

How to Survive & Thrive in the Changing Times – Leap Hurdles & Grow Your Business

Tuesday, October 23rd, 2018, Noon - 2 PM, GPCC 200 S. Broad St. 7th Fl., Philadelphia, PA 19102

On Tuesday, October 23, 2018 the **French, Irish, German, and Swedish-American Chambers of Commerce** partnered with the **British American Business Council** for an educational seminar about current US and European policy issues affecting transatlantic business. **Michael Pedrick, BABCPHL President and Partner at Morgan Lewis & Bockius** introduced panel moderator, **Duncan Edwards, Chief Executive Officer, BritishAmerican Business (BAB)**. The Organization's mission is to support policies to protect and enhance the bilateral trade and investment environment. Duncan is also the chief executive of the British American Business Council, the umbrella organization of more than 20 chapters worldwide, of which the BABCPHL is one. BAB regularly publishes valuable thought leadership policy documents, and Duncan is often called upon by business and media outlets to discuss the current transatlantic business climate. He was the perfect person to lead the speakers through the meeting. Presenters included: **Leon Dutkiewicz, Managing Partner, UK US Tax Services; Jonathan A. Grode, Esq., US Practice Director, Green and Spiegel LLC; Stefan Reisinger, Esq., Morgan, Lewis & Bockius; and Chris Shull, Founder & President, Engaged Impact.**

Duncan kicked-off the symposium by briefly discussing the current state of transatlantic economic relations. Having just returned from London, where he met with Liam Fox and several c-suite executives from global multinational companies, the topics presented were top of mind. Before each speaker dove into greater detail about the topic they were each presenting, Duncan provided a high level overview of what is happening in the tax, data security, tariffs and sanctions, and global mobility arenas. An efficient and stable tax environment can stimulate innovation and facilitate growth. The US, UK and the rest of Europe need to maintain and modernize tax systems to trigger positive change; FDI is a priority, as are tax incentives, and clear tax rules. There has been increased activity and a nearly constant stream of news about trade sanctions and tariffs. Different drivers for sanctions and tariffs include security sanctions; discontent with the WTO; and the perception that the current system is stacked against the US. Talent is closely tied to economic success. The ability to draw in a pool of talented workers regardless of nationality or origin is essential for economic growth and competitive advantage within a globalized economy. Governments have to balance public concern over immigration with the economic reality of the value immigrants provide. Lastly, data is the essential currency of the modern economy, and digital trade is a priority across all industry sectors. Data mobility creates new business opportunities, lowers costs and makes employee mobility easier. The EU and the US have the highest cross border data flows in the world. Challenges and next steps include developing supportive legal frameworks and privacy shields. Cybersecurity is a fundamental part of business daily operations and strategies. Federal agencies must harmonize existing regulation, and education is key.

Chris Shull, Founder & President, Engaged Impact provides information security, privacy leadership and transformation consulting to small and mid-sized businesses. His experience includes delivering, implementing and managing private, public and hybrid cloud-based information technologies. Chris spoke about GDPR, and briefly mentioned some of the legal and technical requirements. His discussion focused on compliance, and what companies should do to survive and thrive in the current business environment. He mentioned there are great opportunities to do things at a new level, but the main things to watch out for are cyberattacks and threats. Companies and executives need to know how to approach dangers, and qualified professionals and systems must be put into place. There are fairly straightforward frameworks available for understanding the

requirements. Even if a particular company does not require due diligence and GDPR, their clients/customers may. There are real legal and existential risks/cyber issues.

Jonathan A. Grode, Esq., US Practice Director, Green and Spiegel LLC, is an immigration attorney focused on obtaining nonimmigrant and immigrant visas for new company start-ups, professional workers, artists and entertainers, athletes, physicians, and scientific researchers. He has significant experience dealing with Department of Labor and Department of Homeland Security enforcement actions as well as with EB-5 investor filings. Jonathan explained how politics drive global mobility. He talked about the Trump Administration, and how other countries such as Canada and France are managing their policies in light of recent US and UK patterns and changes. Jonathan focused his discussion on what drives government policies, and he provided practical comments about what companies should be thinking about in the current political climate.

Stefan Reisinger, Esq., from Morgan, Lewis & Bockius advises clients on US and multilateral export, economic sanctions, anticorruption, and customs matters. He has led comprehensive, worldwide, investigations and audits and responded to enforcement actions involving multiple jurisdictions and government agencies. He also has experience with customs regulatory issues such as classification, valuation, origin determination, marking, preference programs, import restrictions, quotas, drawback, and trade agreements. Stefan discussed the underlying policy driving sanctions and tariffs – trade policy and tariff actions. He talked about recent sanctions with cross border implications, and how companies should navigate the changing landscape. Specific topics Stefan addressed included the: US secondary sanction with Iran; EU blocking statute; implications of Brexit; and Russian sanctions. Stefan also covered recent tariffs – 201, 232, steel and aluminum – 301 actions – and what the tariffs are doing and the requirements such as exclusion request, and customs mechanisms.

Leon Dutkiewicz, Managing Partner of UK US Tax Services, specializes in international tax, representing clients who have business operations in multiple jurisdictions or who are globally mobile individuals. Leon deals with many complex tax laws such as structuring global acquisitions/divestitures, analyzing income tax treaty benefits, assisting with transfer pricing implementation and managing multi-state tax issues, and compliance services. He began his presentation by speaking about the recent tax changes implemented in Europe and the US, where we just came from, and where we are going. Leon reported on inbound companies (coming into the US) – corporate tax rate, and outbound companies (looking to operate outside of the US). He discussed creative planning opportunities; code section 199a Cafe- 20% income exclusion; foreign tax credit planning; closely held companies – pass through concepts; owning foreign companies; the GILTI tax; Beat Provision in the tax reform bill; and trade and tariffs – boycott reporting.

A dynamic question and answer session followed speaker presentations. Questions included the jurisdiction of which cybersecurity rules apply to employees who work in multiple countries; tariff reclassification; and immigration adjudication trends. BABCPHL President Michael Pedrick closed the meeting by thanking panelists, sponsors – Morgan, Lewis & Bockius LLP; UK US Tax Group LLC; and The Welsh Government – and reminding attendees to join the BABCPHL for upcoming programs on November 8 for networking at the Pyramid Club and on December 6 for our signature annual holiday program featuring Chellie Cameron, CEO, PHL International Airport.

Thanks to Jane Rosenberg, Executive Director, BABCPHL for providing this recap.