

Orell Füssli is expanding its digital business areas

Interview with Désirée Heutschi, Head of Corporate Development, on Orell Füssli's ambitions in the field of digital certificates

During your time at Microsoft, you were responsible for supporting companies in their digital transformation. In other roles, you led the development of innovation topics. How are you using your experience in your work for Orell Füssli today?

In Corporate Development, we identify and develop new and scalable business areas related to our current core business in the areas of security and education. My experience from Microsoft helps me to classify and specifically expand the Orell Füssli product portfolio for a digital world. Digital certificates are a good example.

What are digital certificates and how do they tap into the last mile of digitalisation?

Take a university, for example. In future, it will make matriculation certificates and diplomas available as forms of digital certificates. Students can store these in their smartphone wallets and share individual pieces of information from them as and when required. For example, they can request a student discount directly when shopping online, or submit their diplomas as part of a digital recruitment process. The authenticity and validity of the digital certificate is checked in real time thanks to the use of state-of-the-art cryptography software.

"Binding digital certificates represent a new, relevant business area that offers huge international potential."

Why is Orell Füssli developing digital certificates specifically and what is the aim behind it?

We will be offering a software solution for digital certificates based on our core business with physical identity and value documents. We are creating equivalent digital counterparts to complement the products we currently offer, such as identity cards and driving licences. Increasing digitalisation means that trust in the digital arena is becoming more and more important. We enable users, companies and public authorities to issue binding digital certificates that can be used and verified conveniently and securely in digital and analogue business processes alike. This taps into the "last mile" of digitalisation in order to be able to handle trusted business processes securely. Our ambition is to become an international leader in this field.

Where do you believe the biggest advantages of digital certificates lie?

At the moment, it is often impossible to incorporate official forms of certificates into digital processes without switching the media used, because they exist only in physical form. By closing the last mile of digitalisation, issuing, sharing and checking binding certificates can be achieved in a process that is much less time-consuming and more cost-effective than it is today. Avoiding manual steps and having checks performed in real time creates efficiency gains for the parties issuing and checking these documents. Security gaps created by makeshift processes, such as document scanning, are eliminated.

How would you estimate the potential of digital verification? What is Orell Füssli aiming to earn from this business area?

So far, we have taken a closer look at more than 100 use cases. We have identified considerable potential at an economic and business level. Based on market studies, we estimate the annual revenue potential to total more than CHF 1 billion in the



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DACH region. Our aim is for the planned product portfolio to generate revenue of between CHF 30 million and CHF 50 million over the next five years, spread broadly over several products and services in the private and public sectors.

Digital verification is a new and innovative topic. What is the current state of affairs in general terms?

In some countries, the process is already at a more advanced stage. For example, mobile driving licences are already available. In the future, digital certificates will be part of day-to-day life in Switzerland; the COVID-19 certificate was the first digital certificate to be used nationwide. The Swiss parliament will be discussing the new e-ID Act in 2023, an important milestone for the development and dissemination of an e-ID and digital certificates.

What are the features of Orell Füssli's software solution specifically and how does it differ from other solutions?

The software solution includes components for issuers, verifiers and users. What makes it unique is its decentralised approach. Users have sovereignty and control over the data.

Today, the internet is dominated by large platforms and players that hold user data centrally and use it for their own purposes. Our solution, on the other hand, allows users to decide who they want to share which data with, and they alone have transparency regarding which data has been shared with whom and when. Moreover, the data shared includes only the data required for the specific use case, such as someone's age when alcohol is being sold.

The underlying concept is known as Self-Sovereign Identity (SSI). In addition to decentralised data storage and data economy, it provides privacy by design: users' privacy and data security are taken into account in the product development process from the very outset. These are principles that the Federal Council has also defined for the design of a future state e-ID. The EU is pursuing a similar approach. This means that our solution is based on national and international standards.

What specific stage in the implementation process has Orell Füssli reached?

The majority acquisition of Procivis and the strategic partnership with Swisscom put us in a good position to join forces on the topic of digital certificates. The validation of market demand in various sectors led to the first successful pilot projects and confirmed the potential we had always suspected was there.

One example is a pilot project with SBB and the city of St. Gallen. SBB clients have to prove their place of residence when ordering a rail season ticket (GA partner) – at the moment, they do this by presenting a hard-copy confirmation of residence. In future, they will be able to do so using a digital certificate issued by the municipal authorities that users store in their wallet, so that they can then share it digitally with SBB as part of their GA partner order.

This saves costs and time for everyone involved and creates a more user-friendly solution for clients. Given the positive feedback received from the market, Orell Füssli will be making targeted investments in the development and marketing of these innovative software solutions over the next five years.