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Thanks to their innovation and technological prowess, German companies in the US have been strong drivers of economic growth. German investment in the US is over $400 billion, and German companies have created nearly 700,000 jobs. These numbers continue to grow as German-American cooperation finds solutions to common problems, advancing progress in areas such as automation and workforce development. Our apprenticeship initiatives including ICATT and MAT² allow us to introduce these solutions to more companies and regions, fostering job creation and market growth.

Companies on both sides of the Atlantic trust our organization to serve as a reliable partner in times of economic unpredictability. From market entry to technological innovation, GACC Midwest is committed to supporting the German Mittelstand.

We have seen significant German investments in the Midwest in the past year, bolstering the region’s reputation as an industrial innovation center. As the Chairman of GACC Midwest, I am proud of our strong network, and I look forward to another year of transatlantic growth and connection.
The past year has been full of positive growth for the German-American business community. 2019 brought increased membership, stronger transatlantic connections, and closer cooperation within our network.

As part of the Year of German-American Friendship, we hosted a Germany Week celebration in the heart of downtown Chicago. CEOs, ambassadors, scientists, artists and more mingled on Daley Plaza for an event that highlighted the best in German-American partnership.

Forging personal as well as professional relationships is a key mission we follow. Our teams and networks in Chicago and Detroit, as well as in our Chapters, have grown substantially to support our members to connect and cooperate. At the same time, we have widened our ties to our global and German Chambers of Commerce through more frequent exchanges. This way, we aim to ensure the most dedicated service to our members.

I thank you for your active membership with our German-American community and am excited to continue our dialogue and cooperation in 2020.
Dear Members and Friends of the German American Chambers of Commerce,

The year 2019 has been a memorable one for the transatlantic relationship. Over the course of the past 12 months, we have been celebrating Wunderbar Together, our yearlong initiative funded by the German Federal Foreign Office, implemented by the Goethe-Institut, and supported by the Federation of German Industries to highlight and strengthen German-American friendship and partnership. Germany’s deep ties to the U.S. have been on display in a series of events and exhibits taking place in all 50 states and revolving around business and industry, politics, education, culture, and science. Working with over 200 partners, we were able to showcase our close bonds in over 2,000 events bringing Germans and Americans together for mutual exchanges and discussions.

I would like to thank the German American Chambers of Commerce as well as all their members and friends for their support in helping to make Wunderbar Together such a huge success!
Transatlantic relations continue to be of unique importance. After all, no two regions are as closely intertwined through business, security, and politics as are Europe and the U.S. The economic relationship between the U.S. and Europe remains the single most important driver of global economic growth, trade, and prosperity. Given the inter-connectedness of our economies, it is concerning that the transatlantic relationship is experiencing a difficult phase.

Regarding economic policy, we see disagreements on a number of issues. In the area of trade, the escalating conflict between the U.S. and China is putting a strain on supply chains. Uncertainty about future trade rules is affecting investment decisions and prospects for growth. The future of the dispute settlement process at the WTO is in doubt and the threat of automotive tariffs still hangs over transatlantic trade talks.

In times like these, when open markets for trade and investment and rules-based trade relations are being challenged, we must continue to work together on a positive and pragmatic transatlantic agenda.

We must uphold our shared values, democratic norms and standards, and collectively push back against unfair trade and investment practices. Indeed, we should be setting the standards for fair and rules-based international trade. I am convinced that we can only do so if we join forces and act together. The benefits of mutual trade and investment are tangible and real.

This is where the German American Chambers of Commerce play an important role as a trusted partner to our business communities on both sides of the Atlantic. The GACCs promote German-American business relations and support trade and investment and are thus indispensable in strengthening transatlantic ties. I encourage all of you to engage even more actively in the current discussions. Your input is crucial in underlining our common interests and pointing out the risks arising from current global uncertainties. We must continue to concentrate on what unites us. After all, the United States and Germany are Wunderbar Together — strong friends and partners.

I wish you all the best and continued success in the upcoming year.

Emily Haber
Ambassador
THE GLOBAL ORGANIZATION

GACC Midwest is part of the German American Chambers of Commerce of the USA (GACCs), a nationwide network with six offices across the US. The GACCs have four main offices in Atlanta, Chicago, New York, and San Francisco, as well as branch offices in Detroit and Houston. The GACCs are also supported by a large network of Chapters and affiliates throughout the entire country.

We are also embedded into the global German Chamber Network (AHKs), which recently celebrated its 125th anniversary. With 140 locations in over 92 countries around the world, the more than 2,000 employees of the AHKs offer their experience, connections, and services to German and foreign companies in their host markets.

The AHKs are closely connected to the Chambers of Industry and Commerce (IHKs) in Germany. Together, they support German companies in their business abroad. The umbrella organization of both the AHKs and the IHKs is the German Association of Chambers of Industry and Commerce (DIHK). Furthermore, a close cooperation with trade associations in both Germany and the host countries strengthens the AHKs’ link to global markets.
GACC MIDWEST - WHO WE ARE

The German American Chamber of Commerce® of the Midwest (GACC Midwest), headquartered in Chicago with a branch office in Detroit, was founded in 1963. GACC Midwest fosters German-American trade by enabling members, partners and clients to achieve their business goals through its unique network, expert knowledge and culture of excellence. Our organization combines elements of a trade commission, a membership association, and a professional consultancy - quite a unique concept in international trade promotion.

GACC Midwest has more than 850 members across multiple industries. Based on the strong economic profiles of Germany and the Midwest, a majority of our members are active in the manufacturing, automotive, and energy industries as well as related sectors. Our territory covers 14 US states: the 13 states of the Midwest (Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin) and Colorado, comprising about one quarter of the nation’s geographical area, population, and GDP.

GACC Midwest’s headquarters, which we share with Germany Trade & Invest (GTAI), is located in the heart of downtown Chicago. Our Michigan office is located in Farmington Hills, just outside Detroit. GACC Midwest has three Chapters across the Midwest: Colorado, Minnesota, and Wisconsin.

In addition to our key partners, the Representative of German Industry and Trade (RGIT), Germany Trade an Invest (GTAI) and the Federal Ministry for Economic Affairs and Energy (BMWI), GACC Midwest is proud to work with many partners both in the Midwest and across the entire US that support our public mission of strengthening German-American relations.

Learn more about us online: www.gaccmidwest.org
Opened in 2013, the GACC Midwest's Michigan Office supports local companies with a dedicated team from our Farmington Hills office, just outside the Detroit.

The Michigan Office team has grown to 4 full-time staff members that serve our members in Michigan and the neighboring areas. The office is scheduled to expand even further in 2020. Services include economic development in and beyond the automotive industry as well as market entry consulting, including market research, partner identification, providing virtual offices in early stages of market entry, site selection for facilities, and MAT² apprenticeship program services.

Taking over the membership and events functions, the GACC Midwest team in the Michigan Office will also provide opportunities for networking and a curated annual industry event program.

Michigan has historically been an important state for German-American business. Almost 400 German companies already have operations in the strong manufacturing state, and Michigan attracted a record $1.2 Billion in German investment in the past year.
“Michigan is driven by technology and has an industry profile quite comparable to Germany. We keep expanding our Michigan Office since it serves a region where German companies continue to invest. Having a growing office there helps our staff support German businesses,” says Mark Tomkins, President & CEO, GACC Midwest.

German subsidiaries are the largest foreign employer in the Great Lakes State, employing approximately 37,600 Michigan residents. Thus, another focus for the GACC Midwest team is supporting German (and other) companies with apprenticeship programs to build their own workforce - first and foremost through the MAT² apprenticeship program. In October 2019, Michigan Governor Gretchen Whitmer came together with German Consul General Wolfgang Mössinger and GACC Midwest to discuss the strong ties between Germany and Michigan, including the successful cooperation in the sphere of apprenticeship programs. Read more about MAT² on page 32.

In 2019, the Michigan Office facilitated programs in the following industries:

**Lightweight Materials & Technology**
Working together on the future of the automotive industry and beyond, our lightweighting programs foster German-American cooperation in cutting-edge manufacturing. Read more on pages 66-67.

**Battery Manufacturing**
Our activities in the battery industry brought together German and American industry leaders to find innovative solutions in battery production technology. Read more on page 65.

**High-Tech Apprenticeships for an Industry 4.0 World**
As manufacturing is transitioning into an ever-more complex industry, our program explored how high-tech apprenticeships can support the new employment needs. Read more on pages 34-35.
Traditionally strong in food production and manufacturing, paired with a talented workforce and outstanding infrastructure, the Midwest is an attractive investment destination for German companies. Alongside the GACC Midwest headquarters in Chicago, Illinois, and its branch office in Michigan, three local Chapters support our mission.

Located in Colorado, Minnesota, and Wisconsin, our Chapters facilitate and advance German-American business opportunities and relationships, all while providing insight into German cultural traditions and values in their respective states.

Since the Midwest holds several areas with some of the highest concentrations of German subsidiaries in the US, our Chapters help us provide better service to and host more local events and initiatives for our members across the entire Midwest.

Learn more about our Chapters’ work on the following pages.
WE ARE GLOBAL EXPERTS.

Global Solutions from a Local Insurer.
As an experienced industrial insurer with a tradition spanning more than a century, we pride ourselves on being a trusted and reliable partner by offering tailored programs to meet the evolving needs of our clients. With an international network of local insurers in more than 150 countries, we have the global reach and local expertise to connect you to the world.

www.hdi.global
The Colorado Chapter of the German American Chamber of Commerce is the largest European Chamber in Colorado with its 135 members. Thanks to its growing network and staff, the Chapter has had the capacity to host an impressive number of formal dinners, luncheons, and industry-specific networking events.

The Colorado Chapter’s German American Agri-Tech Symposium addressed critical questions on the future of agriculture with the help of 14 diverse speakers from both Colorado and Germany. The Chapter was honored to have the Symposium supported by the Wunderbar Together initiative and the Transatlantic Agricultural Dialogue. The 2019 Symposium marked the third iteration of the Colorado Chapter’s German American Business Series, which focuses on inciting transatlantic dialogue, exchange, and action within industries important to both Colorado and Germany.

At the end of August 2019, the Chapter hosted a delegation of representatives from the North Rhine-Westphalian government to create closer economic and diplomatic relations between Colorado and North Rhine Westphalia.
2019 also marked the opening of Viega LLC’s new headquarters in Broomfield, Colorado. A corporate member of the GACC-CO, Viega is an international market leader in plumbing and HVAC solutions that employs over 600 people in North America.

Aside from the Chapter’s longest annual cultural event, the Denver Christkindl Market, further opportunities for cultural and artistic exchange between Colorado and Germany were hosted in 2019. In April, the GACC-CO proudly sponsored a collaborative concert between the Denver Philharmonic Orchestra and the Bavarian Philharmonic Chorus.

In 2020, we look forward to realizing the 4th German American Business Symposium, inspiring dialogue and transatlantic connections in the realm of outdoor sports & recreation – an industry dear to Coloradans and Germans alike.

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**Board of Directors, Colorado Chapter**

Peter Einsle | President

Stefan Garbade

Dr. Martin Keller
**National Renewable Energy Laboratory, Director**

Tripp Lake
**Lewis, Brisbois, Bisgaard & Smith LLP, Partner**

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Honorary Consul for the Federal Republic of Germany in Colorado and Wyoming

Gregor Vogrin
**GCI Management LLC, Managing Partner**

Jesse Young
**US Bancorp Investments, Inc., Wealth Management Advisor**

Isabella Zaczek
**IZ Consulting, Owner**
The Minnesota Chapter of the German American Chamber of Commerce of the Midwest had an exciting year providing numerous business and networking opportunities for its members and extended network.

Our Spring Euro-Cocktail, in cooperation with the other European-American Chambers of Commerce in Minnesota, was held at the Urban Eatery in Minneapolis and was a wonderful evening for networking with an attendance of over 120. April was exciting as we partnered once again with the Germanic American Institute for a symposium on apprenticeships.

We have also embarked on a multi-year project, based on the ICATT Apprenticeship Program, to help expand those opportunities in Minnesota. We also welcomed the Transatlantic Cluster Initiative on Food Processing which brought together leading German and US industry clusters to promote knowledge through exchange.

The highlight event of the year, our annual “Stern des Nordens” Gala, celebrated Allianz Field, the new soccer stadium in St. Paul, and how soccer has become increasingly popular in Minnesota and a powerful source of revenue. Our keynote Mark Ritchie, former Secretary of State and current President of Global Minnesota,
spoke on the healing powers of soccer and its impact on the world.

In addition to our annual events, we successfully introduced a new regularly recurring event, our Meet & Greet Business Networking, with the intention of providing additional networking opportunities for our members and to introduce new members. Choosing a new micro-brewery for each event date has proven to be highly popular with our guests.

In the fall, we hosted our 4th Annual GACC Golf Tournament at Crystal Lake Golf Club in Lakeville. As our tournament continues to grow in popularity every year, it has become one of our signature events and a member favorite.

In November, 80+ members and non-members alike gathered at the University of St. Thomas for an exciting panel discussion on trade and commerce between the European Union and Minnesota, and in particular Germany, led by Dr. Krumpholz from the German Embassy in Washington.

Finally, our Annual Meeting & Holiday Dinner returned to the Germanic American Institute for an evening of traditional German fare, music, and camaraderie.
In recent years, the State of Wisconsin has seen tremendous investment by international companies. One of the largest projects was the investment of German candy-maker Haribo, who is opening a production facility in Pleasant Prairie, WI. For their outstanding work with regard to foreign investment, the Wisconsin Economic Development Corporation was honored with the German American Business Award for Excellence in Economic Development.

With a growing economy, skilled workforce development has been a powerful topic in Wisconsin. The ICATT Apprenticeship Program continues to grow in Wisconsin, with six new apprentices starting at five ICATT Network Companies this year alone. Network company Hermle USA broke ground on an expansion of their location in Franklin, WI, which will include a dedicated apprenticeship training space for its future apprentices.

For its signature summer favorite, the German Fest Reception in July, the Chapter welcomed 80 friends, family, and colleagues of members and non-members alike to Milwaukee.
With a grand venue like Milwaukee German Fest, one of the largest German festivals in the US, all of the guests felt like royalty in the private rooftop setting. A special addition to the festivities this year was a surprise visit from the Rheinischer Karneval Verein of Chicago.

This holiday season, the Wisconsin Chapter celebrated the return of the second annual Christkindlmarket Milwaukee to the Fiserv Forum Plaza. This growing holiday market brought new vendors to town and attracted many visitors with its festive booths and boot-shaped collectible mug. The Christkindlmarket also offered the popular Stammtisch-option, a Christkindlmarket Chicago tradition, where members and locals gathered to enjoy the greatest time of year.

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**Board of Directors, Wisconsin Chapter**

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Ralf Schoenfelder  
Prince Minerals Inc., Global Managing Director
Both our Marketing & Communications and Membership & Events Departments work towards overall member experience and satisfaction. With a member-centric approach to all our activities, we aim to ensure that we offer the programming, information, and networking our community needs.

Digital and Personal Connections

Since our most recent membership survey, we have explored new platforms and expanded our interactive digital media portfolio with webinars, video promotions, white papers, social media campaigns, and more. We are also offering more industry as well as social events that include opportunities for members and non-members to connect. All of these activities are planned and executed together with our members — dynamic partnerships we value deeply.

In 2019, we welcomed many members to our office to host Lunch & Learn events for our staff. This opportunity allows for members to connect in-person with our staff at our office and educate them in person about their company, services and the challenges they face. This personal approach allows us to more closely connect with our members and to introduce and promote companies within our network better.

"As a National Partner, T-Systems greatly appreciates the networking and business development opportunities the GACCs provide. We are happy to have an outlet of other companies like us - with a German influence but a US base - to help us expand our business network and help our employees expand their professional networks."

Melissa Simon, Head of Marketing, T-Systems North America
It is through these connections that our staff can more effectively advocate on behalf of our members. For 2020, plans are underway to conceptualize events that foster new ways to engage. We already started the inaugural event of an annual series of new member receptions to help our new members kickstart connections within our network from 2019 onwards.

Networking Opportunities

As desired by our membership base, all our industry events have included more networking-opportunities. At the same time, our monthly events such as the Business Luncheon Series or the European Business Networkings explored multiple topics and new venues respectively. Networking highlights such as our Soccer Social and the Christkindlmarket Preview allowed members to get to know each other on a personal level.

The National Partner Program (NPP)

Alongside our chambers across the US, GACC Midwest continues to grow the National Partner Program (NPP). The NPP is a unique membership level for members seeking nationwide access and exposure. The program allows for the highest membership level at each individual chamber, ensuring that your company is afforded maximum benefits nationwide - all at a discounted rate. Additional advantages include the listing of multiple contacts in membership directories, logo placements on our websites, invitations to events nationwide, and business referrals across the US.

The NPP has grown to 38 partners since its inception in 2014. We are looking forward to building even stronger relationships with our National Partners in 2020.
“Through their groundbreaking technologies and commitment to professional excellence, German subsidiaries are a boon to the US economy. We are proud to honor companies that develop innovative technologies, deliver high quality services that boost business, and drive German investments in the US.”

Mark Tomkins, President & CEO, GACC Midwest

Historical Crossroads

Guests of the 2019 German American Business Awards discovered German-American success stories both past and present at the Chicago History Museum, a new venue for the German American Chamber of Commerce of the Midwest’s annual gala. The event welcomed over 200 guests from across the US and Germany celebrated the winners of this year’s awards next to artifacts from Abraham Lincoln and the Chicago World’s Fairs, giving attendees a chance to explore the museum’s exhibits as they networked with C-level executives from German-American companies.

Celebrating German-American Success

This year’s sold-out event celebrated three winners in Excellence in Innovation, Services, and Economic Development. The German American Business Awards constitute the highest accolades in transatlantic business and showcase the continued strength of German-American trade. German investment in the US in 2018 was $406 billion, and German companies have created close to 700,000 US jobs—just two examples of the enormous contributions German companies bring to the US economy. With Rommelag AG (Innovation), JKJ & H (Services) and Wisconsin Economic Development Corporation (Economic Development),
this year's winners came from across the US and exemplify excellence in the strong network of our 2,500 members.

**A Night to Connect and Share Stories**

The attending executives enjoyed the opportunity to network, get to know each other and their businesses, and explore how to cooperate more and better among themselves and with our chamber. After a German-inspired multi-course dinner, guests had the chance to win exclusive raffle prizes such as a signed jersey from member company and legendary German soccer club BVB Dortmund. At the end of a fun-filled event, our members outbid each other for the auction of a painting to benefit the German International School Chicago. We are happy to see German organizations come and work together for our thriving community.

The German American Business Awards gala was a night of celebration, innovation, and new connections that lead the way into another strong year for German-American business.

Find impressions from the event on our website.
MEMBERSHIP
NETWORK
MEMBERSHIP NETWORK
MEMBERSHIP NETWORK
GACC Midwest assists companies in the American Midwest and beyond with acquiring and growing their own qualified talent. Our efforts include our recruiting services focusing on bilingual employees as well as building and supporting German-style apprenticeship systems.

**Leadership for Apprenticeships**
We look forward to continuing our 2019 growth in 2020. One key to our success is our ability to leverage our network of Germany’s Chambers of Industry and Commerce, which manage Germany’s renowned Dual Education System, as well as other German Chambers Abroad, which are working to implement DIHK-certified apprenticeships in 35 countries. A great example of the network effect is our new Deputy Director of Apprenticeship Programs, Sascha Kuhn. He joined GACC Midwest after leading the German-Malaysian Chamber of Commerce’s apprenticeship programs.

**Apprenticeships Scaling Across the US**
In addition to our own programs, we are working to assist other programs to help German-style apprenticeships scale across the country. We were active in advising our colleagues at GACC New York.
on content and sustainable structures for their new program in New Jersey, and worked closely with GACC South to bring a new program to Dallas.

Outside the GACC network, we consult with groups from Florida to Los Angeles. Apprenticeships are still a relatively little-known career option in the US compared to in Germany. Through our work with ICATT, MAT², MAP² apprenticeship programs and others, we are working on raising the profile of this career path and helping high-tech companies from coast to coast build a sustainable pipeline of skilled talent.

**External Recognition of our Expertise**

The quality of our apprenticeship programs as well as our subject matter expertise is being increasingly recognized by external parties. JP Morgan Chase & Co. awarded the ICATT Apprenticeship Program with a $1.1 million investment to help us expand the program to other regions in 2019 and 2020.

Published White Papers

As a thought leader in how apprenticeships can support industries, GACC Midwest speaks at events and publishes white papers, such as “Make or Buy: The Classic Strategy Decision Applied to the Skills Gap.” The paper published by the Illinois Manufacturers’ Association addresses how apprenticeships can help the State of Illinois, in which 20,000 manufacturing employees are retiring and only 5,000 are entering the profession each year.

This and more resources are available on the ICATT website www.icattapprenticeships.com.
ICATT Continues Exponential Growth

GACC Midwest’s own ICATT Apprenticeship Program saw significant growth here in the Midwest. New companies joined our programs, and we expanded to new locations in Illinois and Omaha, Nebraska.

MAT² Apprenticeship Program, Michigan

In fall 2019, GACC Midwest was selected to take over complete management of the MAT² program after a successful year supporting the state of Michigan in program management. This is the culmination of the program’s original strategy to transition to private management after initial government support. MAT² also enjoyed a very successful year, with a record 54 apprentices being hired.

Train the Trainer

To support our flourishing apprenticeship programs, we established the "Train the Trainer" courses for anyone who mentors apprentices. Train the Trainer seminars help technical experts communicate and train more effectively by providing them with practical skills to transfer their knowledge and ensure effective learning. Demand for our Train the Trainer course grew significantly in 2019, with over 70 participants.
THE SKILLS GAP IS GROWING.

We have a strategy to close it.

The ICATT Apprenticeship Program helps high-tech companies tackle the skills gap by providing a workforce development strategy that creates a pipeline of talent over time. ICATT Apprentices are guaranteed to learn the skills that companies need and want.

Contact the ICATT Apprenticeship Program team for your free cost-benefit analysis.

ICATT APPRENTICESHIP PROGRAM

icattapprenticeships.com | 312-585-8348
Our apprenticeship programs include multiple aspects designed to build peer-to-peer connections. The Transatlantic Apprenticeship Dialogue is a multi-year program that focuses on just that: creating German-American partnerships in technical apprenticeship programs, building a strong foundation of career training collaboration. Over the course of this multi-year program, GACC Midwest is organizing encounters in both countries to encourage face-to-face discussions between trainers, educators, exam board members, and more.

**Building Lasting Relationships**

In 2018, Matt Erbach of Streamwood High School (IL) met Jan Kuenzel of technical school BBS Neustadt as part of the Transatlantic Apprenticeship Dialogue. They decided to connect their students for a joint project to manufacture personalized flashlights. The students are excited about working with international peers, and the first cooperatively made flashlights are expected next year.

**The 2019 Workshop in Michigan**

The 2019 programs connected US and German participants in both countries. At our workshop in Troy, MI, participants shared their experiences in providing leadership for an organization transitioning towards Industry 4.0 and discussed best practices for developing training plans, recruiting apprentices, and general implementation of Industry 4.0. On the following day, selected participants joined our German experts on visits to Brose North America, EMAG LLC, and Henry Ford College, to see the initiatives in practice.
The 2019 Study Trip to Germany

The 2019 program concluded with a study trip to Germany. The group of professionals from education, industry, and policy spent the week examining how the different players work together to keep apprenticeships relevant and practical in the changing manufacturing world.

From the newly introduced Industry 4.0 certifications, to the role of the German Chambers of Industry and Commerce (IHKs) as a strong intermediary, to practical examples at employers, the group made connections that we hope will inform and enable their next steps in bringing apprenticeships to an Industry 4.0 world.

Both 2019 programs within the Transatlantic Apprenticeship Dialogue were tremendously successful and enriching for all participants. Sharing perspectives from both sides of the Atlantic on aspects pertaining to apprenticeships in advanced manufacturing was a unique opportunity and will help build better options for workforce development and training.

Thank you to our workshop speakers:
Roland Biebl - ZF Friedrichshafen
Andreas Brockmann - Festo Didactic
Dr. Patricia Chatman - Henry Ford College
Jan Künzel - BBS Neustadt Technical School
Peter Loetzner - EMAG LLC
Pavan Muzumdar - Automation Alley

Thanks to the hosts of our study trip:
PAL / IHK Stuttgart
EMAG
Festo Didactic
Faber-Castell
Porsche Leipzig
DIHK

Coming Up in 2020

In 2020, GACC Midwest will organize two programs within the Transatlantic Apprenticeship Dialogue, each with a workshop and a study trip.

Program 1 (March and June) will bring German and American company and education representatives together and focuses on the role of educators. Program 2 (August and October) will focus on company training and will facilitate a German-American exchange of best practices and knowledge.

If you would like to get involved, host or participate in our program, please visit us online or contact Virginia Rounds at rounds@gaccmidwest.org

The Transatlantic Apprenticeship Dialogue is supported and funded by the German Federal Ministry for Economic Affairs and Energy through the European Recovery Program.

Supported by:

FEDE/CEC

on the basis of a decision by the German Bundestag
In addition to helping companies to develop their own skilled workforce, the Recruiting Services team at GACC Midwest supports German subsidiaries to find top talent for their US operations. In 2019, our search assignments covered a broad and interesting range of industry sectors - from Automotive to Lighting Design Software to Pick-by-Vision Intralogistics Solutions.

While many of our clients are seeking to fill open positions at their well-established US subsidiaries, we are always excited to help new market entrants from Germany hire their first US employees. Given the significant differences in both the recruiting process and employment markets between Germany and the United States, our clients who are new to the US market generally require support beyond finding top talent for their open positions.

Furthermore, we strive to educate companies in German-American business on topics related to the overall employment market as well as employee attraction, retention and engagement via webinars and special publications. To this end, we always welcome the opportunity to partner with experts from the GACC Midwest network - please connect with us if you would be interested in exploring a future collaboration on employment-related topics.
A day with us is never ordinary,
because WITTENSTEIN is an extraordinary company in so many ways. A pacesetter in mechatronic drive technology and an international group. We are also an independent family firm with the clear philosophy and values that are reflected in everything we do. Innovation is our passion, forging new paths and breaking new ground — that’s what drives us from day to day.

Learn more in our company brochure “24” at www.wittenstein-us.com.
SW NORTH AMERICA EXCITED TO BE A PART OF MAT² PROGRAM

Since September fourth, four students have been studying at Henry Ford College in preparation for their first practical term of training at SW North America starting in January 2020.

The company's newly established Apprentice Program is an implementation of the Michigan Advanced Technician Training Program, otherwise known as MAT². This program is sponsored by the state of Michigan and is in cooperation with the German American Chamber of Commerce of the Midwest with the purpose of creating internationally certified mechatronics technicians and CNC operators.

Funded by SW NA, the company's apprentices will earn an Associate Degree in Mechatronics from Henry Ford college, and receive practical industry experience as well as training at SW's New Hudson facility.

Upon completion of the three-year program, the apprentices will be mechatronics technicians. They will begin their career with a two-year commitment to work for SW NA, where they will likely stay. There is a high level of job-security in this field, as mechatronics technicians are in short supply and high demand within the machining industry.
In addition to the requirements for successfully completing the MAT² program, SW NA apprentices will be expected to pass the IHK (otherwise known as PAL) exam. They will take the English version of this well-known German test, providing them with internationally recognized certification in mechatronics. Given that SW has many international locations beyond the US and Germany, this international certification will further their success at SW NA.

As a subsidiary of a German company, the program at SW NA will have a prominent international component. SW NA participants will be working closely with the parent company located in the Swabian town of Waldmössingen in Germany. This will provide them with valuable international contacts and experience cooperating with people of varying backgrounds and expertise.

Schwäbische Werkzeugmaschinen GmbH has a well-established Apprentice Program of its own, which will heavily influence the way things are done at its daughter company. The SW NA program, for instance, will involve an exchange component where apprentices will spend six weeks in Germany taking classes, receiving training and familiarizing themselves with the structure of the parent company. This mirrors the six-week exchange to the States which has become an integral part of the German apprentice program.

SW NA is proud to be working with the MAT² program, where young people are set on the path to a stable and engaging career. The company is excited to welcome the next generation of Technology People who will lead SW into a bright future.

Please feel free to get in touch with our Apprentice Trainer:

Ben Carlson
Apprentice Trainer
SW North America
b.carlson@sw-machines.de
(248) 977-6919

For more information on the full spectrum of machines, automation, and engineering services, including technology demonstrations at the new SW North American headquarters and technology center, contact:

SW North America, Inc.
30160 Lyon Industrial Court New Hudson, MI 48165
contact.na@sw-rnachines.com
www.sw-rnachines.com
MARKET ENTRY IN THE MIDWEST

Doing Business in the Midwest
The US is an impressive investment location: Being over 25 times larger than Germany and paired with one of the largest GDPs in the world, it is one of the most lucrative markets for German investors. To name a few examples: HARIBO invests $242 million in its first North American production facility and will create 400 jobs once their factory opens in Wisconsin in 2020. German lithium-ion battery maker Akasol AG plans to invest up to $40 million to open a manufacturing plant in the metro Detroit area. Additionally, Faber-Castell Cosmetics announced a $9 million investment in their first North American manufacturing facility in Elgin, IL.

Recent Investments in the Midwest
Germany has consistently ranked among the top countries investing in America. 692,000 Americans are employed by German firms and almost half of those jobs are in manufacturing. Several well-known German companies decided to build their first US plant or further invest into their existing businesses.

A Reliable Partner
As a one-stop-shop, GACC Midwest supports SMEs entering the US market as well as extending their local footprint through services and an experienced team of consultants. Read more about how we help businesses succeed on the following pages.

“GACC Midwest conducted a comprehensive market research and competitor analysis, connected us with leading American universities, successfully recruited employees and set-up a virtual office presence to further broaden our footprint in the Midwest. Throughout our cooperation, we were impressed by the team’s high level of professionalism as well as the positive results they achieved.”

Dr. Alexander Schmidt, CEO Alexanderwerk AG, Director & President Alexanderwerk Inc.
AT THE HEART OF BUSINESS®

Uncommon value for clients who shape our everyday lives.

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BARNES & THORNBURG LLP

ATLANTA, CALIFORNIA, CHICAGO, DELAWARE, INDIANA, MICHIGAN, MINNEAPOLIS, OHIO, TEXAS, WASHINGTON, D.C.

BTLAW.COM
Our Market Entry and Business Development Services

GACC Midwest is a reliable partner for German companies, especially small and family-owned businesses. We support companies along the entire path of taking a business across the Atlantic. There are multiple ways to successfully enter the US market. Our teams are trained to find the best solutions for you.

Market Analysis

An in-depth analysis of the target market is crucial before approaching a foreign market. Who are the key players in the respective industry segment, and what regulations could affect the market entry or existing product lines? We are a knowledgeable partner to conduct thorough research through our extensive experience with market segments and key players.

Business Partner Search

Finding the right business partner in the US can be a challenging experience due to the geographic distance from Europe, the sheer size of the US market, differences in time zones and business cultures. Contractual frameworks and different business practices may have a significant influence on the partnership. Our business partner searches feature both research and critical evaluation of sales and distribution partners.

“GACC Midwest conducted a market research for us. The results became the basis for our US market entry strategy. We were impressed by the performance of the GACC Midwest employees. They quickly acquired a well found knowledge about our products, and the personal contact during the research and presentation delighted us. We would love to work with GACC Midwest again in the future.”

Renate Klotzbücher, Internal Sales Manager, TANOS GmbH
Virtual Office
A number of companies are planning a step-by-step approach in entering the US market, with a small but efficient market entry through our virtual office service. Our virtual office service provides an initial step towards establishing a US presence and serves as an interface between the company in Europe and in the US. Thus, companies can grow their US customer base before investing in their own local personnel and office.

Mergers & Acquisitions
There is an increased interest in mergers & acquisitions (M&A) transactions and direct market entry through site selection. Those are often influenced by high liquidity reserves as well as low interest rates. Some of the main drivers for entering the US market are gaining market share as well as to purchasing new technologies. Dive into the world of M&A in the following pages.

Intercultural Training
When opening or acquiring offices in the US, German companies are encouraged to implement intercultural trainings. Such trainings have become a standard component in the talent management and development strategies of many leading organizations with the goal of offering a productive environment that draws from the best aspects of both work cultures.

Marketing & Localization
At the same time, we support companies in the development of their US-specific marketing collateral. Localization of marketing materials is key when building a brand in the US market, and our experienced team has the knowledge and expertise to create convincing and attractive messages and designs for your company or brand.

Many US subsidiaries struggle with financial reporting to their German parent companies...
We navigate the differences between US GAAP, IFRS and German GAAP (HGB) and assist you in the financial reporting process.

Douglas Nelson, CPA, is fluent in German and has over 30 years of experience in audit and consulting with the Big Four accounting firms in Germany.

We offer support regarding IFRS and HGB reporting, including identification and processing of differences to US GAAP, preparation of IFRS reporting packages and other financial reporting-related services.

As a native English speaker, Douglas Nelson is highly conversant in the technical terminology and has the necessary knowledge for the professional translation of complex financial texts of all types.

Our in-house training and workshops are tailored to the individual needs of your company and can address all areas where US-GAAP differs from IFRS and German GAAP.

You can profit from the qualified experience of Douglas Nelson Financial Reporting. We would be pleased to explore how we can help, and we look forward to working with you.
The American Midwest remains an attractive investment location for German business. Especially in the manufacturing industry, we have seen a trend towards building German-owned production facilities in the US. The American heartland has plenty of factors that draw investments from across the globe: outstanding infrastructure, a diverse and skilled workforce, and a business-friendly environment.

The 2018 Site Selection Governor’s Cup, a ranking of new and expanded facilities, reflects the Midwest’s flourishing business environment. Chicago has once again been named Top Metro for new and expanding companies. Additionally, the number one spots in all three population categories for the “top metro areas for corporate facility investment” are all found in GACC Midwest territory. Six out of the ten top states ranked by projects per capita are also in the Midwest. In line with the growing number of investments in the past years, the US is still on a near-record pace for M&A activities despite global economic uncertainty.

Leading reasons for M&A activity include technology acquisitions and portfolio diversification. Expanding customer bases and entering new geographic markets are also among the top drivers of M&A deals. Business-friendly initiatives like the US tax reform have incentivized M&A transactions as well.
2018:
US Most Targeted Nation Among German M&A Dealmakers

Mergers & Acquisitions require various factors and trends to be considered a lasting successful deal. As in past years, German acquirers are seeing the highest potential in the United States. With 12.5%, the US is the leader among German M&A dealmakers (Figure 1).

As part of their continued growth, they are taking advantage of measures like the tax reform to spur investments in M&A activities as well as in business diversification. German companies cite the following reasons for their planned investments in the US:
- customer demand
- proximity to the customer base
- relative market stability

Deals by German Acquirers Abroad by Target Nation

2019:
Expectations of Significant Growth

The US has been the leading country for German M&A activity and will keep the lead in 2019 according to our German American Business Outlook (GABO) 2019. Despite global political tensions, trade conflicts, and volatile markets, GABO showcases an increase in German subsidiaries that are planning to diversify their business. In 2019, one in five participating companies planned to expand their business through either mergers or acquisitions, up from 8% executed in 2017 and 9% executed in 2018 (Figure 2).

Deloitte echoed GABO 2019 within their 2019 M&A trends report. 79% of Deloitte’s 1000 respondents are expecting an increased number of deals in 2019, up from 70% in 2018. The nature of deal-making faces a transition from technology purchases towards diversification of products and services.

Three factors are fueling optimism among US deal-makers: the tax reform, a more relaxed US regulatory climate, and growing cash reserves.
Why are multiples useful? What are the disadvantages?

“A value identified as the key multiple among the various companies is applied to the corresponding value of the company under analysis to estimate its value. A prerequisite is that the target company is in fact similar to the respective peer group. Often times, certain facts and circumstances distort the comparability and as a result may not provide the best valuation price.”

What is a peer group and how does it affect valuation?

“Finding comparable assets/companies (the peer group) that share similar business models, asset structures, and ownership is common in valuation models. Identifying peer groups allows effective comparisons (“vergleichen is bewerten”) between similar entities within the same industries, external factors, suppliers, customers, etc. There is a variety of key performance indicators that are used, such as earnings, cash flow, or expected sales growth rates for start-ups (forward looking).”

Are there any trends in analysis based on multiples?

“Valuation trends seemingly move to a more ‘holistic’ approach by shifting focus away from historic KPIs to non-financial data such as areas that potentially have future disruptive effects on business plans. Blurring boundaries between the various experts of valuation teams will become the ‘new normal’ to determine the reasonableness and viability of the target’s future business model. In other words, a shift from a mere financial due diligence based on historic data to a thorough understanding of the target’s business model and a commercial due diligence thereof will be inevitable.

The infinite life of a target company’s business model has typically been assumed in traditional valuation models. Current trends in disruptions of outdated industries due to new technologies, changed consumer behavior trends, digitalization, and fast-growing personal data-based online platforms have become challenging factors in determining future profits and returns on investments.”

What are specific things to keep in mind for M&A transactions in the US?

“Many transatlantic deals of privately-owned SMEs play in the field of operations with niche markets, specialized products, and unique business models. A ‘cookie cutter’ valuation process is often not the approach that leads to a successful transaction. A carefully-crafted valuation approach including considerations of special circumstances of the target company, including pre-existing relationships with the buyer are essential prerequisites all participants should consider. Despite global economic uncertainties, valuations in the US should be benefiting from the 2018 tax reform which lowered corporate tax rates to 21%.”
Business leaders approach potential deals and new ventures with great optimism. They seek a favorable price and terms through negotiations, yet tend to generally trust the people they do business with and anticipate that things will work out for the best. But disputes happen.

When working with a transactional attorney on a merger, acquisition or other type of deal, the lawyer’s job is to anticipate what types of disputes might happen and help you negotiate and prepare an agreement that will leave you in the best position and with most leverage possible should there be a post-transaction dispute. These can include challenges to earn-out calculations of earnings, revenues or working capital, a violation of a post-transaction covenant by the seller, or a breach of representation by the seller. Sometimes a buyer may decide that it cannot close because there has been an adverse material change, but the seller does not agree.

To serve your needs and meet your objectives, our transactional attorneys work hand in hand with our litigators. One of the best ways to help you avoid post-deal disputes is for the attorneys negotiating your deal and preparing documents to work with attorneys who have dealt with these disputes. This cross-discipline approach will help ensure that a working capital provision not only matches the business operations, but also minimizes the risk of a challenge to the final calculation. The choice of law provision for disputes should not be boilerplate. They should be crafted to give you the most favorable law in the event of a dispute. Arbitration or forum selection clauses should be carefully considered so that the person deciding any dispute, be it a panel, single arbitrator, or judge is mostly likely to understand the issues and provide a fair and reasonable result given the nature of the business and the dispute.

These are just some of the many details that deserve thoughtful attention by both the transactional attorneys who draft the terms of your deal and the litigators who might have to enforce those terms, should a dispute arise.

This article should not be construed as legal advice or legal opinion on any specific facts or circumstances. The contents are intended for general informational purposes only, and you are urged to consult your own lawyer on any specific legal questions you may have concerning your situation.

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THE DIFFERENCE BETWEEN ASSET DEAL VS. SHARE DEAL: HOW TO AVOID MISTAKES IN THE BEGINNING
An interview with Frank Breitenfeldt, Head of Transaction Services at Rödl & Partner USA

Frank Breitenfeldt: The one aspect that is often overlooked and usually dealt with too late in the process is the potential structure of the Transaction. We regularly recommend discussing the Transaction Structure with the Seller of the Target Company prior to agreeing to a Letter of Intent ("LOI").

Frank Breitenfeldt: Apart from the legal consequences, there are significant tax consequences for the Buyer and sometimes also for the Seller.

Frank Breitenfeldt: There are legal consequences that are primarily related to the transfer of certifications and contracts, change-of-control-clauses and the ability to pick and choose both assets and liabilities ("cherry picking"). Most Sellers prefer a Share Deal as it seems to be the less complex structure.

Frank Breitenfeldt: An Asset Deal is advantageous from a tax point-of-view. It allows the Buyer to step up the tax basis of the assets purchased to Fair Market Value ("FMV") at the time of Closing. A Share Deal only allows for a carry-over of the Seller’s tax basis. In simple terms, it means that the value of the assets of the Target Company will be reassessed and therefore may allow for greater depreciation and amortization deductions and consequently lower taxable income over the remaining useful lives of the assets.

GACC: Why is the structure such an important element of a Transaction?

GACC: Is there a preferred structure for the Seller?

GACC: What is typically the first advice you give to clients when they call you to discuss a potential acquisition?

GACC: However, does an Asset Deal have advantages for the Buyer?

Frank Breitenfeldt - WP, StB and CPA - Head of Transaction Services at Rödl & Partner in the United States.

Frank moved to the U.S. in 2005 and has dual U.S.-German citizenship since 2014. He has managed over 400 transactions during his almost 20-year-career in Transaction Services, primarily supporting German companies in their Transactions in North America.

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Frank Breitenfeldt: In many cases, the ability to amortize the portion of the Purchase Price allocated to Goodwill and other intangible assets over 15 years for tax purposes is the advantage. If a Buyer was to acquire a Target Company for $20 million whose assets’ FMV are $5 million, then $15 million would be allocated to Goodwill and other intangibles. At an estimated tax rate of 25% it represents an additional $3.75 million of potential tax savings over 15 years, as compared with a Share Deal.

Frank Breitenfeldt: While an Asset Deal can greatly benefit the Buyer, it may or may not result in additional tax burden for the Seller. (Lower) Capital Gains Tax Rates may not be applicable to all gains on assets sold in an Asset Deal. This depends on the type of asset, the ownership structure and the tax status of the Target Company. Often, the “recapture of depreciation” is taxed at (higher) Ordinary Income Tax Rates rather than the Capital Gains Tax Rate. State taxes may also be impacted, depending on the type of entity, the residence of the owners, the states in which the Target Company is subject to tax, as well as other factors.

Frank Breitenfeldt: Yes, many German inbound deals involve acquisitions of family owned partnerships, LLCs or S Corporations in which the benefit of a tax basis step-up can be maximized and the tax cost to the Sellers minimized with careful planning. In any case, it is always beneficial to discuss the possibility of doing an Asset Deal early with the Seller in order to avoid any hassle in the final stages of the Transaction.

Frank Breitenfeldt: Yes and no. While the tax consequences of a Share Deal vs Asset Deal are similar for the Buyer, the U.S. tax code includes a unique specialty: the 338(h)10 or 336(e) election. This allows certain Share Deals to be treated as Asset Deals for tax purposes if a joint election is filed by the Buyer and Seller. The legal consequences are identical to a Share Deal. However, because the Share Deal is treated as an Asset Deal for tax purposes, the aforementioned tax deductibility of the Purchase Price Premium is also applicable. In many cases, this structuring alternative combines the advantages of a Share Deal for the Seller with the tax advantages for the Buyer.

GACC: Is the step-up of the assets the main tax benefit of an Asset Deal?

GACC: Coming back to your earlier comment, why is it important to make this decision early in the process?

GACC: Understanding the Seller’s tax situation is therefore important?

GACC: Is this situation similar to a Transaction in Germany?

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Rödl Langford de Kock LLP is a member of Rödl & Partner, one of the leading international audit and tax consulting firms of German origin, providing

- International and Domestic Tax Consulting / Tax Compliance
- Audit and Accounting
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- Business Process Outsourcing
- Transaction Services
In 2019, German company Linde AG successfully merged with Praxair, Inc. to form Linde plc. With a volume of $90bn, this constitutes one of the largest German-American mergers in history. Following full global integration of operations, Linde plc is now the world’s largest industrial gas company, with an estimated global market share of nearly 35%.

New Linde plc will generate approximately $27bn in revenue and employ over 80,000 people in 100 countries, supplying oxygen and other gases to industrial users throughout the world. Linde plc indicated they will realize $1.2bn annually in synergies over the next three years thanks to savings and increased efficiency.

Merging Corporate and National Cultures

Discussions for the deal began in 2016 but fell apart repeatedly, partially due to Praxair’s initial expectations for the partnership. Although roughly equal in size, it was reported that Praxair wanted to assume complete control from its Connecticut headquarters. Daniela Bergdolt of the DSW German Shareholders Association mentioned that “mergers with American companies are particularly difficult” because German and American companies look differently at the importance of unions. In international deals, Andre Spicer of Cass Business School in London explained, “you not only have two corporate cultures, you are also merging two different national cultures.” Other factors leading to complications included that Linde AG had larger revenues but weaker profit margins. Despite its higher sales, Linde also had a lower market valuation than Praxair. Differences in expected revenues, profits, and valuation for companies of seemingly equal size may make international mergers especially difficult.

After two failed sets of negotiations, Praxair and Linde came to a tentative agreement in 2017. Over the course of the next 18 months, both companies worked to address differences so that no uncertainties about leadership or logistics would remain. Linde and Praxair were eventually able to complete the merger as “equal entities,” with Praxair contributing CEO Steve Angel, and Linde its Chairman of the Board, Dr. Wolfgang Reitzle. Positions on the management board would be split evenly.

M&A Investigations by Anti-Trust Authorities

After the company structure was finalized, approval was sought from antitrust authorities. Following the divestiture of assets demanded by the US Federal Trade Commission (FTC) and European Commission, the companies were able to begin integrating all services. In the process, Linde sold roughly $3.3bn in assets, as well as many of its US operations, while Praxair unloaded its European industrial gas business for nearly $6bn. Although the relevant organizations were satisfied with their progress, some critics remain skeptical: Dr. Reitzle was scrutinized by German unions for moving forward with the deal against the wishes of his employees. Praxair also faced criticism in that labor unions in Europe could increase costs and reduce efficiency for an American company.
Whether it is acquisitions, dispositions, recapitalizations, mergers, reorganizations, formations or other significant transactions you are faced with, PKF is here to assist in maximizing the benefits and advantages of an M&A transaction while minimizing your overall risks as a buyer or seller in the deal. Our professionals can assist you with pre-deal analysis, business valuation of the target, various due diligence reviews, structuring of the deal itself, and post-closing follow up.

To explore more about PKF’s transactional services contact:

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As a business owner, you have probably considered whether a joint venture ("JV"), merger or acquisition would help your company grow. If you do not have enough capital for an acquisition, are unsure about the U.S. market and potential U.S. customers, or are looking to co-develop new products or technology with a partner in the U.S., then a JV may be the right option for expanding your business in the U.S. Pre-planning for a successful JV involves many facets not only of the intended partner and its business, but also legal considerations. This article summarizes a few key legal considerations for a German company looking to establish a JV in the U.S.

**CFIUS JV Loophole Is Closed**
The Committee on Foreign Investment in the United States ("CFIUS") is empowered to review and investigate certain "covered transactions" that threaten to impair the national security of the U.S. Prior to the enactment of the Foreign Investment Risk Review Modernization Act of 2018 ("FIRMMA"), CFIUS was charged solely with review of transactions which could result in foreign control of a U.S. business. This excluded from CFIUS's purview non-controlling investments, investments which involved the acquisition of discrete assets or rights (but not a business), and changes in existing investments which could result in foreign control of a U.S. business. These limitations allowed certain types of sensitive foreign investment to proceed without the same CFIUS scrutiny as a more straightforward asset or equity sale or merger. That loophole previously used by some JVs to avoid CFIUS review is now closed under FIRMMA.

If the reason for the JV is to gain access to or create new "critical technology" or "critical infrastructure," filing for CFIUS review may be required or advised. Further details and filing requirements can be found at https://www.masudafunai.com/articles/firmma-and-changes-to-cfius-review-of-cross-border-investments.

Thus, it is more important now for JV parties to review with their legal counsel and determine in advance if CFIUS filing is required or advised because the CFIUS review process will extend the timeframe for completing the JV even if the JV is approved by CFIUS.

**Immigration**
Another factor in forming a JV in the U.S. is obtaining visas for key German employees that will come to the U.S. to work at the JV. Denial rates for visas have increased under President Trump's administration. Thus, it is important to structure the JV to increase the U.S. visas available to those key German employees of your company. For example, certain visa categories, such as the E category can only be applied for by a German JV partner if the German JV partner owns and controls at least 50% of the JV. If the success of the JV will depend upon a few key German employees working at the JV in the U.S., then those employees' credentials should be reviewed by one of our immigration attorneys to determine the visa categories available.

1 Note, the term "partner" is used as a general term and not indicative of the entity used to form the JV. It is more likely that the JV entity would be a Delaware limited liability company, and the technical term for the owners would be "member."
Export Control
When a German company enters into a JV in the U.S., export control laws need to be reviewed by legal counsel to determine if a license is required to transfer “technology” to the German partner or German employees working at the JV in the U.S. In this context, “technology” means information necessary for the development, production or use of an item subject to control under the Export Administration Regulations. A deemed export of technology occurs when the technology is released and made available to a foreign person in the U.S. In addition, U.S. export control laws prohibit dealing with prohibited end-users or end-uses. Other export control laws may require a license if assets or technology are exported to Germany. Some visa categories, such as the L-1 and H-1, require the German company to certify that it has reviewed the U.S. export control laws and that no export license is required for German employees to work in the U.S. at the JV.

Unfortunately or Fortunately, All Things Do End
CFIUS review, immigration and export control considerations are similar for JVs, mergers and acquisitions. However, unlike mergers or acquisitions, JVs eventually end. When you are entering into a JV, it is an opportune time to discuss the terms for the end of the JV because the partners are on friendly terms and no partner knows what their economic position will be at the end of the JV. Thus, the parties are more likely to negotiate fairly.

If the issues and concerns are addressed up front and a procedure to address such issues is included in the JV agreement, the JV agreement becomes an effective tool to reduce disagreements and address major issues. It also provides for a more orderly termination of the JV so that you can focus on your future business instead of being distracted by lengthy negotiations or legal battles.

If you cannot talk about these items now with your potential JV partner, that partner might not be the best partner going forward:

- What intellectual property, assets, etc. will each partner contribute or license to the JV?
- Who will own or be provided a license to the jointly developed intellectual property or products when the JV terminates?
- Will any non-compete or non-solicitations provisions be in the JV agreement and/or survive after the JV is terminated?
- What happens if there is a change in control of one of the JV partners, potentially to a competitor?
- Who controls the JV entity taking into consideration immigration, tax and other business considerations?
- How will disputes be resolved?
- Is each partner required to remain in the JV for a period of time unless there is a default or breach of the JV agreement? What happens if one partner defaults or breaches the JV agreement?
- How will the entity terminate? Will the German partner be entitled to buyout the U.S. partner? Will each partner have a right to outbid the other partner to own the entire JV?

Each of the above points has multiple legal solutions that are too numerous to list in this article. However, in our experience, discussing the solutions with counsel in the beginning and negotiating a solution included in the JV agreement reduces discord and provides for an orderly end of the JV.

Masuda, Funai, Eifert & Mitchell has been advising companies like yours for more than 90 years on JVs, mergers, acquisitions, and other transactions to help them leverage their opportunities and achieve their strategic goals. For further information, please contact Reinhold F. Krammer or Jennifer R. Watson, Co-Chair of the Business Group, at 312-245-7531/312-245-2524 or at rkrammer@masudafunai.com / jwatson@masudafunai.com.
One of the most important topics for any business entering the US is the organization of international sales and logistics. In fact, questions relating to logistics and imports to the United States are among the top three most common inquiries GACC Midwest receives every year.

Gerrit Ahlers, Director, Consulting Services, GACC Midwest

One of the challenges that come along when expanding your company to the US is shipping overseas. Despite an increasingly volatile global economy, the US continues to import significant amounts of products from Germany. According to Germany Trade and Invest, German-US trade figures saw a 6% increase in the first half of 2019 alone. Following China and France, the US is the largest market for German exports. As such, it is vital that German exporters know which rules, regulations, and limitations may apply to goods they wish to ship. US tariffs can be applied zealously, but are usually not a large hindrance for companies from EU countries. Nonetheless, it is important to check the regulations frequently, as new tariffs and barriers can be applied quickly.

Working with a logistics company can help simplify the entire export process and answer questions such as: What are proper packaging procedures? Are there specific packaging requirements for consumer products? Appropriate packaging is especially relevant since international shipping can put unforeseen demands on goods. Potential issues include breakage, theft, tampering, excess moisture, and unstable temperature.

Other logistical considerations include the weight distribution of items when packed, as well as the relative size of the United States, which can result in different overground shipping costs than European trucking.
Furthermore, knowing documentation standards and requirements is essential for transatlantic shipping.

**Important Logistical Considerations**

One of the first questions that needs to be addressed during logistical planning is the quantity of goods being shipped. Depending on the scale of operations, it may be possible to ship through simple parcel shipping companies. With more volume, options for freight shipping become viable. Based on timelines, transatlantic shipping can be done via container ship or airplane, and will have a dramatic effect on logistical costs. Once merchandise has reached a US port or airport, it is possible to use freight-forwarding services to expedite the transition from airplane or shipping container to heavy-duty truck or rail.

**Delivered-at-Place**

Another option available to companies looking to deliver products to the US is Delivered-at-Place (DAP). DAP is a logistical agreement in which a seller commits to paying any costs or damages that come from moving goods sold to a specific location. These agreements often include the location at which the buyer takes on the financial risk, such as the port of entry of the product. The buyer is responsible for paying import duties and taxes, including clearance and local taxes, as the shipment is handed over. The seller is responsible for documentation, packaging, and delivery to the location, while the buyer assumes the risk once the goods are unloaded, and must clear them for import.

**Product Labeling**

Consumer product labels are regulated both federally and by state. In order to be transported across a US border, goods and merchandise must be properly labeled according to these regulations. Labeling is standardized in the US to ensure that any products meet the necessary requirements, as well as making approvals easier for shipping and goods-handling personnel. The Fair Packaging and Labeling Act (FPLA), for example, explains that the Federal Trade Commission (FTC) and the Food and Drug Administration (FDA) are responsible for issuing regulations for the labeling of consumer goods. Labels must disclose contents (for example, automotive wheel liners, plastic tubs, etc.), identity of commodity and the place of business for the manufacturer, packer, or distributor. The Act also authorizes labeling practices that prevent deception of the consumer, facilitate value comparisons, and promote uniformity.

**Warehousing**

In some instances, with enough volume and a solid customer base, it becomes useful to look into the storage and distribution of goods in the United States. In these cases, it is possible to operate or contract a warehouse. In addition to standard warehousing, options exist for consignment warehouses, customs bonded warehouses, and external fulfillment services.

More information on warehousing solutions can be found in the following article.
By the time Columbus reached America in 1492, Gebrüder Weiss had already been operating in the transport industry in Europe for nearly 20 years. More than 500 years of tradition and experience put a certain onus on the company. That’s why “Service Excellence” is the company’s chief objective, and that is the mantra that drives over 7,100 employees at 150 locations around the world. At the moment Gebrüder Weiss is focusing on establishing closer links between Europe and the USA, two very economically dynamic regions.

**Bridging Europe and USA**

Chicago, Atlanta, Boston, Dallas, Los Angeles, New York and San Francisco – these are the cities from which Gebrüder Weiss USA operates currently. With decades of experience in the USA, the logistics expert has established services and products that ensure its clients have the best service, routing and rates available in the market. Goods of all kinds are transported “in a single stream” quickly and securely. For instance, goods from the Midwest are delivered from Chicago to Vienna on a direct flight and are distributed throughout Eastern Europe within 1-2 days. This is possible because of blocked space agreements with core carriers for both east- and westbound flights to and from Europe and the company’s wide network of locations in Europe. In addition to regular freight air products, special requests such as on-board courier, part charters and full charters to anywhere in the world are available.

With a wide network of container freight stations and weekly departures to and from the main US ports, Gebrüder Weiss can handle any sea freight shipment from single boxes to full containers, Break Bulk as well as special equipment like flat racks and open-top containers. All services include full customs solutions provided by specialists, end-to-end monitoring of consignments, door-to-door deliveries and short pick-up and delivery times. Gebrüder Weiss offers the same quality standards on both sides of the Atlantic, with European experts in US offices and personal costumer contact guaranteeing Service Excellence with every shipment.

**More than just transport services**

In addition to traditional transport services, customers can take advantage of a logistics portfolio ranging from bespoke concepts for specific outsourcing operations (e.g. freight storage, picking, distribution) to comprehensive solutions for the entire supply chain. The terminals in Chicago, Atlanta and Los Angeles specialize in warehouse logistics. Incoming air and sea freight are consolidated and distributed here (including directly to the end user), or if required we can handle a customer’s complete warehousing needs, including fulfillment, distribution, retail compliance, inventory management and value-added services.
For successful logistics management for its clients, Gebrüder Weiss has identified four key areas to be ready for tomorrow’s marketplace:

• Firstly, the digitalization of the logistics industry is escalating digital literacy and consumer cognizance about different online platforms for making purchases and driving warehouse system developments. Gebrüder Weiss allows control and visibility across the supply chain of its clients from purchase order management to final mile delivery.

• Next, the “Amazon” effect is increasing customer demands for faster delivery. With multiple locations and one global Warehouse Management System (WMS), Gebrüder Weiss can make placing inventory easy to manage, allowing for efficient and fast deliveries.

• The third area includes data analytics and big data. Employees of Gebrüder Weiss are ready to work for stakeholders, to makes sense of this data, and to turn it into business-shaping information.

• Lastly, elastic logistics, which refers to the flexibility of expanding and shrinking capabilities for aligning with the demands within the supply chain during a time frame. The precise implementation of elastic logistics can help companies across the globe by improving agility and scalability, adding real-time visibility, and connecting all business practices. Global process standard and WMS combined with superior customer support give Gebrüder Weiss the advantage. A leading global supplier of lighting solutions has taken advantage of this elasticity and responsiveness by partnering up with us in Europe, Asia, and most recently the Americas for its logistics and fulfillment requirements.

Expanding into new markets with its customers

Even though Gebrüder Weiss is based in Europe, it has become a global full-service logistics company. That’s why its motto is “We are where you are,” which is intended to show how Gebrüder Weiss can help its customers make the leap into new markets, growing with them and developing new potential areas of business. The first step is to always understand the customer’s needs and give them personalized advice. This approach has proved successful all over the world, thanks to the solid logistics expertise and standardized modern IT infrastructure that are to be found across the corporate group’s network.


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Complying with US Customs

When commercial goods are imported into the United States, they must meet the requirements of Customs and Border Protection (CBP). Most goods must be declared to CBP, or “entered” into the customs territory, and are subject to examination by CBP officers during this entry. The products must then be classified according to the US tariff schedule and have their value determined.

Customs Duties and Tariffs

Due to the Customs Modernization Act, it is the responsibility of the importer to declare and value the merchandise, as well as provide any other relevant information for the CBP to determine duties and meet legal standards. According to the CBP, “Classifying goods is important not only for duty purposes, but also to determine whether the goods are subject to quotas, restraints, anti-dumping or countervailing duties, embargoes or other restrictions.” Classifying goods is a complex process, and will necessitate familiarity with the Harmonized Tariff Schedule of the United States (HTSUS), a 99-chapter document containing all relevant legal information for goods classification and tariffs.

The Harmonized Tariff System (HTS) is used and interpreted by the CBP to provide a duty rate for all goods being traded, as well as categorizing products easily. The HTS can conveniently be searched online by product type on the website of the US International Trade Commission at hts.usitc.gov, and returns the precise rate of duty and regulation heading list. Once a product has been classified, the relevant tariff – a tax imposed on imports – can be applied. It is important to note that US tariff activity has risen substantially in recent years, and that products may face unexpected tariffs during import. Certain exceptions to typical duty rates exist. Under the 301 Authority, the US can impose a customs duty that is significantly higher than normal on specific products from certain countries. In order to reduce uncertainty and risk, it may be beneficial to enlist the help of a customs brokerage service.

Documentation

Documentation of products is another crucial aspect of logistics when importing goods into the US. International trade frequently requires different documents – which ones are relevant depends on the country of origin and the destination. Examples of relevant documentation are Bills of Lading, Certificates of Conformity, Certificates of Origin, Insurance Certification, Receipts and Invoices, etc. Many of these documents can be processed by the freight forwarder. Filling out the proper paperwork without a service can quickly become a lengthy, complicated process. Mistakes or the failure to use the correct documentation can result in serious legal consequences.
Promotion via Samples in the US Market
Some commercial articles – such as samples – may not be dutiable at all, and can be an effective way to promote interest in products before full-scale importing takes place. There are ways for such samples – articles imported for the purpose of taking new orders for similar products – to be imported without duty.

Samples include general goods not valued at over $1 each and not marked, torn, or otherwise treated so that it is unsuitable for sale. As long as the commercial samples meet certain requirements from the Harmonized Tariff Code, they can be used to simplify the complicated regulations surrounding duties and product classifications for companies entering the US. More information can be found in the “Importation of Commercial Samples” document by CBP.

Carnets
There is also special consideration for Carnets that are applied to commercial samples, professional equipment (tools of the trade), and goods for exhibitions and trade shows in customs regulations. A Carnet is a combination entry document and customs bond, and is purchased by the importer before it leaves Germany, facilitating importation of the sample into the US.

Items brought to the US under a Carnet are temporary imports, and must be returned after a period of time – typically one year, or six months for products related to trade shows. Agricultural products and other consumable goods are not eligible for Carnet use. In many cases, a Chamber of Industry and Commerce (IHK) can support companies in acquiring a Carnet for goods being imported for trade shows or other purposes.

Prototypes
Finally, certain prototypes can also be imported duty-free for testing, development, and quality control. They are usually limited to small quantities that would not be sufficient for commercial activity. Regulations regarding prototypes are found in Chapter 98, Subchapter XVII of the Harmonized Tariff Code.

West Michigan is where it all comes together for business. Long home of industry giants like Amway, Herman Miller, Steelcase and more – we’re on the elite list of sustainable, knowledge-based economies in the country. West Michigan continues to be a place where big ideas find everything they need to become big business.

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“Product availability and short delivery times are the most important issues in our industry sector. All items ordered today have to be received by the customers on the next day. Through the Regional Service Center we are able to guarantee an optimal customer service in the US, Canada, and Mexico.”

Andreas Wiebe, Project Manager Logistics, FESTO USA.

WITRON's storage systems offer a cost-efficient and ergonomic solution for every application across all industries regardless of the branch, whether it is handling large-volume or small-volume articles, whether the article range is small, broad, or inhomogeneous, whether maximum dynamics is required, or a continuous work process is needed. It doesn't matter if the products are picked into totes or cartons, onto trays, pallets, or roll containers, or other dispatch units. All warehouse solutions – whether highly automated, semi-automated, or manual – are modular and based on standardized system components.

For every task, the right solution

It takes more than sound technology and know how to plan and realize the best logistics systems.

Find all facts and features about our logistics systems under www.witron.com

Since 1971, WITRON Integrated Logistics designs, realizes and operates customized logistics and material flow systems that generate sustainable competitive advantages for its clients. WITRON has all the decisive key elements of a successful project under one roof: logistics design, information and control technology, mechanics design and production, as well as functional responsibility as general contractor for logistics.

The WITRON Corporate Group has 3,500 employees worldwide. WITRON's annual revenue in 2018 amounted to 612 million USD. Aside from it’s headquarters in Parkstein, Germany, WITRON has offices in Arlington Heights, Illinois (USA), Toronto (Canada), Venray (The Netherlands), Stoke-on-Trent (UK), Madrid (Spain), Strasbourg (France), Singapore, and Sydney (Australia).

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AIO (All in One Order Fulfillment) OPM (Order Picking Machinery)

EMP (Efficient Mobile Picking) FMC (Food Multi Channel)

About WITRON
Be innovative • Be committed • Be successful

www.witron.com
It takes more than sound technology and know how to plan and realize the best logistics systems.

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Trends in the Logistics Industry

E-Commerce

Whether selling to businesses (B2B) or directly to consumers (B2C), the most important recent trend in global commerce is purchasing products online. Over the coming years, worldwide e-commerce sales will approach $5T. For small companies beginning international operations in particular, e-commerce represents an excellent opportunity. Without physical infrastructure or employees abroad, companies entering the US market can avoid many financial risks.

Third Party Product Fulfillment

One important logistical option for growing companies in transatlantic commerce is fulfillment by a third party. A large number of inquiries processed by GACC Midwest relate to the processes through which German companies can have their products stored, packed, and shipped for them, saving valuable time. Relying on the advanced logistical networks of third party companies helps to increase sales volumes and customer bases without many of the associated costs and difficulties, such as transatlantic shipping costs or fees originating from visas and taxes. Third party logistics are especially helpful for small companies who are new to the US market, and do not yet have the need for warehousing services. Keep in mind that third party fulfillment services do not normally offer specialty services like temperature-controlled facilities or customs assistance.

Your 4PL Solution

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Our advanced customer service platform enables our clients to serve their customers with local support—no matter where they are. This includes:

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- Founded in: 2019
- Employees: 20
- Investment: 4 Mio. $
- Die-cutting tools for folding carton and large format corrugated machines.

To learn more about Marbach please visit us at: www.marbach.com/michigancity
More information and press releases: www.marbach.com/pr
INDUSTRY SPOTLIGHTS

Industry-Focused Trade Missions

Each year GACC Midwest covers a wide variety of industry spotlights through its various trade missions. The selected topics are based on current industry trends as well as growth areas that match both the Midwest’s and Germany’s economic strengths. In cooperation with various German federal ministries and industry associations, GACC Midwest conducted over 20 trade missions in 2019. Industries GACC Midwest has been and will be focusing on include wind energy, water technology, decentralized generation of power, medical technology, and aviation.

Sustainable Transatlantic Partnerships

Trade missions are a great vantage point for companies to explore the US as an export market, make business connections and gauge the potential of their product or service. The value of our trade missions extends far beyond the valuable learning and networking experiences company representatives have in the US. Many participants stay engaged in our network as they continue their path to establish their presence in the US, relying on GACC Midwest as a trusted partner in their expansion — all while giving back their expertise and technology innovations to our community.

CORINNA JESS, DIRECTOR, CONSULTING SERVICES AND TRADE MISSIONS
**Policy Exchange**

Trade missions are building bridges between policy makers and industry stakeholders, helping to find common ground on disputed topics. This is helpful for companies of all sizes and industries, and provides potential for growth and innovation in both countries.

**The Energy Dialogue**

The international energy policy cooperation of the Federal Ministry of Economics and Energy (BMWi) pursues the goal of establishing worldwide energy relations with partner countries, based on trust and sustainability. Within the transatlantic dialogue, GACC Midwest will host an offshore wind policy trip to Germany in June 2020. The trip is part of a broader scale effort to strengthen the energy cooperation between our countries, encourage the exchange of ideas, and promote energy transition policy expertise.

We are looking forward to building partnerships and fueling innovation between our countries in these fields and beyond. Read more about our transatlantic industry projects on the following pages.

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**Battery Production**

The global market for lithium-ion batteries (LIB) is booming. Industry experts predict its growth by 11% CAGR to USD 77 billion by 2024.

The battery industry is seeing increasing demand particularly driven by:
- the automotive industry (electrification)
- renewable energies industry applications
- consumer electronics

The market faces significant opportunities due to the fact that US manufacturing capacity meets approximately 80% of domestic demand for primary & secondary batteries, and is mainly utilized for lead-acid batteries for conventional vehicles.

Consequently, large-format batteries with LI technology are often backlogged and the US is currently highly dependent on imports from Asia.

From September 4-6, GACC Midwest organized a road show to Indianapolis, IN and Midland, MI with VDMA Battery Production, the special battery department of the German Mechanical Engineering Industry association. The goal was to learn about the US battery manufacturing industry and explore potential partnerships. During the week, 23 German Battery manufactures met and collaborated with representatives from Enerdel, the Battery Innovation Center (BIC) and XALT. Following the roadshow, “The Battery Show” in Novi, MI saw its first ever German Pavilion, with 20 German battery manufacturers participating.
With the Transatlantic Cluster Initiative, GACC Midwest connects German and American experts from rapidly growing fields. Company representatives, research professionals, and other industry stakeholders are using this program to initiate international collaboration, technology transfer, and best practice exchange in innovation to fully realize the vast potential of these growing sectors.

Lightweight materials and technology are becoming increasingly important in the manufacturing sector, both in Germany and the United States. In 2019, the initiative covered the industries of lightweighting and food processing.

**Lightweight Technologies**

Among the industries most impacted by lightweight technology are automotive, aviation, and wind energy. In these areas, the use of lightweight materials and design is expected to grow continuously in the coming decades. Leading lightweight materials are aluminum, magnesium, carbon composites and high-strength steel. Through significant changes in the material mix, new challenges and opportunities are emerging. The development and use of lightweight solutions is an important requirement for the competitiveness of both the German and American industries.

*In the very innovative field of composites technology the industry is acting globally. Therefore we as a network need to think global and support our members, especially the SME, in getting the right international contacts to open new markets, generate business and finally a common competitive advantage. The Transatlantic Cluster Initiative is an excellent way to support us.*

Dr. Gunnar Merz, CEO and Chair of the Board CFK-Valley Stade e.V.
Lightweight construction will be decisive in determining whether German industry will be successful in establishing itself as a lead provider of innovative energy- and resource-efficient products in the future.

A Differentiator for Competitiveness

Clusters are playing a decisive role in the exploration of lightweight materials. US Clusters at the forefront of this research are LIFT (Lightweight Innovations for Tomorrow) and IACMI (Institute for Advanced Composites Manufacturing). Both of those are part of the Manufacturing USA, a network of institutes designed to promote innovation and collaboration.

Their aim is to develop and deploy advanced lightweight material manufacturing technologies and implement education and training programs to prepare the US workforce for the challenges ahead.

Food Processing

Accounting for $190bn annual revenue and employing 580,000 individuals, the German food and beverage industry is the leading European player for food processing excellence. Top products in food trade between Germany and the US are high-value goods including beer, wine and spirits, confectionary items, nuts and coffee specialties. Increasing consumer demand for high-quality products in both countries support the expansion of trade. As current economic tensions negatively impact the trade of processed foods, GACC Midwest is trying to facilitate solutions supporting companies and manufacturers to navigate these challenges within their industries.

As part of an industry roadshow, German cluster representatives visited Knoxville, TN and Detroit, MI to connect with their US counterparts. A US delegation then headed to Germany for a week-long study trip.

In addition to fostering innovation in the field of lightweighting, the Cluster Initiative aims to establish a sustainable exchange for best-practices when it comes to cluster management, internationalization, skilled workforce recruitment and technological development.

We thank all partners and sponsors of the Transatlantic Cluster Initiative

In 2019, the Transatlantic Cluster Initiative on food processing connected German and American cluster organizations. Participants explored how smart manufacturing technologies are driving the food and beverage sector to take steps to maximize its production and processing capabilities.

On the US road show, the group visited Minnesota and Ohio. During the study trip to Germany, participants connected with organizations in North Rhine-Westphalia, Lower Saxony, Brandenburg and Berlin. The program established sustainable transatlantic connections in the industry, which will help foster transatlantic innovation and cooperation. Learn more about future plans for the Cluster Initiative on our website.
As the number three importer and exporter of agricultural goods worldwide, Germany has solidified its reputation as an international leader in the fields of both food products and agricultural machinery. Limited land available for agricultural use has led to efficient and sustainable farming practices, as well as world-leading innovations by German agricultural companies.

Supported by the German Federal Ministry for Economic Affairs and Energy through the European Recovery Program, our multi-year Transatlantic Agricultural Dialogue has addressed trade tensions in the industry and facilitated an informed dialogue. Volatility in international trade and the uncertain future of tariffs has made transatlantic cooperation between farmers and other agricultural professionals increasingly important.

This is why we work with farm organizations as well as farmers on both sides of the Atlantic to drive forward cooperation and innovation. Our program allows Americans and Germans to share experiences, and discover that they face similar challenges despite certain differences in agriculture and regulations in both countries. In addition to first-hand exchanges between German and American farmers, we host meetings with the German Federal Ministry for Food and Agriculture and the US embassy to include all facets of a topic as multi-dimensional as farming and food production.

“The trip was an incredible learning experience for myself and my colleagues, as well as a great opportunity to network and develop agricultural contacts. If anyone is given the opportunity to participate in a similar trip, specifically with GACC Midwest, I urge you to take advantage.”

Michelle Erickson-Jones, Farmer and Vice President, Montana Grain Growers Association
2019 Agricultural Programs
Throughout its duration, the Agricultural Dialogue covered topics from Consumer Engagement to Smart Farming. In 2019, the program took 20 American Farmers to Bavaria to look at direct marketing business models there. In November, GACC Midwest traveled to Germany to facilitate German-American connections at Agritechnica, the world’s largest farm machinery show.

In addition, we co-hosted the 2019 AgriTech Symposium with our Colorado Chapter, as well as a Capstone Forum at the German Embassy in Washington DC. During those events, industry professionals and public officials from Germany and the US discussed common challenges including regulations, public acceptance, and commodity prices. The Capstone seminar provided a great forum to revisit the knowledge our initiative has accumulated throughout the past four years.

Agricultural Cooperation in 2020
Based on our long-term experience with the Agricultural Dialogue, GACC Midwest will be offering turn-key study trips to Germany for US farming organizations as of 2020.

These custom study trips are designed for current and future agricultural decision makers, including members and board members from agriculture commodity groups and other farming associations, as well as agricultural leadership students whose curriculum includes a study trip abroad.

Our custom trips include:
• Farm visits tailored to your interests
• Peer-to-peer exchanges
• Meetings with policy makers and associations
• Tours of agricultural businesses
• Visits to cultural sites in the area

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2nd
America's Largest State In Biofuels Production

3rd
In U.S. Corn Production

25
Bio-Refineries Statewide

$4.9B
Total Industry Output
Digitalization is a driver for many industries and offers potential both in the development of new technology solutions themselves as well as in their supply for the digitalization of other industries.

**Industry 4.0 in the American Midwest - Opportunities for German Companies**

Today, advanced robots perform many tasks in factories across the globe, ranging from welding to thermoforming, and everything in between. With the fourth industrial revolution, known as Industry 4.0, autonomous robots are monitored through advanced sensors, allowing AI and Big Data processors to make real-time decisions about production on the shop floor. Supported by the Industrial Internet of Things (IIot), devices in factories around the world are becoming more interconnected than ever, increasing efficiency and reducing costs for every manufacturer.

Industry 4.0 has started to transform production facilities by connecting every area of the shop floor, as well as creating digital links between machines, assembly lines, and robotic cells. Ultimately, Industry 4.0 integrates engineering, design, inventory management, shipping, and eventually the entire supply chain into one seamless production system.

"Open innovation in and through digitalization is fostered by cooperation. From customer immersion to collaborative product design to leveraging entire networks, the power of allowing external ideas into the iteration process is a key element of progress in the digital age."

Fermin Fernandez, Innovation Manager, Bosch
For over 35 years, Vetter has been a trusted partner in injectables manufacturing for pharmaceutical and biotech companies around the world. Our deep expertise enables us to integrate with your team to design and implement a personalized plan for success in a shifting global marketplace. Our strategic partnership includes:

- Customized clinical and commercial manufacturing services for your product throughout its lifecycle
- Deep and comprehensive technical, analytical, and regulatory subject matter expertise
- Proven manufacturing processes that are flexible, efficient, and scalable
- Filling and packaging capabilities that utilize the latest technology to meet international market demands
In the US, the integration of production and automation technology with modern information and communication technology is just now gaining more traction. In particular, manufacturing companies have an interest in advancing the development of fully automated and networked facilities: “Smart Factories.” As some US companies are not adapting as quickly to Industry 4.0 developments as their competitors in Europe or Asia, investment opportunities for German companies in the US are awaiting.

The opportunities for German companies in the US surrounding automation and digitized industry are numerous. Germany has long struggled in the realms of connectivity, cloud computing and storage, and willingness to invest. The US offers direct advantages over Germany in these areas, and presents an excellent opportunity for investment. On the other hand, German companies conducting business in the US may find older machinery that requires retrofitting, dramatically reduced policy-based support for Industry 4.0 technologies, and a shortage of skilled labor, particularly with training in advanced manufacturing practices.

**Trends in Industry 4.0 in the US**

US companies have been relatively cautious surrounding Industry 4.0, but are becoming more willing to make investments. Most of these companies predict that their investments will pay off: According to the PWC Industry 4.0: Global Digital Operations Study 2018, 86% of surveyed manufacturers expecting to see reduced costs and increased revenue over the next five years as a result of digitization efforts. However, based on a 2017 study by Automation Alley, only 27% of manufacturing executives were familiar with Industry 4.0. Among the same group of executives, however, 85.4% stated that they are interested in investing in improving technological processes, increasing production and reducing costs. The technological trends associated with Industry 4.0 are the best way for manufacturers to reach these goals.

The market for intelligent machinery and other devices within the manufacturing sector is seeing strong growth, and will continue to strengthen. Estimates suggest that the North American market for Industrial Internet of Things (IIoT) solutions will grow to nearly $600bn over the next two years. The trend toward automation and digital industry can be seen in every part of the world.

**Top-Technologies for Investment**

- **The Smart Factory:** Industrial automation and predictive maintenance
- **Big data and the Cloud:** Cyber security, cloud storage and big data analysis
- **Artificial Intelligence:** Robotics, autonomous devices, and machine learning
- **Collaborative Innovation:** Open-source development
The desire for innovation and growth drives you to explore new opportunities for your business. Our experts strive to understand your current and future needs and create solutions that respond, wherever your business takes you. Allianz is your companion to boldly go beyond borders.
**Smart Factory**

The most tangible representation of Industry 4.0 is the Smart Factory. As devices become more interconnected and data is communicated more effectively, production facilities can begin to make fundamental changes in how they operate. The Smart Factory is a highly flexible digital manufacturing center that can prioritize tasks, self-optimize, adapt to device failure, and order changes in real time. The goal of the Smart Factory is to produce smaller lot sizes of increasingly complex products with fewer mistakes, ultimately resulting in single-unit batches of fully customizable products.

The Smart Factory may seem like a daunting proposition, but large (and even medium-sized) companies are building them throughout the world. Working toward the full Smart Factory is an incremental process and can be taken one step at a time – even by small manufacturers looking to improve efficiency or reduce costs for their customers. According to Peter Maier, SAP Industries Co-President, Smart Factories track the health of their machinery in real time. They use their sensor data on performance, efficiency, and error rates to predict and avoid deteriorating quality and unplanned downtime. Remote and mobile monitoring removes employees from dangerous shop floors and distant sites. Applying the insights to optimize production processes and equipment operations drives efficiency and ensures quality – making the smart factory even smarter.

Manufacturing Execution Systems (MES) are one of the most crucial aspects of the Smart Factory. An MES provides transparency of the entire facility, optimizes operations, and allows remote control to increase productivity. Individual machines are excellent at performing tasks, but cannot prioritize actions taking into account an entire factory. The MES is a higher-level system that helps the shop floor run optimally and perform tasks with efficiency and precision.

**Predictive Maintenance**

Sudden machine downtime costs manufacturers roughly $50bn worldwide per year, with equipment failure causing nearly half of this downtime. Predictive maintenance uses advanced monitoring to predict, and ultimately, reduce these failures. The goal of predictive maintenance is to schedule service and component replacement at the exact moment it is required, rather than too soon or too late, which can lead to costly production downtime. The US Department of Energy indicates that predictive maintenance could reduce costs by more than 25%, with downtime falling by up to 45%, and a 75% decrease in machine breakdowns.

In order for predictive maintenance to be successful, equipment must be monitored closely through methods including vibration analysis, acoustic monitoring, or infrared thermography. Data from these sensors can be processed internally, or via cloud storage and computing, allowing for partially or fully remote maintenance. According to Markus Zimmermann, Director of the TRUMPF Smart Factory, predictive maintenance is a tremendously important consideration for German companies coming to the US. “In Germany, you can visit any customer within six hours, but in the US, time needed to see a service technician could be much longer, simply because the country is so large. Predictive maintenance helps reduce the risk of waiting around for machines to be fixed,” he explained. With predictive maintenance, companies need fewer technicians in the US as they begin operations, saving time and money during market entry.
Keep pace with the digital transformation, ensure your company’s competitiveness, and make your production fit for the future. Our modular Manufacturing Execution Systems (MES) will help you connect your shop floor, create the necessary transparency in your production processes, increase efficiencies and lay the foundation for a Smart Factory.

Learn more about MES HYDRA, Smart Factory and Industry 4.0:

http://mpdv.info/meshydra-us
German Innovation in Industry 4.0
Saving Energy Costs and Predicting Maintenance through Smart Energy Measurement

German company Janitza electronics GmbH is a family enterprise focusing on development and production of energy efficiency systems. As a manufacturer of digital measurement equipment, universal-measurement devices, power factor controller, and peak demand management systems they are amongst the leading suppliers in this market segment. Janitza measurement devices are used in more than 60 countries worldwide and GACC Midwest supports the company in their exploration of the US market. In our interview, Christian Laurenzano, Director of Sales, North America, at Janitza LP, shares some insights on their innovative Industry 4.0 solutions.

Which challenges do you see for today’s manufacturers?
A key success factor for modern companies is transparency across all data levels. Data from all company divisions must be acquired and consolidated in order to optimize planning for production processes, establish safety measures to protect systems, personnel and machines, and save costs. This objective entails a number of challenges, because different standards, interfaces, and communication options must be coordinated with each other. Networking areas that were previously examined separately, from the machine level to ERP and building management systems, is very complex.

How does Janitza tackle these challenges?
OPC UA is a data transmission standardization that simplifies this consolidation across the shop floor. The Janitza UMG 801 energy measurement device offers various communication interfaces and enables direct data transmission to higher-level systems via OPC UA, eliminating the need for costly integration. Janitza uses real-time, decentralized energy and production data to lower energy costs and predict maintenance. The modularly expandable UMG 801 is ideally suited for the complete acquisition of an energy management system (e.g. ISO 50001). Customers can gain transparency about energy consumption and energy costs at all measurement levels. In addition, critical deviations in power quality as well as residual currents (RCM), which load or even put systems at risk, can be detected.

Solutions at a glance
Janitza utilizes energy and production data to tackle the challenges of today’s manufacturers’ in four steps.
Step 1: Make energy cost transparent with maximum data security
Step 2: Regulate peak demand and save cost
Step 3: Connect production data to energy data via OPC UA
Step 4: Predictive maintenance and avoidance of unintended standstills

Your Contact:
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www.trumpf.com
Cloud Storage and Cyber Security

More than any other area of criminal activity, rates of cyber crime continue to rise. In fact, nearly half of all German internet users have been a victim of cyber crime, with half of those attacks leading to financial loss. Cloud computing and storage are two of the most important topics within Industry 4.0, since advanced information processing cannot occur without the cloud.

Storage of data on cloud servers, however, exposes companies to some risks. While cyber security is not a legal requirement, it is absolutely essential for companies to protect their own data and the knowledge of their customers. As Industry 4.0 progresses and factories become smarter, devices and data will become more interconnected. Breaches and attacks on these devices will become more common and more profitable for criminals.

The global cost of cyber crime per year is estimated to be around $600bn. In Germany, roughly two thirds of manufacturers have dealt with cyber crime, with SMEs being particularly vulnerable to attacks. When considering operations in the US, companies can consider avoiding areas where cyber crime is more common like the coastal states. No Midwest states were ranked in the top five for total money lost to cyber crime or money lost per attack. Companies wishing to take extra precautions may consider investing in cyber insurance to protect themselves from financial loss or other costs of business interruption.

Cooperative Environments

The US manufacturing sector is characterized by collaborative hubs and networks, which are very beneficial for manufacturers to be aware of and interact with. One very important network is Manufacturing USA. It was created in 2014 and consists of 14 institutes spread all across the United States. The network is based upon the Fraunhofer Institute model from Germany.

The goals of those networks are:
• Identifying collaboration opportunities between industry, academia, and other stakeholders
• Catalyzing innovation and new technologies
• Developing a skilled workforce for the manufacturing sector

One of the institutes, Manufacturing x Digital (MxD), located in Chicago, IL, focuses on Smart Manufacturing and provides a platform for manufacturers to experiment, test, and train on their shop floor.

Manufacturers can also benefit from networking with these institutes and their members.

Other networks and collaborative environments can be found at incubators, accelerators, and co-working spaces focused on manufacturing. One of the more relevant institutions in this regard is mHUB in Chicago, IL. mHUB is the largest and fastest-growing innovation center focused on physical product development and manufacturing in the US. GACC Midwest works closely with mHUB on a variety of initiatives and events both in the US and Germany. Manas Mehandru, COO at mHUB, was involved in one of GACC Midwest’s programs in Germany and appreciated being “immersed not just into the technicalities of Industry 4.0 but also the ecosystem that drives sustainable industry growth.” It became apparent to him how German “manufacturers (are) truly implementing I4.0 technologies into their facilities. From end to end, the ecosystem structure became very clear throughout the (program) and the conversations were very insightful.”
Innovation is a Minnesota hallmark. The state’s legacy of high-tech breakthroughs includes the implantable pacemaker and the black-box flight data recorder. At the dawn of the computer age in the 1950s and ‘60s, pioneering companies like Control Data Corp. and Engineering Research Associates got their start in Minnesota.

Now Minnesota is leading the technology revolution again, attracting and nurturing companies that create Internet of Things systems and other advanced tools that improve how we live and work. SmartThings of Minneapolis is developing smart technology for the home that can get the coffee maker going in the morning and dinner cooking at night. Minnesota med-tech powerhouses Medtronic and St. Jude Medical deliver remote patient monitoring systems that are revolutionizing the medical field. ZTR Control Systems in Minneapolis offers applications that reduce carbon emissions on locomotives.

It takes brainpower to develop this next-generation technology, and Minnesota has that in spades. One-third of the state’s workforce has a bachelor’s degree, and more than 250,000 people are employed in the technology sector. CNBC this year gave the state an “A” for its technology and innovation prowess and ranked Minnesota sixth in its annual Top States for Business rankings.

Minnesota has top-tier talent, a diverse and robust economy, and a culture that encourages entrepreneurs and new ideas. Minnesota companies don’t just succeed here, they are helping to change the world.
Markus Hiller is the Principal - Technology Management at CHG-MERIDIAN, the international expert for efficient technology management of IT, Industrial, and Healthcare assets. Markus and his team are responsible for providing Total Cost of Ownership, Total Value of Ownership, and Lease versus Buy analysis for CHG’s customers of Fortune 5,000 companies and healthcare systems.

Markus Hiller
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Companies that rely on a large technology portfolio—whether it’s a fleet of information technology or material handling equipment—can easily lose sight of where certain assets are deployed, and what financing terms are in place for each individual piece of equipment.

And losing track of these details means overpaying for technology assets.

At CHG-MERIDIAN, we have helped more than 11,000 companies optimize their investments in technology by becoming their partners in Financing and Technology Lifecycle Management. We offer our customers full visibility into their technology portfolio and help them implement a roadmap that will drastically reduce their Total Cost of Ownership.
The process begins with asset discovery, where experts from CHG-MERIDIAN account for every piece of equipment in a customer’s portfolio. This thorough review opens up the next phase of the process, where we help customers create and implement a plan that will bring them the maximum ROI for all their technology investments. This is not just a one-time analysis but an ongoing partnership where we work together to lower their Total Cost of Ownership.

Asset Discovery

When CHG-MERIDIAN partners with a company, we begin by chronicling every piece of technology in the customer’s portfolio. This includes reviewing every contract and vendor program, and visiting worksites in person to get an accurate accounting.

We have found that some companies are paying for assets that are not being used, while others have deployed technology fleets that are either too small or too large to be cost effective. Our asset discovery process has also shown that many customers are using equipment after their leases have expired and converted to costly month-to-month rentals. We also find that equipment and services are often bundled together in vendor programs that do not offer maximum benefit to the customer.

Reviewing a company’s current technology portfolio—including every piece of equipment and every lease or rental contract—is the first step in effectively managing it.

Road Map to the Future

Once the experts at CHG-MERIDIAN have developed a comprehensive picture of a customer’s technology assets, we create a road map toward a company’s future state in which it will realize the full value of its technology investments.

We often begin the journey by offering intelligent financing concepts, so our customer isn’t renting for a high monthly rate or paying for services that are not necessary. Because we are vendor-neutral, we always offer lease terms that are specifically tailored to each company’s needs.

We then help our customers implement a road map that can save millions of dollars by tracking the full lifecycle of every item of their technology portfolio, from preparation to active use to its end-of-life phase.

Lease versus Buy Analysis

When it comes to acquiring IT or industrial technology assets, there are many options to consider. In addition to looking at the costs of buying or leasing a piece of equipment, businesses must also consider maintenance, tax implications, flexibility and more.

After identifying the type of technology assets a business needs, it is good advice to analyze the pros and cons of leasing compared to buying.

CHG-MERIDIAN can help analyze the quantitative and qualitative benefits of leasing versus buying. To provide an objective analysis requires familiarity with different lease structures and pinpointing the correct framework to match your existing business patterns and objectives. This step requires an in-depth market knowledge that comes from working on similar transactions and comparing results among our customers across the globe. Our high international transaction volume, diversity in asset types and industries gives us a level of expertise that is vital when it comes to a comprehensive lease versus buy analysis.

A comprehensive lease versus buy analysis includes 3 basic steps:

1. Structure
2. Price
3. Compare

About CHG-MERIDIAN

CHG-MERIDIAN is the international expert for efficient technology management in the areas of Healthcare, IT, and Industrial assets. Since 1979 we have been minimizing our customers’ workloads by providing customized technology solutions and associated financing, independent of manufacturers. Customers benefit from our hybrid approach, which brings together crucial expertise from the technical and commercial worlds to enable us to reduce their costs and risks while maintaining full transparency over their business processes.
Networking the Right Way

How does Connected Machining work in practice? Let’s produce a bicycle pedal using a HEIDENHAIN control as the central pivot of digital communication.

Digitalization. Networked production. Intelligent factories. These and several other buzz phrases are hot topics currently discussed in manufacturing industries. We would like to explain how we view these topics and which solutions we offer with Connected Machining by way of an example—the production of a bicycle pedal.

What might a production infrastructure look like in which all work steps are digitally networked via Connected Machining, from construction to the ready-to-deliver component? At first glance not so different to traditional production in fact, because the participants are the same. Only the data flow between the individual stations is now digital and completely paper-free—in the case of Connected Machining with the HEIDENHAIN control on the shop floor as the central pivot of communication.

The networking protagonists usually consist of:

- Design including CAM programming and simulation
- Tool preparation and tool provision
- The workshop with machine tool and HEIDENHAIN control
- Quality inspection
- Procurement logistics for blanks and tools
- Supply logistics for the shipping of finished products
- Job planning and processing

At the center of the digital network: the HEIDENHAIN control

Using our example of digitally networked production let’s start where the actual added value is generated—on the shop floor. The secured blanks are lying on a pallet at the machine for pending work. But how do you, as the machine user, know what to do?

Usually you are given a folder or order pouch with all possible information on a few (or sometimes many) sheets of paper: drawings, parts lists, tool lists, deadlines, etc. And then you get going—trying to find something in the documents. They’re seldom sorted so you can gain a quick insight into the production-relevant data.
You won’t need this folder anymore in a digitally networked production environment with Connected Machining. Via the control, e.g. a TNC 640, you have direct access from the shop floor to all of the company’s relevant production data, which in turn is also networked.

Direct exchange: construction data and NC program

With HEIDENHAIN’s Remote Desktop Manager option you can directly access the CAM system from the HEIDENHAIN control. The CAM system on the other hand utilizes the information from the tool database for program creation.

Stay informed: job planning

Using the Batch Process Manager of the TNC 640 you can now schedule a production job's execution right on the machine. NC programs and the position of the workpiece fixture on the pallet are linked according to the specific job.

Batch Process Manager also provides you with information about the machining duration. It can also be used for order planning, such as scheduling further logistics of the finished parts or subsequent jobs for the machine.

On time and networked: tool reordering

The data from job planning is used together with tool management data to order new tools. The tool preparation station immediately receives orders for any additionally required tools. Based on the data stored in tool management, the tool preparation station can then promptly prepare new tools in the tool presetter for calibration.

In this case as well, the exact tool settings data is sent to tool management. The pre-set tools are given their own unique code on the tool holder for clear identification. Then the CAM program and virtual machine also have access to this data.

All information at hand: tool data and tools

Calibrated tools are already loaded in the machine’s tool magazine. They are clearly identified by a code on the tool holder. You have conveniently used a scanner to read this code while filling the tool magazine. The TNC 640 therefore knows immediately which tools are in the machine. The data comes directly from the tool management system via Ethernet.

For safety reasons the control automatically compares the tools used in the NC program with the tools actually available on the machine. The control then reports any tools that are missing, and states the estimated machining time. You can output a list of tool differences that contains only those tools you still need to prepare.

Consistently better processes: quality assurance

At the end, automatic calibration of the workpiece on the machine provides you with important data for quality assurance purposes. With the help of the control you can then simply archive the data or directly evaluate it. Naturally the data is also centrally available to all other systems, meaning that from the NC program to the tools, all links of the process chain can be optimized.
The mission of our global network is to promote German exports. As the official representatives of German business in their host countries, our organization is a great partner for German companies abroad.

**Investment and Economic Development**

For GACC Midwest, establishing sustainable relations with stakeholders in our region is a key part of our work. Whether it is through trade missions or delegations, we bring together representatives from Germany and the US to explore cooperation and investment. We partner regularly with Economic Development Organizations and state representatives throughout the American heartland to establish closer ties between German and American companies that lead to growth, prosperity, and job creation on both sides of the Atlantic.

**Economic and Business Surveys**

In order to have a better understanding of the relevant issues for German business, GACC Midwest as well as our German umbrella organization DIHK conduct surveys that rely on the participation of German companies abroad. Those surveys help us monitor the economic climate for German subsidiaries. They give us a direct insight into the challenges our members face, how those compare to a global state, and equip us with the necessary information to push for better growth opportunities.
AHK WORLD BUSINESS OUTLOOK

Created by the DIHK, the AHK World Business Outlook is a biannual survey capturing the economic outlook of German companies throughout the world. In 2019, the spring survey concluded that the global economy is lacking dynamism. As in previous years, the general economic policy framework is perceived as one of the largest risks to the global economy. Accordingly, while German business is still doing well, the investment climate is especially hesitant in the US market. The topic of workforce also ranks as an important risk for German companies abroad. This manifests itself twofold for German businesses: First, a lack of skilled labor poses a challenge. At the same time, uncertainties about future supply structures and location advantages are also noticeable in lower hiring numbers.

Find out more at www.dihk.de.

GERMAN AMERICAN BUSINESS OUTLOOK

The German American Business Outlook (GABO) is an annual, nationwide survey conducted by the German American Chambers of Commerce with KPMG in Germany. It assesses the business environment for German companies operating in the US and one of the most important economic indicators of German-American business relations.

Each year, the survey is shared with more than 2,500 German subsidiaries in the United States and the GACCs receive valuable insights on perceived risks and opportunities for German companies in the US, as well as on their views of the US as an investment location.

The latest findings will be released in January 2020. Find the results and business trends over the past 10 years on our website www.gaccmidwest.org/gabo.

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To learn more, visit JobsOhio.com/workforce.
Wisconsin-Germany synergies and partnerships drive the future of manufacturing

It’s no coincidence that both Wisconsin and Germany are global hubs for advanced manufacturing. In Wisconsin’s earliest days as a state, the German roots of many of its inhabitants led to a focus on manufacturing. Cultural connections laid the groundwork for economic similarities, and those similarities continue to be reinforced by present-day cultural and trade connections between Germany and Wisconsin.

As Wisconsin strives to ensure its manufacturing sector stays at the leading edge of innovation, these efforts are creating opportunities to deepen the Wisconsin-Germany connections—be it through German investment in Wisconsin, through collaboration or through buyer-supplier relationships.

The leading edge of smart manufacturing

Taking a page from the playbook of Germany’s world leadership in smart manufacturing, Wisconsin has developed a suite of programs and initiatives designed to help manufacturers modernize and keep up with industry trends.

The Wisconsin Manufacturing Extension Partnership’s Transformational Productivity Initiative works with companies to increase manufacturing productivity, with a target of 30% to 40% productivity enhancement at the company level. The initiative helps manufacturers first close gaps with best practices, and then leverage automation and connected systems to further boost productivity. With this initiative in place, German companies can rest assured that when they work with Wisconsin manufacturers, those manufacturers are making smart use of technology in their production processes.

The creation of the Connected Systems Institute (CSI) has helped to further solidify Wisconsin leadership in advanced manufacturing. Based at the University of Wisconsin-Milwaukee and developed in partnership with Rockwell Automation and Microsoft, CSI is a multidisciplinary initiative that focuses on big data, IIoT, machine learning and artificial intelligence. From its location in a U.S. manufacturing hub, CSI brings together faculty expertise with industry leaders to identify key research needs and find solutions that are quickly delivered to market, while also developing talent to meet industry-specific needs. CSI’s planned state-of-the-art testing facilities will set it apart from other industry-university consortia studying IIoT connectivity. And Wisconsin is starting its focus on talent development even earlier in the pipeline, with the state providing matching funds for public school districts to develop fabrication laboratories (fab labs) that teach students the science, technology, engineering, art and math (STEAM) skills that are in high demand in smart manufacturing.

In addition, German companies looking to do business in Wisconsin can gain easy access to a localized supply chain in key sectors, including food and beverage, water technology, aerospace, automotive and energy. The Wisconsin Supplier Network (wisconsinsuppliernetwork.com) is a web portal that showcases the strength of Wisconsin’s manufacturing supply chain and facilitates connections between buyers and suppliers. Within the portal, original equipment manufacturers (OEMs) can search for suppliers based on categories, competencies and certifications. Using a robust keyword platform that leverages data science logic, companies interested in doing business with Wisconsin suppliers can easily connect by posting requests for proposals (RFPs), which potential suppliers then receive through an email alert system.

The business and cultural ties that connect the two economies set the stage for further advancements.
Wisconsin-Germany ties run wide and deep

Business connections are strong in both directions, with Germany ranking as the state’s largest source of foreign direct investment (FDI) in terms of the number of projects. A total of 68 German companies own 221 operations in Wisconsin, and 43 Wisconsin companies have operations in Germany. Since 2013, there have been 12 FDI projects by 11 separate German firms into Wisconsin, including eight new projects and four expansion projects.

The largest of these projects is HARIBO’S planned $242 million, 500,000-square-foot facility in Pleasant Prairie. Expected to be completed in 2020, it is one of the largest investments in new operations by an overseas company in Wisconsin history. It will employ approximately 400 workers once fully operational and will be among the three largest confectionary plants in the U.S.

In 2018, Wisconsin companies exported $814 million worth of goods and services to Germany, making Germany the fourth-leading destination for Wisconsin exports. Meanwhile, Wisconsin imports from Germany totaled $1.9 billion.

The Wisconsin Economic Development Corporation (WEDC) regularly leads global trade ventures to help connect Wisconsin companies with buyers, distributors and other partners in the German market that may have a use for their products. The next global trade venture to Germany is scheduled for June 2020 and will include stops in Nordrhein-Westfalen, Niedersachsen and Sachsen-Anhalt. (Find more details at wedc.org/goglobal.)

Wisconsin has had a sister state relationship with the German state of Hessen for more than four decades, with frequent visits in both directions and collaborations in areas including government, education, culture, tourism, science and technology.

Throughout history and today, Wisconsin and Germany have shared many characteristics, including a dominant manufacturing sector, devotion to quality and precision, and a history of multi-generational, family-owned businesses. A good example of the cross-cultural learning that results from these ties involves Hermle Machine, which recently implemented the ICATT apprenticeship program at its North America headquarters in Franklin, Wisconsin. Hermle and WEDC have spread the word to other Wisconsin companies of the benefits of the program—developed in collaboration with GACC—through which students receive an associate degree and German DIHK certification along with a two-year employment guarantee at the end of the program.

These rich and varied Wisconsin-Germany ties were officially recognized with Wisconsin’s receipt of the Excellence in Economic Development Award this past October from the German American Chambers of Commerce. “We highly value our state’s strong connections with Germany, and we will continue to nurture and strengthen those connections,” said Katy Sinnott, WEDC vice president of international business development.

German companies with a presence in Wisconsin include:

- Allianz SE
- BASF SE
- Bayer AG
- Bertelsmann Stiftung
- Dr. Willmar Schwabe GmbH & Co. KG
- E. Merck KG
- Fresenius Medical Care AG & Co. KGaA
- Gebr. Knauf KG
- Krones AG
- Maschinenfabrik Berthold Hermle AG
- Messer Group GmbH
- Rheinmetall AG
- Robert Bosch Industrietreuhand KG
- Siemens AG
- Thyssenkrupp AG
- Voith Familien Verwaltung GmbH
- Wacker Neuson SE
- Zeppelin Foundation Friedrichshafen

To learn more about international business development opportunities in Wisconsin, please visit InWisconsin.com or contact:

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CHRISTKINDLMARKETS

MAREN PRIEBE
CEO, GERMAN AMERICAN EVENTS LLC

“The growth and success of the Christkindlmarket is, in no small part, thanks to the support of the German-American community and GACC Midwest. Join us in championing this important cultural event while capturing the attention of a large local and international fanbase. Become a partner of the Christkindlmarket 2020 and secure a piece of the magic during its 25th anniversary year!”

Maren Biester Priebe, General Manager, GAE LLC

Christkindlmarket: Putting the Fun in Function

Celebrating its 25th year in 2020, the Christkindlmarket Chicago has become the hallmark event and must-attend attraction of the Chicagoland holiday experience. Conceptualized in 1996, the Christkindlmarket has grown from a 2-week pop-up to a 40-day event featuring over 55 vendors, drawing crowds of over 1.3 million people and consistently being the most attended event in the entire AHK Network.

With the increasing attention and success of the markets, German American Events, a subsidiary of GACC Midwest, was able to not only grow the Chicago market location but open new locations including Wrigleyville and Milwaukee. In 2018, the market reached record numbers with a total of 1.9 million visitors across all three markets. Guests hailed from over 32 countries, and the majority (66%) named the Christkindlmarket as their primary reason for visiting the area.

The Economic Impact

National and international recognition of the Christkindlmarket continues to grow and bring economic success to the businesses involved in the markets, as well as the surrounding communities. Based on an independent economic impact study conducted in 2017, the Christkindlmarket Chicago generated $88 million dollars in direct economic output and an estimated $170.7
million dollars in terms of total economic activity on the county level. Sponsors and vendors alike report significant return on investment, exposure, name recognition, page visits and increased sales throughout the year based on their involvement with the markets. Even on a social media front, the Christkindlmarkets continue to grow and offer new partnership pathways with an average daily social media post reach of 347,000 people.

**Getting Engaged**

Internationally recognized, the Christkindlmarket provides a platform for businesses from around the world to gain a foothold in the US market, including companies such as Käthe Wohlfahrt, Steiff, and TeaGschwendner. The market also acts as a stage for German companies such as Gebrüder Weiss to present their iconic brand to a tremendous audience during the fourth quarter of their year. With the markets continued success, programming and offerings have similarly increased to include options to host receptions and holiday parties at the market for up to 125 people.

Even smaller groups and business meetings can find a spot with the “Stammtisch” table program that allows for food and beverage packages to be pre-ordered and delivered to a festively decorated reserved table. The market is the ideal spot to engage, entertain and experience a little touch of Germany in the US.

In 2020, the Christkindlmarket will celebrate its 25th anniversary year - our teams look forward to celebrating this wonderful example of German-American partnership.
Beats, Brats, and Bundesliga - the German language, culture, and cuisine have a strong presence in the US. To celebrate this deep transatlantic friendship, the German Federal Foreign Office, the Goethe-Institut and the Federation of German Industries (BDI) declared 2019 the Year of German American Friendship. Within a year-long “Wunderbar Together” campaign, over 1,000 events in all 50 states highlighted the best of German-American relations.

Germany Week in Chicago

The largest of these events was Germany Week, taking place in Chicago’s Daley Plaza over 10 days at the end of April. Inspired by Christkindlmarket Chicago, this free, family-friendly event offered visitors a peek into Germany in the heart of the US.

Germany Week offered something for everyone. Over 21,000 people visited Germany Week during its run: decision-makers in business, government, education, and the media; Americans with a close relationship to Germany; students and other young people; and people with no connection to Germany. Visitors learned about Bauhaus design, marveled at music and dance performances, sampled German wines at the three Wine Fests, listened to fairy tales by the Brothers Grimm, and...
cheered on their favorite Fußball teams with streamed Bundesliga games. Live demonstrations and experiments for children and adults highlighted the best of German industry, engineering, and science.

Authentic German food and drink was also available, with a Biergarten and a number of diverse vendors. Guests listened to German music from live bands as they enjoyed their food under the lights of the large event tent. Attendees got a taste of Germany at any time of the day, whether they stopped by for lunch or stayed for an event.

**German Atmosphere, Business and Culture**

A significant number of Germany Week’s events focused on the direction transatlantic business moving forward. German Ambassador to the United States Emily Haber attended the Work Awesome Conference, sharing her vision for the future of German-American cooperation in the arts, business, and politics.

Executives from Siemens, SAP, Allianz and more spoke about sustainability, workforce, and automation, among other topics relevant for the German-American business community.
# BOARD OF DIRECTORS

## Board of Directors, GACC MIDWEST

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<td>Matthew Wallace, GACC Midwest</td>
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<td>Honorary Director</td>
<td>Jack S. Richter</td>
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## Board of Directors, GAE, LLC

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<td>Michael E. Richter</td>
<td>J.S. Richter Ltd.</td>
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<td>Mark Tomkins</td>
<td>GACC Midwest</td>
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<td>Matthew Wallace</td>
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**Accounting**
- Leshia Gouveia
- Sam Mickey
- Marina Münst

**Consulting**
- Lee Wickham - ICATT - Coordinator
- Gerrit Ahlers - Director, Consulting & Corporate Development
- Corinna Jess - Director, Consulting Services & Trade Missions
- Justin Flaxbart - Senior Manager, Recruiting & Consulting Services
- Jessica Ferklass - Manager, Consulting Services
- Markus Wirth - Manager, Consulting Services, Michigan Office
- David Stock - Manager, Market Entry Programs, Delegations & Events
- Martha Erhard - Manager, Trade Missions
- Brooke Rupprecht - Consultant, Michigan Office

**German-American Events**
- Maren Priebe - CEO
- Kate Bleeker - Director, Expansion & Operations
- Christine Schwartzkopff - Manager, Operations
- Laura Terzakis - Manager, Special Events

**Marketing**
- Prachi Deo - Assistant Manager, Production & Operations
- Demerike Palecek - Assistant Manager, Communications & Special Events
- Erin Van Fleet - Assistant Manager, Sales & Corporate Relations
- Leila Schmidt - Assistant Manager, Communications & Intercultural Training

**Skills**
- Amelia Anderson - Manager, Productions
- Demi van Wijk - Marketing
- Mareike Beck - Skills
- Alexandra Beste - Bjarne Jaekel
- Myriam Klein - Myriam Krebs
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