

AMCHAM NEWS

American Chamber of Commerce in New Zealand

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NZ boosts representation in Northern Pacific

Foreign Affairs Minister Murray McCully today announced New Zealand will open a Consulate General in Honolulu to strengthen ties with northern Pacific nations.

New Zealand's Consul General in Honolulu will be cross-accredited to Palau, the Federated States of Micronesia and the Marshall Islands.

"With the Pacific Islands Forum in the Marshall Islands last year and Palau this year, the region's attention is focused on the northern Pacific and the unique issues these island nations face," Mr McCully says.

"We want to advance our relationship with the people and governments of the northern Pacific and opening a Consulate General in Honolulu is a practical way of demonstrating New Zealand's commitment to these countries.

"It will allow us to work more closely with US officials and experts on regional security and development issues. Honolulu is a natural focus for cooperation with the United States as it stands at the centre of US strategic, cultural and academic engagement in the Asia-Pacific."

The Consulate will also provide support to New Zealanders travelling to the northern Pacific as well as New Zealanders in transit to the mainland US and other destinations.

Senators Mazie K. Hirono (D-HI) and Mike Lee (R-UT) introduce bipartisan New Zealand visa bill to spur economic growth, job creation

NZ Business Investment in The United States Already Supports 10,900 American Jobs

WASHINGTON, D.C. – Today, Senators Mazie K. Hirono (D-HI) and Mike Lee (R-UT) introduced the bipartisan Encouraging Trade and Investment from New Zealand Act, legislation to extend eligibility for trade (E-1) and investor (E-2) temporary entry visas to New Zealand, to promote trade and investment in the United States. The bill is also supported by original cosponsors Senators John McCain (R-AZ), Marco Rubio (R-FL), Charles Schumer (D-NY) and Patty Murray (D-WA). U.S. citizens are already eligible for similar visas in New Zealand.

An E-1 trade visa allows for visiting, foreign nationals to come to the United States in order to engage in trade activities such as international banking, technology development or tourism. An E-2 investor visa allows visiting, foreign nationals to develop and direct the operations of an enterprise in which they have invested a substantial amount of capital. The applications for these visas are closely scrutinized by the U.S. Department of State to ensure the trade business or investment is substantial and real, not speculative.

"New Zealand is one of our nation's important economic partners, with total foreign direct investment from New Zealand to the United States at \$6 billion by the end of 2011 and New Zealand-owned firms supporting 10,900 jobs," said Senator Hirono. "Hawaii has seen this firsthand, with businesses such as Hawaiian Airlines, the only North American airline in New Zealand, helping spur a substantial increase in business and tourism from New Zealand to Hawaii in recent years. At the same time, New Zealand businesses have found that the lack of access to E-1 and E-2 visas has hampered their ability to increase trade and investment in the United States. By extending trade and investment visas, the Encouraging Trade and Investment from New Zealand Act not only directly promotes economic growth and job creation in Hawaii and across the United States, but bolsters the bilateral relationship between our nations and strengthens Hawaii's economic ties to the Asia-Pacific region."

"The Chamber of Commerce Hawaii supports legislation that would extend E-1 and E-2 temporary entry visas to New Zealand to promote trade and investment in the United States," said Chamber of Commerce Hawaii President and CEO Sherry Menor-McNamara. "This legislation would increase investment and trade with New Zealand, creating a significant number of jobs in our country for our citizens and families. As importantly, this legislation would help pave the way for businesses in Hawaii, large and small, to compete in the global

(Continued on page 2)

Index

NZ Visa Bill - Job Creation	2
TPP Trade Meeting	2
Presidents 2014 Trade Policy Agenda	2
US Exports/Imports 2013	3
AmCham South China 2014 White Paper	3
NZ Manufacturing Sector	3
Success Stories with USA	3
TRADE & INVESTMENT	3
Commercial News USA	3
Trade Leads	3
International Buyer Programme	3
TRAVEL	4
Business Travel	4
Hawaii Tourism visits	4
MEMBER NEWS	5
Baldwins wins award	5
Fletcher Building Boss to B20	5
New Members	5
People on the move	5
EVENTS	6
AmCham hosts US ABAC	6
AmCham Member & Government Reception	6
FOR YOUR DIARY	7
Be online with AmCham	7
NZ US Connections	7
AmCham Role of Honour	7
GENERAL	
Maple Cup Slowpitch Softball	7
Johnny Barr's Fresh Food Bistro opens	7
Seeking Position	7
Is Plain Packaging the right way to go?	7
Hawaiian Airlines Golf Tournament Results	8
LEGAL ISSUES	9
TAXATION ISSUES	9
Us Taxation of Non Qualified Deferred Plans	9
THE PROJECT	10

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NZ Visa Bill (Continued from page 1)

marketplace and strengthen our state's economic ties and leverage our advantageous location to the Asia Pacific region.”

AmCham member and US Immigration attorney Barbara Johnson says “This will be an absolute Sea Change if it gets signed through to actual legislation. To have both the E-1 and E-2 designation will transform the way New Zealand companies and NZ citizens generally can invest and grow their businesses in the US”.

“On behalf of the New Zealand Government, I would like to express our gratitude to Senators Hirono and Lee for sponsoring this important piece of legislation which will assist New Zealand businesses to trade with and invest in the United States”, Ambassador Mike Moore said today.

“I would also like to thank Senators McCain, Rubio, Schumer and Murray for co-sponsoring this bill.

This bill is a very positive development for both the US and New Zealand. In 2010 alone, United States subsidiaries of New Zealand-owned firms were responsible for 10,900 American jobs and contributed \$560 million to US export earnings, according to the US Bureau of Economic Analysis. But New Zealand businesses have told us they want to do more. These visas will help them grow in the US market and create US jobs.

TPP Trade Ministers meeting concludes

The Ministers and Heads of Delegation for the Trans-Pacific Partnership Countries issued the following statement following their meeting.

We the Ministers and Heads of Delegation for Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam, have just completed a four-day Ministerial meeting in Singapore where we made further strides toward a final agreement.

We have agreed on the majority of the landing zones identified at our last meeting. While some issues remain, we have charted a path forward to resolve them in the context of a comprehensive and balanced outcome. Through extensive bilateral meetings, we have also made progress on market access, which is an important part of our remaining work, and we will continue working toward completion of an ambitious package across all market access areas.

Following this round of talks, we will return to our capitals to undertake consultations on the outstanding issues.

We are committed to concluding as soon as possible an agreement that achieves the goals established in Honolulu in 2011, as instructed by our leaders in Bali last October. We will invest the considerable level of effort that is required to deliver such an agreement, which will create jobs for our citizens, opportunities for our businesses, and economic growth and development in each TPP country.

[A Spring of Opportunity for the United States’ “Pacific President”](#)

Readout of meeting between Acting Deputy USTR Wendy Cutler and Ambassador Hiroshi Oe on TPP -

Acting Deputy USTR Cutler and Ambassador Hiroshi Oe of Japan completed two days of negotiations on TPP market access issues, focusing on the treatment of agricultural products. Limited progress was made so far this week and significant gaps remain. Working-level meetings will continue through Friday. Cutler and Oe agreed to continue discussions on these issues in an effort to narrow the gaps in the weeks ahead. Dates for subsequent discussions will be set through diplomatic channels.

President’s 2014 Trade Policy Agenda Underscores Commitment to Bolstering Middle Class, American Values through Trade

Washington, D.C. – United States Trade Representative Michael Froman issued the following statement regarding President Obama's 2014 Trade Policy Agenda that was delivered to Congress earlier today. USTR is the lead agency responsible for the development and implementation of the President's Trade Policy Agenda. USTR also delivers to Congress the Annual Report on trade developments over the past year, including in the World Trade Organization.

“President Obama's trade strategy for 2014 is driven by a commitment to create jobs, promote growth, and strengthen the middle class through the creation of new export opportunities for American farmers, workers, and businesses,” said Ambassador Froman. “In the coming year, USTR will continue to execute the President's trade vision that relies on opening markets, leveling the playing field for American workers and producers, and fully enforcing our trade rights around the world.”

Among the President's many trade priorities for the next 10 months are:

- Conclude a TPP agreement
- Advance the Transatlantic Trade and Investment Partnership (T-TIP)
- Move toward concluding agreements on Services and IT

[Read the full report here.](#)



Supporting AmCham

US Exports and Imports 2013

By John Murphy, US Chamber

The Department of Commerce today released the official U.S. trade statistics for 2013. Seizing the benefits of international trade and investment is a top priority for the U.S. Chamber, so it's worth taking a moment to see what the numbers tell us:

Record Exports and Imports: U.S. exports and imports set new records in 2013. For 2013, exports reached \$2,272 billion and imports \$2,744 billion. For goods, exports were \$1,590 billion and imports were \$2,294 billion. For services, exports were \$682 billion and imports were \$450 billion.

Slower Growth for Exports: Since the depths of the recession, U.S. exports of goods and services have risen by 16.6% in 2010, 14.5% in 2011, 4.4% in 2012, and 2.8% in 2013. Slower economic growth abroad over the past two years has led to restrained growth in U.S. exports. Continuing slow growth in many key markets means this trend is likely to continue in 2014.

FTAs Make Big Markets: America's 20 free-trade agreement (FTA) partners purchased nearly half (46.4%) of U.S. goods exports in 2013. This is a remarkable performance given that these countries represent just 10% of global GDP outside the United States. On a per capita basis, these countries purchase 12 times as many U.S. goods and services as non-FTA countries. [To read more.](#)

AmCham South China 2014 White Paper on the business environment in China

AmCham South China have recently release their 2014 White Paper on the business environment in China. [To download a copy click here.](#)

New Zealand Manufacturing Sector: Its Dynamics and Competitiveness

Independent researchers Castalia, who compiled the report on behalf of ManufacturingNZ, interviewed some of New Zealand's most successful high growth manufacturing firms to see if they had common attributes which we could share more widely.

The new report reveals common traits of New Zealand's most successful manufacturers, how important the manufacturing sector is to our economy and how it measures up internationally. [Get your free copy of the report here.](#)

SUCCESS STORIES WITH USA

[US hedge fund Libra Advisers buys 7.2% stake in Rubicon for \\$12m](#)

[Xero taps ex-Microsoft CFO Liddell as chairman, former PayPal exec Karpas to lead US unit](#)

[Gallagher recognised for its contribution to Homeland Security](#)

[The Bachelor shows America the romantic side of NZ](#)

[Recliner boosts design company](#)

[SeeBreeze FM radio weekly show International Connection with Victoria Gaither broadcast journalist in Washington DC](#)

[Collaboration promotes Kiwi tech in Texas](#)

[New Zealand designers hit the runway at New York Fashion Week](#)

[Trinity Hill winery sold to US buyer](#)

[NZX eyes US investors thirsty for dairy derivatives](#)

[Grow Wellington looking for high tech talent in Texas](#)

[Tech talent connects in Texas](#)

[LiveOps opens new technology hub in New Zealand](#)

[Kiwi to bring US chain to Auckland](#)

TRADE, BUSINESS and INVESTMENT OPPORTUNITIES

Commercial News USA

The March/April issue of Export USA, the official export promotion magazine of the U.S. Department of Commerce, is currently online at <http://www.thinkglobal.us/exportusa/032014/>

Trade-Leads for Importing and Exporting

You are invited to register you 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 2014

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

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HOTELS AND RESORTS

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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

There are plenty of airfare seat sales on this week to Hawaii. **Hawaiian Airlines** is offering their Anniversary Seat Sale to Honolulu and onto any Hawaiian Island for free; **Air New Zealand** is offering Honolulu only is their seat sale. Call our Travel Consultants to buy your seat sale tickets on either of these airline deals by 23 March. Hawaiian Airlines is also offering reduced rates to their ten mainland destinations with this seat sale also closing 23 March.

For an economical solution to efficient use of your time, as well as driving costs of business travel down, **combine** your business travel to **Europe** with seeing customers or suppliers in the US on the way. Many airfares to Europe are in fact only marginally more expensive than the cost of a flight to the West Coast. **Lufthansa**, which operates onto Europe from Los Angeles, San Francisco or Vancouver (amongst other US destinations), has announced that it is rolling out a **Premium Economy Class** product on their new state of the art Boeing 747-8 aircraft. This aircraft operates from LAX to Frankfurt. No pricing as yet. Another airline conveniently allows you to connect with your Irish roots and visit relatives in Ireland. Irish carrier **Aer Lingus** has announced a new service 5xweekly non-stop between San Francisco to Dublin from next month.

Air New Zealand travellers continuing on their flight **NZ 1/NZ2** via Los Angeles to London Heathrow or vv will experience revised transit requirements. You no longer have to go to the congested Arrivals Hall for US Customs processing. Passengers will be 'processed' in a dedicated transit area. Business Class travellers can do this or opt to clear normal immigration and customs and use the airlines Koru Club lounge. In other news, **Air New Zealand** will operate 10 x flights weekly between **Auckland and San Francisco** in the peak northern winter schedule (December - March).

United Airlines will fly a **B787-9 Dreamliner** non-stop between Los Angeles and Melbourne from October 26. The US carrier will deploy the aircraft six times weekly between the two cities. United is the North American launch customer for the B787-9 and the **LAX to Melbourne** route, which is subject to regulatory approval. United will still operate a daily Sydney to San Francisco and Sydney to Los Angeles service with the Boeing 777. Air New Zealand commences their inaugural service with the 787-9 a week or so earlier. The Boeing 787-9 carries about 30 more passengers than the existing 787-8 that China Southern and JetStar currently operate to Auckland.

Emirates has commenced operation between **Boston and Dubai**, making Boston the airlines' 10th North American destination. Flights from Dubai to Chicago commence in August 2014.

West Hollywood is known as "**The Most Walkable City**" (Walk Score 2011) and the fourth most walkable city in the US. You can go there on holiday without a rental car (most likely we'll book you a hotel on The Sunset Strip or nearby) and stroll to great restaurants, cafes, bars, nightclubs and shopping. You can even walk down to Santa Monica Boulevard and stroll some more, then make your way down to The Pacific Design Center on Melrose Ave for great people watching and art gallery hopping. It's a great way to sight-see in West Hollywood... all on foot! Our BWT Consultants can provide the walking guide with your travel documents.

If you're looking for a bit of R&R in April after a successful business trip to the US head to **Santa Barbara** and enjoy **Vintner's Spring Weekend** 10-13 April. Enjoy the many wine maker lunches and dinners, winery tastings, golf tournament and the Farm to Table picnic. Your usual BWT Consultant will share details!

Hawaii tourism visits

Darragh Walshe and the Hawaii Tourism Oceania team recently hosted a delegation of business tourism representatives from Hawaii were recently in New Zealand following Meetings & Incentive Expo in Melbourne (AIME). They presented to the travel industry and met with other key contacts. The delegation included:

- Marie Watanabe, Oahu Visitors Bureau www.visit-oahu.com
- Debbie Hogan, Big Island Visitors Bureau www.hvcb.org
- Geoff Pearson, Halekulani Hotel www.halekulani.com
- Leimana Fonoimoana, Turtle Bay Resort www.turtlebayresort.com
- Kathy Clarke, Kathy Clarke Hawaii (Destination Marketing Company) www.kathyclarkehawaii.com



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Reviewing your Corporate Travel? Call our Team:

Jane Higgie Business World Travel Wellington 04-470 6044 jhiggie@bwt.co.nz

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

**BUSINESS
WORLD TRAVEL**

MEMBER NEWS

Baldwins named New Zealand Intellectual Property Law Firm of the Year at the 2013 Acquisition International Legal Awards

Baldwins, one of New Zealand's leading providers of intellectual property services, has won the prestigious "IP Law Firm of the Year – New Zealand" Award at the 2013 Acquisition International Legal Awards. [Read More](#)

Fletcher Building boss appointed to B20

Fletcher Building CEO and managing director Mark Adamson has been appointed New Zealand's representative on the Australian B20 Leadership Group, Finance Minister Bill English says.

The B20, or Business 20, runs parallel to the influential G20 – the group of 19 nations plus the European Union - which meets regularly to discuss ways to strengthen the global economy and create jobs.

Australia this year holds the G20 presidency and Australian Prime Minister Tony Abbott has invited New Zealand to participate as a guest.

The B20 provides private sector input to G20 discussions and will hold a summit later this year in Sydney. Mr Abbott and Prime Minister John Key have announced an "Australasia Business Week" to showcase the Australasian economy to G20 and B20 delegates visiting Sydney.

"I'm pleased that Mark Adamson has accepted nomination as New Zealand's representative on the B20," Mr English says.

"He not only leads New Zealand's biggest listed company, but he also has extensive international corporate experience that he will bring to the table on behalf of New Zealand's business community."

B20 Australia chairman and Wesfarmers managing director Richard Goyder has also welcomed Mr Adamson's appointment and says Australia's G20 presidency allows a unique opportunity to showcase Australia and New Zealand to the world as a leading business destination".

New Members

Kiwa Digital Ltd, Auckland – **Jill Tattersall**, Director - an award winning media company developing interactive digital books that use text, sound, touch, graphics and multi-lingual functionality to create a more engaging and accessible reading experience. The company works with the world's leading trade publishers and content owners in many countries (ranging from government bodies through to small ethnic communities) to bring their stories and language to life in this new compelling format. KIWA™ is at the forefront of change as new and emerging technologies transform the way in which we teach, learn and enjoy reading - www.kiwamedia.com

People on the move

World Wide Access has changed their name to **ExportX**

Caroline Beresford has taken over from **Andrew Smith** as Deputy Head of Mission at the **New Zealand Embassy in Washington, DC**.

Jacqueline Sherlock is the new Finance Director for **GE Capital NZ** after relocating from GE Australia.

DLA Phillips Fox has appointed **Marie Evans** a Litigation Partner. **Rob Enright** is retiring from the Partnership.

Kensington Swan has appointed **Linda Clark** as Special Counsel.

James & Wells has appointed **Dr Andrew Scott** as an attorney in Christchurch.

KEA has appointed **Craig Donaldson** as Interim Global Chief Executive

Minter Ellison Rudd Watts has appointed **Michael Bywell** as a Consultant.

AJ Park has appointed **Lynell Tuffery Huria** as Special Counsel

Murray Sarelius has moved from Auckland to join **KPMG** in Hong Kong

Ian Thomas, President of **Boeing Australia & South Pacific** is moving to a new role as CEO Boeing China. **Maureen Dougherty** has taken over as his successor

Paul Farris has left **BMW NZ** and has transferred to BMW AG in Munich

Linda Jones has taken over from Michele who has moved to join **Manpower** in Dubai

The Pacific Cooperation Foundation has appointed **Laulu Mac Leauanae** as Chief Executive.

(Continued on page 6)

Events

AmCham hosts US ABAC delegates

AmCham hosted a meeting of the US APEC Business Advisory Council (ABAC) members in Auckland. ABAC is the principal source of business advice to APEC Economic Leaders. Three business leaders from each of APEC's 21 economies plus accompanying staff attended the Auckland meeting.

AmCham arranged a roundtable meeting with the US delegation to hear about their agenda for 2014 as well as being able to provide valuable feedback to the delegates on doing business in the region.

The US ABAC representatives were:

Bart Peterson, Senior Vice President, Corporate Affairs & Communications, Eli Lilly and Company

Peggy Johnson, Executive Vice President, Qualcomm Technologies Inc.

Jeff Hardee (Alternate Member), Director Asia-Pacific Government & Corporate Affairs, Caterpillar Inc.

Monica Whaley (Alternate Member), President, US National Center for APEC.

The key issues on their agenda were: Informational Technology Agreement (ITA); Good Regulatory Practices; Asia-Pacific Financial Forum, SMME Financing; Customs Facilitation; Supply Chain Connectivity; Supply Chain Resiliency; Food Security; Energy Security; Women and the Economy; Investment; Health. [See more](#)

AmCham would like to thank **Lex Henry & Jonathan Flaws of Sanderson Weir** for hosting this event.



AmCham Annual Member & Government official's reception

The AmCham board was recently Wellington for the annual Board Wellington meeting and reception for members & Government officials.

Deloitte Chairman Murray Jack welcomed the guests and was followed by US Embassy Deputy Chief of Mission and acting Ambassador Marie Damour. Ms. Damour told those attending that they were still waiting for Congress to formally approved Ambassador Designate Mark Gilbert but hoped that this would happen in the next few weeks. Mr. Gilbert formally accepted his nomination before the Senate Committee on Foreign Relations on 13th February. Gilbert told the Committee he would use his background in global finance and investment to promote a stronger economic link between the countries. [Click here to see his testimony](#)

The Assistant Secretary of State for East Asian and Pacific Affairs Daniel Russel recently completed a successful visit to New Zealand for the U.S. – New Zealand Strategic Dialogue.

AmCham would like to thank Deloitte for hosting the reception.

Deloitte.



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FOR YOUR DIARY

19 th March	Auckland CEO lunch (by invitation only)
25 th March	RESCHEDULED Roundtable with Los Angeles based NZ Consul General Leon Grice, Auckland
22 nd May	Business Model Innovation seminar presented by Matt Tice, MD Asia-Pacific, Palladium Group, Auckland
25 th June	An audience with 2013 EY Entrepreneur of the Year, Rod Drury, CEO, Xero, Auckland
7 th August	2014 AmCham Success & Innovation Awards Dinner, Auckland

BE ONLINE WITH AMCHAM

Online membership database plus companies trading with USA

All members should have received their passwords so please go online and make sure your information is correct so that other members can get see who you are and what you do. www.amcham.co.nz

US NZ CONNECTIONS IN NEW ZEALAND

Kiwi Expat Association – www.keanewzealand.com	Wanganui New Zealand American Association donnarush@clear.net.nz
American Club – Auckland http://www.americanclub.org.nz/	American Women's Network – Wellington www.awn.co.nz
American Women's Club – Auckland www.awcauckland.com	American Club of Christchurch – www.american-club-chch.org
NZ/American Association, Wellington www.nzaa.org.nz	Kiwi Club of New York Inc - www.kiwiclubny.org

AmCham Role of Honour

Founding Members:

3M New Zealand, Air New Zealand, ANZ Bank, Fonterra Co-Operative Group Ltd, IBM New Zealand.

25 Year + members:

Ace Insurance Ltd, DHL Express (New Zealand) Ltd, Eagle Technology Ltd, Hesketh Henry, Kensington Swan, KPMG, The Langham Hotel, Dun & Bradstreet (New Zealand) Ltd, Ernst & Young Ltd, Federal Express Pacific Inc, Wallenius Wilhelmsen Logistics AS.

Maple Cup Challenge Slowpitch Softball game - Americans vs Canadians - Sunday, Mar. 30 11:00am - 1:00 p.m. (game)

Followed by a BBQ, continuing into the afternoon. Venue: Marist Softball Club fields, Simson Reserve, Hugo Johnson Drive, Penrose, Auckland. [Click here to register](#)

Johnny Barr's Fresh Food Bistro opens

Johnny Barr's Fresh Food Bistro, an American style bistro focusing on healthy comfort food has opened at 141 Halsey Street in the Southwest corner of the ASB Building in the lovely Wynyard Quarter in Auckland. The owner runs the very successful and popular Johnny Barr's gourmet sandwich shop in Queenstown and is excited to expand northward.

Johnny Barr's Fresh Food Bistro not only specialises in gourmet sandwiches but also offers a full breakfast menu complete with organic Kokako Coffee, is open for lunch and dinner, has a full bar featuring our own line of craft Johnny Beers as well as a joyous happy hour every day from 4-7.

We have some specialty items which you most likely cannot find anywhere else such as our chicken or beef fajitas and our American style fried chicken and waffles. Not only that but we serve Buffalo style chicken wings which the neighborhood has been raving about. See www.Johnnybarrs.com

Seeking Position

Charles Sampson has significant commercial experience acquired both locally and offshore. A highly experienced people manager I have been involved in numerous workout situations where a company or division has become dysfunctional or has a need to be restructured and/or redirected. My commercial experience includes setting up manufacturing operations in the US, China and Mexico and building a sales team through the US. Recently have been involved in recruitment for senior level finance roles but am looking for something that is more commercial. Contact csampson@woosh.co.nz Tel: 021-499-946

Is Plain Packaging the right way to go?

On 11 February, the Smoke-free Environments (Tobacco Plain Packaging) Amendment Bill had its first reading in Parliament, and on 12 February, the Health Select Committee called for public submissions on the bill.

In response to this The Emergency Committee for American Trade, National Association of Manufacturers, National Foreign Trade Council, US-ASEAN Business Council, U.S. Chamber of Commerce, and United States Council for International Business issued the following statement concerning the New Zealand Government proceeding with plain-packaging legislation.

"We are deeply disturbed to learn that the New Zealand Government is proceeding with plain packaging legislation in the

(Continued on page 8)

Plain Packaging (Continued from page 7)

Parliament this week. This bill, in effect, eliminates the right of a business to use its trademarks in every-day commerce. We respect the right of New Zealand to regulate in the public interest, but this is the wrong approach. It will violate New Zealand's international-trade obligations, while facilitating illicit trade and counterfeiting. Above all, there is no compelling evidence that it will actually advance the public interest. Science and evidence are essential to ensure that regulations advance a legitimate governmental objective and do not unnecessarily impede trade. It is not necessary to destroy intellectual property as this proposal would do in order to regulate effectively in the public interest. We are also concerned about the broad implications for other products and industries of this precautionary approach against which we have long fought.

"As representatives of U.S. and international companies, we rely on the rules-based international trade framework and its supporters to sustain economic growth, employment, innovation and prosperity. We would hope that the Government of New Zealand would be cognizant of the importance of complying with its international trade and investment obligations and that it will await the outcome of the multiple legal challenges to Australia's legislation before going forward with this unwise plain-packaging legislation, especially given the recent indications the Australian policy experiment is not working as intended.

"We see this as a systemic threat to rules which intellectual property rights and the trading system, with their nexus to regulation, are dependent upon. We encourage the New Zealand government to consider the concerns we have raised for the possible impact on New Zealand exports, such as dairy and wine, should other governments feel emboldened to take similar unwarranted measures."

AmCham recognises the critical importance of abiding by international trade rules and the value of not undermining that system. The destruction of branding and the related trademarks without reliable evidence to support these actions defy these long-held views that science should be the foundation of regulation. Australia is currently the only country to implement plain packaging, and is currently facing legal challenges at the World Trade Organisation by five separate countries. Prime Minister John Key has stated that New Zealand is unlikely to introduce plain packaging on cigarettes before trade challenges to Australian legislation are settled, which could take several years, and it is also unclear how plain packaging laws will affect the TPP trade negotiations taking place.

Business New Zealand has voiced their concern that the introduction of mandatory plain packaging in New Zealand, even if targeted only at tobacco products, will create a dangerous precedent that will have far-reaching impacts for industries that have no association with tobacco.

AmCham, along with a number of other organisations including Business New Zealand, will be submitting a short submission voicing our concern that this bill constitutes a violation of international trade and IP agreements. Please note that we take an interest in this bill for reasons that relate to its international trade implications, rather than consumer and health-related aspects.

What are your views - Should plain packaging be introduced or not? Will other unhealthy products be next? Members can have their say on this topic by logging in under your membership on our website and blogging in our Discussion Forum under the Members Area.

Hawaiian Airlines-AmCham Ambrose Auckland Golf Tournament

The Hawaiian Airlines-AmCham Auckland Ambrose Golf Tournament was held on 14th February at The Grange. It was great to see some old friends returning as well as some new ones.



The winning team was the Eagle Technology Ltd with Duane Eagle, David Hoogenboom Eugene de Bruyn & Nick Duke

Second was the Citibank New Zealand team

Third was the James & Wells team

Nearest the pin on 8th - David Hoogenboom

Nearest the pin on 15th sponsored by Urban Turban – Kevin Mcentee

Longest drive on 18th sponsored by ASB Bank – Campbell Wilson



Our thanks to hole sponsors:

Hawaiian Airlines – Russell Willis
 Martin Personnel Ltd – Mark Douglas
 Stormwater Systems Ltd – Gary Christopher

Eagle Technology Ltd – Gary Langford
 Shipco Transport – Gary Sayles

Prize sponsors:

2degrees Mobile – Mathew Bolland
 New Zealand Screen Association – Tony Eaton

Independent Liquor – Richard Casey
 Urban Turban restaurant – John Hyde

Hawaiian Golf Day (Continued from page 8)

A very special thanks to:

Hawaiian Airlines – Russell Willis for sponsoring two tickets to Hawaii on Hawaiian Airlines for the first person to score a hole in one on the 15th hole. This was not achieved so a draw took place and the winner was Haydon Gaskill of Door Makers from the K2 Consulting team.

Our thanks to Mark & Judith in the office; Jacques & team in the pro-shop; Jesse & the bar staff; and the Caterers at Grange Golf Club at the Grange for again making us so welcome.

Also thanks to my event managers **Mary Hearn** and **Joan Smith**.

LEGAL ISSUES

Norris Legal Consulting is honored to have been invited to contribute to the American Chamber of Commerce New Zealand's monthly newsletter. In partnership with the Chamber, our objective is to provide Chamber members with information on the complex US legal landscape, which might assist in US-NZ business relationships, and to assist NZ businesses expanding into the lucrative US markets. We will 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.

US Employment Issues - Part 1 - The At-Will Employee*

New Zealand businesses expanding into the US often face the following decisions of whether: (1) to directly hire employees in the US; (2) to hire a third-party contractor who acts as the Kiwi business's agent, (3) to hire a third party employment agency to manage and pay any individuals performing work for them; and/or (4) to bring in Kiwi employees to run the business in the US. All of these options require consideration of the impact of US employment law.

Many New Zealand businesses in the US market are often overwhelmed by the complexity of US employment law. In addition to the federal system, each state has its own individual legal system with employment and labor laws which apply to employees of businesses located in that state. While this additional layer of complexity can be daunting, a Kiwi business will be pleasantly surprised to learn of the "pro-employer" tone of most US employment law.

Generally, the fundamental legal principle underlying all employment law in the United States is the At-Will Doctrine. Under the At-Will Doctrine, an employer is free to terminate an employee for any reason whatsoever, without notice or need for just cause. Generally, the only limitations on the At-Will Doctrine are restrictions on terminations for discriminatory purposes based on an employee's race, gender, religion, national origin, age, pregnancy status, and disability status. Bearing in mind these limitations, in essence the At-Will Doctrine allows employers to act nimbly and quickly in making adjustments to their labor forces and incentivizes employee performance.

The At-Will Doctrine can often be augmented or replaced altogether by a written employment contract, and sometimes by promises made in an employee handbook (depending on the relevant case law of each state). New Zealand businesses which are already operating directly in the US, considering should take care in the shaping of their US employment policies in order to not unnecessarily eliminate the competitive advantage allowed for US employers by the At-Will Doctrine.

This is just one example of the substantive differences between US and New Zealand employment law. A legal assessment of your business plan in the US by a US lawyer will assist you in creating employment policies which make sure your business complies with US law and retains the advantages offered by the At-Will Doctrine.

In Part 2 of this series which will appear in next month's issue, we will address some of the basic legal considerations regarding entering into an independent contractor agreement in the US. -Zachary D. Norris, JD, LL.M and Ada Echetebeu, 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/>*

TAXATION ISSUES

United States Taxation of Non-Qualified Deferred Compensation Plans

By Gina Wallace, Director, NZ US Tax Specialists Limited gina@nzustax.com

Late last year I wrote an article about the New Zealand tax treatment of foreign superannuation schemes, commenting on United States' retirement plans.

In this article I turn the tables and look at the United States Federal income tax treatment of foreign plans.

Many of us are already familiar with terms such as 'Section 401-k plan' and 'Section 408 IRA plan'. These are, for Federal income tax purposes, 'Qualified Deferred Compensation Plans'.

One of the criteria to be qualified is that the plan must be formed in the United States. This obviously excludes New Zealand plans straight away, such as Superannuation schemes and Kiwisaver.

It will probably come as no surprise that a NQDCP does not qualify for the preferential treatment that a QDCP is afforded, being the deferral of gross income into a retirement plan.

This article looks at the United States Federal income tax treatment of contributions of 'Nonqualified Deferred Compensation Plans' (NQDCP)

(Continued on page 10)

Taxation Issues (Continued from page 9)

with a specific focus on foreign compensation plans.

In 2004 as part of the American Jobs Creation Act of 2004, the Internal Revenue Code was modified with the provision of Section 409A Inclusion of Gross income of deferred compensation under nonqualified deferred compensation plans. Subchapter D of the Internal Revenue Code deals with Deferred Compensation.

So, what is a 'Nonqualified Deferred Compensation Plan'?

This is addressed in Regulation 1.409A. Regulations to Section 409A clarify and explain the rules governing the application of Section 409A to NQDCP. Regulation 1.409A is effective from April 17, 2007 and applies to tax years beginning on or after 1 January 2008.

Regulation 1.409A-1 defines the term 'NQDCP' to mean any plan that provides for the deferral of compensation but excluding:

1. Qualified Employer Plans including
 - a. Section 401(a) plans and a trust exempt from tax under section 501(a)
 - b. Section 403(a) annuity plan and section 403(b) annuity contract
 - c. Section 408(k) simplified employee pension
 - d. Section 408(p) simple retirement account
 - e. Section 501(c)(18) plan.
 - f. Section 457(b) eligible deferred compensation plan
 - g. Section 415(m) plan
 - h. Section 1022(o)(2) plan.
2. Certain foreign plans including:
 - a. participation addressed by treaty
 - b. participation by non-resident aliens, certain resident aliens and bona fide residents of possessions: broad-based foreign retirement plan (as defined shortly).
 - c. participation by U.S. citizens and lawful permanent residents.
 - d. plans subject to a totalization agreement and similar plans.

The determination of whether a plan provides for the deferral of compensation is made at the time that the service provider obtains a legally binding right to the compensation under the plan and is not affected by any retroactive change to the plan. *To read the rest of this article please visit <http://www.nzustax.com/non-qualified-deferred-compensation-plans-continued.html>*

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