

CRIF study of business start-ups: fewer start-ups in the 2nd quarter, but a record 24% more start-ups in June

Zurich, 2nd July 2020 – **10,539 new businesses were set up in the 2nd quarter of 2020, which represents a decline of 5.3% compared with the previous year. Ticino and Geneva suffered declines of 22% and 21% respectively, but a record total of 4486 company start-ups were also reported in June.**

CRIF AG has looked at how many new businesses were established in the 2nd quarter and how many companies went out of business. All in all, 11,413 companies were set up in Switzerland during this time. This is 5.3% fewer compared with the 2nd quarter of the previous year. 7,065 companies were also deleted from the Commercial Register during the same period. This represents 547 fewer deletions than in the same period of the previous year. After a drastic reduction in the number of companies being set up in some places in April and May, June saw a record total of 4,486 start-ups. This represents a growth of 24% compared with June 2019, when 3,616 new businesses were established.

Most of the new company entries were registered in the Cantons of Zurich (1,951), Bern (1,030) and Vaud (937). On the other hand, the steepest fall was reported by Ticino, with 22.3% fewer business start-ups, and by the French-speaking Swiss Cantons of Geneva (-21.2%), Vaud (-18.3%) and Neuchâtel (15.3%). This is another consequence of the corona crisis, as these areas were affected more badly by the virus.

The portfolio of existing companies grew by 0.5% in the 2nd quarter (this figure was still around 0.7% in the 1st quarter). The highest growth was reported by the Cantons of Appenzell Innerrhoden, Appenzell Ausserrhoden and Uri, at 0.9%. The Cantons of Schaffhausen, Glarus, Ticino and Obwalden all either reported no growth at all, or even a slightly negative growth.

A look at the individual sectors reveals that start-ups were most frequent in the retail trade (872), followed by the construction sector (830) and the management consultancy sector (773), though the management consultancy sector and the construction sector did report a fall compared with the 2nd quarter of 2019.

The largest number of company liquidations was experienced in the construction sector (635), followed by the retail trade (634) and the wholesale trade (585). Compared with the same quarter of the previous year, however, the company liquidations were fewer, except in the financial sector.

About the survey process

All companies that were newly entered in the Commercial Register between 1 April 2020 and 30 June 2020 as well as all companies that were deleted from the Commercial Register during this period were taken into account. For example, a company can be deleted by default, when the bankruptcy proceedings are closed, at the end of the liquidation period, then in the case of mergers or in the case of company tasks due to the lack of succession regulation.

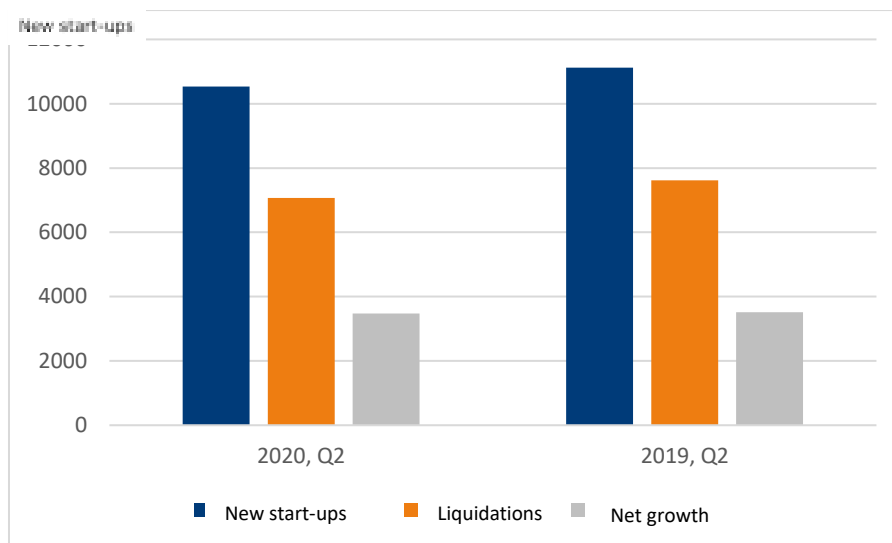
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The full analysis can be requested from presse.ch@crif.com.

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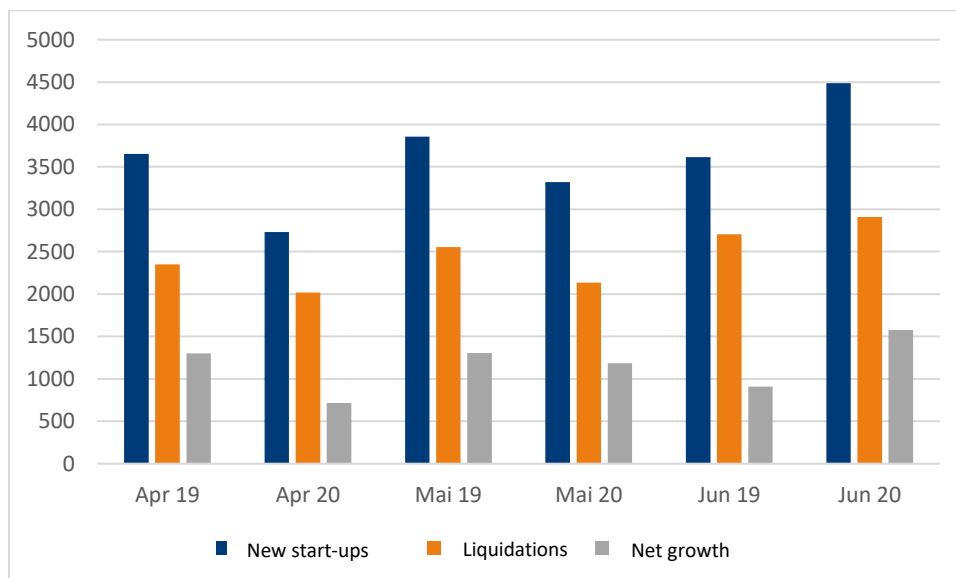
Companies: New start-ups, liquidations and net growth



In the 2nd quarter of 2020, there were fewer company liquidations than in the same period of the previous year. As a result of the low number of new start-ups, the figure for net growth is also slightly lower for 2020.

	2020, 2 nd quarter	2019, 2 nd quarter
Start-ups	10539	11126
Liquidations	7065	7612
Net growth	3474	3514

Companies: Monthly comparison of start-ups, liquidations and net growth



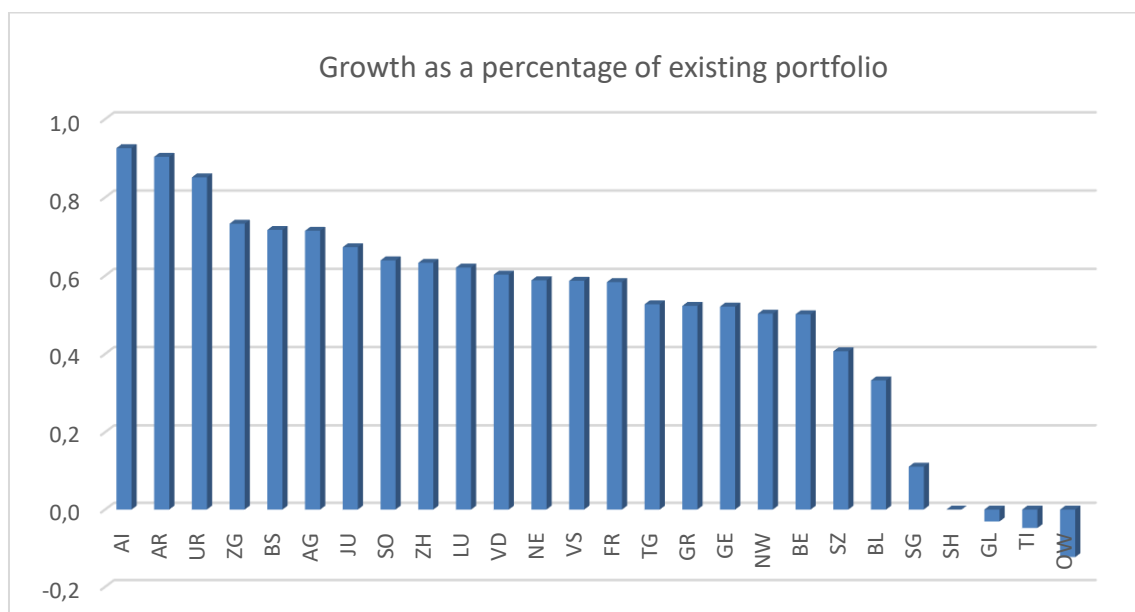
Because the number of new start-ups plummeted in April as a result of the lockdown, June saw a record number of 4486 new companies. This represented a growth of 24% compared with June 2019.

	Apr 19	Apr 20	May 19	May 20	June 19	June 20
Start-ups	3652	2733	3858	3320	3616	4486
Liquidations	2350	2018	2555	2137	2707	2910
Net growth	1302	715	1303	1183	909	1576

Net growth in the 2nd quarter of 2020, by Canton

Canton	Net growth as a percentage
Appenzell Innerrhoden	0.9
Appenzell Ausserrhoden	0.9
Uri	0.9
Zug	0.7
Basel-Stadt	0.7
Aargau	0.7
Jura	0.7
Solothurn	0.6
Zurich	0.6
Lucerne	0.6
Vaud	0.6
Neuchâtel	0.6
Valais	0.6
Freiburg	0.6
Thurgau	0.5
Graubünden	0.5
Geneva	0.5
Nidwalden	0.5
Bern	0.5
Schwyz	0.4
Basel-Landschaft	0.3
St. Gallen	0.1
Schaffhausen	0.0
Glarus	0.0
Ticino	0.0
Obwalden	-0.1
Total for Switzerland	0.5

During the second quarter, there was a net growth of 0.5% in the portfolio of companies in Switzerland. In the 1st quarter, this growth was still at a level of 0.7%. The highest level of net growth was seen in the Cantons of Appenzell Innerrhoden, Appenzell Ausserrhoden and Uri, at 0.9%. The Cantons of Schaffhausen, Glarus, Ticino und Obwalden reported either zero growth or a slightly negative level of growth.



New start-ups by Canton, April to June

Canton	2 nd quarter, new start-ups			
	2019	2020	+/-	As a %
Zurich	1995	1951	-44	-2.2
Bern	948	1030	82	8.6
Lucerne	483	462	-21	-4.3
Uri	35	26	-9	-25.7
Schwyz	319	307	-12	-3.8
Obwalden	47	58	11	23.4
Nidwalden	66	64	-2	-3.0
Glarus	42	37	-5	-11.9
Zug	568	547	-21	-3.7
Thurgau	306	339	33	10.8
Solothurn	297	308	11	3.7
Basel-Stadt	295	303	8	2.7
Basel-Landschaft	279	273	-6	-2.2
Schaffhausen	79	58	-21	-26.6
Appenzell Ausserrhoden	69	84	15	21.7
Appenzell Innerrhoden	27	38	11	40.7
St. Gallen	554	538	-16	-2.9
Graubünden	250	261	11	4.4
Aargau	659	706	47	7.1
Ticino	547	425	-122	-22.3
Freiburg	352	329	-23	-6.5
Vaud	1147	937	-210	-18.3
Valais	514	446	-68	-13.2
Neuchâtel	216	183	-33	-15.3
Geneva	956	753	-203	-21.2
Jura	76	76	0	0.0
Total for Switzerland	11126	10539	-587	-5.3

The highest number of new start-ups was reported by the Cantons of Zurich (1,951), Bern (1,030) and Vaud (937). On the other hand, the sharpest falls were reported by Ticino, with 22.3% fewer new start-ups, and the western Swiss Cantons of Geneva (-21.2%), Vaud (-18.3%) and Neuchâtel (15.3%). This is another result of the corona crisis, which affected these areas more acutely.

Liquidations by Canton, April to June

Canton	2 nd quarter, liquidations			
	2019	2020	+/-	As a %
Zurich	1294	1223	-71.0	-5.5
Bern	763	667	-96.0	-12.6
Lucerne	253	289	36.0	14.2
Uri	17	9	-8.0	-47.1
Schwyz	199	244	45.0	22.6
Obwalden	44	48	4.0	9.1
Nidwalden	72	39	-33.0	-45.8
Glarus	32	41	9.0	28.1
Zug	359	297	-62.0	-17.3
Thurgau	182	237	55.0	30.2
Solothurn	249	224	-25.0	-10.0
Basel-Stadt	224	170	-54.0	-24.1
Basel-Landschaft	164	220	56.0	34.1
Schaffhausen	75	70	-5.0	-6.7
Appenzell Ausserrhoden	42	59	17.0	40.5
Appenzell Innerrhoden	18	17	-1.0	-5.6
St. Gallen	415	448	33.0	8.0
Graubünden	207	174	-33.0	-15.9
Aargau	425	428	3.0	0.7
Ticino	430	431	1.0	0.2
Freiburg	362	190	-172.0	-47.5
Vaud	713	591	-122.0	-17.1
Valais	292	305	13.0	4.5
Neuchâtel	127	119	-8.0	-6.3
Geneva	586	483	-103.0	-17.6
Jura	68	42	-26.0	-38.2
Total for Switzerland	7612	7065	-547.0	-7.2

Fewer business liquidations were reported in the 2nd quarter of 2020 than in the same quarter of the previous year. This was equivalent a reduction of 7.2 %.

New start-ups by sector (NOGA), April to June

Noga	Description	New start-ups by sector, 2 nd quarter		
		2019	2020	+/-
47	Retail trade, except of motor vehicles and motorcycles	824	872	48
43	Specialised construction activities	883	830	-53
70	Activities of head offices; management consultancy activities	896	773	-123
68	Real estate activities	651	647	-4
56	Food and beverage service activities	548	548	0
47	Retail trade, except of motor vehicles and motorcycles	824	872	48

The highest number of start-ups was in the retail trade (872), in the construction sector (830) and in the management consultancy sector (773), though the management consultancy sector and the construction sector reported a reduction in comparison with the 2nd quarter of 2019.

Liquidations by sector (NOGA), April to June

Noga	Description	Liquidations by sector, 2 nd quarter		
		2019	2020	+/-
43	Specialised construction activities	664	635	-29
47	Retail trade, except of motor vehicles and motorcycles	836	634	-202
46	Wholesale trade, except of motor vehicles and motorcycles	646	585	-61
56	Food and beverage service activities	553	444	-109
64	Financial service activities, except insurance and pension funding	362	393	31
43	Specialised construction activities	664	635	-29

The largest number of liquidations was experienced by the construction sector (635), the retail trade (634) and the wholesale trade (585). Compared with the same quarter of the previous year, there were fewer company liquidations in these sectors, except in the financial sector.