

Press Release

Biberist, March 1st, 2010

Mondaine continues to support the economic situation in Switzerland New production and distribution center for watches and jewelry in Biberist

Today Mondaine House officially opened with a modern factory and new distribution center. The Bernheim brothers have invested approximately 10 million francs into the Swiss location, which houses the long-established Mondaine Watch Ltd. and the newly created Marlox AG. The 110 employees in Biberist will manufacture watches with the Mondaine, M-Watch, Luminox and camel active labels as well as distribute fashion watches and jewelry all over the world.

The world famous Mondaine watches have been produced in Biberist since 1967 and dispatched all over the world. Erwin Bernheim founded the family business in 1951, and it was eventually taken over by brothers André and Ronnie Bernheim. Over the years, they have continually expanded the business activities of the Mondaine Group and last year also formed the Marlox Group, which specializes in the design, production, marketing and sale of fashion watches and jewelry of well known brands.

Mondaine House in Biberist accommodates the production of its own Mondaine, M-Watch, Luminox labels and licensed brands such as camel active, as well as the manufacture of watches from third-party companies. In addition, watches and jewelry for Esprit, JOOP! and Puma will be distributed from here through Europe via Marlox AG. Besides the Swiss location, André and Ronnie Bernheim invested with partners in production facilities in the Far East in 2009 so as to best serve customers' needs for jewelry and fashion watches.

“With the opening of Mondaine House and the establishment of the Marlox Group we have reached a milestone in the development of our family business. The decision to have a location in Switzerland is not without risk given in particular the “Swiss Made” law currently under discussion, which threatens many businesses that produce in Switzerland,” says Ronnie Bernheim.

Ernst Thomke, doyen of the Swiss watch and clock industry and, as the founder of the Swatch, a former competitor and supplier of Mondaine, said as a guest speaker at the opening ceremony: “The Bernheims’ father was already an innovative Swiss entrepreneur and a tough fighter. So it gives me great pleasure to see that his sons also value Switzerland and are expanding their international business with courage; prepared to take risks.”

Mondaine Watch Ltd. – The most modern production

With the opening of the new facility, the former Mondaine factory in Biberist was replaced and a production and distribution facility four times larger was established near the city of Solothurn. The latest technical and logistical equipment will effectively ensure the business activity from Switzerland.

“We weighed various options and decided to remain in Biberist. We can produce quality watches cost-efficiently in the new facility as well as count further on the expertise of our employees. As a result, we have also increased our competitive edge, remained loyal to the location, and have been able to create sixty new jobs,” explains André Bernheim, Managing Director of the Mondaine Group, justifying the Biberist decision.

The new building complex comprises office space, production, storage and distribution and is among the most modern facilities in Switzerland. The Mondaine Group is the only watch manufacturer that uses clean-room technology from the pharmaceutical industry in its production process to keep the room extremely dust free and to maintain the temperature and moisture at a constant. The first provides for a cost-efficient production and high quality as a result of minimum dust in the parts, and the second reduces the watches’ susceptibility to condensation.

The optimized storage and distribution hall plays an important role in the location’s ability to compete. Thanks to the deadline-oriented stock control of the 16,000 different components, Mondaine’s own brands such as the M-Watch are produced economically with the just-in-time procedure and the actual sales of customers such as Migros are coordinated.

Marlox Gruppe – Europe-wide distribution from Biberist

Together with strategic partners such as Adrian Keller, Chairman of the international trading house DKSH, the Bernheims have established another business segment with the Marlox Group. Founded last year, the Marlox Group specializes in the design, production, marketing and distribution of the fashion watches and jewelry of such licensed brands in the lifestyle sector as Esprit, Joop! and Puma. Many of these labor-intensive products are manufactured in the company’s own factories in the Far East, which are also under the direction of Ronnie Bernheim.

The Marlox AG distribution center was shifted from Germany to the Mondaine House on the Aar and the additional employees that were hired ensure that up to 2000 consignments are assorted and sent out on time to customers all over Europe every day.

You can get more information about Mondaine House from the attached fact sheet.

About Mondaine/ Marlox AG

Mondaine Watch Ltd.: design, production and marketing of the own brands Mondaine, M-Watch and Luminox, licensed label camel active, watch manufacturing and outsourcing services for third parties.

Marlox AG (Swiss section of the Marlox Group): marketing and distribution of watches and jewelry for the Esprit, JOOP! and Puma watch brands in Europe.

Press kit / Picture material

You can find the electronic press kit and picture material at www.mondaine.com > Press

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Please Note

On March 1st, 2010 at 10:20 p.m., SF1 will broadcast a report on Mondaine House in Biberist

Fact Sheet**Mondaine House, Biberist*****Mondaine House***

Watch production (Swiss Made) and distribution to Swiss retail dealers of Mondaine Watch Ltd. and in 60 export countries of Marlox AG.

Receipt of goods and quality assurance (IQC)

Delivery and receipt quality control of clock components, which are delivered from within the country and abroad.

Assembly hall Watch (T2)

The first watch production in Switzerland with clean-room technology. Thanks to a slight over-pressure, no air with dust can penetrate the clean-room via the inlet and outlet lock. The over-pressure is generated at 10,000 m³ air/hour, which is pumped temperature and moisture-regulated via an air filter in the double ceiling into the room. The constant temperature and moisture ensure that watertight clocks do not condensate.

Assembly hall Illuminated Body (LLT)

In the room checked by the Federal Office for Health and the SUVA, the fluorescent tubes on dials and hands are attached in a highly precise manner, so that the Luminor and Mondaine watches can be seen very well in the dark for up to at least 25 years.

Assembly hall Finished Watch (T3)

After a 24-hour check in the outlet lock, the watches are fitted with wristbands and made ready for dispatch or immediate sale. Care is taken to be eco-friendly with minimal use of packing material.

Storage and delivery hall

The two-storey hall is where the inventory of around 16,000 different components are kept, which are used in watch production according to the just-in-time principle. Finished products are also made ready for dispatch all over the world.

Office Wing Mondaine and Marlox

Mondaine House holds the offices of the Mondaine Group, from which personnel and logistical interests are controlled as well as Marlox AG employees, who deal with marketing and sales activities, account systems, customer service and the distribution of the company.

Customs warehouse

Also included is the Marlox AG customs warehouse, from which watches and jewelry are dispatched to all of Europe. State-of-the-art planning and engineering means approximately 2000 packages can be dispatched daily. This warehouse and the logistics work were shifted from Germany to Switzerland.