

WHERE WILL YOUR NEXT CUSTOMER COME FROM?

Auxilium Expatbiz Services
Gluckweg 10 | 12247 Berlin | Germany
Tel.: +49 30 771 90 321
dr.herdmann@expatbiz.eu

The value of taking your business global



A growing number of U.S. small and midsize firms (SMEs) are now selling their products and services to markets all over the world!

Why export?

- ✓ Increase sales and profit: over 95% of the world's population lives outside the U.S. and two thirds of the world's purchasing power is in foreign countries!
 - ✓ Reduce dependence on domestic market alone: It is critical for U.S. SMEs to think globally, foreign-owned business is competing on the domestic market.
 - ✓ Extend sales potential and shelf-life of existing products to maintain market share and keep pace with competitors.
 - ✓ Stabilize seasonal market and sales fluctuations: exports mean business growth, and business growth means bigger profits for your company.
- Most U.S. exporting firms are SMEs (85% - 96% depending on state); it is said that 30% of non-exporting SMEs would sell abroad if they knew how to do it.

United States Trade Relations



Exports 2012:

✓ Worldwide: 1,546.5 billion USD:

| | | |
|---|----------|-----------------|
| ➤ | Canada: | 292 Billion USD |
| ➤ | Mexico: | 216 Billion USD |
| ➤ | China: | 111 Billion USD |
| ➤ | Japan: | 70 Billion USD |
| ➤ | UK: | 55 Billion USD |
| ➤ | Germany: | 49 Billion USD |

✓ Exports by state:

| | | |
|---|-------------|-----------------|
| ➤ | Texas: | 265 Billion USD |
| ➤ | California: | 162 Billion USD |
| ➤ | New York: | 79 Billion USD |
| ➤ | Washington: | 76 Billion USD |
| ➤ | Illinois: | 68 Billion USD |
| ➤ | Florida: | 66 Billion USD |

Imports 2012:

✓ Worldwide: 2,275.4 billion USD:

| | | |
|---|----------|-----------------|
| ➤ | China: | 426 Billion USD |
| ➤ | Canada: | 324 Billion USD |
| ➤ | Mexico: | 278 Billion USD |
| ➤ | Japan: | 146 Billion USD |
| ➤ | Germany: | 109 Billion USD |

✓ Imports by States (2011):

| | | |
|---|-------------|-----------------|
| ➤ | California: | 352 Billion USD |
| ➤ | Texas: | 319 Billion USD |
| ➤ | New York: | 127 Billion USD |
| ➤ | New Jersey: | 126 Billion USD |
| ➤ | Illinois: | 122 Billion USD |

The European Union



- ▶ US trade relationship (imports and exports) with the European Union (EU) in 2012 are ranking second, following only
 - ▶ China (U.S. imports) and
 - ▶ Canada (U.S. exports) with an
 - ▶ U.S. export volume to the EU of more than 270 billion USD

- ▶ Single (integrated, open & competitive) market with
 - ▶ Strong legal and financial structures
 - ▶ 27 member states in the European Union (EU) and
 - ▶ 503.7 million consumers
 - ▶ GDP (2011): 17.6 trillion USD

- ▶ Eurozone (euro area) ➡ economic and monetary union of

| | |
|---|---|
| <ul style="list-style-type: none"> ▶ 17 EU member states and ▶ 332.8 million customers ▶ GDP (2012): 9.5 trillion USD | <ul style="list-style-type: none"> ▶ No currency risk ▶ Lower transaction costs ▶ Price transparency |
|---|---|

Germany



- 🕒 Area: 138,000 sq mi (an area the size of New Jersey, New York & New England combined)
- 🕒 Population: approx. 82 Mio (per capita income: USD 41,168) widespread above average knowledge of English, qualified staff
- 🕒 GDP (nominal, 2012): USD 3.367 trillion (the largest economy in Europe, the 4th largest in the world)
- 🕒 Fertile grounds for American SMEs to successfully do business:
 - ✓ 99.3% of companies are small and midsize (SMEs); they employ 61% of German workforce & account for 47% of gross value added & 46% of gross investments in tangible assets
- 🕒 Most SMEs have a strong local or regional basis often in smaller cities outside the large industrial centers
- 🕒 High affinity for U.S. products (6th on the list of importing countries with 48.8 billion in 2012)
- 🕒 By far the world's premier trade fair location!

Exports to Germany



Strongest NAICS merchandise groups:

| | |
|-----------------------------|--------------------|
| 336 Transportation equip. | 13,132 Billion USD |
| 325 Chemicals | 7,027 Billion USD |
| 334 Computer & electr. eqq. | 7,005 Billion USD |
| 333 Machinery | 5,026 Billion USD |
| 339 Misc. manufact. prod. | 2,994 Billion USD |

States with the strongest export track record:

| | |
|----------------|-------------------|
| California | 4,986 Billion USD |
| South Carolina | 3,746 Billion USD |
| Texas | 2,665 Billion USD |
| Illinois | 2,659 Billion USD |
| Alabama | 2,547 Billion USD |
| New York | 2,301 Billion USD |

- A Germany's ranking on the ease of Doing Business List of the World Bank Doing Business Report 2013 is well above average of the leading OECD high income group
- A Germany ranks 13th on the ease of trading across borders list*) vs. UK 14th & U.S. 22nd
 - ✓ Similar to the U.S. it requires (only) 4 export and 5 import documents
 - ✓ Rapid customs clearance, ports and terminal handling and inland transport, transport accessibility is high
 - ✓ Moderate costs (well below U.S.)
- A Germany ranks 5th on the ease of enforcing contracts list*) vs. U.S. 6th & UK 21st

*) World Bank Doing Business Report 2013

Assessments of American companies invested and active in Germany

10th AmCham Business Barometer published in March 2013, based on a survey among the most renowned American companies invested and active in Germany in December 2012 and January 2013:

- ✓ Despite the crisis in Europe 50% of the American companies in Germany were able to increase revenues!
- ✓ Despite the crisis the forecast is optimistic with only 5% of the American companies in Germany expecting a decrease in revenues!
- ✓ Despite the crisis in Europe the American companies in Germany expect Germany to maintain or improve its competitive edge!
- ✓ Despite the crisis in Europe 90% of the American companies in Germany are content with the location

Large economic centers (see map):

- ⌋ Hamburg metropolitan area
- ⌋ Berlin / Potsdam
- ⌋ Ruhr Region [Duisburg, Essen & Dortmund]
- ⌋ Rhineland [Düsseldorf & Köln (Cologne)]
- ⌋ Rhine-Main region [Frankfurt/Main, Ludwigshafen, Mannheim]
- ⌋ Stuttgart metropolitan area
- ⌋ München [Munich] metropolitan area



Getting started



- ⌚ Evaluate the export potential of your products and services
- ⌚ Assess your company's export readiness:
 - ❖ Is exporting consistent with the vision and mission of your company?
 - ❖ Does your company have products and/or services successfully sold domestically?
 - ❖ Will your products be successful in international markets?
 - ❖ Do you have the commitment, persistence and financial resources for going international?

Discuss these questions with an international trade advisor and/or use the automated assessment tool offered by SBA (the U.S. Small Business Administration)
- ⌚ Prepare for the global markets by visiting trade shows in the U.S. and abroad and talking to international participants and by participating in overseas trade missions
- ⌚ Analyze and screen potential markets and identify target market
- ⌚ Discuss your results with an SBA trade representative or an International Trade Specialist at one of the Export Assistance Centers (the gateway to all federal export development and assistance programs – never let a question go un-answered)
- ⌚ Contact an Export Management Company

Getting on-the-spot support



- Ⓐ Auxilium Expatbiz Services (AES) can support you on site in your preliminary market and competitive analysis to evaluate the suitability of your products or services
- Ⓐ AES can facilitate your understanding of EU, Central European and/or German markets, supply chains, business procedures negotiation techniques etc.
- Ⓐ AES can conduct the Strategic Partnership Search – finding best-fit buyers, distributors, wholesalers before you travel to Europe
- Ⓐ AES can arrange your trade show attendance with pre-scheduled meetings
- Ⓐ AES can assist you finding your way through EU directives, import-export regulations abroad, product certifications, legal and tax concerns and more
- Ⓐ AES can customize your marketing to fit the cultural preferences of your target markets
- Ⓐ AES can represent you on site in Germany 🇩🇪

Please contact:

- Ⓐ Dr. Frank Herdmann, LEAD MANAGER
dr.herdmann@expatbiz.eu
phone: +49 30 771 90 321
cell: +49 172 301 91 24

✓ <http://expatbiz.eu>

Who we are

OUR EXPERTS:

Dr. Frank Herdmann

Reliable commercial and legal representation

Jacquelyn Reeves

Professional cross-cultural and transitional development

Sandy Weiner

Appreciative organizational design and coaching for healthy profitability

AUREL VEST

Industrial advisory and management services



Jacquelyn Reeves, M.S. – Managing Member

Workplace educator with demonstrated track record in generating improved workplace efficiency, staff satisfaction, and communication. Consistently selected for challenging situations. Fluent in German and English. Special expertise in social media and virtual teams.

Managing Partner of Reeves Intercultural

Sandy Weiner, M.ED., M.C.C. – Managing Member

Rich background as a coach, leader, and facilitator of human resources solutions which lead to real, sustainable business success. Brings in a trained psychologist perspective combined with business experience as a leader of flourishing ventures with the ability to understand and solve complex issues.

Managing Partner of 1-Focus

On June 1st, 2012 we formed an alliance of experts in different fields to deliver services and products for companies and individuals with business or other economic interests in Central Europe. On May 1st, 2013 AUREL VEST joined our alliance.

Together we create value across cultures!

Dr. Frank Herdmann – Lead Manager

C-level manager with a legal, financial, and operational background. Demonstrated track record in generating improved efficiency and higher profit margins. Fluent in English, educated in the US and Europe. Highly-skilled at working in multiple-targeted assignments in both the public and private sector.

Managing Partner of Auxilium Management Service

AUREL VEST – Associate Member

Experienced managers with C-level careers from diverse industry sectors : i.a. Raw Materials, Machinery, Manufacturing, Metal Processing, Automotive Supply, Railway Technology, Electronics, Power and Utilities, Clean Energy, Solar Technology, Industrial Services, Aircraft Maintenance, Technology, Engineering Services, Telecommunication Equipment, Information Technology, Media, and Retail Trading.

What we do

America's Gateway to Central Europe



Commercial and legal representation

- Manage the expansion of customer and/or supplier base
- Asset and investment management
- Undivided attention to your asset sales, divestments, and spin-offs

Industrial Advisory and Management Services

- Industrial Advice in acquisition projects
- Operational and business due diligence
- Increasing company value following an acquisition
- Post Acquisition Services
- Turnaround, restructuring and crisis management
- Portfolio-Management service
- Interim Management



Organizational design and coaching

- Merger excellence – enabling mergers that work from the start
- Strategic alignment and shared visioning
- Enterprise renewal across cultures
- Leaderstart® – team on-boarding
- Transitional leadership coaching

Cross-cultural and transitional development

- Executive business culture briefings
- Relocation Services
- Moving to a new country: Relocation Cross-Cultural Training
- Repatriation Training
- Communication across cultures
- Cross-cultural conflict resolution
- Negotiations on the international stage

**Thank you very much
for your attention!**

For more information please contact:

-  **Dr. Frank Herdmann, LEAD MANAGER**
dr.herdmann@expatbiz.eu
phone: +49 30 771 90 321
cell: +49 172 301 91 24

-  **<http://expatbiz.eu>**