

AMCHAM NEWS

American Chamber of Commerce in New Zealand

P.O. Box 106-002, Auckland. Tel: 649 309 9140; Fax: 649 309 1090

Volume 14 Issue 5

Email: amcham@amcham.co.nz



July 2015

APCAC Washington Doorknock successful

In late June a group of over 40 delegates from the Asia Pacific Council of American Chambers of Commerce were in DC for the annual Doorknock. APCAC Chair, Jackson Cox said "It was an historic week for trade and our active participation made it one of our most successful Doorknocks in recent years".

Briefings were held with key government agencies – State, Defence, Commerce, USTR, as well as with the US Chamber, key think tanks and media commentators.

The group spent two days on the Hill with over 50 meetings at a critical time when the Senate was voting on a revised Trade Promotion Authority bill. The House had, eventually, voted 218-208 in favour of a separate TPA bill (excluding TAA) which was then passed back to the Senate, passing it 60-37. President Obama signed the bill on 29th June paving the way for final TPP negotiations to commence.

The key issues raised

- Congressional approval of TPA and support for TPP when presented
- Reauthorisation of the US Ex-Im Bank
- Tax reform and financial reporting requirements (FACTA)

On the Monday evening the New Zealand Embassy hosted a reception for the delegates and guests from Washington.

AmCham would like to thank the Embassy for their support.

AmCham would also like to thank United Airlines for their support with the Executive Director's travel throughout the USA.



Ambassador Carl Worker & APCAC Chair Jackson Cox



A STAR ALLIANCE MEMBER

TPP in final negotiations

Trade Negotiators have been meeting in Maui for the last few days and Trade Ministers arrive on 28th July with negotiations expected to last until the end of the month. Inside US Trade reports that "Trans-Pacific Partnership (TPP) chief negotiators during the first three days of their meeting here have held brief plenary discussions on intellectual property (IP), state-owned enterprises (SOEs) and investment, but the major push to resolve outstanding issues has come through bilateral meetings, according to informed sources".

USTR Michael Forman has made a number of international visits in the last few weeks including Malaysia, Vietnam and Singapore to encourage progress.

Timing is critical as the US is looking to have Congressional ratification in late 2015 to avoid the Presidential election campaign. The recently signed TPA stipulates a three month period between conclusion and the ratification process. It is reported that Canada has not committed to negotiations on market access. Canada is also faced with an impending general election on 19 October.

Professor Peter Petri, the Carl Shapiro Professor of International Finance at Brandeis University was recently in New Zealand for the 6th US NZ Partnership Forum. His research shows that TPP should, conservatively, add 2% or \$4 billion to New Zealand's economy annually, with services, tourism and IT making up about 40% of the increase, agriculture 25%, and the remainder from investment.

Index

Award Finalists	2
US/NZ Partnership Forum	2
US NZ Going to next level	2
Embassy 239 Independence Day	2
New Commander US Pacific Command visits	3
Mike Moore Internship Programme launch	3
Mike Moore honoured	3
FDI - Who is playing to win?	3
Applause for new Tech Trade Agreement	3
Wgtn. San Francisco Society seeks support	3
Political Exchanges	3
NZVIF Portfolio Investment reports	4
AmCham farewell US Consul General	4
Success Stories with USA	4
Trade & Investment Opportunities	4
Commercial News USA	4
Trade Leads	4
Int'l Buyer Programs	4
From NZTE	4
From KEA	5
WTO Procurement	5
Winning USA Govt Business	5
From ExportX	5
NZBio Conference	6
TRAVEL	6
Tourism NZ Expands in US Luxury Sector	6
North American Product Sales Mission	6
More Visitors from China Aus and US	6
Business Travel	7
For your Diary	6
Member News	8
Kiwi IP recognised	8
Award supports Study	8
HP joins with Avondale College	8
Langham hosts global Trade event	8
Waikato Uni honoured	8
New Members	8
People on the move	8
Seeking Work	8
NZ Innovator Awards	9
Business need \$1m??	9
Taxation report	9
Legal Issues / Cyber Security	10
LEAN 15 - Wgtn.	11



JOIN FREQUENT FLYERS
TO AND FROM NORTH AMERICA

Click here to get 20% off your route*



*Terms and Conditions Apply.

Finalists Announced for the 2015 AmCham-DHL Express Success & Innovation Awards to be celebrated in conjunction with AmCham's 50th Anniversary celebrations

The American Chamber of Commerce in New Zealand has today announced the finalists for the 2015 AmCham-DHL Express Success and Innovation Awards, held in conjunction with Hawaiian Airlines, the 16th year of these awards celebrating success and innovation for companies doing business with the USA.

Mike Hearn, Executive Director for AmCham, says 2015 has seen another very strong group of entrants, covering diverse range of products and services. While technology companies are again to the forefront of finalists there are still some strong entries from healthcare/medical equipment, fruit grading equipment, wine, building products, film, cars and engineered products.

"We continue to see New Zealand businesses looking at the US market. Despite a high dollar, in the last year two-way trade between New Zealand and the USA hit a new high of \$11.22 billion, an increase of 29.8%, and accounting for 11.2% per cent of New Zealand's total earnings from overseas trade." says Mr Hearn.

DHL Express Country Manager and lead sponsor, Tim Baxter says "The NZ/US trade lane is highly valuable for both importers and exporters operating in New Zealand. It's exciting to see organisations from a wide range of industries – both large and small – recognising this value. No doubt the competition will be tough this year, but ultimately all these organisations have achieved success in the US market through the right business strategies and focus."

The awards & 50th Anniversary gala dinner is being held on 20th August in Auckland at the Pullman Hotel and AmCham is delighted to have the Prime Minister the Rt Hon John Key again attend the dinner to present the exporter awards along with US Ambassador Mark Gilbert. As part of our celebrations we are inviting all Past Prime Ministers; US Ambassadors to NZ; NZ Ambassadors to the USA, AmCham Past Presidents and others who have played a significant role in our success over the last 50 years.

[Click here to see full list of finalists](#)

The awards will be presented at a black tie gala dinner at the Pullman Hotel Auckland on 20th August. For details and tickets see <http://amcham.co.nz/event-1836720>

In addition to AmCham, DHL Express and Hawaiian Airlines, the awards are supported by ASB Bank, Baldwins, Fonterra Co-operative, Prescient Marketing & Communications, The Pullman Hotel and media sponsor The Business.

US/NZ Partnership Forum

Foreign Minister Murray McCully welcomed the start of the US/NZ Partnership Forum which recently took place in Auckland.

"The Forum has a long history of bringing together a range of participants from multiple sectors to discuss the relationship between New Zealand and the United States," Mr McCully says.

"The US is one of New Zealand's most important partners and events like this reinforce the strong links between our two nations.

"The US and New Zealand have a longstanding friendship and this year I am pleased to be able to welcome Danny Russel, the Assistant Secretary of State for East Asia and the Pacific as a keynote speaker for the event.

"Mr Russel is a friend of New Zealand and having him in New Zealand this week is an opportunity to discuss the US-NZ partnership and where we can take it in the future."

"I would also like to welcome the other distinguished guests taking part in the Forum, including; senior members of the US Administration, Congress, and business representatives," Mr McCully says.

Trade Minister's speech to the Forum – ["The future of global trade: US and NZ as partners in the Asia Pacific: completing the TPP negotiation"](#).

"U.S.-New Zealand: Going to the Next Level"

Ernie Bower, Senior Adviser and Sumitro Chair for Southeast Asia Studies at the Center for Strategic and International Studies in Washington was in Auckland for the 6th US NZ Partnership Forum. At the Forum he released CSIS Pacific Partners Initiative new micro-site to explain the findings of a recent study on U.S.-New Zealand relations to the broader public. The study explores the chronology of U.S.-New Zealand relations, examines the two countries economic, political, and security interests, and offers recommendations to Wellington and Washington... [Explore more >>](#)

US Embassy 239th Independence Day Celebrations

US Ambassador Mark Gilbert hosted events in Auckland and Wellington celebrating the United States 239th Independence Day. The highlight of the Wellington event was a special message to the people of New Zealand from US Vice President Joe Biden. https://www.youtube.com/watch?v=CC-0PU_fuEA



Supporting AmCham

New Commander of U.S. Pacific Command Visits.

The Commander of United States Pacific Command, Admiral Harry B. Harris arrives in New Zealand this week for discussions with the Government and senior defense officials. Though he has been to New Zealand before, this is Harris' first visit to New Zealand since taking up his new post in May. [Read more](#)

NZUS Council Mike Moore Internship Programme launch

The New Zealand United States Council is delighted to announce the launch of the NZUS Council Mike Moore Internship Programme, a partnership with the University of Canterbury, Victoria University of Wellington and Air New Zealand. [Read more](#)

Washington International Trade Association honor Ambassador Mike Moore

At the recent 2015 WITA/WITF Annual Awards Dinner & TradeProm Ambassador Mike Moore was honored with a Lifetime Service Award. Ambassador Moore is still recovering from a recent stroke so was unable to attend but Ambassador Carl Worker collected it on his behalf and presented it to him at the residence.



Foreign Direct Investment: Which Nations Are Playing to Win?

The Milken Institute has recently released its Global Opportunity Index which ranks 136 countries and provides policy makers and investors vital information on policies that can best attract foreign direct investment, expand economies and accelerate job creation. The index is also a guide for countries seeking to improve their business environments and attract investors who commit long-term capital, rather than move it around as a fleeting portfolio tactic.

New Zealand ranked 4th behind Singapore, Hong Kong, and Finland. See: www.globalopportunityindex.org

US Chamber Applauds New Tech Trade Agreement

U.S. Chamber of Commerce Executive Vice President and Head of International Affairs Myron Brilliant issued the following statement welcoming a deal to expand the product coverage of the World Trade Organization (WTO) Information Technology Agreement (ITA):

The announcement that one of the world's most successful trade agreements will be expanded significantly is welcome news for American companies and the workers they employ. It's especially heartening given disappointing economic growth in many countries.

Negotiated in 1996, the original ITA helped deliver a dizzying array of innovative technology products to the world. However, many products developed over the past two decades fell outside the ITA's reach, so expanding its coverage became imperative. This new agreement will end tariffs on approximately \$1.3 trillion worth of high-tech products, so its commercial significance is obvious.

We congratulate U.S. Trade Representative Michael Froman and officials from other countries who have pushed these negotiations across the finish line.

Negotiated among more than 50 countries, the ITA expansion will eliminate tariffs on medical equipment, GPS devices, video game consoles, computer software, and next generation semiconductors. The volume of world trade covered is approximately equal to global trade in automotive products and three times larger than trade in clothing, according to the WTO.

Wellington San Francisco Society seeking support

Wellington Mayor Celia Wade-Brown was recently in San Francisco for discussions about a possible Wellington San Francisco Sister City relationship. The initiative is to focus initially on four key areas where there is the greatest potential for mutual benefit:

- film and television,
- arts, education and cultural exchange,
- disaster resilience,
- technology development.

The Council has set up a website seeking support <http://www.wellingtonsanfrancisco.org>

Peter Wren-Hilton of Wharf 42, currently in San Francisco has written an article "[Building Innovation Ecosystems through Sister City Relationships](#)"

[New Zealand parliamentarians undertake political exchange to the United States](#)

Young New Zealand parliamentarians will learn about the American political system this week during a nine day United States exchange programme coordinated and sponsored by the American Council of Young Political Leaders (ACYPL), the Speaker, Rt Hon David Carter, announced today.

NZVIF Portfolio Investment Snapshots Report

[Click here](#) to download the new 'Investment Snapshot' report from NZVIF which looks at data from across the VIF and SCIF portfolio and reports on some of characteristics and insights which are emerging. We hope it's a useful report for the wider market at a time when there is growing interest in early stage investing. The report's key findings are that early stage investment is rewarding but it takes time, a careful approach to building a portfolio, follow-on investment and effort from investors in terms of mentoring and advising.

AmCham board farewell US Consul General Jim Donegan

The AmCham board hosted a farewell dinner for departing US Consul General Jim Donegan and his wife Sue. Board members had the opportunity of expressing their thanks for Jim's hard work and support. The board presented Jim with a certificate of appreciation in recognition of the significant contribution Jim made to US NZ relations during his time in New Zealand.



SUCCESS STORIES WITH USA

[Google's top Kiwi Craig Nevill-Manning named one of America's greatest immigrants by high-tech Carnegie Institute](#)

[Gallagher Security wins top award for perimeter security in the USA](#)

[VMob shines as intelligent Kiwi tech takes Microsoft WPC 2015 by storm](#)

[Pushpay revenue climbs as US churches sign up for service](#)

[Argenta acquires manufacturing facility in Iowa, USA](#)

[Kiwi medical device maker Aranz gets traction on US roadshow](#)

[NZ surges up global biotech rankings](#)

[Manuka Health loos at options for global rollout](#)

[Showcase cements San Fran as second international office](#)

[Warner Bros launches season of new productions and rebrands](#)

[Transaction Services Group appoints President for US](#)

[Estero Property Investment urge people to buy now in the US](#)

[US market offers huge potential for New Zealand wines - Giesen Wines](#)

[US hopping mad for New Zealand craft beer](#)

[Commission gives clearance to Pfizer/Hospira merger](#)

[Comic-Con exposure a boost for Auckland's screen industry](#)

[Social enterprise start-up gets Silicon Valley backing](#)

[Big lift for Kiwi blast-off](#)

[Airways eyes space-based flight traffic control system](#)

[Jetpacks get sales pitch to US military](#)

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

From NZTE

The Big Apple bites into tech

Our entrepreneurs, artists, food and beverage and textile companies have long flocked to New York to take advantage of its world-class position in fashion, media, restaurants, publishing, finance and, increasingly, digital technology.

Being close to investors and customers is the primary reason for a new crop of entrepreneurs moving to New York. Carnival Mobile, Motim, and Young and Shand are all examples of Kiwi companies that have set up in New York to stay in front of customers across advertising agencies and large corporates. [Read more](#)

From KEA

Alternative fuels engineering company seeking relationships in the US

DieselGas International Ltd has developed an alternative fuel engine management system, which allows heavy-duty trucks to operate on pilot diesel, with the balance of the power coming from natural gas. They are seeking relationships with a number of different entities in the US who can be part of their market entry programme – truck and truck engine manufacturers, Glider Truck integrators, logistics fleets, exhaust emissions test labs, EPA, consultants for US grant applications and establishing distributor networks. www.dieselgas.co.nz

Emerging Kiwi designer looking for sponsorship for New York Fashion Week

Sean Kelly is seeking assistance with business mentoring, sponsorship, and PR in setting up a luxury womenswear brand in New York City. He is an upcoming fashion designer based in New York creating works sold to an international market. He is showing his first stand-alone collection at New Zealand Fashion week in August and also a presentation in New York Fashion Week in September to launch his Spring Summer Collection into market and production. If you can assist contact Stephen Dee, Director, World Class New Zealand Network, Kea, stephen@keanewzealand.com

Seeking contacts in North American pet care industry for new product testing

OPIA Ltd are looking for introductions to North American animal clinics & hospitals who are interested in participating in market trials. The product, OPIA+, helps prevent dehydration in dogs after surgery, which can cause discomfort and prolong the recovery period. OPIA+ is proven by New Zealand's Massey University Veterinary Hospital to increase total water intake in dogs, helping to prevent subclinical dehydration, and is currently being used by a sample of vet clinics and dog owners in NZ, Australia and the UK. If you can assist contact Stephen Dee, Director, World Class New Zealand Network, Kea, stephen@keanewzealand.com

WTO procurement agreement opens up the world for Kiwi companies

Economic Development Minister Steven Joyce and Trade Minister Tim Groser today announced that New Zealand has finalised its accession to the World Trade Organisation's Agreement on Government Procurement (GPA), and it will come into effect next month (12 August).

New Zealand businesses will have guaranteed access to bid for an estimated US\$1.7 trillion in annual overseas government contracts through joining the GPA, which creates new opportunities for Kiwi businesses to export more products and services to more destinations, Mr Joyce says.

"Formal procedures in Geneva have now been completed which means that from mid-August, New Zealand companies will be able to do business freely across 43 WTO member countries, including the US, Canada, Japan and 28 countries of the EU."

The GPA covers the purchase of a broad range of goods and services that government agencies buy from the private sector, including construction, and will help achieve the Business Growth Agenda goal of increasing exports to 40% of GDP by 2025, Mr Joyce says.

"Selling to international governments without having to set up offshore branches or other 'work arounds' is a key area of opportunity for New Zealand exporters. Governments worldwide are looking for the types of products and services that New Zealand offers."

New Zealand's accession follows two years of negotiations. From next month, New Zealand exporters seeking to access the government procurement markets of the other GPA member countries will be able to compete on equal terms with their international counterparts, Mr Groser says.

Member countries are not allowed to discriminate against businesses from another GPA member country in respect of government procurement opportunities covered by the agreement. They must also follow rules relating to competition and openness.

How to win international government business - "Guide to winning Government Business in the USA"

Around the world, particularly in the US, the UK, Europe and Australia, governments are looking for the types of products and services New Zealand offers. Selling to international governments is a key area of opportunity for exporters. MBIE & NZTE recently held a roadshow across New Zealand to tell companies exactly what they need to know to take advantage of this lucrative, yet challenging, opportunity.

NZTE has produced a publication "Guide to winning Government Business in the USA" and you can also watch a video of Washington-based Attorney at Law William Savarino who gives a frank overview of getting US government contracts and advises New Zealand exporters who do to attend closely to their contracting officer. The video also includes Robert Cunningham from NZTE in Washington DC. [Click here to watch](#)

From ExportX

[Amazon vs Walmart Infographic](#)

This chart compares U.S. retail giants Amazon and Walmart. Published by WebpageFX, it includes our own ExportX data on the scale of Amazon's ... [Read on »](#)

(Continued on page 6)

BUSINESS TRAVEL INSURANCE
FROM ACE acegroup.com/nz ▶



From ExportX (Continued from page 5)

[The 2014 Numbers on E-Commerce in the USA](#)

The Census Bureau of the U.S. Department of Commerce reports the value of the overall U.S. retail sector at US\$4.7 trillion in 2014, growth ... [Read on »](#)

[Victory Knives Diving Knives in the USA](#)

Victory diving knives and the XTB Sailor's Blade are now available in the USA through Amazon.com and importer-direct website ShoppingMoa.com. New Zealand knife ... [Read on »](#)

[The Top Manuka Honeys on Amazon.com](#)

Hundreds of manuka honey products are offered on Amazon.com in the USA. Which are the most popular? Which are the best? Rigorous government testing and ... [Read on »](#)

[Anti-Jet Lag 1Above Now on Amazon.com](#)

1Above subscribers will have received this announcement by email: 1Above Arrives in North America! It's official, 1Above® is now available at the CIBO Express® ... [Read on »](#)

NZBIO Conference 2015

[Click here](#) to see the full program for the NZBIO Conference 2015. Held at Te Papa, Wellington 23-24 September, the conference features guest speakers from NZ and throughout the region. Each session is dedicated to explore key focal areas of the NZ bioeconomy including: *human health, agriculture, food, animal blood products and natural products*. In line with our ongoing reinvigoration of your industry organisation, we are running a number of new initiatives throughout our packed two day program.

NZ delegation recently attended BIO in Philadelphia. They had 20+ companies over in the US, some of which spent a few days at TechConnect with NZTE and Callaghan Innovation followed by four days at BIO. Take home messages from spending time with the traveling contingent <http://www.nzbio.org.nz/cms/wp-content/uploads/2015/07/Take-Home-Messages-From-BIO-20151.pdf>

TRAVEL

Tourism New Zealand expands in US luxury sector

Tourism New Zealand is growing its trade, PR and marketing activities in the lucrative premium sector by joining forces with Signature Travel Network, one of North America's leading luxury travel consortia. [Read more about the new partnership here.](#)

North America Product Sales Mission

Tourism New Zealand is holding a product sales mission in October to leverage off Air New Zealand's activity around the launch of their new Houston service. The North America Sales Mission is an opportunity for New Zealand product operators and IMAs to attend with the goal of forging new relationships within the region. Registrations close on 24 July. [Click here for more information and to apply.](#)

More visitors from China, Australia and the US

Visitor arrivals to New Zealand numbered 177,000 in June 2015, up 9 percent on June 2014, Statistics New Zealand said today. In the June 2015 year, visitor arrivals totalled 2.99 million, up 7 percent from the previous year.

"China, Australia, and the United States contributed the biggest visitor increases for both the June month and year," population statistics manager Vina Cullum said. "These three countries are our biggest visitor sources, supplying 61 percent of all arrivals in the June 2015 year."

In June US visitors were up by 2,300 and year to date up 21,632 (10.2%).

FOR YOUR DIARY

- | | |
|-----------------------------|---|
| 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 |
| 26th Aug | CEO lunch, Auckland (invitation only) |
| 22nd Sept | CEO lunch, Auckland (invitation only) |



Supporting
AmCham



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

The Star Alliance welcomes Avianca Brazil to the network. Avianca is the airline of Colombia and has its hub in Bogota and connects North America to South America. Avianca's relatively new Brazilian domestic operation has a fleet of very efficient Airbus A318 aircraft. The company is owned by TACA Group which owns another Star Alliance airline, TACA with its hubs in Central America and Peru. The BWT team has flown with both Avianca and TACA and they are as impressive as the local airlines we have in this region.

American Airlines has confirmed the schedules for its new non-stop flights between **Los Angeles and Sydney**, which will operate under flight numbers AA72/73 using a three-class Boeing 777-300ER aircraft. The Sydney services will depart at noon each day, arriving into LAX at 6.50am the same day while the flights ex Los Angeles will depart at 9.50pm and arrive into Sydney at 7.55am two days later. AA's new product features all-aisle access fully lie-flat seats and a walk-up bar in the premium cabins. The flights will form a part of the American Airlines and Qantas joint services between Australia and the US.

United Airlines has announced that all New York flights will operate to Newark (EWR), dropping all flights to JFK from October 2015.

Hawaiian Airlines has opened the 'Plumeria' Business Class lounge at Honolulu Airport. The lounge is free to Business Class travellers but entry can also be purchased for US\$40 per visit for Economy Class travellers.

Holidays

Visitors to **Seattle** can now get an idea of the views on offer from the city's iconic Space Needle before buying tickets via a new virtual reality app. The Space Needle 360° provides a view of the city and beyond from 600 feet atop the spire.

Today its **31°c in Honolulu, 30° in Kauai and 28° in Santa Monica**. You might associate BWT with business travel but part of doing great business is making sure you're rested and relaxed as well! We have a team of industry leading experts awaiting to arrange a quick mid-winter escape for you! After all we fully subscribe to the tonic of a mid-winter break somewhere warm and sunny! Even a long weekend closer to home to use up some frequent flyer points or a week or so away for a complete rest from the cold and rain will get you through winter! The school holidays are finished this week and so there is reasonable availability in the South Pacific and Honolulu. Call us to arrange!

The flagship **Queen Mary 2** will host its first ever Blue Note Jazz themed seven-night cruise from New York on 29 October. **Natalie Cole** will be the on-board headline act and will join a roster of jazz musicians on the special trans-Atlantic cruise. Ask our cruise experts to book your cabin.

Celebrate the start of harvest with a four day wine country Autumn weekend sponsored by the **Santa Barbara** Vintners between October 9-12, 2015. Events include the Friday night Harvest Dinner, Saturday morning wine seminar, and Saturday afternoon Celebration of Harvest Festival at the Old Mission Santa Ines in Solvang. Purchase a Vintners Visa to explore up twelve wineries and tasting rooms, each offering complimentary offerings to visa holders. We have the details.

There is some space on our First Travel Group's **Corporate Golf Championship 04-07 September at Sanctuary Cove**. Land only cost is \$1799 single or \$1399 per person share twin. Includes 3 nights' accommodation at InterContinental Sanctuary Cove, breakfast, 2 rounds of golf (The Palms and Links Hope Island courses). Contact Tanya twarman@bwt.co.nz for details.

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

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



MEMBER NEWS

Kiwi IP leaders recognised for world-class patent, strategy and litigation expertise.

Continuing to make waves in the industry, James & Wells partners Ian Finch, Kate Wilson and Gus Hazel have been named on the intellectual property industry's most illustrious list, the Intellectual Asset Management's IAM Patent 1000. [Read more.](#)

Award supports study in United States history

An award established in memory of Arts graduate Jacob Marx will support postgraduate students completing their theses and dissertations in United States History. The Jacob Marx Memorial Award in US History is awarded to one student enrolled in a research MA or PhD in History with a topic in US History or comparative US History per year. [Read more](#)

HP NZ joins forces with Avondale College in the name of innovation

Avondale College and HP New Zealand have announced a strategic partnership which will see them collaborate to transform Avondale College from a legacy-based education paradigm to a new, digitally-enabled, learning and innovation model. [Read more:](#)

Langham Auckland hosts global trade event

Langham Auckland General Manager Franz Mascarenhas recently hosted a group of over 350 industry representatives at a showcase of the group's global properties. Langham Hotel Group Global CEO Robert Warman spoke at the event, bringing with him senior executives from 10 Langham Hotels including The Langham Place in New York, The Langham Chicago and The Langham Huntington, Pasadena, LA. New Zealand is a major source of international visitors to the Langham group worldwide

University of Waikato honoured as NZ cyber security expert

A University of Waikato cyber security expert has been acknowledged for his work in the field, again.

New Members

Metro marketing Ltd, Tauranga – Chris Winslade, Export Advisory / Export Marketing Account Manager - International Marketing Manager - If you are struggling with the demands of needing an in-house international marketing team for your export business, or have one but don't have the digital or social media capabilities, or you are not achieving the results you need to make budget, then Metro can help. Metro Marketing has bought an export marketing specialist to our collective upon realising the growing need to communicate with foreign cultures from within New Zealand. As an exporting nation looking to thrive and grow in the digital age it has never been more important to be active and present online. Export Advisory – specialising in start-ups. We offer in-depth strategy building sessions, resulting in a comprehensive Export Strategy Plan. One that you created, wrote, understand, and can work to. It will become the framework from which you launch your business/product/service onto the world stage and is so crucial to export success. We use a gated system, so at the end of each stage, we take time to stop and evaluate its potential and impact on your business before moving to the next stage. This makes the whole process less overwhelming and more enjoyable. www.metromarketing.co.nz

PricewaterhouseCoopers, Auckland – Anand Reddy, Director – PWC is one of the major global accounting and business advisory firms that help organizations large and small by providing industry-focused assurance, tax and advisory services to build trust and create value. Anand Reddy specialises in financial services with broad industry experience, including nine years working in London in private equity, funds management and banking groups. He

assists a range of clients across the financial services industry, and has particular expertise in the insurance sector. Clients also include large businesses in the property and retail sectors. www.pwc.co.nz

People on the move:

Barrie Sheers has been appointed as **Microsoft New Zealand's** Managing Director. Former MD **Paul Muckleston** is moving to Redmond, Seattle as General Manager Worldwide Surface Channel Sales.

Stewart Germann has been elected President of the Rotary Club of Auckland

DLA Piper have appointed the following:

Nicole MacFarlane, Special Counsel, Financial Services

Senior Associates: **Tom Barnes**, Financial Services; **Aimee Credin**, Healthcare; **Pavanie Edirisuriya**, Corporate; **Erin Vercoe**, Corporate; **Megan Yardley**, Resource Management

Senior Solicitors: **Nick Chapman**, Litigation and **Samuel Wilson**, Corporate

Symantec has appointed **Ian McAdam** as Managing Director for the Pacific region, encompassing Australia and New Zealand.

Avaya has appointed **Jeff Sheard** as Managing Director for Australia & New Zealand

Seeking work:

Lou Piezzo - I arrived from New York a few months ago and have a work visa. I am seeking full time employment in any capacity that will utilize my skill sets. I have more than twenty years' work experience in the financial services industry, and ran my own non-medical in home

(Continued on page 9)

Seeking Work - (Continued from page 8)

care business for several years. In the financial services industry, my roles have included global brokerage operations, product and project management, and business analysis.

I also managed a team of people in those various roles. Most recently I worked at a global financial services company named SWIFT where I was responsible for identifying and managing projects that enabled clients to reduce their costs, automate their operations, and help them meet regulation within the post-trade pre-settlement space. Contact: Lou lvp2@optonline.net

The New Zealand Innovators Awards

The New Zealand Innovators Awards are **NOW OPEN** for 2015 and we have seen some amazing entries from all over the country already. **This year we have decided to keep you up to date with who is entering by profiling some of this year's entrants.** I think you will find these products and companies interesting and hope you will be inspired to enter your own innovations and developments - after all if your not going to shout about your achievements, who will! If entering isn't your thing...then you can **NOMINATE cool kiwi companies** that you know and think should enter - it's a nice way of showing your support for the great work that they do. Enjoy these stories and we look forward to seeing your entries and nominations soon. Entries close 4th August.

What could your business do with 1M dollars?

Born out of a generous three-million-dollar foundation gift from Kiwi philanthropist and businessman Charles Bidwill, The University of Auckland Business School Entrepreneurs' Challenge provides up to one million dollars annually for investment in growth-oriented SMEs.

If you're an aspirational company based anywhere in New Zealand and you're currently seeking funding to develop your business offshore this could be just what you are looking for.

Entries are now open. <http://entrepreneurschallenge.co.nz/>

TAXATION ISSUES**Taxpayer Advocate's Mid Year Report Released to Congress 15 July**

Taxpayer Advocate Nina Olsen released her mid-year report to Congress this week, echoing themes which were present in the 2014 annual report. The report addressed both the 2015 filing season, and initiatives on the go for the 2016 fiscal year.

The 2015 filing season was cited as being 'generally successful under difficult circumstances', as a result of a reduction in funding and extra pressure on the IRS as it implements the provisions of the Affordable Care Act and the Foreign Account Tax Compliance Act.

Statistics relating to processing and call handling were as follows:

- Returns processed: 126.1 million (2014: 125.6 million)
- Calls answered by customer service representatives: 37% (2014: 71%)
- Average wait time: 23 minutes (2014: 14 minutes)
- Calls answered through the Taxpayer Advocate Service division of the IRS: 39%
- Average wait time: 19 minutes
- Number of calls by taxpayers whose returns were blocked by the Taxpayer Protection Program (TPP) on suspicion of identity theft: 2.9 million
- Calls answered: 17%
- Average wait time: 28 minutes
- Calls answered by the Practitioner Priority Service line: 45%
- Average wait time: 45 minutes
- The number of courtesy disconnects: 8.8 million (2014: 544,000)
- Number of calls to the Identity Protection Specialized Unit (IPSU) telephone line: 1.6 million
- Average wait time: 25 minutes
- Increase in the overall number of taxpayer calls: 41%
- Decrease in the overall number of calls answered: 26%
- Increase in the overall average call duration: 10%

Other elements of the report included:

- More than 98% of tax revenue is paid voluntarily and timely, with less than 2% collected through enforcement action.
- Concern around the IRS potentially moving to online services for taxpayers, removing customer service representatives, driven by security issues and the need for taxpayers and their representatives to be able to discuss the taxpayer's facts and circumstances with IRS

(Continued on page 10)

TAXATION ISSUES (Continued from page 9)

employees.

- The most significant new challenge for the IRS during the 2015 filing season was the practical elements of the ACA including the Premium Tax Credit and the Individual Shared Responsibility Payment (ISRP). The report gives the IRS credit for implementing the provisions of the ACA.

Nine areas for focus in 2016 were identified in the FY 2016 Objectives Report to Congress.

by Gina Wallace Director NZ US Tax Specialists

LEGAL ISSUES

Norris Legal Consulting – American Law Specialists

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.

LIABILITY FOR BREACHS OF CYBER-SECURITY

A slew of recent cyber attacks in the United States have vividly and contentiously demonstrated the vulnerability of businesses to hacking. Just this week, the infamous “cheating” website, Ashley Madison, was hit by hackers in retaliation for the company’s alleged false promise to completely erase member’s profiles for an additional charge of \$19.00. The hackers threatened to release confidential and sensitive customer information if the company does not take its website down. Over the past few years, drivers of Toyotas, Fords, and General Motors vehicles have reported incidents where hackers have infiltrated their vehicles’ control systems, causing the vehicles to suddenly accelerate, turn, or lose their breaks without warning. These two incidents demonstrate the three most used negligence based claims that may be made by consumers against a business for a breach of cyber-security: (1) failure to warn of the danger of potential hacking; (2) failure to provide adequate cyber security; and (3) failure to honour cyber-security commitments.

In the Ashley Madison case, for those whose identities are revealed, a class action could potentially be filed against the company. The strongest claim against Ashley Madison would be based on the fact that the company misrepresented its services, promising to erase the very sensitive information that the hackers now possess. In addition to the negligence claims that will be made against the company for failing to provide adequate cyber-security, the company will also face claims based in simple breach of contract and fraud that will seek not only a return of all the money charged but also punitive damages for the gross and intentional misrepresentation of services. In addition to the potentially high damages that could be awarded, the company also faces what will likely be a massive drop in business and a disruption to their highly contentious IPO plans.

In the car manufacturer class action litigation, the plaintiffs’ claim that Toyota, Ford, and General Motors (1) failed to adequately warn consumers of the dangers posed by hackers through the vehicles’ computer systems’ connection to the Internet and (2) failed to provide adequate security measures to prevent hacking. These sorts of claims are based on classic United States products liability formulations, which require businesses to ensure that their products are safe and to warn consumers of any dangers inherent in the products.

Over the past ten years, the average data breach in the United States costs each company being breached around 5.4 million USD. These losses are based on the costs involved with detection, escalation, notification of customers, remediation, and lost business and are in addition to any damages that may need to be paid due to a lawsuit. This has also spurred a variety of shareholder derivative litigation, where shareholders sue the company for a loss of stock value due to the management’s failures to provide adequate cyber-security. These lawsuits against the company’s management assert breaches of fiduciary duty, mismanagement, and waste of resources, charging board members and officers with a knowing failure to meet industry standards.

While the history of commercial cyber-attacks in the United States has not resulted in any direct federal legislation, the Federal Trade Commission and several state’s attorney generals are using consumer protection legislation already in place to bring direct actions against businesses that fail to adequately provide cyber-security or who promise cyber-security but do not take adequate action to prevent hacking. In fact, the Federal Trade Commission’s chairperson, Edith Ramirez, stated that when businesses fail “to take reasonable steps to secure sensitive customer info...the FTC will take action on behalf of consumers.” Correspondingly, the FTC has brought over 50 enforcement actions against companies in the past several years.

What does all of this mean for New Zealand businesses doing business with the United States? There is a developing legal duty for any business offering services in the United States to take adequate steps to prevent hacking and to ensure the privacy and security of sensitive customer information held by each business. This generally means that your business’s cyber security protection needs to be state of the art, or you need to design your systems so that sensitive customer information is not maintained or kept. The steps a business can take are to (1) designate a qualified and dedicated team member to be in charge of cyber-security; (2) take steps to identify risks to cyber-attacks in your business; (3) take reasonable steps to secure against those identified risks; (4) take steps to ensure that your vendors also have adequate cyber-security; and (5) regularly re-evaluate your cyber-security position. New Zealand businesses should also look at obtaining cyber-security insurance as part of their insurance policies covering US operations.

While hacking is a criminal act and is certainly not the direct fault of the victim business, businesses have a duty to safeguard against

(Continued on page 11)

(Continued from page 10)

criminals and protect their customers. New Zealand businesses are not immune to cyber-attacks, and business owners would be well-put to take prophylactic action now, especially those doing business in the United States. Putting reasonable preventative measures in place, keeping your promises regarding the purging of sensitive data, and regularly monitoring cyber-security threats will meet the legal duties placed on businesses for cyber-security.

- Zachary D. Norris, JD, LL.M. and Ada Echetebe, JD, LL.M.

**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/>.*

CREATIVE|HQ

LEAN 15 – Wellington, October 5th – 7th 2015

Creative HQ is hosting a not to be missed conference on Lean Startup Methodology and Lean Enterprise in Wellington on October 5th – 7th this year. LEAN 15 brings 6 of the world's most renowned thought leaders on lean practice to our doorstep. Keynote speakers include US-based lean experts David Bland, Alistair Croll and Josh Seiden who work with Fortune 500 companies and the US Government on the implementation of lean innovation practices in large organisations. The conference is packed with hands-on workshops and best practice sessions, aimed at providing corporate innovators, intrapreneurs and entrepreneurs with the latest tools and techniques on lean practices. LEAN 15 is the first conference of its kind in Australasia - a unique opportunity to learn from leading international experts on lean, all in one place, right here in New Zealand.

Early bird tickets are currently on sale (for a limited time) at a cost of \$995 for a 2-day conference pass. For more information about the conference programme, visit lean15.co.nz or contact conference organiser David Allen directly - david.allen@creativehq.co.nz



**LEAN
15**

WHY LEAN STARTUP
CHANGES EVERYTHING.

OCT 5 - 7 MICHAEL FOWLER CENTRE, WLG NZ