporate identity specialist and a design manager. From its beginnings in 1991 this firm defined industrial design as a part of corporate identity. After five years it began a digital media company, Nose Interactive Media, and the whole lot has been renamed Perspective Nose after recently merging with a software engineering firm. Its strapline tags the company as "digital business intelligence".

Other companies in this area include Ascom, corporate industrial designers in Solthurn, Zemp &

Partner in Zürich, Melzermuller & Partner in Kreuzlingen, Meyer-Hayoz in Winterthur and Designgruppe N2 which won the Design Preis Schweiz for the second time in 1999. Many top-class products specified by architects and interior designers in Britain are manufactured in Switzerland.

Nose, which seems to have set something of a pattern in aiming to do corporate identity as well as industrial design, organises software design and engineering, interactive design, multimedia work, industrial design and graphics all as arms of design management. Brand and technology strategies and communications design are its other two divisions. Its clients are mainly in Switzerland (such as Swisscom) and Germany (Deutsche Telekom, rapid transit systems) where it believes it has a competitive advantage. Nose is keen to establish links, if not a formal partnership, with a British company and like most Swiss designers is active in the country's professional societies.

## Case study

The atmosphere at Swatch is unique. An international company, a fashion brand, driven by its products and the need to innovate at an alarming rate, it produces 400 new designs a year! The potent mixture of spending and entertainment, "spendertainment", is driving the company forward.

With three main lines and four seasonal collections a year, a development process of nine months for each product (or 15 months if you take the full cycle from idea to shop) that combines engineering, creative design and marketing, puts considerable pressure on any brand that wishes to be seen as "the Nike of watches", a brand for everyone from 7 to 77. For that reason more

expensive products are being produced in an attempt to combat youth's favourite sport of the moment – “destroying brands”.

They are working on long-term projects in micro-engineering and there is the SwatchLab in Milan with between 20 and 30 designers permanently employed. Previously there had been a lab in New York as well but despite the fact that they employ few Italians (they are mainly Japanese, British and American) the designers at Swatch chose to be based in Milan. A quarter of all Swatch business is in Italy. The company's weakest market is the UK.

There is an in-house design group, CDNP, working largely on the stores and environments. Swatch develops its own stores but increasingly it is using external designers. Alessandro Mendini produced the original shop concepts that were used for between five and seven years. Recently a number of international firms of architects and designers were commissioned for ideas to develop into new store concepts. Smaller studios are being used today in a new approach to break from the perception of the firm as an 80s brand, “all colour and fun”. The introduction and promotion by Swatch of “Internet time” competing with Greenwich Mean Time has been a move in this direction, to ensure that Swatch is seen to be a genuine innovator.

## Multimedia

The Fantastic Corporation is a global provider of end-to-end broadband multimedia delivery services that enable the aggregation, packaging, managing and broadcasting of material over a variety of networks (satellite, cable, digital terrestrial, wireless local loop, mobiles, etc). Its core expertise lies in software and telecommunication technologies.

It has partnerships with a number of media companies (news, weather, sport and business) to provide the tailor-made information content. Based in Zug, it is an example of an organisation that has bought British creative services and is pleased with the result.

A new product, SmartCaster, was launched in September 1999 for use in corporate presentations and training which Fantastic has been developing with assistance from Queen Elizabeth College, as well as with a number of corporate clients in Germany, plus the university business school at St Gall.

## Textiles

Lantal and Baumann are two major international textile companies based in Langenthal and started in 1886 by one man. No other material is so closely interrelated with pattern and design and mass production demanding an immense and constant requirement for new ideas. The cultural inheritance of the design tradition is often lost from one generation to the next, particularly with textiles, where the quality of a designer's work is no longer measured by the complexity of the design but by how they maximise the full value of the technical production possibilities – to create variety with less. Today Lantal supplies upholstery for 65% of the world's airlines, which represents 70% of its business, supplying anything from 200 to 200,000 metres of material on any one project. Twenty per cent of its production goes to train and bus companies, and the rest is made up of work for contract interiors from offices to public buildings, restaurants and hospitals. It also manufactures carpets for the same industries.

With offices in Toulouse as well as Langenthal, Lantal has its own design team as well as

commissioning work from outsiders. It works with in-house design teams at Airbus Industrie and elsewhere and co-operates with a 3D imaging centre in Munich. New collections of materials are presented annually to Boeing and Airbus Industrie. These collections represent themes rather than fashion, outsiders being regularly used to add variety to these collections. "We're not in the fashion business, aviation is very long term". Whilst Lantal will develop the technical attributes, such as flame retardant, totally compostable products, it works with some of the world's best known designers who have been commissioned by clients as part of a corporate identity programme.

Clearly the carpet and fabric combination offer is probably unique in the industry. However, Lantal is always interested in new materials, technologies, fibres, material structures material science. And in the same way as the president of South West Airlines in the USA spends one day a month as a baggage handler in order to understand some of the problems his staff face, so the management at Lantal recognises it should try changing the carpets in an aircraft occasionally.

Once upon a time, Rodney Kinsman, who runs OMK Furniture in Britain, said, "There won't be any wood in spaceships." Well, the new Swissair first-class accommodation looks like Charles Eames might have designed it 50 years ago. Lantal is today upholstering huge pieces of wooden furniture! The interior refurbishment of the MD-11 and A330 aircraft was supervised by Swiss architect Tilla Theus. The first-class seats were designed in conjunction with the British Aerospace designer Ian Frost. The end product can be transformed into a conference cubicle, a dining table or a bed – all at the touch of a button. Lantal's design director Monika Luthi has

revived the fifties Swissair colour scheme of blue and red for textiles including upholstery, carpets, curtains, kick panels and leather.

## Graphic design

The influence of Swiss design, particularly in areas such as graphics, has always far outweighed the number of exponents. The designers from the era of Jan Tschichold, Josef Müller-Brockmann and Adrian Frütiger (still winning national book-design prizes in his 70s), then teachers of "new wave" such as Wolfgang Weingart at the *Schule für Gestaltung Basel*, all epitomised a high point when corporate identity was stressed through the repetition of basic elements – a system. Everything was designed as part of a system; the whole world of communication became co-ordinated. Hence the grid.

Swiss graphics were very orthodox. The values of the grid were absolute and great discipline was applied, a discipline which implied restraint eliminating forms that could not be reduced to basic geometry. It was a look that conquered the world for a time – and with one typeface, Helvetica. Such rigid adherence to corporate design co-ordination can still be found across everything that moves, from the fundamentals to architectural signage.

The leading corporate identity company is Zintzmeyer & Lux, a part of Interbrand, which in turn is owned by Omnicom. Its clients include BMW, Lufthansa and Deutsche Telekom. A firm of 200, it has international links through Interbrand, which includes Newell & Sorrell in London.

Today, Swiss graphics do not command the attention of the world. In advertising, much of the best work is done by international organisations

such as McCann-Erickson (part of Interpublic Group), whose Swiss office completed work for Tages-Anzeiger and Swiss National Railways that have recently won awards. Then there are those organisations which still keep the local agency presence on their door sign, such as Publicis, Aebi, Strebler (awards for Die Mobiliar, Swisscom, Verband Schweizer Presse and Sportplausch Wider); Advico Young & Rubicam (Mazda, Swissair), Löwe/GGK, Bozell Leutenegger Krull, etc.

Of the locals, Weber, Hodel, Schmid work in a more traditional and recognisably Swiss style with their award-winning work for the Schauspielhaus Zürich, Affront and TA Media. Wirz is both an identity consultancy and advertising agency employing over 200 people including a number of Britons. Its work for Ringier/Schweizer Illustrierte is similar in style to that of Weber, its work for Triumph bras is not – but has won awards; Ruedi Wyler's ads for Boldero are elegant; Lesch & Frei's work for Koochoptik is classic; Guye & Partner for SSR Reisen is predictable.

Editorial design by the likes of Studio Achermann for Migros and Redaktion Grenzwert is far more fun. OTMzap in Zürich produces brand communications including e-media. Interactive media firms like ROSA Internet and Conception and Headbanger swept the Swiss awards. Niklaus Troxler from Willisau wins most of the poster awards with an extraordinary graphic language that he uses for subjects as diverse as jazz festivals, politics and social issues – from child protection to the debate about Switzerland and the European Union.

## Bundesamt für Kultur (Ministry for Culture)

At the Bundesamt für Kultur in Berne there are 400 people promoting the films, fine art, design, cultural heritage, etc, of Switzerland. A great deal of emphasis is given to the Federal Prizes for fine art (awarded for over 100 years) and design (awarded for 80 years) which come in seven categories, making a total of 50 prizes that are presented annually to young people at the Basel Art Fair.

The Federal Design Prize has huge perceived value, simply by being in existence for 80 years. In future, from 2002, the Ministry for Culture is looking to arrange contracts abroad for some of the young student prizewinners as an alternative to the current cash awards. "Everyone wants to go to St Martins" was the phrase used. "And once graduated a lot could be gained by working abroad."

A number of collaborative efforts are being considered in the USA and France, with the UK another obvious connection for design. Also, through the art and architectural organisations administering the Biennales for art and architecture in Venice and efforts made by the Ecole Cantonale and the Musee des Arts Contemporains et Design (MudArcs) both in Lausanne, the design museum in Zürich and the Ministry's own museums in Winterthur and in the Ticino, there are moves to expand the annual exhibition budget of the department. It is currently SFr 1.5 million.

This all builds to repositioning design as something from the cultural past to an essential part of the economic future of Switzerland, a view strongly expressed by Patrizia Crivelli, responsible for design promotion at the Bundesamt. The

present limitation of being so strongly linked to fine art expresses itself in the overwhelming emphasis placed on the Prize. The trade promotions department of the Economic Ministry is, however, looking to introduce a law that will allow it to devote resources to Swiss design and other creative industries which hitherto has not been allowed. There is talk of a national design yearbook and the two ministries are forcing through a merger of the various professional design societies into one unified federation.

## Design Museum

This small museum is currently run as an adjunct to the design school in Zürich. The Hochschule und Museum für Gestaltung Zürich are housed in buildings that date back over 60 years and once would have served as powerful symbols of modern progress. The architecture is a challenge, its understatement a functional shell, its ideology the incentive. There is space, but not enough of it, that hardly accommodates the enthusiasm of those who run it – let alone the artefacts. Exhibitions these days create their own sites but with little opportunity this museum still manages to create a buzz in town. There is a library, a research archive, a graphics collection with a separate poster collection, and a collection of twentieth century mass-produced objects that begins to present items of Swiss design with items of international provenance: household appliances to office furnishings, lighting, textiles, packaging, audio equipment – in many cases the anonymously created utensils of everyday life.

Receiving support from the Federal Office of Culture since 1989, the collection is a representative survey of work from the era of anonymous design to that of the design studio and “signature designers” of today. Considering

the importance of these items to the Cultural Office, their value to students and the way in which the Museum’s work potentially dovetails with the Federal Design Prize, the whole thing is remarkably low key.

# Opportunities for the UK

The fact that Britain has changed, that its design and architecture are at the centre of international attention after years of relative oblivion, and that London in particular is at the centre of a great outpouring of creativity appears to have passed the Swiss by.

They may have noticed the explosion of new restaurants, savoured new cuisine and feasted their eyes on the interior design, they may have experienced the Heathrow Express or the Jubilee Line, they may be aware of the London Eye and Tate Modern, but as for much else they are sadly ignorant. The fact that British furniture, product and automotive designers lead the world and that branding and identity consultancies service the needs created by megamergers and acquisitions around the globe, all seem a well-kept secret.

Equally unheard of are the achievements of those designers who are creating working and retail environments to service new ways of working and shopping. Countless recent graduates dazzle us with their work – but not in Switzerland. There is one big message to get across and opportunities to exploit.

## Retail

Airport shopping centres are the single most effective generator of non-aeronautical revenue for airports and have been for ten years or more. That is why Zürich is investing so much in the

commercial redevelopment of its airport alongside the expansion of airside facilities to enable a major increase in its potential air traffic and passenger movements. All transportation hubs offer the same revenue potential providing they are properly located, planned, designed, leased, merchandised, promoted and managed. What they should contain, where they should be located and how they should be designed to attract the maximum footfall and sales is an art in which, next to the Americans, Britain has an enviable track record.

When customers are seeking reassurance, looking for the familiar in often unfamiliar surroundings, shopping can be a rewarding distraction that delivers an equally rewarding commercial opportunity to the airport, railway or bus operator. Shopping and leisure are increasingly becoming an integral part of the experience of travel and clearly differentiate one location from another. In order to deliver that experience, operators must provide facilities that are attractive, stimulating, credible, distinct and all-embracing. Retail planning and design management at Zürich are already being undertaken by British designers and further opportunities exist in the country. To deliver what is required it is necessary to have the range of multidisciplinary skills. Understanding of the needs of the airport or railway operator, the requirements of the retailer and meeting potential customer demands is a special combination where British designers can demonstrate they have created satisfying experiences for the shopper, turnover for the operator and profit for the concessions. It is a tale worth telling.

The need to demonstrate our considerable expertise in retail design on an increasingly global stage where the US is equally renowned

for its skill in blending retail with entertainment is paramount. The need to demonstrate how creative retail programmes can bring a brand strategy to life on land and on line is where the opportunity lies. The anything, anytime, anywhere society is looking for easy everything. In a high income society where the “net generation” is the second largest demographic group after the “silver panthers”, that over-50s grey market, changing attitudes to learning and consuming mean that in an environment where an increasing amount of shopping will be done by electronic media, brand experience centres will become the norm.

It is in branding and the need to capitalise at every point of contact with customers, in the home, at work, on the street, as well as in traditional retail environments, where the UK can demonstrate its leadership in the market. As customers cease to buy simply “things” and turn increasingly to feelings and solutions, the buying process from awareness and interest through desire into action is serviced by a whole variety of channels that make branding paramount.

Following on from Unique Zürich Airport, Geneva Cointrin will inevitably be developed at some stage. On the edge of Zürich, the largest shopping centre in the country will have to change as Zürich is redeveloped to meet the needs of the new inhabitants. With all this change within three to five years the market will need retail strategists, designers and interior architects.

Where the new retail environments do meet the new ways of working is in leisure.

## Leisure

Spending on leisure doubled in Europe in the past decade. Leisure and tourism have always been significant factors in the Swiss economy; however, today leisure is a diverse industry. The areas where design consultancies have a key role to play range from hotels to restaurants, exhibitions and sports facilities. Leading the way in other parts of Europe has been the cinema industry which has been enjoying a revival as both the quality of its environments and its services have been upgraded or renewed. Many of the new cinemas are part of larger multipurpose complexes, megaplexes, urban entertainment centres and leisure worlds where “edu-tainment” meets “retail-tainment”. There is a market in challenging existing Swiss definitions and looking towards expanding the role of leisure.

Retail and leisure have merged to provide the ultimate consumer experience. The increasing value of diminishing free time is another factor in our attitude towards leisure. The rising discretionary spend of the consumer coupled with demographic changes to a more time-rich cash-rich society will attract leisure operators who are playing in an increasingly competitive marketplace.

Hotels, restaurants, clubs and bars, cinemas and theme parks are all set to be potential areas for design businesses in Switzerland. Many of these will be as part of a new interpretation of a shopping centre, environments with multiplex cinemas, fast food outlets, multimedia areas, music bars, cyber cafes, videowalls and themed restaurants. Changes in Swiss laws as regards gambling and casinos will see further developments with the first casinos due to be built over the next few years. To work on such developments requires an understanding of how

to get the mix right, where to prioritise the spend, how to generate retail revenues and margins, how to maximise secondary spending and how to create a fantastic consumer experience. Like a brand experience centre for particular products or companies, these larger developments can turn into so-called “brandlands”.

## Workplace

Creating working environments that not only support and service a business and the lifestyle requirements of its staff, but increasingly reflect a distinctive corporate personality as well, is another exportable area of British expertise. Whether reorganising space or relocating entirely, the process of change can rapidly outpace the evolution of the workplace. Anticipating that need for change, building in flexibility to enable facilities to support the evolving requirements of a business and doing so with efficiency and elegance is a very particular skill. By integrating the issues of strategic space management with business planning and the design of the working environment, offices are made more profitable and the effectiveness of people at work is maximised.

The pressure on city centre property, in Zürich in particular, has created opportunities for strategic property analysis, for a reassessment of the very conservative ways in which Swiss offices are used, how space can best be used, how it is allocated and how this can benefit both individuals and businesses alike. The spatial implications of organisational change, the establishment of new working cultures and methods, together with their communication to staff and customers alike, are all aspects of making better use of offices in the future. The way we work and the design of

the workplace has barely altered for a generation and has been left behind by almost every other aspect of business. This is the opportunity.

But again, as with the other areas of design, do not think of solutions to global questions without applying the local culture to that global strategy. Getting the balance of corporate values and national cultures right is just as important as determining in each instance whether a concept of “universal space” is appropriate for the global economy. Pressure for change towards greater uniformity, consistency and efficiency will be matched by pressures for more diversity and ever greater flexibility. Global questions demand local answers.

**An example:** at Oerlikon, PricewaterhouseCoopers struck lucky. In order to create environments where new ways of working can prosper, it is essential to get the mix of property, technology and behaviour right. PwC has done that. Life in a connected world is different, as it has found out.

The value of a visit to the new offices of PricewaterhouseCoopers at Oerlikon in Zürich cannot be overestimated. As an example of an environment that has been transformed by the use of design it is outstanding. A worn-out building has been refurbished with a change of use, its regeneration has begun the creation of a new commercial district, an organisation’s working culture has been transformed and over 800 people have been accommodated in a space planned for just over 300. It is an example of the power of design to change a business and to deliver greater productivity in the workplace without costing more money.

Designed by a Swiss company and using Swiss products and furniture it is nevertheless a

demonstration of one area of creative design in which Britain is a world leader. Companies in many countries, especially the USA, are talking about such changes. Few are implementing them. British space planners and interior designers are leading the way.

The creation of open, flexible environments where what you do is more important than who you are, is transforming the property strategy of large corporations. It is an opportunity for Britain to prove the value of its creative industries away from the usual display of products and graphics, and one that can often far more quickly deliver a cost-effective result to a client. PricewaterhouseCoopers is one of only three successful examples of these new ideas (that we are aware of) being implemented in Switzerland today, the others being IBM and McKinsey.

## Branding and identity

Everyone now accepts the critical contribution that brands can make to business success and the need to maximise that potential.

Those British consultancies dedicated to advising clients on identity, positioning and brand strategies, naming, the creation and management of corporate identity and internal communications are as good as any in the world today. As companies grow by acquisition or merger to become the undisputed number one in their particular piece of the global market, so they demand global consultancies to assist in defining “who they are”, “why they exist” and “what they stand for”. And the fewer players that are left in the game, the more their identity matters. Just as seamless communications to anywhere in the world from anywhere in the world at a time that suits the customer are the norm, so

consultancies with genuine global reach and delivery are required. They do not exist in Switzerland, they do in Britain.

But the fact that the starting point for a brand is an organisation’s people, questions of culture, subtleties of language, an understanding of history, etc, become essential, not just an afterthought. Partnerships will be required in order to ensure that corporate strategies are aligned with a particular brand, that communications and product developments, customers’ needs and ethical policies are all consistent with the brand values, so as to overcome some of the problems that have been experienced at Zürich airport.

Similarly, packaging design, another area of branding that can boast British leadership, is only seriously challenged in Switzerland by Paris and Hamburg-based design groups.

## Industrial design

Very few product designers have overseas offices. The few multidisciplinary groups who claim to do some product design are the ones that do have them.

However, the power of the industrial designer to drive a business forward through innovative product design is unsurpassed. Many British designers may appear as the “angry young men” of the industry, especially as the best known have their work produced abroad. “Cappellini usually treats himself to a new British designer each year is the way they tell it. Challenging conventions, changing lives, harnessing new materials and new technologies, demonstrating ergonomic and environmental concerns to build sustainable futures, products prove their value in many

different ways.”<sup>3</sup> Undoubtedly it is the issue of sustainability which will catch the Swiss mood of the moment.

The Design Council can demonstrate that the return on investment in product design is quantifiable – and relatively fast. The need to prove this in Switzerland is not the issue; what is, is that they should look to Britain for innovation, creativity and design. “If you’re so clever, why do your designers all work abroad?” was the most asked Swiss question. Coupled with the relatively small scale of the industrial output and the established quality of Swiss design, the market would appear difficult to penetrate effectively without some form of partnership with a Swiss company. There is a remarkably low profile for the quality, international experience, innovative business-winning ideas and sheer creativity demonstrated by British industrial designers over the past ten years. The opportunity is there to be exploited. As an example, Nose is keen to establish links, if not a formal partnership, with a British company.

## Two case studies: Property: a key to the future

The real estate market in Switzerland is limited. Only 6% of the country is usable, the rest is forests or glaciers. Eighty per cent of the population lives between Geneva and St Gall. Zürich is the largest city with a population of 350,000. It is set to become a great deal bigger. Economic growth and the easing of restrictions which prevented foreigners from buying buildings have led to the changes. Zürich currently has about eight million square metres of office space,

Basel and Geneva have three million each (London has 27 million). Prime rents reach €450 per square metre in Zürich compared to €850 in London. In Zürich, the offices are mainly small with only 9% of the space over 500 square metres. There are very few large buildings. This is another factor driving change. Available space in Swiss offices has dropped from 14% five years ago to 10% today. In Zürich the figure is now less than 2%.

Ninety-eight per cent of commercial Swiss buildings are in private hands, largely insurance companies. This has begun to change in Switzerland, and three companies recently came to market with a value of SFr 1 billion. This is very different to the UK where many companies are listed.

In 1997, the rules on the acquisition of land and real estate by non-Swiss investors were considerably relaxed except for residential developments where some restrictions still apply. This has brought pressure to bear on several communities as developers from outside Switzerland move in to exploit opportunities that have lain dormant for years.

There are no big shopping centres in Switzerland. Compare the retail space of 225 square metres per 1,000 people in the UK with the Swiss figure of 110 square metres. In the rest of Europe only Germany has a figure lower than this – 75 square metres. (In Austria it is 205 square metres, in both Sweden and The Netherlands it is 225 square metres, and in France it is 230 square metres.) The largest shopping centre in Switzerland is on the outskirts of Zürich, the Glatt Centre, with an

<sup>3</sup> “Technology is the knack of so arranging the world that we do not experience it”  
Max Frisch, German-Swiss dramatist and novelist.

area of 46,000 square metres (Bluewater is ten times the size). There are a number of centres with about 20,000 square metres of retail space in the country, but again there are influences at work that will change this in the near future.

The new trends are linked to a loosening of the legislation regarding casinos, the introduction of multiplex cinemas, factory outlets, sports facilities and hotels. Casinos are one area where there is little Swiss experience in design and construction. Similarly, multiplex cinemas, again being developed by non-Swiss organisations, are leading the drive towards creating new urban entertainment centres across the country that incorporate restaurants, shopping and other leisure facilities. The first of these is in Luzern. A further seven or eight are already planned with land identified for the sites but the slow planning process (up to three years in some cases) is a serious impediment to progress. Five factory outlets opened in 1999–2000, many the result of combined US/UK retailers moving into Switzerland – clearly setting a trend for the next ten years – and opportunities in these areas are set to grow significantly. Other leisure developments include a mystery park near Interlaken based on the science fiction books of Erik von Daniken that is planned to open in 2002, and a leisure park, similar to Disney World, that was to be located near Luzern but due to the projected traffic is currently looking for a new site.

After more than 50 years without a new football stadium being erected, six new ones were built between 1997–2000. All relatively small, none of them with a capacity larger than 30,000, they are planned in some of the locations to become the focus for much larger commercial developments in order to make them viable. Without the impetus of a European championship

such a departure is unusual and has not been without controversy. In Zürich a proposal by the Netherlands architect Rem Koolhaas attracted criticism similar to the saga of redevelopment at Wembley, when the lack of integration of sports other than football caused the abandonment of the scheme by the development corporation putting forward the proposals.

CE Montague, the nineteenth century essayist and journalist, wrote amusingly of the Swiss and noted that they were inspired hotel-keepers. Today he might change his mind. There are no major Swiss hotel chains. Groups such as Swissotel and Movenpick generally have less than 30 locations. The majority of hotels are still family-run businesses. They are also ripe for renovation, something the banks have been loathe to fund due to the fact that nationally the utilisation of available beds is less than 40%.

Geneva is an exception. With 18 five-star and 26 four-star establishments they serve as a reminder that the city is geared up for the 250 governmental and non-governmental international organisations that are based there, plus its popularity as a convention and exhibition centre. Another is Zürich where utilisation is over 97% and it is impossible to find a bed for the night. The significant shortfall in the Zürich area in particular is the first of several major initiatives that will ensure that the city is a major building site for the next five years at least. It is proposed to increase the city's provision of beds by 40% in three years from 7,000 to 11,000. Sixteen new hotels are to be built.

There are at least five major development sites in Zürich. Firstly Eurogate, the largest project currently under way in the city, is over 200,000 square metres of mixed development

incorporating offices, a shopping centre, 525 apartments, educational facilities, a 300-bed hotel, parking for 900 cars, exhibition and conference facilities.

Developing the air-rights over the railway lines, similar to plans under way for a number of major cities in Germany and Austria in particular, will thus create a multi-functional retail, commercial and residential area on top of the major transport interchange.

Secondly is Zürich West, an 800,000 square metre development on a number of old industrial sites that included Sulzer. This will include three new hotels, a technopark, a new football stadium and retail outlets.

Empty buildings in the wrong place represent the ultimate challenge to the developer. The lack of flexibility in many existing buildings and their energy-sapping demands frequently make them doubly inefficient. Conversion of the basic shell structure to new uses, new kinds of homes and new styles of working environments is one area in particular where the UK design industry can demonstrate a significant track record of achievement that was clearly of interest to the Swiss.

The social, economic and ecological aspects of sustainability, from reviving "brownfield" sites through to questions of facilities and resource management, is one specific area where British experience could contribute significantly. Specific projects demonstrating the potential savings to be generated from energy management are few and far between in Switzerland.

Trains, boats, trams, buses and mountain railways not only run on time in Switzerland but to timetables that are carefully synchronised with one another. However, future fully-integrated public transport services, together with advanced levels of information available on-line at home and whilst travelling, regarding both public and private transportation, are being considered, with Project FUX in Hanover seen as an example of advanced thinking. The Fantastic Corporation in Zug is working as part of a team for the European Union on a multimedia car platform to bring broadband Internet to the dashboard in order to provide localised traffic information (traffic, parking, routing), regional information (news, weather, events), national news and information, etc. None of the partners is British. They include Nokia, BMW, T-Nova (a Deutsche Telekom company), France Telecom, the Technische Universitaet Braunschweig, Retevision, Teracom, ITIS and DLR (the German centre for air and space flight).

Zürich Centre North includes planning for a 600,000 square metre development around some converted ABB factories at Oerlikon. At Leutschenbach around the TV company 700,000 square metres of office and residential space is planned with permission being granted for some buildings up to 100 metres high. Add to this one further development site with permission for residential complexes accommodating 6,600 people and offices for 8,000, the overall plans for the city will lead to an increase in the population from 335,900 to about 400,000, and a projected increase in the working population from 317,200 also to 400,000.<sup>4</sup> Two new local railway lines are

<sup>4</sup> Department of Statistics, City of Zürich, 1999

planned to be built between 2002 and 2006 with a “green fair” Expo – basically a flower festival – planned in 2006.

In various stages of planning all these developments present significant opportunities for designers. In addition to these new projects, important redevelopment of existing facilities is likely as they try to keep up. Some of the general contractors, such as Karl Steiner AG, Gohner-Merkur AG and Oerlikon-Buhrle Immobilien AG, are also the main developers in these projects. Their partners are housing co-operatives such as Allgemeine Baugenossenschaft Zürich ABZ, Wohn-und Siedlungsgenossenschaft Zürich WSGZ and Wohnbaugenossenschaft BAHOGE, participants from the financial sector – UBS, SBC, Zürich Insurance, Cantonal Bank of Zürich – together with the Swiss Federal Railway and the City and Canton of Zürich.

## Zürich airport

Zürich airport connects Switzerland with 180 destinations in 83 countries. Almost 21 million passengers took off from or landed at Zürich in 1999. Its location in the centre of Europe makes it potentially one of the continent’s most important transportation hubs. As such it competes with its expanding European neighbours in Amsterdam, Paris, Frankfurt, Munich, Milan and Vienna. By 2010 it is estimated that the volume of traffic at Zürich will have increased to over 34 million passengers and 380,000 aircraft movements. Cargo handling is expected to more than double from just over 500,000 tonnes to nearly 1,300,000 tonnes by 2020.

With new piers, people movers, rail terminal, taxiways and aircraft facilities, there is a new Airside Center for all arriving, transfer and departing passengers at the heart of the redevelopment. This centrepiece has been designed by Nicholas Grimshaw & Partners of the UK and Itten & Brechbuhl of Switzerland. They are also responsible for the design of the new rail terminal. Currently 41% of passengers using the airport and 32% of staff working there travel by public transport. The aim is to increase these figures to 50% and 43% respectively by 2004.

The initial report on expansion of the airport was carried out by BDG McColl of London, who wrote the brief for the international design competition which attracted 80 entries. Half of them were Swiss. Fourteen were shortlisted, six for the concourses and eight for the Airside Center. Grimshaw distinguished themselves by involving a Swiss firm in their team. The retail concepts for the airport were devised by ARC Airport Retail Consultants, based in Twickenham. Today, Zürich airport’s income is derived from commercial operations (40%) and aviation (60%). In future this split will be reversed to match the income streams at Amsterdam Schiphol – with 60% coming from commercial operations.

The buildings have been planned to make allowance for entry to the European Union and implementation of the Schengen Agreement. The political situation makes this unlikely in the short term but within the life of the airport it is a distinct possibility.

# Swiss perceptions of British design and of Swiss design

## British design

The general perception was that much of British design was either “highly publishable...trophy work...of little value to mass production” and “not concerned with the mechanics” or it was traditional quality products epitomised by Aston Martin, Jaguar and Burberry. There seemed to be little concept that British designers could produce functional, well-designed articles for mass-production; nor of British expertise in interior/retail design; branding and communication.

On the positive side, the British were recognised as being extremely creative, and at the cutting edge of industrial design. They also had an international reputation and a culture of working abroad. “You bring a multi-cultural experience. You have international experience.” However, much of this was due to the fact that there is “no industrial manufacturer of good products and no furniture industry of any quality”. “You have good design, but no industry. What is your industry doing to designers? They all go abroad.”

## Swiss design

“To be able to label something ‘Swiss Made’ is the highest accolade.” “Simple, functional minimalism is attractive to the Swiss...a truth to materials...simple forms....function first, not the design.” Most intriguingly, the delegation was pointed towards the Swiss pavilions at exhibitions in the 1920s. “What was Swiss about it?” the rhetorical question was asked of us. “Its essence was practical, it was not style.” With its talent for the soberly experimental, the era of Hannes Meyer (the successor to Gropius at the Bauhaus) and CIAM, the *Congres Internationaux d’Architecture Moderne*, founded in 1928 in

Switzerland, was to last 30 years and be amazingly influential. The philosophy that it formulated and set out in a number of manifestos appears to linger to this day. The value of hands-on craft training apprenticeships is still in existence, and together with tough exams, produces a highly skilled labour force. The Swiss want to know how things work. They are not seduced by looks alone.

Swiss designers felt that the main weakness in Swiss design was the lack of a big city. There is nowhere to go in Switzerland where they can gain that metropolitan atmosphere and they feel it shows in their work. They complained that there was no international design scene in Switzerland. They also had little faith in networks – “I’ve never seen a network that works” was quoted to us.

## Conclusion

Clearly, work needs to be put in hand to change the Swiss perceptions of British design. Britain has much to offer and this needs to be promoted. In addition, British design needs to build on its international reputation in order to add value in Switzerland. Partnerships (as shown in Nicholas Grimshaw’s partnership with a local Swiss architecture firm) show the effectiveness of this approach: the Swiss providing the detailed local knowledge and understanding, and the British firm adding value through its international experience.

# Doing business

There are a number of issues that designers wishing to work in Switzerland should be aware of: the fact that there is a different mentality, a different point of view which cannot be ignored, difficulties with language. The Swiss also raised questions over the British ability to deliver and implement.

## How to operate in the market

Get a partner. Do not kid yourself that just because this is Western Europe you can do it alone. And because they mostly speak French and German do not think for a moment that they are French or German. This is different. It is a fiercely independent country with its own traditions, values and ways of doing things. Try to come to terms with what a confederation means, what all those referenda achieve, what true consensus is all about and you will begin to comprehend the business values of a country that is so separate, so successful, so essentially individual that maybe they can do without any help at all. Take your time and get to know the Swiss.

Remember they know how to build successful businesses.

# Conclusions

## Clearly Swiss perceptions of the design business in the UK are very wrong. They are unaware of the fact that this country is potentially a creative, dynamic and innovative partner.

That it is a centre of design excellence where today design plays a significant role in the majority of British businesses (according to Design Council surveys), with many of them recognising the role of design management as integral to their success, is not appreciated in Switzerland. That design plays an increasingly important part in determining the UK's competitiveness is unknown.

That design can be the vehicle for improving internal communication as well as communicating more effectively with customers, that it can help a company break into new markets not just by improving the quality of its products or the image of the organisation, etc, etc, the Swiss know. But of the fact that Britain is the place to look to source skills to achieve these results they are generally ignorant. It would not occur to them.

Research undertaken for the Design Council in 1999 found that "one in two businesses believe that the UK's image does not fully reflect the creativity of its companies today; more than half said their own business would benefit directly if the UK's image in this respect was improved". That is certainly the case in Switzerland.

In 1998, the Secretary of State for Culture, Media and Sport said that "the creative industries generated revenues approaching £60 billion a year. They contributed over 4% to the domestic economy and employed around one and a half million people. The sector was growing almost twice as fast as the economy as a whole."

Also in 1998 the Secretary of State for Trade and Industry, at the launch of the Yorkshire European Region of Design Excellence, stated "Good design is a key factor in business competitiveness in the global economy. We cannot seriously expect to compete on price. But we can win business on the strength of our creativity, skill and design capability."

Half the global top ten corporate identity companies are based in Britain. Half the global top ten interior design companies are based in Britain. Half the global top ten branding and packaging design companies are based in Britain. The same could probably be argued about the product design firms and the digital media design firms. The product designers earn most of their fees abroad. The new media specialists do not. For them all, Switzerland is not a market.

In some of the visits and meetings one would at least have expected to meet with an appreciation of the creativity of British design. But knowledge of the scope and depth of contemporary work seems limited to a few well-worn examples of old-style tradition in the luxury goods market, expensive gift and fashion names, plus – of course – those motor cars.

Including architecture, this reinforces the perception abroad of a collection of British design stars, individuals rather than experienced consultancy teams, which is the reality in Britain today. The great wealth of international experience and creativity of those teams, particularly in the area of industrial design, has a very low profile in Switzerland.

## Recommendations

The main requirement is for a public relations blitz to change Swiss perceptions. This will entail establishing a co-ordinated programme of exhibitions, seminars, conference attendance, etc, by the British in Switzerland (possibly in conjunction with the Design Center in Langanthal and the new Swiss Designers' Federation) and at the same time a programme of inward missions to journalists and customers to events and conferences across Britain.

Co-ordination is crucial. The encouragement of greater collaboration with the Bundesamt für Kultur, for everything from the exchange of students and young designers and participation in the Design Prize, to gallery exchanges, book fairs, curatorial and museum skills, will all help. But in the main, TPUK focus on celebrations of British creativity through demonstration and publication, travelling showcases (linked potentially to work in other parts of German-speaking Central Europe), combined with television and press coverage. The objective is to create an event, not simply a display of objects.

Considering all the comments about culture and language, the forging of partnerships and alliances will be essential if British design is to have any long-term impact in Switzerland.

# Appendices

## Background

In February 2000 it was decided that together with Austria and Germany, Switzerland should be considered for a regional promotional campaign, once the potential scale of the opportunities to the design sector had been identified and quantified.

Sharon Valdetaro approached people linked with the Design Center in Langenthal for information, together with the Swiss Ministry of Culture. The Embassy is considering two events in Switzerland, to launch the strategy: a British design exhibition jointly promoted with the fashion magazine *Bolero*; and a potentially significant British involvement in Designers' Saturday, a biennial event that takes place in Langenthal in November 2000. It should also be noted that in October 2000 a group of Swiss buyers, together with a journalist, visited 100% Design. Creation Bauman brought a group of its clients to the same exhibition for interior specifiers in London. Zaha Hadid, the British-based Iraqi architect, all of whose major commissions come from outside the UK, has designed a jewellery exhibition for the British Council which went on display at the Museum für Gestaltung in Zürich from 17 June to 10 September 2000.

DTI representatives visited Switzerland in January 2000 along with a visit to the Creative Britain exhibition held at Stilwerk in Berlin to gauge the suitability of something similar to promote the UK in Switzerland.

Notwithstanding the fact that other than Swiss designers, the market is currently dominated by Germans and Italians, a number of high-profile projects in Switzerland by British designers and architects have indicated that possibilities do exist for this country to exploit. This report quantifies those opportunities.

## Objectives

The objectives of the mission were to analyse current and future opportunities for the UK design industry to increase trade and investment with Switzerland; to produce this report on the design sector, clearly identifying those areas which offer the best opportunities for UK companies, and to devise a strategy that would help to maximise the UK design sector's involvement in the Swiss market.

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*The team which undertook the mission was made up of:*

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