

Security, continuity, and social commitment

The Metrohm Foundation

When the founder of Metrohm, Bertold Suhner, set up the Metrohm Foundation together with his business partners Lorenz Kuhn and Hans Winzeler, his primary goal was to ensure that the company in which he had invested so much of his time, passion, and energy remained financially independent. But taking this step achieved a whole lot more; today, the Metrohm Foundation is one of the foremost non-profit organizations in all Eastern Switzerland.

How can independence be maintained?

When Bertold Suhner stepped down as CEO of Metrohm in 1982, he was loathe to leave his company to the whims of the free economy. Instead, he wanted to ensure that the company continued to exist in line with his vision; Metrohm was to remain an Appenzell-based company, and never lose its innovative spirit by merging or being sold off to a large corporation. As Suhner had no children, he needed to find another way to safeguard the future of the company.

After considering various options, he finally came down in favor of an unconventional solution: Metrohm was to become the property of a non-profit foundation, set up especially for the purpose. Rather than being ruled by shareholders, the company would now be governed by the statutes of the Foundation. So before Suhner finally handed over the management of the company to his successor Adrian Déteindre, he established the Metrohm Foundation. In doing so, he achieved two of his most important goals: to this day, the Foundation safeguards Metrohm's independence; and to this day, it benefits Bertold Suhner's home – Eastern Switzerland and the Appenzell region.



A gift to the Foundation

At the time the Foundation was set up, the Metrohm Group had three shareholders: Bertold Suhner himself, and his business partners Hans Winzeler and Lorenz Kuhn. Years previously, Suhner had come to an agreement with the other two that they would hand over their shares without payment as soon as a solution was found for the succession.

This solution was finally found in the Foundation. Suhner, Winzeler, and Kuhn handed over their shares in the Metrohm Group to the Metrohm Foundation. As a result, the company became the property of the Foundation, and the foundation board became the representative of the shareholder base. In this function, the foundation board has the same rights and obligations as shareholders, in accordance with the Swiss Code of Obligations. The foundation board also performs its duties in accordance with the foundation deed. Primarily, this concerns handling incoming requests for funding and implementing projects approved by the foundation board. The board does not influence the operative or strategic decisions of the Metrohm Group. In this sense, there is a clear and legally regulated division between the Foundation and the Metrohm Group. For example, it would be virtually impossible for the Foundation to sell Metrohm.

When electing members for the board, great importance is attached to a close relationship with Metrohm or the economy in Eastern Switzerland. Willy Hartmann for example, who was President of the foundation board between 2000 and 2018, used to be a self-employed entrepreneur in Eastern Switzerland and had served for five years on the administrative board of the Metrohm Group before being appointed to the position. In the summer of 2018, he was succeeded by Bruno Winterhalter who, until then, had been CFO of the Metrohm Group.

A contribution to society

As shareholder of the Metrohm Group, the Metrohm Foundation receives dividends. It invests these dividends in non-profit work. The primary goal of the Foundation is to promote the economy and education in the Appenzell region, with a strong focus on sciences and modern technology. The Metrohm Foundation is also committed to community projects in the Appenzell region and surrounding area. In certain cases, it also funds cultural projects and youth organizations in the region. The restriction of the Foundation's work to Eastern Switzerland reflects Bertold Suhner's love for his homeland.

One major educational project was the introduction of IT lessons in Trogen high school in Suhner's home canton of Appenzell Ausserrhoden. Over a number of years, the school received a total of 3.6 million Swiss Francs. The money was used to buy computers with internet access, to train staff, and to appoint two project managers. For around ten years, the Foundation has been running an extensive project named «Promoting Science for Interested and Gifted Students», based on the conviction that Switzerland urgently needs qualified scientists of all levels in the up and coming generation if the economy is to prosper. Here, the Foundation collaborates with universities, the Swiss Foundation «Jugend forscht» («Youth Researches») and other educational institutions. Since 2014, the Metrohm Foundation has been funding a chair for «New Materials» at Zurich University for Applied Sciences.

In honor of its founder, the Metrohm Foundation also supports various community projects. For example, it has repeatedly helped to fund major investments in retirement homes and homes for the disabled.

It also funds meaningful pursuits for young people, such as football clubs or music societies – clubs, in other words, which help keep teenagers off the streets. However, Willy Hartmann, former President of the foundation board, emphasizes that the Metrohm Foundation is not a cultural foundation; even in such projects, the focus is more on the community aspect. «For example, we don't buy uniforms for music societies; but we do buy instruments.»

Safety and continuity for employees

As one of the largest non-profit organizations in Eastern Switzerland, the Metrohm Foundation makes a major contribution to society with its projects. But the Foundation also plays an important role for Metrohm employees, albeit in the background: the stability of the ownership offers security and continuity. «This doesn't mean our employees can just lie back and do nothing – at the end of the day, Metrohm is still a joint stock company which aims to make a profit,» says Bruno Winterhalter, current President of the foundation board.

However, Metrohm is under no pressure to achieve quick profits. Instead, it can focus completely on long-term success – unlike companies which are subject to the fluctuations of the stock market. Furthermore, when it comes to dividends, the Foundation is an undemanding shareholder.

Most of the profits remain in the company, where they can be used to fund further developments. This enables Metrohm to remain true to Bertold Suhner's principle of funding all investments without external loans.

In the long term, both the Metrohm Group and the Metrohm Foundation benefit from this approach. «Thanks to the stability of the ownership, we don't have to accept second best for the company's future,» Bruno Winterhalter says. «Metrohm's success has made us a role model for others. Various companies in the region have modeled themselves on the idea and now set up their own foundations.»

