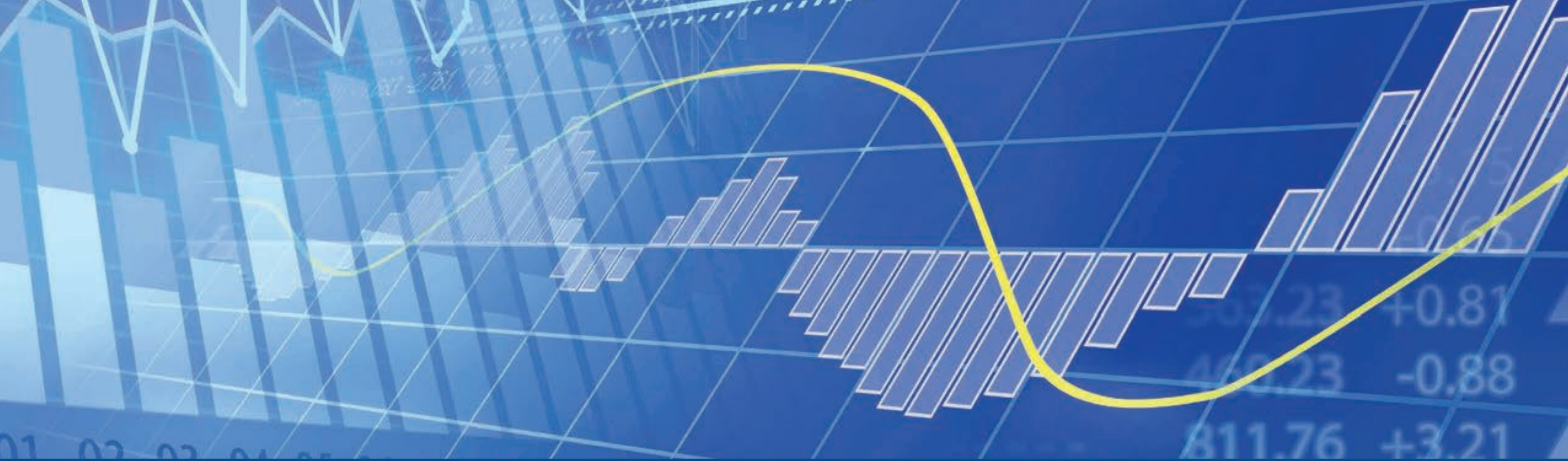
MEETING NACo—GERMAN EMBASSY, RGIT, SELECTUSA

Meeting Participant Bios

Dr. Thomas Zielke, President and CEO, Representative of German Industry and Trade

Dr. Thomas Zielke was appointed to the position of Representative of German Industry and Trade in January 2011. He studied Law and Political Sciences in Bonn, and upon graduating at the University of Tübingen in Germany with the title of Doctor of Jurisprudence he was admitted to practice before the District Court of Düsseldorf in 1993. During several years of practice in the areas of corporate, civil, administrative, energy and labor law, he joined the German Federal Ministry of Ecomonics and Technology (BMWi) where he promoted investment into the new German federal states (the former East Germany). He also served as First Secretary in the Economics Division at the Permanent Mission of Germany to the United Nations in New York, and also served as a member of the administrative committee for the European Union's multiannual Small and Medium Enterprise ME Program in Brussels. From 2001 to 2007, he was Communications Director in the BMWi in Berlin, serving under minister Werner Mueller and his successors, Wolfgang Clement and Michael Glos. After having contributed substantially to a restructuring of the federal government's patent policy program in 2008, he became Director of Public Relations and Deputy Representative at RGIT Washington D.C., where he concurrently served as editor of the weekly publication Washington News. He has authored a broad range of publications on topics ranging from trade policy to innovation initiatives.



GERMAN AMERICAN BUSINESS OUTLOOK 2014

AHK German American Chambers of Commerce Deutsch-Amerikanische Handelskammern

RGIT REPRESENTATIVE of German Industry + Trade

Roland Berger Strategy Consultants

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

1,900 headquarters of German subsidiaries were approached for this survey in the fall of 2013. Approx. 10% of senior management responded, mostly from *Mittelstand* firms (German SMEs).

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AHK German American Chambers of Commerce Deutsch-Amerikanische Handelskammern

CONTENT

WELCOME

Dear Members and Friends,

The global German chamber network has a strong presence in the United States – our eight offices service more than 2,500 member companies – and we continue to grow: In 2013, GACC Midwest opened its new Michigan office.

The United States remains as attractive as ever for German companies. The results of the 5th German American Business Outlook prove that point: Confidence levels of German investors hit a five-year high with 98% of German subsidiaries expecting growth for their own business. Despite concerns of U.S. fiscal policy and increasing labor cost, firms plan to introduce new product lines and to hire new personnel.

Unfortunately, many firms still face difficulties trying to fill positions in the mechanical or engineering field – in fact, 49% of respondents are reporting skill shortages, mostly STEM-related. This year's GACC Award "Trainer of the Year" draws attention to this critical issue – our winner Mike Bryan of Bosch Rexroth in South Carolina is a seasoned vocational training professional with 32 years of experience and hundreds of successful graduates.

At the same time, the ongoing Transatlantic Trade and Investment Partnership (TTIP) negotiations send encouraging signals for the future of German-American business. Companies believe that a successfully implemented TTIP could stimulate growth, especially if tariffs could be reduced and regulatory cooperation increased – a bright future for transatlantic trade and investment to look forward to.

Simone Pohl
President & CEO
GACC Midwest

Dietmar Rieg
President & CEO
GACC New York

Martina Stellmaszek
President & CEO
GACC South

Dr. Thomas Zielke
President & CEO
RGIT

AMBASSADOR'S GREETING

Peter Ammon
Ambassador of the Federal Republic of Germany to the United States

> *"A successfully negotiated Transatlantic Trade and Investment Partnership (TTIP) will boost economic growth in the United States and Europe."*

Dear Members and Friends of the German American Chambers of Commerce,

In the past five years since the global financial and economic crisis, we have undoubtedly made significant strides towards recovery; however, there are still many challenges that lie ahead. For this reason, continued strong transatlantic cooperation is more important than ever. The United States and Europe already share the most intensive bilateral economic relations worldwide. Together, our economies account for about half of global GDP and nearly a third of world trade flows.

This year, we have entered a new era by launching a project that will be an economic and strategic game-changer: A successfully negotiated Transatlantic Trade and Investment Partnership (TTIP) will boost economic growth in the United States and Europe, and will add to the over 13 million American and European jobs already supported by transatlantic trade and investment. It is therefore of the utmost importance that we join forces and work together to create a forward-looking, ambitious framework that sets global standards and regulations for the 21st century. Beyond that, it will be of great strategic importance. The more our transatlantic economies are intertwined, the closer we will be in our strategic outlook.

Our businesses are the driver of the transatlantic economic relationship, contributing to growth and jobs on both sides of the Atlantic. It is estimated that a third of transatlantic trade actually consists of intra-company transfers. However, many of our companies are still facing a number of obstacles that constrain their economic activities. This includes obvious barriers such as tariffs but also – and more importantly – non-tariff barriers to trade and investment.

Therefore, it is important that we address different regulatory requirements that impede transatlantic trade. We cannot overestimate the importance of this initiative, for both its economic and its strategic consequences. TTIP is a new foundation of our transatlantic relationship, and we cannot afford to let this opportunity slip away.

I am pleased that we have on our side a partner such as the German American Chambers of Commerce. I congratulate the Chambers on the excellent work they are doing to help our businesses succeed in the global marketplace.

Many opportunities lie ahead, and I look forward to our continued cooperation.
All the best for a successful New Year.

Sincerely,

“Our businesses are the driver of the transatlantic economic relationship, contributing to growth and jobs on both sides of the Atlantic.”

CHAIRMAN'S GREETING

W. David Braun
Partner, Quarles & Brady LLP (Chairman AHK USA & GACC Midwest)

"German companies support roughly 581,000 jobs in the U.S. – and German subsidiaries in the U.S. continue to grow and look positively into the future."

Ladies and Gentlemen,

The German-American business community is as vibrant and optimistic as ever. German investment, technology, products, and services are increasingly recognized as contributing to U.S. jobs and economic growth. Over the years, our annual German American Business Outlook has confirmed this over and over again. German companies support roughly 581,000 jobs in the U.S. – and German subsidiaries in the U.S. continue to grow and look positively into the future.

The strength of German companies in the U.S. is based on several pillars, including innovative technology, state-of-the-art production capabilities, and commitment to training. Based on those assets, German investment is highly sought after across the country. Given German companies' track record of successful growth through innovation and education, German investment in the U.S. is able to add to the revival of both national and local communities and economies.

> *"The GACCs are dedicated to supporting the thriving German-American business community."*

The German American Chambers of Commerce (GACCs) are dedicated to supporting the thriving German-American business community – through public programs, membership services, and professional consulting. With this unique portfolio, the GACCs are the ideal facilitator for companies interested in entering or expanding in the U.S. market. Our national and international networks supported by our membership offer a dynamic pool of knowledge and consulting services tailored to supporting companies as they seek advice, business partners, and new markets.

In order to speak more effectively to the key issues affecting our over 2,500 members nationwide, the GACCs have created a joint Board of Directors to address the challenges and opportunities facing us. One of those is the Skilled Workforce Initiative, with which we aim to spread best practices in vocational training and workforce development. And both sides of the Atlantic are working to spur transatlantic trade and investment through the ongoing negotiation of the Transatlantic Trade and Investment Partnership (TTIP). Achievement of such an agreement could not only ease trade barriers but also boost transatlantic trade and investment, which would work to the mutual benefit of German and U.S. companies and consumers and promote expansion of trade and economic growth.

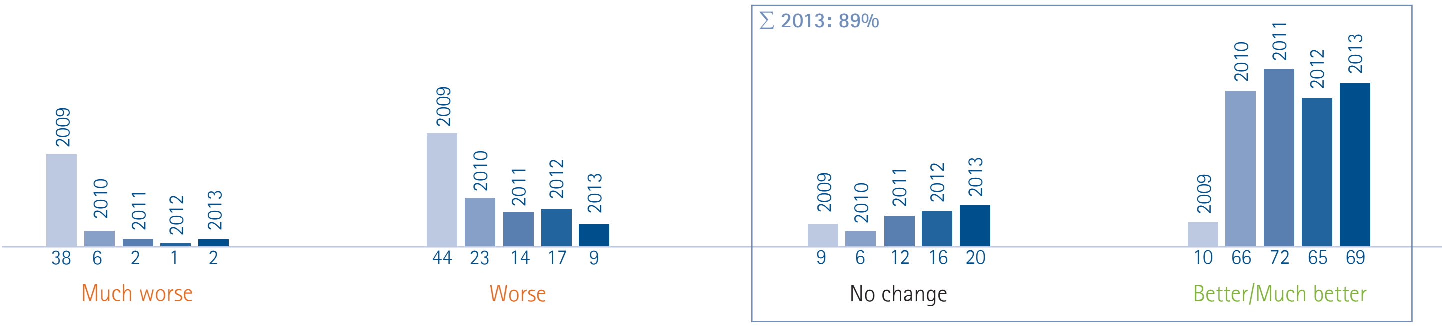
We look forward to an exciting future for transatlantic relations – and we invite you to be an active part of this future.

W. David Braun

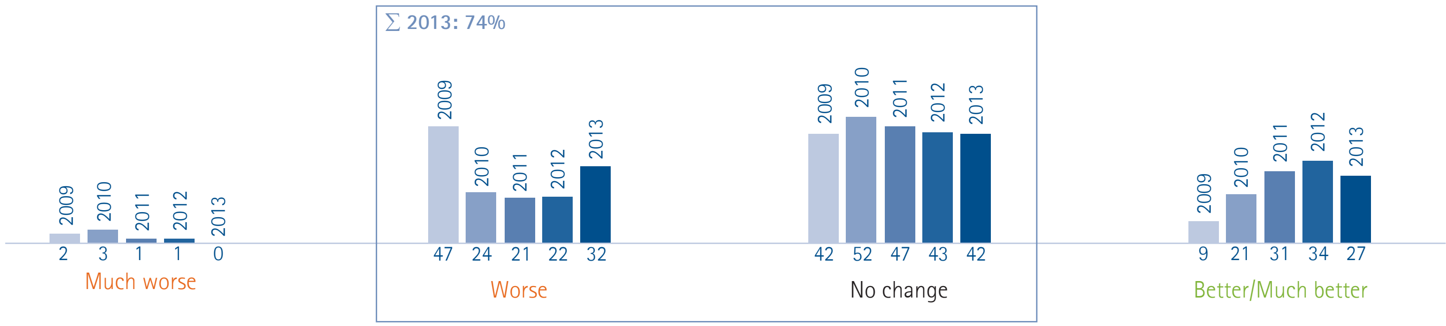
SURVEY RESULTS
SALES

Despite stagnating price levels, 89% report unchanged/upward trends in sales volumes. Firms reported another strong year of sales volume growth, continuing their recovery from the volume decreases caused by the economic slowdown. However, on average, firms have also experienced a slight decrease in sales prices.

Change in Sales Volumes 2009–2013 (%)



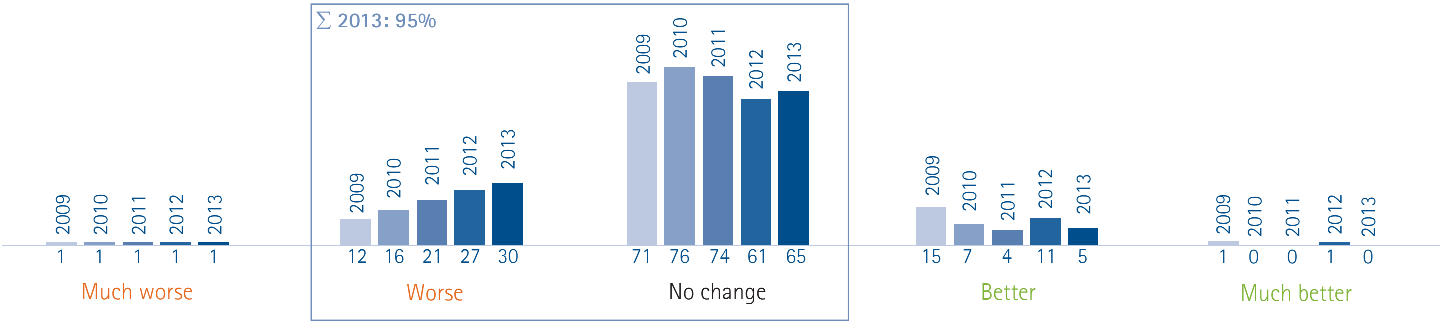
Change in Sales Price 2009–2013 (%)



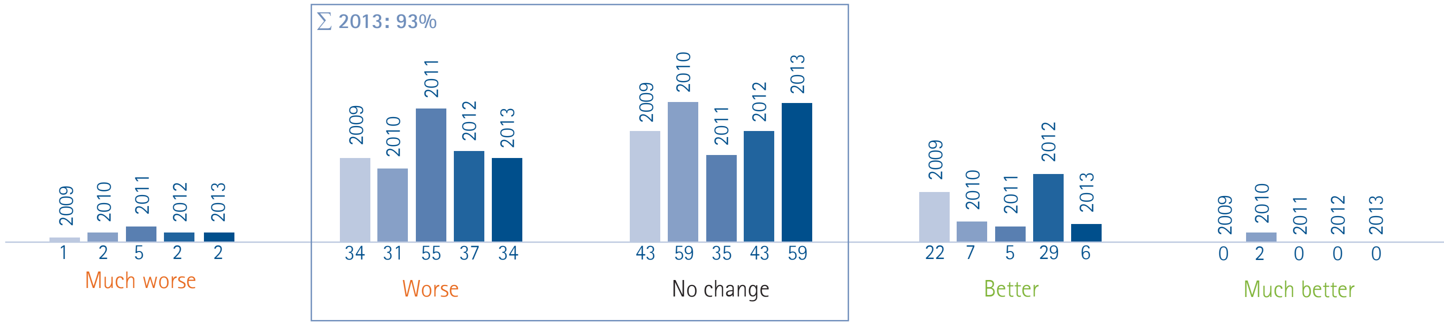
COSTS

As market stability returns, labor and input costs have marginally increased. Labor costs are increasing due to upward wage pressure as the economy continues to rebound. Non-labor costs showed signs of stabilization in 2013.

Change in Labor Costs 2009–2013 (%)



Change in Non-labor Costs[1] 2009–2013 (%)

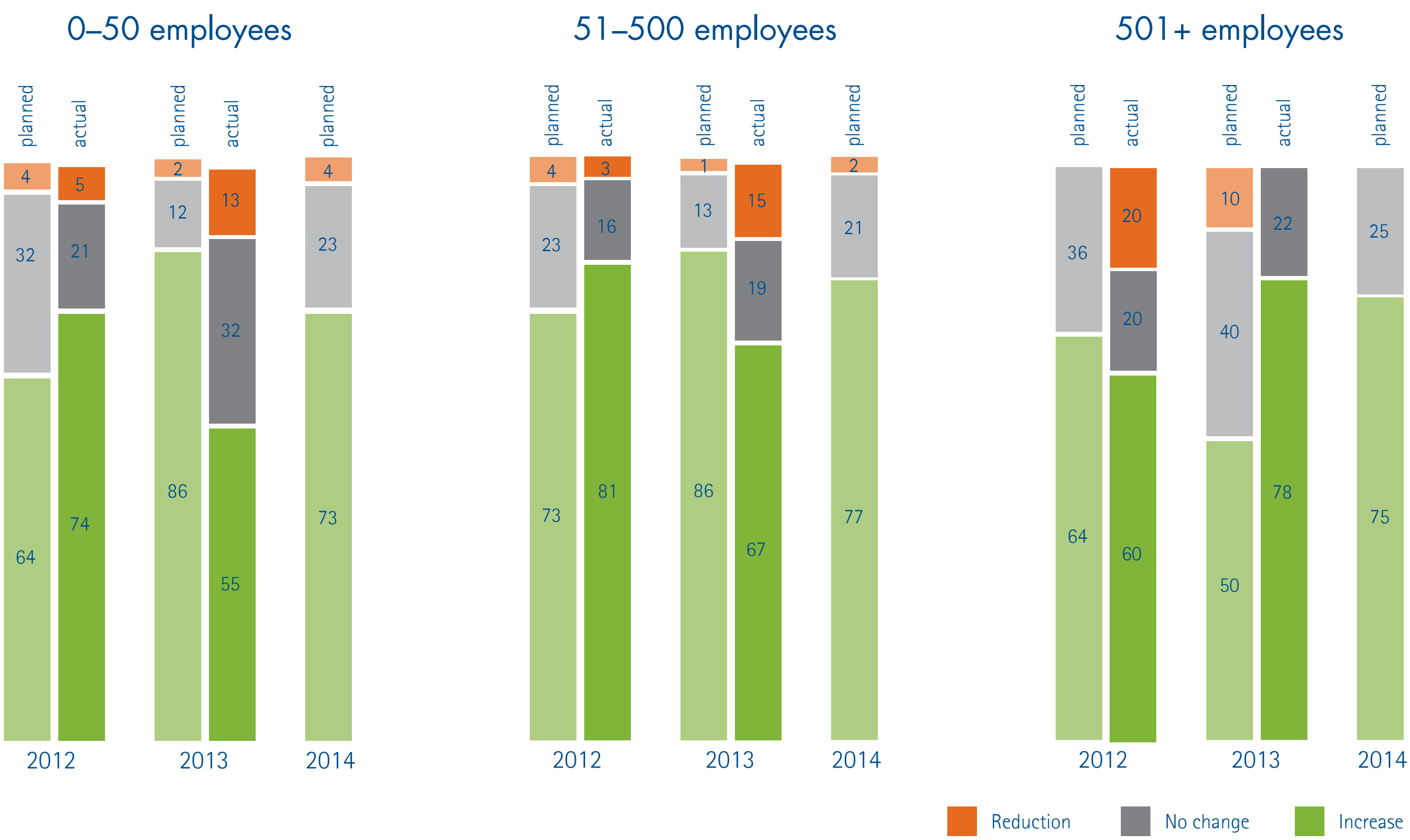


1) Non-labor costs = raw material costs and costs of semi-finished and finished goods

SURVEY RESULTS
HEADCOUNT

On average, 75% of firms intend to increase their workforce in 2014 – an indicator for a very positive economic development. Many SMEs did not hire to the degree they had planned in 2013, while large firms increased hiring beyond expectations. SMEs in particular plan to boost hiring again in 2014.

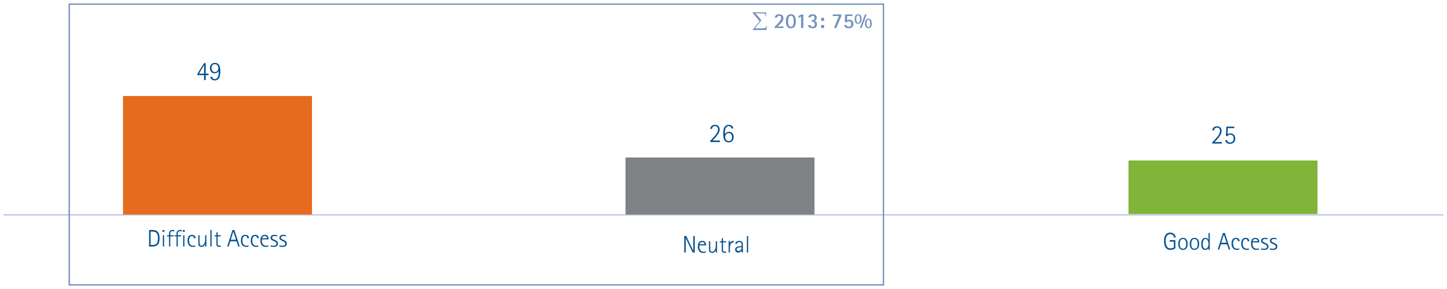
Headcount Change by Company Size 2012–2014 (employees)



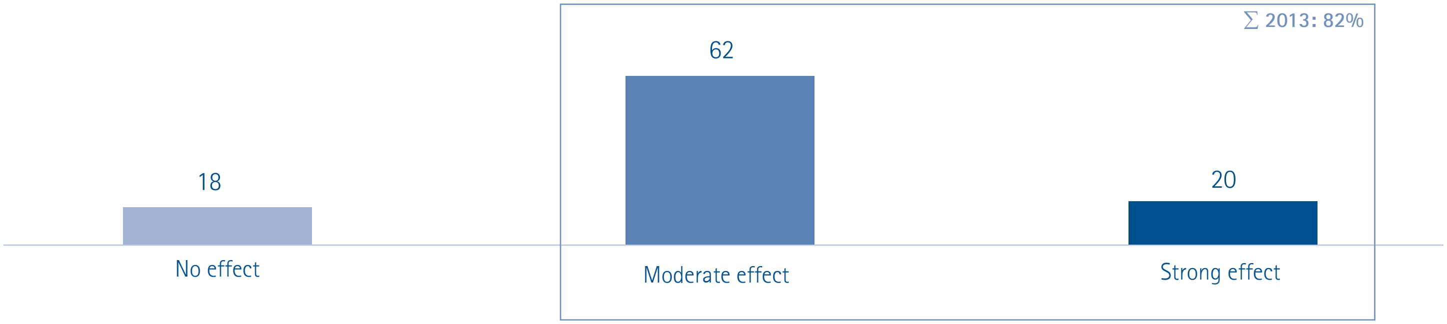
ACCESSIBILITY OF SKILLED WORKFORCE

Lack of skilled labor affects almost 50% of German subsidiaries. A majority of respondents report difficulty sourcing labor with the skills they require. Access to a sufficiently skilled workforce has a noticeable impact on a company's investment outlook when considering options in the U.S.

Ease of Access to Skilled Workforce in the U.S. (%)



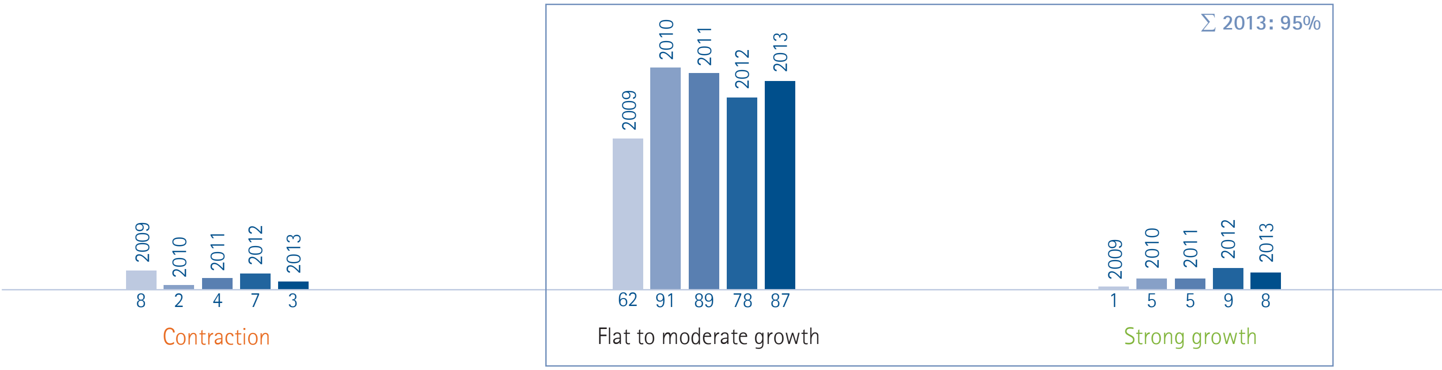
Effect on Future Investment in the U.S. (%)



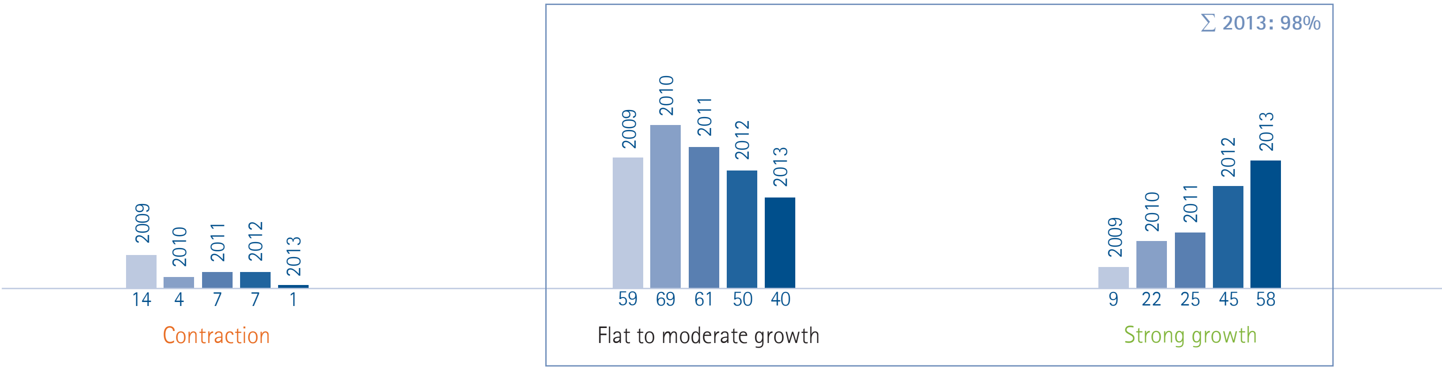
SURVEY RESULTS
GROWTH

Confidence hits five-year high, 98% of German subsidiaries expect business growth in 2014. Firms believe that their own businesses will grow at a pace greater than that of U.S. macroeconomic growth.

U.S. Growth Outlook[1] (%)



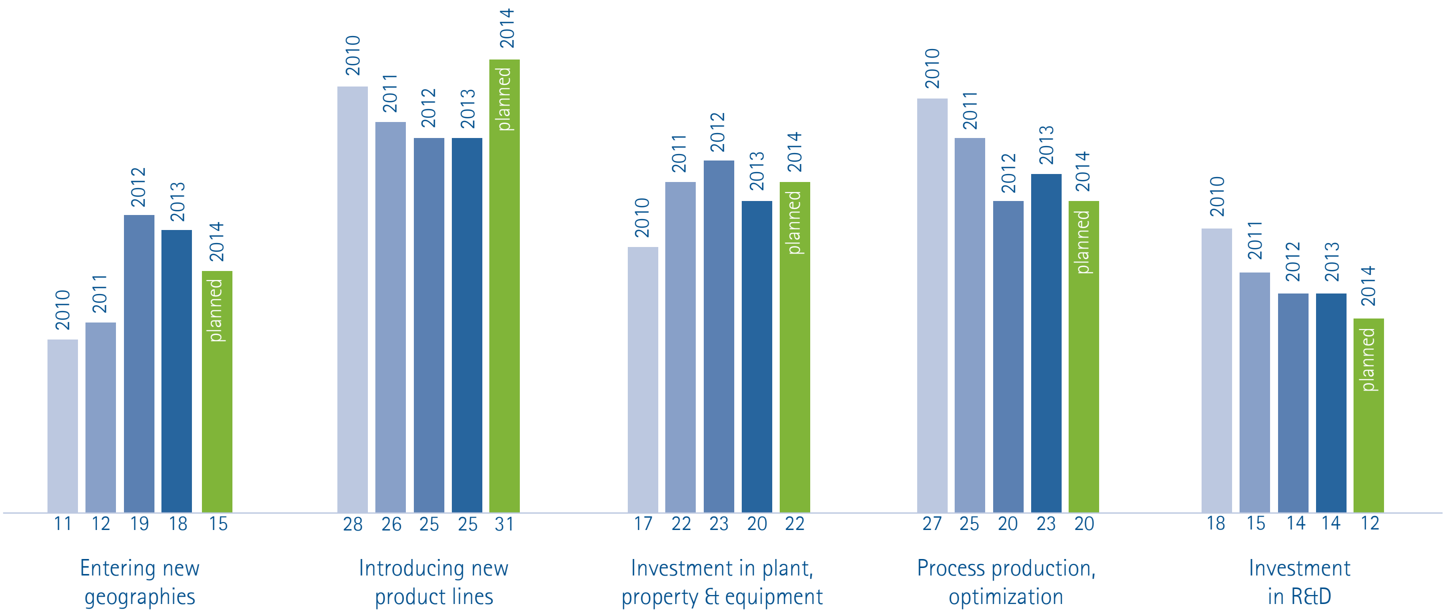
Own Business Growth Outlook[1] (%)



1) Flat is defined as <1%, moderate is defined as +1–3%, while strong is defined as >3%

German companies continue to innovate - 31% plan to introduce new product lines in 2014. ***Half of all respondents indicated that their firms forecast a moderate-to-strong increase in capital expenditures in 2014.***

Strategic Initiatives[1] (%)

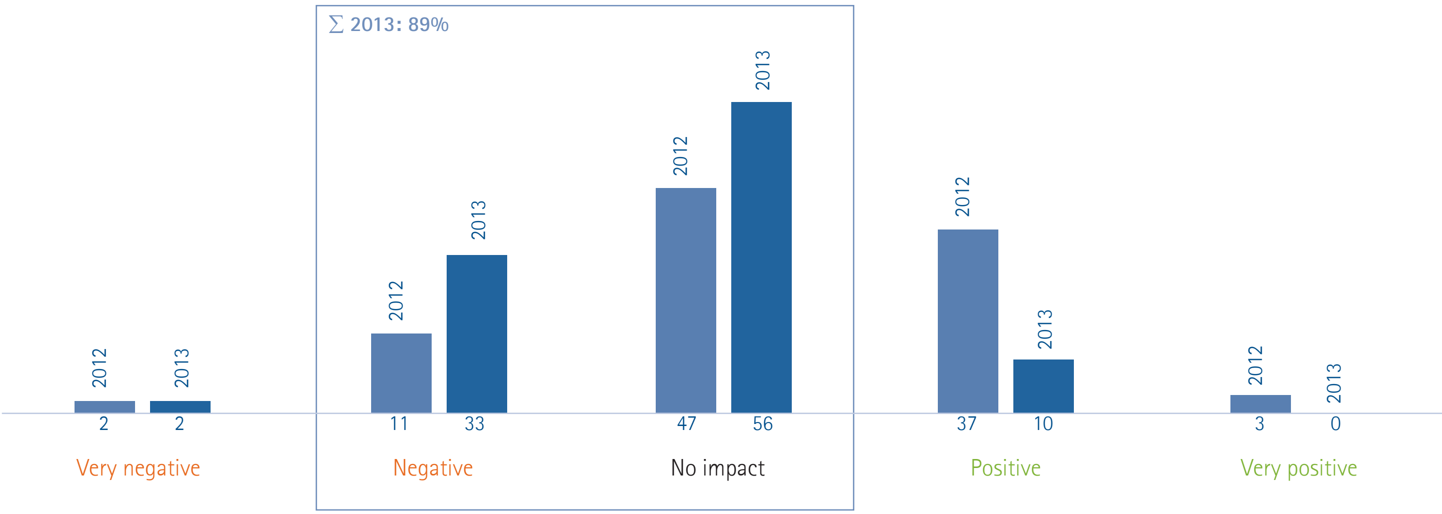


1) Multiple responses allowed, normalized results to 100%

SURVEY RESULTS
EXCHANGE RATE

Exchange rates had a negative impact for 33% of business operations, up from 11% in 2012 – a noteworthy shift from last year. A majority of respondents believe that the Euro/USD exchange rate will hold close to the current rate.

Effect of Euro/USD Exchange Rate on Business of Respondents[1] (%)



1) Multiple responses allowed, normalized results to 100%

CORPORATE WISHLIST – TOP 10

Influenced by the ongoing budget discussions, U.S. government fiscal reform as well as investment in education are regarded as the most critical factors to enable sustained economic growth and restore market confidence.

Political, Economic, and Regulatory Growth Issues

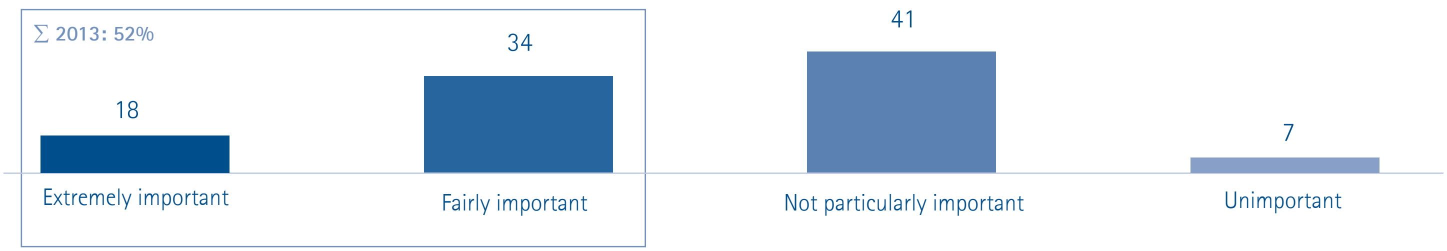
1	2	3	4	5
Very low priority	Low priority	Neutral priority	High priority	Very high priority

1	Address federal and state fiscal concerns	4.06
2	Strengthen K-12 education	3.97
3	More affordable university education	3.93
4	Simplify/reform the tax system	3.85
5	Financial incentives for companies to invest in dual training programs	3.84
6	Invest in transportation infrastructure	3.66
7	Public consulting on vocational training for companies to educate about the system	3.58
8	Easing of visa process	3.51
9	Improve grant access for R&D	3.46
10	Invest in (renewable) energy infrastructure	3.39

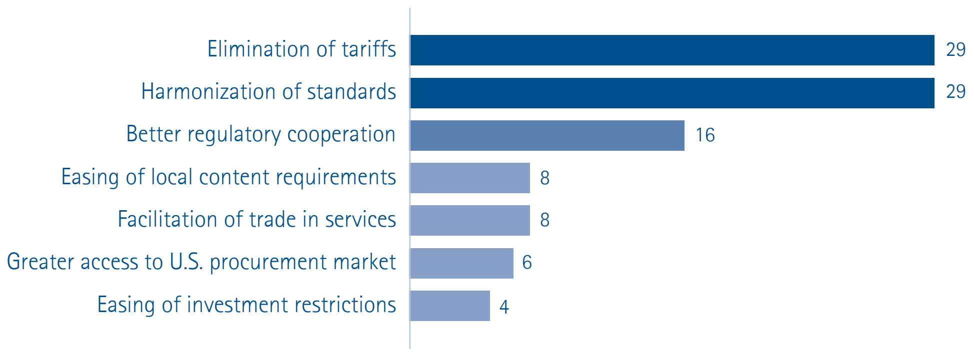
SURVEY RESULTS
TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP

The majority of respondents believe that their firms would respond to TTIP adoption by expanding U.S. operations and increasing hiring in the U.S. The majority of respondents believe that TTIP would be either extremely or fairly important to their firm. Reduction of tariffs and compliance costs are viewed to be the most influential anticipated benefits.

Relative Importance of TTIP to Respondents (%)



Greatest Potential Benefits of TTIP (%)[1]



1) Multiple responses allowed, normalized results to 100%

SURVEY RESULTS
KEY TAKEAWAYS

GERMAN AMERICAN BUSINESS OUTLOOK 2014

- *98% of respondents expect growth for their U.S. business and 95% believe the U.S. economy will expand in 2014.*
- *75% of firms intend to increase their workforce in 2014, indicating a positive economic outlook.*
- *Despite flat sales prices in 2013, 89% report unchanged or upward trends in sales volumes.*
- *German companies continue to innovate – 31% plan to introduce new product lines in 2014.*
- *Although costs have continued to rise, German-American firms have experienced top-line growth and have increased capital expenditure projects.*

CHALLENGES FOR GERMAN-AMERICAN BUSINESSES

- *As a result of the ongoing budget crisis, U.S. fiscal policy remains the most common cause of concern.*
- *Lack of skilled labor affects almost 50% of German subsidiaries. Firms believe that long-term economic value can be created through investment in education.*
- *Higher labor costs, particularly higher wages in manufacturing, pose a challenge to growth with 30% of respondents reporting worse conditions than in 2012.*
- *Euro/USD exchange rate levels had a negative impact for 33% of businesses, as compared to 11% in 2012.*

ANALYSIS

TIME FOR A NEW TRANSATLANTIC PARTNERSHIP

by Daniel S. Hamilton, Professor at Johns Hopkins University, Director of the Center for Transatlantic Relations

The world that created the transatlantic alliance is fading fast. Americans and Europeans must urgently build a robust Transatlantic Partnership that is more effective in generating economic opportunity for their citizens and companies; in dealing with new partners, especially in the emerging growth markets; and addressing transformations occurring all around them.

"Transatlantic leaders must forge a partnership that is more strategic, dynamic and holistic than a traditional Free Trade Agreement."

The Transatlantic Trade and Investment Partnership (TTIP) currently under negotiation by the United States and the European Union promises to unleash significant opportunity to generate jobs, trade and investment across the Atlantic. To win the moment, however, transatlantic leaders must forge a partnership that is more strategic, dynamic and holistic than a traditional Free Trade Agreement. TTIP must harness four distinctive elements of the U.S.-EU relationship.

First, despite the rise of other powers, the U.S. and Europe remain the fulcrum of the world economy, each other's most important and profitable market and source of onshored jobs, each other's most important strategic partner, and still a potent force in the multilateral system—when they work in concert. The transatlantic economy generates $5.3 trillion in total commercial sales a year and employs up to 15 million workers. It is the largest and wealthiest market in the world, accounting for three-quarters of global financial markets and over half of world trade. No other commercial artery is as integrated. TTIP must tap this enormous potential.

Second, the dynamic interaction between investment and trade distinguishes the transatlantic economy from all others. Only by adding trade and investment together

Daniel S. Hamilton directs Johns Hopkins University's Center for Transatlantic Relations and is an award-winning author on the transatlantic economy. He has served in senior positions in the U.S. State Department and as the first Robert Bosch Foundation Senior Diplomatic Fellow in the German Foreign Office. He has been a consultant to the Transatlantic Business Dialogue, the Business Roundtable, and a number of U.S. and European companies.

does one understand the true size and dynamism of the transatlantic economy, particularly compared to any other bilateral economic relationship either partner has in the world. Transatlantic trade barriers are relatively low; a 'trade-only' approach would be myopic and squander opportunities to generate jobs and growth that could come from removing remaining barriers to mutual investment. Common transatlantic standards on investment could become the core of global norms and help open growth markets around the world.

Third, given the relatively open U.S.-EU trading relationship and the importance of mutual investment, the most important hurdles to greater transatlantic commerce are "behind the border" regulatory differences rather than "at the border" trade barriers. TTIP must identify "essentially equivalent" regulations for mutual recognition and promote "upstream" regulatory cooperation for new technologies. Here again transatlantic agreements can form the core for broader global accords.

"The service sector is the sleeping giant of the transatlantic economy."

Fourth, the service sector is the sleeping giant of the transatlantic economy. Most American and European jobs are in the services economy, which accounts for over 70% of U.S. and EU GDP. The U.S. and EU are each other's most important com-

mercial partners and major growth markets when it comes to services in trade and investment. Deep transatlantic connections in services industries, powered by mutual investment flows, are also the foundation for the global competitiveness of U.S. and European services companies. Yet protected services sectors on both sides of the Atlantic account for about 20% of combined U.S.-EU GDP – more than the protected agricultural and manufacturing sectors combined. Removing barriers in these sectors would be equivalent to 50 years' worth of GATT and WTO liberalization of trade in goods. Opening the transatlantic services market could also trigger plurilateral negotiations to include other partners.

The U.S. and EU should harness these distinctive elements of their relationship to advance an ambitious Transatlantic Trade and Investment Partnership with a three-fold agenda.

First, commit to open and renew the Transatlantic Market – not by limiting U.S.-EU ambition to yet another preferential "free trade agreement," but by forging a more ambitious and relevant new-generation agreement, rooted in the distinctive nature and potential of the Transatlantic Partnership. Such an agreement would be grounded in essential principles of WTO-consistency, transparency, non-discrimination and essential regulatory equivalence. It would be accessible to others committed to similar goals and ground rules. It would identify coordinated strategies across a number of mutually supporting areas: eliminating all transatlantic duties on traded industrial and agricultural products; liberalizing services; removing restrictions on job-creating investments; overcoming regulatory obstacles; boosting innovation; leading the energy revolution; and encouraging the freer flow of people and talent across the transatlantic space.

Second, reposition the Transatlantic Partnership with regard to third countries to open markets and strengthen the ground rules of the international economic order. Efforts to open transatlantic markets and lift and align transatlantic standards can drive broader international cooperation. Given the size and scope of the transatlantic economy, standards negotiated by the U.S. and EU can become the benchmark for global models, reducing the likelihood that others will impose more stringent, protectionist requirements for either products or services. Mutual recognition of essentially equivalent norms and regulatory coherence across the transatlantic space, in areas ranging from consumer safety and intellectual property to investment policy and labor mobility, not only promise to improve the lives of our people but form the core of broader international norms and standards.

Third, use U.S.-EU partnership to extend the rules-based multilateral system to new areas and new members. Transatlantic market-opening initiatives in trade, clean technologies, and services could be extended to WTO members who are willing to take up the same responsibilities and obligations covered by such agreements. The U.S. and the EU should also codify and align their existing free trade agreements to boost the multilateral system. The alternative is growing protectionism, U.S.-EU rivalry in third markets, and the triumph of lowest-common-denominator standards for the health and safety of our people.

There should be no illusions about the difficulties involved in advancing this agenda. The potential payoff is high, however, and will translate into jobs and economic opportunity not only for Americans and Europeans but for billions around the world. Germany and the United States must lead this effort.

“The potential payoff is high, however, and will translate into jobs and economic opportunity not only for Americans and Europeans but for billions around the world.”

INDUSTRY PANEL
EXCLUSIVE INTERVIEWS

FLEMMING B. BJOERNSLEV (FBB)
President & CEO, LANXESS Corp.

LANXESS CORP.
U.S. HEADQUARTERS: Pittsburgh, Pennsylvania
OTHER U.S. LOCATIONS: Arkansas, New Jersey, North Carolina, Ohio, South Carolina, Texas
EMPLOYEES: U.S. ~1,000, worldwide ~17,000

CARSTEN MEYER-RACKWITZ (CMR)
President, tesa North America

TESA NORTH AMERICA
U.S./CAN HEADQUARTERS: Charlotte, North Carolina
OTHER U.S. LOCATIONS: California, Michigan
EMPLOYEES: U.S./CAN: 161, worldwide ~3,900

LUDWIG WILLISCH (LW)
President & CEO, BMW of North America

BMW OF NORTH AMERICA
U.S. HEADQUARTERS: Woodcliff Lake, New Jersey
OTHER U.S. LOCATIONS: California, Florida, Georgia, Illinois, Maryland, Mississippi, Ohio, Pennsylvania, South Carolina, Utah, Washington, Washington DC
EMPLOYEES: U.S. ~9,300, worldwide ~101,300

ROLAND ZITT (RZ)
President, MAHLE Industries, Inc.

MAHLE INDUSTRIES, INC.
U.S. HEADQUARTERS: Farmington Hills, Michigan
OTHER U.S. LOCATIONS: Arkansas, Iowa, Michigan, Mississippi, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas
EMPLOYEES: U.S. ~5,000, worldwide ~65,000

Which strategic decisions have you taken in the course of this year?

FBB: Catering to the mobility megatrend, LANXESS Corp. has strategically invested in the automotive market. We hosted our inaugural Automotive Day Detroit conference, a platform for industry thought leaders to discuss mobility, lightweighting, and green tires. As another dimension of our automotive OEM initiative, we have invested in Tech Day events, showcasing lightweight technology innovations for engineers designing next-generation vehicles. In the area of tires, we're aligning with tire manufacturers to bolster preference for high-performance tires among Americans. Additionally, LANXESS, as a Responsible Care company, has committed to the Product Safety Code, together with the American Chemistry Council, while embarking on the Xact safety program to take our already robust safety culture and propel it to become a world-class best practice.

CMR: We are continuously updating our strategic orientation. In 2013, this led to additional new focus fields and comes consequently with supporting investments in our organization.

LW: We have continued to grow the BMW Group business in the U.S. and in the Americas with new product launches and with a major push into the realm of sustainable e-mobility. We also continue to address changing customer needs by further expanding our product offering into new vehicle segments and by focusing on Customer Orientation throughout all facets of our business. At our plant in Spartanburg, SC, we have invested an additional $6 billion since our initial $300 million investment in the early 90s. We have now expanded the facility to the point where our annual production is over 300,000 BMWs. Today, we are proud that the BMW plant supports the local economy to the tune of $8.8 billion per year and provides the basis for 31,000 jobs throughout South Carolina.

RZ: 2013 has been an important year for our company, as we have grown through the acquisition of the majority ownership of Behr GmbH & Co. KG, which enhances our product offering with automotive air conditioning as well as heating and cooling for lithium-ion batteries which are used in BEV (Battery Electric Vehicles) and Hybrids. We also continued our high investment in R&D and innovation in all of our core competencies. Our ten research and development hubs continue to generate considerable results, and we have facilitated direct investment and expansion of our operations.

In which way have those decisions influenced your headcount?

FBB: While these decisions have taken place with a relatively headcount neutral backdrop, LANXESS has placed great emphasis on investing in our employees. This is exemplified by such programs as our signature LANXESS Business Academy, a rigorous leadership development program with curriculum to foster leadership qualities, enhance skills, and bolster succession planning efforts.

CMR: As tesa focuses on productive and constructive business, new activity fields require investments where we expect pay off only over the years. Consequently, the strategy update led us to increase headcount.

LW: The BMW Group in the U.S. has managed its workforce to support changing and evolving priorities. For example, as we continue to expand our production capacity at our plant in SC we will continue to adjust our workforce appropriately. Today we employ over 7,000 people at our facility and produce over 300,000 vehicles, 70% of which are exported to other global markets. This facility is the second largest BMW Group manufacturing site in the world behind our plant in Dingolfing, Germany.

RZ: Talent and our human capital are among our most important assets. In the past year we have seen moderate growth in headcount as automation increases, but also changes to the prerequisites for employee skills. The high level of technological demands most often requires in-house training.

How would you summarize your company's performance so far for this year?

FBB: For LANXESS, 2012 was a record year. This year, we have seen our global sales performance decrease by 12%, as of the Q2 earnings report. While we are coping with the difficult European economy and weakening demand in the automotive and tire industries in some areas of the world, the overarching megatrends that our portfolio of 3,000 products serve remain intact. The areas of mobility and agriculture in particular, along with the competitive energy landscape in the U.S., are especially positive for our business.

CMR: tesa tape inc has had a very successful 2013. Growth comes from all focus fields, be it automotive, the paper&film industry, or appliances. In addition, our distribution network and the economy support our growth even in the many less concentrated industries.

LW: The automotive sector in the U.S. remains strong and yet, it is competitive like never before. We have introduced more new vehicles over the course of this year which has driven sales including the expansion of our 3 Series lineup, our 4 Series Coupe and Convertible, a new X5 and also a new MINI Paceman. As a result of this approach we anticipate that for 2013, the BMW Group will have an all-time record sales year in the U.S. and will once again be the number one premium auto manufacturer in sales, both in the Americas and in the world.

RZ: While there are still some uncertainties in the heavy duty market, our company has performed reasonably well. We have been for many years one of the leading global development partners for the automotive and engine industry as our strategic goal is to be globally in the "Top Three" in any of our core products. Our strong portfolio of unique systems competence in the combustion engine and engine peripherals has expanded even more and we are confident to build on this year's performance.

What do you perceive as the biggest challenge for your company in 2014?

FBB: One of the most significant challenges we see heading into 2014 is the gridlock in American politics and policy. As a leading specialty chemicals company, LANXESS is urging support for The Chemical Safety Improvement Act (S. 1009), which will modernize the Toxic Substances Control Act (TSCA) that has not been updated for nearly 40 years. Additionally, we echo the National Association of Manufacturers' (NAM) support of the Transatlantic Trade and Investment Partnership that addresses a broad range of bilateral trade and investment issues between the United States and the European Union. And, we see immigration reform as one of the most significant priorities for industry leaders and politicians to address as we look ahead.

CMR: The economic environment is still on a fragile path with a lot of unforeseeable risks all over the world. Flexibility to act and react fast and precise to those changes on a global level is an ongoing challenge. We have hired significantly more than over the last years and integration of those individuals plus the intense training program forseen require our lean organization to go some extra miles.

LW:

- Continued hyper-competition in the marketplace with an array of compelling products for customers to choose from.
- Sustained global economic growth to ensure the financial health of all markets where we sell our products.
- Anticipating changing customer expectations that focus on increased sustainability and customer service

With that said, the BMW Group is very well positioned to meet these challenges with new products that continually raise the bar in terms of performance, aesthetics, and sustainability. We are also very well positioned in managing our business to ensure the profitability of our company and our dealers, as we have successfully done through the recent market downturn. We are also well on our way in realizing our vision of sustainable mobility with the launch of our innovative BMW i brand.

RZ: We believe that challenges are often synonymous with opportunities to run our business better. We will continue to reduce costs in order to deal with the ongoing price pressures and to remain competitive. The recent assumption of entrepreneurial leadership for Behr GmbH & Co. KG, with sales of globally approximately €3.6 billion and 17,000 employees, and in North America sales close to $1 billion and 2,600 employees, bringing the North American headcount above 10,000 employees, will bring challenges and opportunities which will be dealt with in 2014.

What do you most appreciate about the U.S. as an investment location?

FBB: As a multi-national organization, LANXESS has operations that span the globe. Looking at the U.S., this region boasts a competitive edge for investment due to our projected long-term stable growth, the "manufacturing renaissance," and ultra-competitive energy prices we see as a result of the shale gas boom, abundant natural resources, and a skilled workforce. For LANXESS, the U.S. market is well-positioned for continued growth and investment.

CMR: We would highlight three factors: we have a team of highly motivated people, always having a can-do attitude. And we are fortunately in a position to attract enough such new talents to support our growth. Then, the business environment, from legal framework to support with investments, is very positive for industrial production. And, finally, the outlook for the U.S. as a production hub is very positive for a long period of time ahead. Building on expected low energy costs and qualified labor, we assume the U.S. will increase its role on a worldwide scale.

LW: The U.S. is the largest premium vehicle market in the world and one of the most important markets for the BMW Group. With its relative economic health over other global markets and double-digit growth of the automotive sector, the U.S. is a significant contributor to our global sales and our profitability projections for this year. In addition to being a market of over 350,000 sales for our company, the U.S. is an important center of innovation and inspiration for the BMW Group.
Beyond supporting our sales and production goals, our investment in the U.S. also includes a much larger company foot print including 24 company locations in total. These include design, technology and engineering centers, our parts and vehicle distribution locations, training and regional sales offices, and a joint venture carbon fiber manufacturing center in Washington State. Add to this our 630 dealers and network of supplier partners and the BMW Group supports approximately 60,000 jobs in the U.S.

RZ: Above all, the ease of doing business in the United States compared to other nations in the world. Also, we feel that employee attitude is excellent and we appreciate our ability to deal with employees one-on-one with an open door policy.

TALKING POINTS

THE U.S. IS TO REMAIN AN ATTRACTIVE INVESTMENT LOCATION FOR GERMAN COMPANIES IF...

... the U.S. economy generates growth, boosting demand for products and services.

... U.S. fiscal and budgetary issues are addressed.

... STEM skills are fostered, starting with K–12 education.

... wages, especially in manufacturing, remain globally competitive.

... TTIP negotiations move forward with a focus on tariffs and regulatory cooperation.

GACC AWARD

GACC Award
Trainer of the Year

For the second time, the German American Chambers of Commerce are presenting the GACC Award, recognizing outstanding German subsidiaries that demonstrate excellence in workforce training by fostering advanced skills and competence development, especially in young people.

At 7.9%, Germany has the lowest youth unemployment rate of any industrialized nation in the world. This is largely a result of the traditional German vocational training path, chosen by 55% of all school graduates.

Opportunities to gain specialized technical skills significantly improve job prospects. High-level vocational training offers students viable leads to advanced employment positions and provides companies with a powerful tool for filling workforce needs across a spectrum of specialties and positions.

Sponsored by FESTO, the **Trainer of the Year** receives the GACC Award on Dec. 16, 2013, in New York City. The ceremony is part of a presentation of the German American Business Outlook, an economic survey conducted by the German American Chamber network in Atlanta, Chicago, Detroit, Houston, New York, Philadelphia, San Francisco, and Washington, DC.

Thank you to our GACC Award Sponsor

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AWARD JURY 2013

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THOMAS A. DIPRETE
Professor of Sociology, Columbia University; Board Director, CAPSEE (Center for Analysis of Postsecondary Education and Employment), New York, NY, USA

FRIEDRICH HUBERT ESSER
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KATHERINE S. NEWMAN
Dean, Krieger School of Arts and Sciences, Johns Hopkins University, Baltimore, MD, USA

YORCK SIEVERS
Director, AHK Vocational Education and Training, DIHK – Association of German Chambers of Industry and Commerce, Berlin, Germany

RICHARD ZOLLINGER
Vice President for Learning, Central Piedmont Community College, Charlotte, NC, USA

GACC AWARD

THE WINNER: Mike Bryan, Bosch Rexroth Corporation

MIKE BRYAN, Training Specialist

- 32 years as a Bosch associate
- trained 769 trainees to this date

Rexroth
Bosch Group

Bosch Rexroth Corporation
US Headquarters
14001 South Lakes Drive
Charlotte, NC 28273
www.boschrexroth-us.com

JURY STATEMENTS:

"Mike exemplifies the role of a leader in the apprenticeship movement by bringing his foresight and expertise to industries and to the community."

When Mike Bryan was asked to design, develop, and start the Fountain Inn Apprentice Program, he had a vision for the future. He designed the program with a fabrication shop, machine shop, sign shop, and ensured its support to the engineering co-op programs. Consequently, the apprentice program is valued as a department that is a must-have support group at Bosch Rexroth: It provides trained skilled labor as well as value-added projects for the company's manufacturing groups.

Mike leads by example. He is a graduate apprentice from the Bosch Charleston apprentice program and he led that program for over 25 years before joining Bosch Rexroth in 2008. He brings a level of leadership to the apprentice program that earns him respect from the apprentices, the leadership and manufacturing associates within the plant as well as within the educational community.

Mike is actively engaged in growing STEM programs in the areas' schools. He has volunteered over 300 hours a year for 15 years to improve the educational tools for tomorrow's workforce. For example, he started a FIRST Robotics team in a small former cotton industry mill town. The schools in Laurens County School District 55 embraced the program, and it has grown into additional FIRST teams for the middle and elementary schools. Mike is also working to improve the classroom academics from Greenville Technical College. This includes bringing the class to the Bosch Rexroth campus, improving the time apprentices spend with their families, and providing a curriculum targeted to the manufacturing groups' equipment and processes. Mike is also developing future skilled labor and engineer candidates for Bosch as well as developing Bosch Rexroth associates for leadership roles as they mentor on the team.

Part of Mike's apprentice program is dedicated to promoting change. He is constantly looking for improvement areas in order to enhance the quality of the training and the graduates. He recently added a complex project that incorporates the CNC mill, systems thinking, assembly, improvement strategies, and team work. Its main focus is to put the Bosch Production System (BPS) principles into practice – and to manage change based on BPS.

Mike is an excellent team player as well as a team leader. During his 32 years with Bosch and Bosch Rexroth, he has developed strong partnerships within the Bosch network, educational communities across the state, the FIRST teams, and various levels of federal, state, and local governments. He is often called on by these partners for support and to serve as an advisor or mentor.

Mike's vision is the long-term success of these educational areas within Bosch as well as in the communities Bosch's various facilities are located in. Through his tireless commitment, he has been able to build teams within the business community to bring additional assets and resources to schools and he gladly shares the spotlight with those business leaders. Today, he deserves this spot all to himself. Congratulations to 2013's GACC Trainer of the Year, Mike Bryan!

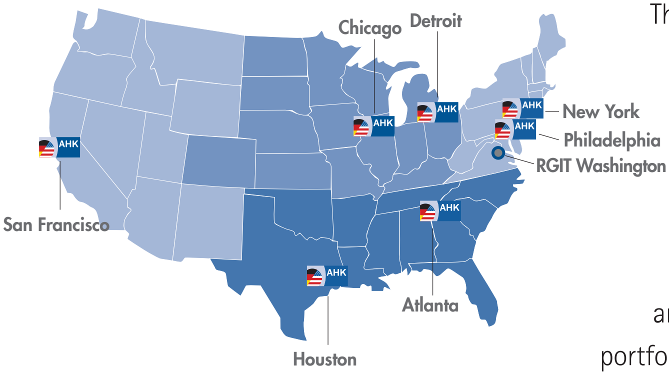
"The sheer scale of his work with apprentices is remarkable and his extension of these innovations to middle schools – especially in robotics – is very promising."

"He has been an apprentice himself and has climbed the ladder - he knows the system inside out and how to improve it."

GACCs
GERMAN AMERICAN CHAMBERS OF COMMERCE

AHK German American Chambers of Commerce Deutsch-Amerikanische Handelskammern

The German American Chambers of Commerce (GACCs) in Atlanta, Chicago, Detroit, Houston, New York, Philadelphia, and San Francisco all work together under the network of the GACCs. With approximately 2,500 members and an extensive national and international business network, the GACCs offer a broad spectrum of activities and services. Other German-American organizations and chapters are affiliated with the GACCs.



The Chambers of Commerce abroad (AHKs) are closely connected to the Chambers of Industry and Commerce (IHKs) in Germany. The umbrella organization of the IHKs is the German Association of Chambers of Industry and Commerce (DIHK), which speaks for 3.6 million business enterprises in Germany and also coordinates and supports the AHKs.

The German Chamber Network (AHK) provides experience, connections, and services worldwide through 120 locations in 80 countries. The service portfolio of the AHKs is unified worldwide under the brand name DEinternational. The AHKs cooperate closely with the foreign trade and inward investment agency of the Federal Republic of Germany – Germany Trade & Invest (GTAI). **www.ahk-usa.com**

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RGIT
REPRESENTATIVE OF GERMAN INDUSTRY AND TRADE

The Representative of German Industry and Trade (RGIT) is the Washington, DC liaison office of the Federation of German Industries (BDI) and the Association of German Chambers of Industry and Commerce (DIHK). RGIT's mission is to foster free trade and a welcoming business environment on both sides of the Atlantic to achieve sustainable growth, jobs, and innovation for the German-American economic relations. Founded in 1988, RGIT is supported by Germany's Federal Ministry of Economics and Technology and serves as the voice of German Industry and Trade towards U.S. politics, American business organizations, and the general public. RGIT is part of the AHK USA network and cooperates closely with Germany Trade & Invest. **www.rgit-usa.com**

Dr. Thomas Zielke – President and CEO, Representative of German Industry and Trade
Thomas Zielke was appointed to the position of Representative of German Industry and Trade (President of RGIT) in January 2011. Since 2013, he also represents the Alexander von Humboldt Foundation's German Chancellor Fellowship Program in the field of business as Program Ambassador in the US. Thomas studied Law and Political Sciences in Bonn, and upon graduating at the University of Tübingen in Germany with the title of Doctor of Jurisprudence he was admitted to practice before the District Court of Düsseldorf in 1992. He joined the German Federal Ministry of Economics and Technology (BMWi) in 1993 where he promoted foreign investment into the new German federal states (the former East Germany). In 1998 he became the German Delegate to the Administrative Committee of the EU-SME Multiannual Program in Brussels. From 1997 to 1998 he was appointed as First Secretary in the German Permanent Mission to the United Nations in New York, Economic Department. From 2002 to 2008 he served at the German Ministry of Economics and Technology in Berlin as Director of Communication. In 2009, he became Director of Public Relations and Deputy Representative at RGIT Washington DC. He has authored a broad range of publications on topics ranging from trade policy to innovation initiatives and legal basis for airport use.

ROLAND BERGER
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Roland Berger Strategy Consultants, founded in 1967, is one of the world's leading strategy consultancies. With around 2,700 employees working in 51 offices in 36 countries worldwide, it successfully operates in all major international markets. Roland Berger Strategy Consultants advises major international industry and service companies as well as public institutions. Services cover all issues of strategic management – from strategy alignment and new business models, processes and organizational structures, to technology strategies.

Roland Berger is an independent partnership owned by around 250 partners. Its global Competence Centers specialize in specific industries or functional issues. Interdisciplinary teams are handpicked from these Competence Centers to devise tailor-made solutions. At Roland Berger, consultants develop customized, creative strategies together with their clients. Providing support in the implementation phase is particularly important, because that's how real value for clients is created. The firm's approach is based on the entrepreneurial character and individuality of its consultants – "It's character that creates impact."

SURVEY PRESENTATION:

Marc Winterhoff is Senior Partner and head of the North American Automotive Practice of Roland Berger. Winterhoff studied electronic engineering and business in Darmstadt, and started his career in the software industry in the United States. He then worked for Arthur D. Little for over 11 years, focusing on the automotive industry. In 2007 he became head of the company's European automotive business and in 2010 was appointed Global Head of Automotive. He has worked extensively for most of the leading European premium and volume car manufacturers on key strategic topics. His functional focus is on sales and marketing, business model innovation, and future of mobility. He joined Roland Berger in October 2011 and took over his responsibility for the North American automotive market beginning January 2012. **www.rolandberger.us**

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Skills Initiative

The Skills Initiative

German Investment in the United States

- Foreign investors from Germany – the largest European economy – have long maintained a strong presence in the United States. Today, more than **3,500 German companies** – not only large multinationals but also small and medium-sized businesses – have investments in the American market.

- German business investment in the US market reached USD 216 billion as of year-end 2011, comprising 8.6 percent of the total USD 2.5 trillion invested in the US economy by foreign companies. German businesses have created approx. **600,000 jobs** in the United States.

- German companies have identified job skills as a key challenge to their success here in the US. The German Embassy thus started its "**Skills Initiative**" to identify and share information about best practices in sustainable workforce development, in cooperation with German companies investing in the US.

- German companies are well placed to undertake this effort because they are familiar with Germany's first-class vocational education and training system. It is called the **dual system of vocational training** and is a major reason for Germany's economic success. It provides sound qualifications through its unique combination of theory and practice, learning and working, thereby offering a highly attractive and recognized training and career path after high school - as an alternative and at the same time complementary option to university education.

For more information, please go to www.Germany.info/skillsinitiative

The German Vocational Education and Training System

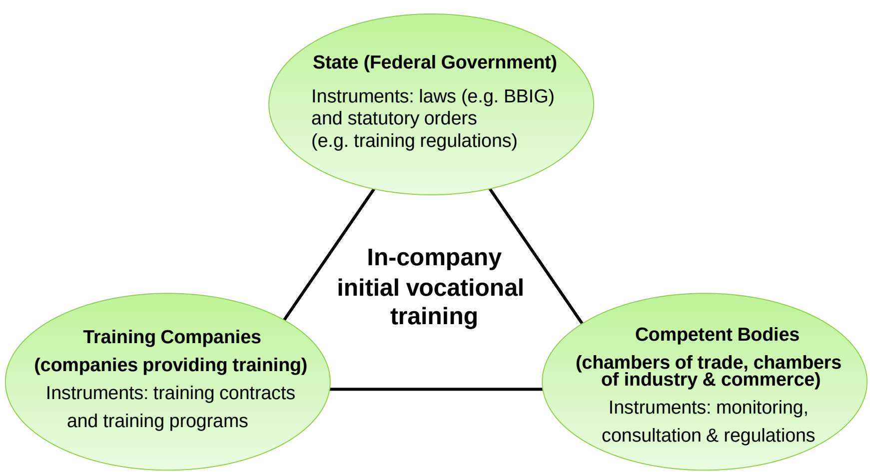
Around 60 percent of young people in Germany take part in the **dual system of vocational training.** The company provides practical training and vocational schools supplement this on-the-job training with theoretical instruction.

The German Dual System: Facts and Figures

- Approximately **350** nationwide recognized training occupations (270 in the fields of industry, trade and services)
- Around **1.5 million trainees** (**40 %** of whom are **female**)
- Approximately **469,000** companies provide training (about **22.5%**)
- **Exams** are generally required and supervised by the **Chamber of Industry and Commerce**
- The dual system is **business-driven and demand-oriented**
- **Financial burden-sharing**: Overall costs in 2010 approx. USD 41 billion, of which USD 31 billion are financed by companies (75%), USD 6 billion by the Federal Employment Agency (15%), and USD 4 billion by the German federal states (10%)
- **Gross costs** of a trainee per year: USD 19,850 (at German labor costs)

Steering of In-Company Vocational Education within the Dual System

according to the German Vocational Training Act (BBIG)



Ambassador Peter Ammon:
"Skills Initiative is a win-win idea. Everyone benefits. German-American cooperation in workforce skills development will provide opportunities in local communities across the USA for good jobs, quality training and businesses that succeed in the US and global markets."

The German Dual System of Vocational Education and Training

Two venues for learning

In the company	**At part -time vocational school**
	
	

The German Dual System: A Win-Win-Win Solution

1 - Benefits for Companies:

- Ideal tool for **personnel recruitment**
- **Consistent workforce quality** assured through comparable nationwide occupational, training and assessment standards
- Influence on **content and organization** of training

2 - Benefits for Employees:

- **Market-relevant, diversified training** improving chances in the labor market
- Acquisition of **social skills** within the real-life environment of a company
- Motivation provided through **training stipends** (earning and learning)

3 - Public Benefits:

- **Manufacturing sector** remains powerful driver of growth (share of manufacturing sector of GDP in GER: 23% vs. USA: 11%)
- Low **youth unemployment rate**: GER 7.9% (EU Ø 22.6%, USA: 16.8%)
- Private contribution eases the burden on public budgets

Embassy of the Federal Republic of Germany
2300 M Street NW
Washington, DC 20037
www.Germany.info/skillsinitiative

Our Services

- **Representation of interests, political consultancy and contact opportunities**

  Presenting position papers, monitoring and reporting, cultivating contacts

- **Service for companies**

  – Fielding general legal questions
  – Providing information and contacts regarding economic topics in the US

- **Briefings**

  For German visitors from business and politics

- **German American trade forum in DC**

  Discussions and lectures with German and American politicians and business leaders

- **German American Business Outlook**

  Annual survey and press conference on the economic situation of German companies in the US (in cooperation with the GACCs)

- **Trade Delegations**

  – Coordination of programs for delegates visiting political institutions in DC
  – Establishment of initial business contacts with the World Bank

Our Publications

- **Washington News**

  Weekly electronic publication on recent economic developments, available for subscribers in Germany and the US (in German)

- **Im Blickpunkt**

  Special reports on current economic topics of relevance for subscribers of the Washington News (in German)

- **Legislative and Regulatory Update**

  Gives an overview of new regulatory requirement of relevance to the German-American business community (in English)

- **Special Reports**

  Miscellaneous publication on important current issues for decision makers from associations and businesses (in German)

- **German American TRADE**

  Joint Publication of the German American Chambers of Commerce and the RGIT (in English)

Our Principals: BDI DIHK

Our Partners: AHK German American Chambers of Commerce Deutsch-Amerikanische Handelskammern

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The Representative of German Industry and Trade (RGIT)

is the Washington, DC liaison office of the Federation of German Industries (BDI) and the Association of German Chambers of Industry and Commerce (DIHK). RGIT is supported by Germany's Federal Ministry of Economics and Technology under the auspices of the Ministry's federal trade promotion agenda. RGIT's President is Thomas Zielke, who has served in this capacity since January, 2011.

RGIT fosters German-American economic and trade relations and represents the interests of the German business community in the United States. Moreover, RGIT conveys German industry's concerns and positions to the US Administration and Congress, doing so as the designated representative of Germany's leading industry associations. As such, RGIT works under an official mandate, issued by authorized representatives of the business community in Germany, to formulate political positions and to identify matters of concern to German industry and as warranted, to interact with US-based business enterprises, industry associations, and think tanks. RGIT cooperates closely with the German American Chambers of Commerce (GACCs), collectively operating as AHK USA).

Our Mission

- We represent positions and concerns of the German businesses before the US Administration and Congress as well as in judicial proceedings
- We report regularly to our principals, the BDI and the DIHK, as well as their respective members on political and economic developments and on legislative activities in the US
- We provide information and advisory services regarding current political and economic developments, in collaboration with the German American Chambers of Commerce
- We furnish our American partners with information about German business
- We represent the positions of the German business community before international organizations such as the World Bank and IMF
- We cooperate with American, European and other national business associations, the EU Delegation and the German Embassy in Washington, DC

Our Goals

Trade Policy: Fostering free trade between Germany and the United States to ease market access

- Eliminating trade barriers
- Improving the transatlantic economic integration
- Reducing burdensome import and export regulations

Economic and Location Policy: maintaining a stable business environment for German companies in the US

- Modernizing the American infrastructure
- Providing vocational education based on business needs
- Advocating for equal treatment of foreign and American investors

Business Law: Improving the legal framework for German companies in the US

- Maintaining the prevailing regulations for intellectual property
- Adjusting and simplifying standardization rules
- Advocating for non-discriminatory liability law

U.S. COMPANIES ARE IMPORTANT EMPLOYERS IN GERMANY

On the other hand there are numerous American companies that have been investing in Germany and that are of high importance for the German labor market. U.S. majority owned affiliates in Germany accounted for about 598,000 jobs in 2010. In the meantime they invested approx. $6.7 billion in research and development.

GERMANY IS THE 6TH LARGEST EXPORT MARKET FOR THE UNITED STATES

Germany was the 6th largest export market for the United States in 2012 with a total of $48.8 billion. Machinery and transport equipment accounted for the biggest export category ($23.9 billion), before chemicals and related products ($7.5 billion).

U.S. Commodities Exports by Country, 2012

Rank	Country	Export	Share (%)	Change 2012/11(%)
	Global:	$1.546,5 B	100,0	4,5
1	Canada	$291,8 B	18,9	3,9
2	Mexico	$216,3 B	14,0	9,5
3	China	$110,6 B	7,2	6,5
4	Japan	$70,0 B	4,5	5,9
5	United Kingdom	$54,8 B	3,5	-2,0
6	Germany	$48.8 B	3,2	-0,7

Source: U.S. Department of Commerce, U.S. International Trade Commission

For Germany, the United States was the second largest exports destination after France. With shipments totaling $108.5 billion, German exports grew by 10.3% compared to 2011. Nearly 60% of U.S. imports from Germany (U.S. $ 63.3 billion) were machinery and transport equipment.

U.S. Commodities Imports by Country, 2012

Rank	Country	Export	Share (%)	Change 2012/11(%)
	Global:	$2.275,4 B	100,0	3,1
1	China	$425,6 B	18,7	6,6
2	Canada	$324,2 B	14,2	2,4
3	Mexico	$277,7 B	12,2	5,5
4	Japan	$146,4 B	6,4	13,6
5	Germany	$108,5 B	4.8	10,3

Source: U.S. Department of Commerce, U.S. International Trade Commission

ABOUT RGIT

The Representative of German Industry and Trade (RGIT) is the Washington, DC liaison office of the Federation of German Industries (BDI) and the Association of German Chambers of Industry and Commerce (DIHK). RGIT's mission is to foster free trade and a welcoming business environment on both sides of the Atlantic to achieve sustainable growth, jobs and innovation for companies involved in German-American economic relations.

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BDI DIHK

ABOUT GTAI

Germany Trade & Invest (GTAI) is the foreign trade and inward investment agency of the Federal Republic of Germany. The organization advises foreign companies looking to expand their business activities in the German market. It provides information on foreign trade to German companies that seek to enter into foreign markets.

Germany Trade and Invest
1776 I Street, NW, Suite 1000, Washington, DC 20006
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GERMANY TRADE & INVEST

SOURCES

U.S. Department of Commerce (2013) - International Trade Administration, U.S. Census Bureau, Bureau of Economic Analysis. All information provided by RGIT and GTAI has been put together with utmost care. However we assume no liability for the accuracy of the information provided.

GERMAN-AMERICAN TRADE, INVESTMENT + JOBS

RG IT REPRESENTATIVE of German Industry + Trade

GERMANY TRADE & INVEST

- German Investment in the U.S. at $199 B
- 581,000 Jobs provided by German Firms
- Germany is 6th largest U.S. Export Market

GERMANY IS A SIGNIFICANT INVESTOR IN THE UNITED STATES

Foreign investors from Germany – the largest European economy – have long maintained a strong presence in the United States. German investment is highly sought after by state and local governments across the United States as it is associated with efficient technologies, a high degree of value added, and well-paid jobs. About 3,500 German majority-owned business operations are present in the U.S. As a whole, more than 4,300 companies in the U.S. benefited from German direct investment in 2012. The largest share of German capital went to U.S. affiliates of small and medium-sized enterprises.

Investment by German business in the U.S. market reached nearly $199 billion as of year-end 2012; comprising 8% of the $2.6 trillion foreign-headquartered businesses have invested in the U.S. economy. As such, Germany is the 8th largest foreign investor in the U.S. In comparison, China has invested just $11.4 billion (excluding Hong Kong) in the U.S. market. German investment focuses largely on manufacturing (around 34% in 2012), the information and media sector (21%) as well as finance and insurance (13%).

Foreign Direct Investment Position in the United States by Country as of Year-End 2012*

Rank	Country	Investment
		Total: $2,651 B
1	United Kingdom	$489 B
2	Japan	$308 B
3	Netherlands	$275 B
4	Canada	$225 B
8	Germany	$199 B

historical cost basis (book value) | Source: U.S. Department of Commerce

U.S. INVESTMENT AT $121 BILLION IN GERMANY

Germany – the largest consumer market in the European Union with a population of 82 million – is an attractive location for American businesses as well. U.S. direct investment in Germany totaled $121 billion as of year-end 2012, making Germany the 12th largest destination of U.S. direct investment abroad and the U.S. the largest non-European investor in Germany. The most significant U.S. investments are found in the manufacturing sector as well as in holding companies, finance and insurance.

U.S. Direct Investment Position Abroad by Country as of Year-End 2012*

Rank	Country	Investment
		Total: $4,453 B
1	Netherlands	$645 B
2	United Kingdom	$598 B
3	Luxembourg	$384 B
4	Canada	$351 B
12	Germany	$121 B

historical cost basis (book value) | Source: U.S. Department of Commerce

GERMAN AFFILIATES SUPPORT ABOUT 581,000 JOBS

German companies employ almost 581,000 workers, which is 3rd after British and Japanese affiliates in the United States. German businesses account for a good 10% of the 5.6 million insourced jobs in the U.S. in 2011.

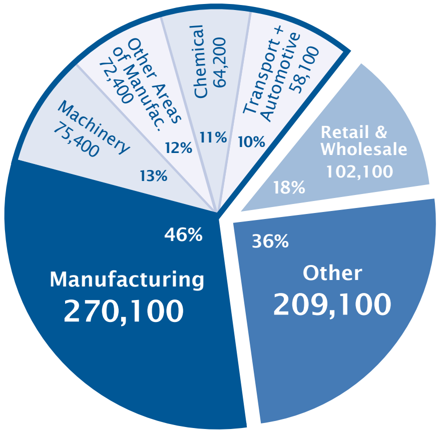
Insourced Jobs by Foreign Affiliates, 2011

	Country	Jobs
1	United Kingdom	943,500
2	Japan	686,600
3	Germany	581,300
4	Canada	546,900
5	France	524,400

Source: U.S. Department of Commerce

Almost half of the jobs created by German affiliates are in manufacturing. Among foreign affiliates in the U.S., German companies provide the 2nd highest number of jobs in this sector. German businesses therefore play a key role in U.S. efforts to strengthen their industrial base.

Employees in German Majority-Owned U.S. Affiliates, 2011



Source: U.S. Department of Commerce

Important investment centers of German business are California and Texas. German companies also employed more than 25,000 people in Pennsylvania, Illinois, New York State, Ohio, Michigan and North Carolina respectively.

Employees in German Majority-Owned U.S. Affiliates, 2011

	State	Employees
1	California	57,500
2	Texas	37,500
3	Pennsylvania	34,300
4	Illinois	33,500
5	New York	33,400

Source: U.S. Department of Commerce

SELECTUSA

A Strong Partner for Your Community

U.S. economic development organizations (EDOs) have a powerful partner to support their efforts to attract, retain, and expand business investment in the United States—SelectUSA.

Located within the U.S. Department of Commerce, SelectUSA is the first-ever federal-wide initiative to promote and facilitate business investment in the United States. SelectUSA exercises complete geographic neutrality and represents the entire United States.

EDOs can rely on SelectUSA as a single point of contact at the federal level in providing assistance to firms. SelectUSA coordinates business investment-related resources across all agencies of the U.S. federal government. SelectUSA provides comprehensive information on establishing and operating a business, information on federal programs and services available—including grants, loans, and other assistance programs, and the competitive and regulatory landscape of doing business in the United States. SelectUSA connects firms with EDOs in U.S. regions, states, and cities.

SelectUSA works in partnership with EDOs in the following ways:

A Global Platform

SelectUSA is part of the International Trade Administration's U.S. Commercial Service (CS), which has offices in over 70 countries around the world. Through SelectUSA, EDOs can leverage this network to support their own foreign direct investment (FDI) attraction efforts. In coordination with SelectUSA, CS staff can draw upon their market knowledge and business relationships to develop a customized scope of services—including business/government meetings, briefings, events, and other activities—to support in-market promotion efforts.

A Counselor

As subject-matter experts, SelectUSA staff can help EDOs successfully recruit and retain investment. For example, SelectUSA can share best practices with EDOs on how to improve their own FDI attraction efforts and create and implement an investment strategy. SelectUSA counsels EDOs on FDI trends, effective outreach methods tailored for specific overseas locations, and marketing strategies to promote their location to foreign investors.

An Ombudsman

SelectUSA works to address issues involving federal rules, regulations, programs, or activities related to existing, pending, and potential investments. Working with SelectUSA, EDOs can develop a better understanding of how to help companies navigate U.S. regulations.

An Advocate

U.S. cities, states, and regions have a strong legacy of pursuing and winning business investment projects. SelectUSA helps level the playing field for U.S. EDOs competing with foreign locations for investment projects. With SelectUSA, EDOs now have an advocate at the national level to help attract, retain, and grow investment in the United States.

Contact SelectUSA Today

To find out more about SelectUSA and its services, visit ***SelectUSA.gov*** or call (202) 482-6800.

1207-02-01

SELECTUSA®
2013 INVESTMENT SUMMIT
Washington, DC | October 31-November 1

A Strong Commitment to Investors

On October 31 and November 1, 2013, President Barack Obama made it clear that the United States is not only "open for business," but warmly welcomes foreign investors to operate in our transparent, stable and open market.

Foreign investment attraction and facilitation is a core Presidential priority, with responsive, global teams working directly with investors. SelectUSA is providing world-class services for international firms and U.S. economic development organizations (EDOs).

A Full House – Confidence in U.S. Market High

Fully sold out, with more than 1,300 participants, the SelectUSA 2013 Investment Summit welcomed a diverse mix of global investors, U.S. EDOs, government officials, U.S. companies, and business associations.

- More than 650 international participants from 60 different markets seeking contacts, deals, and answers.
- Over 200 EDOs from 48 states, 4 U.S. territories and the District of Columbia offering incentives, opportunities, and services.
- More than 70 U.S. Government officials from 16 different agencies answering questions about federal rules, regulations, and resources onsite.

Real Meetings About Real Deals

- Hundreds of private, one-on-one meetings scheduled through the Summit's online matchmaking platform.
- Hundreds more impromptu meetings were held on the tradeshow floor.

SELECTUSA

The SelectUSA Investment Summit is About Opportunity

The U.S. market presents an unparalleled opportunity for investors, and SelectUSA can help your business find the resources, contacts and answers you need.

Foreign direct investment (FDI) has long been and will long continue to be an **essential part of our economic future**. The U.S. government, as well as state and local governments across the country, understands that **FDI is about mutual success**: An investor who is successful in the United States employs more Americans and more people in their home country.

Commitment at the Highest Levels

"To all the business leaders here today and around the world: We want to be your partner in helping to write the next chapter in our history. We want you to join the generations of immigrants and entrepreneurs and foreign investors who have discovered exactly what it means when we say we are the land of opportunity."

-President Barack Obama

"We know that we need to move at your pace – the pace of business. We need to be outcomes-driven – helping more U.S. and foreign firms get the tools and information you need to invest here. My personal commitment to you right now is that we will do just that."

- Penny Pritzker, U.S. Secretary of Commerce

"No investment is about the past. It's about the future. So we're going to refuse to sit still. The world, as we all know, is getting more competitive, but so are we. Capital chases confidence, and I'm confident that we're going to continue to get stronger and be more effective."

- John Kerry, U.S. Secretary of State

"America has always been known as the land of opportunity—a place where you can make it if you try. And have no doubt, opportunity in the United States is very much alive and well. It is alive for our workers. It is alive for our businesses. And it is alive for all of you who want to invest here."

- Jack Lew, U.S. Secretary of the Treasury

www.SelectUSA.gov | Follow us on Twitter @SelectUSA

Investment Promotion Events

Established in 2011, SelectUSA is the first program to coordinate federal activities to attract, retain, and expand business investment in the United States. SelectUSA partners with state, regional, and local economic development organizations (EDOs) to expand U.S. business attraction and retention.

U.S. EDOs are invited to participate in any of the following events. Please connect with us if you are interested in learning more.

Multi-Sector Road Shows & Delegations

March 3, 2014

Japan SelectUSA Showcase & Reception

Tokyo | JAPAN

Hosted at the Ambassador's Residence, featuring top executives from leading Japanese companies, as well as senior representatives from the U.S. and Japanese governments. Kevin.Chambers@trade.gov

March 10, 2014

SelectUSA for Startups

London | UNITED KINGDOM

Focused on high-tech startups seeking to establish operations in the United States. Rebecca.Ruehlman@trade.gov

April 2-3, 2014

2nd Austrian Investment Forum

Vienna & Linz | AUSTRIA

Full-day seminars in Vienna and Linz. Opportunities to meet with 250 investors, industry associations, and others. Manfred.Weinschenk@trade.gov

April 14-18, 2014

Pearl River Delta SelectUSA Road Show

Hong Kong, Shenzhen, & Guangzhou | CHINA

Opportunities to engage directly with investors and officials, plus tours of cutting-edge manufacturing facilities. (Kaitlyn Hou) Yao.Hou@trade.gov

April 22-25, 2014

Council of American States in Europe (CASE)

Brussels | BELGIUM The Hague | NETHERLANDS Paris| FRANCE

Organized by CASE. (Ford Graham) fgraham@sccommerce.com

May 19, 21, and 23, 2014

Japan SelectUSA Road Show

Tokyo, Nagoya, & Osaka | JAPAN

Meetings with more than 250 investors, industry associations and other organizations. Kevin.Chambers@trade.gov

SELECTUSA

Multi-Sector Investment Missions (cont'd)

May 20-21, 2014

Mexico SelectUSA Road Show

Querétaro and Mérida | MEXICO

Two one-day seminars with potential investors in these dynamic economies.

Rebecca.torres@trade.gov

June 2-5, 2014

Council of American States in Europe (CASE)

Cambridge & Bristol | UNITED KINGDOM

Organized by CASE. (Ford Graham) fgraham@sccommerce.com

June 3-6, 2014

Russia SelectUSA Road Show

Novosibirsk, Moscow, St. Petersburg & Yekaterinburg | RUSSIA

Opportunities to connect directly with investors and industry associations.

Scott.Pozil@trade.gov

September 7 -12, 2014

Australia & New Zealand SelectUSA Road Show

Auckland | NEW ZEALAND Sydney, Melbourne & Perth | AUSTRALIA

Opportunities to connect directly with investors and industry associations.

Nathalie.Scharf@trade.gov

Targeted Industry Events

April 7-11, 2014

Hannover Messe 2014

Hannover | GERMANY

The world's largest industrial technology show. SelectUSA will host the USA Investment Center, featuring SelectUSA and U.S. EDOs. Ed.Fantasia@trade.gov

September 16-20, 2014

Automechankia

Frankfurt | GERMANY

The world's leading trade fair for the automotive industry. U.S. EDOs can participate with SelectUSA. Ed.Fantasia@trade.gov

Find us on Social Media

Connect with us through the "SelectUSA" group on LinkedIn and on Twitter at @SelectUSA. Want to get our attention on Twitter? Just mention us or use the hashtag #SelectUSA.