

# GERMAN AMERICAN TRADE

JAN/FEB 2012



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

**In Turbulent Times,  
German Firms in the U.S.  
Stand for Optimism**

**Spotlight:  
GACC 2011 Review**

**Interview with  
Randy Dearth, Lanxess**

**U.S. Trade Policy –  
Will a Commercial  
Offensive Follow?**

**Interview with  
Jürgen Siebenrock, Lufthansa**

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# German Firms' Outlook for 2012 Optimistic

Let's start the New Year with some good news: The outlook on German American trade is positive! That is the key message of the German American Business Outlook (GABO) - the annual survey published by the German American Chambers of Commerce (GACCs) in cooperation with the Representative of German Industry and Trade (RGIT), and Roland Berger Strategy Consultants. The GABO questioned German subsidiaries in the United States about their overall economic outlook.

To mark the launch of the results, the Chamber invited its members to the New York Stock Exchange to discuss the findings. Michael Krukliniski, VP, Corp. Development & Strategy, Siemens, Caroll Neubauer, Chairman & CEO, B Braun Medical, Jürgen Reers, Managing Partner, Roland Berger Strategy Consultants North America, Norbert Weichele, President & CEO, Zentis Food Solutions North America, and Russ Wheeler, President, Hansgrohe Inc. joined me on a panel to provide the audience with their perspectives on the global economy at large and German American trade in particular.

Bottom line: Despite political and economic turmoil, German companies in the United States are optimistic. Most companies even stated that



*Martin Richenhagen,  
Chairman, President and CEO  
AGCO Corporation*

neither the U.S. debt crisis nor the conflicting issues in the Euro zone have had any notable impact on their business. For 2012 companies even expect 'moderate' to 'strong' growth. Companies will continue to invest in research and development, product innovations and also in additional employees. The panelists outlined particular challenges, such as the shortage of skilled labor and rising commodity prices, but remained generally optimistic.

This is a strong message for all companies doing business in Germany and the United States. German American trade is moving forward. Let's all turn 2012 into a successful year!

Sincerely,

Martin Richenhagen,  
Chairman, President and CEO  
AGCO Corporation

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### **Boehringer Ingelheim invests more than \$350 million in U.S. expansion projects**

Boehringer Ingelheim Pharmaceuticals announced that it has made more than \$350 million worth of capital investments throughout its U.S. operations in 2011, in order to further bolster its drug discovery, development, and manufacturing capabilities. Privately-held, family-owned German Boehringer Ingelheim continues to grow by improving its state-of-the-art facilities and enhancing its research, development and manufacturing capabilities.

>> [www.marketwatch.com](http://www.marketwatch.com)

### **German insurer starts selling space travel insurance**

German insurance giant Allianz will start offering its new space travel policies as of 2012 to coincide with the launch of Virgin Galactic, the spaceflight company owned by Richard Branson's Virgin Group. So far, about 450 people have reserved seats for the \$200,000, five-minute trips into 'sub-orbital' space, the point where weightlessness kicks in and the curvature of the earth and blackness of space can be seen.

>> [www.reuters.com](http://www.reuters.com)

### **Nordex USA wins two new wind turbine orders for Iowa**

Nordex USA, Inc. announced two new orders from wind a farm developer. The power from the two new wind farms has been purchased by Central Iowa Power Cooperative under a long-term agreement. Nordex is one of the leading technological providers of turbines in the megawatt class. The company's global headquarters is located in Hamburg, Germany, with U.S. headquarters in Chicago.

>> [www.marketwatch.com](http://www.marketwatch.com)

### **Porsche unveils design plans for corporate HQ in ATL, experience center in LA**

In two years, frequent fliers circling above Atlanta International Airport may glimpse a Porsche badge out their windows. The atrium of the automaker's new North American headquarters, scheduled to open in late 2013, will be shaped to resemble the shield adorning Porsche cars. Porsche also intends to build a customer experience center in the vicinity of Los Angeles International and Long Beach airports, according to a company statement.

>> [www.nytimes.com](http://www.nytimes.com)

### **German Merck to U.S. Merck: get out of my Facebook**

German drug maker Merck KGaA has asked a New York City court to force Facebook Inc. to explain how the German company lost its page on the social networking site to U.S.-based rival Merck & Co. According to a filing with the New York State Supreme Court, the German Merck intends to "initiate action based on the apparent takeover of its Facebook page by Merck & Co., the similarly named but separate competitor.

>> [www.wsj.com](http://www.wsj.com)

### **S+S USA subsidiary relocated to Chicago**

S+S Inspection Inc., the U.S. subsidiary of the Bavarian company S+S Separation and Sorting Technology GmbH, has relocated its headquarters from Niagara, NY, to Bartlett, IL, near Chicago. Relocation had become necessary because S+S intends to significantly expand its North American business operations. Comprehensive service for S+S customers in the USA mainly from the plastics, food, and recycling industries will thus be guaranteed.

>> [www.businesswireindia.com](http://www.businesswireindia.com)

## SAP to buy SuccessFactors for \$3.4 billion

Germany's SAP AG, the largest maker of business-management software, agreed to buy SuccessFactors Inc. for \$3.4 billion in cash to keep pace with archrival Oracle Corp. in the cloud-computing market. SAP will purchase San Mateo, California-based SuccessFactors, which makes software used to manage employee performance, for \$40 per share. SAP is promoting cloud computing, which lets clients rent software delivered over the Web rather than install it on their own machines, as a safe way to outsource data centers and reduce the need for hardware.

>> [www.businessweek.com](http://www.businessweek.com)

## Siemens acquires eMeter

Germany-based Siemens acquires eMeter, the U.S. meter data management specialist based in San

Mateo, CA. Both parties have agreed not to disclose the purchase price and expect to close the deal in mid-to-late December 2011. Siemens and eMeter have worked together as strategic partners since 2008. Siemens says eMeter's EnergyIP MDM software will become an integral part of its smart grid portfolio.

>> [www.smartgridnews.com](http://www.smartgridnews.com)

## Wind energy leaders eye U.S. expansion

German energy companies, well-established leaders in harvesting wind power, are focusing on exporting turbines to the growing U.S. market as European turf becomes scarce. As the country races to meet European Union renewable energy targets, companies are running out of room to expand on German soil. Meanwhile, the U.S. is pursuing its own

renewable energy goals – a U.S. Department of Energy report published in 2008 suggests covering 20 percent of American power needs with wind energy by 2030.

>> [www.thelocal.de](http://www.thelocal.de)

## Pfleiderer makes NA business 'available for sale'

The Pfleiderer Group, the struggling German-based wood composite panel producer that is going through a massive debt restructuring, announced it is looking to sell its North American business. Pfleiderer said it has reduced its worldwide workforce, including North America, from 5,579 on June 30, 2010 to 5,177 on June 30, 2011. The company noted that its North American workforce has been reduced 13.0% to 1,094 during that same one-year time frame.

>> [www.woodworkingnetwork.com](http://www.woodworkingnetwork.com)



DENGLISCH 2012

Exclusive cartoon for German American Trade by Heiko Sakurai [www.sakurai-cartoons.de](http://www.sakurai-cartoons.de)

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- Max Planck Florida Institute
- Representative of German Industry and Trade
- visitBerlin Berlin Convention Office

### **Gehrlicher Solar enters U.S. market**

Gehrlicher Solar America, a leader in commercial solar photovoltaic power systems, commenced its operations in 2010. It has its headquarters in Springfield, New Jersey. It is a subsidiary of the German-based global photovoltaic company, Gehrlicher Solar. According to a statement, the company has recently completed two rooftop solar systems, installed in Edison, New Jersey, and is in the process of constructing six more systems.

>> [www.azocleantech.com](http://www.azocleantech.com)

### **Volkswagen will run Beetle spot during Super Bowl**

Volkswagen of America said it will premiere a 60-second television commercial featuring its new Beetle during Super Bowl XLVI. The spot will mark the third year in a row for the German car maker advertising during the American football spectacle. The company has had success with previous Super Bowl ads, including two 30-second spots during last winter's game.

>> [www.wsj.com](http://www.wsj.com)

### **Mercedes, BMW vie for U.S. luxury car crown**

In a first, two German manufacturers - Mercedes-Benz and BMW - are dueling for the honor of being the top luxury brand sold in the United States. With the champion of the past 11 years, Toyota's Lexus, hobbled by the fallout from Japan's March 2011 earthquake-tsunami-nuclear meltdown disaster, the two Teutonic giants are going at it head-on to snatch the crown, a highly visible symbol of automotive supremacy. The 2011 race is closing in a genuine side-by-side, wheel-to-wheel sprint to the finish.

>> [www.google.com](http://www.google.com)

### **German cutlery company J.A. Henckels plans to move to Pleasantville, NY**

A 270-year-old German cutlery company whose products are favored by professional chefs and carried by U.S. retail stores such as Dean & DeLuca and Williams-Sonoma will soon move its U.S. headquarters to Pleasantville, NY. The company, J.A. Henckels International, now based in Hawthorne, is under contract with the grocery chain Shop & Stop to buy its 112,000-square-foot building.

>> [www.lohud.com](http://www.lohud.com)

### **U.S. approves first children heart pump made in Germany**

The U.S. Food and Drug Administration has approved a first mechanical cardiac assist device for children that can help keep patients alive as they await a transplant. The EXCOR Pediatric System, made by German company Berlin Heart, can be sized to fit young people from newborns to teenagers.

>> [www.google.com](http://www.google.com)

### **BASF will join venture to make sugars for plastic**

German chemical giant BASF is investing \$30 million in a U.S. start-up that says it can use plant cellulose to produce large quantities of low-cost sugar used in plastics, the companies plan to disclose soon. Renmatix, based in King of Prussia, PA, is one of several start-ups that have been pursuing a cost-effective replacement for fossil fuels from non-edible crops, amid mounting concerns about high oil prices and global warming over the past decade.

>> [www.wsj.com](http://www.wsj.com)

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# In Turbulent Times, German Firms in the U.S. Stand for Optimism

by Eva Krause, GACC of the Midwest



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

2011 was an extremely successful year for German businesses in the United States. Despite the current economic and political uncertainty in both the U.S. and Europe, the firms also remain outspokenly optimistic about their outlook for 2012. 86% of German subsidiaries expect moderate to strong growth for their operations in the New Year, including 67% that plan to create additional jobs

**W**hen the results of the third German American Business Outlook survey were presented to the media at the New York Stock Exchange on December 5, 2011, for some, the outcome sounded almost too good to be true: Four good-humored industry representatives informed the audience about their companies' excellent performance in 2011, and their optimistic and ambitious outlook for 2012 – which so far remains mostly untainted by economic and political uncertainty in the U.S. and Europe.

The individual perspectives of these firms matched what close to 200 German subsidiaries reported in this

annual study conducted by the German American Chambers of Commerce, the Representative of German Industry and Trade, and Roland Berger Strategy Consultants. Juergen Reers, Managing Partner of Roland Berger's North American operations, presented a summary of the survey results showing that 2011 brought a further rebound of sales volumes for 72% of companies. This enabled most firms to implement the growth strategies they had outlined in last year's survey, and, what's more, the majority will continue to focus on growth-oriented measures in 2012. Consequently, 86% of respondents foresee their own business to grow either moderately or strongly

Survey conducted by:



**Roland Berger**  
Strategy Consultants



"The U.S. is still our **largest single market**, an extremely vital production and research location. Last year we invested \$1.3B in R&D in the U.S. alone."

**Michael Kruklinski,**

VP, Corporate Development & Strategy, Siemens Corp.

over the next twelve months. If somewhat less enthusiastic, they are confident about the outlook of the overall U.S. economy as well: 96% of firms do not predict a renewed recession, including 48% that expect moderate to strong growth.

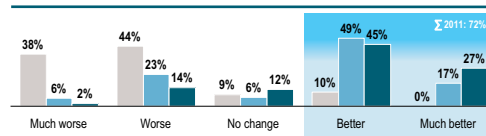
As to the debt crises discussions in the EU and the U.S., they have so far only had a moderate impact on one third of the subsidiaries. In 2012, this number increases slightly, as firms are uncertain about future effects on the general economic climate. One respondent summarized: "We are more cautious than our own very positive business outlook would justify."

Asked which long-term measures would most improve the economic competitiveness of the United States, the firms surveyed agree that addressing federal and state fiscal

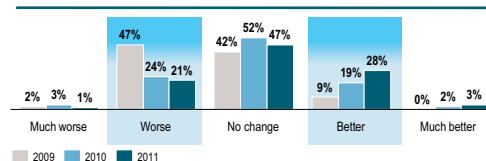
### Firms experienced strong top-line growth as sales volume has continued to increase and price levels have recovered

#### Effects on business' sales volumes and prices in 2009-11

##### CHANGE IN SALES VOLUMES IN 2009-11



##### CHANGE IN SALES PRICES IN 2009-11



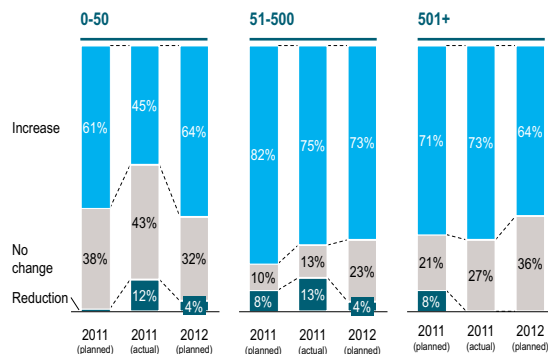
Source: German American Business Outlook 2009, 2010, 2011

#### INSIGHTS

- > **REBOUND** from sales volumes drop in 2009 has further **INTENSIFIED** throughout 2011, with more firms experiencing better volumes
- > On average, firms have experienced a **NEUTRAL IMPACT ON SALES PRICES**
- > However, an ongoing trend in sales price change indicates **CONTINUING RECOVERY IN PRICES**

### In response to this top-line growth, companies increased their workforce and 67% expect further headcount growth for 2012

#### Changes in headcount by company size [employees]



Source: German American Business Outlook 2010, 2011

#### INSIGHTS

- > Workforce has increased by an **AVERAGE OF 7% IN 2011** – reaching almost 10% for Automotive and Manufacturing firms
- > Last year, **69% OF FIRMS WERE PLANNING** to increase headcount in 2011, but **ONLY 55% ACTUALLY FOLLOWED THROUGH**
- > Firms **INTEND TO RECOUP THIS HIRING DELAY** in 2012 – on average, 67% of total firms plan to increase their workforce

"We had **record sales in 2011** and expanded our U.S. workforce. Our parent company continues to make significant commitments in the U.S. market. Most recently, we made a \$1M investment in our new showroom located in New York's Meatpacking District."



**Russ Wheeler,**  
President, Hansgrohe  
Inc.

concerns should have first priority. Reforming and simplifying the tax system is considered equally important as measures to strengthen the educational system, both on the post-secondary and K-12 levels. More affordable access to university education received the third highest priority score.

### **Jobs and the labor market**

Their recent positive business development allowed 55% of German subsidiaries to add staff in 2011 and 67% of companies plan to create further jobs in the year ahead. However, 60% currently have difficulty finding candidates with the right skill set for their openings on the U.S. labor market. These skills shortages, they say, mostly apply to positions requiring an engineering or technical background.

The majority of companies reporting hiring challenges have put customized solutions in place: 47% train new hires through established in-house programs, 8% work with local community colleges, and another 4% are currently looking to establish either model. 75% of firms think that dual track vocational training programs as used in Germany and other parts of Europe would also have benefits for the U.S. manufacturing sector.

### **Survey Results**

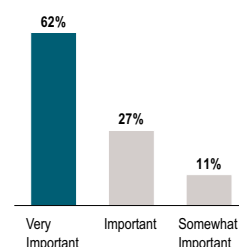
The full results of the study, as well as video clips and pictures of the press conference and reception at the New York Stock Exchange are available at

>> [www.ahk-usa.com/gabo](http://www.ahk-usa.com/gabo)

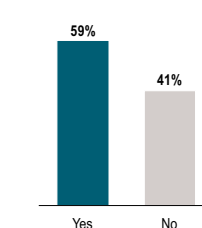
Workforce skill is a double-edged sword – it is a key success factor as well as an operational hurdle for respondents

#### Importance of skilled/specialized workforce availability [%]

##### AVAILABILITY OF SKILLED/SPECIALIZED WORKFORCE [%]



##### DIFFICULTIES TO RECRUIT CANDIDATES IN U.S. [%]



##### INSIGHTS

- > German-American firms believe that **WORKFORCE SPECIALIZATION IS VERY IMPORTANT** for their competitiveness
- > **ENGINEERING/TECHNICAL** is pointed out as the **MOST DIFFICULT** skillset to find in new candidates
- > Difficulties are more **COMMON AMONG SMALL BUSINESSES** – 75% highlighted difficulties in finding qualified workers

Source: German American Business Outlook 2011



"Currently our environment seems doomed and overshadowed by the political differences in Washington and the crisis here and there.

But businesses show **good growth rates**, therefore I have no reason to be pessimistic."

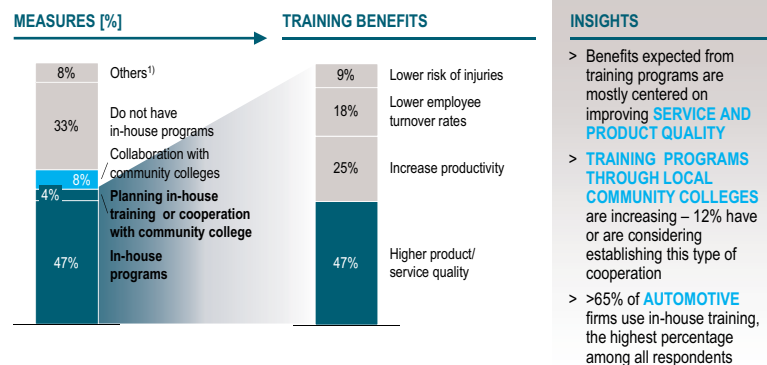
**Carol Neubauer,**

Chairman & CEO, B.Braun Medical,  
Chairman GACC New York



In response to a potential shortage of skilled workforce, German-American firms mostly rely on in-house training

Measures for potential skill shortages on the U.S. labor market



1) Example: bring technicians from Germany

Source: German American Business Outlook 2011

"Companies are now **reaping the benefits** of cost cutting measures they have implemented a long time ago. Our economy is much healthier than what politicians and the media make us believe."

**Martin Richenhagen,** Chairman, President & CEO, AGCO Corporation  
(Moderator), Chairman GACC South

Reception kindly hosted by  
**SIEMENS**

*Ringling in the Survey Results on the Balcony of the NYSE Trading Floor:*  
 Juergen Reers, Roland Berger;  
 Dr. Volker Treier, DIHK;  
 Michael Krukliniski, Siemens;  
 Dr. Thomas Zielke, RGIT USA;  
 Caroll Neubauer, B. Braun  
 and the GACC CEOs  
 Simone Pohl, Dr. Benno Bunse, and  
 Stefanie Jehlitschka (Interim CEO)

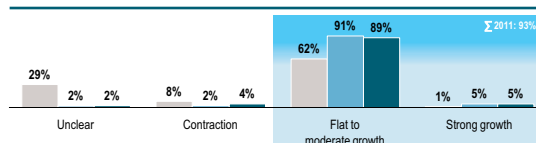


"If we grow less than  
**20% in 2012**, we  
 would be disappointed"  
**Norbert Weichele**,  
 CEO & GM,  
 Zentis Food Solutions  
 North America

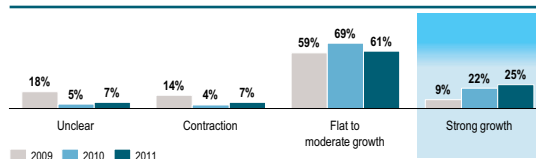
## Looking forward, surveyed firms are very optimistic about their own businesses and confident about the U.S. economy

### Outlook for the coming year

#### U.S. GROWTH OUTLOOK



#### OWN BUSINESS GROWTH OUTLOOK



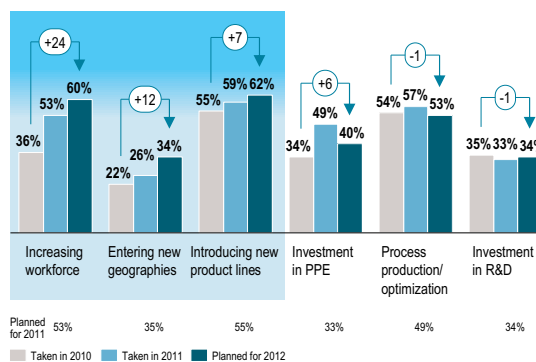
Source: German American Business Outlook 2009, 2010, 2011

#### INSIGHTS

- > **96% DO NOT** foresee a double-dip recession
- > Overall, 48% of respondents are expecting the **ECONOMY TO GROW** moderately (43%) or strongly (5%)
- > Firms are even **MORE OPTIMISTIC ABOUT THEIR OWN OUTLOOK** compared to U.S. economy
- > 86% expect moderate to strong growth **FOR THEIR OWN BUSINESS**

## Following this optimism, firms expect to keep their focus on growth-oriented initiatives and increasing workforce

### Strategic initiatives



Source: German American Business Outlook 2009, 2010, 2011

#### INSIGHTS

- > German-American firms are **GROWTH-ORIENTED** and plan to engage both in short-term and long-term strategic initiatives
- > Focus remains on introducing new product lines, but **INCREASING WORKFORCE** has seen the biggest jump - firms plan to add more employees in 2012 - an average growth of 10% vs. 7% in 2011
- > Interestingly, all firms implemented their **STRATEGIC INITIATIVES AS PLANNED LAST YEAR**



Dr. Volker Treier was appointed Deputy CEO and Managing Director of International Economic Affairs at the Association of German Chambers of Industry and Commerce (DIHK) in January 2011. In this function, he is responsible for the coordination of the network of 120 German Chambers Abroad in 80 countries. In December, Dr. Treier visited the three main Chamber locations in the U.S., Atlanta, Chicago, and New York, and in each city, Dr. Treier met with the GACC boards and other German and American members of the local business communities. In New York, he also commented on the results of the German American Business Outlook:

"While German firms are not immune to a potential confidence crisis, they are still planning – on a very high level – to **invest and employ**, not only in Germany but also abroad."

**Dr. Volker Treier**, Deputy CEO and MD of International Economic Affairs of the Association of German Chambers of Industry and Commerce (DIHK)

## New GAT Focus Series on the Skilled Workforce Challenge

In the German American Business Outlook Study, our members have told us about the importance of a skilled workforce for their business success, particularly when it comes to highly specialized manufacturing processes.

In the New Year, the Chambers want to offer even more related content and opportunities: Starting with the next issue, the German American Trade Magazine will include a new series: "Anything But Dirty - 21st Century Manufacturing Jobs", show-

casing today's work environments and career opportunities in manufacturing.

The first feature will present Ipsen, a manufacturer of innovative thermal processing technologies, whose furnace systems are used in critical applications such as medical implants, aerospace components and automotive parts. Employee development and retention in an attractive work environment is an integral part of Ipsen's business strategy, as demonstrated for example by the recent

creation of the firm's own Corporate Training Academy.

If your company is interested in being featured in this series, please contact your local GACC team.



# GACC Highlights of 2011



*Guests at the GACC New Year's Luncheon in New York*

## **New Year's Reception ▲** **January 13, 2011** **New York, NY**

The GACC New York welcomed the New Year with over 150 members and guests by hosting its traditional New Year's Reception and Luncheon at the Harvard Club.



*The panelists (from left): Rolf Meyer, President & CEO - HARTING Inc. of North America; Diane Swonk, Chief Economist - Mesirow Financial; Moderator Michael Backfisch, Middle East Correspondent; Carol Neubauer, President & CEO - B. Braun Medical, & Prof. Dr. Joachim Scheide, Head Forecasting Center & Research Economist - Kiel Institute for the World Economy*

## **GACC and RGIT** **Annual Economic Forum** **January 27, 2011** **Chicago, IL**

"Optimism - within Reason" was the takeaway from the Annual Economic Forum 2011 hosted by the GACCs and the Representative of German Industry and Trade (RGIT). For the sixth consecutive year, German and U.S. economists met with company representatives and almost 200 members of the German American business community in Chicago to discuss what lies ahead for the transatlantic economy this year.



*Governor Jack Markell with Barbara Afanassiev, President GACC Philadelphia*

## **International Business ▲** **Networking Reception with** **Special Guest: Governor of** **Delaware, Jack Markell** **February 3, 2011** **Wilmington, DE**

As 2011's first networking event, the GACC Philadelphia presented together with several other international organizations an international business networking reception at The Delaware Center for the Contemporary Arts in Wilmington. The event with the Governor of Delaware, Jack Markell, celebrated the success of the State of Delaware as a destination for international business. He spoke particularly about the importance of international trade and commerce in the State of Delaware, and his incentive program to attract business to the State. More than 200 guests including leading figures from international business and diplomatic communities in the Greater Philadelphia Region.

## 1st German American Bioenergy Conference

March 7, 2011

Atlanta, GA

With more than 14,000 megawatts installed capacity, the U.S. is the largest producer of electricity from biomass worldwide. Eight percent of

U.S. electricity production is currently generated from renewable energy and 50 percent of that comes from biomass. By 2030, 20 percent of fuels and 25 percent of chemicals are predicted to use biomass as a resource. In addition, 40 percent of biomass-based electricity is expected to be generated from biogas.

The goal of the 1st German American Bioenergy Conference was to identify present and future opportunities and challenges of the bioenergy market in the U.S. and to promote a transatlantic exchange of knowledge, technology and experiences. Several German bioenergy companies were



*Kristian Wolf, President & CEO of the German American Chamber of Commerce of the Southern U.S. welcomes participants of the 1st German American Bioenergy Conference in Atlanta, GA.*

in attendance to establish business contacts in the southern United States and share their experiences of the European bioenergy market. This conference was sponsored by the German Federal Ministry of Economics and Technology (BMWi). ▲



## European-American ▲ Expert Panel

February 9, 2011

New York, NY

An audience of some one hundred attendees from New York's business, finance and media sectors followed an invitation to a panel discussion entitled "The Future of the Euro: Exit the Crisis - Building the Future of Europe" on February 9 at the German Consulate. Organized by the German-American Chamber of Commerce New York and the German Consulate General, the animated discussion centered around the question of where the Euro stands right now and where it is going in the future. The panel consisted of Thomas Mayer, Chief Economist at Deutsche Bank Frankfurt, Philippe Gudin de Vallerin, Director for Macroeconomic Policies and European Affairs at the French Treasury in Paris, Joerg Stephan, Representative of the German Bundesbank in New York and James Glassman, Managing Director and Senior Economist with J.P. Morgan Chase & Co. The discussion was moderated by well-known TV journalist Garrick Utley.

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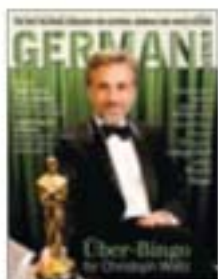
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*A toast to the 2011 MERLIN Award Winners!*

### **Healthcare Seminar: Past, Present and Future April 7, 2011 Philadelphia, PA**

In cooperation with the British American Business Council of Greater Philadelphia (BABC), the America-Israel Chamber of Commerce and French-American Chamber of Commerce, the GACC Philadelphia presented a healthcare seminar to discuss the effects of the newly implemented U.S.-healthcare reform for the global employer.

The seminar provided legal perspective as well as practical insights on how to deal with the changing healthcare landscape. Important factors such as global wellness, condition management, international compliance, and privacy issues were also addressed both during the panel presentations and the question and answer segment of the program. ▼

### **GACCoM'S Annual ▲ MERLIN Awards Gala May 6, 2011 Chicago, IL**

Over 250 guests enjoyed an evening of food, dancing, and entertainment while awaiting the highly anticipated presentation of the annual MERLIN Awards. Four companies were honored for achieving "Excellence in German American Business", for the first time also in the new awards category "Excellence in Training & Education".

2011 MERLIN Award Winners

- Best New Company 2011 – K+S North America Salt Holdings LLC
- Best Innovator 2011 – Bosch Software Innovations
- Best Service Provider 2011 – Hegele Logistic LLC
- Excellence in Training & Education 2011 – Richard Wolf Medical Instruments Corporation



*The event was sponsored by: Johnson, Kendall & Johnson, Inc., Daniel Lippard, Esq. and Gibbons P.C.*



*GACC-Philadelphia Members from Johnson, Kendall & Johnson, Inc.*

### **Minister President of Brandenburg Matthias Platzeck visits RGIT**

**May 2, 2011**

**Washington, D.C.**

The Minister President of Brandenburg, Matthias Platzeck, the Minister for Economic and European Affairs, Ralf Christoffers, and their delegation visited the joint office of the Representative of German Industry and Trade (RGIT) and Germany Trade and Invest (GTAI) in Washington, D.C. Discussing investment conditions and international transatlantic trade matters a special focus was laid on opportunities in the field of renewable energy and positive implications expected from the opening of the new Berlin-Brandenburg airport (BBI) in 2012. ▼



*Dr. Thomas Zielke (RGIT), Matthias Platzeck, Ralf Christoffers, Dr. Marcus Schmidt (GTAI)*

### **"Make Business a Walk in the Park" – A Union of International Business and Soccer**

**◀ May 11, 2011**

**Chester, PA**

Together with seven International Chambers and the Executive Staff of the Philadelphia Union, the German-American Chamber of Commerce – Philadelphia joined a business networking reception at PPL Park, the Union's home base.

Over 165 people attended this special sports event. Before taking their seats to watch the most popular soccer match of the season – Philadelphia Union vs. LA Galaxy – execu-

tives from the region's leading global businesses networked on the Captain Morgan deck, which overlooks the stadium and the Delaware River.

In support and recognition of the difficulties Japan endured as a result of the – at that time very recently occurred – earthquake, tsunami and nuclear disaster, the two event sponsors Pepper Hamilton LLP and TD Bank as well as the International Chambers donated a portion of the sponsorship money to "The Philadelphia-Japan Disaster Relief Fund" to aid victims. The contribution helped the fund reach their initial goal of \$250,000.

### **Reception with H.E. Dr. Klaus Scharioth**

**May 23, 2011**

**Philadelphia, PA ▶**

On Monday, May 23, 2011, now former German Ambassador H. E. Dr. Klaus Scharioth (2006-2011) joined members and guests of the GACC Philadelphia, the World Affairs Council and the American Council on Germany for an update on Germany's leadership role in the European Union, the relationship between the Merkel and Obama administrations, and the effects of the global economic crisis on Germany's political and fiscal stability.

Current political issues were especially addressed during the question and answer segment of the program. The Ambassador also emphasized the importance of the German-American partnership, which remains indispensable to global security and prosperity of both countries.



*H.E. Dr. Klaus Scharioth, Former Ambassador of the Federal Republic of Germany to the United States of America (from 2006 to 2011)*

The cocktail reception was followed by the introduction and remarks by H. E. Ambassador Dr. Scharioth. The program also included an exclusive dinner for a small group of invited guests.



*Panelists at 4th Energy Efficiency Symposium (left to right) Dan Geiger, Executive Director – USGBC-NCC; David Williams, Chief Risk Officer – CleanPath Ventures LLC; Kirsten Ritchie, Principal | Director of Sustainable Design – Gensler; Harry Hobbs, Director of Engineering – Intercontinental Hotel of San Francisco; Helge Biernath, President & CEO – c2e LLC*

### **White Asparagus Dinner** **May 26, 2011** **New York, NY**

This year's asparagus dinner brought together 270 members and guests of the GACC New York to celebrate the evening at the magnificent Tribeca Rooftop. Imported German white asparagus from Rheinland-Pfalz, and German wines from Hessen, together with local live music made this asparagus dinner 2011 a very special event. Among all of our highly valued guests, we especially enjoyed the company of Consul General Dr. Horst Freitag and Ambassador Dr. Klaus Scharioth and used the occasion to express a special thank you and farewell to both. ▼



*Bidding Farewell to Consul General Dr. Horst Freitag and Ambassador Dr. Klaus Scharioth at the White Asparagus Dinner*

### **4th Energy Efficiency ▲ Symposium** **June 21, 2011** **San Francisco, CA**

Our 4th Energy Efficiency Symposium, a one-day symposium focusing on energy efficiency in buildings, took place in San Francisco on June 21st. U.S. and German experts presented current trends and future perspectives on the use of energy efficiency in buildings in both countries. The program included a panel discussion on "Chances and Opportunities for Green Building and Energy Efficiency in the U.S.: How Germany and California Will Lead by Example" with Dan Geiger, Executive Director of USGBC-NCC and Kirsten Ritchie, Director of Sustainable Design at Gensler Architects, amongst others. In addition, several expert speakers from Germany and the U.S., including Dr.-Ing. Olaf Böttcher, Federal Institute for Research on Building, Urban Affairs and Spatial Development, Head of Division, and Alan Meier, Senior Scientist in the Energy Analysis Department at the Lawrence Berkeley National Laboratory, provided further insight into technological advances on both sides of the Atlantic.

### **Chicago Hamburg Business Forum – Sister Cities Talk Business** **June 23, 2011** **Chicago, IL**

Hamburg's business and political leadership was the first international business delegation to be welcomed personally by Chicago's new Mayor and former White House Chief of Staff, Rahm Emanuel. The conference on "Green Technology: Cooperation Perspectives for the Midwest and Northern Germany" brought over 120 business and policy experts from both countries to Chicago. Emanuel emphasized the economic importance of the sister city relationships and said he looked forward to "working together to spur economic development and foster innovation in both cities." ▼



*Chicago Mayor Rahm Emanuel addressed the local German-American Business Community and the guests from Chicago's Sister City Hamburg*



*German Solar Night at Intersolar North America.  
From left: Claus Habermeier, Germany Trade & Invest; Parliamentary State Secretary Katherina Reiche, Federal Ministry for the Environment; Rene van den Hoevel, GACC of the Western U.S.*

**Business Luncheon with the Ambassador of the U.S. to Germany, Philip D. Murphy  
August 3, 2011  
New York, NY**

The GACC New York was honored to host a luncheon with Ambassador Murphy at the University Club. ▼



*Dr. Benno Bunse President & CEO, GACC New York with Philip D. Murphy, Ambassador of the United States to Germany and David W. Detjen, Partner, Alston+Bird*

◀ **State Secretary Katherina Reiche Welcomes Guests at German Solar Night  
July 11, 2011  
San Francisco, CA**

As kick-off event to Intersolar North America 2011, the GACC of the Western U.S., together with Germany Trade & Invest, Q-Cells North America and REFUSol hosted a German Solar Night in San Francisco. Following her keynote speech during the afternoon's PV policy session at Intersolar, German State Secretary Katherina Reiche extended a warm welcome to the guests encouraging further transatlantic business interactions in the solar industry. The PV Market Support – Political Framework Outlook session at Intersolar North America was co-organized by the GACC of the Western U.S. and featured high-profile speakers closely involved who represent government agencies, industry associations, and companies that shared their assessments, opinions, and insights.

**Panel Discussion and Networking with Dieter Rams at "Less and More – German Design Reconsidered  
August 26, 2011  
San Francisco, CA**

On occasion of the opening of "Less and More – The Design Ethos of Dieter Rams" at the SF MOMA on August 27th, the Goethe-Institut San Francisco, the German Consulate General San Francisco, the GACC of the Western U.S. and GIN4B (German Internationals for Business) hosted an evening reception introducing the legendary Braun Design Team and its ten design principles that still influence visionary creatives around the globe on Friday, August 26th.

The event started with a presentation by Professor Klaus Klemp, head of exhibition at the Museum of Applied Art in Frankfurt and co-curator of the SF MOMA exhibition, sharing his knowledge about the Braun Design Team and Dieter Rams in particular. During the panel discussion, leading



▲ *Dieter Rams and the panelists at the "Less and More" symposium in San Francisco*

German designers residing on the West Coast discussed German design and the influences of the ten principles of the Braun Design Team today.

At the end of the discussion, guests were surprised by a special appearance of Dieter Rams himself who joined the panel for a few minutes and stayed around to mingle and chat with the attendees.



*Solar Panelists at the 7th Germany California Solar Day (left to right) HD Boesch, CTO – PermaCity Solar, Inc.; Jens Mathis, Director of Service – SMA America Inc.; Boris von Bormann, CEO – accession; Gary Barsley, Manager Solar Initiatives & Self-Generation Programs – Southern California Edison; Helge Biernath, President – Sunstall; Kasim Ersoy, CEO – Mounting Systems Inc.; Rene van den Hoevel, Managing Director – GACC of the Western U.S.*

## **2nd German American eMobility Forum** **September 27, 2011** **Southfield, MI**

“Taking charge - Opportunities in the Transatlantic Market for Electric Vehicles” was the motto of GACCoM’s second eMobility Forum, co-hosted by Germany Trade & Invest. A distinguished group of German and U.S. panelists discussed topics like market developments & regulations, key technologies, commercial-vehicle applications, and sourcing strategies. Videos and presentations are available at [www.gaccomm.org/emobility-webcast2011](http://www.gaccomm.org/emobility-webcast2011). ▼



*Attentive audience at the 2nd German American eMobility Forum*

## **7th Germany California Solar Day ▲** **September 27, 2011** **Los Angeles, CA**

“America needs to learn from Germany and other nations about the Green Industrial Revolution that has already started there and in parts of Asia,” was one of the messages of Woodrow Clark II, MA<sup>3</sup>, PhD, co-recipient of the 2007 Nobel Peace Prize with Al Gore and Managing Director at Clark Strategic Partners, in his keynote. The one-day symposium focused on recent developments in the solar industry in Germany and California and took place in cooperation with the UCLA Institute of the Environment on Tuesday, September 27th. This year marked the seventh installment of this successful bilateral platform for U.S. and German experts to exchange the latest knowledge, thoughts and trends in the solar industry with the goal of fostering successful German-American business partnerships. Highlights of the day included two panel discussions: one on “Balance of Systems & Permitting – latest Achievements, Challenges & Opportunities” and a second on “Utility-Scale Solar Projects – Experiences, Best Practices, Emerging Business Models and Outlook”.

## **E-Mobility** **September 29, 2011** **Atlanta, GA**

The U.S. auto industry is undergoing a historic makeover that will change its course for many years to come. Advances in automotive electronics are currently redefining all that a car is capable of. With a current emphasis on sustainability, cars that consume less fuel and emit fewer pollutants are a way of the future. With the U.S. and Germany being important players in e-mobility development, there is great potential for synergistic relationships and cooperation.

In order to foster this relationship, the GACC South hosted their 2nd E-Mobility Conference as part of the GACC E-Mobility series. The conference featured speakers such as Cecilia Bush – Electric Vehicles Operations Manager for the Southeast Region, Nissan North America, Inc., Joe Thomas, CEO & President – MAGE SOLAR USA, Don Francis – Executive Director of Clean Cities Atlanta, and Jules Toraya – City of Atlanta, Office of Sustainability among others. ▼



*Jules Toraya, Program Manager – City of Atlanta / Office of Sustainability & Don Francis, Executive Director – Clean Cities Atlanta speaking about the City of Atlanta’s current and future EV Initiatives.*



**RGIT Conference “Skilled Labor: Conditions for Investments, Manufacturing, & Economic Growth in the U.S.”**  
**October 3, 2011**  
**Washington, D.C.**

Dr. Martin Wansleben, CEO of the Association of German Chambers of Industry and Commerce (DIHK), Congresswoman Virginia Foxx, Chairwoman of the House Subcommittee on Higher Education and Workforce Training and Gerri Fiala, Deputy Assistant Secretary for Employment and Training, U.S. Department of Labor as well as company representatives discussed the future of vocational training at RGIT’s “Skilled Labor” Conference in Washington, DC. The participants identified skilled labor as the key factor for economic competitiveness and future prosperity in the United States.

RGIT and DIHK, together with the Chamber of Industry and Commerce Karlsruhe, Germany and the Central Piedmont Community College in North Carolina launched a German-American exchange program for skilled workers. It will train employees from both sides of the Atlantic in the work and cultural environments of Germany and the U.S.

*Signing of the resolution on the German-American Workforce Exchange: Dr. Thomas Zielke (RGIT), Dr. Martin Wansleben (DIHK), Tony Zeiss (Central Piedmont Community College), Congresswoman (R) Virginia Foxx, Hans-Peter Mengele (Karlsruhe Chamber of Commerce)*



*Dr. Martin Wansleben, CEO of the Association of German Chambers of Industry and Commerce (DIHK) referred to the successful public-private partnership in vocational training*

**Texas Offshore Wind Energy Roundtable (TOWER) & Offshore Wind Law (OWL) Conference 2011**

**October 3-4, 2011**  
**Houston, TX**

From its history as an independent nation in the 19th Century, to its role as a global energy leader in the 21st Century, Texas operates under unique laws and is positioned to be the pacesetter for offshore wind energy development in the Americas. In June 2011, Baryonyx Corporation announced that it had submitted an application to the U.S. Army Corps of Engineers for permits to construct offshore wind farms within state waters off of the coast of Texas. If fully developed, these sites could have an installed capacity of up to 3 GW.

TOWER & OWL brought together exhibitors and attendees who are interested in becoming players in this new and highly promising market. This year’s program addressed the state of the industry globally and locally as well as turbine showcases, installation, ports & infrastructure, law, environmental issues and finance & insurance topics. For information about the program [www.tower-conference.com](http://www.tower-conference.com). ▼



*The event included key decision makers from both sides of the Atlantic: (L to R) German Consul General Roland Herrmann, Hans-Heinrich Sander- Niedersachsen Minister of Environment and Climate Protection, Jörg Bode- Niedersachsen Minister of Economics, Labor, and Transport, Chris Hart- Department of Energy, Jan Christoph Wiedemann- Vice President, Consulting, GACC South, Greg Wortham- Mayor of Sweetwater, TX & Executive Director, Texas Wind Energy Clearinghouse.*

**BDI President Hans-Peter Keitel visits Washington, D.C.**  
**October 11–13, 2011**  
**Washington, D.C.**

BDI President Dr. Hans-Peter Keitel visited Washington D.C. for talks on economic policy, especially regarding transatlantic economic relations and the role of German industry in the current European financial crisis. Among others, Mr. Keitel met Michael Froman, Deputy Assistant to the President and Deputy National Security Adviser for International Economic Affairs, and Christine Lagarde, Managing Director of the International Monetary Fund, as well as several congressmen and the Chairman of the U.S. Chamber of Commerce, Tom Donohue. Speaking at a trade conference jointly organized by the Representative of German Industry and Trade and the Congressional Study Group on Germany, Keitel made the point that a significant number of companies have both the capital and willingness to invest, but that political conditions and fiscal concerns were impeding their ability to act. ▼



*Dr. Hans-Peter Keitel (BDI) and Rep. Phil Gingrey (R-GA) at the conference "Impact of the European Debt Crisis on Global Trade: Opportunities and Challenges Facing the Transatlantic Trading Community"*



*German Consul General Dr. Görgens, Mayor's Office Chief of Staff Candace Byrd and GACC South President & CEO Kristian Wolf opening DAS HAUS at the Atlanta location*

**Das Haus Grand Opening ▲**  
**October 19, 2011**  
**Atlanta, GA**

Das Haus is a traveling pavilion, a North American tour and an ongoing international dialogue about advanced technologies for home construction and solar energy use. The purpose – to share German innovations that have achieved sustainable construction and operational energy savings. It's about the future of sustainable building and the resources and integration needed to reach that future. The tour's first stop of 12 North American cities in 13 months was Atlanta, where Das Haus was from October 17–26. The mediocre weather couldn't hold back a spectacular Grand Opening. Nearly 100 industry professionals, GACC members and academics were in attendance in order to tour the pavilion and network with one another at the World of Coca Cola. For further information about Das Haus and to see if it will stop in your city, please visit [dashaustour.com](http://dashaustour.com).

**German Attorney General Sabine Leutheusser-Schnarrenberger discusses German enterprises' legal issues in the U.S.**

**October 31, 2011**  
**Washington, D.C.**

German automobile manufacturers' concerns regarding draft legislation potentially redefining the legal liability landscape, Buy American provisions in President Obama's Jobs Act, the recently enacted patent reform package and other current legal issues of transatlantic importance were among the main topics that Attorney General Sabine Leutheusser-Schnarrenberger (FDP) discussed with German business leaders at RGIT. Thomas Zielke, Representative of German Industry and Trade in Washington, D.C., moderated the conversation with experts representing the automotive, steel and other sectors. They addressed a number of legal issues in advance of Leutheusser-Schnarrenberger's upcoming meetings with U.S. Attorney General Eric H. Holder and U.S. Secretary of Homeland Security Janet Napolitano. ▼



*German Attorney General Sabine Leutheusser-Schnarrenberger (middle) with (from left to right): Volker Barth (Daimler North America), Reinhard Wieck (Dt. Telekom USA), David Geanakopoulos (Volkswagen Group of America Inc.), Dr. Thomas Zielke (RGIT), Jake Jones (Daimler North America), David Campbell (ThyssenKrupp of America Inc.)*



*Special guests enjoy our 16th Annual Gala. From left to right, Dr. Lutz Görgens – Consul General of the Federal Republic of Germany, Mission to Atlanta, Detthold Aden – President, CEO and Chairman of the Executive Board of BLG Logistics Group AG & Co. KG, Senator Martin Günthner – Minister for Economic Affairs, Labour and Ports, Minister for Justice and Constitution, German Federal State of Bremen, Dr. Peter Ammon – Ambassador of the Federal Republic of Germany to the U.S., Steven Markham – President, BLG Logistics, Inc. and Vice Chairman of the GACC South Board of Directors, Kristian Wolf – President & CEO, GACC South*

### **16th Annual Gala ▲** **November 5, 2011** **Atlanta, GA**

The GACC South celebrated their 16th Annual Gala in style at the St. Regis hotel in Buckhead, Atlanta. This year's official Gala partner was BLG Logistics, and the official Gala patron was the State of Bremen. The event welcomed almost 500 people from the German American business community, as well our dignitaries Senator Martin Günthner – Minister for Economics, Labour and Ports & Minister for Justice and Constitution of the German Federal State of Bremen and Ambassador Dr. Peter Ammon – German Ambassador to the United States. Following dinner, a live band, dancing and a Silent Auction filled out the program.



*Guests enjoying the Martinsgans Roast Goose Dinner*

### **Roast Goose Dinner ▲** **November 10, 2011** **New York, NY**

For the second time the GACC New York hosted its traditional Martinsgans-Dinner. 150 members and friends of the GACC spent the evening experiencing this German tradition in the heart of New York City. At the marvelous Manhattan Penthouse, candlelight and special performances enhanced the atmosphere while our guests enjoyed the traditional Martinsgans dish and imported wines from Germany. We look forward to hosting this popular event next year again.

### **The German Transition to Renewable Energy** **December 7, 2011** **New York, NY**

GACC New York in cooperation with the German Consulate General of New York held a panel discussion on Germany's developing energy and climate policies entitled "The German Transition to Renewable Energy". The event featured speakers with a wide range of experience from the academic, political, and financial sectors. The audience of over 80 professionals from the New York area engaged the speakers on topics ranging from the nuclear phase out to strategies for combating or adapting to climate change internationally. ▼



*From left: Matthew Allen (GACC New York); Dr. Jürgen Friedrich, CEO of Germany Trade and Invest (GTAI); Prof. Miranda Schreurs, Environmental Policy Research Center, Freie Universität Berlin; Lee Lane, Visiting Fellow at the Hudson Institute and former Resident Fellow at the American Enterprise Institute; Bruce Kahn, Director and Senior Investment Analyst, Deutsche Bank Climate Change Advisors*

# Interview with Randy Dearth

*Interview by Ning Wang, GACC New York*

With about 1,000 employees and 11 sites in the United States, LANXESS manufactures high-quality products in the areas of chemicals, synthetic rubber and plastics. In 2011, the company won numerous awards as "Manufacturer of the Year", "Best Place to Work" and President & CEO Randy Dearth was named "CEO Communicator of the Year".

**GAT:** 2011 is the year of Chemistry-how do you generate interest of young people for chemistry?

**Randy Dearth (RD):** Let me go back a few steps and paint the whole picture for our industry – approximately 50 percent of engineers in the USA are retiring within the next couple of years and the number of students graduating from schools are nowhere near the number we would need to fill in for those who are leaving the workforce. At the same time we've seen research that says students in grades 4-8 are not proficient in math and science. That is why we came up with a program called, "Xplore Science with LANXESS" where we are going into schools in the regions where we have offices showing students that learning science is fun. At the same time, we have teamed-up with several other

businesses in the Pittsburgh area and have started a summer internship program where we open our companies up to students to come join us for a few weeks.

In addition, I am a strong supporter of the German model and actually started the "Task-Force" vocational training. It is the goal of this group to generate a mentoring program where employees from various companies actually go out to the schools and teach students.

**GAT:** Your career has led you also to Germany –what was your biggest surprise upon arrival?

**RD:** How technology-driven the Germans were. It was refreshing how much technology was valued and still is at companies like BASF, BMW, or Bayer. At the same time I noticed the outstanding educational program Germany has to offer and the brilliant chemistry training in schools. My son was 7 when we left Germany and returned back to the U.S. but he still has friends there he visits and we all miss the culture and the food.

**GAT:** You have served since 2004, when the company was formed in

**LANXESS**  
Energizing Chemistry



*Randy Dearth  
LANXESS Corporation  
President and Chief Executive Officer*

Randy Dearth has served as president and chief executive officer of LANXESS Corporation since the company was formed in July, 2004. He operates as the managing director for the North American region comprised of the United States and Canada.

Prior to LANXESS Corporation, Mr. Dearth was president and CEO of Bayer Chemicals Corporation.

He began his career at Bayer as a development chemist in the automotive coatings labs, then transferred to Bayer's automotive technical center in a market development role.

the U.S., as President & CEO of LANXESS Corporation. Since then the Company has just (December 2011) been recognized with three distinctions: Manufacturer of the Year, Best Places to Work in Pennsylvania and Top Places to Work. You, yourself have been voted as a top CEO and won an award as the CEO Communicator of the year – what is your success recipe?

**RD:** I had the great opportunity to work with a fantastic team and really build something unique. It was an

Mr. Dearth spent time at Bayer in Germany, where he was responsible for market development in Europe and Asia. He managed the coatings and colorants resins business, served as director of the division's monomers and adhesives business and was head of the global powder coatings business group.

Mr. Dearth sits on the boards of the American Chemistry Council (ACC), the Allegheny Conference, the United Way of Allegheny County, Calgon Carbon Corporation and is the Chairman of the Warhol Museum Board, a Carnegie Museums of Pittsburgh trustee.

In 2011, Mr. Dearth was the chairman of the Pittsburgh Heart Walk for the American Heart Association and was also honored by Junior Achievement as the 2011 Entrepreneur of the Year.

Mr. Dearth has been recognized as an emerging top CEO with a Pittsburgh Business Times Diamond Award. He has also won a PRSA Renaissance Award as the CEO Communicator of the Year.

Mr. Dearth holds a bachelor's degree in chemistry from Hiram College, and a master's degree in polymer science and engineering from Case Western Reserve University in Cleveland.

experiment attracting talent to improve our business. Having worked in Germany helped a lot to have a different perspective on the things and an overall international influence early in my career. On the board of the Warhol Museum I encounter a lot of people with different expertise, we have artists and architects and they have very different approaches to work on ideas and questions – this challenges me to think out of the box and improve the communities where we do business.

**GAT:** LANXESS Corporation has made two recent expansions in the U.S.- which areas were of focus and how do you expect them to profit your business?

**RD:** We have increased our number of sites from 9 to 11 in the U.S., ranging from Pittsburgh to Orange Texas and had grown mostly organically so far. The acquisition of Verichem (biocide manufacturer) bolsters our portfolio of biocides and our position in the U.S. material protection market as well as our global biocide manufacturing network. The other acquisition of U.S.-based UNITEX was our first acquisition of a manufacturing site in the United States and gives us access to an extensive portfolio of phthalate-free plasticizers, including benzoates, citrates and trimellitates.

Our aim is, through innovative products, optimized processes and new ideas, to generate added value for the customers and the company. ■

# DISH Network

DISH Network is a technology leader in the pay-television provider industry that offers several ways to entertain. The company started nearly 30 years ago as a provider of the large C-band satellite dishes.

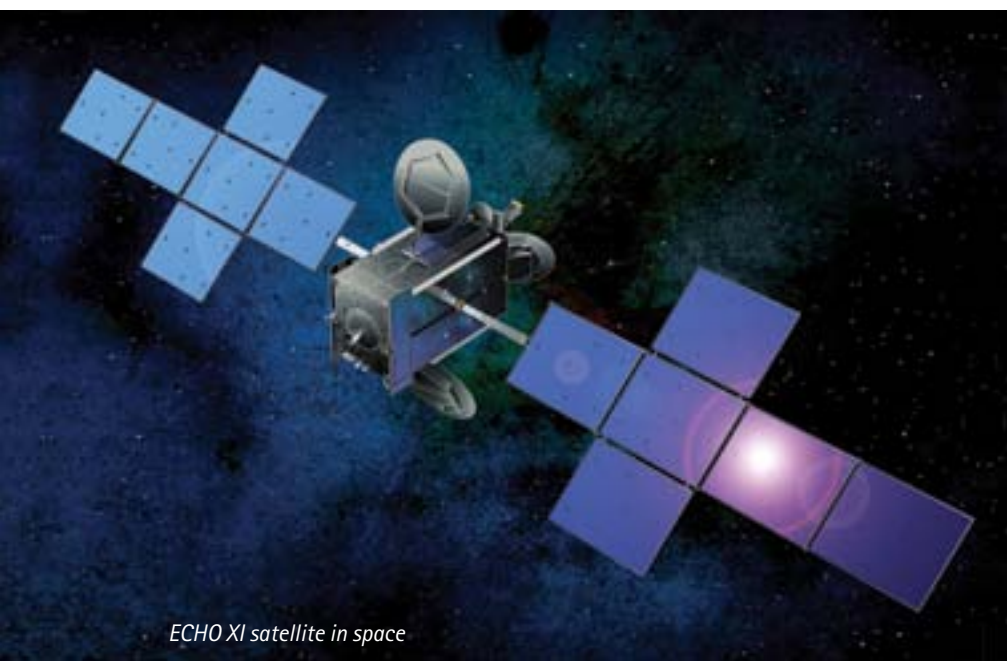
At DISH, TV Everywhere means watching TV everywhere. That is why they introduced the Tailgater satellite dish.

In December 1995, the company launched its first satellite, EchoStar I, and within one year reached one million customers. Today, DISH is known for offering superior technology that consistently wins awards.

It's no wonder the company has grown to serve nearly 14 million customers and is ranked among Fortune magazine's list of top 200 companies.

DISH's superior technological achievements include being the first pay-TV provider in America to introduce a true TV Everywhere™ offering that gives customers the ability to watch all of their live and recorded television programs on compatible smartphones, tablets and laptops. DISH subscribers can access these features using a broadband-connected, Sling®-enabled receiver or the award-winning Sling Adapter®. Unlike mobile viewing offered by cable and telecommunications companies that limit access to select programs, DISH's TV Everywhere services with Sling gives consumers 24 x 7 access to all of the live and recorded content included with their programming subscription.

At DISH, TV Everywhere means watching TV everywhere. That is why they introduced the Tailgater satellite dish. Lightweight and portable, the award-winning Tailgater is ideal for watching TV while tailgating, camping, in the RV or enjoying other outdoor activities. The Tailgater by DISH is the lowest-priced portable satellite dish available and the easiest to use. Weighing in at just



*ECHO XI satellite in space*



10 pounds, it automatically locates satellite positions so there is no need for manual adjustment. Within minutes customers can enjoy their favorite channels outdoors and in high definition.

For customers looking for an interactive television experience, DISH offers a unique Google TV product that combines robust search capabilities and the variety of content on the web with DISH's onscreen programming data, DVR and video

# dish®

## Let's Watch TV™

on demand content. DISH delivers a seamless entertainment experience resulting in the most advanced integration of Google TV on the market. DISH has spurred innovation in developing TV applications and now offers enhanced integration with the popular Buddy TV and Thuuz apps, which enable customers to search their DVR, schedule recordings and manage their favorite sports directly from Google TV.

DISH is also a leader in international TV programming options. Currently, DISH offers channels in 29 languages and continues to build a strong reputation within the ethnic communities. For those who speak German and are interested in the German culture, DISH Network currently provides a

German Language Plus Package. For just \$29.99 a month, this package includes top channels such as DW-TV, My German TV, My Sports Germany, ProsiebenSat1. Welt, German Kino Plus and Euronews. These channels provide non-stop 24 hour access to a variety of news, popular series, talk shows, documentaries, theatrical and classic films, sports, and women and children's programming directly from Germany. ■

### Contact Details

These industry-leading products and services are available to all new and current DISH Network subscribers. To sign up call 1-888-347-4134 or visit DISH online at [dishnetwork.com](http://dishnetwork.com).



*Portable Tailgater™  
Satellite Dish*

# HANNOVER MESSE 2012

Visit the entire world of technology at one place  
April 23- 27, 2012

## HANNOVER MESSE 2012: Focus on sustainability

- “greentelligence” keynote theme highly prominent across all display categories
- New flagship show: Industrial-GreenTec
- China is the official HANNOVER MESSE 2012 Partner Country

By adopting “greentelligence” as its keynote theme, HANNOVER MESSE 2012 has put the spotlight squarely on green technologies as a central growth driver for industry. Manufacturers the world over are facing an enormous challenge. To remain competitive in the long term, their products and processes have to be sustainable, environmentally friendly and efficient. HANNOVER MESSE 2012 will help them rise to this challenge by providing them with a technology platform that gives them an unparalleled overview of all the latest industrial innovations designed to facilitate sustainable business development. Groundbreaking solutions will be on show in all major display categories, from automation, energy technologies, industrial supply and subcontracting services through to R&D.

“This year’s keynote theme of ‘greentelligence’ will feature prominently across all HANNOVER MESSE 2012 display categories. Manufacturers have come to realize that an intel-



ligent mix of efficient processes, eco-friendly materials and sustainable products is critical to survival in today’s highly competitive, dynamic international markets,” said Dr. Wolfram von Fritsch, Chairman of Deutsche Messe’s Board of Management.

HANNOVER MESSE 2012 will also see the premiere of IndustrialGreenTec. This latest addition to HANNOVER MESSE’s line-up of flagship shows will present the full range of environmental technologies along multiple industrial value chains. Key themes at IndustrialGreenTec will include recycling and environmentally friendly waste disposal; water, soil and noise protection technologies; methods for lowering air pollution; approaches to the efficient use of renewable energy and renewable materials; and environmental services, from consulting through to certification.

Following its debut at HANNOVER MESSE 2011, which was well received by visitors and exhibitors alike, the

Metropolitan Solutions exhibition area will be back in 2012 with an expanded format. Globalization, climate change and the increasing rate of urbanization are posing huge challenges for cities and major urban centers around the world. The challenges can only be addressed by expanding and modernizing infrastructure. According to the experts, the most critical areas include energy, water/waste water and mobility systems as well as climate protection. State-of-the-art solutions in all of these areas will be presented by the companies participating in this year’s Metropolitan Solutions showcase.

Comprising eight flagship shows, HANNOVER MESSE 2012 is a world-unique industrial technology fair that is truly international and provides unparalleled coverage of all key industries. It is a magnet for trade visitors from all around the world. In addition, each year over 100 high-ranking international political and business delegations come to Hannover to keep



abreast of the latest trends and solutions. "HANNOVER MESSE provides a window on the future of the world's industries. No other event presents as many groundbreaking innovations and integrated solutions," explained von Fritsch.

The People's Republic of China will be the official Partner Country of HANNOVER MESSE 2012. The partnership was formalized in an agreement signed by Dr. Philipp Rösler, Germany's Federal Minister of Economics and Technology, and Miao Wei, China's Minister of Industry and Information Technology, during the China-Germany inter-government consultations that were held in Berlin in June last year. Wolfram von Fritsch: "We are delighted to have

China at our side as Partner Country at HANNOVER MESSE 2012. We are confident that this partnership will be a boon to Sino-German trade relations and will be a major drawcard for exhibitors and trade visitors from around the globe. The partnership gives both exhibitors and visitors a unique opportunity to build their import and export business and to strengthen their commercial and R&D ties with China."

As part of its Partner Country showcase, the Chinese government is planning to run displays on its major energy efficiency projects, focusing on electric generation, intelligent energy networks and systems, and environmentally-friendly mobility solutions. ■

### Special offer for GACC Members

A visit to HANNOVER MESSE, the world's leading showcase for industrial technology, is a fixture on many calendars every year. As an active member and supporter of the GACCs, HANNOVER MESSE is once again offering a special opportunity for GACC members in 2012: The HANNOVER MESSE Gold Package 2012 includes many exclusive services and conveniences to make your trade show visit even more productive and enjoyable! From free entry to premium lounge access, guided technology tours to business partner matchmaking – it's all yours when you reserve the 2012 Gold Package.

GACC members can obtain the registration code for their free Gold Package simply by contacting their local GACC Membership Manager.

All package details at  
 >> [www.gacc.com.org/hannover2012](http://www.gacc.com.org/hannover2012)



# Big U.S. Corporations Strengthen Software Sectors

IT solutions determine sales result in the sectors of electrotechnology, mechanical and plant engineering.

*Article by Ullrich Umann, Germany Trade & Invest*

*Translation from German by Sandy Jones, GACC New York*

**I**nnovative software solutions to control and program certain processes as well as for data collection are becoming increasingly more important for great sales results in the U.S. in the sectors of electrotechnology, automation technology and medical technology, but also in the sectors of mechanical and plant engineering and vehicle construction. This has consequences for any German company doing business in the North American market – even for huge corporations like Siemens.

Take for example General Electric (GE) – one of the biggest competitors of the German conglomerate located in Erlangen – which announced to strengthen the company's software sector with additional investments of US\$ 1 billion in the course of the next three years and place an emphasis on bundling all activities in this area. Amongst others, the monetary investment will be made into the construction of a subsidiary in San Ramon, CA. Starting in mid-2012, software labs and offices will be available for 400 programmers.

San Ramon will be the coordinating center for all worldwide activities in the software sector. Additionally, the development of intelligent machines and equipment, able to communicate with networks and react respectively, is to be advanced. According to a company statement, a form of industrial Internet is to be created on this basis. With its investment, GE is attacking the core business of specialized sector giants such as IBM or Accenture.

To push this basic and more bundled approach for software development within the company even on the management level, GE did not hesitate to bring Bill Ruh of Cisco Systems on board. Since February 2011, he is GE's vice president. In total, GE employs a staff of 300,000, of which there are 5,000 software engineers and 9,000 IT specialists.

Among other things, GE develops software for air traffic control; also for the technical inspection and maintenance of aeronautics; furthermore programs for the medical technology sector and to equip and operate smart grids in the electricity industry.



## GTAI INDUSTRY TALK

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

In Virginia, GE also has a center for IT security solutions; another center in Michigan to develop and produce aeronautics systems, and engines in particular. In Munich, the company has its GE development center for electronic and aerodynamic applications as well as for technology regarding alternative energy supply.

Recently, GE announced its intent to acquire RMI, Railcar Management Inc., a transportation software provider – however, details about the deal were not mentioned. Experts have downright expected this acquisition, since GE won a tender for the railroad company Norfolk Southern Corp. Within the scope of the contract, GE will design and install a system to control and operate rail traffic and fleet management.

Up until now, GE has primarily been active in the rail transportation sector as a manufacturer of locomotives, not as a system developer. As a provider of services and customized system solutions, it is very likely that GE will need reinforcements; the planned acquisition of RMI points to this.

Summarizing all recent developments, the bundling of the software sector and company acquisitions, GE aims to become more productive, more innovative and ultimately more competitive. At the same time, the share of services in the company's revenue increases. During peak periods, this share in turnover can amount to up to 70%.

However, GE is not alone in creating such a strategy. Companies like ABB, Emerson Electric and Siemens have also been strengthening their software sectors for a while. ABB acquired Ventyx, a leading software provider for energy management solutions, for US\$ 1 billion. Emerson Electric, on the other hand, acquired Avocent Corp., the infrastructure management specialist, for US\$ 1.2 billion.

In 2007, Siemens acquired UGS Corp., a leading provider of software and services, and thus integrated it into its group of companies. A total of US\$ 3.5 billion was paid for the acquisition. Additionally, Siemens acquired the company Vistagy, based in Massachusetts. Vistagy is a supplier of specialized engineering software and services with an emphasis on designing and manufacturing structures made of advanced composite materials.

According to a company statement, Siemens significantly strengthened its product development sector with these acquisitions. By now, rumor has it that Siemens spends half of the company's overall budget intended for research and development (about US\$ 6 billion annually) on IT programs and software solutions, in one way or another.

However, this is not only a strategy of huge corporations – small and medium-size businesses as well budget for increased spending regarding their IT technology sectors. According to a survey conducted by CDW, a provider of IT solutions for the retail industry, the public sector as well as the fields of education and healthcare, small companies will spend less on hardware. On the other hand, their investment spending for programs and software will increase.

In October 2011, a total of 22% of IT managers in small companies told CDW that they are budgeting for higher expenses respectively for the next six months, which represents a growth of 3% compared to the numbers of a survey conducted in June. Within the healthcare sector, a total of 66% of IT managers plan to have increased spending. In the public sector, 29% of managers stated that expenses will increase, while the public budget will shrink. ■



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WASHINGTON  
★UPDATE★

NEWS FROM INSIDE THE BELTWAY

## U.S. Trade Policy

## Will a Commercial Offensive Follow the Three Free Trade Agreements?

*By Dr. Matthias Blum,  
RGIT USA*

Relations with Europe could be further enhanced via more meaningful **transatlantic trade** negotiations.

**C**halk up an important win for the U.S. in terms of trade policy - the enactment of three new free trade agreements (FTA) between the United States and countries in Asia and Latin America stand as an important milestone. Moreover, the U.S. is itself deeply engaged in negotiations directed towards a stronger partnership with eight Pacific partners. In relation to China, the U.S. government is pressing with initiatives aimed at implementing existing WTO law. However, other crucial elements of a comprehensive American trade strategy are still lacking. Relations with Europe could be further enhanced via more meaningful transatlantic trade negotiations, e.g. through the

High Level Working Group on Jobs and Growth, as decided by the US-EU summit on November 28, 2011 in Washington D.C. Furthermore, the stalled multilateral negotiations in the WTO need a fresh start. John Bryson, the new U.S. Secretary of Commerce, has an historic opportunity to craft a comprehensive trade strategy by adding to the recent accomplishments the missing elements and contribute significantly to the National Export Initiative goal of doubling U.S. exports in five years.

#### **Bilateral Free Trade Agreements Adopted After an Interminable Wait**

Congress recently established a solid



foundation for a more robust domestic trade policy: on October 12th, both the House and Senate voted with clear majorities in favor of FTAs with Colombia, Korea, and Panama. This successful outcome resulted from broad support in both parties for the FTAs. For example, with regard to the Korea FTA, the House vote was 278:151, and the Senate vote 83:15. The signing of President Obama of the three FTAs brought negotiations to a successful conclusion that had ended already under President George W. Bush (the agreements date back to 2006 respectively 2007). Observers predict that U.S. exports will increase by \$13 billion annually as a result of the agreements.

### **Focus on Asia: China, APEC and TPP**

It is no coincidence that the recent FTAs involved Pacific Rim countries, as Asia and the Pacific region are currently the focal point of U.S. trade policy due to the rise of China. Compared to their Chinese counterparts, US companies experience competitive disadvantages in a range of fields: Subsidies extended to Chinese companies, industrial policies based on "indigenous innovation", public procurement policies, an often indifferent approach to the protection of intellectual property rights and matters of open access to certain raw materials.

The U.S. government's response to

these trade-distorting factors is an uptick in enforcement measures directed against China. U.S. Trade Representative (USTR) Ron Kirk has availed himself of a variety of approaches, including:

- The initiation of 22 anti-dumping cases;
- the use of a WTO safeguard mechanism in the case of rising U.S. tire imports from China,
- Pressing for improved protection of intellectual property rights through bilateral negotiations,
- Evaluating together with the EU and Japan the merits of a WTO panel focused on rare earths, in light of ever greater restrictions on exports of such materials from China.

Additionally, legislative efforts are underway to extent the measures the U.S. government can employ to the distorting effect of exchange rates. Due to the undervaluation of the Renminbi, Chinese products can be exported cheaply to the United States. With the Currency Exchange Rate Oversight Act (S. 1619), the Senate passed a bill that would allow the U.S. Treasury Department to impose countervailing duties on imported goods from countries that intentionally undervalue their currencies.

In addition to the matter of bilateral relations with China, the Asia-Pacific



### **About the Author**

Dr. Matthias Blum,  
Director,  
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RGIT Visiting Fellow

Economic Cooperation Forum (APEC) and the Transpacific Partnership (TPP) are currently issues at the forefront of U.S. trade policy. At the recent APEC summit held in mid-November, the leaders of 21 APEC member countries turned their attention particularly to trade in "environmental goods." They announced to establish a list of products until 2012 that are deemed to be "green." Such goods are to receive tariff reductions, leading to maximum tariff level of 5 percent. It is expected that technologies that reduce CO<sub>2</sub>-emissions will be in the vanguard.

The nine TPP participating governments are presently negotiating a regional free trade agreement. In some areas, the TPP is entering new territory - inter alia, the United States drew up a proposal regarding rules to limit unfair competitive advantages enjoyed by certain state-owned enterprises. In the course of the Hawaii summit, the TPP state and government leaders reaffirmed the objective of concluding negotiations in 2012, and laid the framework for further negotiations of 20 chapters. Against this backdrop, five key principles were agreed upon. Canada, Mexico and Japan expressed interest in joining the TPP process ■

# Tapping the Capital Markets:

## Tailor-Made Bond Financing Opportunities for Small and Medium-Sized Enterprises in Germany

*By Gernot Wagner & Dr Susanne Lenz*

In times of “credit crunch,” “Basel III” and “European sovereign debt crisis,” access to traditional bank loans is difficult, even for seasoned issuers with good credit ratings. In light of ever increasing refinancing needs, tapping the capital markets can be vital for the survival of businesses. Although (high-yield) bond offerings are still mostly centered in the United States, issues in Europe are becoming increasingly popular. Due to the

for instance, recently launched a retail-segment for bonds (“Entry Standard”), thereby providing SMEs the platform to sell bonds to retail investors without the costs involved in having an investment bank underwrite the issue. Similar platforms exist at other German stock exchanges. In this article, the Entry Standard for corporate bonds shall serve as an example for a high-yield bond retail concept that proves increasingly popular.

significant costs involved, though, this financing opportunity is rarely a viable alternative for small and medium-sized enterprises (“SMEs”).

Over the last two years, however, bond offerings have become possible for SMEs through high-yield retail platforms that have evolved in Germany. The Frankfurt Stock Exchange,

Bonds are debt securities issued by entities to raise capital for multiple purposes (e.g. refinancing, acquisitions, buyouts or general corporate purposes). Purchasing a bond effectively means extending a loan to the issuer in consideration for interest payments and the return of principal (face value) upon maturity. High-yield bonds are speculative-grade bonds that are issued by organizations that do not qualify for “investment-grade” ratings by one of the leading credit rating agencies (e.g. Moody’s, Standard & Poor or Fitch), because they carry a greater risk of default. Securities rated below investment-grade yield higher interest to compensate investors for the greater risk associated with their investment.

In Europe, capital markets are accessed either via EU-regulated markets or via markets regulated by the stock exchanges themselves (e.g. Entry Standard) with the latter having less stringent entry barriers and transparency requirements. Admission to bond trading in the Entry Standard is fast and easy: The application for inclusion in exchange trading has to be filed by a registered trading member of the Frankfurt Stock Exchange, who will also monitor compliance with transparency requirements and act as central interface between company and exchange. Before the issue is launched, the company has to submit and publish an approved securities prospectus, a concise company profile with information on the securities to be issued, a corporate calendar, audited annual financial statements, certain financial ratios, proof of creditworthiness by an approved rating agency as well as various corporate documents. An appointed and assigned Deutsche Börse listing partner will assist the company in structuring the issue in terms of scale of emission, maturity and interest rate calculation. There are no formal requirements regarding the securities other than a maximum denomination set at 1000 Euro and the prerequisite that the debt must not be subordinated. After the issue date, companies are obliged to submit annual and half-yearly financial statements, annual follow-up ratings and certain balance sheet ratios. In addition, issuers are required to disclose sensitive information that could influence the bond price.

Advantages of trading bonds in the Entry Standard are obvious: the lack of formal requirements and less stringent follow-up obligations, the fact that the issue does not need

to be underwritten, capital market advice through a listing partner, an established trading platform, retail-friendly standardizing, low transaction costs and subscription at issue price.

Nevertheless, the advantages do come at a cost. The greatest concern raised by high-yield bond retail issuances is the lack of protection of retail investors. No strict tests are applied to the issuer and only few key financial figures are published. Credit ratings may be obtained from small regional rating agencies. Documentation is kept to a minimum without extensive covenant-protection. Retail investors may not even appreciate the risks involved with a speculative-grade investment. Investors need to be careful to perform due diligence on the business in which they are contemplating investing, including examining the issuer's market share, its relationship with customers and suppliers, its brand image, the prospective use of bond proceeds, the stability of cashflows and the service of debt.

In times of aggravated credit financing, issuing high-yield corporate debt on retail platforms seems a simple and cost-effective way of raising capital. At first sight, investors – attracted by high interest rates – and issuers seem to be in for a win-win situation. However, issuing non-investment grade bonds to retail investors without underwriting banks serving as intermediaries demands caution. Investors are called to assess the issuer quality and issuers need to ask themselves if they are ready to tap the capital markets. In practice, issuers are well-advised to and often do seek the advice of financial advisers and outside counsel to assist them with the prospective issue. ■

## ALLEN & OVERY



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# Thirsty for German Beers, Wines and Spirits?

All Star Imports has it all from Kissing Stags to Master Brews and Enchanting Wines



**F**our brothers dedicated to the distribution and retailing of beer established All Star Beverages in 1972 in New York. Back then, there were only a handful American micro or craft brewers in operation. In search of diversity and unique styles of beer, the brothers turned to imported beers from Europe and Asia to complement their domestic products. In 2000, All Star Imports, LLC was founded, devoted to importing beverages from all over the world. Today, All Star Imports LLC imports beers, wines and spirits from all over the globe and sells them through distributors throughout the United States. All Star Imports' founder, Arthur Vlasaty, finds great joy in travelling the world in search of the most unique beverages, produced using the finest traditional methods and made with best ingredients nature has to offer.

## Love at First Stag Kiss

If you take a closer look at the All Star line up, you will notice that Germany is top on Arthur's travel itinerary in his quest for fine beverages. On his most recent visit to the land of poets, thinkers and brewers he discovered something that

knocked him off his feet. Hirschkuss (Stag Kiss in English) is an extraordinary, handcrafted German liqueur made by the Waldherr family right on the doorstep of the Bavarian Alps using an age-old secret family recipe. The original Hirschkuss liqueur has a truly unique flavor that is as rich in its herbal bitters as it is smooth with a chocolatey caramel finish.

Arthur had to find out more about this exceptional liqueur. He went to Hirschkuss' Owner and Managing Director, Petra Waldherr, and found that it is made using a mixture of over 40 different herbs. Each herb is carefully weighed, ground, and blended. The herbal mixture is then macerated or steeped like a tea for several days to create an extract, which is then fused with alcohol and water and left to unfold for some time before filtering. This process is repeated until the perfect extract is produced for the ripening process. During this procedure, the bitters mature to create the full-bodied flavor, which makes-up the unique experience that is Hirschkuss. It was love at first Hirschkuss for Arthur. He was determined from that moment on, to bring this unique liqueur to



the United States. In addition to the original flavor, All Star Imports plans to offer Hirschkuss Birndl (Pear) and Vogelgezwitscher (Rowan Berry), which he uses to make some of the very best cocktails and martinis in town.

### **A No-Brainer – Importing German Beers**

Situated between the Castle Veldenstein and the pristine “Veldensteiner Forst”, Arthur found the Kaiser Brewery and could not resist adding their beers, six in total, to his line-up of Eichbaum Ureich, and Valentin’s Weiss Beer, both produced by the Eichbaum brewery of Mannheim. Kaiserbräu is built on the early brewing tradition



of the Bavarian countryside, when the families of the region would pool their knowledge of brewing, and utilize only the naturally grown, local ingredients to produce pure and wholesome beers.

These recipes were developed over a millennium to create the unique styles of beer, which Kaiser offers today under the Veldensteiner name.

When asked to tell us about his favorite, Arthur laughed and answered, “That is not a fair question. They’re all fantastic. But if I have to choose”, he continued, “I would have to pick two styles – the Zwickl Beer and the Landbier. Zwickl is an unfiltered, naturally cloudy Kellerbier. The “zwickl” brewing process gives the beer a unique flavor. You can taste the yeast, barley and hops, which are not filtered out during the brewing process. The Landbier is made in a similar process, but is a Munich, dark larger style that finishes with hints of caramel.



### **The Land of Poets, Thinkers, Brewers and Winemakers...**

All Star Imports knows that Germany does not only produce exceptional beers, but also wines. German wine differs from those of other countries – they are generally light and fruity thanks to Germany’s unique climate and geology. The long growing season and moderate summer temperatures create delicate wines that are relatively low in alcohol content. The diversity among German wines stems from the many soil types and grape varieties found in Germany’s 13 winegrowing regions. Arthur has personally chosen a small, outstanding collection of crisp, fruity wines, which stem from German fields, to tingle on your palate. ■

#### **Contact Details**

You will find further information on All Star Imports and their imports at:  
 >> [www.allstarimport.net](http://www.allstarimport.net)  
 or on Facebook, where they announce new products, product availability and tastings all over the US at:  
 >> [www.facebook.com/AllStarImports](https://www.facebook.com/AllStarImports)



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## Event Calendar

January 12 – February 23

# 2012

### Jan 16

*Martin Luther King Jr. Day*

### Jan 12

*Breakfast with  
Bernie Burgener*

Held by GACC South  
Atlanta, GA  
[www.gaccsouth.com](http://www.gaccsouth.com)



### Jan 17

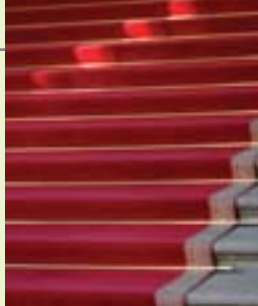
*New Year's Reception and  
Luncheon at Harvard  
Club with Peter Ammon,  
German Ambassador*

Held by GACCNy  
New York, NY  
[www.gaccny.com](http://www.gaccny.com)

### Jan 21-30

*dasHAUS - Innovation  
in Renewables and  
Energy Efficiency*

Held by GACC SF  
Tempe/Phoenix, AZ  
[www.gaccsanfrancisco.com](http://www.gaccsanfrancisco.com)



### Jan 17

*GACCoM MI Chapter:  
New Year's Gala*

Held by GACCoM  
MI Chapter  
Dearborn, MI  
[www.gaccmi.com](http://www.gaccmi.com)



### Jan 18

*Professional Networking  
with FACC & GACCoM*

Held by GACCoM  
Chicago, IL  
[www.gacc.com](http://www.gacc.com)

### Jan 24

*New Year's Reception*

Held by GACC South  
Atlanta, GA  
[www.gaccsouth.com](http://www.gaccsouth.com)

### Jan 25

*Business Seminar  
"Cultural Risk  
Assessment" with The  
Foreign Investment Group*

Held by GACC New York  
New York, NY  
[www.gaccny.com](http://www.gaccny.com)



### Jan 25

*New Year's Reception*

Held by GACC South  
Houston, TX  
[www.gaccsouth.com](http://www.gaccsouth.com)

### Jan 26

*New Year's Reception*

Held by GACC SF  
San Francisco, CA  
[www.gaccsanfrancisco.com](http://www.gaccsanfrancisco.com)



### Jan 26

*Annual Economic Forum*

Held by GACCs and RGIT  
Chicago, IL  
[www.ahk-usa.com](http://www.ahk-usa.com)



### Jan 26

*Dero Bike Rack Tour*

Held by GACCoM  
MI Chapter  
Minneapolis, MN  
[www.gaccmi.com](http://www.gaccmi.com)



### Feb 6-10

*AHK Geschäftsreise  
"Back- und  
Teigwaren USA"*

Held by GACC South  
Atlanta, GA  
[www.gaccsouth.com](http://www.gaccsouth.com)

### Feb 9

*Traditional Hax'n Essen*

Held by GACC PHL  
Philadelphia, PA  
[www.gaccphiladelphia.com](http://www.gaccphiladelphia.com)



### Feb 17-26

*dasHAUS - Innovation  
in Renewables and  
Energy Efficiency*

Held by GACC SF  
San Francisco, CA  
[www.gaccsanfrancisco.com](http://www.gaccsanfrancisco.com)



### Feb 18

*Professional Networking  
with FACC & GACCoM*

Held by GACCoM  
Chicago, IL  
[www.gacc.com](http://www.gacc.com)

### Feb 23

*International Business  
Networking Reception  
with Gov. Jack Markell*

Held by GACC PHL  
Wilmington, DE  
[www.gaccphiladelphia.com](http://www.gaccphiladelphia.com)



# Interview with Jürgen Siebenrock

## WELCOME TO THE C-SUITE



Introducing New C-Level Executives to the  
German-American Business Community

**TRADE:** Airline business is very volatile these days. What challenges are you facing in 2012?

We are facing a variety of different challenges, such as a struggling economy, nervous financial markets and uncertainty in the economic outlook, resulting in a decline in passenger numbers. The average fuel price increased about 45 percent compared to the previous year. As if this wouldn't be enough, the E.U. introduces a highly controversial emission trade scheme and Germany has distorted fair market conditions by introducing a German departure tax. These factors have a strong influence on our business.

Political unrest, natural disasters and other surprises come on top of that. The good part: At Lufthansa we have learned to deal with these circumstances. Responding to crises has become part of our daily life routine. We adapt quickly and execute respective cost initiatives, also with the support of our labor partners. Our crisis management is certainly one of the best in the industry. That being said, after reporting one of the highest results in our company's history in 2010, we are still confident that we will see significant operating results in 2011.

Another plus: Lufthansa is financially in a very stable condition. We use our solid cash flow for ongoing investments into new and efficient aircraft, into our lounges, cabins and seats, which allows us to cruise ahead of the competition as the No. 1 European carrier. Our main goal for 2012 is increased efficiency, a high quality product and outstanding service.

**TRADE:** Which role does the North American market play for Lufthansa?

North America is the most important region for Lufthansa and the traditional "backbone" of our business, despite other markets with growing importance. In fact, we have been serving New York since 1955. We now fly to 21 major gateways on the continent and carry more passengers outside of Europe than everywhere else. Many German companies and businesses have strong connections to the U.S. and therefore rely on the multitude of connections we offer to and from our 17 U.S. gateways. Together with our partner United Airlines, we operate over 203 flights per day between U.S. and Europe.



*Jürgen Siebenrock  
Vice President, The Americas  
Lufthansa*

**TRADE:** Many companies have cut back on business travel expenses of their employees. How are you planning to get the business travelers back onboard?

We can offer many good reasons why it makes sense for companies to have their employees fly in Business Class rather than in Economy Class. But the decision is ultimately done by the corporations. Hence, we at Lufthansa focus on maintaining our customers' satisfaction with our product, rather than convincing travel managers to book Business Class. We do this with a solid Business Class product, which includes outstanding culinary offerings with our Star Chef program and increasing availability of our onboard WiFi named FlyNet on many transatlantic routes. In 2012 we will take the experience to another level by introducing our new Business Class full-flat seats. I am confident that our new product will suit our Business travelers and that they will choose Lufthansa for their work-related travel since we offer a first-rate product and a worldwide route network. And by the way: We offer attractive corporate contracts that make flying Business Class more cost-efficient than one might think.

**TRADE:** In 2010 Lufthansa introduced the A380 to several destinations in the U.S. What effect did this have on the business?

The Airbus A380, our flagship aircraft, is the largest passenger airplane in the world and Lufthansa's configuration can seat 526 passengers and has the largest business class with 98 seats on the upper deck. We get overwhelmingly positive feedback from our customers, and whenever passengers have a choice, they intentionally book themselves on the A380. Moreover, it is the most fuel efficient passenger airplane in the market. With a fuel consumption as low as 3.4l/100km per passenger (65 MPG), it is a very efficient plane and fits the North American market ideally. In the summer 2012, we will see the A380 in San Francisco, New York and Houston. Early 2012, we will take the first Boeing 747-8 into service, another ultra-modern plane with equal fuel efficiency and our new Business Class full-flat beds. I wouldn't be surprised to see it flying on some U.S. routes in the summer... ■

Our **main goal for 2012** is increased efficiency, a high quality product and outstanding service.

# GERMAN AMERICAN TRADE

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