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## I. Introduction

US based company that sells shoes made out of recycled materials. The shoes are manufactured locally in the US, through a licensing agreement with the manufacturer and then exported to Switzerland. The goods will be transported by sea from the Long Beach Port, through the Panama Canal and end up in port Hamburg. From Hamburg the goods will be transported to Switzerland by train. Switzerland is centrally located in Europe, with neighbors such as Germany, France, and Italy. Switzerland is formally known as a confederation but has a similar structure as a federal republic. The country is based on a civil law system and is part of a number of International organizations such as; ICC, IMF, UN, WTO. Switzerland has a prosperous economy with a low unemployment rate and a modern market economy. It's economically and politically stable. The success of Switzerland is highly connected to its neighboring countries, which are the purchasers of half of the country's exported goods. Major export partners are Germany, The US, Italy, France, and The UK.<sup>1</sup> In addition Switzerland is part of the EFTA, European free Trade Association, and with that the EEA agreement.<sup>2</sup> The EEA agreement brings together the EU states with the members of the EFTA, to promote free trade in the area.<sup>3</sup> The Swiss

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<sup>1</sup> Central Intelligence Agency. World Fact Book, Switzerland. Retrieved May 8<sup>th</sup> 2014, from <https://www.cia.gov/library/publications/the-world-factbook/geos/sz.html>

<sup>2</sup> International Trade Administration. Office Of Textiles And Apparel, Switzerland. Retrieved May 13<sup>th</sup> 2014, from <http://web.ita.doc.gov/tacgi/overseasnew.nsf/alldata/Switzerland>

<sup>3</sup> European Free Trade Association. EEA Agreement. Retrieved May 13<sup>th</sup> 2014, from

duties are specific rather than ad valorem, this means that the goods are taxed based on weight, measurements, size rather than on the value of the good. The specific duty in Switzerland is most often based on weight, it's levied per 100 kilograms of gross weight, unless any other method is used, such as per meter or per unit.

## II. USA

The US legal system is based on common law on the federal level as well as at state level. The US withdrew its acceptance of compulsory ICJ jurisdiction in 2005, and the ICt jurisdiction in 2002.<sup>4</sup> However US is part of the ICC (USCIB), to promote corporate responsibility, open markets, and innovation. USCIB provides business views and policies. They also have regulatory authorities worldwide. USCIB as a part of ICC plays an important role in ICC policy and advocacy efforts. ICC also holds the International Court of Arbitration.<sup>5</sup> The US Department Of Labor has a summary of the major laws applicable to employment. Wages and Hours includes fair labor standards, it affects both public and private employment. Under the Wage and Hour Division the employer is required to at least pay its employees federal minimum wage. Under the occupational safety and health act employers must comply with regulations and health and safety standards, in addition the employers also have to “provide their employees with work and

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<http://www.efta.int/eea/eea-agreement>

<sup>4</sup> Central Intelligence Agency. World Fact Book, USA. Retrieved May 14th 2014, from <https://www.cia.gov/library/publications/the-world-factbook/geos/us.html>

<sup>5</sup> International Chamber Of Commerce. United States Council For International Business. Retrieved May 14<sup>th</sup> 2014, from <http://www.iccwbo.org/worldwide-membership/national-committees/icc-united-states/>

a workplace free from recognized, serious hazards". The Occupational safety and health act is enforced by inspections and investigations. Under occurrences of plant closings or layoffs the subject would fall under the WARN act (Worker Adjustment and Retraining Notification Act), this act ensures that employees get an early warning if layoffs/plant closings were to occur, the Department of Labor does not have administrative responsibility for this statute, it's enforced through private action in federal court.<sup>6</sup> The Consumer Product Safety Act has the purpose of protecting the consumer from unreasonable risks of injury; it has a uniform safety standard for consumer products and works so as to prevent product-related deaths, illnesses, and injuries, through promotion of research and investigation. The Federal Hazardous Substances Act regulates hazardous substances in products. The products need to have cautionary labeling to warn the customer of any of the hazards connected with the product and the use of the product. Whether this is necessary depends on the likelihood of consumers being exposed to any hazards while using the product (customary use), customary use includes ingestion by children. When textiles are used in apparel (that is intended to be used as clothing) the products are divided into 3 classes of flammability, based on speed of burning. The minimum standard for textiles used in apparel must meet class 1 or 2 in the flammability requirements.<sup>7</sup> In applying environmental claims for marketing reasons the FTC has a lot

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<sup>6</sup> United States Department of Labor. Summary of the Major laws of the DOL. Retrieved May 14<sup>th</sup> 2014, from <http://www.dol.gov/opa/aboutdol/lawsprog.htm>

<sup>7</sup> National Institute of Standards and Technology. U.S Department of Commerce. A Guide to United States Footwear Compliance Requirements. Retrieved May 19<sup>th</sup> 2014, from [http://gsi.nist.gov/global/docs/footwear\\_guide.pdf](http://gsi.nist.gov/global/docs/footwear_guide.pdf)

of regulations, it prohibits deceptive advertisement. Marketers therefore have to support their claims by being truthful, not misleading, and support their claims on a reasonable basis. In the area of environmental marketing claims a “reasonable basis” requires reliable scientific evidence. The evidence needed is based on, tests, analyses, and research. In addition qualifications and disclosures have to be clear, prominent, and understandable, to make it clear and understandable marketers need to use plain language and should avoid using distracting elements. It also has to be clear whether the environmental claims are referring to the product, package, and or service i.e. a clear distinction. To get proper certification, an independent third-party certifier must be used. The certifier needs to have the appropriate expertise within the specific product area. In claiming recycled contents the product has to consist entirely of recycled materials however if the product is only partly made of recycled materials it has to be clearly stated the overall percentage of recycled contents<sup>8</sup>. The US and Switzerland have entered several agreements to deepen the cooperation and the relationship. These agreements include; The Enhanced Political Cooperation Framework, the Trade and Investment Cooperation Forum, and the revised Operative Working Arrangement on Law Enforcement Cooperation on Counterterrorism. The two countries also signed an agreement for anti-money laundering, counterterrorism, regulatory cooperation, and intellectual property rights. Both countries are active members in the WTO.<sup>9</sup>

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<sup>8</sup> Government Printing Office. Electronic Code of Federal Regulations. Retrieved May 14<sup>th</sup> 2014, from <http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&sid=3f5f388846f1ec346417f8faafafedf0&rgn=div5&view=text&node=16:1.0.1.2.24&idno=16#16:1.0.1.2.24.0.5.1>

<sup>9</sup> U.S Department of State. U.S. Relations With Switzerland. Retrieved May 14<sup>th</sup>, from

Switzerland is a federal union consisting of 26 federation states, the states are called “Cantons” and the federal power “the Confederation”. The Swiss Federal Constitution coordinates the two levels of the State. The Cantons are sovereign, which means that the Federal Constitution does not limit the Cantons. The Cantons also administrates their own political and financial affairs, they are autonomous. Each Canton has its own constitution and is also free to choose its own institutions. However each Canton has to make sure that all institutions practice democracy. They are also fairly independent when it comes to generation income to cover its own expenditures, tax rates. Each Canton has the same right to participate in the decision-making process on Federal State level. The Supreme legislative authority consists of two Chambers. The first Chamber is the House of Representatives, where each Canton is represented in proportion to its population. The second chamber is the Senate, which consists by two elected representatives from each Canton. The legal system in Switzerland is largely based on “the loyalty principle” which conducts that the Cantons and the Confederation shall assist each other and offer support to better fulfill tasks for the State’s best interest. Even though the Cantons are very independent they still have to abide to federal law and have to implement federal statutes. The Cantons are showing to be significantly different from each other and this may impede circulation on the Swiss market. Another obstacle this system has shown is that

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<http://www.admin.ch/org/polit/index.html?lang=en>

since each Canton is allowed to set up its own judiciary system the complexity for attorneys to appear before a judge outside their own Canton is significant.<sup>13</sup>

The trade relations between Switzerland and the EU are governed through bilateral agreements. In an effort to get access to the EU's single market Switzerland has agreed to accept certain aspects of EU legislation. The EU and Switzerland have a Free Trade Agreement since 1972. The major bilateral agreements consist of Bilateral I and II.

Within the Bilateral I there are seven sectorial agreements, these include free movement of persons, technical trade barriers, public procurement, agriculture and air and land transport.<sup>14</sup>

The Swiss regulatory framework eases the entrepreneurial activity in the country. It makes it easier for businesses to form and operate dynamically. The Swiss government has a "hands-off" approach in small business sectors. The government does not screen foreign investment and domestic and foreign investors are generally treated equally. The average tariff rate in Switzerland is 0 percent. Switzerland is known for its openness to

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<sup>13</sup> Werro, Franz & Viret, Marjolaine. IALS Conference, Learning from each other: Enriching the law school curriculum in an Interrelated world. *The three most important features of Switzerland's legal system*. PDF. Retrieved April 15<sup>th</sup> 2015, from [http://www.lenzstaehelin.com/uploads/tx\\_netvlsldb/The\\_Tree\\_Most\\_Important\\_Viret.pdf](http://www.lenzstaehelin.com/uploads/tx_netvlsldb/The_Tree_Most_Important_Viret.pdf)

<sup>14</sup> European Commission. Countries and Regions, Switzerland. Retrieved May 15<sup>th</sup> 2014, from <http://ec.europa.eu/trade/policy/countries-and-regions/countries/switzerland/>

the world and neutrality. Switzerland is also one of the world's most investment-friendly countries, its banking systems is well-developed and provides good services.<sup>15</sup>

### *Laws and regulations:*

Products in Switzerland have to apply to the consumer protection law. The consumer protection law is divided into acts. The federal act on product liability states that manufacturers, importers, and suppliers are liable for injuries and damages caused from private use of a defective product. The Swiss PLA largely follows the directive of EU PLA. Everything that is a movable object, including electricity is considered to be a product. A product is considered defected if it doesn't provide the safety that is expected from it. The proper usage of the product is taken into consideration before determining defect. A defect of a product can be a result of faulty construction or design, a defect in production or failure to instruct consumer how to use the product properly. The federal act on product safety applies to all ready-to-use and moveable products. The PSA propose to guarantee product safety and facilitate free movement of goods across borders. Under the PSA the foreseeable product life cycle has to be taken into account. The maximum life cycle has to be specified on the actual product. When doing business through E-Commerce the provider of the goods has to provide the customer with his/her identity, contact information, and all the steps needed to "conclude a contract". Orders must be followed by an immediate confirmation of purchase. Switzerland and The U.S.

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<sup>15</sup> Index of Economic Freedom, 2014. Switzerland. Retrieved May 18<sup>th</sup> 2014, from <http://www.heritage.org/index/country/switzerland>

are working together to establish a common policy regarding E-Commerce. This policy is meant to encourage electronic commerce, provide legal certainty for users, and provide a climate of trust and confidence in electronic transactions. The policy also tries to prevent discrimination. The two countries have also established the “Swiss-U.S. Safe Harbor Framework” to protect personal data and to simplify administrative procedures for enterprises located in both the U.S. and Switzerland. Regarding jurisdiction for Swiss consumers, the Swiss code on Civil Procedure states that the jurisdiction lies with the court of the domicile of the consumer’s domicile. However in addition the consumer has the opportunity to file its action at the supplier’s domicile. A jurisdiction agreement can only be determined when a disagreement has occurred and cannot be submitted in advance.<sup>16</sup> For a contract of sale to be valid under Swiss law an explicit or implied exchange of an offer and an acceptance need to occur, which means mutual assent. No requirement for drawing up a contract of sale for goods exists, a contract can be concluded orally, and an oral agreement is also enforceable under Swiss law. Under the Swiss law an agreement conducted via emails or faxes are also valid under the sale of goods contract. Under the circumstances that the “seller” conceals that the products have serious defects, having illegal contents, or violating good morality, the contract is null and void. However if only some of the products are defected and that only affects some parts of the contract, only those products are null and void unless they affect the whole contract in essence. In determining when ownership transfer from seller to buyer the Swiss law is based on a dual system. First the ownership transfers when the contract

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<sup>16</sup> Swiss-American Chamber of Commerce. Legal, Switzerland. Retrieved May 17<sup>th</sup>, from [http://www.amcham.ch/members\\_interests/p\\_business\\_ch.asp?s=2&c=6](http://www.amcham.ch/members_interests/p_business_ch.asp?s=2&c=6)

provides for the transfer. Second when the goods are physically transferred to the buyer, the goods are in the buyer's possession the title is transferred. Only when both requirements are fulfilled the title to the goods is transferred. In the issue of which party has the property over goods the Swiss courts will apply Swiss conflict-of-law. This law is therefore applicable to where the goods are located. If the goods are in transit the Swiss law states that the state of destination applies. In the case of conflict of law the Convention on the law of International Sale of Good applies, under the Hague Convention (1955). This convention states that the domestic law of the country agreed upon by the contracting parties should govern the dispute. The CISG applies in Switzerland and if the seller is a resident of Switzerland the Swiss court would apply CISG.<sup>17</sup>

*Economic system:*

Switzerland has a modern market economy with one of the highest per capita GDP in the world. It has low corporate tax rates, which makes it a highly competitive economy. The Swiss economical practices are in large conformed to the EU standards; this is mainly to enhance their international competitiveness. The neighboring countries in the EU are the purchasers of half of all the Swiss exports. The global financial crisis of 2008 put Switzerland in recession, due to stalled export demand. However the Swiss National Bank implemented a zero-interest rate policy in order to boost the economy, which led to

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<sup>17</sup> International Comparative Legal Guides. Jurisdictions, Switzerland. Commodities & Trade Law. Retrieved May 18<sup>th</sup>, from <http://www.iclg.co.uk/practice-areas/commodities-and-trade-law/commodities-and-trade-law-2006/switzerland>

the Swiss economy starting to recover in 2010. The debt crisis in the euro-zone poses a big threat to Switzerland's financial stability. The investors are seeking a safe-haven currency and are therefore driving up the demand for the Swiss franc. Due to this demand the Swiss franc is growing stronger and the Swiss exports become less competitive and has weakened the growth outlook. The country's major trade partners have increasingly put more pressure on Switzerland to reform its banking security laws. This has led to Switzerland incorporating the OECD standard. Under consideration is also to impose taxes on foreigner holding bank deposits in Switzerland, this will have a major impact on the long history of bank secrecy in Switzerland and possibly the economy. The GDP purchasing power parity for Switzerland was 2013 \$371.2 billion. The real growth rate are today at 2%.<sup>18</sup> A huge concern for the Swiss is that the economic activity in the country should have as little impact as possible on the environment. They have therefore aimed to implement eco-friendly transportation and energy.<sup>19</sup> Switzerland is part of EFTA and therefore has close ties to the EU and its regulations through the Bilaterals I and II. Currently around a hundred bilateral agreements exist between Switzerland and The EU.<sup>20</sup>

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<sup>18</sup> Central Intelligence Agency. The World Factbook, Switzerland. Retrieved May 18<sup>th</sup> 2014, from <https://www.cia.gov/library/publications/the-world-factbook/geos/sz.html>

<sup>19</sup> Federal Department of Foreign Affairs, Presence Switzerland. Economy, The Swiss Economy. Retrieved May 18<sup>th</sup>, from <http://www.swissworld.org/en/economy/>

<sup>20</sup> European Commission. Countries and Regions, Switzerland. Retrieved May 18<sup>th</sup> 2014, from <http://ec.europa.eu/trade/policy/countries-and-regions/countries/switzerland/>

## *Culture*

Switzerland is located in central Europe with France, Germany, Austria, and Italy as its neighbors. The terrain mostly consists of mountains, Alps in the south, the Jura in the northwest, and the central plateau of rolling hills. They have two official languages in Switzerland, German 64.9% and French 22.6%. The population consists of 8,061,516 people. The largest age group is the group with the ages 25-54. This group holds 43.9% of the entire population, with an equal spread between men and women. The urbanization rate is high, with 74% of the population living in the cities. The major urban areas are Zurich and Bern.<sup>21</sup> Switzerland is a diverse culture shaped by old tribes and the many languages spoken in the country. Old traditions are still very present but they are different depending on where you come from, it's multi-faceted. The Swiss are also shaped by their environment and characteristics born out of necessity. The economic wealth is based on its innovative people shaped from harsh environment and born out of cleverness. Due to the many cantons and their different laws and rules, Swiss companies have become master negotiators.<sup>22</sup>

Switzerland's central location in Europe is part of its multicultural traditions. The country has a mature trading culture and a well-developed business infrastructure. The legal and regulatory environment is business-friendly. The work force is well

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<sup>21</sup> Central Intelligence Agency. World Factbook, Switzerland. Retrieved May 18th 2014, from <https://www.cia.gov/library/publications/the-world-factbook/geos/sz.html>

<sup>22</sup> Swiss Vistas. The Insider Guide to Switzerland. Switzerland Culture and Traditions. Retrieved May 19th 2014, from <http://www.swissvistas.com/switzerland-culture.html#.U3wz4FhdWat>

educated and flexible. In Switzerland there is a high demand for high quality products with competitive prices. The British Embassy in Bern has posted advice for doing business in Switzerland, these include: a clear purpose of the meeting in before hand. The date of the appointment should be decided upon in good time. Punctuality is important and it is best to arrive early, even if arriving only five minutes late notifying them is of essence. First names are only used when a senior business colleague suggests it; otherwise surnames are used for introduction and throughout business meetings. The Swiss business environment is hierarchical; they respect the senior business colleagues. Stress quality, reputation, and reliability are all important factors for Swiss buyers. Business hours are 08:00-05:00 pm, the hours include a long lunch break. Formality and familiarity is important to Swiss Businesses, so regular visits are good in the early stages. The personal relationship is of high importance in Swiss business. To succeed in Switzerland patience is of essence, be prepared to invest time and money in the market and do not expect immediate results. The business environment in Switzerland is very formal and is based on building long-term relationships. To gain respect from the Swiss it's important to consider three factors, competence, performance, and efficiency. Business is strictly business and is not mixed with private life, so getting to know the business side is highly important. When negotiating the Swiss do not expect nonsense and will not look kindly at unprepared counterparts. Switzerland is considered to be less pedantic than other German speaking countries, however there is a high emphasis on formality. During negotiations it's important to be disciplined and not rush any decisions. The Swiss are known to be reluctant to

taking risks but they are however efficient in striving to reach the best result. They strive to establish equal partnerships with mutual benefits. They are not demanding or aggressive during negotiations. Generally the price is not as important in negotiations as the quality. Trust is an important factor and the Swiss expects foreign businesses to commit time and effort to their customers, mainly through high quality products and excellent customer service. In delivering the products it's expected that they will arrive on time and according to the contract.<sup>23</sup>

### *Transportation*

Upon completion of goods, the manufacturer will transport the goods to our freight forwarder located in the Long Beach Port. From there the goods will be transported by sea, through the Panama Canal, the Caribbean Sea, North Atlantic Ocean, North Sea, and end up in Port of Hamburg. The goods will be transported from the Hamburg port by train to Switzerland.

If the goods that are being transported don't require fast shipment, transportation by sea is the most economical mode of transportation. Transit time varies depending on port locations and weather conditions, but generally a shipment from a US port to Europe takes about 10-12 days. Containerization is a technique that now dominates the shipping techniques in the world, this technique makes it easier to quickly transition the goods into

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<sup>23</sup> UK Trade & Investment. Doing Business in Switzerland. PDF. Retrieved May 19<sup>th</sup> 2014, from [http://www.iberglobal.com/files/suiza\\_ukti.pdf](http://www.iberglobal.com/files/suiza_ukti.pdf)

a different vehicles in the intermodal transportation chain.<sup>24</sup> When shipping less than a container load the price is based on cubic meter. With smaller shipments the margin between air and sea shipments get smaller. Additionally warehousing fees at ports are usually more expensive than at airports. Shipping goods by sea is far more fuel-efficient and therefore also more eco-efficient than shipments by air. However it is important to consider the possibility of oil spills and the water ecosystems affected by it.<sup>25</sup> The current market rate of transporting 2000 pairs of shoes, with a net worth around \$200 000, in a Full Cargo Load, container size; 20 feet is between \$2,103.97 and \$2,325.44. A Less Than Cargo Load shipment will be more expensive than the 20 feet container. No rates on shipping by air could be calculated since the gross weight couldn't exceed 250kg.<sup>26</sup>

A multi-modal Incoterm called FCA will ship the goods. This is an incoterms that is meant to transport the goods through multiple means of transportation without the merchandise being handled because it's containerized. The incoterm can be used for both FCL and LCL (Full Cargo Load and Less than Cargo Load). In a Free Carrier transaction the exporter is responsible for delivering the goods to a carrier selected by the importer.

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<sup>24</sup> World Industrial Reporter. Global Shipping: Choosing the Best Method of Transportation. PDF. Retrieved May 19<sup>th</sup> 2014, from <http://www.worldindustrialreporter.com/wp-content/uploads/2012/09/Global-Shipping-Methods1.pdf>

<sup>25</sup> The Cargo Channel. FellowShipping with Cargo News and Aricles. 4 Factors for Considering Air Freight vs. Ocean Freight. Retrieved May 19<sup>th</sup> 2014, from <http://www.universalcargo.com/blog/bid/71724/4-Factors-for-Considering-Air-Freight-vs-Ocean-Freight>

<sup>26</sup> World Freight Rates. Free Freight Calculator, ocean. Retrieved May 19<sup>th</sup> 2014, from <http://worldfreightrates.com/en/freight>

The exporter is responsible for clearing the goods for export, provide all the information necessary for the importer to clear customs, and obtain insurance. Documents needed for the exporter and the importer are, the commercial invoice this document accompanies the shipment. It includes details of the goods purchased and the amount due. The importer might want a pro forma invoice, an invoice sent in advance as an accurate preview of what the real invoice would look like. In addition a certificate of origin, certificate of manufacture, and a certificate of inspection might be necessary, all depending on the importer. Some shipping documents are also required. The intermodal bill of lading is like an ocean bill of lading but used when more than one transportation mode will be used, this is a contract between the shipper and the importer/exporter to transport the goods from given port to another given port, it's a contract of carriage. A packing list is also required, this is a detailed document that spells out how many containers there are in a shipment and which merchandise they contain.<sup>27</sup> Upon arrival in Switzerland the goods will be subjected to a VAT, Value Added Tax, duty of 8% and an additional duty on 10% of the net weight.<sup>28</sup>

#### IV. Legal and Business recommendations:

Switzerland provides a modern mature market with great opportunities. The relations between Switzerland and the US are good and most of Swiss investments

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<sup>27</sup> David Pierre & Stewart Richard. International Logistics, "The Management of International Trade Operations". Third edition, published 2010, page 117. Retrieved May 19<sup>th</sup> 2014.

<sup>28</sup> Federal Customs Administration FCA. Tares. Retrieved May 19<sup>th</sup> 2014, from <http://xtares.admin.ch/tares/login/loginFormFiller.do;jsessionid=km2WT2WVbfxvVL81xnkpdMTjmY6glxRzV2pc5kjxfky9zSSvwwWV!2023507373>

abroad are placed in the US. Switzerland is also one of the world's most investment-friendly countries, with well-developed banking systems. The country also has an open business environment where businesses are allowed to flourish with little influence from the government. Switzerland is a good way to get access to the European market, without being subject to all the EU regulations. However Switzerland is strongly connected to the EU and with that it's regulations. They have a Free Trade Agreement with the EU and most of its exports go to EU member countries. The Swiss market is also a great market for eco-friendly products. They are constantly developing new ways to support the ecological welfare. Switzerland is one of the most eco-friendly countries in the world, which concludes that the Swiss market is a strong and well-suited market for recycled shoes. The economy is strong and even though Switzerland went through a recession in 2008, the economy is growing at a 2% rate. Even though the Swiss business environment is open and easy to access it's also very formal. When doing business with the Swiss bear in mind to always be on time and have a clear purpose with the meeting. In early stages it's good to visit on a regular basis since they appreciate formality and familiarity. Patience is of essence so do not stress things, be prepared to invest time and money in the market without immediate results. The Swiss are interested in building long-term relationships. They respect competence, performance, and efficiency. During negotiations it's important not to rush decisions and to strive to establish equal partnerships with mutual benefits. They are not aggressive nor are they demanding when negotiating but they do expect results and quality. Formality is of essence and that means that delivery of products is on time and according to

contract. Entering the Swiss market can be costly but it holds great opportunities for businesses that are willing to commit. When it comes to transportation of the goods it is important to consider the time it takes to transport the goods by sea, and all the risks the goods will be subject to. In event of loss of cargo the resolutions should be stated in the contract to avoid misunderstandings and souring relationships.

In the legal aspect of recommendations it is important to consider that the consumer protection laws in Switzerland are extensive. There are no requirements for drawing up a contract under Swiss law an oral agreement is valid. Agreements via emails and faxes are also valid. It's also important to bear in mind that Switzerland and EU have a strong relationship and common regulations on trade, so to have some knowledge about the EU regulations and laws can be helpful.

Switzerland also accepts ICJ jurisdiction whereas the US does not, it's therefore important to specify jurisdiction in the contract. In addition Switzerland complies by the CISG convention whereas the US complies under UCC. Which convention to comply under is therefore an important addition to the contract.