

Practical Examples

From a revolution in smart home technology to a beer filtration system in Mexico – two illustrative case studies tell of projects which SERV was able to support in financial year 2017.

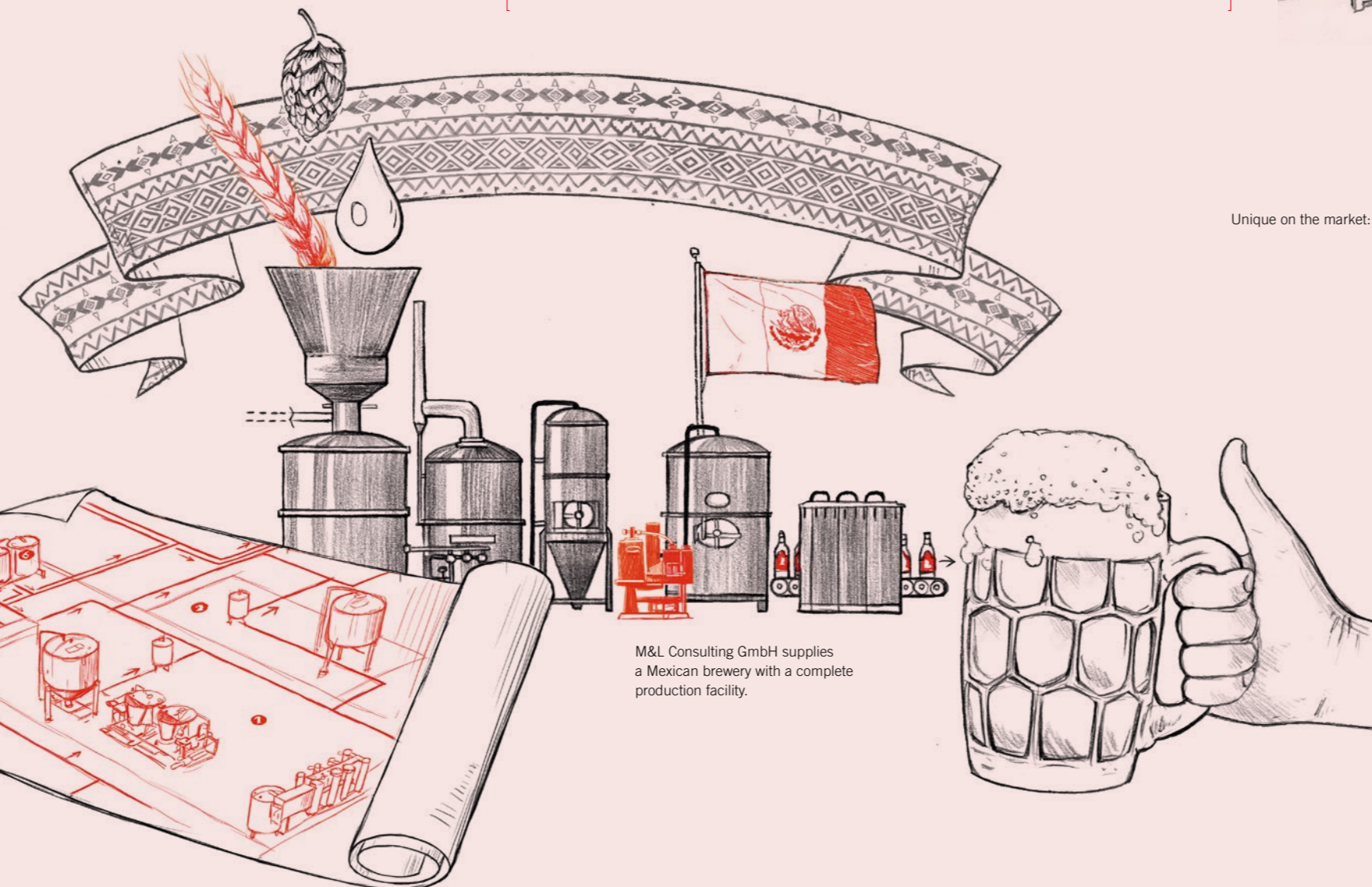
Swiss Know-how for a Mexican Brewery

A small company holds its own against international competition in the beer industry. The example of M&L Consulting shows that this is possible. Even so, export deals also present some challenges in this case.

Surviving as a small company in the beer industry, alongside multinational giants? Impossible. You might think so. Ernst Meier, certified brewer and CEO of M&L Consulting GmbH in St.Gallen, proves the opposite. M&L Consulting advises breweries in the area of filtration technology. With its services, it supports its customers in improving their quality and efficiency, and creates new concepts as well as the detailed engineering for this area of production. M&L Consulting outsources the actual manufacture of the equipment. This enables it to concentrate on its core competencies. One "M&L speciality" is, for example, its long-lasting filter cartridge, which cleans the beer of yeast, rubber residue, etc. with diatomaceous earth (alginate powder).

The Recipe for Success

M&L Consulting supplies customers in every part of the world and is currently growing: from originally two employees in 2005, the small enterprise now employs 12 people, with a total of up to 20 employees together with its partner companies working on M&L projects. What is its recipe for success? "If you have a certain talent, you work hard and you can count on skilled employees,



M&L Consulting GmbH supplies a Mexican brewery with a complete production facility.

you can achieve something," says Ernst Meier. The ability to see things through the eyes of the customer is another essential factor: When a contract is awarded the M&L employees first listen to the customer's ideas, defining the task together with him. Only then do they start concept development.

A Mexican brewery is one of their long-standing customers. It commissioned M&L Consulting to equip a complete space with production facilities worth around EUR 3 million. As in other industries, tough contractual terms are the rule even in this small in-

dustry: in spite of the fact they have worked together for years, the customer is not prepared to make a down payment. "If we want to stay in business we have to be able to offer finance for the project," said Ernst Meier. The long payment periods, which often only start when the goods arrive on the customer's factory site, are a significant reason why M&L Consulting sometimes has to "ditch" projects. So that this does not happen in this case, SERV is supporting this transaction with working capital insurance, making financing easier.

"If we want to stay in business we have to be able to offer finance for the project."

Ernst Meier
CEO of M&L Consulting

Thinking remote control stirs up the smart home market



Unique on the market: the remote control from Neeo AG

With inventiveness and passion, a Solothurn-based start-up worked on a new development for the smart home market. The result of their efforts is nothing less than a revolutionary product.

The 36-strong Solothurn-based start-up Neeo AG is stirring up the technology market with its invention. And it is doing it with inspiration and passion. Co-founder and CEO Raphael Oberholzer explains: "Designing products that are received with worldwide enthusiasm, stirring up the technology market, building a team of highly talented engineers, these are just a few of the highlights that make Neeo an inspirational job every day." This inspiration has resulted in an inconspicuous device. But don't be deceived by appearances:

"As great as the joy about this significant order was, the associated financial challenge was equally daunting for our young company."

Raphael Oberholzer
CEO Neeo

We're talking about a "thinking remote control" for home automation. It works for all the sensors, thermostats, AV equipment and lighting, etc. and is compatible with around 60000 pieces of equipment. It recognises the user by means of – patent pending – hand recognition, so the user sees his/her favourites and preferred settings on the display. Along with its simplicity, the remote control also boasts sophisticated design. Which is unique on the market.

When success is not long in coming

In order to get its revolutionary product into the hands of men and women, Neeo also organised a promotional gag in the form of a crowd-funding campaign. This turned out to be a great success: the sum they were aiming for had been collected after a day and at the end of the campaign over 6000 crowd-funders had ordered the device, for which there was still only one prototype in existence. The remote control also caught the attention of a distributor of high-tech products in the USA. It commissioned Neeo with an order for 20000 devices worth USD 5.9 million. "As great as the joy about this significant order was, the associated financial challenge was equally daunting for our young company," says Raphael Oberholzer, talking about the major order. Many components have to be pre-financed with long lead times of up to 180 days. Consequently, the demand for working capital for the relatively small structure of Neeo is quite considerable, particularly in the current phase of strong growth.

SERV insured part of this additional capital requirement for production, worth CHF 1.2 million. This helped Neeo to achieve the necessary liquidity on tolerable terms. Raphael Oberholzer continued, "Thanks to the confidence that SERV enjoys with the Swiss banks and the solid performance, the transaction was possible in a sound manner. Our growth benefited quite considerably from it."