



## Listening to Our Partners Seventh Transatlantic Business Conference

- ▶ **Cover Story:** Workforce Rising
- ▶ **Member POV:** Talent Management in MNCs
- ▶ **Hamburg:** Port City and Gamecity
- ▶ **Global Network:** Investing in South Africa

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# When a Career Opportunity Means the World

We live in neither a European, nor an American, nor an Asian century: Our century can only be lived globally. The pace of globalization is rapidly accelerating, and our economic, technological and political interdependence on the international stage cannot be undone.

We are still rising to the challenges of globalization. The consequences of the current financial crisis are ample proof of that. While a lot of money and economic value was destroyed by the crisis, the general loss of confidence and the dashed hopes of thousands of young women and men have been its greatest repercussions. Does that mean we should be afraid of the future? Shouldn't it be our most important goal to trust in the abilities of our youth?

Globalization and new technologies create a tremendous number of opportunities – and they bring people closer together. Today's youth have more options than any previous postwar generation. They can think and act globally. The world's greatest young talents have never before had so many opportunities. Their workplace is the globalized world! The willingness of workers to move internationally is increasing.

This trend coincides with another shift of global significance. An international talent gap is emerging and will widen in the coming years. This poses a challenge for a growing number of governments and employers around the world, especially those in Europe and North America. In less than two decades, western Europe will need to attract a workforce the size of Germany's current working population. For this reason, the participants of the Trilogue Salzburg have called the governments of Europe to action. Although Europe is an unwilling pioneer of managed demographic decline, it has to assume a leadership role in developing strategies to close emerging gaps in global labor markets.

Simply competing for scarce skills on the global labor market and paying to bring in talented professionals from abroad does not suffice, even if highly educated and talented young people are available. Investing in talent at home and abroad is as important as moving talent around the globe. Politicians, educational institutions and private enterprises bear joint responsibility for this aspect of our economic future.

But what is meant by talent? Should we focus only on young professionals? Are we talking exclusively about people with highly coveted degrees from elite universities? Do we not need to better incorporate the skills of our mature workers? And too often we neglect the potential of women. Although women frequently outperform men in university classrooms, they still have to fight to have their abilities recognized in the workplace. A better work-life balance and equal working conditions to men would contribute to higher participation rates for women in the workforce and help them fulfill their potential.

Fostering talent is a universal task that should reach everyone, regardless of age, sex, skin color, culture or nationality. The transfer of knowledge and education across national borders is, and will be, the only opportunity to change our world in the interests of peace and justice. Therefore we need principles that ensure fair competition, but we need something else as well – cooperation. The public and private sectors must work together more closely if we ever hope to truly employ people's existing skills and foster their talents.



**Liz Mohn**  
Vice-Chair  
Bertelsmann Stiftung Executive Board

Investing in talent at home is as important as moving talent around the globe

The footer features a dark blue background with a white line graphic that starts with a yellow circle on the left and ends with a white triangle on the right. The text is centered and right-aligned.

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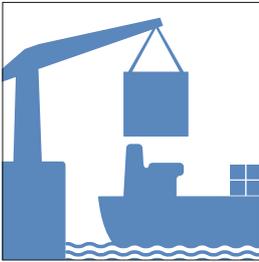
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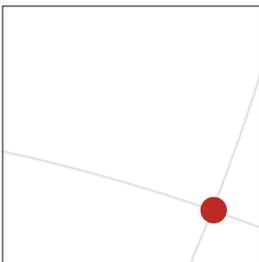
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# Workforce Rising

Throughout Europe, a mix of demographic changes and economic uncertainty is making it increasingly difficult for firms to properly and profitably manage their workforces. AmCham Germany member companies offer advice on the way up and out of the morass.

## Looking Beyond National Borders

No corporation is an island. Especially in Europe, company workforces must figure out how to bring all of their employees together in a cross-cultural and international manner.

For European companies, in order to unlock the true potential of their workforces, it is important to combine the different cultural and professional capabilities that exist on the Continent.

One of the ways BearingPoint has gotten the most out of its talent pool is by working together with major European universities and business schools. A good example of this is the Be.Project competition for innovative student projects. Students from 40 European universities and high schools entered their projects in this year's con-

test. Winning project teams were then awarded monetary prizes and received support from professional consultants to further develop their products.

### A win-win-win situation

With the Be.Project, the company seeks to encourage creativity, team work, commitment and stewardship among students on an international level. At the same time, the endeavor



For global companies, it is best when diversity spans from top to bottom

**Marcel Nickler**  
Regional Leader for Germany,  
Switzerland and Austria  
BearingPoint GmbH  
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serves another purpose as well: The Be.Project also builds up an international network and creates strong, long-standing relationships between students, educational institutions and the company. Its success demonstrates the importance of being branded as a European employer.

# Retaining Workforce Flexibility Despite the Talent Shortage

Talented workers are increasingly difficult to come by. What does this challenging new dynamic mean for employers?

All over the world, competition for talented workers is intensifying. In Germany, which has a major demographic shift knocking at its door, employees and job candidates are beginning to gain the upper hand over employers when it comes to contract negotiations. Still, companies are under no obligation to fundamentally change the employment status of temporarily needed talent. Flexibility – the key to Germany's trade and export success – should not be put at stake here.

## Uncertainty is the new norm

Of the 35,000 employers worldwide who participated in ManpowerGroup's 2013 Talent Shortage Survey, 35% reported difficulties filling positions – the highest proportion since 2007. Skilled workers, vital for the trade sector, were the most in-demand group of candidates, especially in Europe. Of the more than 1,000 German employers who participated in the survey, 35% reported a talent shortage, mostly for skilled workers. These

numbers seem to favor employees and might encourage employers to offer more full-time contracts with generous benefits or stringent conditions for termination. But the economy is fickle – and that is the crux of the issue.

Business development today is hard to forecast. Globalization and the growing importance of financial markets mean that uncertainty is the new norm. Anticipatory hiring is no longer a sensible HR strategy. From a management point of view, it would be irresponsible to act on a whim and hire as many suitable candidates as can be found without having a sustainable plan for keeping them occupied in upcoming years. But with the growing talent shortage, how can companies ensure that they will be able to hire the necessary staff once demand starts growing again?

## Flexibility is the solution

Flexible work is a key factor in Germany's strong economic performance. For the last five



Flexible work is a key factor in Germany's strong economy

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years, at least 700,000 people have worked in temporary positions. To put this in perspective, in 2004 there were only 300,000 temporary workers. Germany's economy constantly needs flexible workers because drastic slumps, such as the one that occurred in 2008, can happen again at any time. But it is not only severe recessions that make flexible work solutions necessary. Even when the overall economic state is more or less stable in Germany, there are constant shifts among different sectors. The Manpower Employment Outlook Survey for Germany demonstrates this every quarter with seasonally adjusted data.

For companies, the key takeaway here is to be flexible – even in times of talent shortage – and to remain so in the future. Flexible work is no longer a short-term trend: It has become an established working model. ■

For an international workforce to function well together, it is necessary for new hires to establish a diverse network. At the company's Be.School, all new hires meet for a week-long retreat to work on mutual projects. In small groups consisting of mixed nationalities, teams have to solve realistic client cases, which include different project phases and challenges. Due to the cross-cultural setting of these projects, new hires experience diverse approaches to problem solving and methods of work. It also helps create an international, intercultural spirit among employees.

## The global approach

Aside from these client cases, new hires at Be.School attend additional team events, all of which are inter-European in nature. Be.School thereby builds contacts and friendships that span borders, which in turn allow employees to better assist each other on international projects.

For global companies that work on such international projects, it is best when diversity spans from top to bottom. The members of BearingPoint's global management team, for instance,

hail from nine different European countries, and the company's 1,300 employees in Germany represent 43 different nationalities, mostly European.

For companies looking to secure the skills and expertise necessary for innovation, cultural diversity and a sound global approach are crucial. ■

# Talent development and organizational strategy

Leading IT companies focus on developing innovative technologies. Just as important, though, is the development of their employees.

For the past several years, the TS Academy at HP has proved successful at developing top talents. The TS Academy program lasts one year and fosters preselected participants from different departments in the Technology Services business unit.

As part of their training, participants are measured for their professional development in the fields of transferable and soft skills, methodology and management. Academy management personnel then guide them through peer-group exercises, best practices and direct coaching.

## Fostering leaders

Within the Academy, top talents receive support in their established career trajectories and are specifically groomed for future leadership roles or key positions within the company. They are involved in the development of the

organization and participate in strategy creation and implementation, thus gaining hands-on experience in interfacing between employees and management.

The format of the TS Academy consists of closely intertwined working and practice tracks. On the working track, Academy participants and managers refine and implement the TS strategy throughout the organization.

## A guiding track

The practice track consists of various key topics such as personal and business leadership, change and organizational development, and innovation management. Focusing on these topics helps the top talents implement concepts developed in the working track. Representatives from the TS Management sector along with experienced management consult-



Participants are actively involved in the development of the organization

**Frank Bloch**  
Director, Technology Consulting  
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ants also actively guide participants through this track.

The company thereby ensures not only that the theoretical aspects are discussed and expertise from experienced executives is taken into consideration, but also that the implementation of the TS strategy successfully supports the development and promotion of the organization.

The primary objective of the TS Academy is to staff the organization with competent, dedicated, effective and innovative professionals – the Academy's graduates, in other words – who can best serve the company's customers. This method has so far proved to be a resounding success. ■

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An employee in Freudenberg's Oil & Gas Technology division inspects a product.



## Freudenberg: Tapping Growth Trends in the US

- ▶▶ Broad range of innovative technologies
- ▶▶ Growth markets a top priority
- ▶▶ Strong presence in US market

The transatlantic relationship with the US is an essential pillar of Freudenberg's 160-year history. About 8,000 Freudenberg associates generate sales of \$1.8 billion at 85 sites in America. In addition, 46 production sites supply this important market with innovative products.

**F**reudenberg has a broad product range that is at once highly innovative and interlocking. With products like vibration control components, filters, nonwovens,

release agents and specialty lubricants as well as mechatronic and surface treatment products, Freudenberg is active in four different business areas and more than 30 markets. The company's household products are known to consumers under the brand names vileda and O-Cedar.

### Finding the right strategy

The company has identified five strategic growth markets as a priority for investment through 2016. On the basis of various megatrends, Freudenberg is devoting particular attention to surface technology, medical technology, oil and gas, filtration and vibration control technology. Going beyond these so-called green areas, the company will continue to invest in its established business groups alongside its buy-

and-build strategy. This will form the basis of a successful growth strategy over the next few years.

### Rooted in American soil

Two Freudenberg business groups, principally active in the green areas, have their headquarters in the US. Helix Medical, with headquarters in California, is a leading global manufacturer of components for medical devices. And Freudenberg Oil & Gas Technologies, headquartered in Texas, aims to occupy a leading position in the oil and gas market. With these and other investments, the US will continue to play a pivotal role in the development of the Group's innovative strength in the future. ■

### ▶ ABOUT THE COMPANY

With 37,000 associates in 57 countries, the technology group Freudenberg is present in all the world's important markets. Founded and headquartered in Weinheim, Germany, the company evolved from a tannery with 50 employees to one of the most innovative and diversified family-owned businesses in Germany. Freudenberg's tailor-made solutions make a valuable contribution to almost every important industry, ranging from automotives and mechanical and plant engineering to the textile and apparel industry as well as consumer business, civil aviation and renewable energies. In 2012, the company generated approximately €6.3 billion in sales globally.



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## Sustainability Committee Tackles Shifting Energy Landscape

Berlin, Sept. 23. This Sustainability Committee meeting, organized in cooperation with the US Embassy, examined the shifting global energy landscape. In his presentation, guest speaker **Edward C. Chow**, Senior Fellow for the Energy and National Security Program at the Center for Strategic and International Studies (CSIS), touched on the geopolitical consequences of the unconventional oil and gas revolution currently taking place in North America as well as of the shift in global energy demand toward Asia. Participants discussed the implications of these changes for Germany, the EU and the US. Pictured here are (from left): Reinhard Kaiser, Federal Ministry for the Environment, Nature Conservation and Nuclear Safety; Juergen Germann, 3M Deutschland GmbH; Anett Sachtleben, Shell Deutschland Oil GmbH; Sirid Ryba, Adam Opel AG; Anastasiya Malakhova, Adam Opel AG; Chow; Dr. Wolfgang Dierker, Sustainability Committee Chair; Nastassja Wohnhas, AmCham Germany; Johannes Lehken, Burson-Marsteller GmbH; Colonel Matthew E. Mangan, US Embassy; and Dr. Jana Dorband, US Embassy.

► For more information on the CSIS, please visit [www.csis.org](http://www.csis.org)



## Data Protection Across Cultures

Frankfurt/M, Oct. 21. The Corporate & Business Law Committee hosted **Prof. Michael Ronellenfitch**, Data Protection Officer for the German state of Hesse, at a meeting focused on cultures of data protection in the US, Germany and the rest of Europe. According to Ronellenfitch, there is actually much potential for cooperation on data security across the Atlantic, despite significantly different approaches to certain aspects of data. In fact, collaborations on data between US and German agencies function excellently most of the time.

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## Sheard Talks Money with Financial Services Committee

Frankfurt/M, Sept. 11. The Financial Services Committee met with **Dr. Paul Sheard**, Executive Managing Director, Chief Global Economist and Head of Global Economics and Research at Standard & Poor's Ratings Services. Sheard's presentation examined crosscurrents in the global economy and the state of the US, the eurozone, China and Japan in the aftermath of the economic downturn. Committee members also discussed the potential repercussions of the Federal Reserve's quantitative easing policy as well as risks to the global economic recovery. Pictured here addressing the audience are Financial Services Committee Chair Volker Sach (left) and Sheard.

► For more information on the Financial Services Committee, please contact:  
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## New AmCham Germany Publication on TTIP

In its ongoing effort to support the Transatlantic Trade and Investment Partnership (TTIP), AmCham Germany has summarized key facts and figures about the free-trade agreement in a new brochure titled "TTIP: Eine einzigartige Chance." The Chamber also invites its members to take an active role in supporting TTIP by joining the TTIP Committee.



► For more information or to download the publication, please visit the AmCham Germany TTIP desk at [www.amcham.de/public-affairs/ttip-the-transatlantic-opportunity.html](http://www.amcham.de/public-affairs/ttip-the-transatlantic-opportunity.html)



## Investing in the Rainbow Nation

▽ *Why is South Africa an interesting location for American investors?*

▲ According to the African Development Bank's Annual Development Effectiveness Review 2013, Africa is now the fastest-growing continent in the world. South Africa is often used by foreign investors as a gateway into the continent. The framework for financial institutions in the country is very strong and supportive – in fact, it is rated No. 3 in the world! The highly developed infrastructure and relatively large size of the market compared to other African nations make it the perfect entry point into the rest of the African market.

▽ *Please describe the economic partnership between the US and South Africa.*

▲ There are currently around 500 US companies represented in South Africa, including subsidiaries, distribution hubs, licensees, affiliations and partnerships. In 2012, an economic survey of 80 of the biggest American multinationals in South Africa discovered that these companies alone contributed a combined total of 233 billion rand to the South African economy the previous year

and provided jobs for 150,000 people – the vast majority of whom are South Africans. Almost 450 million rand was generated in corporate social investment in 2013. On top of that, 500 million rand was invested in skills development and an additional 320 million rand was spent on training.

▽ *How has South Africa fared during the global economic crisis?*

▲ The crisis has not affected South Africa to the extent it has the US or Europe. Overall growth in the country has slowed down recently, with GDP growth falling below 3% in 2013. However, we attribute this primarily to an inflexible labor market and political uncertainty.

▽ *How does AmCham South Africa support its members?*

▲ AmCham South Africa seeks to establish a productive dialogue between the South African government and the US business community. We assist members by addressing challenging business issues on their behalf and by organizing networking forums, workshops and political

briefings that provide access to both important information and high-ranking contacts. Finally, the Chamber regularly compiles relevant and up-to-date information on new legislation that could impact the business operations of its members. ■



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### ▶ AMCHAM SOUTH AFRICA

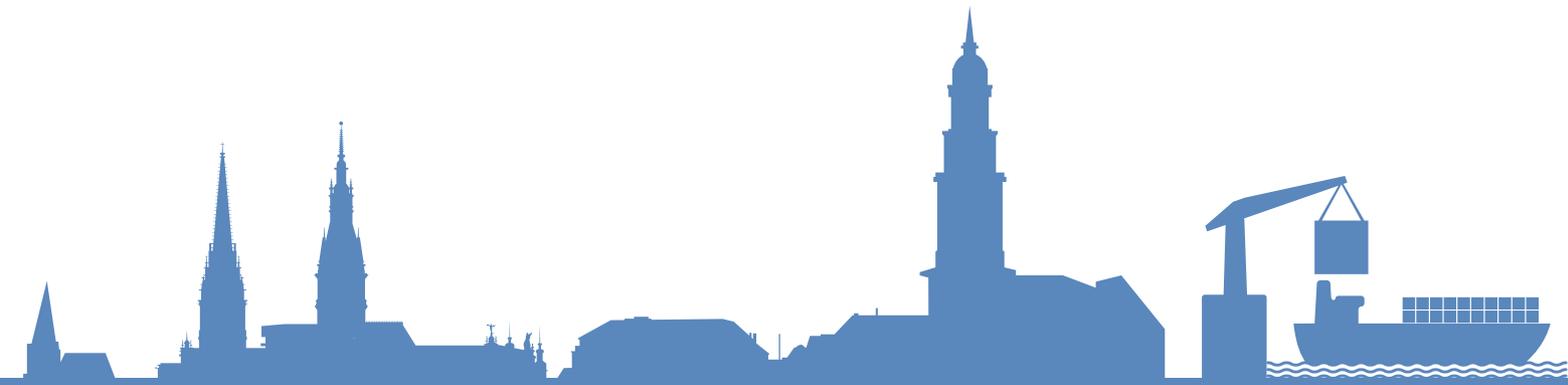
**AmCham South Africa represents 250 American multinational corporations that are registered to do business in South Africa. The organization was founded in 1977 as a nonprofit association and operates without financial assistance from any government. We promote and advance the interests and views of US business in South Africa, facilitating trade and investment in the country.**

## top-level meeting

## EU Executive Cabinet Hosts Chamber Leadership

Brussels, Sept. 17. AmCham Germany members met with Johannes Laitenberger, Head of Cabinet for European Commission President José Manuel Barroso, as well as the Cabinet's political advisers. After short introductions from Laitenberger and AmCham Germany President Bernhard Mattes, the group engaged in a wide-ranging discussion on matters of industrial policy, paying particular attention to issues currently facing US investors in Germany and the EU. The group also discussed the opportunities and challenges of the Transatlantic Trade and Investment Partnership (TTIP).





# Hamburg: Port City and Gamecity

▶▶ From heavy industry to software, Hamburg has successfully reshaped its economy without losing ground in its traditional strengths.

▶▶ **Stefan Matz**, Director of International Business at HWF Hamburg Business Development Corporation, and **Dr. Henning C. Schneider**, AmCham Germany Northern Germany Regional Committee Chair and Partner at Latham & Watkins, Hamburg, expound the virtues of the *Alstermetropole*.

▽ *In which industries is Hamburg particularly strong, and how can companies tap into this infrastructure with their investments in the region?*

▲ **Matz:** With strong ties to the Americas and Asia – particularly China – as well as to Scandinavia and eastern Europe, Hamburg is northern Europe's primary logistics hub. Besides maritime industries, Hamburg's economy is shaped by a variety of key branches. The region is one of the top locations worldwide for aviation, life sciences, healthcare, media and IT.

▲ **Schneider:** The importance of the chemical and renewable-energy industries for the region also deserves mention.

▽ *Why is Hamburg an attractive business location?*

▲ **Schneider:** As far as cities are concerned, Hamburg boasts one of the best infrastructures in Europe. Add to that an international profile, a high standard of living and dozens of innovative companies and research institutes, and it's easy to see why Hamburg lures investments, new companies and talented young professionals. Hamburg ranks as the most successful German federal state by a number of metrics, including per capita GDP, income and retail spending capacity.

▲ **Matz:** One essential advantage of the region is the long history of cooperation between Hamburg's government and business communities to support the development of growth clusters. There are many examples of this cooperation, including Renewable Energy Hamburg, the Maritime Cluster Northern Germany, Hamburg@work (a media, IT and telecommunications cluster) and Norgenta (a life sciences cluster). There are only a few places in the world that offer such a concen-

trated network of knowledge, infrastructure and international business as Hamburg.

▽ *What does Hamburg's large port and strong logistics mean for investors in the region?*

▲ **Schneider:** Hamburg has the largest port in Germany and the second largest in Europe, with a handling capacity of approximately 9 million standard containers. Thanks to its central loca-



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tion and superb infrastructure, the region is widely considered the best for logistics in all of northern Europe. Hamburg is also very proactive about retaining this leading position, as evidenced by the steps it has taken to expand existing port infrastructure and port-hinterland connections.

▲ **Matz:** Hamburg has developed into the central goods hub of northern Europe – not only because of its centuries-old tradition of overseas trade, but also due to its location, its excellent infrastructure and its comprehensive logistics services. Globalization and the opening up of eastern Europe to western markets has pushed Hamburg right into the logistics heart of a region of crucial importance to the world's economy. National and international companies can manage their entire global supply networks from here.

▽ *Are there any exciting up-and-coming economic sectors in Hamburg that investors might not yet associate with the region?*

▲ **Matz:** With approximately 15,000 companies in creative industries, Hamburg is northern Europe's creative hub. The emerging entertainment software segment, for instance, has earned Hamburg the moniker "Gamecity." A dynamic social media scene has also developed around companies such as Google, Facebook and other key industry players that have their headquarters in Hamburg. The region offers an ideal environment for innovation, particularly in industries that require effective information networks.

▲ **Schneider:** Hamburg's heavy industry deserves more attention than it has previously received from investors. This oversight should be redressed, particularly with regard to the region's strong aviation industry, which includes companies such as Airbus.

▽ *How does the AmCham Germany network in Hamburg assist companies to take full advantage of the region?*

▲ **Schneider:** The Chamber's chapter in northern Germany offers a wide range of tailored services for potential investors. We provide support for our members in the form of industry-specific information as well as networking opportunities that help members make connections within Hamburg's business and political communities.

▲ **Matz:** AmCham Germany provides information and support that are crucial for business development in Hamburg. HWF works with the Chamber in Hamburg, using its close ties to representatives of top US companies to promote Hamburg as an investment location and offer services. ■

▶ **For more information on doing business in Hamburg and about AmCham Germany committees active in the area, please visit [www.amcham.de](http://www.amcham.de)**

## amcham germany asks



▽ *What aspect of transatlantic relations works best?*

▲ The trade relationship between the EU (including Germany) and the US functions very smoothly and is an important factor for continuing growth and prosperity on both continents. The reciprocal interest of people in Germany and in the US is also demonstrated by the many tourists who fly across the Atlantic every year to visit the other country.

▽ *What changes to the transatlantic relationship are necessary?*

▲ The Transatlantic Trade and Investment Partnership (TTIP) that is presently being negotiated between the EU and the US will help ensure extra economic growth on both sides of the Atlantic. It is very important for Europe and America to successfully finish these negotiations.

▽ *What was the last book you read?*

▲ Following the recent death of literary critic Marcel Reich-Ranicki, I reread his autobiography,

"Mein Leben." This is an impressive document about a fascinating character and his experiences living out the course of contemporary German history.

▽ *What is your favorite German or American food or dish?*

▲ My favorite American dish is a traditional Caesar salad followed by a steak. During my recent travels in New England, I also really enjoyed eating Maine lobster in various dishes.

▽ *Who, living or dead, do you admire most?*

▲ I don't admire any one person most of all. Generally speaking, I appreciate those people who care about and stand up for others without hope or expectation of personal gain.

▽ *What is your favorite place in the US or Germany and why?*

▲ In Germany, I love to spend time on the East Frisian Islands in the North Sea. I enjoy walking on the long beaches there, with the rough sea on

one side and the white dunes on the other side. In the US I very much enjoy a contrast of locales, as long as it includes spending a few days in New York City!



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### ▶ ABOUT THE COMPANY

**Morgan Stanley has a long-standing presence in the German market, where the company has been active for more than 25 years, steadily building on financial relationships and expanding commercial offerings in the region. Morgan Stanley's comprehensive range of services includes mergers and acquisitions, corporate finance, equity and debt capital markets, sales and trading activities, as well as asset management and private wealth management services.**



# The Transatlantic Marketplace: Challenges and Opportunities Beyond 2013

## Seventh Annual Transatlantic Business Conference

Strategic inspiration and impulses for the economic and political partnership

John B. Emerson  
US Ambassador  
to Germany



Dr. Karl-Ludwig Kley  
Chairman of the  
Executive Board  
Merck



Ulrich Grillo  
President  
BDI



Pierre Nanterme  
Accenture  
Chairman and CEO



## Listening to our Partners

Frankfurt/M, Nov. 13-14. "Only when they meet each other as equal partners can Europe and the US muster the strength needed to solve global problems." There was a slight measure of frustration in Dr. Karl-Ludwig Kley's voice as he spoke these words at the close of the Seventh Annual Transatlantic Business Conference, but an equal measure of hope as well. For, as the chairman of Merck's Executive Board reminded his audience, a friendship strained by revelations of deceit could also be repaired by returning to the shared values that forged the friendship in the first place.

**K**ley's observation capped off a conference full of lively discussions about nontariff trade barriers, economic competitiveness and the future of transatlantic cooperation. More so than any other topic, however, it was the NSA spying scandal and its repercussions for the Transatlantic Trade and Investment Partnership (TTIP) that preoccupied participants.

Fearing that European anger over NSA spying programs could derail TTIP negotiations, numerous speakers called on political and business leaders to press forward with the deal. AmCham

Germany President Bernhard Mattes introduced this theme at the conference's evening reception on Nov. 13. "We urge the political leadership of participating EU countries as well as of the US to take an active role in steering this process and to do what it takes to clear up roadblocks and come to a profitable, common solution," he said.

Mattes' forward-looking remarks were followed by some welcome perspective from Michael Reuther, Member of the Board of Managing Directors of Commerzbank AG. In addition to his role as host – the reception was held at the top of his com-

pany's imposing skyscraper in Frankfurt's banking district – Reuther also served as the evening's resident historian, reminding his guests of a time when the US-German relationship was troubled by things far more serious than spying allegations. "Following the collapse of the Nazi regime in Germany, it was the US that offered a helping hand," he said.

### Limited window of opportunity

During the opening evening panel, participants discussed the implications of NSA spying.

**“Without America, there would have been neither union in Europe nor reunification in Germany.”**

Michael Reuther  
Member of the Board of Managing Directors  
Commerzbank AG

**“You can’t make investments here when energy eats up 15% to 16% of your total costs.”**

Dr. Jürgen Heraeus  
Chairman of the Supervisory Board  
Heraeus Holding GmbH

**“What we need to do, especially here in Germany, is give people permission to take risks. There are bright people all over the world. There aren’t more bright people in America than in Germany or France.”**

René Schuster, CEO  
Telefónica Deutschland

**“I was taken aback by that expression: ‘freedom before free trade.’ Because there’s no contradiction there. It’s got to be freedom and free trade.”**

Dr. Jörg Krämer  
Chief Economist, Commerzbank AG,  
responding to a comment from  
FDP politician Christian Lindner

**“I don’t want to be treated like everyone else in my ZIP code, like everyone else in my age group or whatever level of aggregation you’re doing. I want to be treated as an individual.”**

Stephen Brobst  
Chief Technology Officer  
Teradata Corporation

**“The only way Europe can be a partner on equal footing is if it speaks with one voice.”**

Dr. Karl-Ludwig Kley  
Chairman of the Executive Board  
Merck

**“Mistrust leads to compartmentalization, compartmentalization leads to further mistrust. And mistrust, in many sectors, damages not only the economy but democracy itself.”**

Dr. Arndt Neuhaus, CEO  
RWE Deutschland AG

Senior Editor for Foreign Affairs at the Frankfurter Allgemeine Zeitung Klaus-Dieter Frankenberger noted one increasingly likely outcome. “We’re probably going to have to sit down with Edward Snowden sooner rather than later and get his testimony on record,” he said. Prof. Michael Hüther, Director and Member of the Steering Committee of the Cologne Institute for Economic Research, challenged the wisdom of defending NSA spying on the grounds of America’s global responsibilities. “When a country as large and with as much global responsibility as the US can’t get its economic house in order in a timely fashion, that leaves an existential question mark,” he said. Tim Bennett, Director-General of the Trans-Atlantic Business Council (TABC) – which, along with the Federation of German Industries (BDI), cooperated closely with conference organizers AmCham Germany and the F.A.Z.-Institut – impressed on audience members the importance of not losing ground in trade negotiations. “The difficulty it took to get to this point with TTIP cannot be understated, and the window of opportunity is limited,” he said.

### Something to build on

In his remarks to open the next day’s events, BDI President Ulrich Grillo addressed another dustup between the US and Germany: the US Treasury Department’s criticism of German trade surpluses. “German products and innovations are the end result of a global value chain. Other countries profit from our exports as well,” he said. Following Grillo’s strident defense of German policy, US Ambassador to Germany

John B. Emerson struck a conciliatory note on issues of trade and spying. “We are talking to our German partners at the highest levels about how we can better coordinate our intelligence efforts and address people’s privacy concerns,” he assured the audience.

During the conference’s morning panel, speakers put particular emphasis on the positives – the business strategies and policy reforms that would ensure competitiveness and innovative strength. Mark Schneider, Chairman of the Management Board of Fresenius, identified one important benefit of TTIP for the pharmaceutical industry. “If we could harmonize the current double regulation between the European Medicines Agency and American Food and Drug Administration, that would significantly relieve a nontariff barrier,” he said. Touching on one of the day’s recurring themes, Andrew Hotchkiss, President for Australia, Canada and Europe at Eli Lilly & Company, pointed out the importance of effectively communicating a company’s stakeholder plans surrounding TTIP, claiming that “the engagement of people in the community is very important.” Ferdinando Beccalli-Falco, President and CEO of GE Europe as well as CEO of GE Germany, insisted that the potential for economic growth spurred by TTIP would be so great that social and political questions could be figured out later. “I believe that when there’s wealth, all other issues can be solved,” he said.

Throughout a series of afternoon keynote addresses, speakers gradually transitioned their remarks from changes in the political landscape to new opportunities in the digital landscape. René Obermann, Chairman of the Board of Management of Deutsche Telekom AG, noted that telecommunications companies feel pres-



For full coverage of the event, please visit [www.transatlantic-marketplace.com](http://www.transatlantic-marketplace.com)

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sure from both information-hungry governments and ill-intentioned hackers. "There's a technological arms race on both sides of the ethical dividing line," he said. This pinch, he added, was the primary reason privacy rights and fair competition must be ensured for both US and German companies. As a businessperson in an industry subject to its share of socially and politically motivated reforms, RWE Deutschland AG CEO Dr. Arndt Neuhaus wondered aloud what the US and Germany could learn from each other in this time of diplomatic and economic upheavals. "Perhaps the answer is simply the courage to reform," he said.

In his keynote address, Accenture Chairman and CEO Pierre Nanterme discussed the multifaceted revolution spurred by social, mobile, analytic and cloud-based technologies. "There is talk about whether we should create an EU cloud, something like a digital Schengen area," he said. His remarks served as a perfect preface for the panel discussion that followed, in which panelists exchanged experiences specific to the data-management sector and reflected on the kind of entrepreneurship and ambition necessary for the industry. Brian Sullivan, CEO of Sky Deutschland AG, gave a sober assessment of the reasons behind American dominance of the Internet start-ups market. "It's easier to do things in the digital world in the US than in Europe," he said. Dr. Andreas Gentner, Media & Telecommunications Leader for Deloitte as well as a partner in the company's

European Technology division, observed that, according to a Deloitte study, levels of business ambition in the technology sector were 50% lower among European companies than among their American counterparts. René Schuster, CEO of Telefónica Deutschland, agreed that this was a major problem. "What we need to do, especially here in Germany, is give people permission to take risks," he said.

"Convince them"

As the conference drew to a close, participants gathered in the banquet hall for dinner and to hear send-offs from two final, eminent speakers. In a video message recorded specifically for the conference, President of the European Commission José Manuel Barroso addressed the momentous importance of TTIP. "This is an opportunity we would surely be mistaken to pass up," he said. "If people do not understand how it benefits them, they will not support the conclusion of these negotiations. You need to convince them."

In the dinner speech that followed, Dr. Karl-Ludwig Kley offered similarly pragmatic advice on overcoming the NSA scandal and shoring up Europe's bargaining power vis-à-vis the US. "The only way Europe can be a partner on equal footing is if it speaks with one voice," he remarked. "Instead of whining, Europeans need to negotiate, and they need to start with themselves." ■





René Schuster



Ferdinando Beccalli-Falco



Speakers at the Alvarez & Marsal workshop on managing liability risks



Jörg Schönenborn



Anka Wittenberg



Dr. Jürgen Heraeus



Speakers at the DIN workshop on standardization



Prof. Michael Hüther



Brian Sullivan



## Hammering Out the Details

Workshop sessions picked up where the panels left off on questions of industry and growth.

Germany's *Energiewende* and America's shale gas revolution played central roles in two different workshops. The first, organized by Commerzbank, focused on reindustrialization in the US. Speakers detailed the advantages of the controversial drilling practice known as fracking, which provides US manufacturers with reliable supplies of natural gas. Though Europe's task of retaining manufacturing jobs "isn't only about shale," according to Dr. Berend Diekmann from the German Federal Ministry of Economics and Technology, importing cheap gas from the US would still help.

At another workshop, hosted by PricewaterhouseCoopers, participants discussed the transformation of energy systems in both Germany and the US. Since the phaseout of nuclear power began, the amount of electricity generated from renewable resources in Germany has increased. These resources can't cover all of the lost capacity from nuclear power, however, so more coal is being burned to make up the difference. Participants noted that the increased costs of unreliable

renewable sources are being borne primarily by consumers in the form of higher energy prices.

### Rethinking and reworking

Regulations, standards and norms reach far beyond just the energy sector. The DIN German Institute for Standardization organized a workshop on standardization's role in ensuring growth and innovation. As participants learned, standardization forces companies to rethink products and processes across the globe, creating a premium for the development of quality products.

Similar rethinking of everyday processes is necessary to increase and improve diversity in corporate staffing. A good example of this came from Anka Wittenberg, Chief Diversity & Inclusion Officer and Senior Vice President at SAP AG, at a K&L Gates workshop. "People with autism have developed apps for others with autism. When used in the workplace, they help boost engagement among autistic employees considerably," she explained.

### Step up to the bar

The law firm White & Case hosted a workshop on avoiding liability traps in a changing business world. "We're seeing a trend of legislative bodies increasingly incorporating social and political goals – such as human trafficking and conflict minerals – into regulation, rather than solely focusing on ensuring fair market conditions," said James Black, Partner at White & Case in Frankfurt/M.

Alvarez & Marshal's workshop also explored legal topics relevant to business, examining international litigation among broad sets of transatlantic parties. Speakers comprehensively analyzed the advantages, disadvantages and logistics of pursuing cross-border investment disputes through the World Bank's International Centre for Settlement of Investment Disputes. They especially cautioned international investors – companies and individuals alike – to take note of pertinent bilateral agreements and international laws. ■



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### MEET AND GREET WITH NEW AMBASSADOR

Düsseldorf, Sept. 4. At this AmCham Germany Welcome Lunch, an exclusive group of the Chamber's members and guests met **John B. Emerson**, the new US Ambassador to Germany. In a speech to the crowd, Emerson briefly laid out his vision for the transatlantic relationship, in-

cluding his support for a free-trade zone between the US and the EU. Pictured here are (from left): Bernhard Mattes, AmCham Germany President; Dr. Alexander Schröder-Frerkes, North Rhine-Westphalia Regional Committee Chair; and Emerson.



### OVERCOMING DIPLOMATIC SETBACKS

Hamburg, Sept. 16. At this event **Dr. Theo Sommer**, editor at large of the Hamburg-based newspaper Die Zeit, talked about the current state of the transatlantic partnership, particularly as it relates to negotiations over the proposed transatlantic free-trade zone. His remarks also touched on President Obama's foreign-policy priorities. Pictured here following the event are (from left) Dr. Henning C. Schneider, Northern Germany Regional Committee Chair; Jodi Gentilozzi; and Sommer.



### THE POLITICS OF IMMIGRATION

Hannover, Sept. 12. Every year, thousands of newcomers move to Germany, where they bolster the workforce and add much-appreciated cultural diversity. At this podium discussion hosted by AmCham Germany's Lower Saxony Regional Chapter, politicians from the five major German parties presented their views on immigration policy. Participants at the event included Dr. Edelgard Bulmahn, MdB (SPD), Holger Flöge (FDP), Oliver Förste (the Left Party) Sven-Christian Kindler (Alliance '90/The Greens) and Wilfried Lorenz (CDU). Also present at the event was Muammer Duran, Chair of event partner Deutsch-Türkisches Netzwerk. The panel discussion was moderated by Matthias Koch, Editor in Chief of the Hannoversche Allgemeine Zeitung.

### TRADE THEORY AND PRACTICE

Frankfurt/M, Sept. 11. As the chief executive officer of Adam Opel AG and president of GM Europe, **Dr. Karl-Thomas Neumann** knows a thing or two about coordinating and collaborating with industrial partners across the sea. At this President's Dinner, Neumann discussed the transatlantic connection between Opel and GM, including many points that resonated with ongoing discussions surrounding the Transatlantic Trade and Investment Partnership. Pictured here is Neumann.



### STRONG FOUNDATIONS FOR EUROPE

Berlin, Sept. 26. **Jörg Asmussen**, Member of the Executive Board of the European Central Bank, made a convincing case at this AmCham Germany Forum for what he called the three pillars of Europe: a stable currency, competitiveness and economic union. Pictured here are (from left): Dr. Ansgar Tietmeyer, Deutsche Bank AG; Asmussen; and Carl Graf von Hohenthal, Berlin-Brandenburg Regional Committee Chair.

### JUST LIKE CLOCKWORK

Dresden, Sept. 18. **Wilhelm Schmid**, CEO of Lange Uhren GmbH, enlightened AmCham Germany members on the history of his company at this Business Breakfast. Schmid recounted the world-renowned watchmaker's roots in Saxony, which go back centuries.



## CAPITAL GOES GLOBAL

Frankfurt/M, Oct. 1. By rapidly improving production processes and facilitating means of communication, free trade draws all nations and markets – even the most remote – into the nexus of global commerce. UPS Germany President **Frank Sportolari** shed some light on the new world of globalized trade at this Business Luncheon. Pictured here is Sportolari.



## MOBILITY AND TRADE

Frankfurt/M, Sept. 18. Cars are more than just powerful symbols of mobility – they are also immeasurably important economic factors in the transatlantic partnership. At this symposium, held as part of the 2013 IAA Motor Show, political and business leaders, including US Ambassador to Germany John B. Emerson and AmCham Germany President Bernhard Mattes, discussed the Transatlantic Trade and Investment Partnership (TTIP). The implications of a free-trade zone for the auto industry featured prominently in speakers' remarks. Pictured here are (from left): Elmar Brok, Member of European Parliament and Chair of the Committee on Foreign Affairs; Arndt G. Kirchhoff, KIRCHHOFF Automotive; Friedrich Merz, Chairman of event partner Atlantik-Brücke as well as the panel's moderator; and Mattes.



## A TURBO-CHARGED EVENING

Berlin, Oct. 22. AmCham Germany members who attended this Business After Hours event were afforded an illuminating look into the mechanics of a production plant for turbines and compressors. MAN Diesel & Turbo opened the doors of its storied Berlin factory – which has been producing cutting-edge goods for over 100 years – to

visitors, who enjoyed a guided tour followed by a networking reception. Pictured here are (from left): Carl Graf von Hohenthal, Berlin-Brandenburg Regional Committee Chair; **Ulrich Mudrack**, MAN Diesel & Turbo SE; and Andreas Povel, incoming AmCham Germany General Manager.

## A DIGITAL VISION FOR COMMERCE

Munich, Sept. 12. **Frank Riemensperger**, Country Managing Director at Accenture Germany and AmCham Germany Executive Vice President, discussed the rapid development of Internet-based business models at this AmCham Germany Forum. Riemensperger also spoke on the same topic at a similar event in Düsseldorf on Sept. 18. Pictured here are (from left): Bavaria Regional Committee Co-Chair Andreas Württemberg; Riemensperger; and Bavaria Regional Committee Co-Chair Christian von Sydow.



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## STERING A STEADY SHIP

Düsseldorf, Oct. 8. At this Business Luncheon, Chairman of the Managing Board of Franz Haniel & Cie. GmbH **Stephan Gemkow** discussed the crucial role good corporate governance plays in any economic system based on free enterprise. Pictured here following his speech are (from left): David Knowler, Member of the AmCham Germany Board of Directors; Gemkow; and Dagmar Mühle, Hilton Düsseldorf.



**GETTING A READ ON THE BUNDESTAG**

Frankfurt/M, Sept. 16. What changes to tax policy might be introduced by the new Bundestag following Germany’s recent federal election? That question was explored at this iteration of the joint AmCham Germany-PricewaterhouseCoopers (PwC) Expert Briefing series on international tax highlights. **Christof K. Letzgus** and **Dr. Stefan Brunsbach**, both partners at PwC, briefed attendees on previous policy initiatives to simplify corporate tax structures and outlined future reforms that could increase the risk of double taxation. Pictured here are Brunsbach (seated) and Letzgus (standing) addressing the audience.



**NEW FRONTIERS IN PAYMENT**

Frankfurt/M, Sept. 26. Mobile payment is changing the landscape of both online and traditional retail. At this Expert Forum, leading lights from the field of digital solutions offered their perspectives on this emerging technology. Pictured here are (from left): Raphael Heiner, Head of Mobile

Solutions at PricewaterhouseCoopers AG and the event’s moderator; Thomas Pietsch, Managing Director at YAPITAL GmbH; Ercan Kilic, Head of MobileCom at GS1 Germany GmbH; and Rory Murphy, EMEA Director of Content and Digital Media at Equinix.

**AVOIDING CROSS-BORDER LITIGATION**

Frankfurt/M, Oct. 1. Product liability and intellectual property rights don’t end at national borders: This was the key point explored at this Expert Forum. Pictured here (from left) are the partners of the litigation-only global law firm, Quinn Emanuel Urquhart & Sullivan, LLP: Dr. Marcus Grosch (Munich), Co-Chair of the firm’s National Trial Practice Group; Faith E. Gay (New York); Dr. Nadine Herrmann (Hamburg), who heads the firm’s Product Liability Practice; Sheila L. Birnbaum (New York) and former Group General Counsel of Novartis; and Dr. Thomas Werlen (Zurich and London).



**AMCHAM GERMANY  
BUSINESS DEVELOPMENT  
THROUGH APRIL 2014**

**UPCOMING EXPERT BRIEFINGS  
AND FORUMS**

**International Tax Highlights**

Host: PricewaterhouseCoopers AG  
Date: Feb. 10; location: Düsseldorf  
Date: April 3; location: Frankfurt/M

**Technology in the Boardroom:  
Improving Corporate Governance  
through the Smart Use of IT**

Host: Diligent Boardbooks  
Date: March 27  
Location: Frankfurt/M

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**E-HEALTH BEST PRACTICES**

Frankfurt/M, Oct. 15. Best practices in data analytics and data warehousing were the focus at this Expert Briefing in growing digitization. Pictured to the right is Uwe Kalyta, Senior Account Director at Teradata, explaining a point to the crowd. Pictured above are (from left): Matthias Borst, Business of Healthcare Committee Chair; Kalyta; Jürgen Kellermann, Head of Central Services at GKV-Spitzenverband; and Andreas Geissler, General Manager at Teradata.





# Talent Management in Multinational Companies

- ▶▶ MNCs need global talent management solutions
- ▶▶ Multiple approaches to staffing are possible
- ▶▶ When securing talent, time is of the essence

Simply doing business in other countries does not make an organization global. If a multinational company (MNC) remains merely a collection of independent entities, it misses out on a plethora of competitive advantages that come from having a global profile.

Truly global organizations design and implement systems throughout the world while still meeting local needs. To accomplish this, companies are increasingly conducting their human resources practices on a global scale. The ongoing war for talent is making it more urgent than ever for MNCs to leverage their talent strategically and internationally in order to identify, develop and retain high-potential employees. That's why companies such as Korn/Ferry International invest time and money to be able to offer solutions for integrated global talent management.

Historically, HR management has tended to adhere closely to local practices. Regional laws, cultures and employment policies gave a geographically specific bent to HR. However, companies today have a number of staffing options.

There are three basic approaches to global staffing: ethnocentric, polycentric and geocentric. An ethnocentric approach is one where all crucial positions in an organization are filled by employees from the country in which the parent company is based (the parent country). In a polycentric approach, foreign subsidiaries are staffed primarily by employees hailing from the country where the subsidiary is located (the host country). Finally, a geocentric approach involves filling positions in both countries with the best person for the job, regardless of nationality.

Traditionally, most organizations have applied either an ethnocentric or a polycentric approach to staffing. One advantage of the ethnocentric approach is the greater knowledge of the parent company's policies, goals and strategies that personnel from the parent country bring to the table. Unfortunately, these homegrown managers may not integrate well into foreign cultures. The polycentric approach offers the advantage of managers who are familiar with the culture, language, customs and business practices of the host coun-

try. On the other hand, a polycentric approach may introduce difficulties coordinating between the parent company and the foreign subsidiary.

As organizations become global, it is essential for them to move beyond simplistic, traditional staffing approaches and align staffing practices with their overall business strategies. A balanced approach to staffing must be achieved quickly, however, because demand for competent and experienced leaders is growing rapidly. Successful MNCs will need to identify, hire, develop and retain talent globally, something they can only do with the help of an integrated approach to global talent management. ■



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## Board of Directors Meeting

Ehningen, Sept. 19. AmCham Germany's most recent Board of Directors Meeting took place at the IBM Client Center in Ehningen. In addition to conducting official Chamber business, attendees participated in a thought-provoking discussion on the topic of Industry 4.0. Pictured here above are (from left): Dr. Dierk Müller, AmCham Germany General Manager; Armin Slotta, AmCham Germany Treasurer; Frank Riemensperger, AmCham Germany Executive Vice President; and Bernhard Mattes, AmCham Germany President. Pictured below are Müller and Riemensperger making a point to Joachim Follman, Daimler AG; Wolfgang Reiß, Porsche AG; and Rob Smith, AGCO Corporation, during a panel discussion.



## New staffers join AmCham Germany

Anna Katharina Wambach (left) joins ACC Verlag & Services GmbH as Assistant, Communication & Services in the Frankfurt/M office. She recently graduated from the Technische Universität Darmstadt with a master's degree in governance and public policy. Also joining the team in Frankfurt/M is Werner Peter Düll (right), Specialist, Accounting and Administration. Düll will take over projects previously held by Maria Daniel, including the Chamber's membership database.



## Stifterforum Networks for Nonprofits

The Rheinische Stifterforum, launched on July 2 in Düsseldorf, connects companies with nonprofit organizations that share their particular social commitments. As a follow-up to the successful launch event, the Stifterforum held a breakfast meeting on Oct. 2 under the motto "Gemeinsam sind wir stark – gelebte Vernetzung in NRW" ("Together we are strong – bringing networking to life in North Rhine-Westphalia").

► To learn more about the Rheinische Stifterforum, please visit their website at [www.rheinische-stifterforum.de](http://www.rheinische-stifterforum.de)

## amcham germany in the press



### Opportunity for Europe

At the start of the 21<sup>st</sup> century, the free-trade agreement can represent a visible alliance of shared values in the same way NATO has. A free-trade zone will create new jobs on both sides of the Atlantic and benefit not only companies, but ultimately people as well. A shared market would represent a major step forward in research pharmaceuticals. Almost 80 percent of modern medicines would be researched in this zone and made accessible to patients. [...] The pooling of information and mutual recognition of monitoring by the respec-

tive regulatory authorities as well as a shared definition of uniform high safety standards are just a few examples that illustrate the degree of streamlining possible.

(Translated from the original German article by Jeremy Morgan, General Manager of Lilly Deutschland, as it appeared in the Handelsblatt on Sept. 4, 2013)

### Business demands swift actions by the new government

The Federation of German industries (BDI) and AmCham Germany called for Germany to strengthen relations with its business partners in the EU and US. In AmCham Germany's view,

the new government should also advocate the removal of existing trade barriers between the US and EU. At the end of August, the EU and US began talks on a free-trade zone.

(Translated from the original article as it appeared in Yahoo! Finanzen on Sept. 23, 2013)

### Asmussen (ECB) calls for long-term solution to US budget dispute

"Once again, we're seeing the US run up against the debt ceiling," warned ECB Director Jörg Asmussen at a Thursday event in Berlin hosted



Winning campers display their prizes.

## BizCamp Encourages Youth Entrepreneurship

Frankfurt/M, Oct. 13-18. "Be a student, become a businessperson" is the motto of BizCamp, a week-long youth camp that helps students discover personal talents, develop self-confidence and gain practical business experience that will assist them in their careers later in life. Over the course of five days chock-full of learning, 20 participating students from German high schools develop business ideas that they then pitch to a panel of judges. Winning

ideas receive monetary prizes. The camp, founded by incoming AmCham Germany General Manager Andreas Povel, recently finished its sixth iteration. "BizCamp combines a big chunk of theory with creativity, fun and plenty of food for thought. It provides the ideal preparation and motivation for a career later in life," says Povel. For more information about BizCamp, please visit the Network for Teaching Entrepreneurship website at: [www.nfte.de](http://www.nfte.de)



BizCamp offers a chance to have fun while learning about business.



Participating students develop their own business ideas at the camp.

by AmCham Germany, an organization dedicated to promoting transatlantic business relations. Asmussen expressed confidence that "the pragmatic friends in the US" will again find a short-term solution. But this is not enough, he said. "I believe the US will have to adapt its fiscal policy over the long term and stop engaging in last-minute attempts to raise the debt ceiling every few months, thereby forcing the central government to shutdown," Asmussen said.

(Translated from the original article in German as it was published by Reuters on Sept. 26, 2013).

### Andreas Povel takes the helm at AmCham Germany

Andreas Povel (58) is the new general manager of AmCham Germany, succeeding Dr. Dierk Müller. Povel, the former managing director of Xchanging Transaction Bank, which was sold to Deutsche Bank in August, holds a degree in business and has more than 30 years of experience in the finance sector. In addition holding to positions at Morgan Stanley and HypoVereinbank, Povel spent most of his banking career at J.P. Morgan. His interest in transatlantic relations is also reflected in

his involvement in the Union International Club in Frankfurt/M, which he has successfully led as president for more than seven years. At AmCham Germany, Povel will share leadership duties with Müller through the end of 2013. Müller (68) has served as general manager for more than 20 years and will remain actively involved with AmCham Germany as a consultant after he retires.

(Translated from the original article in German as it appeared in the *Börsen-Zeitung* on Sept. 27, 2013)

### Prospect of US default keeps European business on edge

AmCham Germany expressed concern Monday that the US government shutdown had already delayed negotiations on a transatlantic trade agreement. Business on both sides of the ocean see the agreement as a way to stimulate growth and job creation.

(Source: New York Times on Oct. 15, 2013)

1) AmCham Germany members occasionally write opinion pieces for the *Handelsblatt* in irregular intervals.

# The EU Blue Card: A Unified Immigration Approach?

As the pace of globalization increases, immigration reform has become a key topic for companies and governments everywhere. By adopting the Blue Card, the EU has attempted to regulate the flow of highly skilled labor into the EU and between its member states. While the idea may be good, the implementation has not so far brought about the program's intended benefits.

The Blue Card, created by Council Directive 2009/50/EC, enables highly skilled non-EU citizens to live and work in an EU country. However, the Blue Card does not allow an employee to receive an EU-wide work permit; rather, it was intended to introduce more consistent application criteria for work permits for highly skilled workers across all member states.

## Varying criteria

After an application has been submitted, however, each member state is still allowed to operate on the basis of its own interpretation of the varying criteria – such as minimum salary levels or the equality of foreign university degrees – required to obtain the

The EU Blue Card program has not simplified immigration matters at all

Blue Card. This has led to an inconsistent approach. While a non-EU citizen with a Blue Card from one member state may travel

to another member state, employment privileges extend only to the issuing state. A new application would have to be approved before a non-EU citizen could begin working in a new country.

Although the original deadline was June 19, 2011, implementation of the directive has been slow. Ireland, the

UK and Denmark decided not to participate in the program at all. Germany only implemented the plan beginning in August 2012. Other member states, such as Malta, Croatia and Greece, have not implemented the directive – despite agreeing to do so.

## All tied up

Consequently, the EU Blue Card program has not simplified matters at all, though that was its intended purpose. With few exceptions, companies continue to have to engage in lengthy legal procedures to attract highly skilled non-EU workers. This state of affairs will not change until national governments begin to reform their domestic laws or until the EU develops a comprehensive approach for work-related migration – a change that would require a substantial limitation of sovereignty for EU member states. ■

**Susanne C. F. Turner, L.L.M.**

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# The Freedom to Innovate

How can companies become attractive employers, finding and retaining high-potential talent? It's all about fostering a lively corporate culture aimed at continual renewal, while also showing a high degree of respect for individual employees. Allowing employees the freedom to develop innovations is of paramount importance.

## The 15% rule

One way to achieve this is the 15% rule, which allows researchers to spend 15% of their work time pursuing their own innovative ideas. This practice is employed by 3M and has given the company many successful innovations in past decades, including Post-it Notes, Trizact Abrasive and Display Film.

The message sent to employees by these kinds of cultural signals is what matters most: It shows employees what kind of conduct and attitudes the company wants to see from them.

## Taking a principled stand

Likewise, the McKnight Principles of leadership also ensure tolerance and understanding for mistakes and an appreciation of personal development. William L. McKnight, who served as Chairman of the Board between 1949

Allowing employees the freedom to develop innovations is crucial

and 1966 and was part of the company for 59 years, had a decisive influence on 3M's corporate culture. From the very beginning, he created a working atmosphere characterized by individual

initiative and a spirit of innovation. The principles he espoused include listening to anyone with an original idea, no matter how absurd it might sound at first; encouraging rather than nitpicking; letting people run with an idea; supporting experimental doodling; and giving a new idea a quick try.

A good human resources strategy doesn't just allow employees the freedom to innovate – it also puts them in the position that will give them the best opportunity to develop their strengths and talents. Companies that offer their human resources this kind of support and freedom will find that their employees more fully utilize their strengths and achieve outstanding results more often. ■



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*What brought KION GROUP, a global player in materials handling, to AmCham Germany?*

Through its global network in the business and political communities, not to mention its contacts at other AmChams around the world, AmCham Germany offers a great opportunity to build and expand meaningful connections. Membership provides numerous chances to exchange experiences, ideas and best practices, all while supporting AmCham Germany's strong commitment to cross-cultural understanding.

**Gordon Riske**, CEO of KION GROUP AG

Andreas Povel, incoming General Manager of AmCham Germany, officially began his duties on Oct. 1. He has been jointly overseeing business with long-time General Manager Dr. Dierk Müller, who will retire at the end of the year after more than 20 years of service. Here, Povel discusses Chamber successes and the importance of TTIP.



▽ *What makes AmCham Germany unique in comparison with other organizations of its kind?*

▲ AmCham Germany's strength lies in its distinct geoeconomic position. Our activities not only bridge the geographic regions of Europe and North America, but also encompass many fields of industry and finance. We maintain an unparalleled position at the center of this geoeconomic relationship, which allows us to craft policy initiatives that are broad, diverse, comprehensive and effective all at the same time. This is what makes our network so attractive to our members and guarantees that our voice is both heard and respected by all relevant actors in the realm of transatlantic economic relations.

▽ *How will AmCham Germany maintain its excellent track record during your time as general manager?*

▲ AmCham Germany's success is the result of the combined efforts and cooperation of everyone involved. This includes our members, board of directors, administrative staff, committee participants and transatlantic advisers. In order to maintain this caliber of excellence, AmCham Germany must fulfill and improve upon its mis-

sion in a manner that is both effective and sustainable. This task requires everyone's efforts. Every individual and organization in our network fulfills a unique purpose, without which our 110-year success story would not be possible.

▽ *Why is the timing for the Transatlantic Trade and Investment Partnership (TTIP) particularly advantageous?*

▲ In light of current economic hardships, TTIP represents a well-crafted and effective stimulus program that does not require governments to incur additional debt. For Germany, the economic benefits of TTIP would represent improvements to industrial and welfare policy in equal measure.

A comprehensive agreement between the EU and the US has the potential to fundamentally alter transatlantic relations as we know it. TTIP would release new synergies into the German-American partnership by generating millions of new jobs and boosting economic output in both countries. A strong US economy will also spread prosperity to Europe, helping the continent finally overcome the eurozone crisis. Europe must realize that its economic prosperity hinges on a tight-knit relationship with the US – and vice versa! ■

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■ **Correction**

An incorrect statistic appeared in Matthias Ruete's article in the previous issue of commerce germany. Road transportation accounts for 71% of carbon dioxide emissions from transportation, not 71% of overall carbon dioxide emissions, as was originally stated. The European Commission's Directorate-General for Mobility and Transport apologizes for the error.

**NEXT ISSUE OF COMMERCE GERMANY: March 6, 2014**

**ADVERTISING CLOSING DATE: Feb. 20, 2014**

Our topics will include:

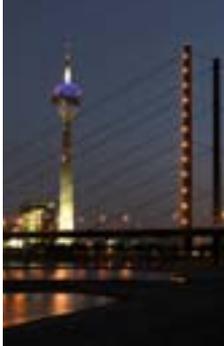
- ▶▶ Cybersecurity (data security): Dis(connect)ed?
- ▶▶ Special report: Transatlantic Partnership Award
- ▶▶ Special report: Thanksgiving 2013 and New Year's Receptions 2014



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<p><b>AmCham Germany 2013/14 event highlights</b></p> <p>Please see <a href="http://www.amcham.de">www.amcham.de</a> for the latest updates</p> <p>Light blue background = events wholly or partially in English</p>	<p><b>Dec. 13, 2013</b></p> <p>Swinging Christmas</p> <p><b>Stuttgart</b></p>		<p><b>Dec. 16, 2013</b></p> <p>AmCham Forum</p> <p>Dr. Lutz Raettig Chairman of the Supervisory Board Morgan Stanley Bank AG</p> <p><b>Munich</b></p>		<p><b>Jan. 1, 2014</b></p> <p>New Year's Day</p> <p>Federal holiday in the US</p>
<p><b>Jan. 8, 2014</b></p> <p>New Year's Reception</p> <p>Dr. Wolfgang Bernhard Mitglied des Vorstands Daimler AG</p> <p><b>Stuttgart</b></p>		<p><b>Jan. 17, 2014</b></p> <p>New Year's Reception</p> <p><b>Düsseldorf</b></p>	<p><b>Jan. 20, 2014</b></p> <p>Birthday of Martin Luther King, Jr.</p> <p>Federal holiday in the US</p>	<p><b>Jan. 22, 2014</b></p> <p>New Year's Reception</p> <p>Olaf Lies, Niedersächsischer Minister für Wirtschaft, Arbeit und Verkehr</p> <p>Frank Fischer, CEO Volkswagen Group of America</p> <p><b>Hannover</b></p>	
	<p><b>Jan. 24, 2014</b></p> <p>New Year's Reception</p> <p><b>Frankfurt/M</b></p>		<p><b>Jan. 27, 2014</b></p> <p>New Year's Reception</p> <p>Christine Lieberknecht Ministerpräsidentin des Freistaates Thüringen</p> <p><b>Erfurt</b></p>		<p><b>Jan. 31, 2014</b></p> <p>New Year's Reception</p> <p><b>Dresden</b></p>
<p><b>Feb. 12, 2014</b></p> <p>Business Luncheon</p> <p>Dr. Bernhard Reutersberg Mitglied des Vorstands E.ON AG</p> <p><b>Düsseldorf</b></p>		<p><b>Feb. 17, 2014</b></p> <p>Washington's Birthday (Presidents Day)</p> <p>Federal holiday in the US</p>	<p><b>Feb. 19, 2014</b></p> <p>Business After Hours</p> <p>Sophia von Rundstedt Vorsitzende der Geschäftsführung v. Rundstedt &amp; Partner GmbH</p> <p><b>Munich</b></p>	<p><b>Feb. 20, 2014</b></p> <p>Business Luncheon</p> <p>Dr. Sylvia Rothblum Managing Director Warner Bros. Entertainment GmbH International Television Distribution</p> <p><b>Frankfurt/M</b></p>	
	<p><b>March 13, 2014</b></p> <p>AmCham Forum</p> <p>Dr. Jörg Rockenhäuser Managing Partner &amp; Geschäftsführer Permira Beteiligungsberatung GmbH</p> <p><b>Munich</b></p>		<p><b>April 30, 2014</b></p> <p>Business Luncheon</p> <p>Dr. Marijn Dekkers Chairman of the Board of Management Bayer AG</p> <p><b>Düsseldorf</b></p>		<p><b>May 23-24, 2014</b></p> <p>111<sup>th</sup> Annual Membership Meeting</p>  <p><b>Düsseldorf</b></p>



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