Interview: Dr. Beat Moser – Director General; Jürg Granwehr – Head of Pharma, scienceindustries, Switzerland



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Dr. Beat Moser, Director General of scienceindustries, the association representing the Swiss science-driven industries, and Jürg Granwehr, head of its pharma department, explain the open concept of scienceindustries, with science-based innovation at its heart; and why Switzerland is competitive in international life sciences markets.

What are some of the unique characteristics for such companies operating in Switzerland?

Switzerland is rightly known as a high cost country. In such an economic environment, the companies are forced to focus on innovation that enables them to create high value added products. It is only through permanent innovation that companies in Switzerland can afford to stay in the market, utilizing Switzerland as a research and production hub for the rest of the world. Consequently, scienceindustries' main preoccupation is innovation or more concretely to foster entrepreneurial innovation by influencing the framework conditions for companies. In that sense, scienceindustries strives at an internationally leading Swiss business environment for science-based companies.

Do such a broad range of sectors have similar priorities, do they face similar challenges?

The common topic of all our member companies is innovation. Members in the food and nutrition industry, in the chemistry, or in the pharmaceutical and biotech industry, they all focus on science-based innovation as their business model. They can all be seen as part of the same “industrial family”. All need adequate framework conditions that support their innovation strategies. In policy areas such as trade or environmental policy, public education and research, labour market and social policy, tax systems, monetary policy, data protection, company law or immigration policy, they all share very similar concerns.

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What have been scienceindustries key priorities when it comes to defending innovation?

When it comes to framework conditions, scienceindustries is working in four big clusters of issues: Switzerland as a worldwide leading research location, as a competitive production and business location, as an attractive local market and as a platform to serve the world with their products. In order to be successful in these four areas scienceindustries needs to contribute to the creation of an innovation friendly climate in the country.

Without an innovation friendly climate and without an innovation mentality in Swiss society, it would be very hard to get the basic political consensus for the best framework conditions to support innovation. In our saturated Western world, we have to remind people from time to time that science and technology are at the source of their lives and that they should care about supportive framework conditions for science in their country. In this sense, our association is working for the future. We are shaping today the framework conditions for tomorrow.

Since Switzerland has a worldwide unique political system of direct democracy, our people are directly involved in important decisions on economic and technological issues. Unlike in many other countries, discussions with the authorities are not sufficient when it comes to law-making; on important issues we need a broad consent of the public. Therefore, it is our task to ensure that the broad Swiss public understands the scientific and economic issues at stake. Complex issues have to be communicated by us in a simple and persuasive manner to the broad public.

What role will the digitalization of the science industries, and issues around data protection, play when it comes to thinking about the next 20 years?

Questions around data protection are key when it comes to digitalization. At present, scienceindustries works intensively in this area. Against the background of the new specific regulation on data protection in the European Union, the Swiss law on this matter has to be

revised. Currently, we are working together with experts of our industry and relevant stakeholders to ensure that our views on this specific issue are taken into account.

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scienceindustries represents approximately 50 percent of all Swiss exports. Pharmaceutical products in proportion to the total export volume within the life sciences industry, has increased massively over the past 3 decades, from 20 percent, to over 80 percent today. In your opinion, what explains this shift?

I think one part of the answer is that our companies have understood the challenges and opportunities of being active in a high cost country very early and have adopted clear innovation strategies well ahead of other competitors. Essentially, they consequently focussed on their strengths and restructured their businesses accordingly. The other part of the answer is just the recognition that pharmaceuticals are a product area where companies can create high value added products.

Founded in 1882 as the Swiss Society of Chemical Industries, what did the change of name to scienceindustries, in 2011, say about any change of strategy within the association?

The name change was needed to ensure that our name reflects what we are doing. Since our industry is transforming scientific developments in different scientific disciplines into industrial products, our new name fits good with this reality.

Where do you want to take this association in the future?

We have a long tradition as an association and we have always adapted to both the latest opportunities, as well as the latest threats. This will certainly also be the case in future. At present, we focus on highly political issues such as the ongoing Swiss corporate tax reform, and on certain problems in our relationship to the EU, particularly connected with the issue of immigration. I am fairly optimistic that these two issues can be resolved within the next few years. A new issue emerges with the Brexit, namely to find new trade arrangements with the UK; I am not so sure this matter can also be resolved within the next five years!

Another important issue is the recent revision of the Federal Act on Medicinal Products where now all the secondary acts need to be revised too. This will be a big project that will have a direct impact on the pharmaceutical industry in Switzerland. The regulation is due to come into force by 2019; and my hope is that it helps to strengthen our industry. The digitalization of the entire

economy and in particular within the life science industries will also become increasingly important in the years ahead. Indeed, just last year we had the first IT technology company becoming a member of scienceindustries.

The science industry is essentially an open concept; ultimately, it is about caring for the future of scientific innovation and its implementation in the industrial landscape. Over the last century, the concept of chemistry has thus evolved into the concept of science-based innovation and scienceindustries is the association serving these companies for a bright future.

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