



GERMAN TRIP OBSERVATIONS March 2011

ECONOMY

Germans do not "get" how bad the US economy is. Theirs was hurt, but not for long. The average citizen was protected from its effects.

There ARE some empty store fronts but most stores seem to be busy.

Bonn is booming and has added jobs since the government move to Berlin. Many of the jobs are in the service sector. New buildings are up on both sides of the Rhine.

The trade fair grounds in Germany are huge. Even 2nd tier cities like Cologne have huge exhibition space. When Nixdorf was not yet part of Siemens, over 1,000 Nixdorf employees came to these fairs.

Possibly by chance, I passed two long trains with new automobiles being shipped. I had never seen so many new cars.

LAW

German law firms were affected by the financial crisis in different ways. The big, specialized ones were badly hurt, especially those in the financial sector. Partners and associates were let go. Real estate also declined.

But smaller firms were much less affected. Some corporate lawyers moved into white collar crime, which has expanded and includes failure to exercise due care.

The number of lawyers has gone way up in the last 20 years, but law firms still complain about difficulties finding new lawyers. Some firms set minimum grade standards and others are more flexible, trying to judge other factors.

There are still medium and even larger law firms looking for formal networks or best friends. Many firms recognize that they will not get work from the US, except in the odd case. This is largely because US corporations are already in Germany or because the work comes through the US office of Anglo-Saxon firms.

Corporate compliance is significant in Germany and largely unknown here. The nature of corporate compliance varies greatly from firm to firm. In some, the corporate compliance officer is a strict enforcer. In others, the officer's attitude is more about helping the businessmen avoid unnecessary risks.

German professional rates seem to range between 250 Euros per hour for good, national level accountants to 450 Euros for good, national level lawyers.

TRAVEL

The trains do not always run on time, but they are pretty reliable and are a good alternative to flying, especially for medium stretches - up to 3+ hours. They do not always depart from the stated track, so the passenger needs to pay attention.

All German railroad stations have luggage storage compartments. The fees vary and some are by the hour. In Cologne, the system is a computerized central system.

Some trains make the trip from Cologne to Frankfurt in an hour. They race by cars on the autobahn.

Aer Lingus trans-Atlantic flights are about 1/3 full at this time of year. The Dublin airport boasts a new terminal, which is quite modern and full of shops and places to eat. The workers there are very proud of it. The AL aircraft were new A340's, with over 14 films for in-flight entertainment. Food is free on the trans-Atlantic leg but wine, beer and whiskey are extra.

Priceline continues to produce high quality hotels at low quality prices.

Eating in better German restaurants, including Italian ones, continues to be a more personal, thoughtful experience than in the US.

In all but the big airports, Starbucks offers free wifi. It varies from town to town. In some, it is limited to two hours. But for 1.80-1.95 Euros for a "tall" filter coffee, one gets wifi access and a clean bathroom. The bakery goods are not much, but the quality in Germany has generally gone down. There are now German bakeries where the customers serve themselves from big metal baskets of rolls - probably an effort to cut labor costs further.

DAILY LIFE

English and quasi-English continues to be a big influence in Germany, especially in advertising.

Football is of course a national passion. In cold weather, Germans still gather outside to see their teams on jumbo screens, while drinking beer. The social aspect is very nice.

POLITICS

Germans talk less about Obama and only some are interested in the Tea Party. They were not amused by the US suggestion that Mubarak go to Germany for "medical assistance."

Quotas for women workers in German businesses are now a hot topic.

Germany has become more German, in part due to the self-confidence won by hosting the soccer championship. It is less European and more German. The financial difficulties of the Euro have fostered a more "go it alone" attitude. Many Germans don't understand the benefits they get from access to these

markets and the effect of those countries' financial weakness on the Euro (and so on Germany's ability to export).

Westerwelle is a big ego but is not very smart.

MISC.

The German market is large enough that US films and TV shows are lip-synched. Holland uses English with subtitles. So Germans near the border can listen to English. Austrians get so much German TV that Austrian children pick up German-German words and Austrian German is becoming more German.

The non-German wife of a German does not automatically get permission to enter Germany.

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