



Income from Intellectual Property:  
**Evolution or Reform?**



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FIND OUT ABOUT OUR UPCOMING EVENTS:



# A WORD From the Chairman

Dear Colleagues and Friends,

Welcome to the Q1 issue of **connexion**, your AMCHAM Luxembourg news magazine!

As always, we are excited by the hard work of our committees; our schedule of timely events, for our members and the general public; and all of our efforts to ensure that Luxembourg remains the optimal place in Europe for international companies (and their international employees) to settle and do business.

Just before the Christmas break, I sent a letter to the Prime Minister and his principle Ministers giving our analysis of the attractiveness of Luxembourg and identifying several topics that require the government's attention to ensure Luxembourg remains competitive with other alternative locations. I am pleased to report to you that we have had a positive response from the Prime Minister and look forward to engaging with the government to find solutions to the issues we have raised. We will keep you informed.

To be frank, one of our principle issues of concern is the lack of voice by the international community in the decision-making process of the government. It is only natural that politicians pay attention to voters—and the

largest part of the international business community, which is so important for the economic prosperity of Luxembourg, does not vote. Who does vote? Civil servants, teachers, retirees, farmers, union members, to name a few. So the question is, how do we give a voice to the business decision-makers? How do we make sure that politicians understand the impact of the decisions they are encouraged to make? How do we engage with the voters to make sure they understand the needs of the business community?

At AMCHAM we take on this challenge—in our committees and with our lobbying. How can you help us with this challenge? If you are already an AMCHAM member, be involved, have your say and make your opinion known. If you are not a member, become one by joining. We all have the same vision and plans; we all have similar goals. United together, we can make this happen!

Our staff and I look forward to ensuring AMCHAM is the very best it can be: for you personally, for your company, for Luxembourg.

With respect and  
my best regards,



Paul Michael Schonenberg  
Chairman and CEO



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# Income from Intellectual Property: Evolution or Reform?

*By Nicolas Henckes, Legitech*

Article 50bis of the Law on income tax was created five years ago. Is it a total success or can the scheme be refined? The economic circles would like some improvements and clarifications.

The original idea is certainly excellent: offering a competitive tax plan to attract innovative companies of intellectual property to Luxembourg. Voted at the end of 2007, Article 50bis was amended for the first time just a year later to clarify one or two points. It is an aid to creativity and innovation, and the country will reap the benefits of this long-term investment. Moreover, it is not as harsh as similar schemes already used in neighboring countries. Nevertheless, this article only had a short gestation period and was quickly thrown into the business world. As with any law passed too quickly without enough consultation, it was flawed.

Understandably, the market's reaction was a little reticent at first, and for good reason: the text was new and relatively imprecise; however, legal uncertainty is no good for business. "Basically, it is a good scheme that covers a lot of assets: patents, trademarks and designs, domain names or even software copyrights," says Katia Manhaeve, Partner at Allen & Overy Luxembourg in charge of the department of intellectual property. "For a company established in Luxembourg City, the effective tax rate on such specific income is 5.76%<sup>1</sup>, which is really attractive. However, the scheme hasn't taken off due to the lack of detailed information concerning its practical implementation."

A circular letter issued by the Director of Contributions in spring 2009 broke the deadlock, although not everything has been resolved to this day. In fact, it is difficult to know how companies have used the scheme. No official statistics have been released because this business information is strategic and therefore confidential. It seems that the main beneficiaries are registered trademarks and that there have been a number of transfers of portfolios. Patents? A few. Software? These are under discussion, but in the end these projects are rarely formalized.

Philippe Neefs, Lead Partner on Technology, Media and Telecommunications at KPMG, explains, "From a practical point of view, KPMG saw enthusiasm for the new scheme in early 2008, as it was much larger than those used in the Netherlands, Belgium and Ireland. Meanwhile, the Netherlands has greatly improved its system and Britain has just joined the list of our competitors. Currently, there are still interested investors. However, we are not always placed first on the final list. In addition, foreign tax authorities try to challenge tax efficient structures based on more and more restrictive anti-abuse rules, where the real substance is analyzed very thoroughly."

Nevertheless, "Some international groups have not wished to benefit from this favorable regime and have preferred to use other legal means to keep an attractive effective tax rate," Neefs says.

## A Scheme Under Trial

The most visible anti-abuse constraint is the requirement that intellectual property is not acquired from a parent company (holding 10% or more of the capital), a so-called associate company—but is this really effective? "This constraint can be avoided by creating an intermediate structure. However, this structure represents an unnecessary cost. Moreover, the Luxembourg company, as holder of intellectual property rights, should have some substance in Luxembourg in order to avoid anti-abuse rules abroad," Manhaeve explains. Regarding the treatment of royalties, it is difficult to justify some existing differences, for example, the rights that a company uses in its own activity, without granting a license to a third party. "If a com-

pany acquires a patent from a third party, which it uses within its own activity, it cannot benefit from Article 50bis. However, if it has itself created the patent, Article 50bis is applicable." So in theory, third-party intermediaries can be artificially created. Meanwhile, the UK is considering setting up a system without intermediate structures of any kind.

The Luxembourg government, in its laudable desire to clamp down on and avoid misuse of the scheme and subsequent international criticism, could not anticipate all the practical problems that would arise. Having voted the text quickly, the Chamber of Deputies did not have time to detect these weaknesses either. Today, in hindsight, proposals emerge from all sides to reconcile international image and pragmatism.

Manhaeve evokes a desire for industry, saying, "The industry would like the scheme to take into account know-how fees, but the question of the materialization of such assets arises. The Netherlands already provides such a system, and its solution was to implement a certification body for this purpose."

As for software, other important issues remain open. The Cloud is playing an increasingly important role, and with it the concept of Software as a Service (SaaS). Here the software license is not sold, unlike the traditional sale of a DVD containing the software. Only a temporary right to use is transferred, the software is not even installed on the client's computer systems and yet it continues to evolve. Strictly speaking, this is not a license, but it is a use of intellectual property. In the same context, Neefs mentions another imperfection of the scheme. "One of the things that has caused most of the problems in the market, is the condition of transfer of the source code of the software to the licensee," he says. "Indeed, a software developer would never agree to give his source code to a third party. This would allow for modification of the program. It is necessary, therefore, to find a practical solution. The circular letter regarding Article 50bis stipulates in the case of a license of intellectual property rights of which some can benefit from the scheme and some cannot, the income share allocated to each party must be determined. It is often difficult to determine this share of income in a global license agreement. In addition, the income attached to each intellectual right may evolve over time."

Article 50bis needs to be worked on in order to better harmonize certain aspects of taxation with aspects of intellectual property law. "The concept of economic ownership recognized in tax law is not always easy to translate into intellectual property, even if mechanisms exist," worries Manhaeve. "And the law still has some shortcomings: what happens when, for example a patent subject to Article 50bis is declared void 15 years after its registration? This case is far from being purely theoretical." It is true that if the answer to this question is the payment of taxes on income generated by this activity, it may give cause for concern.

## Necessary Clarification

After five years of existence, no case law has emerged, and rulings in this area have certainly prevented many problematic cases. This situation is not sustainable in the medium term, however, if we want to increase these kinds of transaction. Intellectual property is gaining increasing importance worldwide and is becoming a crucial factor for multinational corporations. Luxembourg cannot afford approximate tax legislation for its own interests and those of its customers. Currently, the legislation relies primarily on the administrative circular letter,

<sup>1</sup> 5.88% in 2013

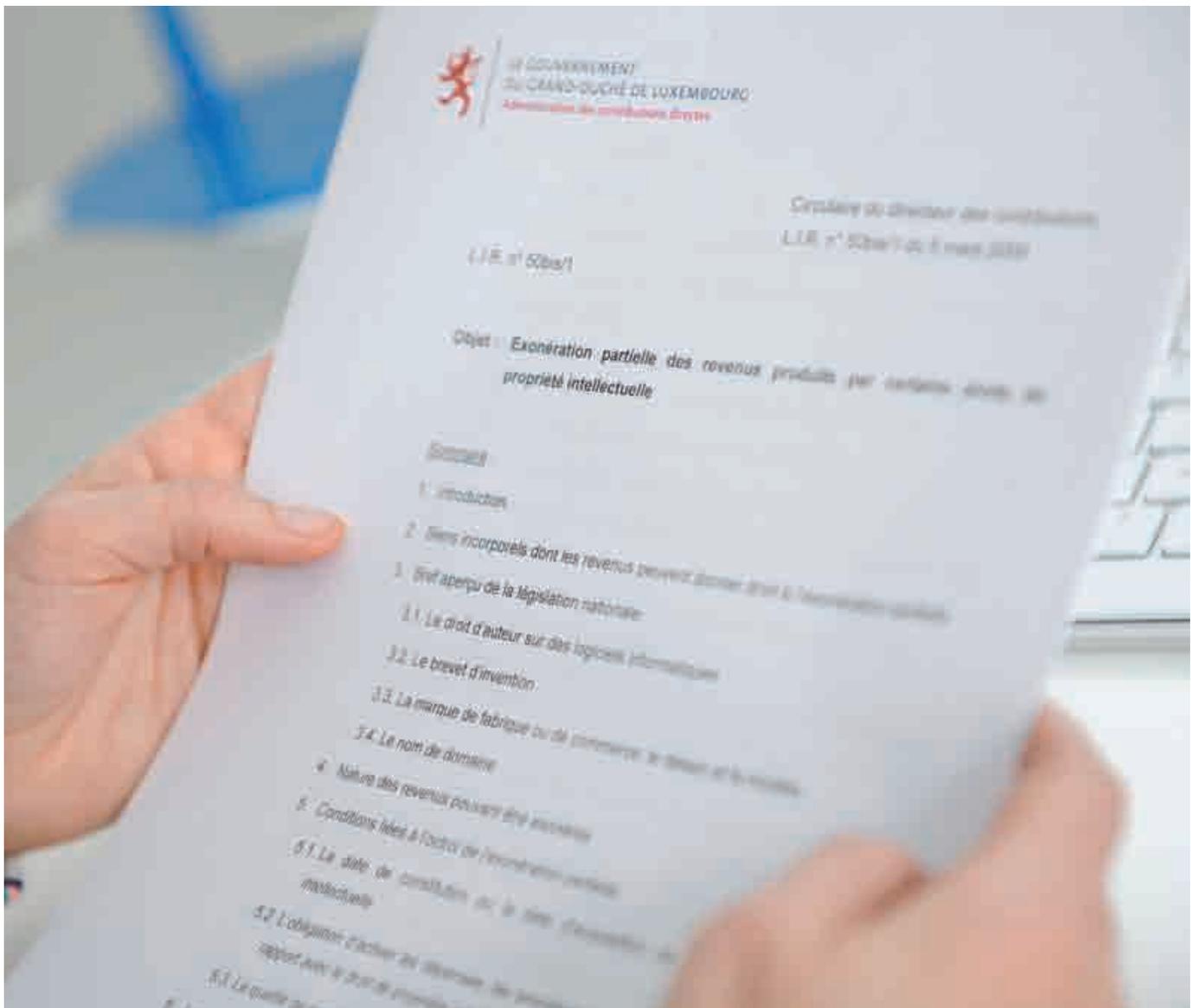


Photo: David Laurent (WILI)

but this could theoretically be changed overnight by the administration—not to mention the risk that a court decision may someday refute it on certain points.

The dossier is monitored by the Ministry of Economy which, as everyone knows, has recently undergone a change of tenant. After a brief transition period, concrete proposals will emerge. Is there an emergency? Not yet, but Neefs reminds us of our competitors, saying, “The most obvious example is that of Switzerland, which has managed to attract major international groups for ‘principal’ activities (i.e., the entity of a group that bears the main risk in the value chain of the company and therefore derives the majority of profits). These entities, in addition to owning the intellectual property rights that can benefit from Article 50bis, hold a number of non-registrable intellectual property rights through their contracts in the group and their highly qualified staff with important decision power. The subject of these non-registrable intellectual property rights (e.g., goodwill, know-how, trade or commercial secrets, client list) is currently the subject of much discussion of a special working group on transfer pricing at the OECD.”

What is transfer pricing? The French tax authorities define it as “any intra-group and cross-border flow (buying and selling of goods, services, royalties, interests, guarantees, fees, sale or lease of intangible assets such as trademarks, patents, know-how), re-invoicing of costs...”<sup>2</sup>. One day someone will get hurt. The recent aggressiveness of the French and British tax authorities towards some U.S. multinationals (e.g., Google and Amazon) that legally organize their European structures from Ireland or Luxembourg is proof. What margin may be imposed in which country? It all depends on the weight everyone agrees to allocate to the ownership of intellectual property for each product. This share will obviously depend heavily on the type of product, not to mention the budget constraints that motivate countries to get every last penny of tax. Hence, this is only the beginning of negotiations.

*This article originally appeared in its French version in the January-March 2013 edition of Legimag.*



<sup>2</sup> [http://www2.impots.gouv.fr/documentation/prix\\_transfert/lexique.htm](http://www2.impots.gouv.fr/documentation/prix_transfert/lexique.htm)

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Photo: Geoff Thompson

## Luxembourg Freeport Will Offer “More than Storage”

By Cordula Schnuer, wort.lu/en

Luxembourg’s Freeport is set to open its doors in September 2014, but the high-end warehouse will offer much more than just storage space for luxury goods, explained David Arendt at the February ABAL.

Arendt, General Manager of Natural Le Coultre Luxembourg S.A., which is building the Luxembourg Freeport and will own and operate the facilities, pointed out many of the warehouse’s advantages at the event.

First and foremost, the Luxembourg Freeport will be a logistics platform for the handling, storage and trading of luxury goods. These goods will range from fine arts to precious metals, wines, jewels and more. Even digital material can be stored at the Freeport, Arendt explained.

Different storage zones, geared towards accommodating different products, will be installed at the 20,000 m<sup>2</sup> complex located close to the airport’s other cargo facilities.

### The Luxembourg Freeport: A One-stop-shop

However, the Luxembourg Freeport will be more than a state of the art storage space, Arendt pointed out. A team of experts will also be at hand to analyze luxury goods, for example, ensuring that customers receive the original painting they bought rather than a forgery.

Additionally, carpenters will be available to take care of framing artwork or repairing and restoring antiques. On the whole, the Luxembourg Freeport aims to provide all services at the convenience of customers who store their luxury goods there, Arendt explained.

The General Manager aims for the Freeport to become a one-stop-shop, which also includes insurance, photography of stored items and showrooms, where owners or potential buyers can view the products under expert conditions.

Negotiations with six to ten forwarders are ongoing, Arendt revealed, who added that the Freeport aims to attract new



Image: Luxembourg Freeport

players to Luxembourg in this niche market. However, the Freeport could also be beneficial for the Grand Duchy's investment fund industry, as there is an increasing amount of investments in physical assets.

Banks based in Luxembourg can also profit from the new warehouse, Arendt said, with a possibility to outsource storage of valuable goods.

Arendt also pointed out the role which the Freeport could play in the field of preserving cultural heritage, acting as a neutral platform where goods are safeguarded, for example to aid museums or collectors.

### 24-hour Security and the Latest Safety Technology

There is one thing the Freeport will not be, however. "The Freeport is not a safe haven for stolen goods," Arendt said. The premises will be under the supervision of Luxembourg customs officials, who will make sure that all goods are registered and cleared as appropriate with several offices on site.

While the Freeport acts as a free trade zone, benefitting from suspended VAT or customs duties when goods are imported to or exported from Luxembourg, goods have to be cleared properly at their country of departure or destination.

With no limit on the maximum overall value of goods stored at the Freeport, security is of the utmost importance, and Arendt was confident that it would be "impossible" to break into the facilities, which will be surrounded by a 3m reinforced concrete wall and equipped with security staff around the clock, with several security check-points for staff or visitors entering the Freeport.

All vehicles and people entering the Freeport will be checked, and visitors will be supervised at all times while on the premises.

Additionally, the Freeport will offer the latest in fire-safety technology, as well as seismic control, for example, to detect the unlikely case of attempted robbery by drilling through the walls of the warehouse.

### Helping Establish Luxembourg as a Logistics Hub

Construction on the project began in late 2012 after the Luxembourg government granted planning permission. While it is a private venture, the Grand Duchy's Economy and Finance Ministries have welcomed the project, as it is hoped to further establish Luxembourg as a logistics hub in the heart of Europe.

The 50 million EUR investment will also create between 50 and 100 jobs.

The Freeport will be the first of its kind in the EU, with the closest similar warehouse located in Geneva. The Geneva Freeport is currently working on expanding, similar to Singapore's Freeport, showing the growing demand for this kind of activity.

Natural Le Coultre S.A., which also operates at the Singapore and Geneva Freeports, is a household name in the management of luxury goods, bringing years of expertise to the Grand Duchy.

*For more information on the Luxembourg Freeport visit [luxfreeport.lu](http://luxfreeport.lu) and click [nlc.ch](http://nlc.ch) for additional information about Natural Le Coultre S.A.*

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# Leading Generation Y

Interview: Natalie Gerhardtstein

Photos: John Kish (courtesy of the Iacocca Institute at Lehigh University)



Richard M. Brandt is the Director of the Iacocca Institute and the Global Village for Future Leaders of Business and Industry Program (based at Lehigh University). Since the start of the program 16 years ago, the Global Village has welcomed over 1,550 young leaders from over 125 countries. Mr. Brandt spoke recently at the March ABAL on how to effectively engage and lead Generation Y.

**You have said of the Global Village program, ‘There was no program for young entrepreneurs with this kind of richness and diversity. So we built it.’ What does the five-week program involve, and could it be considered a true ‘microcosm of the world’?**

We offer a true millennial structure, providing a curriculum with numerous alternatives; when students arrive here, they want to customize their own program. Although we have 30-40 courses, the students don’t have to take courses they aren’t interested in—and instead of taking a class on a particular day, a student could opt for a company visit instead. The students choose executives they want to meet and are required to work with a company on consulting projects, but they let us know which sort of work they’d like to do. Teams have to work with all different nationalities. Our mentors try and help them make the right choices based on their career desires. There aren’t any grades in the program either.

Every year we represent every region of the world, targeting main countries in those regions. We have a good representation from Western Europe, and we have also signed agreements with the U.S. State Department to encourage more

participation, for example, from the European Eastern Bloc countries, as well as countries representing the Muslim world. We only allow up to eight to ten Americans in the program at a time—a fact that has created a bit of pressure. Getting students from Latin America has proved more challenging, but we are working on that.

We absolutely try to balance men and women. When I started here, there were mainly men in the program. Scholarships originally targeted women, but now we see a trend with more women interested in business.

Another trend we have noticed is that the smallest component of our program is regular college students. Now there are mainly entrepreneurs, young professionals and a lot of graduate students (doctors, lawyers and so on) who are seeking what they want to do at a new stage in their lives. The age group of 25- to 30-year-olds has grown significantly.

**On what criteria are students selected?**

We have an extensive application. We look for students who have previously performed well academically, and we look at academic transcripts; recommendation letters from busi-



nesses, colleges and personal contacts; written essays on why global education is part of the applicant's mindset; work/internship backgrounds; and how socially conscious the applicant is.

Over 16 years, there are some 50 partners that regularly recruit for us because they believe in what we're doing. We also hold slots for some organizations that regularly recruit for us.

#### Can any interested company participate?

Last year, over 100 companies were involved in the program. If companies are interested in moving their product or service to new market, we usually have young business people either from those markets or those who know the market well. We offer consulting projects at no cost to the company which includes a report of 60-100 pages and presentation to the company. Many companies come here, but we can always do the presentation via video conferencing.

Second, Lee Iacocca has provided us with a 5 million USD gift to spur sending our best senior graduates overseas for internships abroad. Companies work with us to let us know which disciplines they need, and we are now able to finance sending a student to them. Last summer we had 14 internships and this year, through the Lee Iacocca International Internship Program, we are anticipating around 40.

Companies are quite excited about the work we do. We also bring executive management to work with students for a day or two. We work closely, for example, with Geneva Group International (GGI) in 100 countries.

Any interested company can contact me directly. [Details below.]

**Several pros and cons are generally attributed to Generation Y—for example, it is said that Generation Yers are tech savvy, set high expectations and are open to new experiences, yet they tend to be less loyal to their company. Do you find these generalizations to be true?**

Writers talking about this subject describe Generation Y as those coming from affluent, commonly white societies mainly in the U.S., UK, Western Europe and Australia. With other minority or ethnic groups, parental or financial backgrounds might be different. There are expected to be 80 million Generation Yers moving into the workplace, replacing baby boomers. In the U.S., boomers are hanging on by their fingernails because they are worried about not having enough money. People are living longer and not leaving work, blocking the path for young managers.



Some of the generalizations are true. In general, Generation Yers do not have a long-term affinity with a company—most are staying for three or four years. They also refuse to work in a highly hierarchical organization. They don't mind mentorship or advice, but they don't really believe in the boss/subordinate relationship. They want to solve problems but don't want a lot of structure around that.

Businesses will have to change: the old structure simply will not work for this new generation. On the plus side, this is the most technologically savvy generation we've ever had: this generation has grown up in a world of social media. This can be extremely beneficial, but we also have to cope with that in the educational environment as well. For example, we had set up a presentation with an executive from a hedge fund in New York City and had flown in an astronaut for the event. We expected the young participants to give maximum attention to these people, but we were surprised to see so many individuals texting on their phones. We had to lay down some ground rules—there is a certain amount of decorum that should be respected when people are visiting on their own dime.

#### How can companies successfully integrate diversity into their organizations, particularly taking generational differences into account?

We are definitely a microcosm of integrating diversity: last year, our students ranged from ages 20-54. We pride ourselves on good teamwork—a critical factor in business—and presentation skills, often with students presenting in English as a second language. We find that in projects, managers who may have 10-15 years of experience under their belt may find they have leadership skills in one role, but they may need different skill sets in other parts of the world to help with the success of the project. If you can find a way to get people to set up diverse groups on their own, there are positive results. But don't mandate this too much: Generation Y is simply not interested in highly mandated environments.

*If your organization is interested in participating in the Global Village program, please contact Mr. Brandt directly via email at Rmb4@lehigh.edu.*

# A Key to Politics in Luxembourg

By Neel A. Chrillesen

The issue of letting non-Luxembourg nationals vote in parliamentary elections has been raised a lot lately, with suggestions that it could be introduced for 2019. Until then, many expats can vote in local elections—which is a good place to start!

Politics can be a fickle business—and even more so when it implies understanding dynamics you haven't always been familiar with. However, getting a grip on the system in your country of residence is a *sine qua non* and can enable you to participate more actively in the social, economic and cultural life on a local basis.

## Local Elections: You Can Be a Part!

Local elections are held every six years, and voting is compulsory for all Luxembourg nationals (a fine—but no prison sentence!—is given for failing to show up without a valid reason). As a resident you can obtain the same rights and responsibilities once you've lived in Luxembourg for five years—all you have to do is register. This applies whether you come from another EU-state or a non EU-state.

Surprisingly, few expats register: at the last local elections (2011), only 17% of foreigners living in Luxembourg took this opportunity. Why so many renounce participating actively in their commune's life remains a mystery. The language barrier is no longer an excuse, as increasing efforts have been made to provide political and voting information in English (e.g., via websites like [www.jepeuxvoter.lu](http://www.jepeuxvoter.lu) or during events such as the one hosted by AMCHAM before the last elections, with speakers from the different political parties). Moreover, registration at the local municipality is quite easy; in some communes, the initial request can be done online ([www.macommmune.lu](http://www.macommmune.lu)), although you must later sign the documents in person. The next *élections communales* take place in 2017 so you have plenty of time to register.

Also worth knowing is the fact that after five years in the Grand Duchy, non-nationals can not only vote but also run for a seat in their commune's council. In fact, 7% of the candidates were non-Luxembourgish in the last local elections (although only 17 out of the 233 won seats in their communes).

## Local Elections: Voting Basics

There are 106 communes in Luxembourg with 1,113 positions available. In the communes with fewer than 3000 inhabitants, the system of relative majority is used: each voter distributes his votes (depending on the number of council seats) between the different candidates (not more than one vote per candidate). In the communes with more than 3,000 inhabitants, the system

of proportional representation is used: each voter can vote for individual candidates or use all his or her votes for a particular list/party.

## National Elections: Opening Up for Expats

Parliamentary elections take place every five years and are, like local and European elections, compulsory for all Luxembourg nationals. Non-Luxembourgers cannot vote (unless they have dual nationality), but this might change soon. As a number of political parties and organizations have pointed out, barring foreigners from voting can seem rather undemocratic, as they represent more than 43% of the population.

According to polls, letting non-Luxembourgers vote in national elections is supported by two-thirds of the population (85% of foreigners and 59% of Luxembourgers). There is, however, little chance that a law will pass before 2019. Even though some of Luxembourg's most prominent politicians openly support the idea, there are still a lot of debates concerning, for example, which residency clauses should be included.

## National Elections: Voting Basics

In national elections, the system used is a mix of one-person-one-vote suffrage and proportional representation. Each voter has as many votes as there are seats to be filled, and may select a single list or cast up to two votes for any candidate, or combine candidates from different lists. In Luxembourg, this usually results in a coalition government. The next *élections législatives* take place in 2014.

## The Political System in Brief

Luxembourg is a constitutional monarchy acting as a parliamentary democracy. Although the head of state is a hereditary Grand Duke, the sovereign power belongs to the Luxembourg people, as represented through the 60 elected members of Parliament (Chamber of Deputies). For each of the four constituencies (Center, South, East, North), the political groups make up the lists of candidates. Luxembourg is currently governed by a coalition between the Christian Social People's Party (CSV) and the Luxembourg Socialist Worker's Party (LSAP). The government is made up of 15 ministers (nine from the CSV—including Prime Minister Jean-Claude Juncker—and six from the LSAP).



[jepeuxvoter.lu](http://jepeuxvoter.lu)  
[ichkannwaehlen.lu](http://ichkannwaehlen.lu)  
[icanvote.lu](http://icanvote.lu)  
[eupossovotar.lu](http://eupossovotar.lu)

# Political Parties in the Grand Duchy

There are currently six political parties represented in the Chamber of Deputies: ADR, CSV, déi gréng, déi Lénk, DP and LSAP. Among the traditional parties, there is also the KPL. The Pirate-partei Lëtzebuerg has not yet presented itself in an election.

**CSV** [www.csv.lu](http://www.csv.lu)  
Chrëschtlech-Sozial Vollekspartei

The Christian Social People's Party is the most important party in Luxembourg and the largest bloc in the Chamber of Deputies with 26 seats. Ever since the Second World War, every Prime Minister has been a member of CSV (except between 1974-79), including Jean-Claude Juncker who currently leads the country's CSV-LSAP coalition. Eight other CSV members sit in the cabinet of fifteen people. The party follows a Christian-democratic and conservative ideology.

Party leader: **Michel Wolter**

**LSAP** [www.lsap.lu](http://www.lsap.lu)  
D'Sozialisten

The Luxembourg Socialist Worker's Party is the second largest party in the Chamber of Deputies, with 13 seats. It is also the country's oldest political party, having introduced socialism in Luxembourg in 1902. Later, when links to the unions became stronger, "worker's" was added to LSAP's name. The party retains a working class identity and is especially dominating in the south of Luxembourg. The most frequently mentioned LSAP member is Jean Asselborn, Deputy Prime Minister and Minister for Foreign Affairs and Immigration.

Party leader: **Alex Bodry**

**DP** [www.dp.lu](http://www.dp.lu)  
Demokratesch Partei

With nine seats in the Chamber, the Democratic Party is currently the third political force in Luxembourg. It has participated in several governmental coalitions over the years, even providing the only non-CSV Prime Minister since the Second World War: Gaston Thorn, from 1974-79 (it was during these years that divorce was legalized and the death penalty was abolished in Luxembourg). The DP is a liberal, center-right party known to be particularly outspoken on civil rights. The party has a strong hold on Luxembourg City: since 1970 the capital's major has always been a member of the DP. Current major Xavier Bettel, polled to be the most popular politician in Luxembourg, was recently elected new party leader (with 96.5% of votes cast).

Party leader: **Xavier Bettel**

**DÉI GRÉNG** [www.greng.lu](http://www.greng.lu)

The Greens are a relatively young party in Luxembourg (founded in 1983) but the party has already gone through some internal strife before coming together as one again in 1994. Since 2004 the party has retained seven seats in the Chamber of Deputies. The Greens entered a historical coalition with the Democratic Party (DP) in Luxembourg City after the local elections in 2005 and have remained in that place since then. Deputy François Bausch, also alderman and city councillor in Luxembourg City, is one of the party's most prominent members.

Party leaders: **Sam Tanson & Christian Kmiotek**

**ADR** [www.adr.lu](http://www.adr.lu)  
Alternativ Demokratesch Reformpartei

Luxembourg's Alternative Democratic Reform Party started out as a single-issue party in 1987, demanding equality of state pension between civil servants and all other citizens. It has since developed its conservative platform, supporting economic liberalism and opposing public sector waste, among others. It is the only eurosceptic party in the Chamber of Deputies. Following internal fights, Fernand Kartheiser stepped down as ADR's leader last December, and deputies Jacques-Yves Henckes and Jean Colombero left the party and became independent. There are now only two ADR deputies in the Chamber.

(Interim) Party leader: **Robert Mehlen**

**DÉI LÉNK** [www.dei-lenk.lu](http://www.dei-lenk.lu)

The Left was formed in 1999 to create a common force before the local elections. Many of the founding members—whose aim was to propose a further leftist alternative to social democracy—came from other left-wing parties like the Communist Party (KPL), the New Left, the Revolutionary Socialist party or the Socialist Worker's Party (LSAP). There was later a rift causing The Left and the Communists to go their own ways. Déi Lénk currently has one seat in the Chamber of Deputies, Serge Urbany.

Collective leadership

Spokespersons: **Fabienne Lentz & David Wagner**

**KPL** [www.kp-l.org](http://www.kp-l.org)  
Kommunistesch Partei Lëtzebuerg

Founded in 1921, the Communist Party of Luxembourg (KPL) is one of the oldest parties in the country. The party was popular in the 1960s, topping six seats in the Chamber of Deputies in 1968, but its popularity has since declined. The KPL has not had a deputy since 2004 but surprisingly increased its council seats from none to three at the last local elections.

Party chairman: **Ali Ruckert**

## CHAMBER OF DEPUTIES

Party	Number of Seats
CSV (Chrëschtlech-Sozial Vollekspartei)	26
LSAP-D'Sozialisten	13
DP (Demokratesch Partei)	9
Déi Gréng	7
ADR (Alternativ Demokratesch Reformpartei)	2
Independent (ex-ADR Deputies who left their party in 2012)	2
Déi Lénk	1
<b>Total</b>	<b>60</b>

# Changes in Luxembourg Tax Law

## New Tax Measures as of January 2013

By Frank Muntendam & Janina Blatt, Ernst & Young Luxembourg

On December 13, 2012, the Luxembourg Parliament adopted two laws which notably amended the laws relating to individual income tax, corporate income tax and net wealth tax. The changes, which apply as of January 1, 2013, aim to reduce the budget deficit, while maintaining Luxembourg's business-friendly tax climate.

### Business Taxation

Two different minimum corporate income taxes apply to Luxembourg resident companies as of January 1, 2013.

#### Increase of the Minimum Tax for Certain Holding and Finance Companies

Until December 31, 2010, many Luxembourg-resident companies were liable neither to an effective Luxembourg corporate income tax nor to municipal business tax due to the fact that these companies predominantly derived income from investments in qualifying subsidiaries (i.e., dividends, capital gains or liquidations proceeds) which is exempt from Luxembourg corporate tax, or that they had accumulated tax losses carry-forwards incurred in previous years which mitigated their tax exposure in the current year.

Since January 1, 2011, Luxembourg has been levying a minimum corporate income tax on Luxembourg-resident SOPARFI holding companies. As a result, many Luxembourg companies which had previously not been subject to Luxembourg corporate tax due to a negative or zero tax base have been liable to a minimum corporate income tax. Until December 31, 2012, this minimum tax was only applicable to entities whose activities did not require a business license or the approval of a supervisory authority and whose financial assets exceeded 90% of their total assets. The first condition has been removed by the tax bill. Thus, regulated entities (e.g., SICARs, regulated securitization companies) will, as of the 2013 tax year, also fall within the scope of the minimum corporate income tax (to the extent the 90% threshold condition is met). This minimum tax was increased from 1,575 EUR to 3,210 EUR per annum (including unemployment fund contribution), effective January 1, 2013.

#### Introduction of a General Minimum Tax

In addition, a new minimum tax was introduced for Luxembourg-resident companies whose financial assets do not exceed 90% of their total assets. This new minimum tax ranges between 535 EUR and 21,400 EUR (including unemployment fund contribution), depending on the balance sheet total as at

the financial year's closing date. For taxpayers with a balance sheet total exceeding 20 million EUR, the tax is capped at 21,400 EUR (including unemployment fund contribution).

When this new tax measure was first introduced, concerns were raised about whether levying this tax would be compatible with the double tax treaties concluded with Luxembourg. The question of compatibility particularly affected taxpayers only generating income for which the taxation right is exclusively assigned to another country based on a double tax treaty concluded with Luxembourg (e.g., immovable property, or assets allocated to a permanent establishment).

The Luxembourg tax authorities have considered these concerns and have issued an official commentary in response. Based on this commentary, the net value of assets, the taxation rights of which are exclusively allocated to the other Contracting State of a double tax treaty entered into by Luxembourg, is not to be taken into consideration when determining the total gross assets of a company. As a result, Luxembourg real estate vehicles holding directly foreign real estate property will not be impacted by this new minimum income tax, for example.

The minimum tax applies only to corporate entities that have their statutory seat or place of central administration in Luxembourg. Thus, non-resident corporate entities deriving Luxembourg-source income, such as foreign entities with a permanent establishment in Luxembourg or holding real estate property in Luxembourg, are out of the scope of the minimum tax.

The minimum tax due by companies that form part of a tax consolidation will be determined on a stand-alone basis. However, the total amount due by the consolidation as such is capped at an amount of EUR 21,400.

#### Increase of the Contribution to the Unemployment Fund

The unemployment fund contribution was increased by two percentage points to 7%, raising the overall income tax rate for companies located in Luxembourg City from 28.80% to 29.22%. The corporate income tax rates of 20% (for income up to 15,000 EUR) and 21% (for income starting at 15,000

EUR), as well as the municipal business tax rate for Luxembourg City of 6.75%, have remained unchanged.

### Reduction of the Investment Tax Credit

Businesses making eligible investments in certain fixed assets other than land and buildings may claim a tax credit leading to a reduction of their taxable result. As of January 1, 2013, the tax credit for “complementary” (additional) investments in certain tangible property was decreased from 13% to 12%. The tax credit for so-called “global” investments in specified property was reduced from 3% to 2% for the portion exceeding 150,000 EUR. The tax credit of 7% for the first portion not exceeding 150,000 EUR has remained unchanged.

### Amendments to the Net Wealth Tax Law

Moreover, certain clarifying amendments were made to the provision in the net wealth tax law that allows taxpayers to reduce their net wealth tax due by creating a special reserve. Net wealth tax can be reduced (even to nil) by allocating profit or free reserves to a special non-distributable reserve that needs to be maintained for the five following years. This reduction is limited to the corporate income tax (including unemployment fund contribution) before tax credits.

However, the aforementioned minimum corporate income tax cannot be credited against the net wealth tax.

## Individual Taxation

### Increase of Tax Rates

As of January 1, 2013, an additional tax bracket of 40% for income exceeding 100,000 EUR for tax payers in class 1 (single individuals) and 200,000 EUR for taxpayers in class 2 (married couples or partners jointly taxable) applies.

Furthermore, the unemployment fund contribution increased from 4% to 7% for income exceeding 150,000 EUR for taxpayers in class 1 and from 6% to 9% for income exceeding 300,000 EUR for taxpayers in class 2.

As of 2013, the maximum income tax rate for individuals including the increased unemployment fund contribution will therefore be 42.8% for single taxpayers and 43.6% for joint taxpayers.

### Limitation of Tax Deductions

The tax deduction for debt interest on a consumer loan or bank accounts was reduced by 50% and is now limited to 336 EUR per person in the taxpayer’s household.

The minimum lump-sum tax deduction of 396 EUR (the minimum of four distance units) for commuting expenses between the taxpayer’s home and their place of work was abolished. However, commuting expenses exceeding four distance units up to a maximum of 30 units remain deductible but are limited to 2,574 EUR (previously 2,970 EUR) per year.

### Stock Options

As of January 1, 2013, the taxable valuation percentage for freely transferrable options (which are taxable when they are granted) will be increased from 7.5% to 17.5%, determined on the basis of the value of the underlying assets.

## Value Added Tax Changes

The favorable value added tax regime applicable to the costs of a main residence was amended. The maximum value added tax benefit for the construction, acquisition or renovation of a main residence was reduced from 60,000 EUR to 50,000 EUR.

Furthermore, the exempt turnover for small businesses was increased from 10,000 EUR to 25,000 EUR.

As of January 1, 2013, the so-called “second invoicing Directive” will have to be implemented in all EU member states with the aim to harmonize the invoicing procedures, introduce equal treatment for electronic and paper invoices and substantially reduce the administrative burden imposed on businesses opting for electronic invoices. It will be legally required to have a valid invoice in order to recover value added tax.

In addition, as of January 1, 2013, the VAT authorities have introduced the obligation, for taxpayers liable to file monthly or quarterly value added tax returns, to file all returns electronically. The use of the eTVA system will therefore become mandatory for the filing of value added tax returns covering a period in 2013. The choice to file the annual value added tax return in paper or electronically will remain for taxpayers which are not liable for the filing of monthly or quarterly value added tax returns.

## Conclusion

The measures described in this article are clearly aimed at securing additional revenues (approximately 400 million EUR) to reduce governmental debt. At the same time, it is clear that the Luxembourg parliament has tried to ensure that the business climate in Luxembourg remains investor-friendly, mostly by limiting revenue-raising measures to individuals and keeping the value added tax rate at 15%. This distinguishes Luxembourg from some other European countries which—in addition to individual tax increases—broaden the tax base of corporations and increase their value added tax rate to reduce their budget deficits. However, with an estimated budget deficit of only 18.8 percent of GDP in 2012, Luxembourg is in a more favorable position than many other EU members and is able to rely on relatively small changes to its tax system.

# Luxembourg's Best Workplaces 2013: The New Laureates

Source: Great Place to Work® Institute Luxembourg

The third annual Great Place to Work awards ceremony took place on February 19 at the Espace Namur in Hamm, with approximately 150 people in attendance.

Speeches were given by Paul Weber, Director of the Inspection du Travail et des Mines (ITM) ; Sylvain Cotin, HR Manager at SAS Institute, France (ranked 7th in France of companies with less than 500 staff members and 1st in the world for Best Workplaces); and Alain Kinn, Deputy Director at the Chambre des Salariés du Luxembourg (CSL).

The Best Workplaces 2013 Luxembourg awards ceremony was organized by the Great Place to Work® Institute Luxembourg with the support of the CSL. AMCHAM Luxembourg was a media partner for this event.

With more than 160 registered business leaders and HR managers, the ceremony focused on topics appealing to the well-being of employees in the context of the current economic crisis. Weber raised the issue of new work-related diseases that are emerging in Luxembourg, with stress being the cause of 15% of absenteeism in the Grand Duchy.

Cotin described how good practices are in place within SAS Institute via two video testimonials of French employees, among other examples. He also stressed that the support services of HR team leaders in management is important for such good practices, as well as the fact that the company achieved the growth that had been established in 2012 (double-digit growth).

This can be considered proof that it is possible to combine the well-being of employees and performance which achieves ambitious growth targets, even in times of crisis. The first goal of the Best Workplaces is the same as for any company: to make a profit to survive. The dream was also part of SAS Institute in France since it is one of the few companies to have a company daycare on site (with 13 cots) and provide access to tennis courts, a swimming pool, jacuzzi, etc.

Kinn stressed the importance of initiatives such as those initiated by Great Place To Work, i.e., the valuation of companies which implement practices for the welfare of employees. CSL, for example, is developing a quality of work index, a new tool created in partnership with the University of Luxembourg.

This year nine companies were announced winners and received the "Great Place to Work" label: Coplaning (1st), Atoz, Dimension Data, Autopolis, and Adecco Group Luxembourg.

Coplaning is a company of 104 employees based in Junglinster; its business is the distribution and installation of windows, doors, shutters, conservatories and solar panels. This SME surprised the jury by the sheer number of its good practices, one of the most significant being "SUCCESS INSIGHTS"

which is actually an assessment of the employee through a tool which allows the employee to be described from a relational and behavioral point of view and determines his or her strengths and weaknesses. The employee is informed of his or her own results, as well as those of his or her manager and



The Coplaning team celebrating their top ranking in Luxembourg

colleagues, the goal being to improve employee understanding, as well as to optimize communication and relationships within the company.

Another example of good practices is at ATOZ with its “week-end of integration for newcomers” which takes place in an upscale leisure center. The objective is for management to communicate the firm’s strategic direction and to allow those who have less than one year of seniority to gather around team-building activities to create real team cohesion, strengthen ties and create an environment more favorable to the firm. People play and work together around common values.

CTG Luxembourg PSF, OPF Partners, Loyens & Loeff Luxembourg and ING Bank were also among the winners for the third consecutive year, proving that the confidence of employees by management persists over time through actions that are continually implemented.

The world of companies that have received the Great Place to Work label continues to gradually open over the years, welcoming the worlds of automobile and construction—proof that being labeled a Great Place To Work is a question of confidence in the company and not industrial or financial means.

The Great Place to Work® Institute, in addition to assessing and auditing management practices, aims to advance companies with respect to employee welfare. This is evident, for example, by the fact that one of the winners—after having received mixed results after the first year—followed recommendations provided by the Great Place to Work® Institute and took measures to improve communication incorporate employee views and improve their daily well-being.

All contest winners compete for the “100 Best Workplaces Europe 2013” and will face the other best companies in Europe during the month of June.



Photo: Florian Talon, Agence STUDION

# Tips for Successfully Relocating to Luxembourg

By Stéphane Compain & Kirsten Govaert, Interdean Relocation Services Luxembourg

Luxembourg is a great place to live: it is a small country with great restaurants and an international atmosphere. It is busy but peaceful, clean and green.

Relocating to another country can be a challenge—if you are an expat and need help with your first steps in Luxembourg, this is what you need to know about your new home.

Luxembourg is very small. Within a half-hour drive, you can reach France, Belgium or Germany. This proximity also makes it easy to visit Paris, Trier or Brussels, to name a few. This is part of the international flair to living in Luxembourg. Luxembourg is also very multicultural. Approximately half of the roughly 500,000 residents are foreign, mostly European.

Luxembourg is multilingual as well. Although there are three official languages in Luxembourg (Luxembourgish, French and German), many other languages can be heard daily, including English, Portuguese, Spanish and Italian, to name just a few.

Being able to integrate well into a new country mostly depends on your own expectations. Never expect everything to be like home—be flexible and open. Take into account there might be different habits and cultural differences to what you are used to.

If you have the opportunity to do so, visit Luxembourg before moving here permanently. Get to know the place, see and feel it for yourself: walk around, visit some areas and talk to the locals. This will give you an important first impression.

## A Word About Relocation Companies

Relocation services may be offered to you by your employer, or you can look for help from a relocation company on your own. Relocation companies can be a practical guide and support during your transition, and their services can be extremely useful, especially when it comes to administration and finding a new home.

## A Word About Languages

Yes, English-speaking expats will survive in Luxembourg. But we strongly recommend learning one of the national languages as soon as possible. French in particular can be quite helpful, as it is the most used language in Luxembourg when dealing with administration. Luxembourgish can also be helpful when dealing with the locals, but French will open doors and help you integrate in your new country.

## A Word About Making Friends and Meeting People

Luxembourg is a country of expats which makes it relatively easy to meet new people, especially in the city. People are friendly, helpful and polite. Locals may come across as being rather closed—privacy being very important to Luxembourgers—so don't expect dinner parties with the locals during your first week in the Grand Duchy.

Take up sports, go to a club, take yoga lessons, play tennis. These or similar activities are all great opportunities for meeting people while taking care of yourself at the same time. Go to the hairdresser or beauty salon and participate in the activities of a local club. Take language courses. Doing so will help you integrate with the locals, who appreciate foreigners'

attempts at learning their language. Go out for drinks and register on expat forums where you'll find similar people dealing with the same issues as you.

## A Word on Luxembourg Prices

Luxembourg is rather expensive. However, in the 2012 Mercer Cost of Living Information Services Report, Luxembourg City was only rated as the 84th most expensive city in the world, making it cheaper to live in Luxembourg than in most European cities. Property prices are indeed high, but commodities such as public transport, food, drink or energy costs are relatively low compared to other European countries. Consider living outside Luxembourg City, which will already make a considerable difference in renting prices.

## A Word on Finding a Place to Live

It can be quite a challenge to find accommodation in Luxembourg. The Luxembourg rental market is rather limited; therefore, it is better to start your search for accommodation as soon as possible. Property prices—especially in and around the capital—are fairly high. Visits with agencies occur during the business day. Be prepared to be patient and do some research! When you find something you really like, go for it!

## A Word on Transportation

If you live and work in Luxembourg City, there is a very well-organized public transportation system that will help you get around—you may not even need a car! In general, most people do own a car in Luxembourg, as it comes in handy for trips or groceries shopping. Luxembourg provides bus, train and taxi services; an international airport; and even (cheap) bike rentals.

## A Word on Education

In Luxembourg, you have different options when it comes to education: state schools, private schools or international schools. Education is carried out in the three official languages (Luxembourgish, French and German) and is compulsory for all children ages 4-16. English-speaking schools have long waiting lists for new admissions, so start your school search as soon as possible!

## A Word on the Weather

Unfortunately, Luxembourg isn't a very sunny and tropical place. It can get very cold during winter with some snow-fall, and it rains quite often. Still, summer can get fairly hot, with temperatures around 30°C (86°F). Buy an umbrella—but don't give up on your sunglasses! Bring some clothing for all seasons, including warm winter clothing and light summer clothing.





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# U.S. Embassy Announces New Web-Based Visa Tracking Application

Source: U.S. Embassy

The U.S. Embassy Luxembourg is pleased to announce a new tool to help visa applicants know more about the status of their visa application. Applicants for nonimmigrant visas can view the status of their visas cases by visiting <https://ceac.state.gov/CEAC/>.

This new web-based tool is a world-wide application that will allow visa applicants to have more information as they track their visa application through processing.

Upon learning about this new tool, U.S. Ambassador to Luxembourg Robert Mandell stated he was pleased by this initiative and hopes it helps to increase the communication flow to visa applicants.

The visa applicant will need to enter his or her barcode as well as the interview location. The applicant will then be able to view the status of the case as it progresses through the system. All nonimmigrant visa cases created within the last year that are still open will be available to be viewed by the applicant. Nonimmigrant visa cases that have been closed will display that status for three months after closure.

The Consular Electronic Application Center website allows you to apply for a U.S. nonimmigrant visa; apply to renew an A, G, or NATO visa; apply for an immigrant visa; or check the status of your visa application. On this website, you can also pay certain fees associated with your immigrant visa application.

## The “Smart Traveler Day” Campaign

Source: U.S. Embassy

February 21, 2013, was designated Smart Traveler Day. The goal of the Smart Traveler Day campaign is to encourage U.S. citizens to take advantage of the Department of State’s online travel resources as they prepare for international travel, find country-specific information on [travel.state.gov](http://travel.state.gov) and sign up for the Smart Traveler Enrollment Program (STEP) at [www.travel.state.gov/step](http://www.travel.state.gov/step) (also available via a mobile app for both iPhone and Android).

### More about the Smart Traveler Enrollment Program (STEP)

**Stay Informed.** Sign up for our free Smart Traveler Enrollment Program (formerly known as “Travel Registration” or “Registration with Embassies”) to receive the latest travel updates and information.

When you sign up, you will automatically receive the most current information we compile about the country where you will be traveling or living. You will also receive updates, including Travel Warnings and Travel Alerts (where appropriate). You only need to sign up once, and then you can add and delete trips from your account based on your current travel plans.

**Stay Connected.** By connecting with us on the Smart Traveler Enrollment Program, we will be able to assist you better in the case of an emergency, such as if you lose your passport or it is stolen while you are abroad.

We also assist U.S. citizens in other emergencies, such as in natural disasters. For example, after the earthquake in Haiti, we evacuated over 16,700 U.S. citizens and family members. During the civil unrest in Lebanon in 2006 we assisted nearly 15,000 U.S. citizens and family members, and in 2004 we helped thousands more during the tsunami.

The travel and contact information you enter into our Smart Traveler Enrollment Program will make it easier for consular

officers in U.S. embassies and consulates around the world to contact you and your loved ones during an emergency —including situations where your family or friends in the U.S. are having problems trying to contact you with important news.

**Stay Safe.** We believe that a well-informed traveler is a safer traveler. Our consular officers around the world compile country-specific information, travel alerts, travel warnings, fact sheets and emergency messages to provide you with timely and accurate travel information about every country where you may travel.

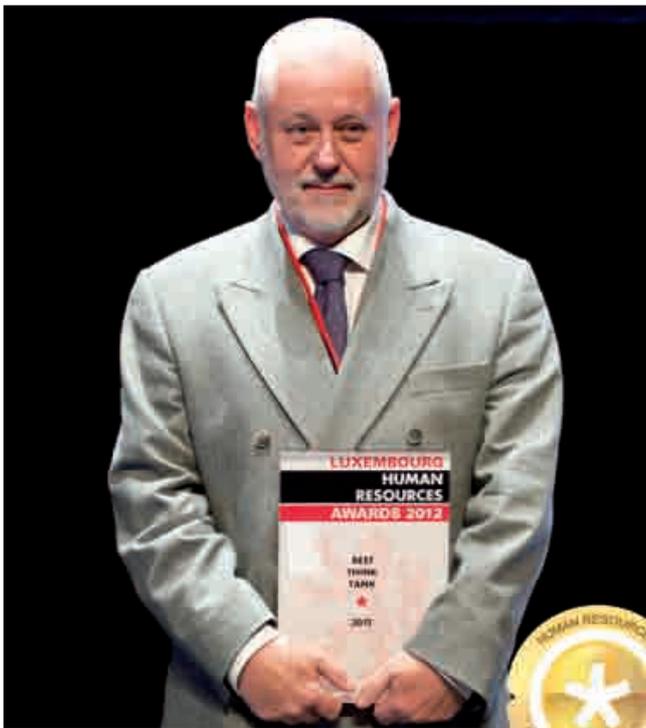
We include reports on possible risks and security threats so that you can make informed decisions about your travel plans and activities.

Stay informed by connecting with us via our Smart Traveler Enrollment Program so you can have safe and enjoyable travels!

**Your Privacy Is Paramount.** All the personal information you provide to us is protected under the Privacy Act of 1974. This law prohibits us from sharing the information with anyone without your written authorization. Certain exceptions exist, such as when we need to share information on a limited basis in order to protect your safety and welfare in extreme circumstances.

Sign up today for the Smart Traveler Enrollment Program (STEP) at [www.travel.state.gov/step](http://www.travel.state.gov/step) (also available via a mobile app for both iPhone and Android).

As always, the U.S. Embassy Luxembourg is available to answer any questions you may have +352 46 01 23. Important information appears on <http://luxembourg.usembassy.gov/>. Links to our Facebook and Twitter pages may also be found here. In the event of a crisis or emergency, we will send regular updates through Twitter.



## AMCHAM Wins “Best Think Tank” Award at 2012 HR One Gala

By Natalie Gerhardstein, AMCHAM Photo: Studion Photography

On November 22, 2012, AMCHAM won the award “Best Think Tank” in Luxembourg, an award recognizing a group or association devoted to developing the most innovative solutions and evolving with HR trends and practices. The award was presented during the 10th annual HR One awards gala at Casino 2000 in Mondorf-les-Bains.

The award is given on the basis of the following principal evaluation criteria: interactivity, accessibility, strategy and being free from any commercial influence.

Paul Schonenberg, AMCHAM Chairman & CEO, said, “I’m really pleased that AMCHAM has won this award. We have tried in the growth and development of AMCHAM to do more than just put on nice events—we like putting on nice events but we have tried through our committee structure to develop the capacity to think about and solve problems. For us, this award is recognition of our efforts to solve problems important to the international business community which we think is important, not just for our member companies, but also for the long-term interests of Luxembourg itself.”

Other nominees for the award were Employment Law Specialists Association, Luxembourg (“ELSA”), IMS Luxembourg, ALMA-Association luxembourgeoise de la Médiation et des Médiateurs agréés (Fédération des médiateurs au Luxembourg) and LPRA (Luxembourg Professional Recruiters Association & Human Resources Service Providers).

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& Communication, **Pirelli****WWW.ICTSPRING.COM**

# How to Handle Information Overload

By Sabine Framing, Berlitz

In 2012 the amount of digitally produced information reached more than 1.8 ZB (zettabytes)—that corresponds to about 1.8 trillion GB (according to an estimate by IDC-Analysts in IDC iView, “The Digital Universe Decade in 2020”, December 2012). By the end of the current decade, in 2020, this figure will probably rise to 30 ZB. If you could save this amount of information on DVDs and arrange them in a pile, it would reach half the distance to Mars! And even now, many people are not able to cope with information overload. People struggle daily with information flood in terms of emails, faxes, letters, memos and other publications.

The trouble for many of us is not only the amount of information, but also the missing cognitive approach to handle it in the right way. Reading more efficiently is one solution—but how can you increase your reading speed while still understanding what the text is about?

Reading is a skill people often use in their daily work, yet we tend to take this skill for granted. The average reader develops reading habits that slow him or her down. If you would like to become a more efficient reader, you have to learn and practice

techniques to help you overcome old habits. Sub-vocalization is one example. This means that you pronounce each word in your head as you read it—a habit that may considerably limit your reading speed. Breaking this habit and others—such as inefficient eye movement, reading word by word and regressing in the text—can help improve your overall effectiveness, especially if you diligently keep practicing your new reading techniques.

In the Berlitz Speed Reading seminars, participants learn easy-to-use techniques to handle all sorts of texts very quickly and understand the truly relevant parts. According to Marc Studer, a Berlitz Speed Reading trainer, one positive side effect is that “the technique leads you to use the brain in the right way when you read so that the information is retained better.”

Berlitz offers four-hour Speed Reading courses in Luxembourg. The next seminar will be held on April 24, 2013, with options in English, French and German. You can register online at [www.berlitz.lu](http://www.berlitz.lu) or by calling (+352) 26 38 32 48.

AMCHAM members can book the seminar with a discount: they pay 249 EUR instead of 299 EUR.



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JOIN US ON



# Annual Thanksgiving Dinner

Photos: Stephen Roberts

Last season, AMCHAM celebrated Thanksgiving in style, with opera singer Helen Smith and magician David Goldrake. Attendees had a chance to win a wide variety of tombola prizes.



Marc Schambourg (P&T Luxembourg)



Helen Smith



Sue-Ann Baumgärtel

“The AMCHAM Thanksgiving Dinner is the event not to miss for gathering in a pleasant atmosphere with good food, live music and outstanding invitees. It gives the opportunity to highlight the achievements over the year and to address the upcoming challenges and opportunities. P&T LUXGSM, as a traditional sponsor, is always proud to be part of it.”

—Marc Schambourg, P&T LUXGSM



David Goldrake



David Goldrake, Ambassador Zeng Xianqi (Chinese Ambassador to Luxembourg), Dilek Ayaydin (AMCHAM)

Marta Sánchez-Pichel, Natalie Gerhardstein (AMCHAM)



David Goldrake, Marc Lucas (Arnold Kontz), Anthony Mellinger (JPMorgan Bank Luxembourg), Dilek Ayaydin (AMCHAM)

Lina Berg (KR Recruitment), Margot Parra (ISL), Alex Bottinelli (Banque Degroof Luxembourg)



Paul Schonenberg (AMCHAM), Sue-Ann Baumgärtel, Helen Smith, Marios Paras (Taplow Group)

Julien Robert (KPMG), Jess Bauldry (wort.lu/en)



# Networking with Minister Schmit

Photos: Robert Prendergast

Minister of Labor, Employment and Immigration Nicolas Schmit spoke at the annual HR event last season on employment challenges and opportunities in Luxembourg.



Jean-Pierre Mullenders (Randstad Recruitment & Selection), Minister Schmit, Guy Castegnaro (CASTEGNARO)



Vinciane Istace (PwC Luxembourg), Margot Parra (ISL)



Jean-Paul Hengen (Luxinnovation), Virginie Scuvée (askvirginie.com)

“The year 2013 holds a great deal of challenges for the economy and our employment market. The HR Annual Networking was the perfect event to hear Minister Schmit’s take on the subject, and Galilei is proud to have sponsored this event.”

—Jean-Pierre Mullenders, Galilei Luxembourg



Lene Pedersen (CIP Group), Lars Goslings (AS Avocats)

# BERLITZ JUNIOR ACADEMY 2013

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### Presentations

### Rhetoric

### Intercultural Competencies

### Social Networks



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#### Selection of our activities:

- ▶ Project- and Teamwork on global topics
- ▶ Soft-Skill-Trainings e.g. Rhetoric; Presentations; Teamwork; Internet/Social Networks; Speed Reading; Intercultural training
- ▶ Round tables discussions with well-known personalities from politics-; the media- and business world
- ▶ Visits to famous media companies in France, Germany and Luxembourg
- ▶ Trips to international companies based in Luxembourg e.g. Skype; Amazon
- ▶ Sport and cultural activities in Luxembourg and surrounding areas

#### Travel Information:

- ▶ Date: 21.07. – 03.08.2013
- ▶ Age: 13 to 19 years old
- ▶ Dormitory: in the City of Luxembourg
- ▶ Price (all inclusive): 2.472 EURO

#### More information:

Berlitz Luxembourg  
Tel. +352 26 38 32 48  
89-93, Grand-Rue, 1661 Luxembourg  
kids@berlitz.lu, www.berlitz.lu

#### See also:

*Our language camps for 7 to 17 years old during the year in French, English and German.*



A Global Education Company

# Marketing on a Shoestring

Photos: Stephen Roberts

AMCHAM's Marketing and New Business & Entrepreneurship Committees recently held a joint event focusing on real-world techniques and case studies on getting the most out of your marketing buck.



Bernard Michaux (Lucil Film)



Paul Schonenberg (AMCHAM), Troy Bankhead (KNEIP), Netty Thines (Mediation), Geoff Thompson (The Luxembourg Chronicle), Bernard Michaux (Lucil Film), Jimmy Martin (Valicon Producers Berlin), Jed Grant (Sandstone)



Netty Thines (Mediation)



Jimmy Martin (Valicon Producers Berlin)



Valeria Temple (PartnerVision)



A cocktail reception in the showroom followed the event.



“AMCHAM is extremely skilled at picking industry-relevant topics and getting real experts to express their views to an entrepreneurial audience. As a family business, we too were delighted to learn about the cost-effective use of new social media as marketing tools and provide the venue for one of the major business networking organizations in town.”

—Marc Lucas (Arnold Kontz Group)

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Roger Claessens has authored various books. His latest "Corporate Culture in Banking" aims at helping you to determine the strengths and weaknesses of your organisation. Published with AuthorHouse to be found on Amazon.co.uk

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