

## **Swiss Center Shanghai: Mövenpick Hotels & Resorts joins as a new member**

- *The Swiss Mövenpick Hotels & Resorts joins the Swiss Center Shanghai and enters the Chinese market.*
- *Shanghai hotel with more than 300 rooms to be opened in 2014.*
- *China's products remain most competitive worldwide despite increasing wages: China's exports hit highest ever figure.*
- *Swiss companies are particularly well positioned to take advantage of China's shift from the "workshop of the world" to a booming consumer market: Swiss exports to China grow 14 times faster than to the EU.*

Shanghai (31 May 2011) – The international hotel group Mövenpick Hotels & Resorts with Swiss roots expands to China: In 2014, a newly built hotel with more than 300 rooms will open in Shanghai's Jiading District, close to the Formula 1 Circuit. "The signing of Mövenpick Hotel Shanghai represents a significant milestone in our key strategy to enter into the Chinese market and raise brand awareness", explains Steen Holck, vice president of controlling, Mövenpick Hotels & Resorts. In the next five years, Mövenpick aims to open between five and ten new hotels in the fast growing Chinese market. To facilitate the expansion, Mövenpick Hotels & Resorts joins the Swiss Center Shanghai (SCS). Holck: "We are very excited to join the SCS as it offers us a commercial platform within the Swiss community in China." The non-profit organization SCS is by far the largest cluster of Swiss enterprises in Asia.

## **China's competitiveness still rises: record Chinese export figures**

While wages and the RMB are rising, Chinese exports grew an incredible 25.9% in April to hit USD 154 billion, the highest ever in a month, and that as prices of Chinese goods are increasing in USD terms. "This shows that while China is getting more expensive, international buyers don't really find a low cost country that offers the supply chain, infrastructure and general stability combined advantages of China. For example, since the global financial crisis, inflation in India and Vietnam is on average two and three times higher than in China", mentions Swiss Center Shanghai Managing Director Nicolas Musy.

## **Booming Swiss exports to China offer unique opportunities for Swiss companies**

China's growing wages and exports fuel a boom of Swiss exports. "In the first three months of 2011, the Swiss exports to China and Hong Kong increased by 47.1%, compared to a plus of 3.3% to the EU", analyzes Musy. Swiss companies exported goods in the value of CHF 3.3 billion to China in this period of time. "That is a plus of CHF 764 million compared to the year before, making China the single largest contributor to Swiss export growth in 2011. That confirms the trend of 2010 when China purchased CHF 3 billion more Swiss goods than in 2009", states Musy.

The bigger picture shows: Swiss trade with the EU in the first quarter of 2011 resulted in a negative trade balance of CHF 6.76 billion, whereas the trade with China yielded a positive trade balance of CHF 1.5 billion and CHF 5.5 billion with Asia. Mr. Musy: "That illustrates the key importance for the Swiss economy of Asia – with China at its core."

## **100 millionaires a day**

The Chinese economy is not only exporting more and more, but also fundamentally turning into a mass consumer market for quality goods, outlines Nicolas Musy: "While China is still

the workshop of the world, it also 'produces' millionaires in CHF terms at the extraordinary rate of 100 per day. Well-off Chinese want what they perceive is the best. As a result high quality products and high technologies to make quality products are those for which demand is growing fastest."

**SCS on expansion track**

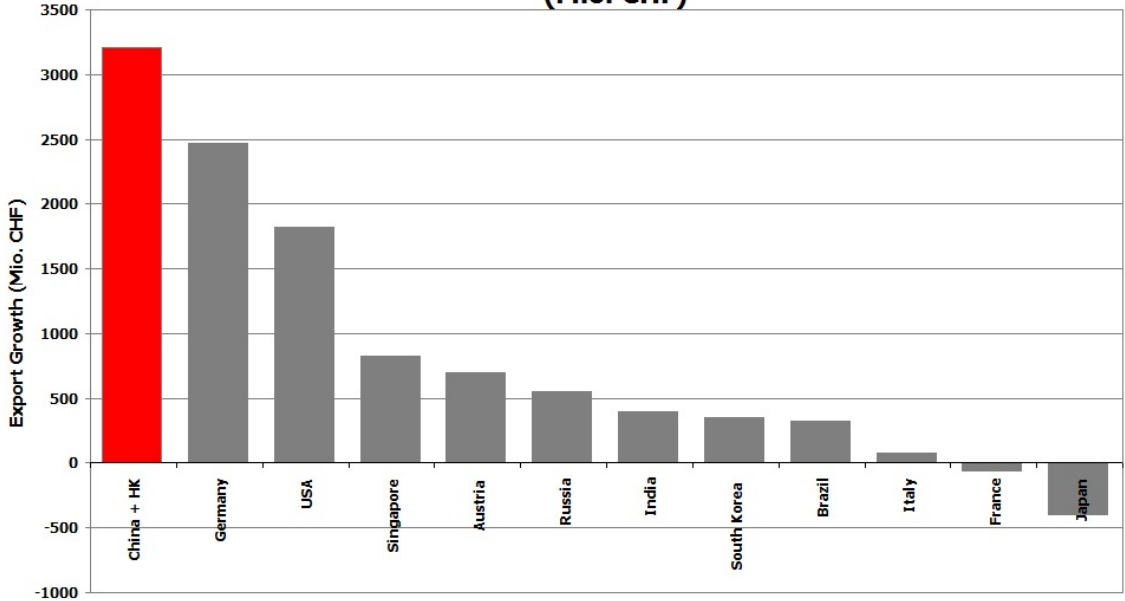
Besides the new membership of Mövenpick Hotels & Resorts, the SCS also announces the renewal of memberships of the Swiss companies Affolter Technologies SA, Haug Kompressoren AG and Leister Technologies Ltd, confirming its status as the biggest cluster of Swiss enterprises in Asia.

*Picture Legend: The China experts: The Swiss Center Shanghai is the largest cluster of Swiss companies in Asia.*

*Picture Legend: "The booming economy, the emerging middle class and the increasing purchasing power make China an important sales market for Swiss companies." Nicolas Musy, Swiss Center Shanghai*

*Picture Legend: Expanding to China: the Mövenpick hotel in Shanghai will open in 2014.*

**Figure 1: Swiss Export Growth 2010 by Country (Mio. CHF)**



*Picture Legend: China (incl. Hong Kong) is the single largest contributor to Swiss export growth. The first quarter of 2011 prolongs the trend from 2010.*

**About Swiss Center Shanghai (SCS):** Founded in 2000, SCS is by far the largest cluster of Swiss enterprises in Asia with a rich experience in business set-up and China operations management. SCS not only offers instant workshop, office and desk space, but also supports the companies with government relations and a broad network of experts. SCS served more than 100 companies in China – both SMEs and large enterprises. Among other, the SCS experts performed set-ups of 20 production companies and more than 30 offices and trading companies. For more information, please visit: [www.swisscenters.org](http://www.swisscenters.org).

**About Mövenpick Hotels & Resorts:** Mövenpick Hotels & Resorts is an international hotel management company with Swiss roots and more than 12'000 employees worldwide. It operates more than 90 existing or currently constructed hotels in 27 countries in the key markets Europe, Near and Middle East, Africa and Asia. For more information, please visit: [www.moevenpick-hotels.com](http://www.moevenpick-hotels.com)

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