

## **XIII. AmCham Germany Business Barometer 2016**

How US Companies Rate Germany as an  
Investment Location

Focus 2016: Digitalization of the Workplace

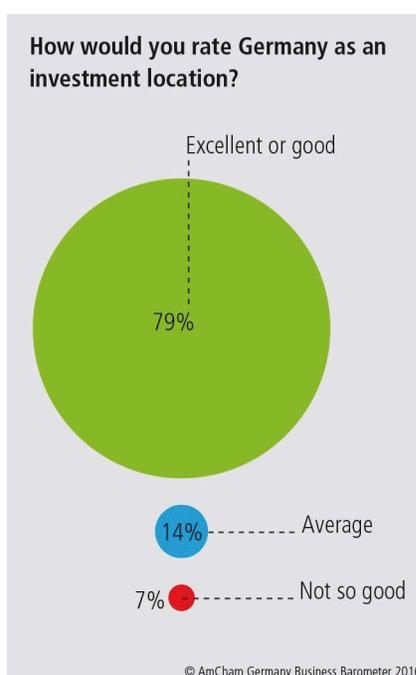


## US Companies in Germany Set Again for Growth

For 13 years the American Chamber of Commerce in Germany (AmCham Germany) has conducted an exclusive survey among US subsidiaries that provides both an international and American business perspective on Germany as an investment location. It is based on the online survey results of 48 companies with American capital in Germany, among which are many of the TOP 50 US companies with the highest revenue in Germany. The participating companies account for an annual turnover of roughly 90 billion Euros overall and employ more than 230,000 workers in Germany.

While investment sentiment was subdued in 2014, figures from 2015 and the prospects for 2016 are promising. Eight out of ten US companies in Germany anticipate increased revenues in 2016 and almost four out of ten intend to boost investments and create jobs. Still, Germany cannot afford to become too comfortable: Energy and labor costs as well as business taxation continue to cause concerns among US investors. Here as well as in the digitalization of the workplace, an active approach by companies and the German federal government is required.

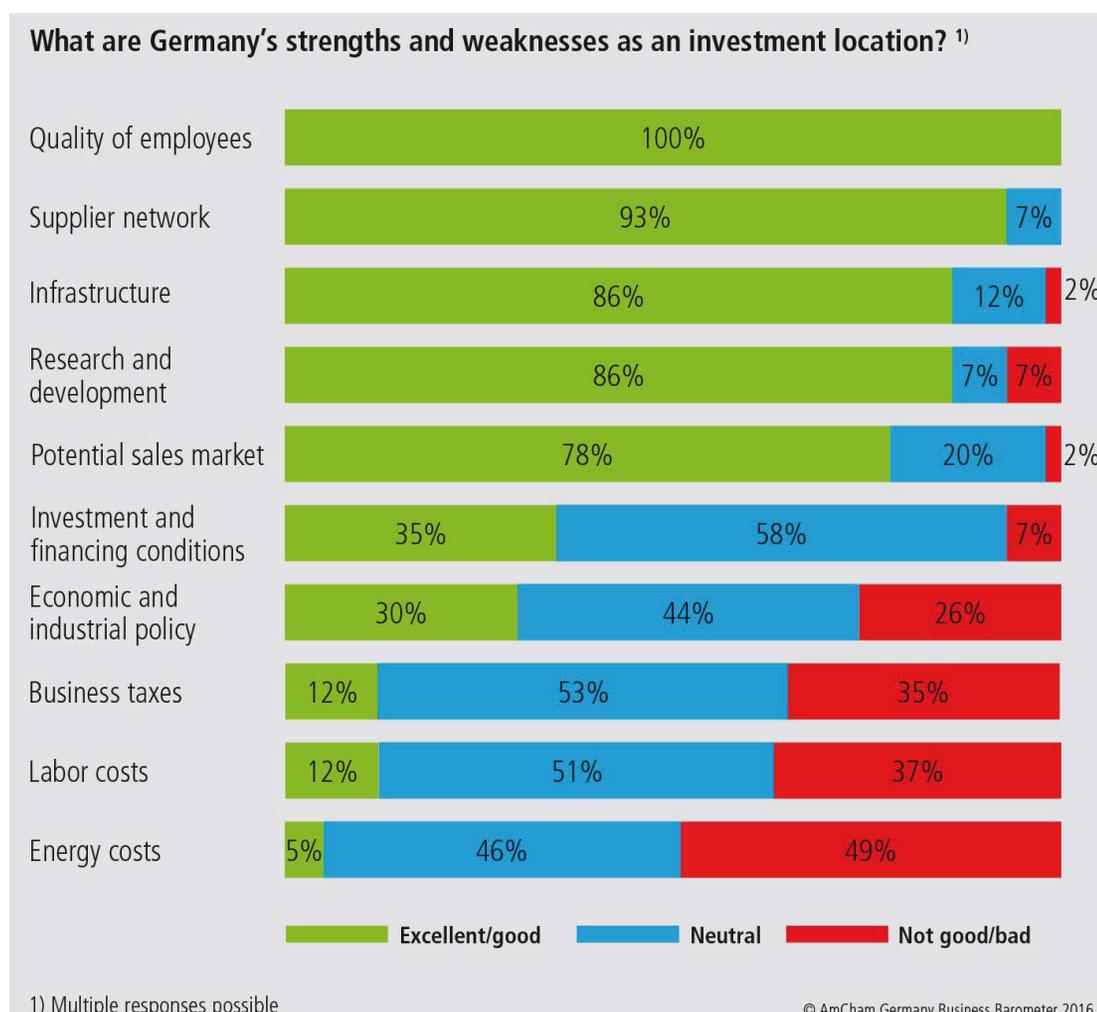
“US investors have a positive outlook for 2016,” AmCham Germany President Bernhard Mattes said at a press conference and Parliamentary Breakfast Evening held on April 13-14, 2016 in Berlin. “However, Germany’s positive image among US companies should not distract us from those areas where action is required. Policymakers need to act now to establish the necessary framework. This is especially important to become a real digital economy. We need to create ‘digital DNA’ for our businesses and for Germany now.”



## Investment climate for 2016 more positive among US companies

Among the results substantiating the optimistic outlook is the attractive rating of Germany as an investment location. Nearly four out of five (79%) US businesses believe that Germany is a good or very good investment location. This marks an increase from last year's already outstanding figure of 71%.

Companies surveyed noted the specific factors that make Germany such a strong investment location: All participants cited the excellent quality of employees as a key strength (100%), followed by a strong supplier network (93%), the infrastructure (86%) and the potential as a location for research and development (86%). On the other hand, many US companies see room for improvement regarding Germany's economic and industrial policy and cite energy costs as a risk to their businesses.



## The digitalization of the workforce: No drastic reduction in permanent employment

The second part of the survey takes a look at how Germany is dealing with the impact of digitalization in the world of work. Most of the respondents said that employees need to acquire new skills (90%) and that digital transformation changes the demands placed on the organization of work (83%) or even profoundly changes occupational fields (80%). The good news is that more than half of US companies expect a zero-sum game: Certain jobs will be lost, but just as many new jobs will be created. The majority of US investors also see employment remaining within the companies themselves.

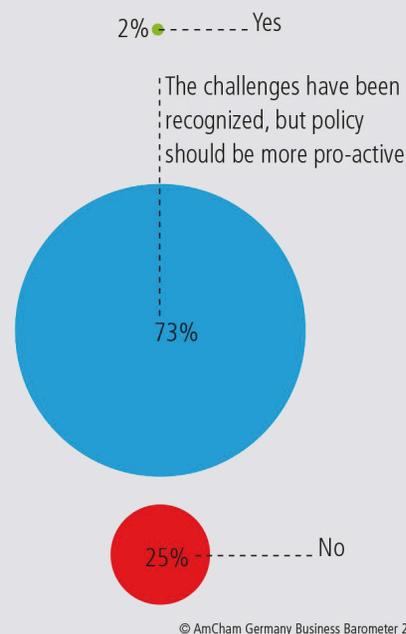
“Industry 4.0 leads to Work 4.0” – as said in the Green Book published by the German Federal Ministry of Labor and Social Affairs. Survey participants are convinced that Germany will master the challenges posed by Work 4.0 while stating that federal policy should be more proactive in shaping the framework for the digital future. In order to make Germany’s workforce fit for the future, initiatives such as increased support for start-ups and entrepreneurship as well as simplification of working permits for skilled foreign laborers is at the top of the US companies’ wish list.

“Germany is starting from a good position and has shaped the pioneering spirit,” Mattes summed up the survey results. “Now it is time to merge Germany’s knowhow in the Internet of Things with America’s expertise in digital services and continue to develop together. In doing so, we need to advance without certain biases and view the digital economy as an opportunity for everyone.”

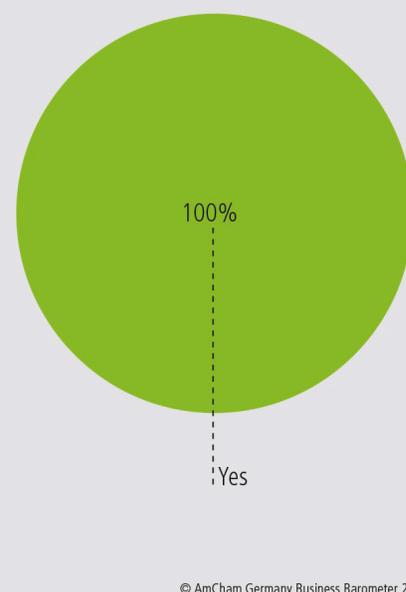
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To view the newest Podcast in AmCham Germany’s “Chamber Chat” series, please visit our YouTube channel.

Does German federal politics address the challenges related to work 4.0?



Will Germany master the challenges of work 4.0?



## **ABOUT THE SURVEY**

The exclusive survey among American companies in Germany – including the TOP 50 largest US companies in Germany based on sales revenue – gives an overview as to how US investors view business prospects in 2016 and the digitalization of Germany's economy.

## **ABOUT AMCHAM GERMANY**

The American Chamber of Commerce in Germany e.V. (AmCham Germany) is a private, non-profit business organization representing the interests of American and German companies engaged in transatlantic business in all economic sectors. AmCham Germany acts as the voice of transatlantic business in Germany. In addition, AmCham Germany offers a range of services that connect companies worldwide and identify opportunities in the international market.

AmCham Germany was founded in 1903. Today, with nearly 3,000 members, AmCham Germany is the largest bilateral business association in Europe and has close contact to a global network of more than 110 AmChams. AmCham Germany's members include 90% of the TOP 50 US companies in Germany, 70% of all DAX 30 companies, two-thirds of the TOP 50 corporate law firms and representatives from the German finance sector and services industry.

AmCham Germany's main office is located in Frankfurt am Main. Furthermore, the Chamber has an office in Berlin near the German Parliament (Bundestag). Twelve regional committees offering various networking opportunities and services to members form the basis of AmCham Germany's regional representation.

## **OUR PURPOSE**

AmCham Germany's goals are to support unrestricted trade and investment between the United States and Germany, and to promote a healthy, open and productive business climate between the two countries. AmCham Germany represents the business interests of American firms located in Germany and the United States and also acts on behalf of its German members, many of whom maintain significant holdings in the United States.

## **OUR MISSION**

AmCham Germany strives to enhance global economic and trade relations built on a strong foundation of American and German partnership. It actively supports and promotes its members' interests through its global networks in business, politics and AmChams worldwide. AmCham Germany enables cross-cultural understanding, cooperation and new investment through its commitment to transparent dialogue, unrestricted trade and a competitive and open business climate.

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