

G E R M A N A M E R I C A N

TRADE

JAN / FEB 2011

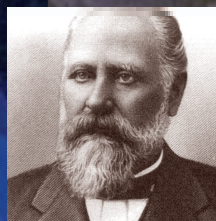
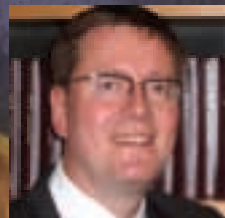


German-American Business Outlook

German Firms Bullish about 2011

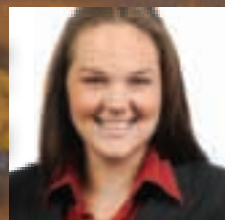
GACC 2010 REVIEW Spotlight

Dr. Thomas Zielke, RGIT
Washington Update:
Rare Earths a Rarity?

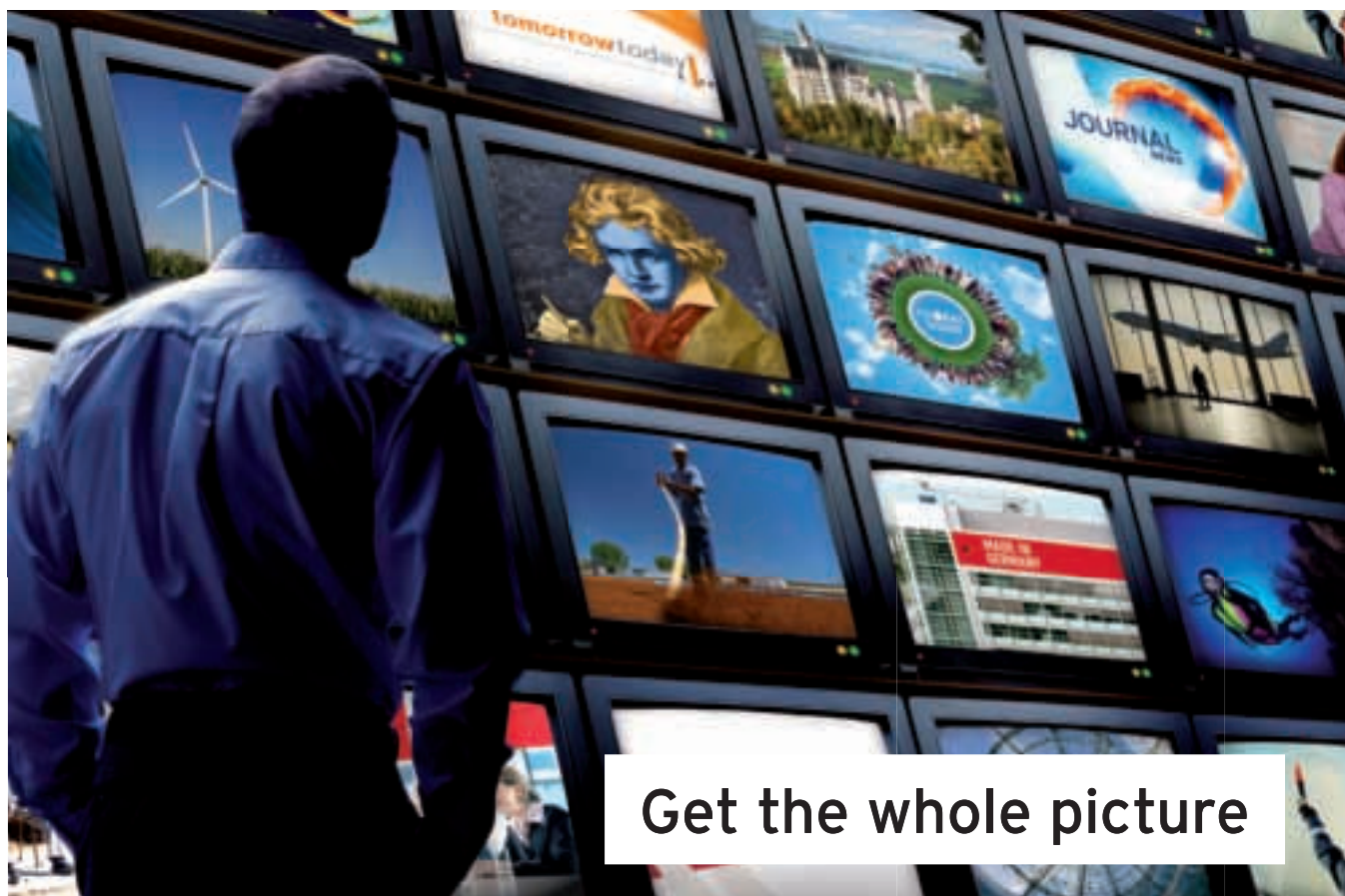


Claus Spreckels
"Sugar King"
- Explore New Series
German Roots

Pamela Jackson
"How We Sink"
- New Intercultural
Series and Blog



German American
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EDITORIAL

“Hopey, Changey Stuff” is Happening!

69% of German Firms in the USA are planning to hire new staff, 91% expect positive growth for their enterprises 2011. Those were just some of the positive findings of the **2010 German American Business Outlook**. The joint survey by all German Chambers in the US conducted in cooperation with Roland Berger Strategy Consultants targeted over 1,900 subsidiaries, more than 10% of senior management responded. See the detailed results in our cover story.

The 2010 Review shows the scope of our big event highlights and achievements. We thank all our members and friends for their support, their active participation and initiative.

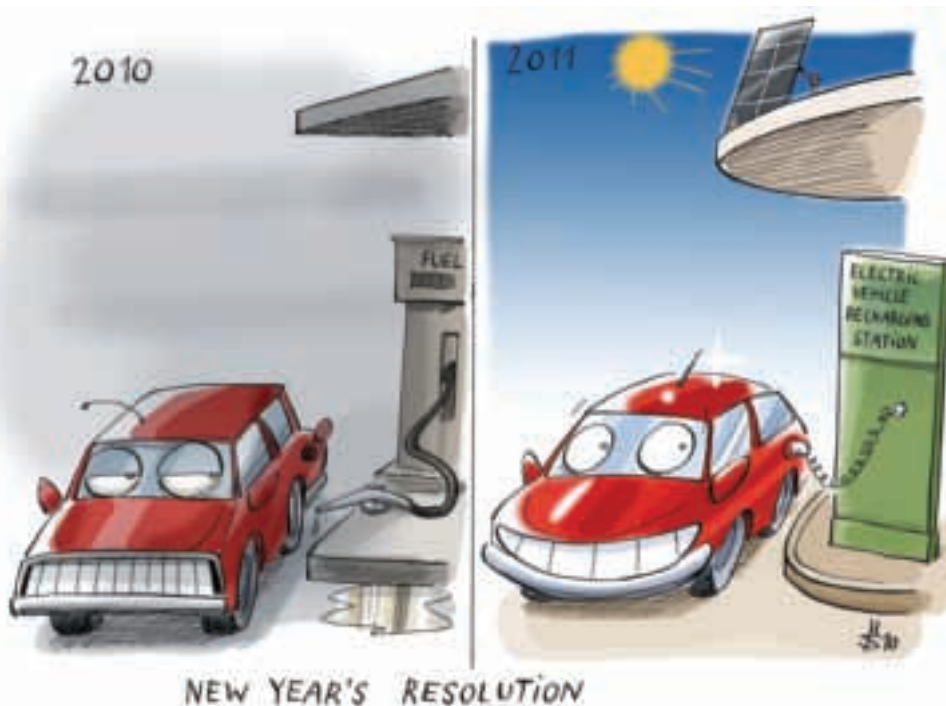
With this issue we will also launch four new article series: **GTAI Industry Talk** - detailed industry reports written by the local US-correspondents of Germany Trade and Invest (GTAI), the official German foreign trade and inward investment agency; **German Roots** - portrays German immigrants from the mid 19th to the mid 20th centuries, all articles are excerpts from a new research project at the German Historical Institute Washington DC. The first installment will feature Claus Spreckels, who became the “Sugar King”; **Menschen** - the GACC Society Page will show YOU visiting our events; **How We Sink** is our new intercultural series and blog (we encourage you to comment), written from a real American perspective about working in a German-American environment.

We, the German American Chambers of Commerce are wishing you the best in 2011 and hope it is happening for you, too.

N. An



Nicola Michels
Editor, New York
nmichels@gaccny.com



NEW YEAR'S RESOLUTION

Exclusive cartoon for German American Trade Magazine by Heiko Sakurai www.sakurai-cartoons.de

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HOW WE SINK

Navigating cultural differences
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Bayer pitches ethylene plant atop shale-gas deposits

Bayer AG, the world's largest maker of polyurethane, is trying to persuade potential investors to build a chemical plant on company sites in West Virginia using ethane from adjacent shale-gas deposits. The Leverkusen, Germany-based company is in talks to lease or sell unused parts of two sites covering 1,460 acres for construction of a plant, converting ethane into ethylene, a key ingredient in plastics such as polyethylene. • www.bloomberg.com

eBay to buy German online shopping club brands4friends

US eBay reported it had struck a deal to buy German fashion and lifestyle online shopping club brands4friends for US\$ 200m in cash to beef up its position in Europe. The transaction, subject to regulatory clearance, is expected to close in the first quarter of 2011.

• www.tradingmarkets.com

Florida's largest privately-owned solar array being built

Gainesville, FL borrowed the solar feed-in tariff concept from Germany. Now a German subsidiary, Sybac Solar LLC, is building the largest privately owned solar array in the state of Florida. When complete, 8,600 photovoltaic panels will supply 2 megawatts of power – enough to power 200 to 300 homes.

• www.gainesville.com

1,000th worker joins SolarWorld operations in Hillsboro, Oregon

Germany's SolarWorld said its five-year program to expand its US operations have been completed, with the addition of its 1,000th new worker at its site in Hillsboro, Oregon. SolarWorld, which has its global HQ in Bonn, Germany, produces crystalline silicon solar panels.

• www.brighterenergy.org

AmEx acquires German firm Loyal Partner for 496m Euro

As part of its efforts to increase its international presence, American Express is to buy German marketing company Loyal Partner for up to 496m Euro. The credit card company announced the acquisition today, stating it will add about 34 million customers.

• www.businessandleadership.com

Audi sales breaking record in US

German automaker Audi announced it has broken its record for vehicles sold annually in the U.S. upon the recordation of its 93,507th sale in mid December. Additionally, the company is on pace to sell more than 100,000 units in a one-year period for the first in the U.S. Audi's previous best year for number of vehicle sold in the U.S. was 2007. • www.justluxe.com

Bayer CropScience signs agreement with US university

Bayer CropScience AG - a unit of German pharmaceutical company Bayer AG and University of Nebraska-Lincoln have signed a

non-exclusive public-private collaborative agreement to improve wheat breeding and generate new wheat varieties, providing Bayer with access to UNL's wheat germplasm. • www.nasdaq.com

German appliance supplier PAS Group to create 239 jobs

The PAS Group of Germany, a supplier to appliance makers says a North Carolina incentive grant has given it the ammunition it needs to win a new contract and add 239 jobs in Beaufort County, NC. The company is vying for a new supply contract to build 250,000 dishwasher panel systems for a major home dishwasher brand. The grant must be matched by a local government agency. • www.bizjournals.com

Siemens boosts U.S. wind power jobs

German company Siemens has a significant and growing stake in clean energy in the United States. The company just opened a wind turbine nacelle factory in Hutchinson, KS, demonstrating its commitment to U.S. investment and its confidence in the long-term future of the U.S. renewable energy market. The Hutchinson plant opened with 130 employees but the workforce there is expected to triple. • www.earthtechling.com

American Vanguard buys 2 Bayer insecticides

Agricultural chemical supplier American Vanguard Corp. announced that it bought two insecticide product lines from Bayer AG's crop science business.

American Vanguard, based in Newport Beach, California, and Bayer CropScience, a unit of Germany's Bayer AG, did not disclose terms of the sale. • www.bloomberg.com

Merck KGaA replaces pharma head with exec from US rival

Germany's Merck KGaA said the head of its pharmaceuticals division was stepping down and would be replaced by an executive from U.S. rival Merck & Co after a number of product setbacks. According to the German company, Elmar Schnee, who has been at the helm of the family-owned group's drugs unit for five years, is leaving for personal reasons. • *The Wall Street Journal*

MorphoSys inks deal with Pfizer for use of Slonomics platform

German pharmaceutical company MorphoSys announced an agreement between its recently acquired subsidiary Sloning BioTechnology and Pfizer for the use of Sloning's Slonomics platform for the creation of gene and protein libraries. The technology will be installed at Pfizer's subsidiary Rinat Neuroscience in South San Francisco. • www.genomeweb.com

Infinium: Samuel Adams helps Weihenstephan challenge German brewing traditions

Infinium is the first of three beers resulting from a two-year collaboration between Boston Beer Company, the makers of Samuel Adams, and Weihenstephan Brewery in Germany. Jim Koch, brewer and founder of Boston Beer Com-

pany, was approached by Weihenstephan managing director Josef Schradler to develop beers that push the limits of Germany's conservative brewing culture.

• www.washingtoncitypaper.com

Germany envisions tandem radar mission with U.S.

The German space agency, DLR, wants to join forces with NASA to launch two L-band radar Earth observation satellites that would fly in formation much in the same way as Germany's current X-band radar spacecraft. The idea of a joint mission with NASA is one of the cooperation areas set down in an agreement signed in Washington, DC by DLR Chairman Johann-Dietrich Woerner and NASA Administrator Charles Bolden.

• www.spacenews.com

German GfK Group buys Interscope LLC, growth potential

The prospects for Interscope LLC are looking up after the Westport, Connecticut-based consulting firm's acquisition by a German global market research company. Headquartered in Nuremberg, Germany, the GfK Group, which had \$1.57 billion in sales in 2009 and operates GfK Custom Research North America in New York City, bought Interscope to expand its ability to help companies build their brands at the retail level. • www.ctpost.com **GAT**



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MAGE SOLAR	www.magesolar.com
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Vesterling Corporation	www.vesterling.com
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German American Business Outlook
Annual Survey among German Firms in the U.S.

New Decade New Growth

*2nd German American Business Outlook
shows prudent crisis management will
pay off for German firms in 2011:
91% expect positive growth for their
operations, 69% plan to hire*

*By Eva Krause, GACC of the Midwest
& Nicola Michels, GACC New York*

When the first German American Business Outlook survey was conducted in late 2009, the economic crisis was in full swing on both sides of the Atlantic. Even more remarkable was the level of calm that German businesses throughout the United States displayed when asked about their strategic adjustments in times of lingering fear of a credit crunch and protectionist policies. Firms planned to be constructive during the downturn by focusing on product innovation and diversification

while moderately streamlining their operations. With 60% maintaining positive growth expectations for both the U.S. economy and their own operations in 2010, we reported that the atmosphere in the German American business community was one of cautious optimism. (GAT Vol I, 2010)

From cautious to bullish

One year later, it seems that the prudent crisis management of German companies is paying off. On November 30, 2010, the GACCs, the Representative of



Caroll H. Neubauer, Chairman & CEO of B. Braun Medical, Inc. & Chairman on the GACC Board of Directors & Dr. Benno Bunse, President of the German American Chamber of Commerce, Inc. New York, summarizing the key findings of the survey on the bell podium on the trading floor of the NYSE.

German Industry and Trade (RGIT), and Roland Berger Strategy Consultants presented the outcome of their second joint survey at the New York Stock Exchange. On the threshold of a new decade, firms are outspokenly optimistic in their individual outlook, and see the overall U.S. economy as being on a solid path to recovery.



Jürgen Reers, Managing Partner of Roland Berger's North American operations opened the 2010 press conference by providing an overview of the survey results, followed by a panel discussion. A lively exchange developed between Rolf Biekert, President and CEO of Trumpf, Inc. and Dr. Friedrich-Hans Grandin, President & CEO of Komet of

America, Inc. when they were asked by journalists to comment on the survey results from their own entrepreneurial perspectives.

The facts

After a sharp dip in 2009, 66% of companies saw sales volumes rebound in 2010, allowing for more bullish growth strategies in the New Year. The majority of respondents reported that they will continue to drive product innovation in 2011, but now will also complement this measure with an expansion of sales staff and increased efforts to enter new territories.

Overall, 91% of respondents expect positive growth for their own operations in 2011 and 69% plan to hire new employees to meet this increased demand. Although clearly more optimistic in their individual outlook, the majority sees the U.S. economy as being on a good path as well: 63% expect positive growth in 2011, and 68% do not deem further stimulus measures necessary to sustain the current recovery.

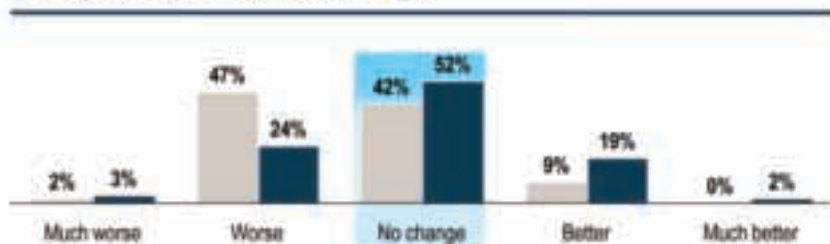


Currency fluctuations, named the top cross border business risk by 73% of German companies in 2009, had in retrospect a negative impact on only one third of companies in 2010, though they continue to be a challenge. Two thirds of companies currently have hedging strategies in place to protect them from future volatility. Going forward, raw material shortages on the global market are increasingly becoming a concern for respondents. 54% see their operations as going to be adversely impacted over the next 12 months, and 58% foresee moderate or strong impacts over the next 2-5 years. Two traditional German strongholds, the automotive and renewable energy sectors are particularly susceptible to this trend and among those voicing the greatest concerns.

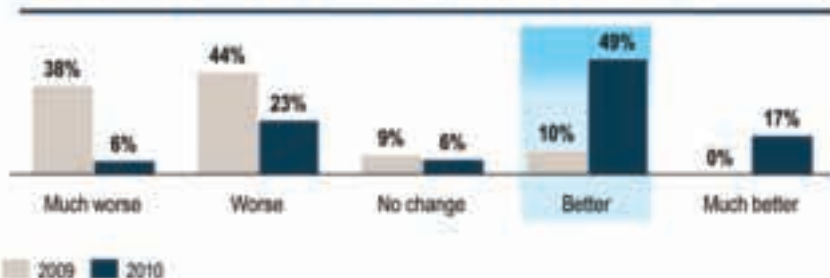
The U.S. headquarters of almost 200 German companies in the United States participated in this year's German American Business Outlook. The outcome of the survey will also be discussed at the upcoming GACC Annual Economic Forum, this year featuring Diane Swonk of Mesirow Financial and Prof. Dr. Joachim Scheide of the Kiel Institute for the World Economy as our chief economists, as well as Caroll Neubauer of B. Braun Medical and Rolf Meyer of Harting Inc. of North America on the entrepreneurial side. >>

CHANGE IN SALES PRICES & VOLUMES IN 2009-10

Sales prices have been stabilizing...



...while sales volume has bounced back to a greater degree

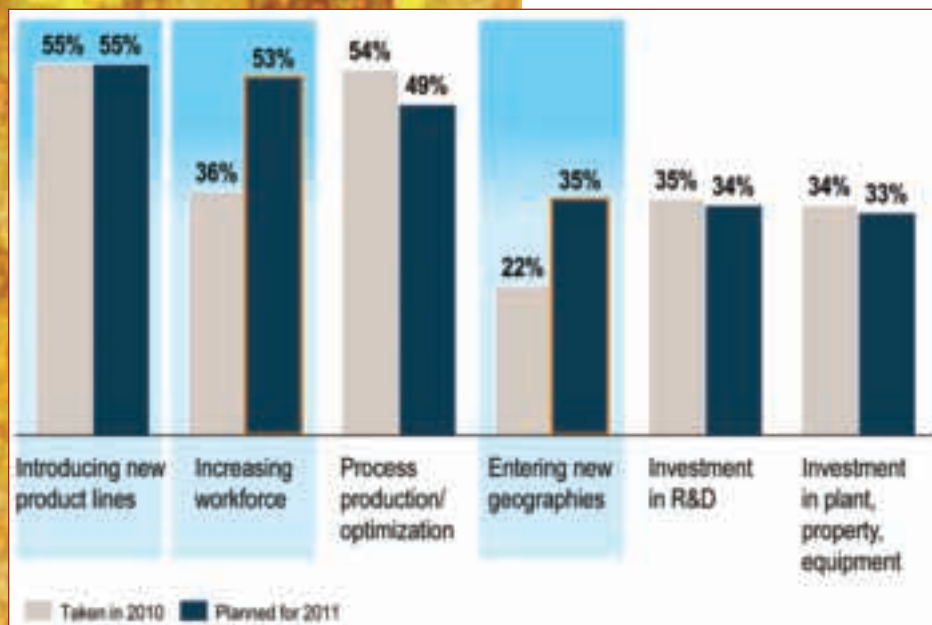


INSIGHTS

- Firms have experienced a neutral impact on sales price
- Firms have seen a **POSITIVE EFFECT ON SALES VOLUME**: Exporting companies have enjoyed the strongest increases with ~80% reporting improved volumes
- Sales volumes have **REBOUNDED FROM 2009** whereas sales prices have only stabilized

> HIGHER SALES VOLUMES AND STABLE PRICES HAVE ACCELERATED GROWTH FOR MANY GERMAN-AMERICAN BUSINESSES

STRATEGIC INITIATIVES



INSIGHTS

- German-American firms are **GROWTH-ORIENTED**, and planning to engage both in short-term and long-term strategic initiatives
- Focus remains on introducing **NEW INNOVATIVE PRODUCTS**
- Expanding workforce and entering new geographies will see a substantial increase in 2011 over 2010, **FURTHER INDICATING OPTIMISM**

> FIRMS ARE STILL PLANNING TO EXPAND PRODUCT OFFERINGS, WHILE MORE ARE AIMING TO INCREASE CAPACITY AND TAP NEW MARKETS



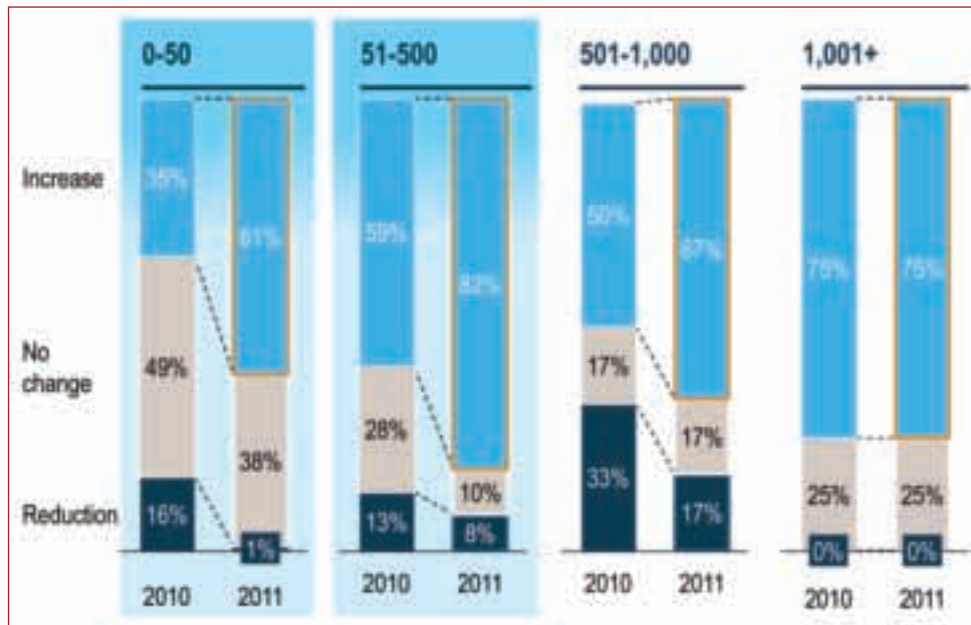
For complete results:
www.gacomm.org/gabo-survey



Reception kindly hosted by



EXPERIENCED & EXPECTED CHANGES IN HEADCOUNT BY COMPANY SIZE [EMPLOYEES]

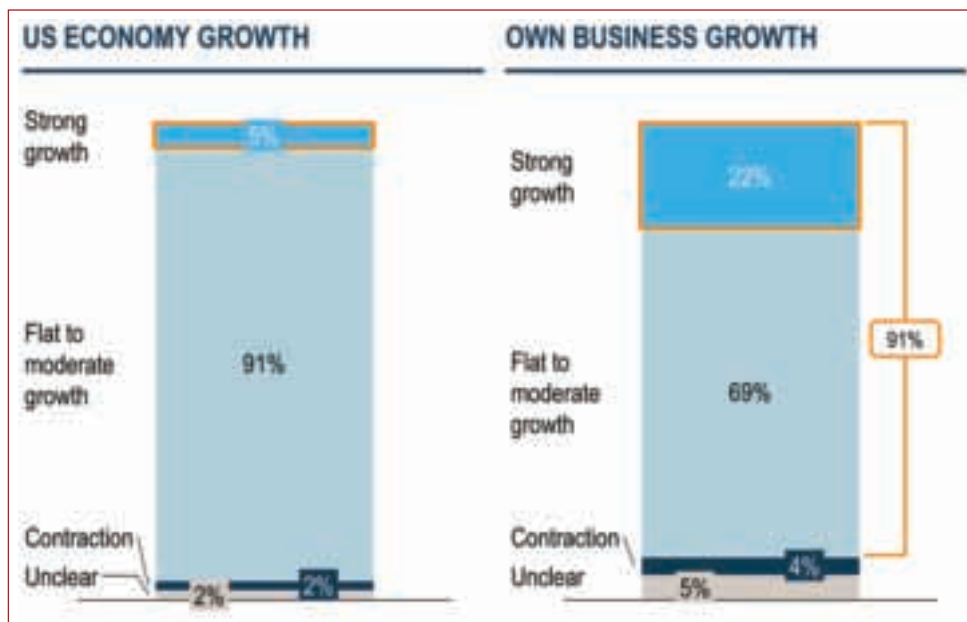


INSIGHTS

- Overall, 69% of respondents are planning to increase headcount
- ONLY 4% of all firms expect reductions in 2011 (vs. 15% which experienced decreases in 2010)
- SMALL BUSINESSES have experienced the most increase in confidence as the number of firms planning to increase headcount has almost doubled

> MID-SIZED FIRMS ARE LEADING IN TERMS OF HIRING PLANS SMALLER FIRMS IN TERMS OF CONFIDENCE GAINS TO EXPAND HEADCOUNT

OUTLOOK ON THE US ECONOMY GROWTH VS. OWN BUSINESS GROWTH

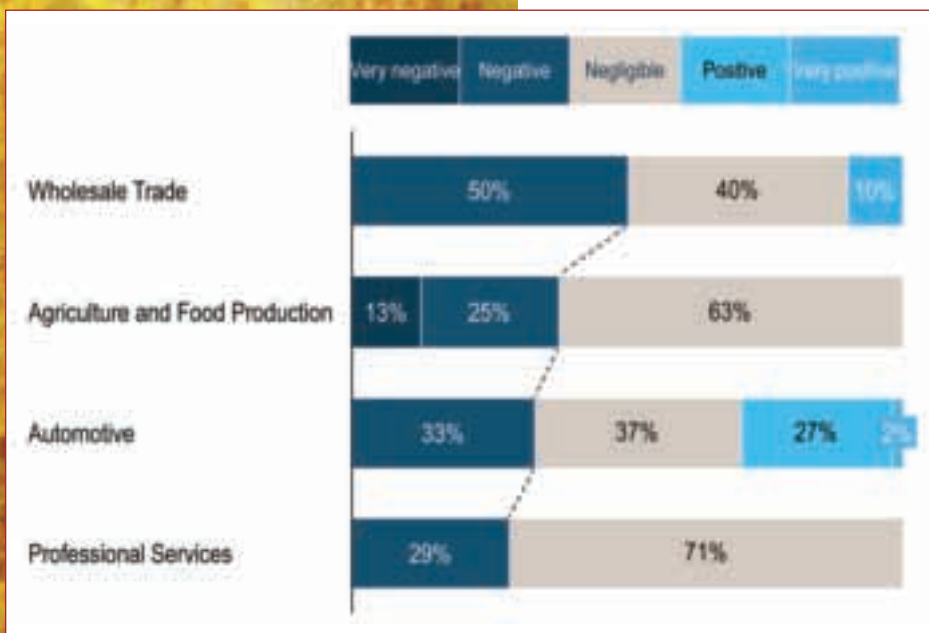


INSIGHTS

- MORE ROBUST GROWTH IN GERMANY, German financing effects and German leadership in certain industries likely contribute to the differential in optimism

> GERMAN-AMERICAN FIRMS ARE MORE OPTIMISTIC ABOUT THEIR OWN OUTLOOK COMPARED TO THE US ECONOMY

EFFECT OF FX ON SELECT INDUSTRIES IN 2010

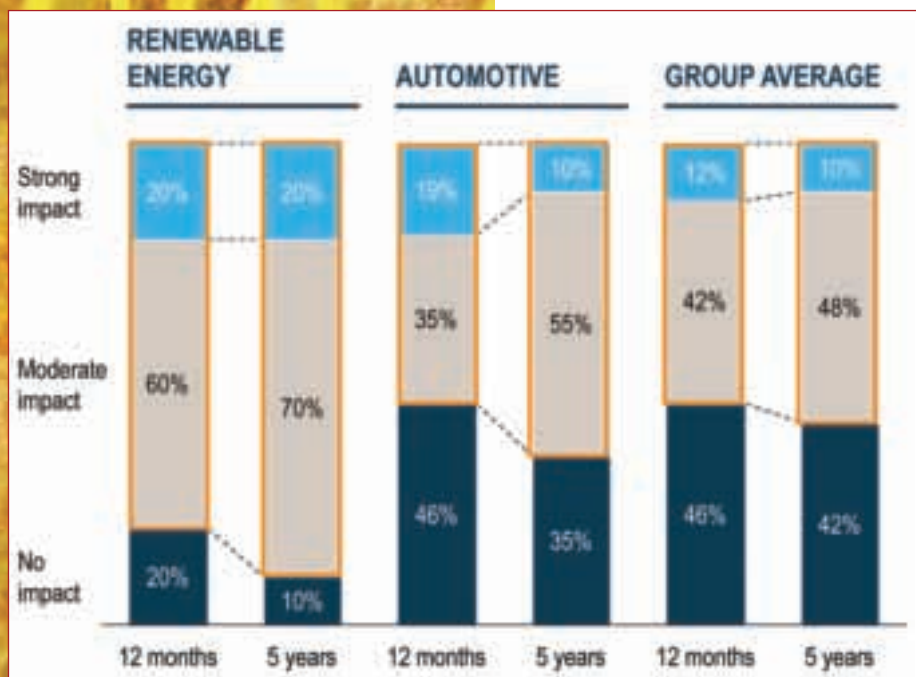


INSIGHTS

- 73% of firms named FX risks as top concern in 2009, however only about ONE THIRD has been negatively impacted in 2010
- EXPORT-DRIVEN agriculture and wholesale trade were most negative, as the lower EUR likely ELEVATED THE RELATIVE PRICE of exported goods
- Interestingly, automotive was FAIRLY BALANCED — likely dependent on how revenues are reported and where suppliers are located

> ALTHOUGH LESS THAN PREVIOUSLY ANTICIPATED, FX IS STILL AN IMPORTANT CONSIDERATION

EXPECTED IMPACT OF THE RAW MATERIAL SHORTAGES BY INDUSTRY



INSIGHTS

- Renewable energy anticipates the biggest impact change negatively in the long-term, as use of specialized materials such as RARE EARTH MATERIALS is crucial to the manufacture of solar cells, electric batteries and wind turbine components

> RAW MATERIAL SHORTAGES ARE A CONCERN FOR OVER HALF OF THE FIRMS IN THE SHORT TERM, AND EVEN MORE SO IN THE LONG TERM



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GACC 2010 Review

New Year's Reception January 12, Washington, D.C.

The Representative of German Industry and Trade (RGIT), together with the German Aerospace Center (DLR), the German Research Foundation and Germany Trade and Invest (GTAI) hosted a New Year's Reception in their joint offices. Guest of Honor and Keynote Speaker was the Ambassador of the Federal Republic of Germany, Dr. Klaus Scharioth.



New Year's Reception January 20, New York, NY

The GACC New York welcomed the New Year by hosting its traditional New Year's Reception. About 120 guests attended the event at the University Club. The GACC was honored to welcome Dr. Werner Breuers, Member of the Board of Management of Lanxess AG, who held a presentation on "Innovation – A key driving force, even in a crisis."

Major League Networking: A Union of International Business and Soccer January 27, Philadelphia, PA

In cooperation with seven International Chambers and the Executive Staff of the Philadelphia Union, the area's newest Major League Soccer Team, the German American Chamber of Commerce – Philadelphia held a business networking reception at The Pyramid Club. In attendance were more than 300 decision makers representing the international business community. The guests not only celebrated Philadelphia Union's addition to the city's professional sports community, but also honored and recognized the bilateral efforts that made it possible to bring Major League Soccer to the region.





Economic Forum January 28, Rosemont, IL

Each January, the GACCs ring in the New Year by inviting chief economists and industry for a discussion on the economic outlook. Moderated by Michael Backfisch, the 2010 panel featured Prof. Dr. Joachim Scheide from the Kiel Institute for the World Economy and Diane Swonk from Mesirow Financial, alongside two company executives, Matthias Schoenberg, Continental Tires North America, and Klaus-Peter Statz, Deutsche Telekom, Inc. Honorary guest Prof. Dr. Hans Heinrich Driftmann, Chairman of the German Association of Chambers of Industry and Commerce (DIHK) and President & CEO of Peter Koelln KGaA delivered the keynote speech.

Luncheon with Federal Minister Rainer Brüderle February 2, Washington, D.C.

The Representative of German Industry and Trade (RGIT), together with the Friedrich Naumann Foundation, hosted a Luncheon on the occasion of the visit of Rainer Brüderle, Germany's Federal Minister of Science and Technology. Bernhard Welschke, President, RGIT, introduced the Minister and Mr. Claus Gramckow of the Naumann Foundation moderated a panel discussion with Minister Brüderle and U.S. Representative Russ Carnahan (D-Missouri).



2nd German American Energy Conference March 22-23, Berlin, Germany

With more than 500 experts, including high-ranking government officials from both countries in attendance, the event organized by the German Energy Agency GmbH (dena) and the GACCs has in its second year established itself as a summit for transatlantic leaders in renewable energies and energy efficiency. The United States was represented on the political side by speakers including the Ambassador to Germany, Philip D. Murphy, Special Envoy for European and Asian Energy Affairs for US President Barack Obama at the US Department of State, Richard L. Morningstar, and Senior Policy & Communications Specialist at the US Department of Energy, Scott Gregory Minos. >>





3rd Energy Efficiency Symposium April 26, Los Angeles, CA

L.A. Mayor Antonio Villaraigosa opened the 3rd Energy Efficiency Symposium organized by the GACC for the Western U.S. at the UCLA Institute of the Environment on Monday, April 26, 2010. "Cities have a local responsibility in climate change and we need to utilize our imagination to implement local actions with global results," stated Villaraigosa. The conference, attended by more than 120 guests, provided a forum for transatlantic exchange on energy efficiency in buildings as U.S. and German experts presented advances in the fields of green building and energy efficiency. The German companies participated in business meetings to learn more about the U.S. market and meet potential business partners.

10th Annual MERLIN Awards Gala May 7, Downtown Chicago, IL

GACCoM celebrated "A Decade of Excellence" in German American Business at its 10th Anniversary MERLIN Awards Gala in Downtown Chicago. Congratulations to the 2010 winners: Asmus Arbeitsbuehnen und Hebezeuge GmbH and WILO USA LLC in the category Best Innovators, Melitta SystemService USA Inc. as Best New Company, and Dachser Transport of America, Inc. as well as Innovations Software Technologies, both voted Best Service Providers.



Solar Expert Luncheon & Networking Event May 11, Philadelphia, PA

The very appropriate location of the Cira Center, one of Philadelphia's green buildings, the German American Chamber of Commerce with the support of the German Federal Ministry of Economics and Technology, held a Solar Expert Luncheon and Networking Event, as part of the Renewable Energies Export Initiative. Kurt Zwerko, Managing Director of Conergy Projects at Conergy AG, and Daniel J. Desmond, founding Partner of Peregrine Technology Partners shared their expertise in the field of solar energy. Topics discussed included the differences between the US and German markets, emerging business trends in the solar energy industry and competitiveness of German technology in the US.





Asparagus Dinner May 19, New York, NY

As every year, the GACC celebrated its popular White Asparagus Gala Dinner. This year, the outstanding event was held at the Tribeca Rooftop with a spectacular view of Manhattan and the Hudson. More than 250 attendees were able to enjoy the traditional German dish from Spargelhof Schulze in Weisenheim, Germany.

Saxony's Lt. Governor Morlok Delegation & Evening Reception of the State of Saxony July 13, San Francisco, CA

Sven Morlok, Lt. Governor and Secretary of Economic Affairs, Labor and Transport of the State of Saxony, and his delegation visited the San Francisco Bay Area in July. The delegation met with leading cleantech companies at the Marriott-Hotel Union Square including Tesla Motors, Better

Place and Aurora Biofuels and attended the SEMICON West and Intersolar trade shows

in San Francisco,

on occasion of which they were invited to a Saxony Evening Reception hosted by the GACC for the Western U.S.



International Business Networking Reception July 14, Philadelphia, PA

Over 400 individuals, including leading figures from international businesses and diplomatic communities, gathered at the historic Pennsylvania Academy of Fine Arts in July to celebrate the success of Philadelphia as a destination for international enterprises. This Networking Reception, sponsored and organized by the German-American Chamber of Commerce – Philadelphia together with 13 other bilateral chambers, featured the honorable Mayor of Philadelphia, Michael A. Nutter, who shared his plans on how to keep the city of Philadelphia and the region as a top US destination for foreign direct investment and commercial trade.



6th Germany California Solar Day September 14, San Francisco, CA

The GACC for the Western U.S. held its 6th Germany California Solar Day in San Francisco on September 14th. The conference was the highlight of a business delegation to the U.S. to meet potential business partners supported by the export initiative “renewables made in Germany” of the German Federal Ministry of Economics and Technology. A highlight of the day was the panel discussion “How to Drive the U.S. Solar Market Towards a Bright Future” with representatives from academic, business, and political backgrounds including Dan Kammen, UC Berkeley, Boris Schubert, Q-Cells, Adam Browning, Vote Solar Initiative, and John Geesman, former Commissioner of the California Energy Commission. >>

German American Business Roundtable at the Newseum September 16, Washington, D.C.

The Representative of German Industry and Trade (RGIT) co-hosted the German American Business Roundtable together with the Washington-based CEO-Organization "Business Roundtable". Among the participants of leading German and American companies was the Chairman of the Federation of German Industries (BDI), Prof. Dr. Ing. Hans-Peter Keitel as well as CEO and Director General of the BDI, Dr. Werner Schnappauf.



The Georgia Water Challenge September 21, Atlanta, GA

Governor Sonny Perdue signed Georgia's Water Conservation Act into law on June 2, 2010. Georgia now has the most progressive water conservation policy in the nation. To address this new policy, the GACC South joined with the Japan External Trade Organization (JETRO) and the Japanese Chamber of Commerce of Georgia (JCCG) for presentations by the Japanese manufacturer TOTO and the German manufacturer Hansgrohe.



German Food Reception Natural Products Expo East October 14, Boston, MA

The AHK USA New York held a cooperation exchange together with German Foods North America during the trade fair Natural Products Expo East. 12 German companies attended the event; most of them were present or were in part represented by their importers. About 30 American attendees from various business backgrounds such as food import, food wholesale, the restaurant industry as well as the catering sector completed the guest list. The German Consulate General was present as well with a delegation headed by Consul General, Mr. Löhner.



German American Energy Forum October 14, Washington, D.C

The third successful major international renewable energy event was organized by the German American Chambers of Commerce. The forum, co-organized with the Embassy of the Federal Republic of Germany in Washington, D.C., the German Federal Ministry of Economics and Technology, Germany Trade and Invest, and the Representative of German Industry and Trade, featured expert speakers and panelists from all areas of the



sustainable energy sector. The event was opened by German Ambassador Dr. Klaus Scharioth with an inspiring welcome speech. The two keynote speeches by Matthias Kurth, President of the German Federal Network Agency (BNetzA), and Cathy Zoi, Acting Under Secretary of Energy at the US Department of Energy were equally positive in their assessments of the current status of the industry and its outlook going forward.



1st Texas Offshore Wind Energy Roundtable (TOWER) and Offshore Wind Law (OWL) Conference
October 19-22, Houston, TX

TOWER featured the policy makers and project developers who have authority over Texas offshore development, and combined the experience of the European offshore wind energy industry, the Gulf and European offshore oil industry, and the streamlined business opportunities of the Texas offshore wind industry. OWL provided attorneys with a crucial understanding of the unique combination of laws governing Texas offshore wind energy development and how those laws make Texas a streamlined market opportunity.

Reception for the Business Delegation to the World Bank
November 1, Washington, D.C.

The Representative of German Industry and Trade (RGIT) hosted a reception on the occasion of the visit of a business delegation from the federal State of Baden-Württemberg (Baden-Württemberg International – Agency for International Scientific and Economic Cooperation) to the World Bank and the Inter-American Development Bank.



Roast Goose Dinner
November 11, New York, NY

This was the first time for the GACC to host a Martinsgans-Dinner. More than 80 members and friends of the GACC came together by candle light to celebrate the St. Martin's Day tradition. The chefs of the German House Restaurant created a delicious roast goose dinner, followed by a performance of the Galli Theatre New York. As a result of its huge success the Martinsgans-Dinner might become an annual tradition and an event the GACC is already looking forward to hosting again in 2011. >>

**GACCoM's First Annual German
American e-Mobility Forum**
November 17-18, Birmingham, MI

The first annual German American e-Mobility Forum was a rousing success with one and a half days of panels, keynote speeches, and networking opportunities. The event was organized as part of the GACC e-Mobility Series, and featured top speakers from the US and Germany.



**GALA 2010: 21 Years of Transatlantic
Partnership in Trade and Commerce**
November 19, Philadelphia, PA

Over 150 representatives from business and industry, public services and academia were in attendance as the German American Chamber of Commerce – Philadelphia celebrated its 21st Annual Gala at the prestigious Union League. Throughout the evening, guests enjoyed fine dining, dance, and magical entertainment, and had the opportunity to bid on various items during a Silent Auction. The Consul General of Germany, Dr. Horst Freitag, also presented the Cross of the Order of Merit of the Federal Republic of Germany to GACC – Philadelphia's president, Ms. Barbara Afanassiev, for her work and ongoing dedication to the German community in the United States of America.



15th Annual Gala
November 20, Atlanta, GA

The GACC South invited their members and friends to join them on November 20, 2010, at the St. Regis, Atlanta's premier hotel, for their 15th Annual Gala. Following a gourmet dinner, the live band 'Shimmer', dancing, a car raffle and a silent auction filled out the program. This year's official Gala partner was Audi, and the official Gala patron was the State of Bavaria. More than 30 percent of the guests traveled from outside Georgia, and even as far as Europe, just to attend.



Christkindlmarket Chicago
November 24-December 24
Chicago, IL

The Christkindlmarket Chicago returned to Daley Plaza for the 15th time this year and once again proved to be one of the most popular holiday attractions in the city – not just for Chicagoans. The market has become an annual tradition for families and a reason for people all around the country to visit Chicago in the winter time.



**Making E-Mobility Work:
The Roles of Technology,
Policy, and Behavioral Change
— A German Californian Dialogue**
December 16, Palo Alto, CA

Making E-Mobility Work, organized by the GACC for the Western U.S., presented the realities of electric driving today and discussed the need for an all-encompassing solution that includes technology, policy, and behavioral change. German and American experts examined where we are today and discussed e-mobility's opportunities as well as the challenges policy makers are facing. Jochen Homann, State Secretary at the German Federal Ministry of Economics and Technology offered political insights from Germany, while James Boyd, Commissioner at the California Energy Commission presented an update on California's policies. **GAT**



German American Business Outlook
Annual Survey among German Firms in the U.S.

German American Business Outlook
November 30, New York, NY

The presentation of this year's German American Business Outlook attracted over 200 distinguished guests and members of the press to the trading floor of the New York Exchange. The joint survey of all German Chambers in the U.S. and the Representative of German Industry and Trade (RGIT) was conducted in conjunction with Roland Berger Strategy Consultants and addressed over 1,900 headquarters of German firms in the U.S. It found that 91% of German companies expect positive growth for their operations in 2011 and 69% plan to create new jobs over the course of the year.



Reputation of US Banks Suffered in Europe

Governance & responsibility key to bank reputation

The reputation of US banks has suffered during the worldwide financial crisis. That is the result of a study carried out by Stockholm Media and press relations in Germany, France and the UK. While not all results may be surprising, the underlying findings and implications certainly are.

A comprehensive media resonance study screened about 2,400 articles published in the daily and financial press in Germany, France and the UK during the past year. The articles were analyzed in detail with regard to overall tone, content and reputation drivers. The study focused on five major US banks.

The results show that the European media picked in particular on social corporate responsibility and business ethics. More than a third of all published articles dealt with social responsibility and governance topics. Reoccurring topics in this context were greed, high bonus payments, lawsuits, SEC allegations, compensation for investors and the resignation of CEOs. "Banks and financial institutions have lost credibility during



the financial crisis and are struggling to rebuild confidence", said Ulrich Stockheim, Founder & CEO of Stockholm Media. "Corporate governance and social responsibility, that is how a company behaves with respect to ethics and transparency in its business practices, are the most influential drivers in a bank's reputation."

The financial performance of banks was also in the focus of the coverage. Ironically, this aspect received positive or neutral scores, since experts generally agree that banks are high-performance companies. Nonetheless, other important reputation drivers

seem to have the power to influence or even overrule the positive scores for financial results, because when dealing with banks, customers also look at corporate citizenship, the workplace environment, leadership and management. These factors can have a major impact on the bank's overall reputation. An interesting twist could also be found in cases where a good financial performance was turned against a bank and used as proof for unethical business practices or socially irresponsible behavior. There seemed to be the underlying suspicion that these banks can be no good, if they make that much money. Thus, an exceptional financial performance may still have the potential to trigger negative coverage.

A company's products and services tend to be the strongest reputation drivers. The study, however, shows that the products and services of banks, are hardly covered at all. Even if products are mentioned the articles tend to focus on governance and responsibility. The immense coverage of these aspects outclasses all other

reputation drivers. "Banks certainly differ in that regard from other companies, since customers have very high expectations toward trust and credibility. It is very important with whom you do business and whether this partner is reliable, in particular, if a customer invests his savings." Ulrich Stockheim explained.

The study further indicates that there are a few exceptions. Not all banks receive bad scores. On the contrary, some banks receive slightly better reputation values. However, these banks are not covered as extensively as their competition. Ulrich Stockheim: "These findings also imply that there is the danger of a spill over effect - the large negative coverage of your peers may also influence the perception of your company as part of the same industry."

The findings of the study imply that the banking sector still has a long way to go to restore trust in the industry and its processes. Ulrich Stockheim: "The image of the corporate brand has been impacted and now it is crucial to communicate in a transparent way with all stakeholders to reestablish trust". It will be a key challenge in the upcoming years to address consumer misconceptions and to find better ways to communicate with all stakeholders. Given the significance of corporate governance and responsibility, banks should also give more attention to corporate social responsibility topics.

Stockheim Media is one of the leading owner-managed communications agencies in Germany with offices in Frankfurt, Cologne and New York. The agency offers its clients corporate communications and capital markets communications and realizes publishing and design projects for the financial services industry. All Stockheim Media consultants have a sound background in communications and understand the challenges surrounding business and financial issues in today's global climate. Stockheim Media clients comprise of national and international companies from the business and financial sector. Ulrich Stockheim stresses: "Banks, insurance companies and other financial service providers have to rebuild their credibility and regain the trust of their customers. The industry is suffering from a loss of integrity and has to recognize the need for strategic communications. This is a great opportunity for many PR agencies, but only a few have the necessary financial expertise as a key competence." **GAT**



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ABOUT THE COMPANY

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Founded in 2003 by Ulrich Stockheim, Stockheim Media is today one of Germany's leading owner-managed communications agencies and is highly specialized in financial and business practices. With head offices in Cologne, Frankfurt and New York, the agency – together with its British partner College Hill – serves clients around the globe with a broad range of PR services.

Are Rare Earths Really Becoming A Rarity?

The rush for the rare has been reopened. The untold thousands drawn to the Klondike in 1897 and to South Africa's Witwatersrand in 1886 in the rush for wealth from the bowels of the Earth could not possibly have imagined simply not conceive of the idea that more than 120 years later, a run for a few unusual elements would be part of the agenda of a G-20 meeting. Yet this is just what happened in Seoul in

2010. On the occasion of the G-20 summit, more than 35 industry associations, including the Federation of German Industries (BDI), teamed up to urge the heads of state of the major economies to address the problem of impending shortages in the global supply of rare earths. In a letter penned by Washington-based business associations and directed to the summit's participants, industry leaders pointed out how important rare earths have become. The crux of the ini-

tiative was a call for a strategic approach to the problem of ensuring a continued supply of these substances, which include yttrium, terbium and other elements. Rare elements are indispensable for the manufacturing of certain hi-tech and green-technology products, given current technologies and the current state of materials science. A shortage of rare earths would sooner or later have a profound negative effect on nearly all manufacturers. The 17 elements generally referred to as rare earths are indispensable ingredients in the production of metal alloys, specialty glass products, superconductors, weapons systems and magnets, as well as in the oil industry and environmental engineering. The current German American Business Outlook, a report on economic projections based upon a survey of nearly 2,000 German-owned companies in the U.S., showed that a majority of the companies predicted severe consequences within five years if a shortage of rare materials should manifest itself.



The problem for the industrialized world is that China holds some of the largest known deposits, and is in terms of volume presently the single largest distributor of rare earths. Following an announcement by China's economy minister of his nation's intent to reduce exports of rare earths in the second half of 2010 compared to the first six months of 2010 by 72%, U.S. industry was alarmed. It should be noted that China has reduced the export quota of rare earth year for year since 2005. China's share in the world market with regard to rare earth production and sales is approximately 97%. A report issued by The Federation of German Industries (BDI) in the summer of 2010 pointed out that production and supply risks have been created not only because of a drastic reduction in the number of processors leading to a lack of competition, but also by an increasing tendency on the part of certain state actors to exploit their position as producers of rare earths for political purposes. The BDI called for the European Commission and sovereign governments to establish mechanisms to protect manufacturers from politically motivated shortages. Similarly, the Association of German Chambers of Industry and Commerce (DIHK) urged the EU Commission to ensure the supply of all rare earths by implementing a framework of trade agreements.

Unlike what the term implies, rare earths are not in fact rare or scarce materials. Problematic,

however, is the fact that economically profitable and environmentally sound mining and processing of rare earths are difficult goals to achieve. Global deposits are estimated at around 99 million metric tons. Of these, around 36 million are located in China. The deposits of rare earth estimated to be found in the United States are conservatively pegged at 13 million tons, while projections show that Russia is capable of producing 19 million tons of rare earths.

Until the late 1990s, the U.S. was one of the largest producers of rare earths. However, mining operations in Mountain Pass, California, home to the largest single facility for rare earths production located in the United States, were dramatically curtailed some years ago as a result of cost pressure arising from the fact that Chinese prices for rare earths produced there were largely unaffected by expense factors such as U.S. environmental regulations. The next effect of the price differential was the ultimate end of production at the Mountain Pass mine in 2002. A further result of this closure was a collapse of related refining and production in the U.S. Since that time, the transfer of technical expertise in mining and processing of rare earths have allowed China to take a leading role in refining and ultimately dominating in the worldwide distribution.



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The Representative of German Industry and Trade (RGIT) is the liaison office of the Federation of German Industries (BDI) and the Association of German Chambers of Industry and Commerce (DIHK) in Washington.



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WASHINGTON ★ UPDATE ★

NEWS FROM INSIDE THE BELTWAY

Recently the U.S. Government Accountability Office has found that it would take five to 15 years to achieve the required levels of rare earths production and refining in the U.S. once again.

On Capitol Hill, Senator Lisa Murkowski (R-AL) introduced the Rare Earth Technology and Supply Chain Resource Transformation Act 2010. Not to be outdone, 13 U.S. business organizations, including the U.S. Chamber of Commerce, demanded that the administration launch a guarantee and loan program for the promotion and refinement of rare earth to rebuild the domestic supply chain. In September 2010, a bill amending the National Materials and Minerals Policy, Research and Development Act of 1980 was introduced in the House of Representatives. Bipartisan support came from a number of members of the House. The draft legislation provides a survey accessible rare earths deposits. It supports the development of new methods for the extraction as well as research into suitable existing substitutes and the possibilities of recycling industrial waste streams to recapture valuable rare earths. From 2011 to 2015, \$70 million will be provided for different research programs. The draft passed the House in autumn 2010, and was subsequently referred to the Senate Committee on Energy and Natural Resources.

In a survey of experts in Congress, Assistant Secretary of Energy for Policy and International Affairs David Sandalow called for improving transatlantic cooperation. The Chairman of the 111th Congress House Committee on Science and Technology, Bart Gordon (D-TN) met in Brussels with representatives of the EU Commission and EU Parliament to discuss activities for dealing with the rare earths question, among them the necessity to globalize supply chains and to establish a risk-management for the supply.

New exploration projects are underway in Wyoming, Nebraska and Idaho. Production at the Mountain Pass facility is scheduled to resume in the near future. And finally, in the course of the America Recycles Day on 15 November 2010, President Obama highlighted the need to speed up the recycling of electronic waste. A so-called Interagency Task Force will be set up within the next 18 months to develop a strategy for dealing with electronic waste in that regard. On December 17, 2010 on the occasion of a TEC (Trans Atlantic Economic Council) meeting in Washington D.C. the EU and the U.S. have agreed to tackle the problem in the WTO and in the OECD to reduce barriers to trade in raw materials. **EAT**



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10th Anniversary MERLIN Awards Winners 2010

This May, GACCoM celebrated a decade of EXCELLENCE in German American Business by honoring winners in three categories at its 10th Anniversary MERLIN Awards Gala in Downtown Chicago.

- Best Innovator:** Asmus Arbeitsbuehnen und Hebezeuge GmbH – Chicago, IL (www.asmus-wind.de)
WILO USA LLC – Melrose Park, IL (www.wilo-usa.com)
- Best New Company:** Melitta SystemService USA Inc. – Elgin, IL (www.melitta-mss.com)
- Best Service Provider:** Dachser Transport of America, Inc. – Elk Grove Village, IL (www.dachserusa.com)
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Congratulations to all the Winners!

For more information on the MERLIN Award and the winners, please visit www.gaccomm.com/merlin

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Switch to Energy Efficiency

The US electrical industry makes the switch to energy-efficient lamps; Analog incandescent light bulbs banned from sales racks by law

By Ullrich Umann

In the US, the electrical industry is full of optimism for the New Year ahead. Resulting from a decrease in energy use regulated by law manufacturers will benefit from an increased demand for energy-efficient lamps. Notable is a modified mandatory identification requirement starting mid-2011. From a technical point, the industry is hard at work to increase the luminance of LEDs.

In the fall of 2010, according to a survey by the Association of Electrical and Medical Imaging Equipment Manufacturers (NEMA), the situation for the US electrical industry has remained stagnant. The Electroindustry Business Confidence Index (EBCI), always updated on a monthly basis, produced a result in October, which was below the defining benchmark of 50. This shows a slight worsening of the economic situation for this industry sector. With an index of 53.6, the result was a somewhat more positive one in the previous month.

However, in a six-month outlook into the year 2011 the electrical industry's companies foresee business opportunities to increase

again. The outlook index showed a robust value of 68 in October 2010, with 66.1 in September and 54 in August. To a large extent, it is acknowledged that the economic conditions are improving for the electrical industry. 44% of the companies participating in the survey foresee a much more dynamic business activity for April of 2011, while only 8% predict a change for the worse.

Improved potential for sales and export for the electrical industry is partially due to the increased use of LEDs worldwide. LEDs are in high demand for two reasons; they are extremely energy-efficient and have a long product lifespan. However, in the US to this day, 22% of produced electrical energy is used for electric lighting. LEDs could reduce this quota significantly.

It is because of this fact that NEMA pushes for the creation and implementation of corresponding industry and user standards, on a national level as well as internationally. This would also increase the export possibilities for US manufacturers of LEDs.

*Translated into English
by Sandy Jones, GACC New York*



GTAI INDUSTRY TALK

A new series with detailed industry reports, written by the US-correspondents of Germany Trade and Invest (GTAI), the official German foreign trade and inward investment agency.

California is the first state to implement energy-efficient lighting systems on a widespread basis. There, the guidelines of the corresponding law from 2007 - the Energy Independence and Security Act of 2007 (EISA) - will be effective 1 January 2011, coupled with regionally adapted nationwide guidelines to bring down the limit of energy use for lamps and thus, increased energy efficiency for said lamps.

Other states will follow suit in 2012. Consumers will then have the nationwide choice of advanced technology incandescent light bulbs, compact fluorescent lamps (CFLs) and a new generation of LEDs. In a first step, the analog incandescent 100-watt light bulbs will be banned completely from sales racks. Two years later, 75, 60 and 40-watt bulbs are to be phased out. It only seems to be a matter of time before LEDs will be offered with a luminance comparable to a 60-watt bulb. Up until now, LEDs can only be compared to the luminance of a 40-watt light bulb. However, technical progress is noticeable; also for example by decreasing agents such as mercury, harmful to health and environment, in CFLs. For the first time in March of 2007, man-

ufacturers of such lamps voluntarily pledged to decrease mercury content in their products.

Three years later, on 4 October 2010, this voluntary pledge was expanded. Now, CFLs ranging from 25 to 40 watts can only contain a maximum of 5 milligrams of mercury. For lamps under 25 watts, the limit is 4 milligrams per unit.

The US Federal Trade Commission passed a mandatory identification regulation for all illuminants sold nationwide, to be effective by mid-2011. The packaging's front must display how high the luminance is (measured in lumens) - up to now the consumer can only see energy use (in watts). Additionally, the packaging has to show an estimate of the yearly cost of usage to be expected (in US\$).

On the back of the packaging the following must be displayed: luminance (in lumens), annual energy costs, life expectancy of the product, warm- or cold-light emission, energy use in watts and the mercury content of the product. **GTAI**



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by Uwe Spiekermann
GHI Washington

IMMIGRANT ENTREPRENEURSHIP
IN THE 19TH & 20TH CENTURY

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A "Money-Making Genius"

Claus Spreckels, a German-American Pioneer of the American West

When Claus Spreckels was born in 1828 to farmers in Lamstedt, near Cuxhaven, there was no indication that he would die in 1908 as one of the richest American immigrant entrepreneurs with an estate worth more than \$25 billion in current value. His success is a prominent example of the many German-American immigrants who have shaped the American economy over the last three hundred years by becoming leading entrepreneurs in practically every branch of business.

Claus Spreckels became well known as the "sugar king" of California and Hawaii. However, when he came to South Carolina in 1848 to avoid Prussian military service, he started out as a clerk in a German-owned grocery store. Young Spreckels was able to buy the shop after the retailer retired, invested his profits in a wholesale and retail business in New York, and seized the opportunity to establish an even larger business in San Francisco, where he arrived with some capital in 1856.

He was able to anticipate profitable demands, founding a brewery and, in 1863, investing in the emerging business of sugar refining. With new machines



Claus Spreckels at the age of 50

patented in his own name and with efficient organization, he was able to outpace most of his competitors. Additionally, he introduced more convenient forms of the product, granulated and cube sugar, replacing the sugar loaves typical for this time.

His dominant position in California provided him with the capital to take advantage of the promising opportunities offered by the reciprocity treaty between the United States and the Kingdom of Hawaii in 1876. Spreckels bought and seized 40,000 acres on the Island of Maui, erected an impressive system of irrigation,

CONTACT INFO

GHI - GERMAN HISTORICAL INSTITUTE
WASHINGTON DC

This article is an excerpt from a new project at the German Historical Institute Washington DC. **Immigrant Entrepreneurship: German-American Business Biographies, 1720 to the Present** will feature a collection of 250 biographical articles of 1st & 2nd generation German-American business people along with contextual information and a wealth of visual material.

infiltrated the government, corrupted the king, and extended his economic power year after year. In 1883, he purchased the entire Hawaiian crop of cane sugar to refine at his San Francisco plant. At that time, he was a quasi-monopolist in the West. Although his position in Hawaii diminished after a falling-out with the king, he was able to invest in new cash crops on the U.S. mainland. Based on machinery and know-how he acquired in Germany, Spreckels became the pioneer of the American beet sugar industry starting in the late 1880s.

Spreckels defended his sugar empire successfully when the so-called Sugar Trust on the East Coast, dominated by the German-American Henry Havemeyer, tried to purchase his business and break his position in the American West. Spreckels did not accept a profitable surrender but instead attacked his competitors in the East. After rigorous price struggles, the Sugar Trust guaranteed Spreckels' position in the West and paid high sums for this agreement.

However, Claus Spreckels was more than a sugar king. He took an interest in several other industries as well, mainly those integral to running his sugar empire.

Ship transport and railroads, banking and finance, real estate and urban infrastructure formed profitable extensions of his core business. Spreckels became a leading investor in San Francisco, erected the first skyscraper in the West, and supported his son John D.'s ambitions to develop San Diego as a destination for upper- and middle-class tourism.

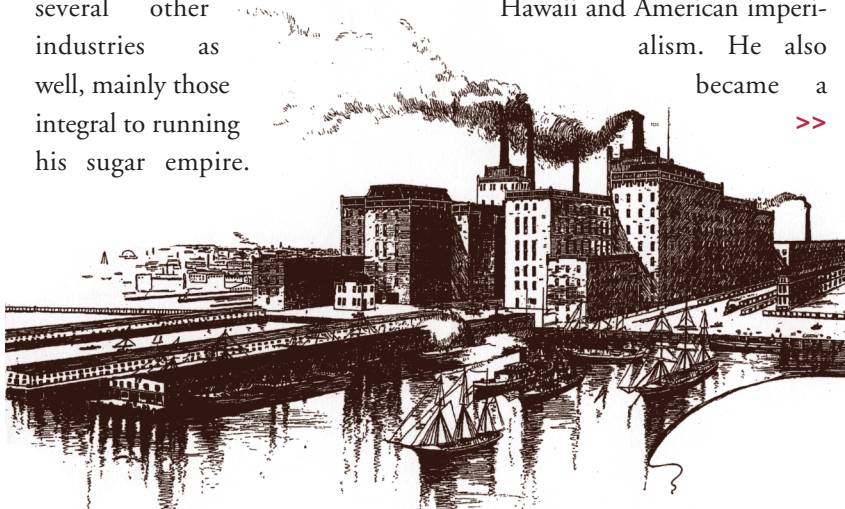
As early as the 1880s, Claus Spreckels was a figure in American and then international high society. He donated great sums to many public and charitable organizations in California, supported (German) classical music, and financed the bulk of Berkeley's post-1900 book collection in history, political science, and economics.

Although often perceived in the public eye as a German immigrant, and in spite of his close ties to his native country, which he visited more than two dozen times, Claus Spreckels defined himself as an American. He was grateful to American democracy, which gave him the opportunity to become a "king." From the 1890s onward, he often criticized American politics as contrary to "American" values. He fought against the U.S. annexation of Hawaii and American imperialism. He also became a

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*The Spreckels Building
Still standing after the San Francisco
earthquake and fire, 1906*



*Fighting the Sugar Trust:
Spreckels' Philadelphia refinery, at that time
the largest sugar plant of the world, 1890*

progressive Republican, fighting unethical trusts, corruption, and the draft – activities quite typical for his own early career. At that time, Claus Spreckels was surely not a model of ethical behavior in business and can be considered a typical “robber baron.”

His early entrepreneurial success was closely intertwined with family and ethnic networks, but more was necessary to become a leading figure in American business.

First, Claus Spreckels was a master of vertical integration, adding value at all stages of production, transport, and distribution. This position allowed him to use economies of scale, scope, and speed.



*Fundament of a Sugar Empire
Spreckels' California Sugar Refinery, San Francisco, 1881*

Second, his success was based largely on technological innovation. He developed new processes, machines, and products in order to produce more quickly and cheaply than his competitors. From the late 1880s, he bought patents and ideas to increase productivity and reduce costs. Spreckels was one of the first to hire chemists in his own laboratories to standardize and control production.

Third, in contrast to any free market ideology, the “sugar king” managed to win political support to pursue his economic interests. His Hawaiian sugar empire was based on his close relationship to the crown and his corruption of the political elite. His excellent connections to politics and politicians – he had private con-

tact with all U.S. presidents – aided the establishment of the highly subsidized beet sugar industry in the United States.

Fourth, Spreckels benefited from the relative isolation of Hawaii and California. His dominance in the West was based on high transport and freight costs. His ships ruled the waves, and he also negotiated with railway companies to maintain prohibitive freight rates for sugar.

Claus Spreckels was one of the most successful German-born entrepreneurs of the late nineteenth century, richer than all entrepreneurs in his country of origin with the exception of Alfred Krupp. Surprisingly, his name is virtually unknown in Germany today. **GAT**

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A different perspective on the Pine Tree State

There's more to Maine

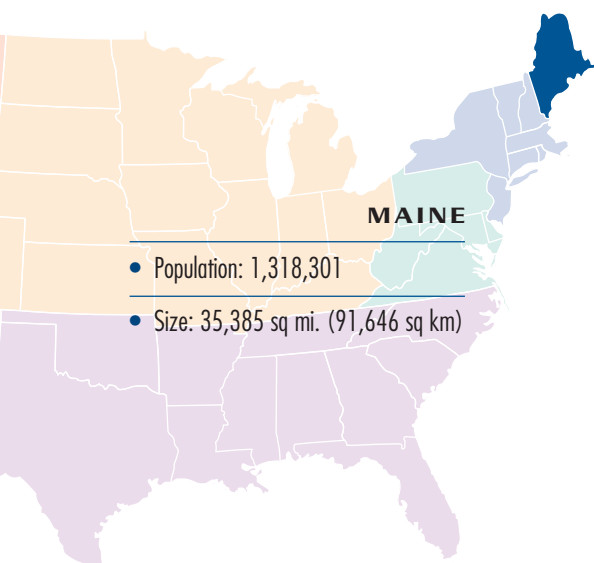
For those familiar with Maine, the images of a beautiful rocky coast, lighthouses and the famous Maine lobster come to mind. Biathlon fans will be aware that 2 of the 2010/2011 Biathlon World Cup events are hosted in Presque Isle and Fort Kent in Northern Maine. But Maine has actually even more to offer as some interesting facts underscore.

Maine is one of five US states with significant onshore and offshore wind resources. This resource and the State's high renewable portfolio standard of 40% have resulted in the highest amount of onshore wind power installed in all of New England. Maine has a State target of 3 GW onshore wind power by 2020 and will pass the 50% mark of this target by around 2013. The Gulf of Maine has the best offshore wind resources on the US East Coast, estimated at a total of 149 GW. The State target of 5

GW offshore generated wind power by 2030 is also part of the US Federal Government target of 54 GW by 2030. The US Department of Energy is therefore supporting R&D of deepwater offshore technology, required to utilize the enormous potential in the Gulf of Maine, with around \$25 Million grants to the Deep-CWind Consortium led by the University of Maine and 30 industry members from inside and outside Maine. Maine views wind power as one of the key solutions to reduce its dependence on fossil fuels. 80% of Maine households use heating oil during the long winters and the State has therefore the highest per capita consumption of fossil fuels in the United States; a fact that is not sustainable. The State of Maine Legislature took therefore significant steps in 2008 and 2009 to set the path towards a long term change from fossil fuels to renewable energy. Renewable energy companies inside and outside the United States have taken notice

>>

Wind turbine blades being unloaded in Searsport, Maine



and have started the dialogue with Maine companies to form mutually beneficial alliances.

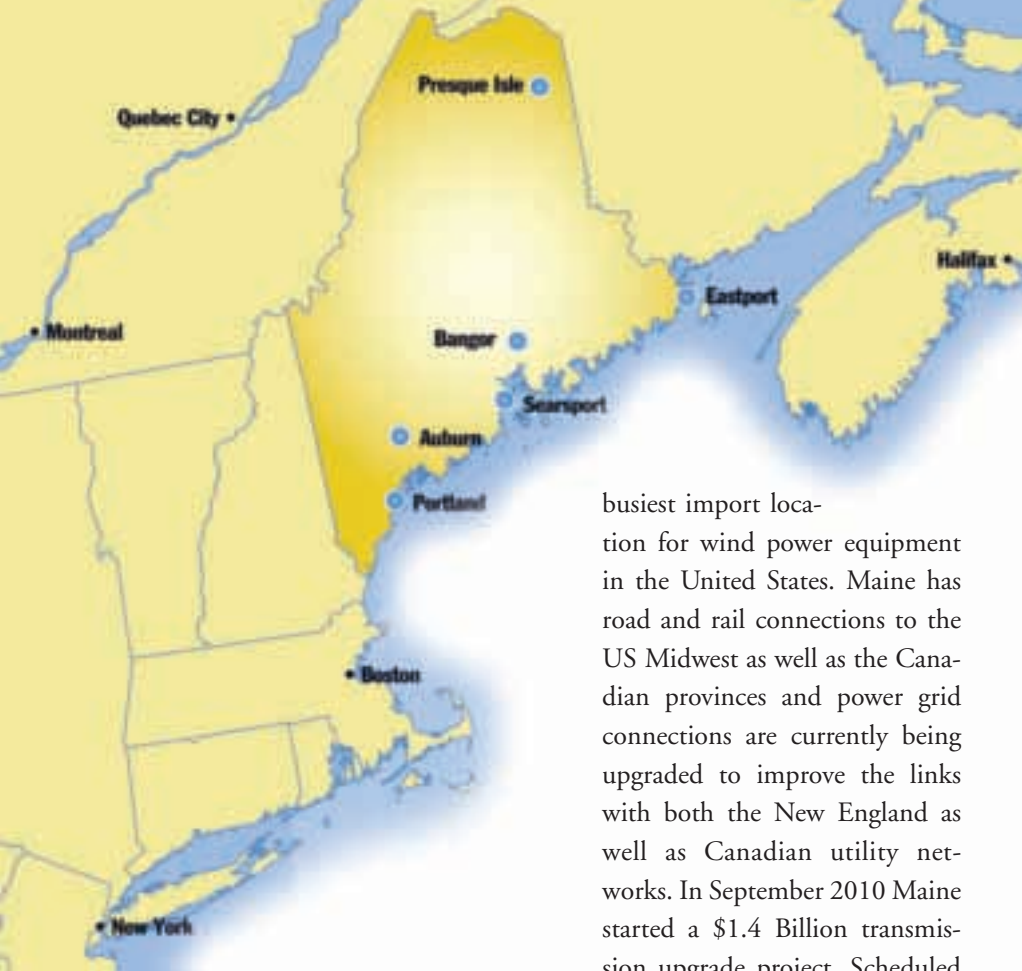
Another, quite unique energy resource in Maine is tidal power. The tides of Passamaquoddy Bay and Cobscook Bay average 18 feet / 5.5 meters and range from 12 to nearly 26 feet / 3.6 to 8 meters during neap and spring tide conditions. Various Maine based companies are developing technology to turn these tidal movements into kilowatts. A 3MW pilot plant in East Port, Maine is now supplying power to the local coast guard station. A \$10 Million grant from the US Department of Energy will eventually lead to 100MW tidal energy being generated.

Beyond its rocky coast Maine has the most abundant sustainable forest resource in the United States.

Over 90% of Maine's land area is forested and more than 16 million tons of wood are sustainably harvested per year. While in the past a

lot of this resource was used for the paper industry the State is shifting gear towards growing its use for biomass heating products. The University of Maine estimated in their 2007 Biomass and Biofuels in Maine report, that "Maine could meet 18% of its transportation fuel needs through forest residues alone" and that the "total sustainable and extractable forest residues are 2.6 million dry tons per year". Wood pellet production facilities have started up in Maine to supply the young but growing wood pellet industry which is attracting interest from both pellet buyers in Europe as well as equipment companies such as pellet boiler manufacturers.

On the US Map Maine might appear as 'up there'. But Maine's location is a key asset for the state as it connects the United States with Canada's eastern provinces. A fair percentage of crude oil for refining in New Brunswick, Canada arrives through the ports of Portland and Searsport, two of three Maine deepwater ports. In 2009 Searsport was the 10th



busiest import location for wind power equipment in the United States. Maine has road and rail connections to the US Midwest as well as the Canadian provinces and power grid connections are currently being upgraded to improve the links with both the New England as well as Canadian utility networks. In September 2010 Maine started a \$1.4 Billion transmission upgrade project. Scheduled to be complete by 2016, this investment includes 450 miles / 720km of new transmission lines and five new 345 kilovolt substations so that the onshore infrastructure will be ready for the planned total of 8GW wind power. Power that is available for supply to population centers of 55 million people close to Maine.



For more information on Maine please visit www.mitc.com and www.investinmaine.net

What else is there to Maine? When you board a plane you are 'meeting Maine'. Aerospace products and parts are one of the largest exports, including to Germany. From insulation to cargo and electrical access doors, parts for the flap actuators, casings for cockpit instruments, a myriad of sensors from hydraulic and fuel to temperature, pressure and flow sensors, landing gear and braking systems; these are all products that are manufactured in Maine

by a very skilled and loyal workforce which can compete with Asian manufacturing due to the quality of their output.

Maine has a well established composite industry. Moving beyond boat building this industry has branched out into other areas such as components for infrastructure projects. Bridge beams made of composites are much lighter and have therefore lower transportation costs and onsite equipment requirements compared to steel components. Filled with concrete on site they have the same life expectancy as conventional structures without the corrosion issues. One of many innovative products made in Maine.

Maine is very interested in increased business and co-operation with German companies. Maine Biotech companies recently exhibited at the Medica Tradeshow in Düsseldorf. Maine has started to establish links with the renewable energy industry in Germany, including the Wind Energy Network in Rostock, Germany. The Maine International Trade Center invites German companies to connect with Maine industry. Because there's more to Maine! And by the way: wir sprechen Deutsch at 'Invest in Maine'. **GAT**

Online Marketing

A Great Tool For Your Transatlantic Business

For e-commerce firms of all sizes, the biggest challenge isn't getting traffic; it's getting high-quality traffic. And for any transatlantic venture today, the best path to high-quality traffic is Search Engine Marketing, or SEM: text ads on Google and Yahoo/Bing that are precisely targeted to reach engaged consumers who are actively seeking information related to your product.

Paid search and social media trends change quickly, often spreading across the USA and then migrating out to other international markets in staggered waves. Due to the highly vari-

able, micro-segmented audience these marketing initiatives present, many international businesses are turning from established methods of marketing to online marketing; most notably, SEM.

Search Engine Marketing is proving to be the most effective tool in today's competitive marketing marketplace, and it will remain so for the foreseeable future - paid search is certainly here to stay.

Using its considerable expertise in SEM, Gramercy Global Media Inc. has created successful campaigns for clients of all sizes. In an effective Search Engine Marketing campaign, relevant text ads appear when users search for keywords related to the service or product being offered. To ensure the best possible ROI, Gramercy Global performs an analysis of the client's goals, identifies a range of perti-

nent keywords, and chooses the search terms most likely to bring high-value traffic to the client's website at a reasonable cost.

Gramercy Global, a Google AdWords Certified Partner, creates SEM campaigns in Google AdWords, today's primary Search Engine. These AdWords campaigns are created around goals such as advertising cost per single sale, or cost per registration, and they can easily be expanded to function with the Yahoo and Bing search engines. Clients receive regular and detailed performance reports.

Another key service offered by Gramercy Global Media is Search Engine Optimization, also referred to as SEO. Basically, this involves improving a website's ranking within organic search results on the left side on Google, Yahoo and Bing. The higher up a site appears in the list, the more traffic it most likely will receive.

Troy Pugmire, Managing Director for Gramercy Global Media, explains why so many websites could benefit from Gramercy Global's online marketing services: "Most companies just don't

have the time and resources to keep up with the latest developments in SEM and SEO. Google and other search engines are constantly changing how they rank sites in their search results and are always adding new products and making changes to existing ones. For most businesses, SEM and SEO can be a somewhat complicated process, and that's why your best option is usually to hire a qualified agency."

Some of Gramercy Global Media's most prominent clients are in the sports and entertainment markets. The company handles online marketing campaigns for several major German sports teams, such as Werder Bremen, Borussia Dortmund, Hamburger SV, and Mainz 05. They help these teams promote their merchandise, increase club memberships, and gain new subscribers to pay TV stations, to name a few marketing initiatives. In the past year, Gramercy Global helped one of these teams reach seven-figure Euro revenue levels as a result of their online marketing efforts – and did it all on a limited marketing budget.

Gramercy Global is also skilled in meeting the goals of smaller clients. Stefanie Bihlmayer, Marketing + Sales at Gramercy Global's Munich office explains:

"While we serve some of the largest Sports clients in



For more information visit
www.gramercyglobal.com



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“The best path to high-quality traffic is Search Engine Marketing (SEM).”

Germany, we also include smaller teams such as Bremerhaven's Eisbären basketball team and third division football team Kickers Offenbach as our clients.”

Keeping marketing costs down is a crucial consideration for any business. With SEM-focused campaigns, clients of Gramercy Global Media can set daily or monthly budgets, eliminating the possibility of overspending.

In addition to its special focus on Search Engine Marketing, Gramercy Global Media is uniquely qualified to work with German-US clients. With offices in New York, Munich and Hong Kong, the company is adept at navigating the business cultures

that can vary so widely across different markets. In concrete terms, German-US clients will benefit from Gramercy Global's ability to create precise geo-targeted placements, and to display ads in German (and other languages) with a high degree of cultural literacy.

Recently, the Munich office of Gramercy Global joined The Sportsman Media Holding, one of Germany's prominent sports media rights agencies which also operates Austria's most prolific sports portal, www.laola1.at. With this new partnership, Gramercy Global can now offer its clients even deeper media saturation in Germany and throughout Europe, drawing on The Sportsman's considerable experience in handling sports media rights and sports marketing.

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Gramercy Global Media delivers a range of services that can be tailored to your needs and combined into an integrated marketing campaign, including:

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- Email Marketing
- Website Development
- Web Translations

In order to thrive, all web sites need high-quality traffic, and partnering with Gramercy Global Media is an affordable, reliable way to attract exactly the customers you need. **GAT**

GERMAN AMERICAN TRADE

THE MAGAZINE OF THE GERMAN AMERICAN CHAMBERS OF COMMERCE

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Berlin

City of many faces

Berlin is exciting. Berlin is fast. Berlin changes every day. With its unique mix of history, culture, and lifestyle, the German Capital has something to offer to everyone, and is one of the most dynamic, exciting and forward-thinking cities in Europe.

Meeting planners from around the world have taken notice of Germany's leading MICE destination. Berlin has clearly positioned itself in the top ranks of the international meetings and congress market. In 2009, the city reached ICCA's 4th place worldwide as a destination for association congresses. In total, some 108,500 meetings, events, congresses, and incentives with about 8.26 million participants were staged in Berlin in 2009. In spite of the economic downturn, these numbers represent a 4% increase in events, and a 1% rise in meetings participants, compared to 2008.

The positive results can be attributed to the outstanding conditions that conference organizers find in the city: Europe's most modern hotel landscape, exceptional value for money, diverse conference facilities, as well as extraordinary and authentic venues. Berlin is centrally located between Eastern and Western Europe, and can be

"Faces of
the Renaissance"
at The Bode Museum,
begins August 25, 2011

Botticelli's La Bella Simonetta

reached conveniently from the USA with Delta's or Continental's nonstop service, or any other major U.S and European airline.

Known for its creative energy and lively scene, unified Berlin is much more than a city with tourist attractions and a turbulent past. Attracting artists, designers, and musicians from all over the world, Berlin has become the must-see trend city in Europe. The city offers a vibrant gallery and art scene, outstanding dining-options, designer shopping, and legendary nightlife; and all that at a much lower cost than in any other European metropolis. Boasting 7 professional symphony orchestras, 3 opera houses, 175 museums, 400 galleries, countless stages, and show rooms, Berlin is also cultural capital of Europe. From traditional 1920s entertainment forms to cutting-edge performances, from classical music to techno, Queen Nefertiti and Rembrandt to edgy urban art, from street festivals to sports competitions – each day, 1,500 events beckon visitors to experience some of the best shows on the continent.

One highlight in 2011 will be taking place in cooperation with New York. After “MOMA in Berlin” and “The Most Beautiful French from New York”, it now is the turn of “Faces of the Renaissance” at the Bode Museum on Museum Island, beginning August 25, 2011. The exhibition will feature more than 150 masterpieces of the Italian renaissance from New York's Metropolitan Museum of Art, Berlin's Gemäldegalerie, and other great museums of the world, including works by Botticelli, Pisanello, and da Vinci.

Not nearly as old as renaissance art but already celebrating its 125th birthday is Berlin's boulevard of splendor – the Kurfürstendamm. Originally conceived as a bridle path from the city's urban palace to the Grunewald hunting lodge, it marked the center of West Berlin during the division of the city, and is today the most famous and favorite shopping street in the German capital. Festivities will begin on May 5, 2011 and continue throughout the entire summer, all the way until October.

With this variety of events and extraordinary locations meeting planners find it easy to organize their own meetings, incentives, congresses and events in Berlin. The city offers numerous state-of-the-art venues – including six convention centers - with a total meeting space of approximately 5 million square feet. In Berlin, planners for incentive travel have a choice of 141 very unique and authentic locations.

The Berlin Convention Office (BCO) of visitBerlin, which won the Successful Meetings Pinnacle Award as “best international convention bureau”, is available to planners as a central and competent point of contact for any type and size of event. Organizers benefit from the comprehensive service range which encompasses free-of-charge agency and booking services for hotel allotments. From July 7-11, 2011 Meeting Place Berlin will take place. This well known international workshop is already being staged by the Berlin Convention Office for the sixth time and will delight decision-makers from all over the world. **GAT**



www.meeting-place-berlin.com
www.berlin-convention-office.com



The Nuernberger Christkindl at the Grand Opening of the 15th Christkindlmarket Chicago, November 24, 2010



Werner Rissing of the German Federal Ministry of Economics & Technology, Dr. Walter Maisel of KOSTAL North America, & Dr. Martin Winter of the University of Münster enjoying one of the networking breaks



GACCoM board member Uwe Schoberth & new member Charles Wilson at GACCoM's Annual Executive German Wine Dinner



Making E-Mobility Work Symposium, Palo Alto, CA, December 16th

Back, from left: Andreas Schäfer, Visiting Faculty, Precourt Energy Efficiency Center, Stanford University; James Boyd, Commissioner, California Energy Commission; Lee Shipper, Ph.D., Sr. Research Engineer, Precourt Energy Efficiency Center, Stanford University; John Boesel, President & CEO, CALSTART; Dr. Benno Bunse, President & CEO, German American Chamber of Commerce, Inc.

Front, from left: James L. Sweeney, Ph.D., Director, Precourt Energy Efficiency Center, Stanford University; State Secretary Jochen Homann, German Federal Ministry of Economics and Technology; Ms. Wrede, Interpreter; Dr. Thomas Becker, Vice President Governmental Affairs, BMW Group



New York Stock Exchange, Nov 30, 2010 German American Business Outlook Survey



*Dr. Christoph Bohl DB US Holding Corp;
Jochen Wolter, Press Consul, German Consulate;
Robert Fiore, William J. Mayer Securities at NYSE, Nov 30, 2010*



*Ina Bohse, GACC with Dr. Juergen Friedrich, CEO Germany Trade & Invest
at GTAI-AHK USA Office Opening, Oct 15, 2010*



Margot Kaessmann, Former head of the federation of Protestant Churches, and Wolfgang Krueger, Executive Director of the German Cultural Center in Atlanta at the 15th Annual Gala, Nov 20, St. Regis Atlanta



Actor Jason Bateman and GACC South Team as he filmed a new movie in the GACC South office building

EVENT CALENDAR

January 1 - February 21, 2011

Jan 1

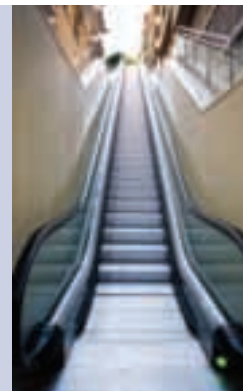
Happy New Year! ▶



Jan 12

Business Seminar:
Taking Your Next Step
in Approaching the US Market

Held by GACCNY
New York, NY
www.gaccny.com ▶



Jan 13

The New Year's Reception
and Luncheon

Held by GACCNY
New York, NY
www.gaccny.com

Jan 18

New Year's Gala

Held by GACCoM MI Chapter
Dearborn, MI
www.gaccmi.com ▶



Jan 19

YEC Monthly Stammtisch

Held by GACCoM
Chicago, IL
www.gaccom.org ▶



Jan 20

New Year's Reception

Held by GACC South
Houston, TX
www.gacc texas.com

Jan 25

New Year's Reception

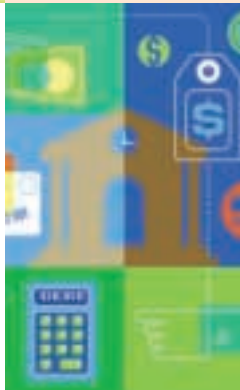
Held by GACC South
Atlanta, GA
www.gaccsouth.com ▶



Jan 27

Annual Economic Forum

Held by GACCs and RGIT
Rosemont, IL
www.gacc com.org ▶



Feb 1

Energy Efficiency in Industry
Conference 2011

Held by GACCoM
Troy, MI
www.gacc com.org ▶



Feb 3

International Business
Networking Reception

Held by GACC PHL
Philadelphia, PA
www.gaccphiladelphia.com ◀



Feb 14

Valentine's Day ◀



Feb 15

"After Hours"
Business Networking
Seminar @ Miller & Martin

Held by GACC South
Atlanta, GA
www.gaccsouth.com ◀

Feb 16

YEC Monthly Stammtisch

Held by GACCoM
Chicago, IL
www.gacc com.org ▶



Feb 17

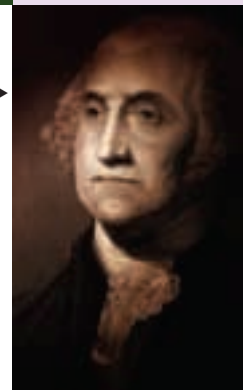
Hax'n Essen

Held by GACC PHL
Philadelphia, PA
www.gaccphiladelphia.com ▶



Feb 21

President's Day ▶





Navigating cultural differences to keep your business afloat

Pamela Jackson and Morgan Moretz are Americans who work in the German-American business community. Both graduated in 2009 with communications degrees and have put their training to good use in observing the cultural differences between German and American work styles. In an effort to shed light on key issues that come up, they would like to share their observations with you.

"How are you?"



<http://howwesink.wordpress.com>

We have a coworker named Fritz. She's German and we love her. (Yes, we are obviously American because we often profess our love for our coworkers.) Upon coming to the United States, Fritz would encounter strangers on the street who inquired about her general well-being. As Americans, we're trained to answer with a "Good," or "What's up," or "Sleepy, but getting through" – generally anything goes. Fritz, on the other hand, would stare in dismay, her face twisted in a confused gaze because she was certain that this person didn't actually care how she was and shouldn't be asking anyway. Conundrum.

There are two sides to this. One, 'How are you?' is a simple phrase of greeting. We did some research into other countries' greetings to draw a parallel. In Botswana, people greet one another with "How did you wake?" We can already see the odd looks we would get for that. In Bhutan, an appropriate greet-

ing is "Is your body well?" Uh... yes, thank you, but I had some bad fish last night and it didn't sit well. Imagine the responses. Iceland's greeting simply translates to "happy." Well now, that's just lovely. The overall point is, don't overanalyze. It's a hello. We're being friendly.


On the other side, Americans are trained to be empathetic and sometimes, we really do care. Have you ever watched Oprah cry at every single story, ever? She feels things. Really, really feels them. Sometimes, we do too. As an example, Pamela's grandmother tells her life story to just about anyone she meets. It can be endearing, but let's just say that the bank teller might know way too much about the Jackson family. But this is often how we relate to one another. We want to share the human experience and we like knowing that the people around us are going through similar situations. We all get sad, we all get happy. Americans are generally passionate and emo-

tional people. So there are times when we ask 'how are you?' and we really are trying to reach out.

But how does this translate to the German-American business world? How can you, the entrepreneurial German, use this fact to your advantage?

Easy. Greetings are how you bond with Americans, especially in business. Getting to know someone should always be considered the first step. When you go to your lunch meeting to close a deal, you cannot just jump straight to business and numbers without offending an American. First, you'll need to ask about the family and health of your potential business partner.

We know it may feel slightly superficial that in order to form a meaningful business relationship these introductory questions must be asked but in the end, you will earn an American's loyalty and trust by taking steps to get to know them. **GAT**

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