



BAVARIA IN THE NEWS

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Munich is the most livable city in the world

That's the findings of the June 2007 rankings of the world's metropolises published in the **International Herald Tribune**.

Winning the coveted top spot for Munich: its best-in-the-world mix of work and play. The city is home to high-performing business and academic communities. It also has a highly pleasant lifestyle. Other assets: Munich is ultra-safe, and has world-class public transport, health care and educa-

tion. Its airport has repeatedly been ranked "best-in-Europe".

Munich is **the** city for "workaholics and sportaholics, for getting it done and chilling out" summed up the rankings, which also praised the Bavarian capital's moderate climate, love of heritage, excellent shopping, openness to minorities and exciting nightlife.

New events and new markets boost Bavaria's trade fair authorities to new best marks

Messe München GmbH (MMG), Munich's trade fair authority, is on course to set all-time highs in 2007. Nürnberg Messe (NM), its counterpart in Nuremberg, accomplished precisely that feat in 2006.

CEO Manfred Wutzlhofer is predicting that MMG will register revenues of €250 million, up from 2006's €212 million, and by far the best result in the authority's history. The reasons for his optimism: the all-time records turned in by such blockbusters as BAUMA, and the success of such newcomers as ITMA.

Held every three years, BAUMA is, literally, the largest trade fair in the world. The 2007 installment, held in April, took up 540,000 square meters of hall and open space (2004: 510,000). This area was occupied by the stands and displays of more than 3,000 exhibitors (+7% from 2004). They, in turn, were visited by 500,000 people.

And BAUMA is only one of 22 major events being held in 2007 at Munich's Trade Fair Center. Another will be ITMA. To be held in Munich for the first time in September, the once-every-four-years fair, which is the leader on the market for textile machinery

and equipment, already has 1,300 exhibitor registrations.

Also forming part of Munich's Trade Fair Center, the International Congress Center Munich (ICM), one of the world's top five venues for professional events, is also having a very successful year. Ninety three events were held at it during the first six months of 2007. They were attended by some 65,000 people.

MMG's results make it something of an exception in the trade fair sector, which has seen a large number of one-time blockbusters wither away. In bucking the industry-wide trend, Munich's authority has profited from the upswing gripping its catchment area – central Europe – and the success of its go-international strategy. This strategy is comprised of the spinning off of its hit trade fairs in Asia, central and eastern Europe, and in other fast-growing regions. Highly successful, for instance, is BAUMA China, which is held at MMG's Shanghai New International Expo Center.

New events, new successes with longstanding fairs and new markets: this mix of fac-



tors is also powering NM to new all-time highs. As Bernd A. Diederichs, NM's CEO, reports, the authority had a turnover of €125.7 million in 2006, up a whopping 30% over 2005 and by far the best mark in history. Also setting new records: space let, exhibitors and trade visitors. And 2007, although missing several blockbuster fairs held on an every two to three year basis,

will be very near as good, reports Diederichs. NM has created and further developed fairs dominating the wellness/healthful lifestyles, processing and packaging technologies, security, air conditioning and other fast-growing sectors. Like MMG, Nuremberg has also successfully expanded into China and Russia.

Inside technology

Thrills and chills from Bavaria

They go by the names Kingda Ka, Star Shape, Flying Carpet and Fire Ball and they are the most highest, fastest and hence scariest rides in the world's largest amusement parks – Disney World, Legoland, Six Flags and Universal Studios.

Many of these big-thrill rides stem from four small-sized producers and designers based in Bavaria: Zierer (Offenberg), Gerstlauer (Münsterhausen), and Werner Stengel and Maurer Söhne (both Munich).

Featuring ultra-fast acceleration and requiring picture perfect operation under the most demanding conditions imaginable, these rides represent some of engineering's greatest feats. In rendering these, the companies employ the expertise

gaining in designing and building bridges, skyscrapers, industrial facilities and other mission-critical systems.

Kingda Ka nicely shows how large these feats are. Located in an amusement park in New Jersey, it's the world's highest (139 meters), fastest (accelerating from 0 to 206 km/h in 3.5 seconds) and most expensive (€20 million) roller coaster in the world.

Kingda Ka was put into operation in 2005. Like its predecessor as the "world's highest roller coaster", the Top Thrill Dragster, Kingda Ka was designed by Werner Stengel. The 500th roller coaster created by the 61 year-old, Munich-based "master of thrills" was inaugurated in May 2007 in Ohio.



Bavaria in Europe

Inside the state

Best winter ever for Bavaria's tourism industry

Some 10.4 million tourists spent their winter (November 2006 – April 2007) vacations in Bavaria. The highest ever registered by the state, the total was up half a million over 2005/2006. These tourists registered 29 million overnight stays – also a new all-time high for Bavaria.

Making the record even more remarkable: last winter lacked the item attracting most tourists to Bavaria in the winter: snow. To make up for the lack of skiing, hoteliers and tourist authorities pushed all-year sports (including Nordic walking) and wellness. These draws proved especially popular with non-German tourists, whose numbers rose 13%.

Number one state in Germany is Bavaria, reports the 2007 edition of INSM rankings. Confirming and repeating the findings of all preceding ones, the annual and authoritative study used 87 indicators to evaluate the economies of Germany's 16 states. Coming in for particular praise: the makeup of Bavaria's business community and the state's level of prosperity.

Number one employer in Germany, for the sixth year in a row, is BMW, according to graduating engineers and MBAs, who ranked the automobile manufacturer as the one for which they would most like to work. Other Bavarian companies finishing in the rankings' top 10: Siemens, Audi, EADS and Adidas.

Number one company for innovation in Germany is the Regensburg-based OSRAM Opto Semiconductors, states the Best Innovator competition in conferring its 2007 awards. OSRAM Opto Semiconductors is a subsidiary of OSRAM, one of the world's two leading lighting manufacturers in the world, and itself part of Siemens.

OSRAM Opto Semiconductors won the top award for its skill in developing revolutionary technologies (the company holds more than 3,000 patents) and in then turning them into market-making products. Among these: opto-semiconductors turning electricity into light. These semiconductors form the heart of super-bright LEDs, intelligent displays, infrared components and ultra-small and powerful laser diodes.

Intellectual property: Bavaria's very big business

Intellectual property is a very big business. In 2006, the world's companies, reports industry specialist Thomson, spent €125 billion on licensing intellectual property: patents, trademarks, copyrights and industrial designs. Even large amounts went to create and protect IP.

The recipient of these outlays was the world's IP services community, of which Munich is one of its hubs. Located in the city are more than 800 patent and trademark law offices, plus a large number of data gathering services, ICT companies and other specialists.

Most of them are located on the west banks of the Isar River. "That's not surprising. We all want to be within easy reach of our main venues of work – the headquarter buildings of the European Patent Office (EPO) and of the adjoining German Patent and Trademark Office (GPTO)," points out Peter Farago, international patent attorney.

Founded in 1977 and with 32 member countries, the EPO has a staff of 3,500 engineers, technical translators and information specialists in Munich. The staff's workload is immense and continually increasing.

In 2006, the EPO received no less than 209,000 (2002: 161,000) patent applications, carried out 164,000 searches (2002: 144,000) and granted 63,000 patents (2002: 47,000). In carrying out its work, it availed itself of its database, which contains information on 60 million patents, and of its collection of more than 20,000 scientific publications.

The GPTO is nearly as large, employing 2,300 people in Munich. They, too, have a considerable workload: 60,500 patent, 20,000 utility model and 72,000 trademark applications in 2006.

Much of the agencies' workload stems from in-state companies. Bavaria is, after all, Europe's most innovative region – based on the number of patents applied for and granted. Number one patenter in Bavaria and in Germany (and number two in Europe) is Siemens, which currently holds 62,000 patents. Other major Bavaria-

based patenters are Infineon, BMW and Audi.

Like the rest of the state's companies, these heavyweights also hold large-sized portfolios of trademarks and industrial designs. The job of administering these IP portfolios is large, expensive and mission-critical.

Each of these intellectual properties has to be registered and protected in up to 212 countries. Each can be worth up to millions or even billions of euros. Each of these can also give rise to lawsuits threatening their holder's very existence.

Over the last few years, many of these companies have used new software and services to dramatically cut IP-related costs and risks and to vastly speed up IP creation, registration and licensing processes.

Prime among these products: the IP-Cost-Calculator. From Munich's Brandstock AG, this first-on-the-market software handles, within a few seconds and at the IP manager's PC, the calculations of IP costs hitherto

requiring weeks of work by teams of lawyers, accountants and chart-makers.

"IT is changing the face of the IP services market, which is going from being local and specialized to international and multi-skills," notes Volker Spitz, Brandstock CEO and noted IP attorney. "In a few years, the market will be dominated by do-it-all providers of software and services," he adds.

"Since Munich and the rest of Bavaria is home to huge IT and IP communities, it's only natural for the city to be at the forefront of this movement," Spitz concludes.

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www.dpma.de

European Patent Office
Erhardtstrasse 27
D-80469 Munich
www.epo.org

A state of entrepreneurs

Dieter Leipold and the sweet fizz of success

Dieter Leipold has pulled off one of the hardest tricks in business. He has cracked one of the world's most competitive markets: beverages.

Originally created in 1995, his Bionade is the hottest-selling beverage in Germany's history. Sales of the fruity fizz zoomed from 2 million bottles in 2002 and 2003 to 20 million bottles in 2005 to 70 million bottles in 2006. For 2007 an increase to more than 200 million bottles is expected.

Bionade's appeal: it tastes good, it's good for the world, and it's good for you. And that's thanks to the beverage being produced according to Germany's strict beer brewing code, which bans the use of anything that is not natural or pure.

Dieter Leipold knows quite a bit about the code, being the former CEO of a brewery located in the northern Bavarian town of Ostheim and founded by his wife's family in 1827 – and run by it ever since.

From Germany to the world: Peter Kowalsky, Leipold's stepson and Bionade CEO, is now orchestrating the beverage's globe-wide marketing.

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Bavaria's best, Bavaria's best buys

Many of the world's favorite products are manufactured in Bavaria – from the apparel created by Strenesse and Daniel Hechter to the sportswear and sporting goods produced by Willy Bogner, adidas, Arena and Puma.

All of these high-quality products, in turn, can be bought directly from the factories where they are produced – at prices much below those charged in retailing outlets.

Here's a selection:

adidas	sporting goods and sportswear	Herzogenaurach
Arena	swimwear	Bayreuth
Bogner	fashion, sportswear, footwear	Heimstetten
Chiemsee	casual wear	Übersee
Daniel Hechter	fashion	Miltenberg
Étienne Aigner	handbags, jewelry, footwear	Munich
Hallhuber	casual wear	Munich
Kunert	hosiery, footwear	Immenstadt
Marc O'Polo	casual wear	Munich
Puma	sporting goods and sportswear	Herzogenaurach
s.Oliver	casual wear	Würzburg
René Lezard	fashion	Schwarzach
Strenesse	fashion	Nördlingen
Triumph	lingerie, swimwear	Munich



The adidas Factory Outlet Store in Herzogenaurach

Story to watch

Bavarian biotech's big comeback

Setting forth 2005's upswing, the nearly 100 biotech companies located in the Munich region registered in 2006 a rise of 14% – to €260 million – in turnover. This rise in revenues enabled the companies to increase staff size by 10%, reports biotech development agency BioM AG. In an even more gratifying development, a large number of ven-

ture capital-funded, small-sized biotechs are now operating in the black, states the agency.

The sector's health is attributable to its relatively large number of medications in the testing and approval pipeline – 38 at latest count.

Foundation stone

In July, the state of Bavaria opened an office in Prague. Headed by Bernd Bauer, the office is the state's 20th. Its commissioning sets forth the state's policy of being represented in fast-growing markets.

Bernd Bauer is highly qualified to hold his position. He also currently serves as the managing director of the German-Czech Chamber of Commerce, which is also located in Prague.

... in Munich ...

ExpoReal 2007

international real estate market
October 8 – 10, 2007

Materialica 2007

materials processing, surface
treatment and product
engineering
October 16 – 18, 2007

Systems 2007

IT, media and communication
networks
October 23 – 26, 2007

... and Nuremberg

FachPack

packaging technologies

LogIntern

in-plant logistics

PrintPack

packaging printing and
production

all September 25 – 27, 2007

Trade fairs ...



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