

47th Annual Report

25 May 2016

**American Chamber of Commerce in New Zealand Inc.
PO Box 106-002, Auckland Central, Auckland, 1143
Tel 0-9-309 9140 Fax 0-9-309 1090**

**PRESIDENT'S REPORT TO THE 47th ANNUAL GENERAL MEETING OF THE AMERICAN CHAMBER OF
COMMERCE IN NEW ZEALAND INC. HELD AT AUT UNIVERSITY, AUCKLAND
WEDNESDAY 25th MAY 2016**

As your President it is my pleasure to present my third annual report of the Board of Directors and the annual financial statements of the American Chamber of Commerce in New Zealand for the year ended 31 December 2015.

Last year was a big year as we celebrated our 50th anniversary. AmCham was established in 1965 as the American Trade Association of New Zealand, becoming The American Chamber of Commerce five years later in 1970. The annual awards evening also served as our 50th Anniversary dinner. It was a great celebration with 500 people attending including Prime Minister John Key and US Ambassador Mark Gilbert who presented the awards. It was a wonderful occasion and we were delighted that a number of former NZ Ambassadors, past AmCham Presidents and other key friends who have made a significant contribution to AmCham's history were able to join us at the dinner.

At the dinner several of our founding member companies received recognition plaques for their 50 years of support. These were: 3M New Zealand, ANZ Bank, Air New Zealand, Fonterra Cooperative Group and IBM New Zealand.

New Zealand's relationship with the US continues to grow on the political and business front and New Zealand's bilateral trade with the USA grew again hitting just under \$12 billion, with exports to the USA up 9%.

The big topic for the last year has been the completion of TPP negotiations followed by the formal signing of the agreement in Auckland in February. Each country is now working on their own ratification process. New Zealand is expected to ratify before the end of the year, however the agreement needs 85% of the total GDP of the twelve original signatories to ratify. This means both the USA and Japan need to ratify. Due to the current political situation in the USA it is unlikely that the President will send the bill to congress until a lame duck session after the Presidential Elections.

AmCham was delighted to host US Trade Representative Ambassador Michael Froman and USTR TPP Lead Negotiator Barbara Wisel following the signing of TPP here in February. Members had the opportunity of hearing the Ambassador talk about global trade and TPP. Our thanks to Ambassador Gilbert for his support in making this happen.

In June last year AmCham participated in the inaugural Los Angeles-Guangzhou-Auckland Tripartite Economic Summit that took place in Los Angeles. Auckland Mayor Len Brown led a delegation of 43 Auckland businesses to the summit and with a number of companies reporting successful meetings. The second Summit is taking place in Auckland 16-17 May with Los Angeles Mayor Eric Garcetti expected to bring a strong delegation from Los Angeles. AmCham has a number of members participating in the Summit.

Following on from last year's Tripartite Summit our Executive Director visited San Francisco and Houston to meet with NZ and US connections and to expand our network of contacts to assist members and others doing business with the USA.

Our Executive Director was back in Washington in June with the Asia Pacific Council of American Chambers of Commerce to lobby congress and the administration. This was a critical time as Congress was voting on Trade Promotion Authority. He will shortly be back again in Washington DC for the SelectUSA Summit and as part of the APCAC Doorknock.

Also in June was the 6th US New Zealand Partnership Forum here in Auckland. The theme of “Pacific Partners – The Next Generation”, brought together senior representatives and thought leaders from each country across Government, academia, business, and non-Government organisations for in-depth discussions on a wide range of issues. AmCham has participated in all of the forums over the last twelve years.

In October the AmCham board, along with Ambassador Mark Gilbert, visited Sydney for an inaugural joint board meeting with AmCham Australia. The focus was to create a closer working relationship on trade/TPP, business, events and trade missions. The Board would like to thank AmCham Niels Marquardt, CEO of AmCham Australia for his assistance in staging the meeting. Also Maureen Dougherty, President of Boeing Australia and South Pacific & AmCham Australia Chairman for hosting the joint board lunch and Geoff Culbert, President and Chief Executive GE Australia, New Zealand & Papua New Guinea for hosting a reception.

Following the success of this visit we have invited the AmCham Australia Board along with US Ambassador to Australia, John Berry, plus a business delegation of US companies operating in both countries to a joint board meeting and presentations from government officials here in Auckland on 20-21 October.

In July the board hosted a farewell dinner for US Consul General Jim & Sue Donegan and welcomed new US Consul General Melanie Higgins to Auckland in October.

I would also like to thank the teams at both the US Embassy and US Consulate for their ongoing support.

In late 2013 the AmCham Board discussed including a future leader at board meetings in a non-voting capacity. In July 2014 that idea came to life when AmCham and the AUT Business School established the student board member initiative for a three year term. The second appointee, Mike Shaw from Plant & Food Research, has been a great ambassador for the AUT Business School and we look forward to working with the 2016 appointee, Kitaen Salt.

I would like to thank AmCham board member Dr. Geoff Perry and Roger Stokell of AUT University Business School for all their work and support of this initiative.

Membership

We continue to see many New Zealand companies looking at setting up business in the USA and this has become the fastest growth area of our membership. These new members are keen to network and learn from the experts who can provide advice and assistance across the board.

Events

In 2015 we were delighted to welcome back DHL Express and to welcome Hawaiian Airlines as the key awards sponsors of the 16th Annual AmCham Success and Innovation Awards. The awards dinner is the highlight of our year. My thanks also to ASB Bank, Baldwin's, Fonterra Co-operative Group Ltd, Prescient Marketing & Communications, The Pullman Hotel and our media partner, The Business, for their support of these Awards.

During the year we hosted several US Congressmen and groups of US Congressional Staffers, which provided them with the opportunity to hear from our members on a broad range of topics.

A special thanks to the following members and others who hosted or sponsored events or meetings during the last twelve months: AUT University Business School, EPIC in Christchurch, Ernst & Young, Export NZ

(Waikato), Hawaiian Airlines, IBM New Zealand, MFAT, Minter Ellison Rudd Watts, Westpac, and PricewaterhouseCoopers in Auckland and Wellington.

As a not-for-profit organisation receiving no government funding, we rely heavily on such member support.

Directors

During the year resignations were received from:

Angela Hunter of GE Capital

Corey Holter of Ford Motor Company Ltd

During the year the following were appointed as directors:

Graham Lintott of Lockheed Martin New Zealand

I would like to acknowledge the support I have received from my fellow Directors and in particular from my fellow Finance Committee members Mark Fitz-Gerald and Stephen Titter.

Annual Financial Statements

The annual financial statements, which have been circulated with this Report, show that 2015 finished with a profit of \$1,807. By year-end we had grown accumulated funds to \$90,001.

Honorary Appointments

Minter Ellison Rudd Watts has agreed to continue as our honorary solicitors. My thanks to Robert Falvey and his team.

Accru Smith Chilcott Ltd has agreed to continue as our honorary auditors. I would like to thank Richard Moore for his support.

Staff

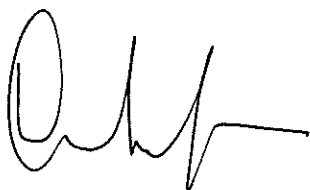
I would like to congratulate our Executive Director, Mike Hearn, for all his tireless efforts & excellent results achieved during the last year.

Conclusion

2016 is building to be another interesting year with a busy agenda.

Again, I would like to thank you all for your support over the last year and I look forward to working with you in the year ahead.

Thank you



Derek Syme
New Zealand President