

Computer Products Market in Switzerland

A number of factors make Switzerland a market worth exploring — especially for Canadian exporters of computer equipment, components and software:

- There is an absence in Switzerland of a major domestic manufacturing base for this sector which relies heavily on imports (\$3.6 billion in 1990);
- Market growth in this sector is projected at 4 per cent to 6 per cent;
- Labour-saving devices, automation and computer systems are much in demand;
- Switzerland's international and multilingual diversity, as well as its central location, make the country an excellent test market, acting as a springboard to the rest of Europe.

Today's Market

In 1990, it was estimated that businesses alone (excluding home and entertainment) used 400,000 PCs, compared to 15,000 in 1986. The annual growth rate has been impressive, with 1989 purchases of software and materials totalling \$4.5 billion.

A recent study showed that more than half of the PCs are used in small businesses with less than 20 employees. Of the businesses and industrial corporations, 92,000 are using PCs while 23,000 use either mainframes, microcomputers or PCs. The mainframe market has softened to about \$600 million annually.

Intelligent and graphic workstations and UNIX systems are in great demand for CAD/CAM/CIM/CAL/CE, as well as for the sophisticated business activities of the banking and insurance industries and international organizations located in Switzerland.

Over 85 per cent of equipment is purchased rather than leased and no one major company totally dominates the market. Distributors are the key to entering the Swiss market and most tend to be members of SWICO, the business equipment and computer associa-

tion located in Zurich, or SAP, a diverse high-tech organization also located in Zurich.

A grey market in equipment does exist; however, the market's major players operate their own network of franchised dealers or system houses.

Currently, imported computer equipment is supplied by Germany (23 per cent); the United States (19 per cent); the United Kingdom (13 per cent); and the Netherlands (12 per cent).

Quality and service remain the hallmarks of success in a market that is extremely competitive, especially for distributors.

Switzerland is a small (6.7 million people) competitive market in the centre of Europe. It does not have value added tax. It is not a member of the European Community (EC). It does, however, have tariff free trade with the EC and the European Free Trade Association (EFTA) countries.

Trade Shows

National, local and vendor-organized trade shows are held in Switzerland, among them being:

- **Swissdata, Basel** — A biannual computer show for science and industry, generally held in September.
- **BUFA, Basel** — A biannual computer, business equipment, furniture show alternating with **Swissdata**.
- **Computer, Lausanne** — An annual computer show focussing on Suisse romande.
- **Burexpo, Geneva** — An annual regional computer show.
- **Logic** — A series of regional shows held annually in St. Gallen, Bern, Zurich and Lugano.
- **Computer Graphics, Zurich** — An annual computer graphics show held in January.

For further information on Canadian opportunities in the Swiss computer equipment, components and software market or on the above trade shows, contact Patrice Veilleux, Western Europe Trade, Investment and Technology Divi-

sion (RWT), External Affairs and International Trade Canada, 125 Sussex Drive, Ottawa K1A 0G2. Tel.: (613) 995-6440. Fax: (613) 995-6319.

Interested parties may also contact directly the Canadian Embassy, Commercial/Economic Division, 88 Kirchenfeldstrasse, 3005 Berne, Switzerland. Tel.: (31) 44 63 81. Fax: (31) 44 73 15. Telex: 911308 DMCN CH.

Office Organization, Communications Show in Hungary

Budapest — Space is available for about 10 to 12 Canadian companies interested in exhibiting in External Affairs and International Trade Canada's national stand at **IFABO**, the **International Trade Fair for EDP, Office Organization and Communications Engineering**.

Being held May 7 to 10, 1991 in Hungary's capital, **IFABO** attracts international exhibitors of data and information processing equipment, EDP equipment, office furniture and machinery, mail processing systems, and telecommunications, printing, copying and microfiche technology.

Integrated with **IFABO** are **Datenbank 91**, an international trade fair for the electronic compilation of information — a survey of more than 4,000 databases worldwide will be conducted; and **Programma 91**, an international software trade fair that provides software solutions for all ranges of applications and computer systems — an important event for software manufacturers and their customers.

Companies interested in participating in **IFABO** should contact John Smiley, USSR and Eastern Europe Trade Development Division (RBT), External Affairs and International Trade Canada, 125 Sussex Drive, Ottawa K1A 0G2. Tel.: (613) 996-6359. Fax: (613) 995-1277.