

AMCHAM NEWS

American Chamber of Commerce in New Zealand

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May 2015

Los Angeles – Auckland – Guangzhou Tripartite Economic Summit

Auckland Mayor Len Brown recently led a delegation of 43 Auckland businesses to the inaugural Los Angeles/ Auckland/Guangzhou Tripartite Economic Summit in Los Angeles. AmCham's Executive Director was part of the delegation.

The first day included a New Zealand centric day with presentations on: The culture of living and working in LA; A new world of entertainment, entrepreneurs, influencers & innovation; Investor guidance for raising money in LA

Site visits included:

Los Angeles Cleantech Incubator www.laincubator.org/la-kretz-innovation-campus

Accelerator/Incubator www.the-reef.com & www.amplify.la

Digital/Creative www.fullscreen.com

The first day concluded with a Silicon Beach Young Professionals mixer event.

The two and a half day Tripartite Economic Summit was launched by the three Mayors followed by a key note speech by AmCham member Phoebe Hayman, CEO of Seedling USA on Innovation and the future. Phoebe moved to LA three years ago and has grown her business significantly during this time.

Panels included, LA outlook and opportunities; Capital/Investment; Biomedical technology; Media and entertainment, Infrastructure and architecture design; technology innovation, Government contracts.

Bilateral Mayoral meetings took place with both Los Angeles and Guangzhou.

A number of companies reported successful meetings with several now looking at moving there. [Click here for article.](#)

The group also met with Claudia Batten the new Regional Director, North America and Glen Murphy, Regional Director, Greater China plus a number of other NZTE North American team.

This was a highly successful visit, one of the best according to Brett O'Riley, CEO of ATEED with many strong connections made and opportunities to be follow up. The next summit will be held in Auckland in May 2016.



AmCham would like to thank Air New Zealand for their support with the Executive Director's travel and the Auckland Council for this initiative and their organisation of the trip.



TPP Update

This week the Asia Pacific Council of American Chambers of Commerce are in Washington DC for their annual Doorknock to lobby the Administration and Congress. We are always told that it is an interesting time to be in DC but this year it really is with, hopefully, the passage of Trade Promotion Authority.

Over the last month there has been several false starts to the passage of TPA with initially the Senate not passing then passing the Bill on a second vote then the House.

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House Approves Trade Promotion Authority

From US Chamber

In a watershed vote, the House of Representatives on June 18 approved Trade Promotion Authority (TPA) legislation by a bipartisan vote of 218-208, sending the bill to the Senate for final passage. U.S. Chamber of Commerce President and CEO Thomas J. Donohue issued the following statement:

The Chamber applauds the U.S. House of Representatives for approving Trade Promotion Authority, which is vitally important to our economy. With TPA, the United States can pursue new market-opening trade agreements to spur growth, foster innovation, and encourage the creation of good paying jobs here at home. We now call on the U.S. Senate to once again reaffirm its commitment to helping ensure high-standard outcomes in trade agreements that support U.S. growth and jobs.

This vote followed June 12's favourable House vote for TPA, but the tactical rejection by most Democrats of what was at the time the other half of the Trade Act of 2015 -- legislation to extend Trade Adjustment Assistance (TAA) -- halted action until congressional leaders settled on a plan to separate the bills.

The Senate will vote Tuesday, June 23, on a cloture motion to limit debate on the TPA bill, setting the stage for a vote on final passage the following day. While 60 votes will be required for the cloture motion to limit debate, a simple majority will assure final passage and send the bill to the president's desk.

The Senate will also vote Wednesday, June 24, for cloture on a package combining bills renewing TAA and trade preference programs, including the African Growth and Opportunity Act (AGOA), the Generalized System of Preferences (GSP), and preferences for Haiti. If approved, final Senate passage of that bill could come later the same day, after which it would go to the House for final approval -- and potentially to the president's desk for signature before the Independence Day congressional recess.

Earlier this week, Senate Majority Leader Mitch McConnell (R-KY) and House Speaker John Boehner (R-OH) issued a statement on the trade bills: "We are committed to ensuring both TPA and TAA get votes in the House and Senate and are sent to the President for signature. And it is our intent to have a conference on the customs bill and complete that in a timely manner so that the President can sign it into law."

6th US NZ Partnership Forum, Auckland 30 June – 1 July

From US NZ Council

We are pleased to update you on planning for the 6th U.S. – New Zealand Partnership Forum in Auckland. We have some great news regarding participation of key U.S. officials! First, we are delighted to announce that Daniel Russel, Assistant U.S. Secretary of State for East Asia and the Pacific, will give a keynote address on U.S. policy in the Asia Pacific, and will also join NZ Foreign Affairs Minister Murray McCully CNZM for a panel discussion on the US-NZ partnership in the Asia-Pacific region. Assistant Secretary Russel will also be accompanied by U.S. defence and security experts from the private and public sectors.

Second, the Forum will feature key leaders in the U.S. Congress – Reps. Erik Paulsen (R-MN) and Patrick Meehan (R-PA) -- at a time when the US Congress is considering Trade Promotion Authority and while the TPP negotiations are in the home stretch. Our trade discussions will be further informed by the presence of Hon Tim Groser, New Zealand Minister of Trade, Dr. Calman Cohen who represents the US Business Coalition for TPP, as well as other experts on the potential economic benefits of TPP. Moreover, the Centre for Strategic and International Studies (CSIS) will present its forthcoming report on the future of the US-NZ bilateral relationship.

Carl Worker heads to NZ Embassy in Washington DC

Former NZ Ambassador to China, Carl Worker, has been posted to Washington DC for a three month period to assist the Embassy while Ambassador Mike Moore recovers from his recent stroke. Carl was part of the recent delegation to the Los Angeles/Auckland/Guangzhou Tripartite Economic Summit. In a past role Carl was the Divisional Director for the Americas at MFAT.

OTHER NEWS

Skilled Trades, Technicians and Engineers top roles in demand across New Zealand: ManpowerGroup annual Talent Shortage Survey

Talent shortages on the rise with New Zealand ranked 11th globally

ManpowerGroup's 10th annual Talent Shortage Survey, released today, has revealed that 51% of New Zealand's employers report difficulties filling job vacancies due to talent shortages. While the shortage in New Zealand has eased eight percentage points year-on-year, it remains far more severe than the global average of 38%.

The survey shows 86% of New Zealand employers recognise that talent shortages are having a negative impact on business. However, there is a significant gap between recognition and action, with just 67% of New Zealand employers proactively tackling shortages through the implementation of talent strategies.

(Continued on page 3)



Supporting AmCham

(Talent Shortage Survey) - Continued from page 2)

Across the country, employers in New Zealand are having the most difficulty filling Skilled Trades, Technicians and Engineers roles. Engineers has dropped from the top spot for the first time since 2009, now sitting third below Skilled Trades and Technicians, while Drivers re-entered the top ten after a two year absence.

Lincoln Crawley, Managing Director, ManpowerGroup Australia and New Zealand says a combination of New Zealand's strong economy, stable unemployment levels and the volume of infrastructure projects underway is driving demand for skilled trades. [Read more:](#)

NZ could set world standard, Uber tells Bridges

Uber's chief strategist has told Transport Minister Simon Bridges that New Zealand's approach to framing rules concerning the taxi-booking service will be watched around the world. David Plouffe, former political strategist to President Obama, has praised New Zealand's approach. "What [Bridges] does in New Zealand will be closely analyzed around the world - he's going through a really smart process and asking, 'What new regulations do we need?'" said Plouffe, who met the Kiwi minister at an international conference. Uber, whose entry into many markets has been controversial, has been allowed to keep operating in NZ while rules were being reviewed. [Read more:](#)

United States - New Zealand Strategic Dialogue

United States Assistant Secretary of State for East Asian and Pacific Affairs Mr. Daniel Russel and New Zealand Ministry of Foreign Affairs Secretary Mr. Brook Barrington met in Washington on May 29, 2015 to co-chair the fifth United States – New Zealand Strategic Dialogue. Drawing on the close partnership and excellent bilateral relations between the United States and New Zealand, the co-chairs reviewed the breadth of cooperation and exchanged views on regional and global matters of mutual concern, including maritime security, the coalition to counter ISIL, efforts to counter violent extremism globally, and matters before the United Nations Security Council. [Read More:](#)

Developing High Tech Youth in Hawai'i

from Office of Hawaiian Affairs

Technology is opening up a whole new world for the haumana at Kawaikini Public Charter School in Līhu'e, Kaua'i. Thanks to a partnership between the school, the Office of Hawaiian Affairs, and High Tech Youth, a digital media studio based in Aotearoa, the haumana have an on-campus, after school tech program that gives them access to high tech equipment and a mentor. Students in grades six through 12 are developing their skills in coding, robotics, video production, photography, composing original music and so much more.

The OHA grant funds that support Studio K at Līhu'e and Studio Shaka in Hilo will support the opening of two new studios on Kaua'i at Kapa'a High School and Waimea High School. For haumana, the OHA grant means better access to learn tech skills and increased opportunities to be creative, be critical thinkers, and be leaders. Most importantly the OHA grant provides more opportunities for haumana to mohala (blossom). [Watch video:](#)

SUCCESS STORIES WITH USA

HP still dominates as NZ PC market "cools down"
 Panhead joins Wellington beer delegation to Portland
 Marlborough wines increase US sales
 Zespri puts the healthy in McDonalds Happy Meal
 Xero and Vend join Apple's app elite
 Taranaki teen lands major business deal
 Buffett's Berkshire Hathaway buys 3.7% of IAG
 GeoOp widens annual loss as it chases US customers
 Sistema Plastics USA and Canada partnership
 Z Energy confirms \$785m acquisition of Caltex from Chevron
 Kiwi tech startup takes on the world in Silicon Valley
 Burgerfuel® ignites USA entry
 Vend to transform retail business with iOS and iPad
 Vmob triumph at Microsoft Worldwide Partner Awards
 Commission gives clearance to Staples/Office Depot merger
 Oaktree executes MediaWorks takeover
 Pfizer seeks to acquire Hospira
 NZ's Blunt partners with Tile for an 'unlosable' umbrella you can track via your phone

Promapp Goes Global as Kiwi Software Company Opens US office
 Further US investment in AFT Pharmaceuticals
 Pacific Edge full-year loss widens on costs of US push
 Pushpay FY loss widens as pushes to grow US faith sector
 Supplement make Promisia plans US launch after trial
 Chevron sells stake in New Zealand
 Ford Mustang fever alive and well in New Zealand
 Growing international demand for NZ business software
 Habitual Fix announces US franchise deal
 Xero names Forbes' most innovative company for second year
 US Fund poised to take 100pc of Mediaworks
 Michael Hill makes it in the Big Apple
 Legrand@US North America chooses Rackstuds
 Ice Age Avalanche for Smartphones and Tablets
 Stellar Library attracts strong interest in America
 Crusaders confirm Superdome match against English club Saracens

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Success Stories - (Continued from page 3)

US semiconductor firm chases CIT site in Upper Hutt

World domination on the cards as Jade Software ramps up global expansion

IkeGPS's CEO Milnes & CTO Toorenburg move to the US

International Telematics and Imarda to merge

New Zealand Ministry of Health selects IBM Cloud

NZ film 'What we do in the shadows' does healthy online business in US

TRADE, BUSINESS and INVESTMENT OPPORTUNITIES

Commercial News USA

The July/August 2015 issue of Export USA, the official export promotion magazine of the U.S. Department of Commerce, is currently online at <http://exusa.thinkglobal.us/072015/>

Trade-Leads for Importing and Exporting

You are invited to register your company at America's new online trade leads matchmaking platform for importers and exporters. ThinkGlobal is the world's first B2B matchmaking platform to integrate multimedia, localization, virtual trade show technology, and social media. Just register online at ThinkGlobal

International Buyer Program – Trade Show Schedule 1 Jan to 31 Dec 2015

for details and support contact Janet Coulthart: janet.coulthart@mail.doc.gov

Seeking NZ shipbuilders/marine renovation/chandlers

Since 2007, Infinity Fabrics (Dalton, GA) has offered designers and specifiers the premiere floor fashion proven in the most demanding flooring environments. Our Luxury Woven Vinyl® is designed and constructed with our patented manufacturing process that features a unique, heavy-traffic rated backing system making LWV ideal for indoor and outdoor use. Contact: Graham Elliott elliottgr@yahoo.com

Roadshow: How to win international government business

Selling to government internationally is a major emerging opportunity for New Zealand businesses. This is your chance to be a part of it. Come and hear from our international speakers who will share their experiences and provide insights into overcoming some of the intricacies so you can take advantage of this enormous opportunity. Workshops will run across the country between June 19 and 26. [Join a workshop](#)

John Holt on Kiwi tech companies who land in the States

From Simmonds Stewart

In our third blog on capital raising in the USA, I chat with John Holt, co-founder and Chairman of the Kiwi Landing Pad. A serial entrepreneur in his own right, John co-founded Sonar6 in 2006, which was later acquired by a NASDAQ-listed US company in 2013. Although Sonar6 only ever took money from NZ investors, they had reached the term sheet stage with some US VCs but did not go ahead with it due to the "predatory terms" they were offered. [Read more:](#)

Pitching tips from Silicon Valley

Hailing from the heart of Silicon Valley, Bill Reichert and Adiba Barney travelled across New Zealand this month, connecting with and inspiring entrepreneurs from promising New Zealand tech ventures. [Read their top tips for pitching.](#)

[Heyrex Torus Pet Bowl #1 in the USA](#)

The Torus water bowl is now ranked the #1 best-selling dog water bowl in the USA, according to the Amazon.com Dog Bowls Best Sellers list. [Read on »](#)

Information and Communications Technology Report

This report profiles New Zealand's fast growing information technology software and services sector, with a special focus on IT exports. IT software and services exports were valued at \$930 million in 2015, and have grown at 14 per cent per annum in the last six years. The report also investigates the increasing digitisation of the New Zealand economy.

[2015 Information and Communication Technology report \[4.4 MB PDF\]](#)

[2015 Information and Communication Technology report - summary \[1.2 MB PDF\]](#)

[Sources and definitions \[309 KB PDF\]](#)



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BUSINESS TRAVEL & TRAVEL NEWS

News, views and information for Amcham business travellers from **Grant Bevin**, Managing Director Business World Travel.

Business World Travel is a member of GlobalStar Travel Management

Airlines

We understand your pain when departing **Los Angeles**, given the attention you get from the paparazzi. Well we have a solution! Welcome to **Delta One**, **Delta Airlines** new VIP anti-paparazzi service at Los Angeles Terminal 5. Officially opening last week, Delta One will allow celebrities to check-in for their flight as well as arrive at LAX without being seen, or snapped by the paparazzi. Celebs can roll up to the **Delta One** premium check-in entrance, where a personal attendant will check them in from the comfort of a private lounge before they are escorted down a private corridor to security. When landing at **Delta One** at LAX guests will get a **Porsche** service right off the tarmac which will drive them and their luggage to an undisclosed location on Century Boulevard, away from prying eyes. Your chauffeur will collect you from there. Fortunately, if you're only a celeb in your own headspace, the **Delta One** service can also be purchased for US\$350 above the First Class fare.

Air New Zealand will be selling **Premium Economy Class** on its widebody fleet when operating the trans-Tasman flights. If you have colleagues or clients from the US visiting you and flying longhaul with Air NZ from the US to NZ then if they opt for Premium Economy they'll get the consistency of this product on the Tasman sector as well if they're combining business in Australia. The airline's Koru Club and Gold Frequent Flyers paying economy class fares won't be seated in this zone any longer; Works Deluxe customers will no longer receive lounge access. **Cathay Pacific** has found that Premium Economy Class has received minimal demand on shorter regional flights as a stand-alone product offering and they are now withdrawing it. The commercial reality for Cathay seemed to confirm that Premium Economy is best suited for longhaul only.

Air New Zealand has launched their mid-Winter sale. We can deduct **\$500** off standard Economy Class airfares to North America – travel periods vary but northbound is available until 08 December. The seat sale expires on 06 July 15.

As we write this Amcham News we've got one eye on the temperature gauge – **29°C in Honolulu** today! **Hawaiian Airlines** can get you amongst that balmy warmth and if you book by 29 June you'll get an add-on to the outer islands for NZ\$99 from Honolulu. This means return airfares from Auckland to the Islands from NZ\$1115 (taxes depend on which Island).

Skytrax has just announced its 2015 World Airline Awards at last week's Paris Air Show. Winner of best airline overall is **Qatar Airways**, second place **Singapore Airlines** and third **Cathay Pacific**, fourth **Turkish Airlines** fifth **Emirates**.

Best First Class:

Etihad
Singapore Airlines
ANA - All Nippon Airways

Best Premium Economy Class:

Air New Zealand
Qantas
Lufthansa

Best Business Class:

Singapore Airlines
Qatar
Cathay Pacific

Best Economy Class:

Asiana Airlines
Singapore Airlines
Qatar Airways

North American airlines do not feature particularly high up any of the category lists but by regions the three best airlines for **North America** were Virgin America, Air Canada and Delta. Top airline for **Australia/NZ/South Pacific** is Qantas, followed by Virgin Australia and then Air NZ. Airlines to watch include Garuda Indonesia and Turkish. Garuda won 'Best Cabin Staff in the World' and was ranked 8th overall and Turkish Airlines appeared amongst the top airlines across most categories. See all the results on www.worldairlineawards.com

The **US Consulate** advises us that ESTA (electronic visa) issuance is unaffected by a system glitch that they are currently experiencing.

Events

Earmark these key events in the US for your calendar:

GlassBuild America – 16-18 September 2015 Atlanta

Intl Home Furnishing Market – 17-22 October 2015 High Point NC

FLIBS – Fort Lauderdale International Boat Show 08-09 November 2015 Fort Lauderdale

WOC – World of Concrete – 02-05 February 2016 Las Vegas

Duty Free shopping at Auckland Airport changes from July. BWT discount vouchers for JR Duty Free are still valid for their Wellington and Christchurch stores. In Auckland we're backing **ARI** Duty Free which is a major Irish Duty Free operator and a new discount voucher will be supplied by them in our ticket wallets and on our website (for our BWT Online bookers) after they commence operations.

Check out our website at www.bwt.co.nz

Reviewing your Corporate Travel? Call our Team:

Clare Gilbertson Business World Travel Wellington 04-470 6044 cgilbertson@bwt.co.nz

Grant Bevin Business World Travel Auckland 09-529 3700 gbevin@bwt.co.nz



TRAVEL

Air New Zealand's triple win at Skytrax World Airline Awards

Air New Zealand has been awarded 'World's Best Premium Economy Class', 'Best Premium Economy Class airline seat' and 'Best Premium Economy on-board catering' in this year's World Airline Awards.

The airline swept the board, taking home all three 'Premium Economy' awards, reaffirming Air New Zealand's superior Premium Economy experience.

Air New Zealand's Chief Marketing and Customer Officer, Mike Tod, says the awards are a true reflection of the world class inflight product the airline offers customers.

"These accolades are something that all Air New Zealander's can be very proud of as we continue to innovate and find new ways to enhance the customer journey," says Mr Tod.

In addition to scooping all three Premium Economy awards the Air New Zealand managed Star Alliance Los Angeles Lounge won 'Best Airline Alliance Lounge'.

The 2015 Skytrax World Airline Awards were awarded at the Paris Air Show overnight.

Qantas, American Airlines eye New Zealand-US market

Qantas (QF, Sydney Kingford Smith) and trans-Pacific partner American Airlines (AA, Dallas/Fort Worth) have announced plans to enter the New Zealand-United States market, currently dominated by Air New Zealand (NZ, Auckland Int'l).

Following their recent move to enhance their four year-old strategic partnership primarily through the introduction of new flights between the United States and Australia, Qantas and American have now said they will be filing applications with Wellington concerning the relevant traffic rights.

"It's certainly a market that Qantas and American are interested in [in] the context of the partnership and that's why we'll be lodging with the New Zealand Ministry of Transport for regulatory approval to serve the market at some point," a Qantas spokesman told the New Zealand Herald in a statement.

Qantas withdrew from the New Zealand-United States market in 2012 following sustained losses on its Auckland Int'l-Los Angeles Int'l route. However, despite negative past experiences in that market, the Australian carrier believes it could be profitable albeit when done in conjunction with American using AA's aircraft.

Later this year, American will resume services to Australia following a 23 year-long hiatus with a direct Los Angeles Int'l-Sydney Kingford Smith route operated on-board a B777-300(ER). Source: www.ch-aviation.com

FOR YOUR DIARY

- 3rd July Wellington CEO lunch (invitation only)
- 15th July Auckland CEO lunch (invitation only)
- 20th July An audience with Craig Elliott, CEO of Pertino Inc, Auckland
- 23rd July An audience with Daniel Radcliffe, EY Entrepreneur of the Year 2014, Auckland
- 31st July Seminar - How to design a lean mean and strategy with Palladium Group Australia, Auckland
- 20th Aug 2015 AmCham-DHL Express Success & Innovation Awards & 50th Anniversary Dinner, Auckland

MEMBER NEWS

AGM Appointments

The annual AGM was held on 28th May at AUT University and was followed by a reception. Inaugural AUT Student on the AmCham Board Kristal Mendez spoke to the group on her experiences over the last year. Mike Shaw, Communications Manager at The New Zealand Institute for Plant & Food Research Ltd is the 2015 AUT student on the board.

At the AGM the following were appointed as board members:

President	Derek Syme, Citibank NA New Zealand
Vice President	Eric Mahoney, Castle Point Funds Management
Treasurer	Mark Fitz-Gerald, Fulbright New Zealand

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BUSINESS TRAVEL INSURANCE
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Am Cham AGM - Continued from page 6)

Directors

Stephen Titter, Hahei Consulting Ltd
 Tim Ritchie, Meat Industry Association of New Zealand (Inc)
 Alex Broughton, Business IQ Ltd
 Dr Geoff Perry, AUT University Business School
 Robert Falvey, Minter Ellison Rudd Watts
 Corey Holter, Ford Motor Company of New Zealand Ltd
 Rob Lee, IBM New Zealand
 Michael Brick, Microsoft New Zealand Limited
 Melissa McGregor, Pfizer New Zealand Ltd
 Jonathan Mason, Air New Zealand/Zespri International/Vector/Compac Sorting
 Angela Hunter, GE Capital
 Matthew Cheetham, NZ Screen Assoc/Motion Picture Assoc of America

The board would like to thank Geoff Perry and the team at AUT University Business School for hosting the board meeting, AGM and reception.



New Members

BBC Technologies Ltd, Hamilton – **Isaac McGowan**, Marketing Co-ordinator, the company are specialists in the manufacturing and development of Advanced Processing Technology. The NZ-based company is one of two family-owned companies whose original involvement in horticulture led to the development of innovative sorting technology. This equipment has since been sold throughout North America, as well as Europe, South America and Australasia. www.bbctechnologies.com

Graham Painter, Auckland -

Graham has re-joined Amcham after being an early member in the late 70's and 80's. In 1972 Graham established Trade Consultants Ltd specialising in cross border trade law, market access and export business development. He has acted for corporate and government clients in many jurisdictions including Australia, Canada, China, Egypt, the European Union, Japan, Korea, Malaysia, New Zealand, Thailand, Vietnam and the United States. The trade law consulting practice was acquired by Bell Gully in 2000 when Graham became the Director of the Bell Gully Trade Group.

In 1990 he was appointed to the committee reviewing the NZ Trade Development Board, now NZ Trade and Enterprise, and subsequently served on the Board from 1991 to 1998. He was involved with the Minister for Trade Negotiations through the WTO round 1991-94 as well as being involved with APEC negotiations. He has advised and assisted numerous companies with their offshore development as well as assisting offshore companies to become established in New Zealand. He has sat on the boards of several NZ and overseas companies.

Graham is now back in his traditional field of trade facilitation.

International Telematics Ltd, Auckland – **Stephen Brown**, General Manager Australasia - For the past eight years the company has been developing the ibright® system; an advanced and world-class single platform telematic solution which provides a wealth of business intelligence about fleet movements and individual assets that goes far beyond simple location tracking. ibright® is utilized by customers operating fleets of refrigerated assets, trucks, tractors, dry vans and rail assets. North American operations began in 2008; strong performance in this region has seen the company grow seven-fold in the last 6 years and our growth is accelerating. www.internationaltelematics.com

Manuka Health New Zealand Ltd, Auckland/Te Awamutu – **Mike Durbin**, General Manager, Wellness - a world leader in innovative and scientifically proven natural health and beauty products, utilising the unique bioactive compounds sourced from New Zealand's native flora and fauna. Utilising natural bioactive ingredients unique to New Zealand, we produce a wide range of premium products including BIO New Zealand Propolis™, Royal Jelly, Bee Pollen, manuka honey skin care, oral care and medical wound care. www.manukahealth.co.nz

Laurent Law, Auckland - **Simon Laurent**, Principal - Since starting practice representing refugees in the mid-1990s, Simon Laurent has developed a strong reputation as a leader in the Immigration field. He has chaired and presented seminars for both lawyers and immigration advisers, and has been called upon to provide industry comment for the media. For several years Simon sat on the Council of the Auckland District Law Society and convened the Society's Immigration and Refugee Committee in 2006 and 2007. He is Committee Chair for 2014. From 2010 to 2012 he was Chairman of the New Zealand Association of Migration and Investment. He is currently Deputy Chair of NZAMI. www.laurentlaw.co.nz

Congratulations to:

Fisher & Paykel Healthcare - Supreme Exporter Award winner and Westpac Exporter of the Year over \$25 million and **Imake Ltd** who won the BDO Food & Beverage Exporter of the Year at the **Air New Zealand Cargo Auckland Export Awards**.

The Langham Hotel on winning the Hotel Industry Environmental Award at the NZ Hotel Industry awards

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Supporting
AmCham



Congratulations to - (Continued from page 7)

Queens Birthday Honours to:

Dr Lionel John Wood, QSO, of Kaikoura. CNZM for services to tertiary education and Māori

Ms Rachel Ruth Jacobsen, of Seattle, United States of America. MZNM for services to New Zealand-United States relations.

Lieutenant Colonel Peter Davis Hall, of New York, United States of America. MNZM for services to the New Zealand Defence Force.

Mr Maxwell Harold Gimblett, of New York, United States of America. ONZM For services to art.

Shareholders vote on Japan Post Scheme of Agreement

An Extraordinary General Meeting (EGM) has been held at the Melbourne Convention Centre where Toll Group shareholders voted on the proposed offer for Japan Post to acquire Toll.

The results of the vote will be announced to the ASX later today and the presentation will also be available as an audio download later today. Details of the event can also be found on the [Proposed Japan Post Acquisition](#) page.

Toll has advised that "We do not expect any changes here NZ, Japan Post have committed operate the TOLL brand so business as usual."

People on the move:

EveredgelP has appointed **Andrew Freeman-Greene (advisory & transactions); James McGeorge and Ky Hacker**.

Deloitte cyber security expert **Anu Nayer** has been appointed a partner.

BMW New Zealand has appointed **Florian Renndorfer** as its new Managing Directors as **Nina Englert** is returning to the USA in the new role of VP for Sales & Marketing for the US market with BMW Financial Services in New Jersey.

Dr. Eric Walton has joined the **University of Waikato** as Research & Innovation Manager based in Auckland.

United Airlines has appointed **Julie Reid** as Director Sales Australia and New Zealand in Sydney

Hesketh Henry has appointed **Nick Gillies and Chris Lee** as Partners.

New Zealand Export Credit Office has appointed **Phil Quinn, Michael Hoare and Thomas Sheng** to their customer facing team.

The Wellington Economic Development Agency has appointed **Chris Whelan** as its first Chief Executive.

Deloitte Fast 50 Entries open

Calling all 'trailblazing kiwis'. The [Deloitte Fast 50](#) Entries [opened this week](#) and will close on 31 July. [To enter](#), your business must be a New Zealand registered company, have been in business for a minimum of three years, and have an operating revenue of at least \$300,000 in the 2013 financial year. If you've been in business for one year with a set of accounts for one year, you might be eligible for the Rising Star Category.

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INVITE YOU TO A VERY
SPECIAL WINE TASTING
EVENING COURTESY
OF DHALL & NASH
FINE WINES AND
THE AUCKLAND
FISH MARKET.

Internationally acclaimed connoisseur Puneet Dhall will host this entertaining evening for wine lovers in celebration of American Independence Day.

Enjoy delicious canapés and a tasting of exclusive American wine under the guidance of an expert.

The event was a sell out last year so don't miss out!

\$60.00 per person. \$100.00 including dinner at The Auckland Fish Market following the event (includes a \$5.00 donation to Variety)

All funds raised will go towards providing brighter futures for disadvantaged Kiwi kids.

With thanks to...



1 July 2015, 6.30pm - 8.30pm
The Auckland Fish Market
Wynyard Quarter
22 Jellicoe St, Auckland

To reserve your
place visit
variety.org.nz
or call
09 520 4111.

LEGAL ISSUES

Upcoming June 30, 2015 U.S. Compliance Deadline For U.S. / New Zealand And Other Foreign Investment

By Robert M. Schechter and Christopher F. Schultz

The U.S. Bureau of Economic Analysis ("BEA"), an agency of the U.S. Department of Commerce, monitors inbound and outbound U.S. investments as part of its regulatory mission

of tracking international commerce. As part of its regulatory framework, the BEA requires reporting by (i) U.S. persons and businesses holding a 10% or greater interest in a foreign business enterprise, and (ii) U.S. business enterprises that are themselves 10% or more foreign owned. Both direct and indirect ownership interests can trigger reporting obligations to the BEA.

The BEA collects reports on a quarterly, annual and 5-year basis and also within a specified timeframe following certain transactions. The information gathered by the BEA is comprehensive and includes, among other things, transactions between related entities; revenues; income; assets and liabilities; property, plant and equipment expenditures; employment statistics; research and development expenditures; shareholder equity; and capital contributions. While information collected by the BEA from individual reporters is kept confidential, the BEA aggregates this data to publish key economic indicators, including, but not limited to, U.S. Gross Domestic Product.

The BEA's 5-year reports are the most comprehensive, estimated by the BEA to take up to several hundred hours to complete. The deadline for filing the current BEA 5-year report on U.S. Direct Investment Abroad was initially set for May 29, 2015 or June 30, 2015 depending upon the particular reporting requirements for each U.S. person or business that held an ownership interest in a foreign business in 2014. However, on May 28, 2015, the BEA announced that the May 29, 2015 deadline for new BEA filers has been extended to June 30, 2015. This report is mandatory for U.S. persons and businesses holding a 10% or greater interest in a foreign business enterprise irrespective of business size.

As of November 2014, the BEA also requires U.S. businesses that are or become 10% or more foreign owned to file transaction-specific reports within 45 days of certain acquisitions, expansions, and business formations. This reporting requirement for U.S. business enterprises with foreign ownership is retroactively applicable to transactions occurring on or after January 1, 2014.

Failure to file BEA reports is subject to both civil and criminal penalties pursuant to section 3105 of title 22 of the United States Code (22 U.S.C. 3105).

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In partnership with the AmCham NZ, our objective is to provide AmCham NZ members with information on the complex US legal landscape, to promote US-NZ business relationships, and to assist NZ businesses expanding into the lucrative US markets. In our monthly column, we write about legal issues which we deal with in our representation of NZ businesses doing business in and with the US. However, we are also open to suggestions on topics about which members are interested in learning. So, please feel free to email us with your comments, questions and any suggested topics at info@nz-uslegal.co.nz.

FIVE TIPS FOR START-UPS IN THE USA

The New Zealand business landscape is full of entrepreneurs who are looking to launch their business into the United States. In fact, many entrepreneurs start their business with the understanding that they will need to expand outside of New Zealand and into the US relatively early in the game in order to have a chance at true success. With that in mind, here are five tips that every New Zealand start up should know about doing business in the United States:

1. To Incorporate in the US or Not?

Whether a NZ business needs to open up a US subsidiary depends on a variety of issues. If a business is looking only to sell its goods from New Zealand through a US distributor or directly to US buyers who are willing to make international payments, then there is no need to incorporate in the United States. However, if the NZ business is: (1) offering services, (2) looking for US investment, (3) has US customers wanting to pay locally, or (4) is looking to act as its own importer and distributor, then the NZ business will likely need to consider a US business entity formation (ex corporation, limited liability company, etc).

NZ start-ups looking for investment are generally better off forming a regular corporation (a "C" corporation). The C-corporation is a more formal structure which offers protections to investors. The company is owned through shares which are held by the investors, and the company is governed by a board of directors under the provisions of written by-laws and articles of incorporation. In addition to these formalities, the C-corporation also generally has more in-depth annual reporting duties than any other US business entity. Many venture

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capitalists prefer the C-corporation to any of the other US business entities available.

On the other hand, if the NZ business is looking primarily for a vehicle to conduct business through, then the limited liability company is likely the best organizational structure. The limited liability company (the "LLC"), is a hybrid entity that mixes the attributes of a partnership and a corporation. In other words, the business is run like a partnership with business decisions made by the owners informally or formally and with the profits and losses being allocated directly to the owners by their percentage ownership interests. However, unlike a partnership, the business is treated like a corporation when it comes to liabilities. This means that generally-speaking, none of the owners will personally incur liability for the business's losses or liabilities.

2. Non-Disclosure Agreements/ Confidentiality Agreements

NZ businesses entering into discussions with potential partners in the United States should take extreme care to guard their intellectual property. If there is any likelihood that during the course of discussions with potential partners, that there will be a disclosure of information that is potentially sensitive in nature (be it, unpatented designs, market research or technical data), it is best to remember to require the execution of an iron-clad Non-Disclosure Agreement/Confidentiality Agreement (NDA). Attempting to discuss your intellectual property without the additional securities afforded by the NDA means that there is a risk that the potential partner could take the information disclosed and become a competitor rather than an investor.

3. Have a Well Thought-Out and Researched US Business Plan

Draw up a clear and detailed business plan which shows understanding of the US market and the value of your product. Far too often, gung-ho Kiwis throw caution to the wind and simply go to the US without fully thinking through a plan of attack. This more than often will result in being overwhelmed by the complexities of the US market and wasting precious resources on unproductive activities. A New Zealand business which has taken time to write down a well thought out and detailed business plan for its foray into the United States markets will benefit in the long run. This entails fully examining where your customers are located in the United States, what sort of efforts you will have to take to reach those customers, and the potential funding you will need to accomplish this. It also will entail an analysis of the logistics of getting your product or service from New Zealand to the US. The biggest mistake we see time and again, is that a business plan is not put together prior to entering the market. If you do this first, you will benefit from the planning and forethought that is required.

4. Do Not Sign Anything without a Lawyer

The business culture and legal framework are different in the United States than in New Zealand, especially when it comes to contracting practices. A New Zealand business needs to make sure that any legal document it signs in the United States does not place the business into a tenuous position under local law, does not contain traps hidden in "legalese" which bring about unintended consequences later on, or fails to capture the full essence of the deal and thus leaves the door open to potential litigation. US businesses are used to negotiating their contract terms, and your potential partner will not take exception or offense to a contract returned with suggested changes. Of course, relative bargaining power always comes into play here, but showing that you understand your legal rights will always draw respect from your partner on the other side of the deal.

5. Budget for Professional Services

The best tip we can tell a start-up is to have a good team on your side. This includes a team of outside professionals who can assist you when you need it. The number one concern for start ups is always going to be costs, and far too often start ups will forego obtaining professional services in order to keep their costs down. This, in short, is a mistake. You need professional service providers on your side to protect your investment. This includes lawyers, accountants, and business advisors who understand the US market and can help shape your business plan in a way that will greatly increase your likelihood of success. Where there is simply no way to provide payment for these services, some professionals will accept equity in return for their services. In any case, obtaining wise advice from US professionals will pay off in the long run.

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**This article is for general informational purposes only and does not constitute legal advice, nor should it be construed as constituting any legal advice from Norris Legal Consulting, The Norris Law Firm or any of its affiliated lawyers. For specific analysis of your US legal issues, please contact the attorneys at Norris Legal Consulting at +64 (0)9-889-2602 or visit us on the web at <http://nz-uslegal.co.nz/>.*

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