



Electronics
& Electrical
Industry

SLOVENIA

The Right Mix of Qualities



Quality Workforce

The electrical and electronics engineering industry as one of the key sectors to maintain a competitive and strong industrial base in Europe and Slovenia's companies are at the industry's cutting edge. A range of education and training opportunities provide highly qualified engineers and skilled workers as illustrated by the number of 1,700 students enrolled in undergraduate courses for electrical and electronics engineers. The number of students in secondary schools for electrical engineering and computers is around 7,200. Foreign investors can benefit from Slovenia's pool of talented and dedicated workers and researchers keen to help modernise production and increase productivity.

The development of smart technologies calls for efforts in RTD and innovation but the shortage of engineers is a world-wide problem but not so much in Slovenia where the workforce combines successfully the country's long industrial tradition with ingenuity and skills to produce clever technical solutions. The 2014 Gazelle of Primorsko-notranjska region is the fast-growing company SMT d.o.o. that develops and manufactures electronic devices. Incorporated 10 years ago, SMT continues to expand fast and its turnover in 2013 was €9mn. A new competence centre of Iskra Zaščite, a manufacturer of surge protection devices, established as a joint venture with Weidmüller, a German industrial connectivity solutions provider, is a good example for Slovenia's attractiveness for FDI. Iskra Zaščite has production sites in Slovenia, Serbia and China and generates some 20 million in revenues. Its main advantage is its strong R&D department so it comes as no surprise that the Slovenian part of the joint venture will focus on development and its German counterpart will focus on sales.

Since the gross enrolment ratio in tertiary level of education is 85% of the Slovenian population it does not come as a surprise that some 91% of population is able to communicate in one and 71% of population in two or more world languages with English and German being the most widespread. Government-sponsored training and re-training programmes help upgrade job seekers' employability by providing adult education and other in-demand skills to meet employers' entry-level job requirements. Co-financing is available to manufacturers to provide training in skills specific to their jobs for new employees within the framework of Slovenia's active employment policy measures.

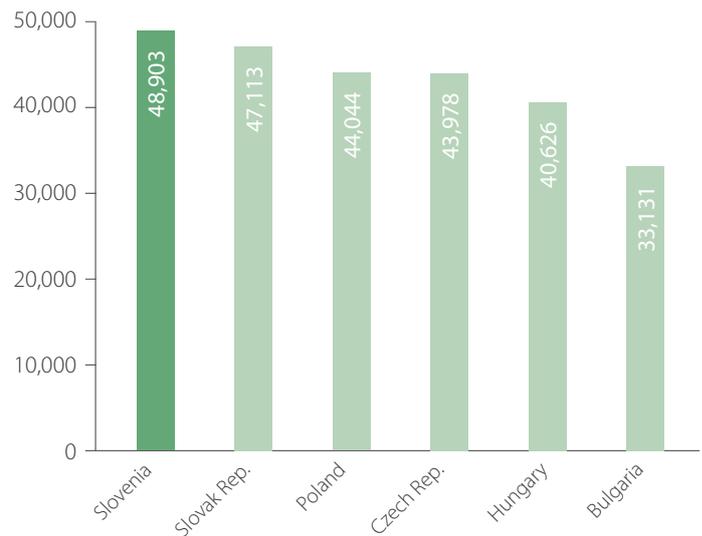
Successful relationships among entrepreneurs, innovators, universities, and government have never been more important to Slovenia's economic success. By working together through public-private partnerships and other means of collaboration, all stakeholders work together to create the conditions necessary to promote the innovation and entrepreneurship needed for sustained economic growth and job creation. Technology entrepreneurship is growing rapidly and Slovenian start-ups attract limelight at launch festivals and other international events.

Production at Iskra EMECO



PRODUCTIVITY IN INDUSTRY, 2013

Related GDP (PPP) per person employed in industry (in €)



Source: IMD - World Competitiveness Yearbook, 2014



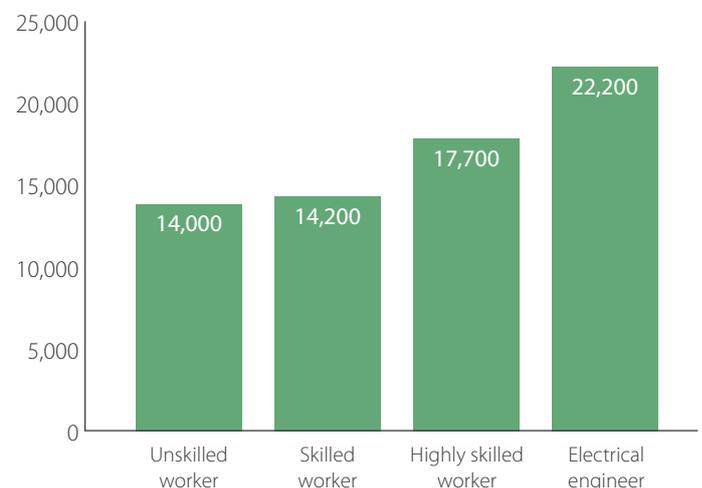
PRODUCTIVITY/VALUE ADDED PER EMPLOYEE, 2013

Company	Value-added per employee (in €)
LPKF	76,013
Interblock	67,816
BSH Hisni aparati	64,421
Kolektor Etra	51,794
ITW Metalflex	47,057
Bartec Varnost	44,774
Elrad International	39,569
Iskraemeco	38,730
Indramat elektromotorji	37,382
Gorenje	31,985

Source: Bisnode, 2014



ESTIMATED GROSS ANNUAL LABOUR COST IN ELECTRONICS & ELECTRICAL INDUSTRY IN 2015 (in €)



Source: Adecco & own calculations, 2014

Quality Link to Regional Markets

Slovenia has a long industrial tradition and it produces a wide range of products, ranging from consumer products to turbines and has enviable reputation for the quality and reliability of its products.

The Slovenian electrical and electronics companies have a strong presence in Europe's east and southeast markets thanks to substantial outward investments. In addition, there is an ever-increasing number of international companies with regional head offices in Slovenia attracted by easy access to quality staff, supplier chains, research institutes and a range of supports to foreign investors and export-oriented companies.

Foreign investors wishing to locate in Slovenia to sell their products and services both locally and across the Western Balkans can count on their Slovenian staff to provide an insider's perspective of the way the businesspeople in the region do business and companies make decisions based on the decades of co-shaping the geopolitical architecture of the region. Slovenia's economic performance continues to build on the positive momentum of its leadership in business and technology best seen in robust export figures.

A strong export performance of the Slovenian electrical and electronics engineering industry generates over 75% of revenues in foreign markets and its results may be affected by the volatility in economic performance of its trade partners. Home-grown companies such as Gorenje, Kolektor, Iskra, Hidria, Elektronek and many others have shown resilience of their brands through the economic downturn and the companies in foreign or mixed ownership followed suit as illustrated by value-added per employee. Gorenje Group, household appliance maker, outperformed Revoz, car assembly plant, and became the second biggest Slovenian exporter in 2013.

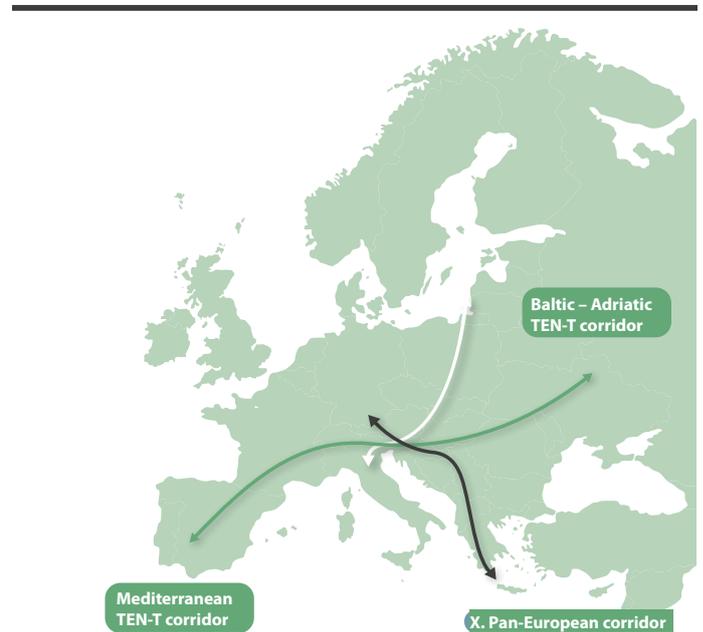
The best-selling products developed and manufactured in Slovenia include electrical and electronic equipment for the automotive industry, commutators for electric motors, electric motors, electronic components for household appliances, vehicle lighting, thermal management, explosion-protected electrical devices and wireless designs. This versatility does not come as a surprise knowing that the highest share of government funds in 2013 was allocated to engineering and technology R&D and for EU Member States the EU Structural Funds are an important additional source in achieving their R&D objectives and foreign investors in Slovenia have experience in tapping EU funds.



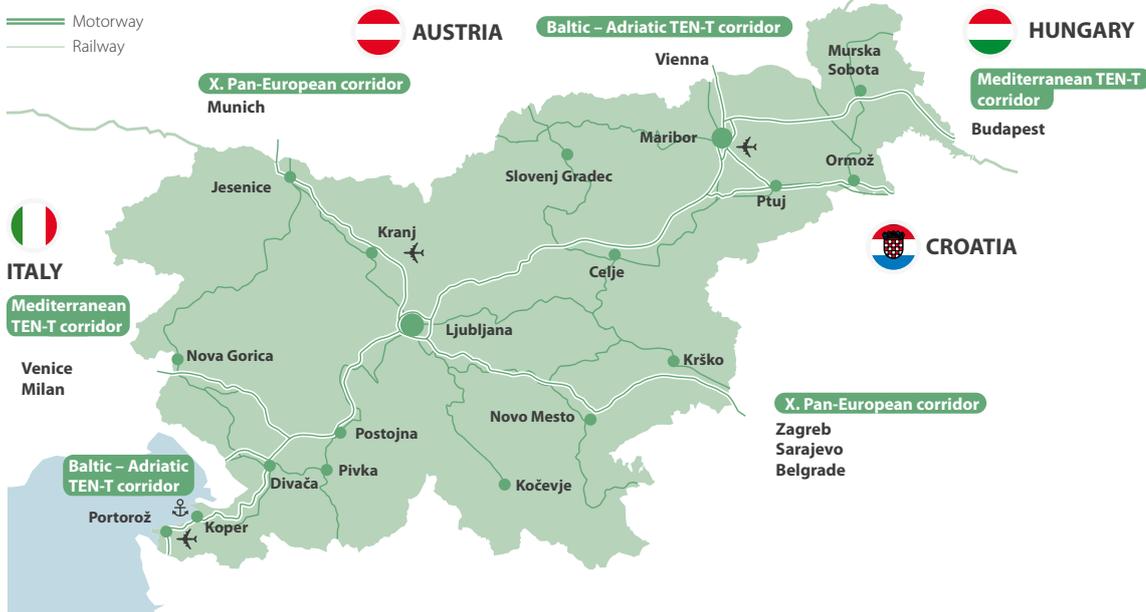
HOW FAR IS LJUBLJANA FROM OTHER MAJOR EUROPEAN CITIES?

Destination	Km*	Time*
Zagreb	145	1.5
Venice	240	2.5
Vienna	380	4
Munich	405	4.5
Budapest	460	4.5
Sarajevo	520	6
Belgrade	540	5

*Distances and approximate journey time by road from the capital of Slovenia



MAP OF SLOVENIA



Quality of Life Testimonial

According to Lonely Planet's Best of Europe list of tourist destinations on 2014, Slovenia's capital Ljubljana and one of Europe's most liveable cities is placed second after Greece and recommended as the perfect base to explore the rest of the country, "which is as picture-perfect as Switzerland but much easier on the wallet" and it has an important 47 kilometres of the Adriatic coast with the medieval towns nested at the tip of the Slovenian Istria also known for olive oil and fine wines.

Generally perceived as a prosperous and welcoming country with architecturally grand, cultured cities, and lush pine-forested countryside, perfect for hiking and biking in summer and skiing in winter (roughguides.com), Slovenia has much to offer both to visitors and expats. Criss-crossed by a well-developed road network, fascinating sceneries, historical sites and sports facilities are a short drive away. Slovenia's climate is equally enjoyable in summer and winter to the delight of fans of adrenaline-fuelled activities to suit every age and taste in every corner of the country. Helpful and sociable local people with a "can do" attitude make visitors feel at home, the country's crime rate is very low, the atmosphere is relaxed even though the Habsburg heritage is alive, and food is great.

»It's worth stressing among other strong points that Slovenia boasts a good education system and professional training schemes. Many years of working with Slovene people have confirmed my first impression that the local people are well-trained on the one hand, and flexible and open-minded on the other. «

Mr. Kurt Reinwald, Director
BSH Hišni aparati
BSH Bosch und Siemens Hausgeräte

B/S/H/

☆☆☆ QUALITY OF LIFE, 2014

Country	Index
Czech Rep.	7.56
Slovenia	5.64
Slovak Rep.	5.40
Croatia	5.10
Hungary	4.00
Poland	3.69
Romania	3.37
Bulgaria	2.57

Source: IMD - World Competitiveness Yearbook, 2014



Innbox - Iskratel's World in a Box

Quality Infrastructure

Slovenia has excellent physical and soft infrastructure. Its international airports, road and rail networks shorten travel distances and make Slovenia one of the most attractive investment locations in the region. The Adriatic Port of Koper is the shortest maritime connection for cargo arriving through the Suez Canal from Asia to the landlocked countries of central Europe and the well-branched ICT infrastructure is a result of an early commitment to making ICT one of the national development priorities.

Foreign investors will compete in the global market more efficiently if they locate in Slovenia where the electrical and electronics industry can provide innovative solutions that meet both the requirements of business and the broader needs of society. Products are manufactured in conformity with the specifications and criteria to be applied consistently in the classification of materials, the manufacture of products and the provision of services leading international standards and EU directives. Operating efficiency is backed by close cooperation with the universities, research institutions, and professional associations. Slovenian suppliers are well known both on the business-to-business and on the business-to-customer markets.

Capabilities of Slovenia's leading manufacturers to design, verify, test and produce sophisticated electrical and electronic components, sub-assemblies and equipment continue to inspire investor confidence in an environment fine-tuned to delivering products, services and information supported by innovation and research. Slovenian innovators often return with medals from international trade fairs for ideas, inventions and new products and as long as the Slovenian knowledge-based companies prosper, they will drive the country's economy.

Some foreign-owned companies have been operating in Slovenia for many years and continue to excel: Hella Saturnus Slovenija with over 60 years of experience in the development and production of lighting equipment for motor vehicles is high-performing company with sound management practices that never go out of style. Others have shorter track records but not less impressive. Belimed won the 2012 FDI Award for business performance The 2014 FDI Award for reinvestment went to Elrad International – the company that had won grants under Slovenia's FDI schemes before and for good reasons.



LEADING COMPANIES IN ELECTRONICS & ELECTRICAL INDUSTRY

Company	Foreign Investor	Products
Bartec Varnost	Bartec (De)	Explosion protected electrical devices
Belimed	Belimed (Ch)	Washing-disinfecting machines and systems, and sterilization equipment for medicine, pharmacy and laboratories
BGS elektrika	BGS elektrika (Hr)	Electrical installations
Bisol proizvodnja		Photovoltaic modules
BSH Hisni aparati	BSH Finance & Holding (De)	Domestic appliances
Cablex-M		Conduits, contacts and connections for home appliances
Domel		Electric motors, fume exhaust units
Elrad International	Kona International (De)	Consumer electronics
Eta Cerkno	E.G.O. Elektro-Geräte (Ch)	Electronic domestic appliances
Eti Elektroelement	Jean Müller Elektrotehnische Fabrik (De)	Fuses, circuit-breakers, surge switches
Eurel		Integrated mechatronical solutions
Fotona	Gores Laser Holdings (USA)	Laser technology, defence optoelectronics, precision mechanics
Gorenje	Panasonic corporation (Jp)	Domestic appliances
Hella Saturnus Slovenija	Hella KGaA Hueck & Co. (De)	Vehicle lighting electronics
Hidria AET		Motor vehicle electrical and electronic equipment
Hidria Rotomatika		Electric motors, generators and transformers
Indramat Elektromotorji	Bosch Rexroth (De)	Electric motors, generators
Interblock	Elektroncek Group	Electromechanical gaming machines
Intra lighting		Architectural luminaires and lighting systems
Iskra mehanizmi		Electric domestic appliances
Iskra Sistemi		Components, devices and program systems
Iskra zascite		Surge Voltage Protection Systems
Iskraemeco	EI Sewedy Cables (Eg)	Devices and systems for electric energy measuring, registration and billing
ITW Metalflex	SG Invest holding (De)	Components for household appliances
Kolektor ETRA		Manufacture of power (generator) transformers
Kolektor Sikom		Leading manufacturer of commutators in the world
Letrika	Mahle (De, At)	Automotive electrical devices
Letrika Bovec	Letrika Laktaši (BiH)	Thermosetting and thermo-plastic materials
LPKF	LPKF Laser & Electronics (De)	Laser and electronics for printed circuit board technology
Metrel		Measuring and Regulation Equipment
Resistec UPR	Krah Unternehmungsholding (De)	Electronic components
Ydria motors	Ebm Papst (De)	Small electrical motors and fans



FACULTIES, RESEARCH INSTITUTIONS AND TRADE ASSOCIATIONS

University of Ljubljana, Faculty of Electrical Engineering	www.fe.uni-lj.si
University of Maribor, Faculty of Electrical Engineering & Computer Science	www.feri.uni-mb.si
Josef Stefan (Scientific) Institute	www.ijs.si
TECES – Research and Development Centre of Electrical Machines	www.teces.si
Technology Centre SEMTO; Development Centre for Circuits, Components, Materials, Technologies and Equipment for Electrotechnic	www.semto.si



ELECTRONICS & ELECTRICAL INDUSTRY IN SLOVENIA



FACTS AND FIGURES IN 2013

Number of companies: 584
 Number of employees: 27,863
 Revenue: € 3.8 billion
 Exports: € 2.9 billion



KEY PRODUCTS

Electric motors and machines • Household appliances
 • Telecommunications equipment • Electronic measuring systems • Medical and optical equipment • Power distribution facilities • Electrical components • Electronic manufacturing services (EMS)



KEY EXPORT MARKETS

Austria, Croatia, Denmark, France, Germany, Italy, Russian Federation, UK

Source: AJPES 2014

INVEST SLOVENIA



SPIRIT Slovenija

Public Agency of the Republic of Slovenia for the Promotion of Entrepreneurship, Innovation, Development, Investment and Tourism

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InvestSlovenia – your connection to business opportunities

InvestSlovenia's team, part of SPIRIT Slovenija, a public agency whose mission is to promote entrepreneurship, innovation, development, investment and tourism, provides services and business tools that allow companies to make informed decisions regarding foreign direct investment in Slovenia.

For an overview of one-stop-shop best practices related to services to investors, facilitating land acquisition for investment projects and coordination with potential business partners, suppliers and authorities, foreign investors just have to turn to InvestSlovenia Team to arrange a direct access to the business community and help reduce time associated with administrative and approval processes.

Global investors can count on the InvestSlovenia staff to expedite their business investment in Slovenia. Its committed experts provide coordination within the competent institutions with FDI-relevant operations and work in partnership with state, regional and local organisations to promote Slovenia's business attraction and investment retention.