

S'pore 'has much to learn from Swiss branding' **Republic must learn from Switzerland's excellence in this respect: S. Iswaran**

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The widely acknowledged quality of Swiss cheese, clocks and chemicals holds valuable lessons for Singapore, according to the Second Minister for Trade and Industry yesterday.

Mr S. Iswaran said Singapore must learn from the branding of excellence built over decades and even centuries by Swiss firms.

The same mindset of nurturing specialised capabilities - Singapore has such excellence in water technology, aviation services and the offshore and marine sector - for the long haul will allow the country to bolster the prestige of its own brand.

Switzerland's competitive research and development (R&D) ecosystem and its highly skilled workforce also hold important learning points for Singapore, he noted.

Its private sector is responsible for almost three-quarters of Switzerland's gross domestic R&D spending, or about 2.2 per cent of its gross domestic product.

The education system allows students to switch easily between an academic and apprentice track, while ensuring those already in the workforce can learn new skills, noted Mr Iswaran, who was speaking at a seminar jointly organised by the Institute of Policy Studies (IPS) and Swiss think-tank Avenir Suisse.

He also pointed out that nearly 30 per cent of the 4.8 million-strong Swiss workforce is made up of foreign workers, adding: "Switzerland offers important lessons for Singapore in our quest to remain an open economy that judiciously complements a Singaporean core with a foreign workforce."

The issue of ownership of home-grown brands was the subject of a lively debate at a later session at the seminar held at the Orchard Hotel.

Consultant Koh Buck Song and IPS special adviser Tommy Koh asked a panel of academics about the Swiss experience in the wake of the sale of renowned Singapore brands like Tiger Beer and Raffles Hotel.

"I think in Singapore, we suffer from a 'trader mentality'. We build up a good company and if somebody makes me a good offer, I will sell it," said Professor Tommy Koh. "In Switzerland, will people sell their iconic brands?"

Raffles Hotel was bought by a Qatar sovereign wealth fund in 2010.

Last year, Fraser & Neave sold its interests in Asia Pacific Breweries, the maker of Tiger.

The director of Avenir Suisse, Dr Gerhard Schwarz, cited the sale of flagship carrier Swiss Airlines to German airline Lufthansa as an example of its brands being sold.

Dr Schwarz added: "What do you mean by a Singapore or a Swiss company?"

"Probably all the Swiss brands you know, Nestle, UBS, Credit Suisse... the majority of the shareholders are foreigners, including Singapore to some extent."

Former civil servant Lee How Sheng asked Mr Iswaran if Singapore would consider the Swiss system of conducting referenda in matters of public policies.

Mr Iswaran responded that a system of governance by referendum is not on the agenda, though he stressed that the process of consulting and engaging the people is done here.

"We've had Our Singapore Conversation, there are many other ways you can do this, but I think the crux of the issue is we need that engagement with the general population," he said.