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As former US President Ronald Reagan once said: “Peace is not absence of conflict, it is the ability to handle conflict by peaceful means.” Germany and the US have nourished a strong, peaceful relationship following World War 2. This kinship is based on cultural as well as economic ties. Today, roughly 50 million Americans claim German heritage, making it the largest ancestry group in the US. Simultaneously, German companies have created 674,000 American jobs. Germany is the fourth-largest foreign employer in the US.

The comprehensive Wunderbar Together campaign aims to renew the dialogue between Germany and the US. It underlines the importance of the transatlantic relationship and how we can shape its future. The German American Chambers of Commerce (GACCs) are a committed advocate of strong German-American relations, both in business and beyond.

As our countries, businesses and societies face new challenges, it is more important than ever to strengthen these bridges between our citizens. One opportunity for this is Germany Week. This April and May, Germany Week in Chicago will showcase the best of German art, cuisine, sports and technology in the American heartland. Find more information about this unique way to experience Wunderbar Together on pages 10-12.

Beyond promoting personal experiences and encounters, our economic ties provide a fertile ground to foster closer cooperation and understanding. Our German American Business Outlook 2019 report showed strong growth for German companies in the US, even while the challenges of skilled workforce and free trade are of increasing concern.

With our apprenticeship programs across the US, the GACCs help companies make a difference in closing the skills gap. Apprenticeship programs based on the German model provide career paths for American employees and foster economic growth for their employers — as well as entire regions. A recent example of this is in Omaha, Nebraska, where our ICATT Apprenticeship Program was recently launched with great success. Read about it in pages 30 & 31 of this edition.

As the new chairman of our national organization, I am looking forward to fostering German-American relations on all levels – the personal as well as the professional. The success of our global economic and trade relations depends on a strong foundation of American and German partnership. I invite you to be an active part of our global network and to contribute to our successful future.

Peter Riehle
Chairman, German American Chambers of Commerce
President & CEO,
WITTENSTEIN North America

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There are a couple of clichés that apply perfectly to companies from Baden-Württemberg, especially when it comes to the state’s small and medium-sized businesses: Down-to-earth attitude combined with excellence and technical ingenuity. Often, these family-run operations are world market leaders in their sector, but they are not household names. However, one thing that would likely not be associated with these companies is that they are quick to run after every new trend and jump on the latest bandwagon. And yet digital transformation is more than hype. It is fundamentally revolutionizing many sectors and the epicenter of these disruptive forces is Silicon Valley. That is why it comes as no surprise that Baden-Württemberg companies are becoming actively involved in this region, each in their own way. Being in the valley near San Francisco where the whole movement started is not a requirement for preparing your company for the future. But this is where it is easiest to tap into networks and inspiration that can stimulate business on your home turf.

This, at least, is Gunther Wobser’s conviction. The CEO and co-owner of LAUDA, located in Lauda-Königshofen in the north-eastern corner of the state, took management courses at Silicon Valley’s renowned Stanford University and eventually moved there for an entire year. He set up an innovation lab as an independent organization in Sunnyvale for his company; this is where he and his employees conduct research on new business sectors that are outside of his company’s traditional scope.

LAUDA specializes in generating very exact temperatures. The process was invented by Wobser’s grandfather. The products are used worldwide, primarily in chemical production processes where precise heating and cooling is crucial. Gunther Wobser realized that LAUDA’s success story could not necessarily be expected to continue when the company had its first and only flop: he had tried to broach the end-user market with one of the trendy sous-vide cookers. As it turned out, LAUDA’s precision technology was way too expensive, and competitors were able to manufacture devices with consistent cooking temperatures within a price range that was much more affordable for hobby cooks. Some of these competitors were preparing to enter the laboratory market, one of LAUDA’s key sectors.

During classes at Stanford, Wobser learned about the innovator’s dilemma - the fact that managers do everything right as per their company’s traditional philosophy, but they still end up being elbowed out of the market by a start-up. “You have to try to give them a hand before they use that same hand to slap you,” said Wobser. Now, in his innovation lab, he is trying to develop start-up ideas that are not directly related to his core business. The first project: a portable temperature control box for consumers who, for example, need to take temperature-sensitive medications with them when they travel. This is new territory for the company in more than one way: portable energy...
supply and an end-user product preferably costing less than 250 euros. It is unclear whether this product will ever hit the market. Wobser sees his Silicon Valley lab more as an “adventure playground” for his company. He has come to the realization that “a company has to constantly reinvent itself, in order to grow old and endure.” A down-to-earth attitude and constant innovation are therefore not mutually exclusive.

Not every company needs to immediately send the boss to Silicon Valley. Another option is the approach adopted by MANN+HUMMEL, a filter manufacturer from Ludwigsburg. The company provides young employees with the opportunity to work on a start-up idea for half a year in Silicon Valley. Kerstin Niederle recently took part in the program herself. Prior to this, she had spent a few years in the purchasing department at MANN+HUMMEL. The selection process included several stops: First, the applicants had to produce a five-minute video explaining why they considered themselves good start-up entrepreneurs. This was followed by personality tests and an essay in which they had to describe a potential project. Next, the ten finalists were invited to present their ideas to the board. Five team members were then selected by the jury. After a boot camp in Ludwigsburg, Niederle traveled to California, where she met colleagues from Mexico, India and the U.S. Even in fast-paced Silicon Valley, half a year is a short time to create a company on the basis of an idea. But the project was successful: The MANN+HUMMEL collaborative effort actually developed its start-up to a point that it now has paying customers. The project is a software program used to monitor filter systems in water treatment systems. It allows users to save a lot of money, for example, by detecting a clogged filter in a timely manner. This led to the creation of a company called STREAMETRIC, whose customers do not necessarily have to use MANN+HUMMEL membranes.

The start-up was located in an accelerator in Sunnyvale. A YouTube video showing Kerstin Niederle presenting the project to investors can be found online. The five team members have the option of returning to the organization, or of continuing to work with the corporate start-up. Kerstin Niederle sees opportunities and benefits in both working models. In any case, those 6 months fundamentally changed her perspective. “It’s amazing to work in such a high-energy and flexible environment. You can’t help but take that energy back with you.” She has thereby become a source of innovation to the company, regardless as to whether she stays with the parent company or transfers over to the start-up.

Other medium-sized companies already have a permanent foothold in Silicon Valley. Take Schmalz for example, a company from Glatten, near Freudenstadt. What makes Schmalz so special is that innovation is the company’s lifeblood, so to speak. The company has been in business for more than 100 years, but it has completely changed its product portfolio every generation. They first started out with razor blades and continued with light-weight vehicles after World War II. Since 1984, Schmalz has been specializing in vacuum technology, more specifically vacuum gripping technology. Schmalz equipment is used in automobile production to grip and lift windshield and other parts. Because this technology allows to grip items from

In InnovationCamp BW, companies are working on technology and business model innovation.
above, it is very versatile, not only for manufacturing, but also for warehousing.

The company usually delivers its grippers to integrators, whose equipment is then implemented in large companies, such as automobile or electronic manufacturers. Because each application has its own requirements, Schmalz engineers are involved in product development very early on in the process.

Schmalz also has customers in Silicon Valley whose best point of contact is Florian Fritz. For example, when a cell phone manufacturer is developing a special display, Schmalz needs to be involved during the design process to ensure that these sensitive components can be gripped and transported during the manufacturing process in a Chinese factory; it is where Florian Fritz provides his expertise.

This is one of the reasons the company sent him to California. However, he is also an innovation scout for Schmalz. He keeps his eyes and ears open and is always on the lookout for start-ups that could be of interest to his company. The collaboration can go in two different directions: Does the start-up have a new technology that could be of interest to Schmalz? Or can Schmalz’s gripper technology solve one of the young company’s problems?

“Personal contact is extremely important here,” explains Florian Fritz. “To be taken seriously, you need a business card with a Bay Area address. And you have to make it clear to people that you are selling them more than a standard solution.” Fritz is currently in discussions with a start-up that has developed an interesting new technology.

Larger Baden-Württemberg companies such as Bosch have been in Silicon Valley for a long time. Bosch opened its first office there in 1999. Back then, the focus was on entering into discussions with some of the top universities in the Bay Area. The branch now has 200 employees; one of the things they are working on is self-driving cars. However, big companies also have to keep in mind that innovation cannot be done alone. Even a company like Bosch has to exchange ideas with others in the Silicon Valley ecosystem.

One very productive method is risk capital. Bosch has a venture capital office in Sunnyvale, where Yvonne Lutsch works as an Investment Principal. This is the company’s business branch, and its primary role is to invest money and make a profit. But of course, it’s about a whole lot more: Investments are a way of bringing external innovations into “the Bosch”, as the company is affectionately called in Germany.

What can small start-ups offer a giant such as Bosch? “Not a lot, if you were to reduce Silicon Valley to smartphone apps,” said Yvonne Lutsch. “But if you consider the topic of mobility, there are tons of start-ups that are incredibly attractive to Bosch.” The rideshare services, Uber and Lyft, and the electric vehicle manufacturer Tesla were all spawned in Silicon Valley and provided the branch with crucial momentum. “It’s not just about technology, but also about business models and a different way of thinking. And to stay in the loop, you simply have to be there.”

Robert Bosch Venture Capital (RBVC) does not invest indiscriminately, but rather, looks for start-ups that align with the Bosch strategy. RBVC aspires to a 10-percent share, as well as a position on the supervisory board. The investment amounts are usually between three and five million euros. The objective is not to turn the start-up into a Bosch department. It is highly possible that the company will be purchased by an automotive manufacturer or a Bosch competitor down the road. Bosch’s interest, in addition to a possibly lucrative business, is that of being at the heart of the innovation and of being able to access new technologies early on in the process. Whether they will be implemented by Bosch later on is a
different story. If needed, the company might take a multi-track approach: For example, Bosch has invested in Here, a company that produces digital maps, but also invested in a start-up called DeepMap, which specializes in very detailed road maps for self-driving vehicles. Ideally, both strategies will be successful.

Large companies in particular have more to offer to start-ups than just money. SAP is a good example. The software company from Walldorf has been operating SAP Labs in Palo Alto since 1993. This creative lab looks a lot like Facebook or Google headquarters. David Sonnenschein is responsible for collaborations between SAP and start-ups. And for almost all his projects, money does not change hands.

SAP is a leading provider of business software. Its programs make it possible to manage the entire process of a product, from purchasing to production, sales, customer service and waste removal. The company has a wide range of knowledge about company processes, but does not have specific knowledge for every individual sector. David Sonnenschein formulates a basic policy that can also be signed by all others working with innovative new companies: “There are a lot of people outside of SAP who have creative ideas. That is why we have to lend a hand to start-ups that are creating the next generation of solutions for our customers.”

Start-ups bring the ideas to the table, and SAP presents the approach to thousands of potential customers that implement SAP software in their company. Or, to use Sonnenschein’s words: “We have the best client base in the world. We have big challenges to solve!”
As an example: The Detroit company Guardhat developed a safety helmet which not only protects employees against injuries, it also uses sensors to record a wide range of data, such as air quality or workplace noise. This data needs to be fed into the business software and be processed; SAP can help develop the respective interface. But in particular, SAP has a large number of potential customers to whom the start-up will have invaluable access, and SAP will increase interest in its business solutions.

The cooperation between SAP and the start-up can take place in various ways: In an accelerator co-working space such as SAP Startup Accelerator for Digital Supply Chain in Berlin, but also in a leased office in one of the many start-up workspaces in Silicon Valley. Because SAP is represented worldwide, start-ups do not have to move to a different continent; besides, most of the collaboration is done online. Most of these projects have a horizon of approximately one year, said David Sonnenschein. If there is no sign of success at this point, the companies can part on good terms. Failure is not a flaw in Silicon Valley.

The delegates sent to Silicon Valley from German companies feel like intermediaries between two very different business worlds. In this regard, it’s not so much about the difference between California and Swabia, it’s more about the difference between a start-up culture (which could also be located in Berlin) and a traditional, solid, German company. “I try to spell things out,” is what Florian Fritz says about Schmalz. He had worked with the company long enough before he came to Silicon Valley and now that he is back home, does not try to play the role of the prophet who has a solution for everything. “I’m not the only one who thought I knew it all,” he says, “and Schmalz is not some small-town company.” However, he has to explain to his colleagues in Germany that in the new production world, things cannot continue to flow in such an orderly and sequential manner. “They would still prefer to start with their specifications sheet, where everything is formalized on a sheet of paper, and then they withdraw and develop whatever it is that they have to develop.” In the new world, by contrast, the production line is developed before the first prototype of a new product is ready - and then, if something changes in the cell phone design, this will have an impact on the vacuum gripper in the factory. This is the only way in which products can be brought to market in increasingly shorter cycles.

At one time, Gunther Wobser, who, as CEO, left for Silicon Valley, was confronted with tolerate reproaches for no longer being seen in the production. He justifies his actions and his new knowledge in great detail at employee meetings and in personal conversations.

He mainly tries to explain that collaboration with start-ups is particularly crucial for a company’s future survival. And also, that innovation is not to be compared to chaotic crazy ideas. “Innovation does not simply drop out of the sky, it is actually a well-structured process that eventually also becomes efficient.”

Baden-Württemberg companies are not left to their own devices if they want to broaden their contacts in the Bay Area. The Baden-Württemberg Ministry of Economic Affairs’ Representative office and Innovation scout can facilitate business contacts and now offers a three-week InnovationCamp for small and medium-sized businesses (see box on previous page). This makes Silicon Valley more accessible than ever to businesses from this state.

Participants of the InnovationCamp BW visiting the Google campus.
Who Really Benefits From Auto Tariffs?

Following the release of the "Section 232" national security report in mid-February, additional tariffs on cars are hanging over the transatlantic relationship like a Damocles Sword. To state the obvious, car exports from the European Union or any other region do not pose a national security threat to the United States. Instead, they are merely a proxy, albeit an important one, for the broader trade imbalances that the US administration wants to tackle. In 2018, the US ran a merchandise trade deficit with the EU of USD 169bn, significantly larger than the USD 101bn deficit that it has with its two neighbors, Canada and Mexico. The biggest ‘culprit’ is, of course, Germany, with whom the US has its third-largest bilateral trade deficit (after China and Mexico). But Ireland (5th) and Italy (7th) are among the top-ten deficit countries as well.

If one just focuses on the headlines, one may easily get the impression that these trade deficits are primarily the result of the US being treated unfairly by the EU through higher tariffs. The facts, however, speak a different language: According to the World Trade Organization, EU exports of non-agricultural goods to the US face a weighted-average tariff of 1.6%, while US exports of those goods to the EU face a weighted-average duty of 1.4%. In other words, tariff rates between the regions are low and there is not much of a difference on aggregate. If anything, the EU has a slight disadvantage here.

What about cars? It is true that the EU duty on car imports from the US is 10%, while the US duty on European car imports is only 2.5%. This observation, however, ignores non-tariff barriers, i.e. technical standards, regulations, and testing procedures, etc., which are higher in the US than in the EU. As important, it leaves out the so-called light trucks, which comprise pickup trucks, minivans and SUVs. For those vehicles, the EU duty is also 10%, while the US imposes a steep 25% tariff. In case you wonder: this is the relic from the 1960s Chicken War between the US and various European countries. Given that light trucks now account for a whopping 70% of all motor vehicle sales in the US, the hypothetical weighted-average tariff for EU motor vehicle exports to the US is 18.4%, compared to a 10% duty for US auto exports to the EU. This 25% ‘Chicken Tax’ explains why a growing number of foreign carmakers produce their SUVs and pickup trucks in the US. It is also the reason why you cannot buy a VW Bus here in the US. And finally, the shielding from foreign competition allows US carmakers to demand larger profit margins on those vehicles. It is thus a main contributor to the annual results of these companies.

In a nutshell: tariffs (as well as non-tariff barriers) on motor vehicles have been beneficial to the US auto industry. If one talks about eliminating duties in this sector, one, of course, needs to incorporate light trucks. And this is exactly what the European Commissioner for Trade proposed last summer, i.e., that the EU is “willing to bring down even our car tariffs to zero, all tariffs to zero if the US does the same.” But back then, President Trump rejected the offer as “not good enough”, adding that European “consumer habits are to buy their cars, not to buy our cars.” After looking at some facts, one can safely say that those ‘habits’ are not driven by tariff.
In 1790, the US established its first consulate on German soil in Hamburg. Two-hundred twenty-nine years later, the United States is Germany’s closest non-European partner. The relationship between these two nations is strong, characterized by historic ties, shared values and joint visions for the future.

German-American business partnerships help grow US jobs

This close international relationship is nowhere more apparent than in the business sector. German companies have become household names in the US: the average American’s dishwasher might be from Bosch, their car from Volkswagen or BMW, their shoes from Adidas and their sweets from Haribo. They might even work for a German company—German affiliates employ 674,000 people in the US, making Germany the fourth-largest foreign employer in the US.

Almost 4,800 companies benefit from the $373 billion Germany has invested in the US, and Germany is the US’ sixth largest export market. In short, the connections between Germany and the United States are vital and benefit both nations, especially when it comes to US employment.

Shared culture and traditions

German-American business ties are strong, but commerce isn’t the only thing connecting the two countries—history and culture play a role, too. This year is the 70th anniversary of
the Berlin Airlift, when American planes dropped food and supplies essential for the survival of people in Berlin after the end of World War II. About 50 million Americans claim German heritage, making it the largest ancestry group in the US. And many American holiday traditions have surprising German roots—Christmas trees, Advent calendars, and even the Easter bunny were all started by Germans. In terms of travel, Americans are the most frequent overseas visitors to Germany, and the US is the most popular overseas tourist destination for more than 2 million Germans each year. Our historic relationship continues with Germany Week.

**Celebrate German-American friendship in Chicago**

The German Federal Foreign Office, the Goethe-Institut and the Federation of German Industries (BDI) are celebrating this friendship with *Wunderbar Together*, a year-long campaign with over 1,000 events in all 50 states highlighting the importance of German-American relations.

The largest of these events is Germany Week, taking place in Chicago’s Daley Plaza over 10 days at the end of April. Inspired by Christkindlmarket Chicago, this free family-friendly event will offer visitors a peek into German culture and business in the heart of the United States. Learn about Bauhaus design, marvel at music and dance performances, listen to fairy tales by the Brothers Grimm and cheer on your favorite teams with live
Bundesliga games. You can also enjoy live demonstrations and experiments for children and adults in which Germany Week highlights the best of German industry, engineering and science. In addition, BASF, SAP and Siemens will have their own interactive exhibits and host events focusing on industry trends, sustainable living and the digital workforce.

For the wine-lovers among us, there will be a ticketed Wine Fest the festival’s opening night – and of course there is a beer tent. Germany Week offers something for everyone, giving visitors a chance to gain in-depth insight into one of the US’ strongest partnerships and to discuss its direction moving forward. German Ambassador to the United States Emily Haber is scheduled to attend the Work Awesome Conference at Germany Week on Tuesday, April 30, sharing her vision for the future of German-American cooperation in the arts, business and politics.

The centerpiece of Germany Week is the PopUp Tour, the official roadshow of Wunderbar Together/ The Year of German-American Friendship. The PopUp’s culture tent features mobile presentation modules, flexible edutainment elements and a culinary program. A German business showcase will act as the PopUp Tour’s focal point.

“America is not only Germany’s partner, but its closest partner outside of Europe,” said German Foreign Minister Heiko Maas. “Wunderbar Together offers us an opportunity to renew and preserve the historic bonds between our people. By celebrating German-American friendship and cultural exchange, we will facilitate increased and enhanced dialogue between Germans and Americans.”
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Despite the economic uncertainty hovering over transatlantic trade, German companies remain bullish on doing business in the US. That’s the overall finding of the German American Chambers of Commerce (GACC) latest German American Business Outlook (GABO) survey which was presented during an exclusive event on January 29, hosted by Deutsche Bank at the firm’s Wall Street location in NYC. A capacity crowd of 160 GACC members and guests attended the event, representing the business community and select media outlets (Handelsblatt, Frankfurter Allgemeine Zeitung, Deutschlandradio).

Immediately following last year’s US mid-term elections, the GACCs and RGIT approached 1,900 senior executives of German-owned subsidiaries in the US with the German American Business Outlook to take part in the survey. The annual survey assesses German companies’ view of the US as a business location - a powerful indicator of the state of the US economy, in which German companies create 674,000 jobs and invest US$ 373 billion.

“German companies continue to view their prospects in the US very positively. As drivers of growth and skilled workforce development in the US market, they would like to take advantage of further growth opportunities,” says Peter Riehle, the newly elected Chairman of the German American Chambers of Commerce. “The increasingly uncertain investment environment is a roadblock of this positive trajectory, and the GACCs are here to support German subsidiaries.
“German companies continue to view their prospects in the US very positively.”

Peter Riehle, Chairman, GACCs

with their continued success in the US,” he added.

A transatlantic panel discussion on the current business environment for German businesses in the US followed the results presentation. During the panel discussion executives representing a variety of industries discussed the specific challenges and opportunities for their companies and supply chains. The potential impact of US tariffs on steel and aluminum imports was one of many topics the panel focuses on.

Dr. Volker Treier, Chief Executive of Foreign Trade, Member of the Executive Board, DIHK in Berlin, traveled to New York to moderate the panel. While he was in the US, Dr. Treier joined several strategic meetings with the GACCs and our partners in New York and Washington to strengthen the ties of our transatlantic economies.

We thank all attendees and survey participants. While an increasingly uncertain investment environment is a roadblock of the positive trajectory outlined by GABO, the

GACCs are here to support German subsidiaries with their continued success in the US market.

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Key opportunities per GABO:

**Business Friendly Reforms**

The 2018 tax reform as well as a reduction of regulations has had a favorable impact on a broad majority of respondents’ business.

**Expansion on the Rise**

Companies increasingly focus their growth agenda on mergers and acquisitions (M&A). One out of five participating companies plan to expand their business in 2019 through M&A, up from 8% in 2017 and 11% planned for 2018.

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Key challenges per GABO:

**Workforce Development and Visas**

Challenges with workforce remain a big concern: Both finding skilled labor and obtaining work visas increasingly worry German companies.

**Tariffs and Free Trade**

90% of respondents say open markets are rather or very important to their business.
US cities will invest a lot of money in smart city initiatives over the next couple of years. Daimler and Bosch plan on launching robot taxis onto the streets of San José in 2019. In California, San José is set to become the pilot city for the app-based, fully automated and driverless car-sharing services of Daimler and Bosch in the second half of 2019. For this purpose, the two companies entered into a development cooperation with the metropolis in Silicon Valley in the fall of 2018. The vehicles of the Mercedes S class, intended to be used as robot taxis, are likely to be ready for serial production in a few years.

However, the German project partners are not considered trailblazers in this area. The US competition has been tinkering with driverless transportation systems for a while. For example, Waymo, the subsidiary of the Google holding company Alphabet, has already carried out tests with robot taxis in Phoenix, Arizona. Cruise Automation, a subsidiary of General Motors, plans to launch its robot taxi service in 2019 in at least one US city. The services are planned to be publicly accessible soon and will then compete with companies such as Uber.

**Autonomous vehicles are only a small part of the smart cities concept**

Self-driving services are an important, albeit small part in the bigger picture of the large-scale smart city projects of many major US cities. In order to become cleaner, more efficient with a better network, these cities invest ever-increasing amounts worth billions. Within the next five years, International Data Corporation (IDC) expects US investments into smart cities to increase by 19% per year on average.

Union Point, a small town near Boston, has already invested more than USD 200 million into an intelligent infrastructure. Another USD 10 million are set to follow in 2019 and 2020. General Electric (GE) plans to install technologies there such as sensor-based street lighting. The startup Optimus Ride and the development company LStar Ventures cooperate with Union Point in line with a pilot project for autonomous driving.

**Casinos in Las Vegas are already counting on the Internet of Things**

Las Vegas intends to optimize its urban planning in particular in view of traffic, security and efficiency. The casinos there already use the Internet of Things (IoT) platforms and machine learning to avoid errors in the recording of expenses in line with loyalty programs.

Now, the technology is also to be used for technical smart city innovations. To do so, the city in the desert sets aside some USD 500 million until 2025 for three pilot projects. The first two projects address sensor technology for real-time updates regarding the optimization of the flow of traffic and the protection of pedestrians. The third project is used to determine when trash receptacles are full and traffic lights stop working. Partners
for these projects are the provider of wireless networks Ingenu and the startup Acyclica, acquired in September 2018 by FLIR systems.

Henderson, also located in Nevada, is testing IoT technologies in the areas of public safety, city administration and education. Besides sensor technology, also intelligent water consumption measuring as well as telematics and drone detection systems are used. For its digital transformation, the city is looking for public as well as private partners.

PPP contracts are not uncommon when it comes to smart city projects

Kansas City, Missouri, entered into a PPP contract (public-private partnership) with the technology provider Cisco Systems and Sprint, the mobile phone operator. 25 data terminals were spread across the city that not only deliver information but can also be used in cases of emergency. The investment of USD 16 million, three quarters of which came from private partners, is set to pay for itself in some five years via advertising revenue.

New York is a trailblazer in this area. For the past two years, under the name LinkNYC, several Wi-Fi hotspots have already been online. New York also chose a PPP with technology companies, and refinancing is also pursued by way of advertising revenue.

Furthermore, Dallas cooperates in line with a PPP, the Dallas Innovation Alliance (DIA), with private stakeholders. In the last year, the DIA started nine projects, amongst others in the area of public Wi-Fi hotspots, mobility research as well as intelligent irrigation and parking systems.

San Francisco Bay Area receives new trip planning app

The rapid transit public transportation system Bay Area Rapid Transit (BART) released a new trip planning app that includes transit data of more than 30 transportation services; it also takes into account walking, biking and driving in a car in the San Francisco Bay Area. The software for the app is developed by HaCon, a subsidiary of Siemens. Other major US cities also want to implement apps, enabling end-to-end trip planning with a payment function.

San Francisco is also testing street lighting and traffic lights equipped with IoT sensors. The technology for such is provided by GE. If the project is successful, it is to be expanded throughout the entire city. In addition, Columbus, Ohio, plans to implement platooning technology to revolutionize highway transport. With such technology, trucks are linked in convoy, which reduces fuel consumption in particular.

Pittsburgh, Pennsylvania, plans to expand its system of networked traffic lights in the next two years by 150 intersections and in order to do so wants to also expand its cooperation with the startup Surtrac. And Denver, Colorado, plans to purchase up to 1,500 networked electric cars in the next four years that not only improve the climate but at the same time are also to serve as storage reserve and buffer for the power grid.

Furthermore, several other US cities are also investing in smart city initiatives. A 2016 research paper determined that of the 335 smart city projects carried out in the US, only 69 took place in large cities. Far more were implemented in smaller cities. As these examples demonstrate, the particular focus areas of smart city projects can differ quite substantially.
Background to Section 232

Enacted during the Cold War, Section 232 of the Trade Expansion Act of 1962 allows for an investigation by the Department of Commerce (DOC) into the effect of imports on US national security. The 270-day investigation involves consultation with other agencies such as Defense and may include public consultation. Upon receiving the DOC report, the President has 90 days to determine if he agrees with the findings, and more importantly, whether he will act to “adjust imports” (e.g. tariffs, quotas). After making his determination, the President has 15 days to implement his chosen course of action. Alternatively, the President may choose to begin negotiations with a country or trading bloc whose imports may impair national security, giving him an additional 180 days to take further action.

In previous decades, Section 232 investigations mainly focused on traditional areas of national security concern (e.g. oil and petroleum). However, the Trump Administration has broadened the meaning of national security to encompass economic security. Since taking office in 2017, completed and ongoing Section 232 investigations have analyzed steel, aluminum, uranium ore and products, automobiles and automotive parts, and titanium sponges.

Recent Developments and Reactions to Section 232

In March 2018, President Trump imposed tariffs on steel and aluminum imports. While some countries were granted exemptions or agreed to import quotas, wide-ranging tariffs remain on most steel and aluminum imports, including those from the European Union (EU) and therefore Germany too.

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Regarding the ongoing automotive investigation, the DOC submitted its report to the White House on February 17, 2019. While Section 232 requires the Administration to publish the report except for classified or proprietary information, there is no timeline for doing so. At the time of writing, the report and its recommendations have not been released. Considering the submission date, the President has until May 18, 2019 to make his determination.

The increased use of Section 232 has raised concerns in the domestic and international business communities over ramifications for international trade and relations. In Congress, both Republicans and Democrats have shown interest in redefining the President’s authority under Section 232. Already, several legislative proposals have been introduced in both chambers and hearings about the effects of Section 232 tariffs have occurred.

What is true in Washington also applies to the other side of the Atlantic. In July 2018, President Trump and European Commission President Jean-Claude Juncker agreed to hold off on any further tariffs so long as trade talks between the US and EU continue. The EU has remained firm in its belief that possible automotive tariffs could jeopardize progress in a potential US-EU trade deal. The Section 232 investigation also featured prominently in Chancellor Angela Merkel’s keynote speech at the February 2019 Munich Security Conference during which she expressed concern over the idea that automotive imports from Germany, one of America’s closest allies, could threaten US national security.
German Business Matters

Rather than weakening the US economy and threatening national security, German companies of all sizes are a key contributor to the overall strength of the US economy. They secure jobs, foster innovation through research, and develop the local workforce. German-owned affiliates employ almost 700,000 people across all US states and account for more than 10% of total foreign direct investment (FDI) in the US ($373 billion by the end of 2016). Many provide cutting-edge apprenticeship programs that help boost a highly-skilled, specialized American workforce.

The automotive industry is a reason for this success. There are over 300 automotive facilities around the US. These companies employ over 118,000 people. In 2017, German automakers produced 804,200 vehicles in the US, nearly double the 493,600 German cars that were imported. 60% of German cars produced in the US are exported, and the top two vehicle exporters by value from the US are German OEMs.

Through significant investments, employment, and deep integration and commitment in the market, German companies have helped boost America’s modern manufacturing base. Indeed, almost half of all jobs created by US-based German companies are in manufacturing. Rather than endangering national security, these companies contribute positively to the overall success of the local community and transatlantic economy.

Speaking at a recent event hosted by RGIT and the American Institute for Contemporary German Studies (AICGS) in Washington, Bernhard Mattes, President of the German Association of Automotive Industry (VDA), explained, “manufacturers heavily rely on open markets due to our integrated and interdependent supply chains. We can either grow together or fall together.” Uncertainty and unpredictability in the international trading system from which businesses ultimately benefit reduce economic opportunity. Businesses on both sides of the Atlantic can best thrive in a trusting business environment, a reliable framework, and open markets.

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This material is distributed by the Representative of German Industry and Trade (RGIT) on behalf of the Federation of German Industries (BDI) and The Association of German Chambers of Commerce and Industry (DIHK). Additional information is available at the Department of Justice, Washington, DC.
Many know Atlanta as the birthplace of the US civil rights movement, and that pioneer spirit carries through to the present day as the region embraces diversity and innovative technologies.

Among those are fintech and cybersecurity, health IT and IoT, digital media and digital supply chain. Metro Atlanta has been named a “knowledge capital” by Brookings Institution, and dubbed “Transaction Alley” for its leading role in fintech.

The region has been the beneficiary of a decades-long demographic shift within the US of steady migration from the Northeast and Midwest to the Southeast. And within the booming Southeast, Atlanta has the highest regional GDP and the largest corporate base. From an international perspective, consulates and bi-national chambers that serve this quadrant of the US (for example, German) are based in Atlanta because it is the principal hub.

Atlanta is one of the biggest metros in the US, yet among those big metros, Atlanta is consistently – and often dramatically – less expensive. With the assets expected of a first-tier metro – cultural, academic, corporate, global – yet a cost structure more like that of a second or third tier metro, Atlanta is unique among US regions.

Comprised of 22,000 square kilometers, metro Atlanta runs the gamut from the city hustle and bustle to suburban office parks to exurban distribution centers to rural factories. The workforce is equally varied, with those graduating from the region’s 60 universities and technical colleges to those coming out of QuickStart, the top-ranked workforce training program in the US.

And because Atlanta is such a migration destination, new talent arrives daily from around the US and overseas. This dynamic bestows a spirit of cooperation among Atlanta businesses and workers alike. Most inhabitants of Atlanta have come from somewhere else. They have been new arrivals at some point, and chances are, they were helped along the way by a local. So there is an open and welcoming demeanor among Atlantans that is often lacking in more insular metros or in others too busy to give newcomers a second glance.

Economic development used to focus solely on companies, and incentives to attract them. Today it’s much more about skilled workforce: where are they, how to recruit them, how to keep them. It helps to have premier...
universities like Georgia Tech and Emory, and many others that are leaders in their fields. But as the commercial hub, Atlanta also draws students from colleges throughout the Southeast. And initiatives like ChooseAtl.com are geared not to companies but to the workers those companies want to hire.

It helps also to have an award-winning food scene and an electric nightlife, highlighted by all forms of music. Atlanta’s home-grown music icons, plus the various movie stars who are always filming, bring star power to the region.

Many newcomers and old-timers alike have been drawn to the BeltLine, one of the largest urban redevelopment projects in the US. And almost half of Atlanta, known as “City in a Forest” is covered by trees, the largest urban tree canopy in the US.

Atlantans are also enthusiastic about their sports; college and professional teams have ardent fans. The Atlanta United, only two years old, is the most popular soccer team in the US and has already won a championship. And Atlanta in general is a sports powerhouse – the only city in the world to host the Olympics, Super Bowl, World Series, Final Four, PGA Championship, College Football Championship, MLS Cup, and hopefully in 2026, the World Cup.

But it’s not just watching sports. For example, ALTA, with 80,000 members, is the largest tennis league in the world. And the Peachtree Race is the largest 10K in the world. Bicycling is booming: Atlanta has one of the most comprehensive multi-use trail networks in the US, with 500 kilometers, including separated bicycle lanes running right through downtown.

Of course, in addition to the amenities and workforce, companies are attracted to Atlanta because of its strong business fundamentals.

The state of Georgia has the lowest tax burden of any US state, according to KPMG, and has long been one of the most pro-business locations in the US. Because of this, the state has been ranked the #1 state for doing business by Area Development for the fifth consecutive year, and the #1 state for business climate by Site Selection for the sixth consecutive year.
Almost half of Atlanta, known as “City in a Forest” is covered by trees, the largest urban tree canopy in the US.

German companies in metro Atlanta are widely varied as well, but they all contribute collectively to a strong German business community in the region. There are the jaw-dropping headquarters buildings of Porsche and Mercedes-Benz, or the cutting-edge “speed factory” of Adidas. There are suppliers to the three German automotive OEMs all located within a couple hours’ drive. There are health science companies like Boehringer Ingelheim, Pajunk or Bauerfeind, and finance companies like Munich Re. Manufacturing and assembly by the likes of Grenzebach and Hansgrohe. And there are small companies just setting up in one of Atlanta’s many tech incubators or shared office spaces.

One of the factors of this German investment is Atlanta’s Hartsfield-Jackson International Airport, the busiest and most efficient airport in the world (ranked by Air Transport Research Society), with multiple daily nonstop flights to four German cities, all business centers themselves.

Georgia’s two ports are also tremendous logistics assets: Savannah is the second largest container port on the US East Coast, and much of its volume goes through metro Atlanta; Brunswick is one of the top automotive ports.

Atlanta is the place to take advantage of countless opportunities to redefine the way the world does business, to have a meaningful impact in the broader global community and to live a fulfilling and inspiring life. The region unites around one common goal – to never stop rising.
FORWARD WITH EXCELLENCE

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**Hansgrohe North America**

An interview with Sibylle Mair, Hansgrohe North America

**GAT:** Hansgrohe is known for premium bath and kitchen faucets with exceptional design. How did you address the US market where price is paramount and design plays a lesser role?

**Sibylle Mair (SM):** We are very cognizant of the differences in the consumer market our various subsidiaries serve. Therefore, not every product that is introduced in Germany is made available on the market in the US. That said, we know one of our market differentiators is that we are a German brand that is well-known for exceptional design and superior craftsmanship. This has been our longstanding commitment for over 100 years. That is something which is always in demand to US consumers.

**GAT:** What do you think will revolutionize our lives in the coming years in terms of sanitary standards and inventions? What is the hype in your industry right now?

**SM:** Customization is the word! Making a personal statement through customized interiors is the essence of luxury. We just launched an exciting collection from the AXOR brand in the US at the Kitchen and Bath Industry tradeshow called AXOR MyEdition, in which colors, materials and patterns establish the point of departure for unique and personalized faucets. Faucets and tub fillers consist of two product parts: body and plate. Standard combinations include the AXOR MyEdition chrome body paired with either the mirrored glass or black glass cover plate. Faucet and tub filler bodies can also be ordered separately and paired with seven different cover plates. With the AXOR FinishPlus program, 13 other special finishes are available, totaling an offering of nearly 300 more combinations geared towards personal taste. FinishPlus options include brushed gold optic, polished gold optic, brushed red gold, polished red gold, brushed bronze, polished bronze, brushed black chrome, and polished black chrome, among others. With the AXOR Signature program, custom markings and inscriptions are also available. It’s an exciting line that received a great reception at the show and meets that market demand.

In addition, “eco-luxury” is continuing to define the plumbing marketplace. Consumers are seeking high-end products that have the added value of being sustainable. The marketplace has responded with products that contribute toward a friendlier energy bill, while also being durable and still high design. Our new PowderRain shower spray technology, which offers a voluminous shower experience at efficient flow rates, fits that bill. The AXOR MyEdition products incorporate this technology, as do our new Raindance shower collections. And we’ve also made sure they adhere to the strict guidelines of some of the strictest in the nation, such as California. We were able to deliver a full, enveloping experience at GPM (gallons per minute) of 1.2 for the faucets and as low as 1.75 for the shower products.

**GAT:** Success has many parents. What would you say helped you personally to get to where you are today? What values do you hold dear?

**SM:** One of the things that really helped me is that I always had a mentor that supported and coached me. This started with my very first position in a small Munich printing company and continued to be the
case at Hansgrohe, where the CEO in Germany had great expectations and belief in me. Some of the values that I personally, and we as a company hold dear, are respect, appreciation and trust. We are proud of our achievements together and do what we say.

**GAT:** The production of faucets and fixtures has a lot to do with sensuality, feelgood factors, and luxury. But what role do social responsibility and environmental protection play in the development of your products?

**SM:** As mentioned above, water consumption regulations do have an impact on shower trends. They also push manufacturers to innovate. At hansgrohe, we aim to be ahead of the curve, delivering the best possible water performance at efficient flow rates. A great example is our new PowderRain spray mode, which is characterized by a sumptuous yet eco-efficient micro fine spray. It is available in a range of overhead and handheld showers including the Raindance S 240 Showerhead with PowderRain, Raindance S 180 Showerhead with PowderRain, as well as a Raindance Select S 120 with PowderRain Handshower. The innovation is in every single nozzle of the shower face. Each has been arranged precisely on the spray disc in order to deliver a voluminous, drenching spray, while still operating at a reduced flow rate (1.75 GPM-2.5 GPM). The thousands of fine water droplets envelop the body in a warm, protective cloak.

**GAT:** To what extent do American and German ideas of quality differ? Have your personal standards/attitude changed since you have come to the US?

**SM:** For Germans I think the idea of quality seems to be more of an expectation. For Americans it is something that is to be appreciated and valued, adding an element of distinction and sophistication. As for my personal standards - over the past 17 years, I have come to really enjoy some of the American approach to things. And I appreciate the German culture even more now that I am abroad. Really, I enjoy being able to experience both, and my attitude has evolved in so far that I always take the best of both worlds.

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**Sibylle Mair**
Vice President of Finance and Controlling

Sibylle Mair began her career in finance in Germany in 1991 while earning her degree in Accounting and Finance from Munich University of Applied Science. Shortly after, Mair accepted a position as Manager of Finance and Administration in Product Marketing at Siemens in Munich in 1996. There she continued to expand on her experience and knowledge, which quickly lead to her hire and leadership of the Financial Planning and Analysis department of the Siemens Electronics Assembly Division in the US.

In 2006, Mair assumed the role as Controller at Hansgrohe North America where she oversaw the Accounting, Controlling and Information Technology departments. Her priority has been simplifying the complex systems, establishing processes and creating an infrastructure ready for any market condition. In addition, she embraces mission critical programs established by headquarters and continues to lead them with great success, which has resulted in significant cost savings for the subsidiary.

Her dedication and desire to continue to raise the bar for the financial stability of Hansgrohe North America was further realized in 2010, when she was promoted to Vice President of Finance and Controlling where she focusses on the strategic development of Controlling and its role as a business partner within the subsidiary. Between 2013 - 2014 and also 2017 - 2018, Mair was appointed acting CEO and interim President for Hansgrohe North America. With a strategic approach and business savvy, she adeptly has been leading the company, driving sales, maintaining key KPIs and setting the stage for positive momentum in the years to follow. Overall, her vision and objectives are clearly set on assisting the organization in the quest to make continuous improvements while posing for future growth.

>> www.hansgrohe.com
In 2001, Sarah Hill and Michael Hamilton recognized an opportunity to bring international style to downtown Durham, NC. Having traveled across Europe seeking inspiration, Hamilton and Hill solidified their plans at the Basel, Switzerland Jewelry Show where they initiated their first designer-retailer partnership with Niessing of Vreden, Germany.

Niessing, founded in 1873, boasts that it offers “a living jewelry culture,” rooted in tradition, fully alive in the present, and open to the future. Unparalleled in the world of modernist jewelry design, Niessing is renowned for thoughtful creative vision, manufacturing excellence and breadth of materials and styles. Its iconic creations, including the Abacus ring, a line of diamond tension-set rings, and proprietary gold alloys set the stage at Hamilton Hill.

While Hamilton Hill features jewelry designers from the US and many other European countries, it was German jewelry designers who most influenced Hamilton Hill at its inception and continue to provide the foundation 17 years later. These designers include Carl Dau, Isabelle Fa, Gellner Pearls, Henrich & Denzel, Jörg Heinz, Marcel Roelofs, Niessing, Junghans Watches, Sabine Muller, Michael Weggenmann, Georg Spreng, and Schaffrath.

Says Sarah Hill about her Durham, NC jewelry store: “Hamilton Hill could possibly offer more German jewelry than any jewelry store in Germany!”

Aesthetic and Philosophy

The Hamilton Hill aesthetic begins with simplicity. Less is more. Form follows function. These are words to design by. What is the focal point of the piece? Is it sculptural with interesting and appealing lines? Do accent stones serve to define and continue the simple, elegant effect? Designing for simplicity is not simple, rather it requires great skill and talent to reduce a design to its essence.
Challenging Client Assumptions

“Advocating for our clients is an important part of what we do. Doing business is most rewarding when our advice to our customers is based on what will be best for them,” exclaims Sarah Hill. “Overall, the pleasure we take in the jewelry we present to clients is our motivating force.” She goes on to say, “So, if they make their needs, wishes and reactions known, we will continue on our mission to serve and delight through well-designed jewelry, passionate and compassionate service.”

Clients with modernist sensibility around the country, and occasionally from Europe, turn to Hamilton Hill for inspiration. “There’s hardly a state in the union that hasn’t called on us when they’ve wanted something unique or something from one of the prolific German designers we carry!” Sarah enthusiastically states.

Contact information:

Hamilton Hill
905 West Main Street
Durham, NC 27701
(919) 683-1474

>> www.hamiltonhilljewelry.com
Navigating personal vs. professional interactions in any workplace setting can be tricky. In any such environments – where two or more distinct foreign cultures are at play – those interactions can be quite complicated, leading to awkward, frustrating and at times hurtful misunderstandings.

The following is a look at how Germans and Americas react to personal vs. professional interactions in the business world, and how being more aware of these differences can help in promoting better communication and understanding of each other.

**German Approach**
Germans detach the professional from the personal. Business colleagues can disagree, even argue, about the substance of an issue without it having a negative effect on their working relationship.

Critical thinking, stating one’s opinions in a straightforward manner, debating the strengths and weaknesses of a given point, are in Germany signs of professionalism and of respect for the other person.

The Germans are known for debating and arguing vigorously, then breaking for lunch or meeting for dinner and interacting with each other in a perfectly friendly manner.

**American Approach**
Americans link the professional with the personal. Statements made about a proposal, a concept, or work results are by definition judgments about that person’s competence, ability, experience, skills.

To say that engineering work performed was poor, is to say that it was a poor engineer who performed it. And usually there are consequences in the American business context for those who do not perform.

Unless they are declared opponents or enemies, American colleagues seldom debate, argue or challenge each other in a direct, vigorous or threatening way. And if they do, you certainly will not find them voluntarily meeting for lunch or dinner.

**German View**
In some cases, Germans do, indeed, pick up on signals that their American colleagues can feel insulted. From their...
Being more aware of each other’s differences can help in promoting better communication and understanding.

point of view, however, Americans are too sensitive to criticism, taking things too personally.

This comes as a surprise to the Germans, as the Americans have the reputation of being “cowboys”: rough, tough, ready for a fight, for a healthy debate.

And because Germans define being professional as focusing on substance and “checking the personal at the door”, overly careful and sensitive Americans can come across as tedious, requiring special attention, and in the end as unprofessional.

American View

Americans can, indeed, feel personally insulted by the statements German colleagues make. From their perspective the Germans go on the attack, saying things such as: “No, that is wrong” or “That makes no sense” or “You obviously did not do your homework” or “We used that method a decade ago. Get up-to-date.”

In the US business context, part of being professional is knowing how to voice your opinion in ways respectful of other people. Germans can actually scare Americans. Some Germans become known as unpredictable and explosive. Americans will avoid contact with them.

Advice to Germans

Continue to be analytical, straightforward and honest. And continue to address critical topics directly. But do all of this in a spirit and language which is softer and more dialogue-oriented. Americans also focus on substance. They also have vigorous debates. Their language, however, is more subtle, their attacks more nuanced.

The challenge for you is not only the logic in how Americans debate; it is also a question of language. For it is truly difficult to communicate nuance in a foreign language. Mimic American statements. Use their terms and phrases.

And, from time to time, remind the Americans that you are speaking in a foreign language. They will respect you and feel a bit of shame that they - in most cases - do not speak a foreign language.

Advice to Americans

Develop a thicker skin. Not every criticism of your work is criticism of you or of your ability. You’ll find that you can argue intensely with Germans, and it will actually strengthen your working relationship.

Vigorous debate, intensity, going toe-to-toe with each other, as long as you use solid arguments, are signs of ability, backbone and professionalism in Germany. Step up to the challenge, not back.

At the same time, when you notice that a German colleague, unintentionally, has come across too direct, come to his or her rescue. Rephrase their statements in softer, more diplomatic American speech. At the same time, ask your American colleagues to focus on substance, not form, and to not take it all so personally.

About the Author:

John Otto Magee is an American who has lived in Germany for 25+ years. He was a senior-level staff member of the CDU/CSU Parliamentary Group in the Bundestag from 1995 until 1999, advising its leadership on the relations between the United States and Germany. He was a consultant for Siemens AG from 1999 until 2002 supporting the post-acquisition integration of Westinghouse Power Corporation. Since 2002, John has been an independent consultant, advising global companies on cross-border collaboration.

>> www.johnottomagee.com
Strong businesses result in strong regional networks and, ultimately, flourishing nationwide enterprises. Companies thrive when they have long-term, skilled employees, but this is something many businesses lack, especially in the manufacturing industry.

One potential solution to this problem is apprenticeship programs. In Germany, such programs are common practice, but German-style apprenticeships are a relatively new idea in the US. Fortunately, programs such as the Industry Consortium for Advanced Technical Training (ICATT) have begun to expand across the US, offering increasing employment and training opportunities. ICATT’s mission is to provide companies with a pipeline of skilled talent, increase employee retention and harness growth opportunities. Apprentices receive a salary, a debt-free associate degree, industry-specific certifications and the opportunity to pursue a career with upward mobility.

**Two birds, one stone: Eliminating student debt and filling vacant positions**

About half of all jobs created by German affiliates in the US are in manufacturing. However, manufacturing companies struggle to fill open positions with skilled workers, partly due to the retirement of older workers and economic expansion. A study from the Manufacturing Institute and Deloitte predicts that by 2025, 2 million manufacturing jobs will go unfilled.

Another problem workers in the US face is student debt. Massive debt accumulated through an education at an expensive four-year college is a huge concern for many in the US. According to Forbes, total student loan debt in the US exceeds $1.5 trillion.

Apprenticeship programs address both of these concerns head-on. Students who complete an apprenticeship leave with specialized skills gleaned through a professional education, ultimately preparing them for long-term careers, especially in manufacturing. Most ICATT Network Companies offer a two-year employment guarantee after the apprentice completes the program. With these highly-trained employees, companies can stay innovative and continue to grow.

ICATT participants also obtain a debt-free associate degree – earning a salary as they learn – and thus completely avoid student debt and receive national and international credentials for the industry they work in, giving them a leg up in their field.

**ICATT’s expansion in the Midwest**

Although apprenticeship programs are not as commonplace in the US as they are in Germany, ICATT has increased its presence in the Midwest through its recent expansion into Nebraska.

This milestone was marked with a signing ceremony February 27, where Nebraska Gov. Pete Ricketts, industry leaders and 175 attendees celebrated the program’s launch and welcomed CLAAS North America and Graepel North America as the two newest ICATT Network Companies.

A panel discussion, moderated by Deb Franklin, VP of Human Re-
INDUSTRY CONSORTIUM
FOR ADVANCED TECHNICAL TRAINING

sources at CLASS North America, took place following the ceremony. Panel members included government and manufacturing industry leaders.

“CLAAS is committed to developing the skills of our workforce and our future workforce,” said Franklin. “The dual study program is one of the ways we are impacting our ability to provide the most effective training possible for the most skilled workforce possible. With a skilled workforce availability crisis looming, CLAAS is committed to sustainable and high-quality investments into our workforce.”

“Our goal is to systematically educate and train people to run the equipment and manufacturing plants of the future,” said Mark Zumdohme, President of Graepel North America, Inc. “Our partnership with the ICATT Apprenticeship Program helps with that initiative. The program is a long-term solution and a proven strategy.”

The ICATT Apprenticeship Program is the first in Nebraska to be fully benchmarked on the renowned German Dual Education System.

The program has tripled in size since its inception in 2015, adding 26 companies and four colleges in 2018. The first cohort of apprentices graduated last year. Nebraska joins Illinois, Indiana, Michigan, Missouri and Wisconsin as states with companies participating in the program.

ICATT is the leading apprenticeship program in the Midwest for high-tech manufacturers and companies with complex technologies or logistics, and Mario Kratsch, head of the program, looks forward to more growth in the coming years.

“We anticipate offering even more opportunities for debt-free careers this year and I know we’ll continue to add to those numbers as both students and businesses realize the impact we are having in a very competitive workforce environment,” Kratsch said.

To find out more about ICATT
Visit our website at >> icattapprenticeships.com
or contact Virginia Rounds at >> rounds@gaccmidwest.org
or 312-494-2163.

ICATT has recently expanded into Nebraska, joining Illinois, Indiana, Michigan, Missouri and Wisconsin.

Companies thrive when they have long-term, skilled employees, but this is something many businesses in the manufacturing industry lack.

To find out more about ICATT
Visit our website at >> icattapprenticeships.com
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or 312-494-2163.
Earlier this year, the Morris County, NJ Board of Freeholders and County College of Morris Board of Trustees, along with regional and state officials, industry leaders and others, marked the groundbreaking of County College of Morris’ Advanced Manufacturing and Engineering Center. More than 200 people gathered to celebrate the center that will “support regional manufacturers by providing an innovative and inspiring learning environment where today’s students become tomorrow’s engineers” said CCM President Anthony J. Iacono.

It was a beautiful day in the Garden state, where GACC representatives, Matthew Allen and Alexandra Hoffmann, joined Associate Vice President of Workforce Development & Dean of Professional Studies & Applied Sciences, Patrick Enright, (pictured), on a “hike” to the snow-covered site location. The day marked another monumental accomplishment: more than 50 years ago ground was broken for County College of Morris.

At the ceremony it was apparent how many supporters CCM has as a well-renowned establishment. CMM President Anthony J. Iacono said “I look around the room and think about the relationships we are forging. The Morris County Chamber, the Mount Olive Chamber, I see we have Greg Stewart with us, and that we have Matthew Allen from the German American Chamber of Commerce and so many other partners who have continuously been supporting us on this journey time and time again.” He added, “All of these partnerships bring the community together in ways we’ve never seen before in an effort to close the skilled workshop gap.”

Not only will the facility expand on producing a pipeline of skilled workers, it will also serve as a resource to secondary schools where students can accelerate their education and obtain college credits. This is very important in NJ right now as we saw earlier this month with the NJDOL announcement of the Pre-Apprenticeship in Career Education (PACE) Grant which will help prepare individuals to succeed in registered apprenticeship programs. All of these efforts will present students with opportunities for successful education and career paths while providing companies with the skilled workforce they so desperately need.
High School Students Learn About Apprenticeship Opportunities in Advanced Manufacturing

By Alexandra Hoffmann, GACC

Driving through the scenic rolling hills of rural Sussex New Jersey, GACC NY representatives Matthew Allen and Alexandra Hoffmann made their way to High Point Regional High School. The school, located amidst vast farmland, is home to two CNC machines and an outstanding curriculum surrounding them.

Students at High Point have a knack for building things. Surrounded by various unique projects, Matthew and Alexandra took part in a team building exercise that explained the process of learning a skill. This technique was an engaging way to enrich the students minds on how “learning by doing” is one of the best ways to learn a skill. The exercise correlated with apprenticeship and how apprentices learn advanced skills through hands-on experience.

The concept stimulated conversation of how apprenticeships works and pointed out their main benefits: receiving an education with minimal to no debt while also gaining certifications, an associate degree and full-time employment directly after graduating an apprenticeship program.

Alexandra, a High Point alum, recalls sitting in the same desks of the students and wondering where her own career path would take her. “At the time, there wasn’t an opportunity like apprenticeship that could pave the way and allow students to graduate into an affordable education and a fast-tracked career path,” she explained. “There are so many students at High Point that could benefit from apprenticeship opportunities.” Alex Gonzalez, a technology teacher at High Point, agrees with Alexandra’s assessment. They also both relate to the very real student debt stories that befall students of four-year universities.

Principal Jon Tallamy and Supervisor of STEM, Brian Drelick, were thrilled to bring these apprenticeship opportunities to the students of High Point and the partnership being formed with the GACC NY. Jon and Brian were an essential part in organizing everything and getting in front of the right crowd – those interested in mechanics and building things. The GACC NY was delighted to be involved in educating the students on apprenticeship.
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Fraunhofer IAO  
www.iao.fraunhofer.de/lang-en  

Gearalist GmbH  
www.gearrilla.com  

Gemü Valves, Inc.  
www.gemu.com  

GMT International Corp.  
www.gmt-international.com  

Greater Omaha Chamber of Commerce  
www.omahachamber.org  

Helm US Corporation  
www.helmus.com  

Hochschule der Medien Stuttgart  
www.hdm-stuttgart.de/english  

ibi Systems GmbH  
www.ibi-systems.de

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**Alexandra Hoffmann**  
Manager, Apprenticeship

**From:** Wantage, NJ or West Orange, NJ  
**Interests:** Put me outside anywhere, (hiking, biking, running, snowboarding, walking the dog), home renos & decor, travel. I am native to NJ but have over time become very interested in my German background (hence seeking out this amazing opportunity with the GACC NY).  
**Past career:** Consulted Tier 2 Cisco partners nationwide on go to market strategies. Established best practices, developed customized plans, and managed funding to enable these partners to grow their Cisco business.  
**Contact:** Tel: (212) 974-8835 >> ahoffmann@gaccny.com

**What do you like about your job?**  
Wow, I’m afraid there will not be enough room to describe everything I LOVE about my role here at the GACC NY. My passion for apprenticeship is real. It’s so fulfilling to be able to say that I am responsible for providing the community with opportunities for students who don’t see themselves fitting into the typical 4-year university career path and bringing a motivated workforce to companies. Every day is different for me, and I enjoy that I get to interact with all sorts of businesses, community members, education leadership, and (most rewarding of them all!) students!

**How do you connect with various individuals and organizations about apprenticeships?**  
I’m constantly “making up my own job”, as I like to say, because this role is so much catered to the community. While the goal is to bring the German standard of apprenticeship to the community, our job is to listen to those involved. Everyone has their different needs, and we work to bring a program that’s catered to fit into each business, high school, and college infrastructure. It’s also so much fun listening to the students’ interests for a career path.

**What speaks to you most about Apprenticeship opportunities?**  
It speaks volumes that everyone wants to know about Apprenticeship nowadays. Americans are dying to know why Germany is so successful and truth is, apprenticeship is a way of life in Germany. There are over 1.4 million young people involved in apprenticeship programs in Germany. I was able to see firsthand how apprenticeship influenced the career path of my family in Germany. My uncle, Eric Lehné, was able to bring the expertise he learned in Boehringer Ingelheim’s Industrial Electrician Apprenticeship Program, here to the US when he opened an auto shop. The apprenticeship program helped him immensely with learning both life skills and specialized work skills.
Have we met yet?

As a national CPA and advisory firm, BKD can help German businesses pursue growth in the United States. Our trusted advisors have proven experience with German organizations and an intimate knowledge of German culture, allowing for a better understanding of the differences and how to bridge them.

We assist German companies in navigating national reporting standards with services such as international audits, tax compliance and group reporting packages. Let’s start building on your success!

Everyone needs a trusted advisor. Who’s yours?

Jeffrey Deane • jdeane@bkd.com • bkd.com
## Event Calendar Q2 2019

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Location</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr 2</td>
<td>EACC PitchMix</td>
<td>Focus: Real Estate</td>
<td>New York, Held by GACC New York</td>
</tr>
<tr>
<td>Apr 3</td>
<td>Business Luncheon Series April</td>
<td>Schaumburg, IL, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
</tr>
<tr>
<td>Apr 4 - 12</td>
<td>Expert Course on Digitalization and Security Policy – Federal Academy for Security Policy</td>
<td>Silicon Valley, CA, Held by GACC West</td>
<td><a href="http://www.gaccwest.com">www.gaccwest.com</a></td>
</tr>
<tr>
<td>Apr 8</td>
<td>Study Trip to Germany on Direct Marketing</td>
<td>Germany, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
</tr>
<tr>
<td>Apr 9</td>
<td>SAE Reception at Detroit Athletic Club</td>
<td>Detroit, MI, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
</tr>
<tr>
<td>Apr 10</td>
<td>HR Roundtable: Trends and Challenges for 2019</td>
<td>Atlanta, GA, Held by GACC South</td>
<td><a href="http://www.gaccsouth.com">www.gaccsouth.com</a></td>
</tr>
<tr>
<td>Apr 15</td>
<td>Roadshow on Food Processing</td>
<td>Dayton, OH; St. Louis, MO; Minneapolis, MN, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
</tr>
<tr>
<td>Apr 16</td>
<td>Wunderbar Together or Weirdly Unausgegoren?</td>
<td>Dallas, TX, Held by GACC South</td>
<td><a href="http://www.gaccsouth.com">www.gaccsouth.com</a></td>
</tr>
<tr>
<td>Apr 17</td>
<td>She Means Business: Female Career Planning, Development and Management</td>
<td>Atlanta, GA, Held by GACC South</td>
<td><a href="http://www.gaccsouth.com">www.gaccsouth.com</a></td>
</tr>
<tr>
<td>Apr 23</td>
<td>GACC South Annual General Meeting</td>
<td>Atlanta, GA, Held by GACC South</td>
<td><a href="http://www.gaccsouth.com">www.gaccsouth.com</a></td>
</tr>
<tr>
<td>Apr 26 - 5</td>
<td>Germany Week</td>
<td>Shanghai, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
</tr>
<tr>
<td>Apr 27</td>
<td>Annual &quot;Stern des Nordens&quot; Gala</td>
<td>Bloomington, MN, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
</tr>
<tr>
<td>Apr 7 - 12</td>
<td>Expert Course on Digitalization and Security Policy – Federal Academy for Security Policy</td>
<td>Silicon Valley, CA, Held by GACC West</td>
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<tr>
<td>May 4</td>
<td>SME Business Development Conference</td>
<td>Charleston, SC, Held by GACC South</td>
<td><a href="http://www.gaccsouth.com">www.gaccsouth.com</a></td>
</tr>
<tr>
<td>May 9</td>
<td>GACC Annual Meeting 2019</td>
<td>New York, Held by GACC New York</td>
<td><a href="http://www.gaccny.com">www.gaccny.com</a></td>
</tr>
<tr>
<td>May 13</td>
<td>Delegation Trip to Germany on Food Processing</td>
<td>San Francisco, CA, Held by GACC West</td>
<td><a href="http://www.gaccwest.com">www.gaccwest.com</a></td>
</tr>
<tr>
<td>May 15</td>
<td>European Business Networking</td>
<td>Chicago, IL, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
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<tr>
<td>May 16</td>
<td>Midwest SME Forum</td>
<td>Hoffman Estates, IL, Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
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<tr>
<td>May 29</td>
<td>German American Business Stammtisch</td>
<td>Greenville, SC, Held by GACC South</td>
<td><a href="http://www.gaccsouth.com">www.gaccsouth.com</a></td>
</tr>
</tbody>
</table>

### Additional Events

- **May 4 - 12**: Expert Course on Digitalization and Security Policy – Federal Academy for Security Policy
- **May 9 - 15**: Delegation to Germany: Flexibility Options in the Distribution Grid
- **May 9**: GACC Annual Meeting 2019
- **May 13**: Delegation Trip to Germany on Food Processing
- **May 16**: European Business Networking
### Event Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
<th>Location</th>
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<tbody>
<tr>
<td>June 4</td>
<td>German-American Business Forum</td>
<td>Schaumburg, IL</td>
<td>Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
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<tr>
<td></td>
<td></td>
<td>Charlotte, NC</td>
<td>Held by GACC South</td>
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<td></td>
<td></td>
<td>Chicago, IL</td>
<td>Held by the GACC Midwest</td>
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<tr>
<td>June 5</td>
<td>Business Luncheon Series June</td>
<td>Potsdam</td>
<td>Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
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<td><a href="http://www.gaccny.com">www.gaccny.com</a></td>
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<tr>
<td>June 14</td>
<td>YPN Event – Exclusive tour through the MET</td>
<td>New York</td>
<td>Held by GACC New York</td>
<td><a href="http://www.gaccny.com">www.gaccny.com</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td>San Francisco, CA</td>
<td>Held by GACC West</td>
<td><a href="http://www.gaccwest.com">www.gaccwest.com</a></td>
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<tr>
<td>June 17 - 20</td>
<td>AHK-Delegation on Wind Energy</td>
<td>Chicago, IL</td>
<td>Held by the GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
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<tr>
<td>June 18</td>
<td>Wind Energy Business Conference</td>
<td>Chicago, IL</td>
<td>Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
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<tr>
<td>June 19</td>
<td>European Business Networking</td>
<td>location is tbd</td>
<td>Held by GACC Midwest</td>
<td><a href="http://www.gaccmidwest.org">www.gaccmidwest.org</a></td>
</tr>
<tr>
<td>June 26</td>
<td>ENERGY EFFICIENCY AWARDS – German Innovation in US Buildings</td>
<td>San Francisco, CA</td>
<td>Held by GACC West</td>
<td><a href="http://www.gaccwest.com">www.gaccwest.com</a></td>
</tr>
</tbody>
</table>

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