



March 2010 German-American Business Council Newsletter

Dear GABC Members and Friends,

I hope that you have been able to enjoy a successful start into the New Year and decade, and I would like to thank all of our GABC Members and Sponsors who have actively participated and supported us throughout the last year. It is due to their generosity and help that we are able to provide events, programs and services which give you a chance to meet and stay in contact with other members, professionals in Boston's German-American community as well as German organizations such as the German Consulate General, the Goethe Institute and the German-American Chamber of Commerce.

We have tried to balance business programs with social opportunities for everyone and are proud to see that the GABC attracted a great number of new members throughout 2009. You will find their names listed in our Newsletters and I hope you will have an opportunity to meet them at one of our future networking programs.

Our social gatherings have been extremely popular and have become annual events - such as the Christmas Party, the Oktoberfest and the International Food Festival that we organized in collaboration with our European partners. You can look forward to these events this year as well in addition to the networking and business programs addressing important economic, environmental and political issues with an American-European perspective.

I hope you enjoy this Newsletter and contact us should you have an interesting issue you would like to address in our future issues.

On behalf of the GABC Board of Directors I wish you all the best for 2010 and hope to see you soon.

Best Regards,



Brigitte Hoppe Carangelo
President

In This Issue

- [* Alternative Energy](#)
- [* Freedom Without Walls](#)
- [* New Members](#)
- [* Our Sponsors](#)
- [* Corporate Members](#)
- [* Sponsor Spotlights](#)
- [* Upcoming Events](#)
- [* Member Profile](#)
- [* Board Profile](#)
- [* Past Event](#)
- [* Members' Bulletin Board](#)
- [* About the GABC](#)

Upcoming Events

The GABC season runs from Sept-June. Additional programs and events are added as current events occur. Watch your emails for updates and additional events!

March 29, 2010

"Do Germans and Americans Understand Each Other?"

Moderated by: Marius Carstensen,
District Sales Manager, Lufthansa
German Airlines
6-8PM at The Goethe Institute

German-American cross cultural differences can make and break business deals. Is leadership being mistaken for aggression? Politeness for indecisiveness? Are your actions and communications being received the way you intended?

Join us for a provocative discussion with 3 top German executives whose companies have successfully breached the cultural divide, and author John Magee, a specialist in integrating Germans and Americans within global companies with 20+ years of

Alternative Energy Incentives for Businesses

By [Jim Deluca, CPA, MST](#)
[Principal, Tonneson + Co](#)



In the United States there are currently three major alternative energy incentive programs available for businesses. The first two incentives are the **investment tax credit** and the **production tax credit**. Both of these tax incentives are provided for under the Internal Revenue Code and equate to a tax credit that can be claimed on a taxpayer's federal income tax return. The third incentive is a **grant program** that is provided for under Act Section 1603 of the American Recovery and Reinvestment Act of 2009. Under the grant program a business can receive a cash payment from the United States government for purchasing alternative energy property. The grant program is administered by the Department of the US Treasury.

The investment tax credit, the energy production tax credit or the federal energy grant cannot be claimed in tandem, meaning that a taxpayer can only choose one of these incentives. Obviously care will need to be taken in deciding which energy incentive will be best for a specific taxpayer.

1. **INVESTMENT TAX CREDIT.** Under Internal Revenue Code Section 48, a taxpayer can claim a tax credit equal to thirty percent of the cost of qualified eligible energy property placed in service. Property eligible for the federal tax credit are:
 - o Solar property
 - o Geothermal property
 - o Qualified fuel cell property
 - o Stationary micro turbine property
 - o Combined heat and power system property
 - o Qualified small wind energy property
 - o Geothermal heat pump property.

In addition for a limited time (2009 through 2013) an election can be made to treat energy projects that utilize the following sources of energy producing electricity as qualifying for the investment tax credit:

- o Wind
- o Closed-loop biomass
- o Open-loop biomass
- o Geothermal energy
- o Landfill gas
- o Municipal solid waste
- o Hydropower
- o Marine hydrokinetic renewable energy.

The federal tax credit is not considered to be taxable income; however, the cost basis of the energy property will need to be reduced by one-half of energy credit claimed.

The investment tax credit is also subject to an alternative minimum tax limitation. The credit cannot reduce a taxpayer's regular tax below the taxpayer's alternative minimum tax. Any unused credit can be carried back one year and forward twenty years.

A percentage of the investment tax credit will have to be recaptured if the energy property is disposed of within five years of being placed in service.

experience.

- Matthias Kempf, Director Development & Training Region Americas at Adidas Group
- Karsten Xander, CEO & President for TUEV Sued America, Inc
- Dr Wolfgang Daum, CEO, Boston Heart Lab
- John Otto Magee, Consultant / Author "Verstehen Sich Deutsche und Amerikaner?"

May 27, 2010

Socialize and network with members from the German, Belgium, French, & British communities of Boston while enjoying a fine selection of beer, wine and refreshments that reflect the traditions of these European countries.

6-8PM. Located in the lovely Back Bay mansion of the French Library, 53 Marlborough St, Back Bay, Boston.

More details and registration instructions to be provided closer to the date of the event.

Please contact our Executive Director, Marian LeMay with any questions at info@gabc-boston.org

Registration for all events is available on-line at: www.gabc-boston.org

For a complete listing, go to: [our calendar](#)

Member Profile



taxpayer can claim a tax credit equal to a percentage (between .0075 cents and 2.1 cents per kilowatt-hour) of energy generated from qualified energy resource property placed in service. The credit can be claimed for a ten year period starting with the date that the energy resource property is placed in service.

Eligible energy resources include:

- Wind
- Closed-loop biomass
- Open-loop biomass
- Geothermal or solar energy
- Small irrigation power
- Municipal solid waste
- Qualified hydropower production
- Marine and hydrokinetic renewable energy.

Unlike the investment tax credit, the cost basis of energy property does not have to be reduced by the production tax credit claimed. In addition, for facilities that generate electricity, there is no alternative minimum tax credit limitation for the first four years that a facility is placed in service. Similar to the investment tax credit, an unused energy credit can be carried back one year and forward twenty years.

3. **GRANT FOR INVESTMENTS IN SPECIFIED ENERGY PROPERTY.** Under Act Section 1603 of the American Recovery and Reinvestment Act of 2009, the United States Government will make cash payments to eligible taxpayers who place in service specific energy property. Only taxpayers that are in a trade or business can qualify for this grant. Residential energy efficient property does not qualify for this grant.

The grant is in lieu of the investment tax credit or the production tax credit mentioned above, meaning that a taxpayer can apply for the grant or claim one of the business tax credits, but not both.

The grant mirrors the investment tax credit in IRC Section 48 in that generally the amount of the grant is equal to thirty percent of the cost of specified energy property placed in service. The grant only applies to specified energy property placed in service in 2009 or 2010. There are transitional rules for energy projects that were started in 2009 or 2010 and are completed between 2013 and 2017.

Any qualifying applicant will have to file an application with the United States Treasury in order to receive payment. For energy projects placed in service in 2009 or 2010, the application will have to be submitted no later than September 30, 2011. The Treasury will make payment within sixty days of receiving a complete application.

The following persons are not eligible to receive payment under Act Section 1603:

- Federal, state or local governments
- Non-profit organizations
- Cooperative electric companies.

Property eligible for the grant are the same types of property that qualify for the investment tax credit under IRC 48 and the production tax credit under IRC 45 as described above.

The cost basis on which the payment is based upon is its original cost and includes all costs which are normally part of property's depreciable basis such

Gabriele Ganswindt
Owner
Shared Learning International

What's your connection with German-American business?
I have spent half my life in Germany and half in the USA. My work as executive coach and leadership/organizational change consultant has always included working with transnational organizations such as Lufthansa, VW, Swiss Air, Global Financial Institutions and many US/global organizations that have employees in Europe. I love bringing out the best in leaders and organizations by integrating the strengths of each culture and creating desired futures that harness the synergies of European and US talent. At the moment, I am designing a research project to help both German and US leaders understand and learn from their unique ways of being resilient in times of change and turmoil.

What keeps you busy when you're not working?
My family - I have two young daughters that I adore (8 and 11 of age). Being a present and playful mother gives me great joy and fills up any empty space that is not taken up by my vocation, my volunteer work or my insatiable desire to keep learning in my chosen fields of work & service. Staying in touch with my friends and family in Germany is key AND if there is the opportunity - I love to hike mountains and dance up a storm.

What are you looking forward to

as installation and cost of freight.

Similar to the investment tax credit, the cost basis of the property has to be reduced by fifty percent of the grant received. In addition, to the extent that specified energy property is disposed of within five years of being placed in service a percentage of the grant will need to be recaptured.

As the rules that govern these three tax incentives are very complex and this article is intended as a brief outline of these rules, it is advised that you consult with a tax advisor to determine your eligibility for these incentives.

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About the Author: Jim Deluca, CPA, MST, is a Principal at [Tonneson + Co](#) He has over twenty years of experience in taxation and specializes in middle market clients with an emphasis on corporations, individuals, exempt organizations, fiduciaries, partnerships and subchapter S corporations, international taxation, and state & local taxation.

Jim holds a Bachelors of Science Degree from Northeastern University, a Masters Degree from Bentley University. He is also Treasurer on the GABC Board of Directors.

Freedom Without Walls - Germany and its friends commemorate the 20th Anniversary of the Fall of the Berlin Wall

By [Claudia Schuett](#)
[Deputy Consul General of the Federal Republic of Germany in New England and Board Member at Large German American Business Council of Boston](#)



November 9th is a date charged with history for Germany: the date of the end of WWI and the founding of the Weimar Republic in 1918, the Nazi Putsch attempt of Munich in 1923 and - most shamefully - the Progrom night of 1938. While no reputable commentator or news outlet, certainly in Germany, has failed to mention the special connotation of this historic date, the commemoration of the fall of the Berlin Wall on November 9th, 1989, last year undoubtedly allowed Germany and its friends and neighbors to be joined in joy and gratitude.

Joy not only about the history created by a first successful bloodless revolution in Germany and the re-unification not only of our country, but also subsequently of the entire European family of nations. Gratitude for the courage of the citizens of Leipzig, Berlin, Gdansk, Prague and many cities in Central and Eastern Europe, whose call for freedom dealt the communist regimes their death blow. Gratitude for the far-sightedness and statesmanship especially demonstrated by Presidents Mikael Gorbachev, Ronald Reagan and George H. W. Bush, who made the overcoming of the German and European division in peace and stability possible.

Gratitude to the citizens of the United States: they helped defend Germans in Western Germany the freedom from want and the freedom from fear for many years, with their CARE packages, their tax dollars particularly under the European Recovery Program, a.k.a the "Marshall Plan". Furthermore, more than 17 Million American troops who have served in Germany since the end of WWII. The community of values that unites Germans and Americans helped keep the dream of re-unification in peace and freedom alive. It continues to be a solid foundation on which our relationship prospers in a myriad of fields - cultural, economic and scientific. It also enables us to tackle today's challenges successfully together.

Events to celebrate the historic date and the vital German-American Friendship have been countless. Here is just a small selection, which might shed a new light on our community:

- Joon Park, Luke Kelly, and Tyson Jang of Boston College won the 5th prize in the Freedom without Walls Art Contest, building a replica of the Berlin wall on campus with fine arts professor Mark Cooper. Passersby were invited to

seeing the GABC do in the future?

As one member pointed out in a panel before the presidential election - our Corporate Board needs to change. I, too, believe we need to bring the future into organizational boards - to invite young adults into the corporate board room. In the same vein, I would love to see GABC events that intentionally foster exchange and generative conversation between different generations. The recent German Conference at Harvard was a great step in that direction. I, too, would love to see more interactive workshops and fun social events - like dance parties. These could be just GABC or jointly with other European Business organizations.

What do you like about the GABC?

As a member of many years, I have enjoyed the opportunity to engage with other professionals around transnational issues. It has provided me a forum to make business connections, stay connected to transatlantic topics and to share some of my tools in a workshop on cross-cultural leadership. I have enjoyed many of the speakers and panels and of course the various opportunities to socialize in the relaxed venues organized by the GABC over the years. I am grateful for all the work the Board of the GABC has done over the years to grow this Association and shape its vision and mission.

- decorate the sculpture with their own graffiti message.
- Ryan Wong of Brown University won the 5th place in the Freedom Without Walls Speaking Contest. Witness their contributions at www.Germany.info/withoutwalls.
- Maine Governor John E. Baldacci proclaimed November 9, 2009 "Freedom Without Walls Day".
- The Goethe Institute Boston, Harvard Kennedy School of Government in Cambridge and University of Maine in Biddeford showed the "Virtual Wall - (Re)Constructing the Wall", an interactive, virtual 3D installation which makes it possible for the viewer to navigate through the current Berlin as well as Berlin at the time of the Wall. Take a glance for yourself and read Harvard Center for European Studies' John Czapliskas's essay on it at www.virtuelle-mauer-berlin.de/english/index.htm
- The board and many members of the GABC joined Consul General Loehr and Germany's famous poet, singer and critic of the GDR and Berlin Honorary Citizen Wolf Biermann, at the opening of the exhibition "Berlin - City of Change" at Logan International Airport on October 28, 2009. For photos of the event, check out www.Germany.info/Boston.
- German MIT Professor for Civil and Environmental Engineering Franz-Josef Ulm joined 700 scientists, politicians and business people from more than 60 countries to present scientific breakthroughs at the "Falling Walls Conference" of the Einstein Foundation. Opening the conference at the new art location Radialsystem V, Federal Chancellor Angela Merkel in her speech 'Breaking the Walls of the 21st Century' stressed that scientific progress had overstrained the socialist systems: science without freedom was not possible, and free thinkers could not and cannot be kept from reflecting society after lab hours. "This pressure had not only contributed significantly to the collapse of the communist empire. Rather, the role of science is decisive for the future. Its solutions should be a stimulus for politics: it may at times be inconvenient, it may take patience and persistency, but it is necessary", she pointed out. Clearly: "... after the collapse of the Berlin Wall, we cannot declare anything to be impossible any further". To break down the 'walls in the heads', the 'walls between presence and future', is the great challenge of the 21st century", she concluded.

Find out more at
www.falling-walls.com
www.einsteinfoundation.de
www.radialsystem.de

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About the Author: Claudia Schuett took over as a GABC member-at-large from Dr. Bernd Rinnert. She came to Boston in July 2009 and has served since then as Deputy Consul General of the Federal Republic of Germany in New England.

Meet Our New Members

Mr Paul Bolduc
 President
 Kammann USA

Ms Christine Moeller-Sahling
 Language Director
 Goethe-Institut Boston

Mr Rainer Ponzel
 Head of Engineering / Manufacturing
 Joule Biotechnologies, Inc

Ms Beatrix Henize
 Director, Corporate and Foundation Relations
 School of Engineering & Applied Sciences, Harvard University

Board Member Profile



[Jens Eckstein](#)
[General Partner](#)
[TVM Capital](#)

What's your connection with German-American business?
TVM Capital is a trans-atlantic firm doing business in Europe and the USA since the late 80s. We have bridged not only geographical but also cultural differences in our approach to venture investing. GABC offers an additional opportunity to network with people familiar with doing business on both sides of the Atlantic.

What keeps you busy when you're not working?
Enjoying and nurturing the expatriot experience with my three bilingual children. Seeing the world through 'German-American' eyes makes not only for good dinner conversations but opens one's mind and outlook as well. Seeing my children navigating life in the USA as well as Germany where they spend parts of the summer is a very satisfying experience. Besides family life I am trying to convince Americans that soccer is really the 'beautiful game', enjoying the Maine waters for boating and sailing and practicing a wicked lacrosse goal shot.

What are you looking forward to seeing the GABC do in the

Ms Ute Prevost
Insurance Consultant

Mr Andreas Schindler
Director Corporate Service Center Infrastructure (CSCI)
EMD Serono, Inc

Mr Lucian Wagner
Chairman & Co-Founder
Launch in US Alliance

Mr Howard Blatchford, Jr
Partner
Jager Smith P.C.

Ms Ulrike Berzau
Vice President
Inpatient Rehabilitation Network

Mr Gregory Karr
CEO
Deutsches Altenheim

Mr Michael Euen
Director of Operations
Deutsches Altenheim

Mr Rick (Rudiger) Von Kraus
President & Co-Founder
Addex, Inc

Mr Hendrik Becker

Ms Andrea Krause-Garcia
H.C.Starck

Ms Ruta Laukien
Director
C.W. Downer & Co

For Membership information, go to: [GABC Membership](#)

Special Thanks to our Sponsors



future?

Continue to connect businesses on both sides of the Atlantic to face the challenge of a global marketplace.

What do you like about the GABC?

The diversity of backgrounds and industries of people involved at the GABC helps to look beyond one's horizon.

Recent GABC Events

February 23, 2010
16th International Business Forum and Networking Evening.
Almost 300 members of Boston's international business community signed up to attend this annual event, featuring a riveting talk on the Global Economic Outlook by State Street Bank's top international economist, Christopher Probyn. In addition, this was an excellent opportunity for participants to acquaint themselves with more than 20 international trade organizations representing New England businesses.

January 26, 2010
GABC-Consulate Business Networking Reception.
Over 90 executives from German businesses, German-American companies, and professionals with interests in German business, investment & trade gathered at the German Consulate to meet new contacts and strengthen business relationships.

December 2, 2009
"Weihnachtsfeier"
A festive Christmas celebration with full course dinner in the lovely Goethe Institute ballroom, raffle prizes, singing, and a live auction.

November 19, 2009
"Green Energy: What can we learn from Europe's experience?"

Corporate Members

Deloitte Financial Advisory Services
Foley Hoag LLP
IBS America, Inc.
Karls Sausage Kitchen & European Market
Taurus Investment Holdings, LLC
Westernacher & Partner Consulting, Inc.
Fraunhofer Center for Sustainable Energy
Kammann USA
Deutsches Altenheim

Sponsor Spotlight



Germany Trade and Invest (www.gtai.com) is the new foreign trade and inward investment agency of the Federal Republic of Germany. Germany Trade and Invest has an international network of industry analysts who perform on-site research into foreign markets and supports foreign businesses looking to establish a presence in Germany. Our international team of experts works closely together with the German Chamber Network. This growing partnership allows German exporters and potential foreign investors alike to benefit from a centralized first point of contact overseas, with client-specific information and consultancy services all provided under one roof.

Sponsor Spotlight



Douglas Hauer LLC (www.hauerlaw.com) represents corporations, institutions and individuals in a broad range of routine and complex U.S. immigration and nationality matters. The firm offers high caliber, personalized legal counsel to professionals, investors, executives and managers, scientists and employers across various industries. Douglas Hauer LLC also serves as external immigration counsel to several multi-specialty law firms in New England. Douglas Hauer LLC is a Corporate Sponsor of the German American Business Council in New England. The firm was also a Bronze Sponsor for the 2009 New England-Israel Life Sciences Summit.

A panel of international experts discussed European / US comparisons, alternately focusing on solar energy, nuclear energy, wind power and financial incentives. Moderator Warren Leon, Former Director of the MA Renewable Energy Trust lead a lively panel discussion with experts from Cape Wind, Altran, Veolia, and Ernst & Young.



Moderator Warren Leon, Former Director of the MA Renewable Energy Trust

Members' Bulletin Board



The GABC seeks a website-savvy volunteer to help us make improvements to our website (www.gabc-boston.org) and keep it updated. In return, the GABC offers a free membership, free admission to our events, and undying gratitude! Please contact Marian LeMay, Executive Director, at info@gabc-boston.org for full details.

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GABC Members may send items for the Bulletin Board to warwick@theeventmechanic.com. All items posted at the discretion of the editor.

About the GABC



German-American Business Council of Boston, Inc. (GABC), www.gabc-boston.org, is a non-profit organization of companies, business people, and other professionals dedicated to encouraging and cultivating German-American business and trade. Through its speaker series, seminars, and special events the GABC provides a forum for the exchange of knowledge and ideas, and for business and professional contacts between its members.

Interested professional are invited to apply for membership via our website. Our members represent all facets of the international business community including import an export managers, manufacturers, trade specialists, bankers, financiers, insurance agents, government officials, attorneys, consultants, educators and entrepreneurs.

The German-American Business Council is a member of GBANE, the Global Business Alliance of New England.

This Newsletter was designed by Black Box Marketing
For more information, go to: www.BlackBoxMarketing.com