



# Austria: Safety & Security Market Brief 2008

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## Summary

Austria, with a population of 8.3 million, is a dynamic EU member country offering export opportunities and an investment market for U.S. companies of all sizes. Austria offers attractive features as an export market and investment location, and recent Austrian governments have sought to increase that attractiveness through economic reforms and by highlighting Austria's historical and economic ties to the surrounding region. At present, approximately 350 U.S. firms have subsidiaries, affiliates, franchisees, and licensees in Austria, of which about 150 have regional responsibilities for Central European, Eastern European, or Balkan countries.

Demand for safety and security equipment and services continues to be significant and remains a primary area of focus at several institutions of the Austrian Government and government connected bodies. As in other EU countries, emphasis has been placed in Austria on homeland security, transportation and critical infrastructure protection. Although final data is not available, the estimated total Austrian market demand for safety and security equipment in 2007 was \$463.0 million. U.S. imports into Austria are estimated to be \$10.2 million.

## Market Demand

In the context of a European Union comparison, Austria can be viewed as a country with relatively little crime, with a total of 594,240 criminal offenses in 2007 and a detection rate of 39.4 percent. However, the detection rate has fallen and the crime rate is increasing dramatically with currently more than 20 burglaries in Vienna daily. The fields of damage to property, burglaries as well as drug crime have been affected by the massive increase in crime in particular. People's sense of security has declined: according to a current survey, only 28 percent of the population is thoroughly satisfied with the performance of the police and 45 percent of Viennese state that they fear being out on the streets alone at night.

The political and economic consequences resulting from ongoing integration in Europe as well as the evident globalization of economic systems in conjunction with a continuous increase in migration have and will continue to impact crime. Cross-border investigations are becoming increasingly significant. In this regard, Austria is the first country in the EU to have converted to the Schengen pan-European criminal search system, "SISone4ALL".

The threat of terrorism in Austria plays an important role in defining the domestic security market. 80 percent of Austrians do not fear terrorist attacks in their country, only a minority of 30 percent believe that Austria is well prepared for such a contingency. A site of the UNO, the OPEC headquarters or the IAEA, there are numerous high-profile targets in the country.

## Market Data

In 2006, the total Austrian market for safety and security equipment amounted to \$439.8 million and it is estimated to be \$463.0 million for 2007. In 2006, imports were \$218.4 million, exports \$142.0 million, and domestic production of safety and security equipment was estimated to \$360.8 million. The market is expected to grow at an estimated annual real growth rate of 3 percent over the next 3 years.

Austrian imports from the United States in this sector were \$9.5 million in 2006, representing 4.3 percent of the total, and putting the United States in fourth place as a supplier of safety and security equipment. Germany was the leading supplier with 52 percent of Austria's imports in the sector, followed by Switzerland with 5.4 percent and Italy with 4.5 percent. For 2007 we estimate U.S. exports to Austria of safety and security equipment of \$10.2 million.

The following exchange rate and inflation rate were used for the statistical calculations in this study:

- 2007 exchange rate: \$1.00 = EUR 0.73
- 2007 inflation rate: 2.2 percent

*Source for the above statistics: Statistik Austria*

## Best Prospects

The Austrian security market offers a great many opportunities for U.S. firms. It represents a desirable, affluent test market for advanced U.S. technology. In particular, access- control systems, including biometric identification systems, and video surveillance equipment, including CCTV systems have considerable potential. IP – based security is highly attractive to the trade and is currently growing at an annual rate of 40 percent. From this perspective, the greatest potential can be realized in the retail and public sectors – governmental authorities, schools and public areas. Additional growth possibilities exist in products such as explosives and metal detectors (X-Ray, handheld), residential alarms, forensic equipment, perimeter protection systems, ICT security (firewall, anti – virus, Spam filters), fire – related protection and work - wear protection.

## Key Suppliers

The security market in Austria has become a growth industry with 440 firms involved in security systems, 170 firms involved in safety engineering and 150 in providing support functions. Surveillance companies dealing with the protection of persons and property, electronic monitoring, fire detection as well as armored - car manufacture and services generate great turnover figures. The lion's share of surveillance business is comprised of the Austrian Security Service (2400 employees), Securitas (1350 employees), which is a part of a Swedish concern and Group4 (2300 employees), whose ownership is partly American.

In addition, Austria is an important site for the manufacture of safes, with companies such as Wertheim or Putz dominant in the market place. In the meantime, the famous Austrian firm Wertheim dislocated the major share of its production facilities to a plant in the Slovak Republic, mainly for production cost reasons.

## Market Entry

The U.S. Commercial Services offers the Gold Key Service (GKS) to assist American firms interested in entering the Austrian market. The GKS is customized for finding potential overseas agents, distributors, sales representatives and strategic business partners. For more information on the GKS or other services, please contact the U.S. Commercial Service in Vienna, Austria: [manfred.weinschenk@mail.doc.gov](mailto:manfred.weinschenk@mail.doc.gov), Tel: 011 - 43 -1 - 313 - 39 - 2285, Fax: 011 - 43 - 1 - 310 - 6917; or visit our website: <http://www.buyusa.gov/austria/en>.

## Trade Events

There are no actual security fairs in Austria at present time. Several small exhibitions within the area of "Safety at Work" or "IT Security" are being organized on a regional basis. All representatives of Austrian safety and security firms are regularly attending the world's largest security fair:

**Security Essen**, Germany  
October 7 – 10, 2008  
Tel.: 011 49 201 72 44 – 0  
E-Mail: [info@messe-essen.de](mailto:info@messe-essen.de)  
Contact: Dr. Joachim Henneke, CEO  
Website: <http://www.security-messe.de>

In 2006, Security Essen reported 1,027 exhibitors from 47 countries and 40,000 trade visitors from 79 countries. It takes place on a biennial base. We offer support to U.S. firms who attend this fair. Please contact Manfred Weinschenk for further information.

## Resources & Contacts

- Association of Austrian security companies (VSÖ): <http://www.vsoe.at>
- Austrian Ministry of Interior: <http://www.bmi.gv.at>
- Association of Austrian electronic – audio – video- and alarm equipment companies: <http://www.elektrotechniker.at>

## For More Information

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**Comments and Suggestions:** We welcome your comments and suggestions regarding this market research. You can e-mail us your comments/suggestions to: [Customer.Care@mail.doc.gov](mailto:Customer.Care@mail.doc.gov). Please include the name of the applicable market research in your e-mail. We greatly appreciate your feedback.

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