

Press Information

Schramböck: The business location of Austria should emerge strengthened from the crisis

Following the record number of projects in 2019, ABA – Invest in Austria is now assisting the federal government in the targeted location of companies in the fields of digitalisation and life sciences and the safeguarding of value chains in Austria.

Vienna, 22 July 2020 - The national investment promotion company belonging to the Federal Ministry for Digital and Economic Affairs can look back at a very successful year in 2019. Together with the regional investment promotion agencies, ABA – Invest in Austria provided professional support to 462 international companies in setting up business operations in Austria. This represents a rise of 30 percent compared to the figure of 355 firms in 2018. The annual results also encompass investments of € 1.85 billion, up 152 percent from the prior-year level of € 734 million. The number of newly-created jobs in 2019 was 4,896, a rise of 70 percent in comparison to 2,888 new jobs in the previous year. “The business results of ABA in 2019 are truly remarkable. However, we have to remain realistic when it comes to the year 2020”, says Margarete Schramböck, Federal Minister of Digital and Economic Affairs. “Similar annual results will certainly not be generated in the near future, because the international coronavirus crisis has hit the business location of Austria too hard for this. Nevertheless, we are making every effort to emerge strengthened from the crisis, and are now attaching particular importance to quality instead of quantity in locating foreign companies”, Minister Schramböck adds.

Production must be brought back to Austria and Europe

According to Minister Schramböck, it is absolutely necessary to bring back the manufacturing of essential products to Austria again in order to secure the competitiveness of the business location and be prepared for upcoming crises. “We need a renaissance of production and the safeguarding of value chains and thus the related jobs in Austria in order to be less dependent on international value chains in the future. This is of vital importance, especially in the field of healthcare, as the coronavirus crisis has shown us“, Ms. Schramböck states, adding: “We will create optimal conditions for this, and with the support of ABA – Invest in Austria, targetedly appeal to foreign companies offering an added value to the Austrian business location and supplies in times of crisis“.

Research and innovation are relevant to the business location

The number of companies involved in research and development which settled in Austria more than doubled from 32 in 2018 to 66 in 2019 (new jobs: 1,871; total investments: € 844 million). For Minister Schramböck, this is impressive proof of the performance capabilities of Austria as a research and innovation location. “Austria stands out abroad due to the high qualifications of its specialised employees and the research tax credit of fourteen percent, which provides the right impetus. Research and innovation are fundamental factors enabling us to emerge more

quickly and dynamically from the crisis. Our objective is to become autonomous with regard to most important medical products. In this case we are also relying on the longstanding experience of the ABA experts, with whom we will increasingly attract companies in the fields of digitalisation, medical technology and life sciences“, she says.

ABA scorecard: distribution by country

In 2019, a total of 143 companies deciding in favour of Austria originated from Germany, the traditionally strongest investing country, representing an increase of one-third compared to 108 projects in 2018. Germany also remains the number one in the two other parameters of jobs created (2,250) and investment volume (€ 670 million), comprising a respectable share of 36 percent and 46 percent respectively. The second most important investor nation was once again Italy, with 45 business location projects in 2019 (2018: 28). There was also a significant increase in companies settling in Austria from Great Britain. A total of 24 British firms established business operations in 2019 with the support of ABA – Invest in Austria (2018: fourteen). Close to one-fifth of all business location projects, or 89 companies all in all, originated in the CEE/SEE markets. Hungary and Slovenia were most strongly represented with fourteen companies each, followed by the Czech Republic and Slovakia, both with a total of eleven firms. 28 foreign startups were assisted by ABA – Invest in Austria last year in setting up their businesses in Austria, six more than in 2018.

ABA scorecard: ranking of the federal provinces

In 2019, 235 companies or more than half of the overall total selected to invest in the capital city of Vienna (2018: 182). The most popular federal state after Vienna was Salzburg with 44 business location projects (2018: 30), followed by Lower Austria with 39 companies (2018: 32) and Upper Austria with 37 (2018:15). 33 firms each decided to locate in Tyrol and Carinthia (2018: 18 and 22 respectively), whereas 27 located in Styria (2018: 29), seven in Burgenland (2018: six) and six in Vorarlberg (2018: 16). One company established sites in several of Austria's federal provinces.

Examples of companies locating in Austria:

Crayon Austria GmbH

Crayon ranks among the leading software providers and licensing consultants on the European market. The Norwegian firm boasts extensive know-how in the fields of big data, artificial intelligence and machine learning, and employs more than 1,600 people in 45 subsidiaries across the globe. In 2019, Crayon established a Data & Artificial Intelligence Centre of Excellence in Vienna with the goal of building up a team of approx. 50 experts in the fields of AI, Machine Learning as well as Data & AI Infrastructure. The AI Centre of Excellence serves as the firm's headquarters for Continental Europe. The first 20 specialists are already available here for the benefit of European customers.

“Vienna is the perfect place to go for highly qualified talents, and is also superbly geographically positioned in order to be able to provide quick, high-quality services to our customers throughout Europe“, says Florian Berger, General Manager AI Centre of Excellence Europe, Crayon Austria GmbH.

NXP Semiconductors Austria GmbH, a subsidiary of NXP Semiconductors N.V. (NASDAQ: NXPI), the world's largest semiconductor supplier for the automobile industry, is planning the expansion of its research and development centre in the field of "Machine Learning and Security" located in Gratkorn near Graz. The addition of 50 new employees in hardware, software and security is designed to create competence centres for "Secure & Digitalised Vehicle Access" and "Safe and Efficient E-Mobility with Intelligent Energy Management."

"Investments in research and innovation are the basis of success for our company. The business location of Austria offers us an attractive environment of development funding, non-university research facilities and access to optimally trained engineers and university programmes", states Markus Staeblein, Managing Director of NXP Austria GmbH.

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About Austrian Business Agency (ABA)

ABA – Invest in Austria is the national investment promotion agency of the Austrian Business Agency (ABA) owned by the Federal Ministry for Digital and Economic Affairs. With its three departments, ABA – Invest in Austria, ABA – Work in Austria und Location Austria, Austria's business promotion agency promotes Austria abroad as a business and research location, an attractive labour market for skilled workers and a location for international film productions.

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