



Presentation of the 2026 GABO Survey Results

Lucas Theo Rehaag

Executive Director
German American Chamber of Commerce, Inc.
Boston Chapter



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



2026 German American Business Outlook

German American Chambers of Commerce



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

ANNUAL SURVEY OF GERMAN COMPANIES IN THE U.S.



JANUARY 2026

OVER 240 RESPONDENTS



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



2026 GABO RESULTS

Survey Participants

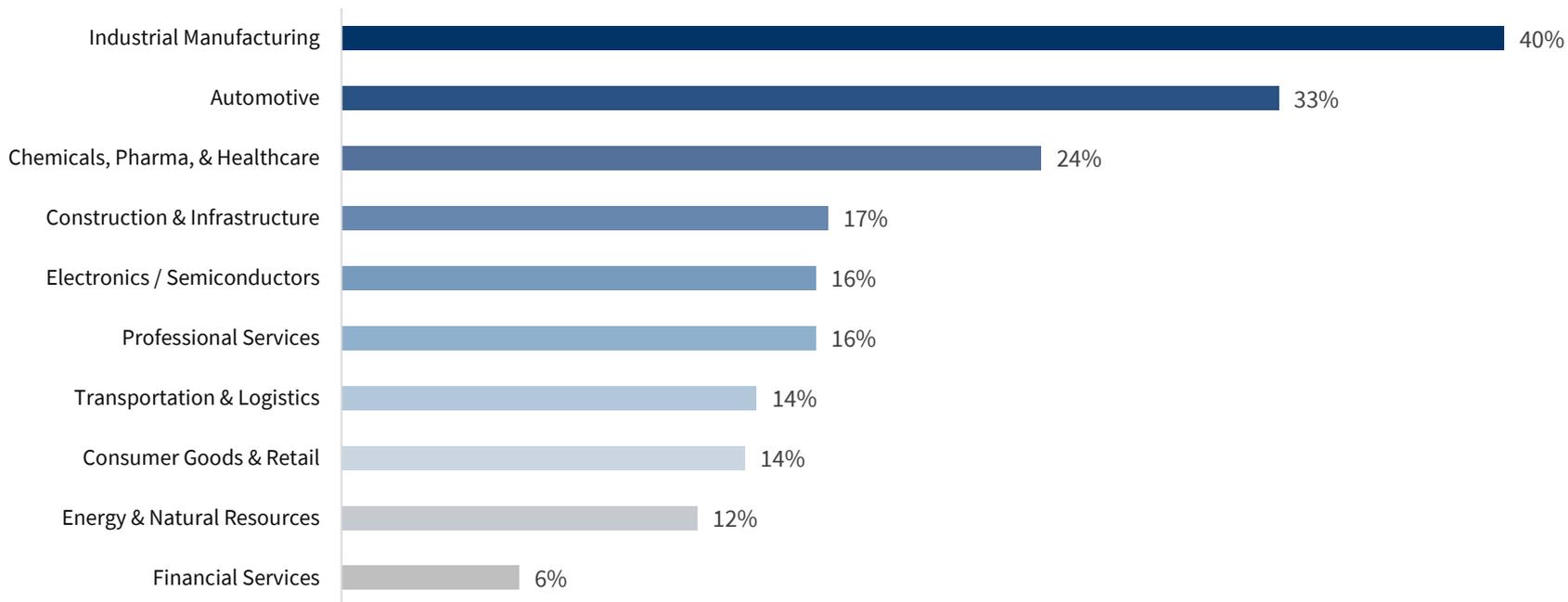
German American Chambers of Commerce



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

COMPANY PROFILE OF RESPONDENTS

In which industries is your company primarily active in the U.S.?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



2026 GABO RESULTS

Rebound after difficult 2025

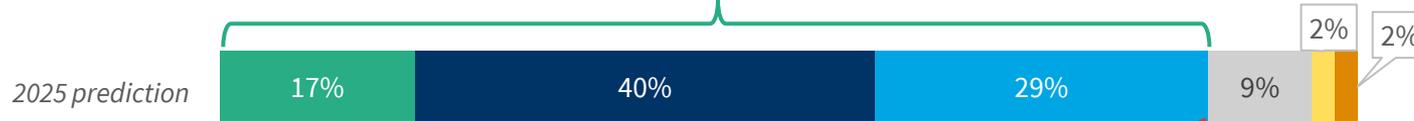
German American Chambers of Commerce



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

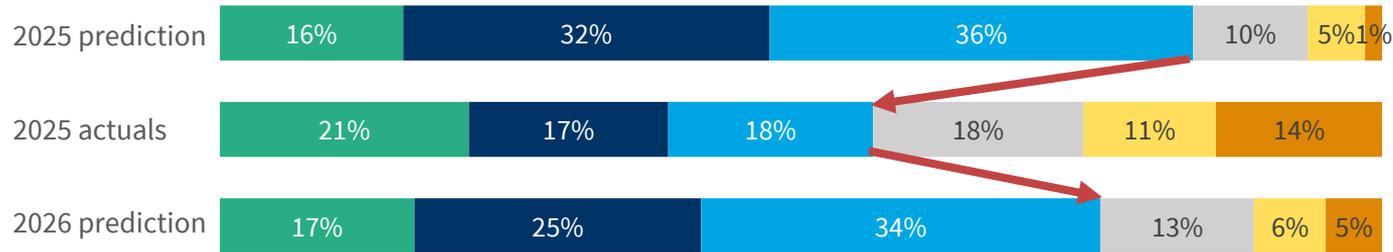
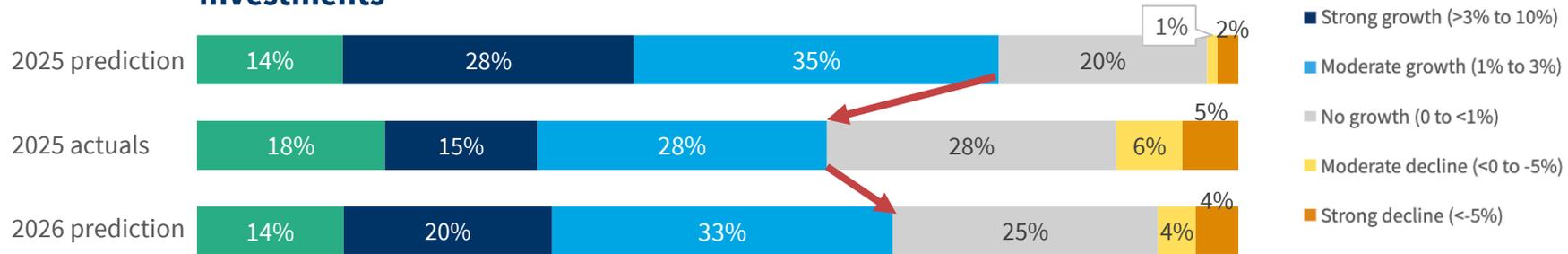
2026 GERMAN AMERICAN BUSINESS OUTLOOK

GERMAN COMPANIES IN THE U.S. EXPECT REBOUND IN 2026**In Jan 2025, 86% predicted growth in net sales****However, 64% eventually reported growth in net sales in 2025, while 23% saw a decline****For 2026, 82% predict growth in net sales****How did your company's 2025 business performance in the U.S. compare to 2024? – subcategory Net Sales****Looking forward, how do you predict your business in the U.S. will develop in 2026 vs. 2025? - subcategory Net Sales**

German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

PROFITS & INVESTMENTS SHOW SAME REBOUND PATTERN**Profits****Investments**

How did your company's 2025 business performance in the U.S. compare to 2024? - subcategories Profits & Investments

Looking forward, how do you predict your business in the U.S. will develop in 2026 vs. 2025? - subcategories Profits & Investments



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

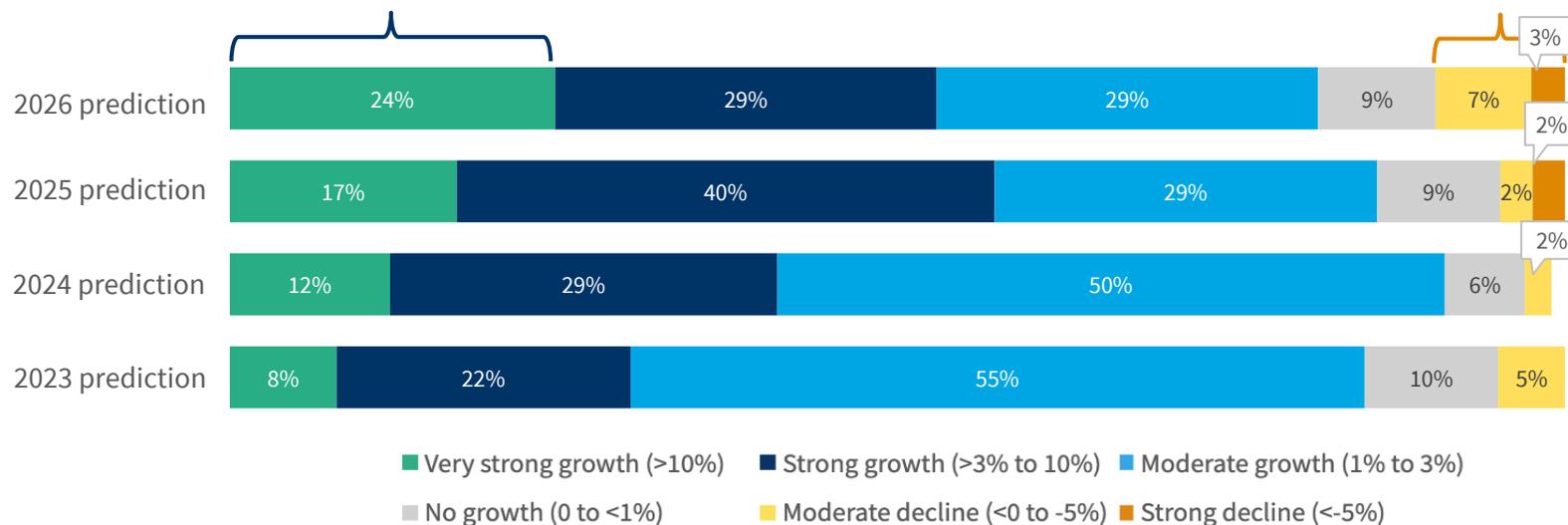
Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

Source: GACCs, 2025 and 2026

2026 GERMAN AMERICAN BUSINESS OUTLOOK

CHALLENGES LEAD TO DIVERGENT EXPECTATIONS

Expectations for “very strong growth” and for declines in net sales are both above historic norms.



Looking forward, how do you predict your business in the U.S. will develop in 2026 vs. 2025? – subcategory Net Sales



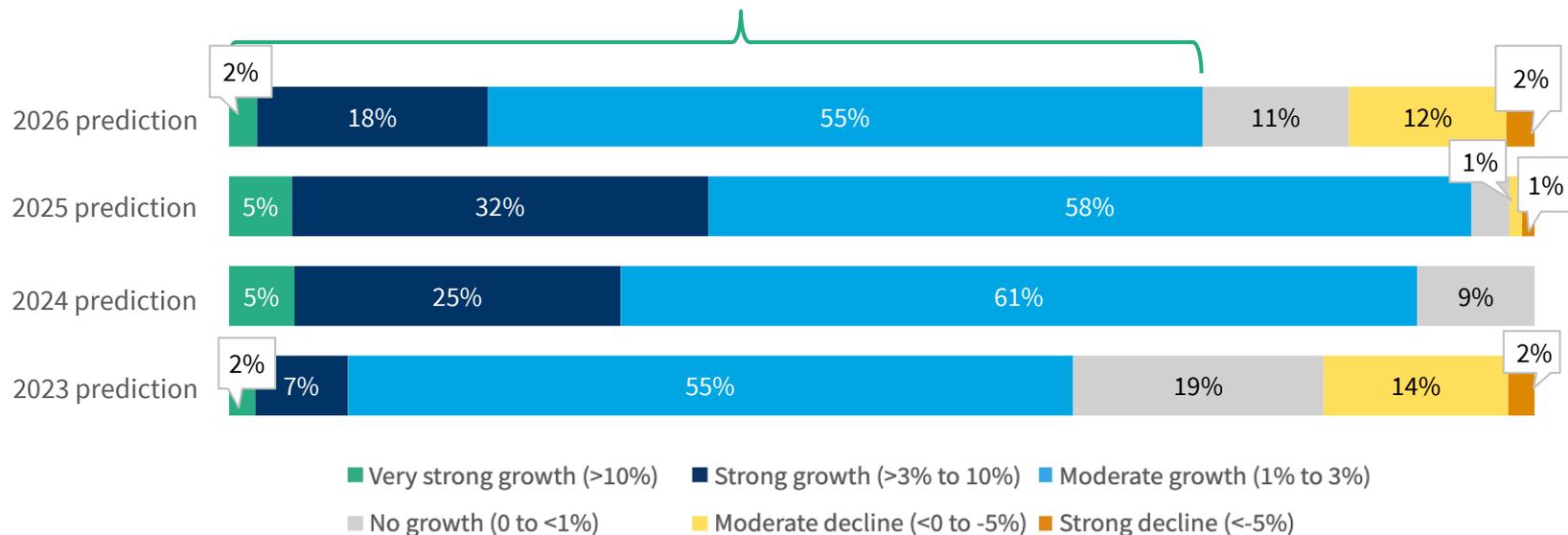
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

U.S. ECONOMIC GROWTH EXPECTED TO MODERATE

Last year, 95% predicted growth; this year, 75% anticipate growth, while 14% expect contraction.



Looking forward, how do you predict the U.S. economy will develop in 2026 vs. 2025?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



2026 GABO RESULTS

Uncertainty and Tariffs

German American Chambers of Commerce



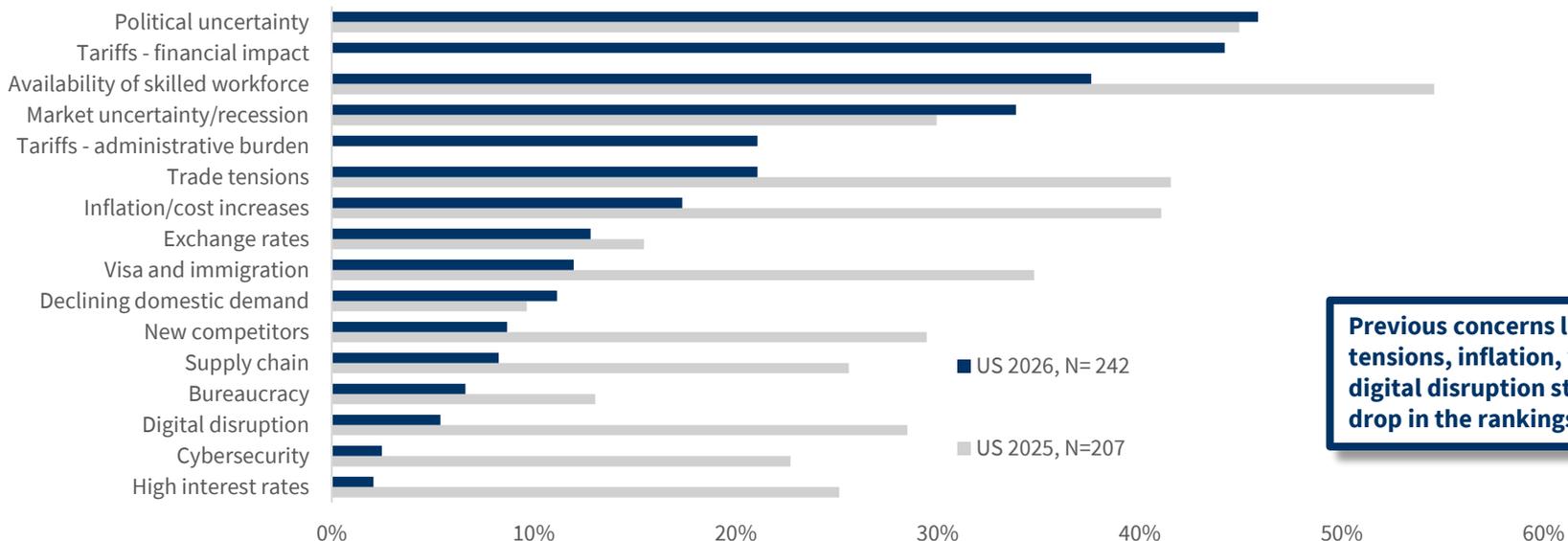
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

TOP 3 CHALLENGES: POLITICAL UNCERTAINTY, TARIFFS, AND SKILLED WORKFORCE AVAILABILITY

Skilled workforce availability has been among the top 3 challenges for the past 10 years.



Previous concerns like trade tensions, inflation, visas, and digital disruption still exist, but drop in the rankings.

What are the three biggest challenges for your company today in the U.S.?



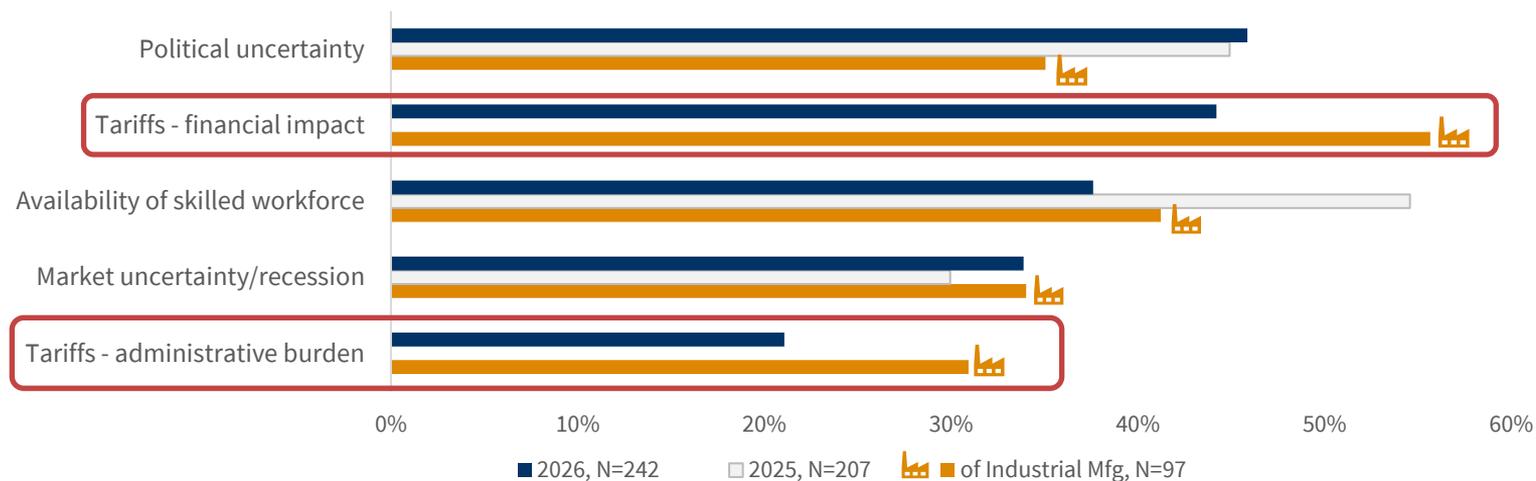
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

TARIFFS ESPECIALLY BURDENSOME FOR INDUSTRIAL MFG.

56% list the financial burden of tariffs as a primary concern, while over 30% highlight the administrative burden.



What are the three biggest challenges for your company today in the U.S.?



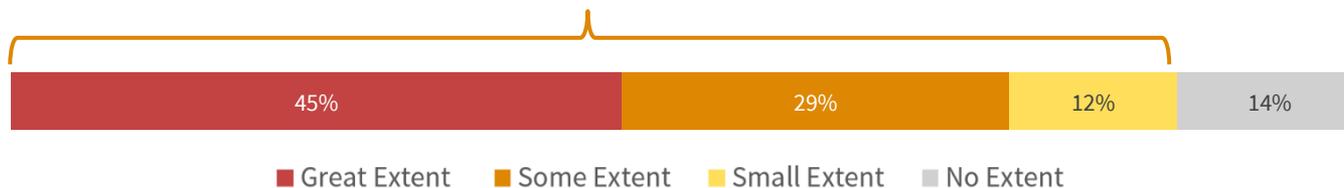
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

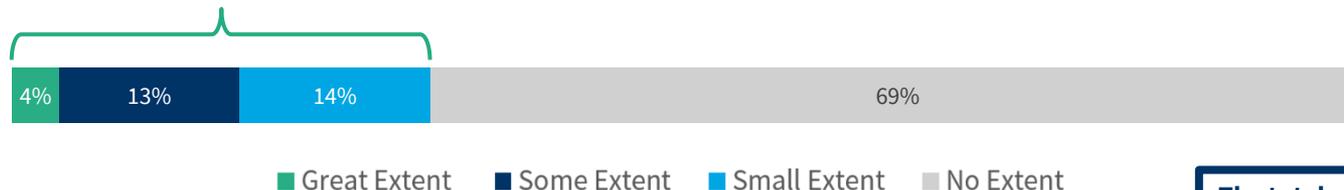
2026 GERMAN AMERICAN BUSINESS OUTLOOK

86% NEGATIVELY IMPACTED BY TARIFFS

86% of all respondents reported experiencing negative effects from tariffs:



However, 31% of all respondents indicated that tariffs had a positive impact:



The totals of positive and negative impacts are essentially unchanged (+/-2%) when excluding Financial and Professional Services.

How have U.S. tariff policies impacted your U.S. business, positively and/or negatively?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

U.S. PRODUCTION INCREASES POSITIVE EFFECTS...**16% of companies without U.S. production report benefits.****This increases to 44% for companies with U.S. production.**

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

■ Great Extent
 ■ Some Extent
 ■ Small Extent
 ■ No Extent

Excluding Financial and Professional Services.

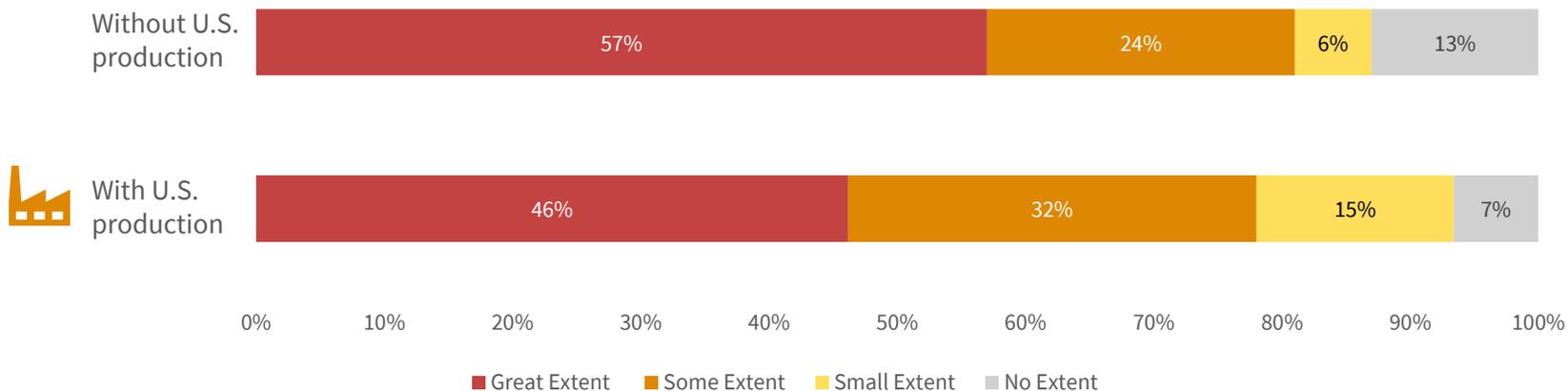
How have U.S. tariff policies impacted your U.S. business, positively and/or negatively?



German American
 Chambers of Commerce
 Deutsch-Amerikanische
 Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

...WHILE TARIFFS STILL HURT**U.S. manufacturers still face supply chain costs and the administrative burden of tariffs.**

Excluding Financial and Professional Services.

How have U.S. tariff policies impacted your U.S. business, positively and/or negatively?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

TARIFFS PASSED ON TO CUSTOMERS

Among those who have adjusted their pricing strategy, over half fully pass the costs on to their customers or distributors, while about a third share the costs.



- We fully pass the additional costs on to our distributors/customers.
- We share the additional costs with our distributors/customers.
- We absorb the additional costs internally.

Has your company adjusted its operational or pricing strategy in response to the tariffs?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



2026 GABO RESULTS

Investment plans remain strong

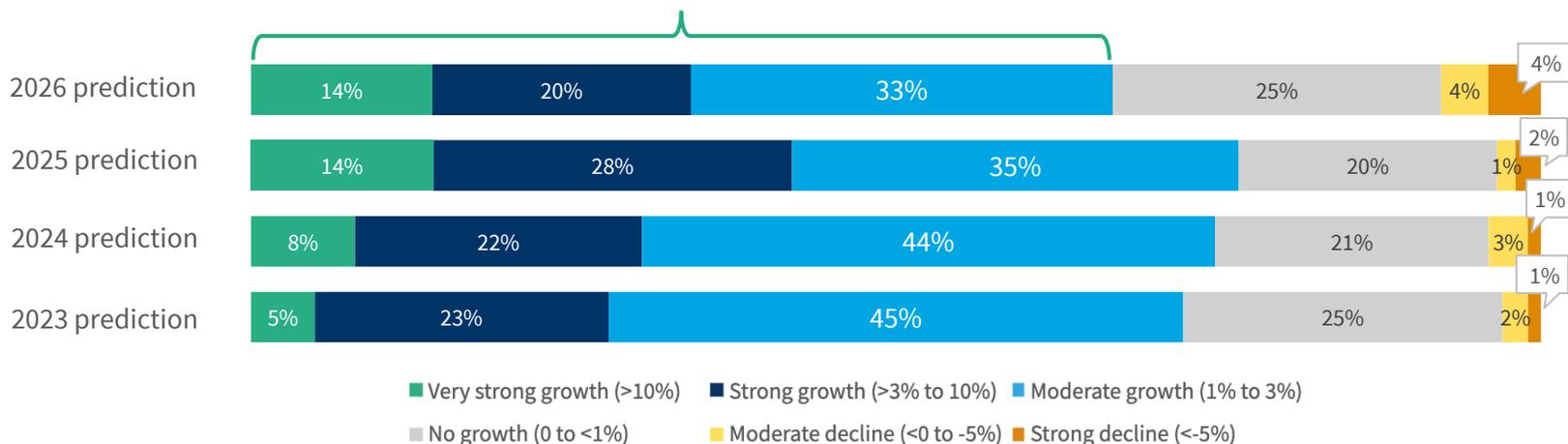
German American Chambers of Commerce



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

2026 INVESTMENTS SET TO REBOUND**67% plan to increase their investment in the U.S. this year.**

Looking forward, how do you predict your business in the U.S., will develop in 2026 vs. 2025 across the following categories? - subcategory Investments



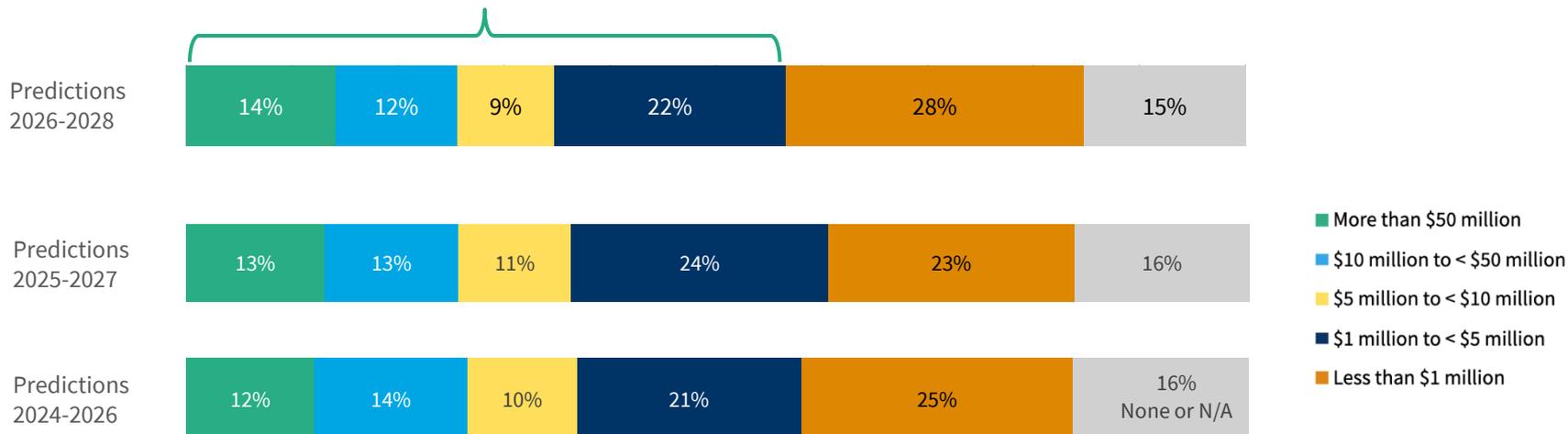
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

3-YEAR INVESTMENT PLANS ARE ESSENTIALLY UNCHANGED

56% of companies plan to invest over a million dollars in the next three years, in line with historic norms



How much is your company planning to invest in the U.S. within the next three years (2026 – 2028)?



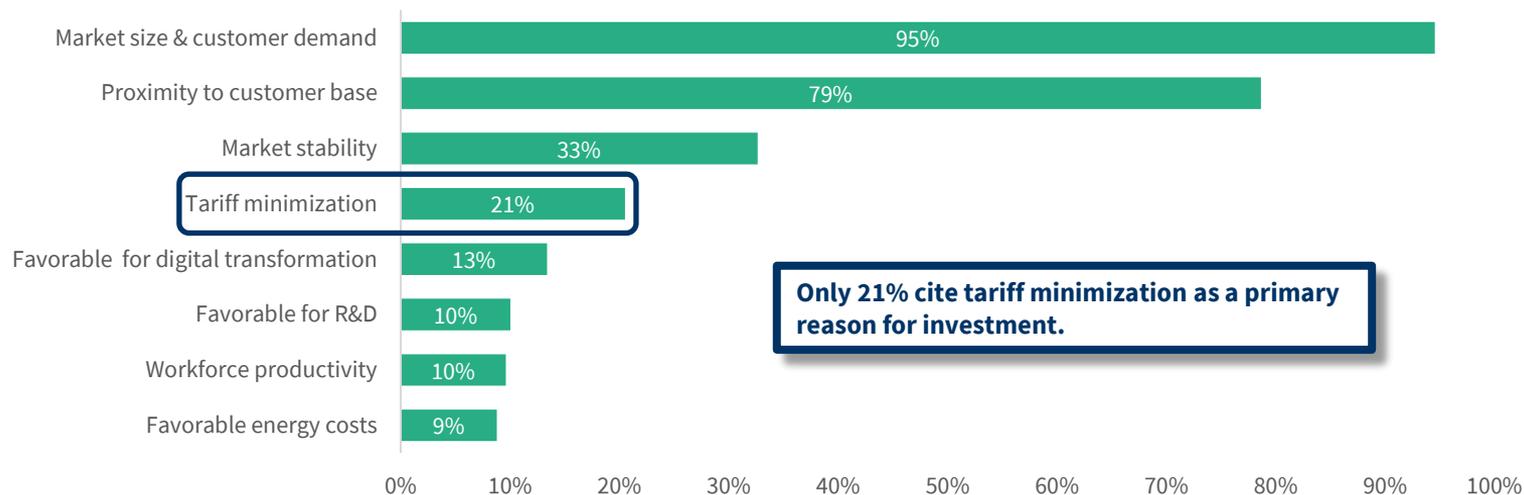
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

TOP 3 REASONS FOR INVESTING IN THE U.S.

German companies continue to invest due to market size & strong customer demand, customer proximity, and overall market stability – factors that are unlikely to change anytime soon.



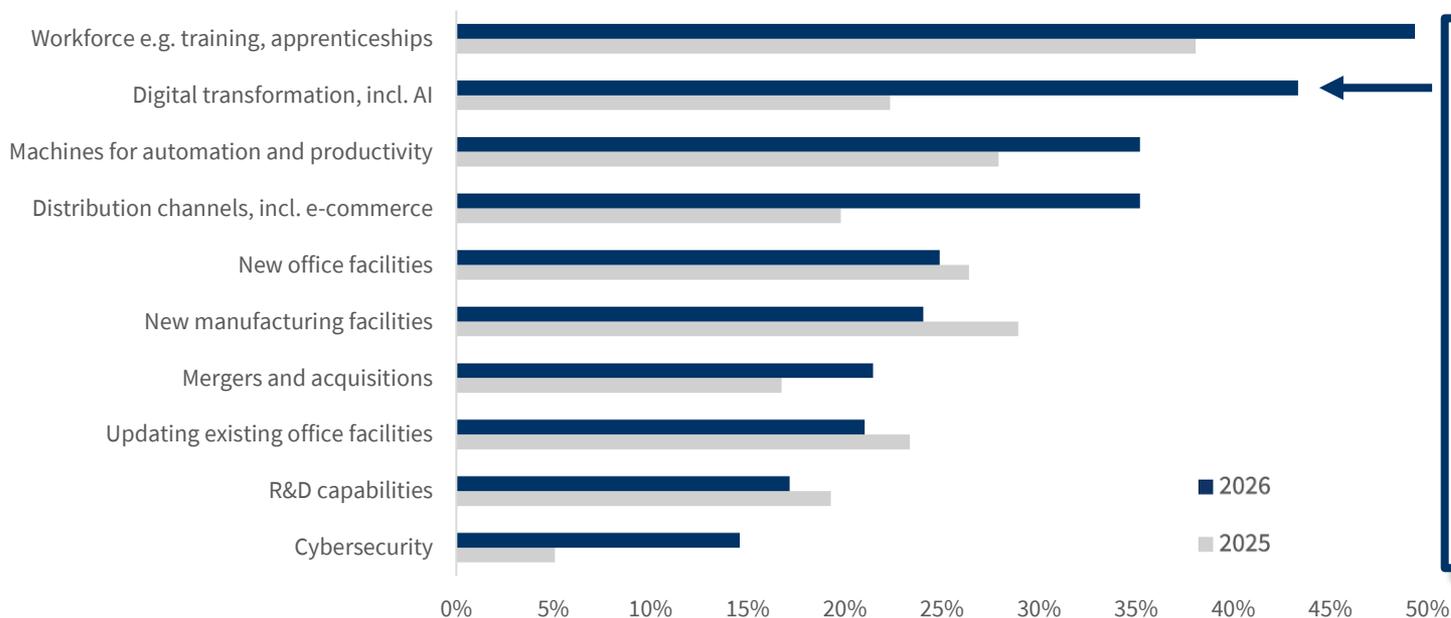
What are your company's top three reasons for investing in the U.S. relative to other global markets?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

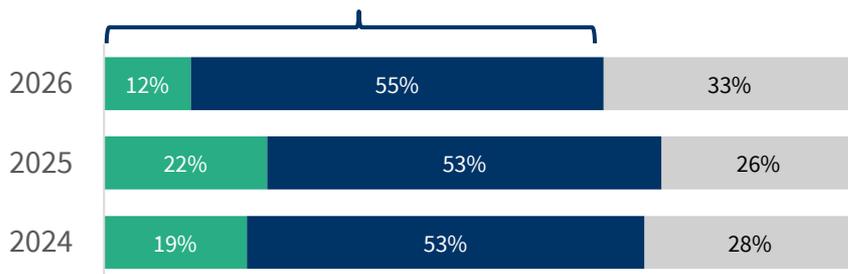
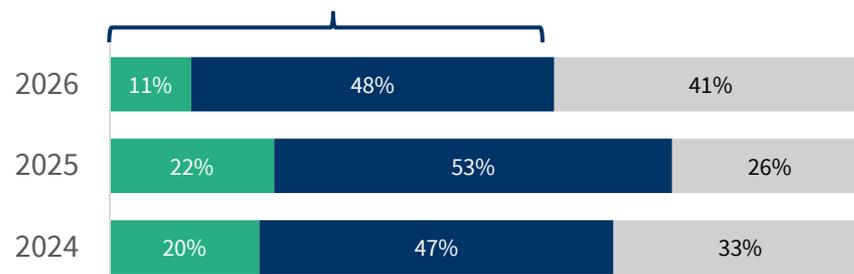
2026 GERMAN AMERICAN BUSINESS OUTLOOK

TOP INVESTMENT PRIORITIES: WORKFORCE & DIGITALIZATION

- **Digital transformation incl. AI investment outlook has almost doubled (22% to 43%).**
- **Workforce, as always, a priority.**
- **Automation investments to increase.**
- **Small companies driving distribution expansion.**

In which areas is your company planning to invest in the U.S. within the next three years (2026 - 2028) vs 2025 data (2025-2027)?

2026 GERMAN AMERICAN BUSINESS OUTLOOK

WORLDWIDE DIVERSIFICATION; U.S. REMAINS SIGNIFICANT**U.S. remains a significant source of both income and profits.****U.S. generates 15-50% of worldwide revenue****U.S. generates 15-50% of worldwide profit**

■ Dominant (above 50%)
 ■ Significant (15% to 50%)
 ■ Modest (<15%)

On a global scale: How important is your company's U.S. subsidiary compared to other countries, in terms of: Revenue, Profit?



German American
 Chambers of Commerce
 Deutsch-Amerikanische
 Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



Workforce Investment

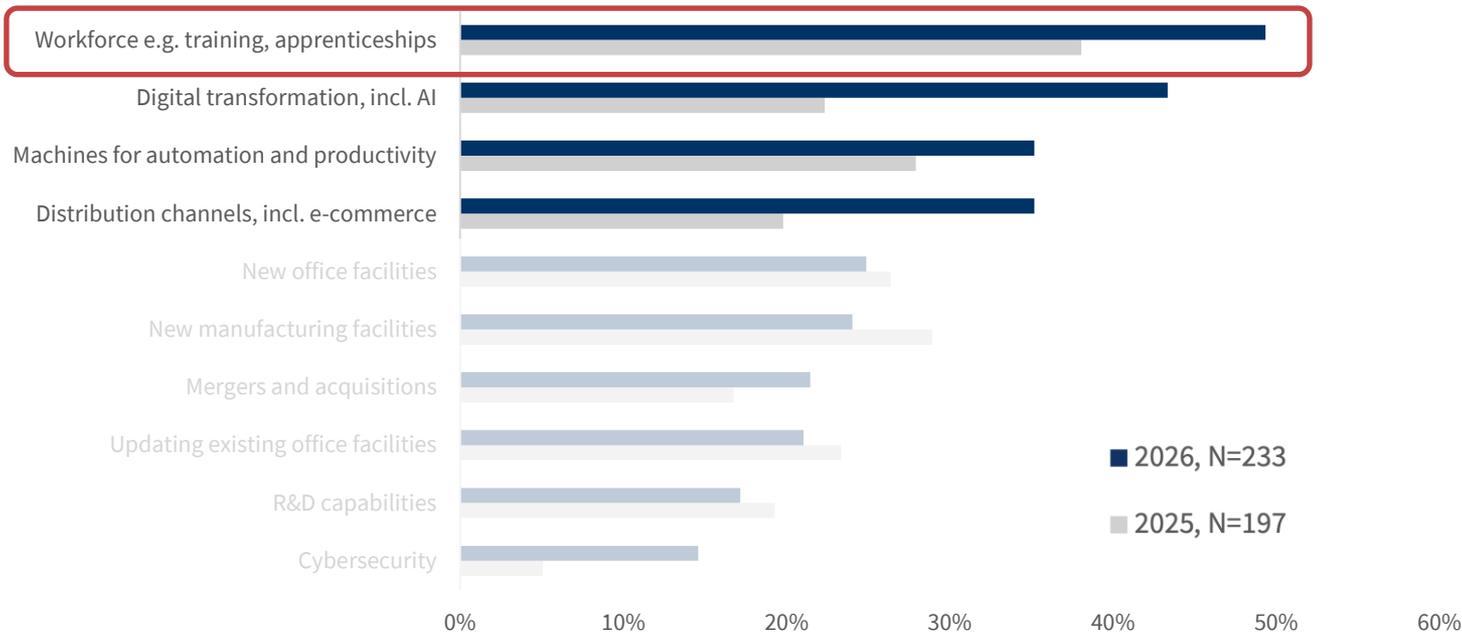
German American Chambers of Commerce



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

SPOTLIGHT: WORKFORCE**Workforce remains the number one area of investment for German companies.*****In which areas is your company planning to invest in the U.S. within the next three years (2026 - 2028) vs 2025 data (2025-2027)?***

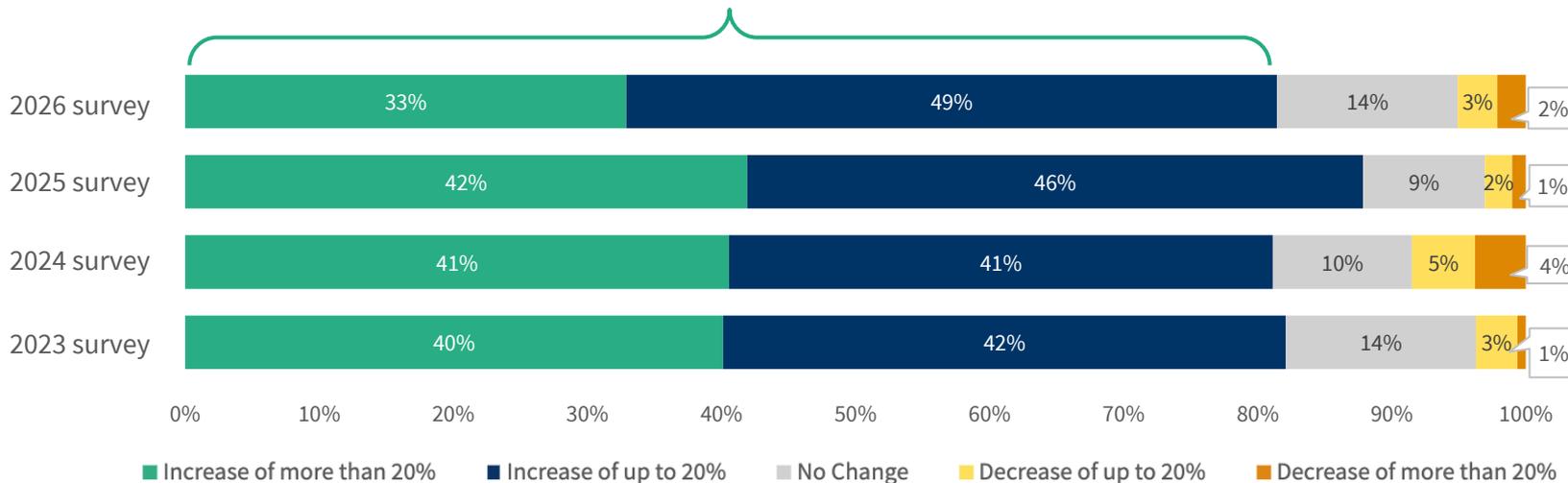
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

HIRING OUTLOOK BEYOND 2026 REMAINS STRONG

2026-2030 hiring: 81% of companies plan to increase their headcount through 2030, even as they continue to invest in digitalization and A.I.



How do you expect your number of employees in the U.S. to change by 2030?



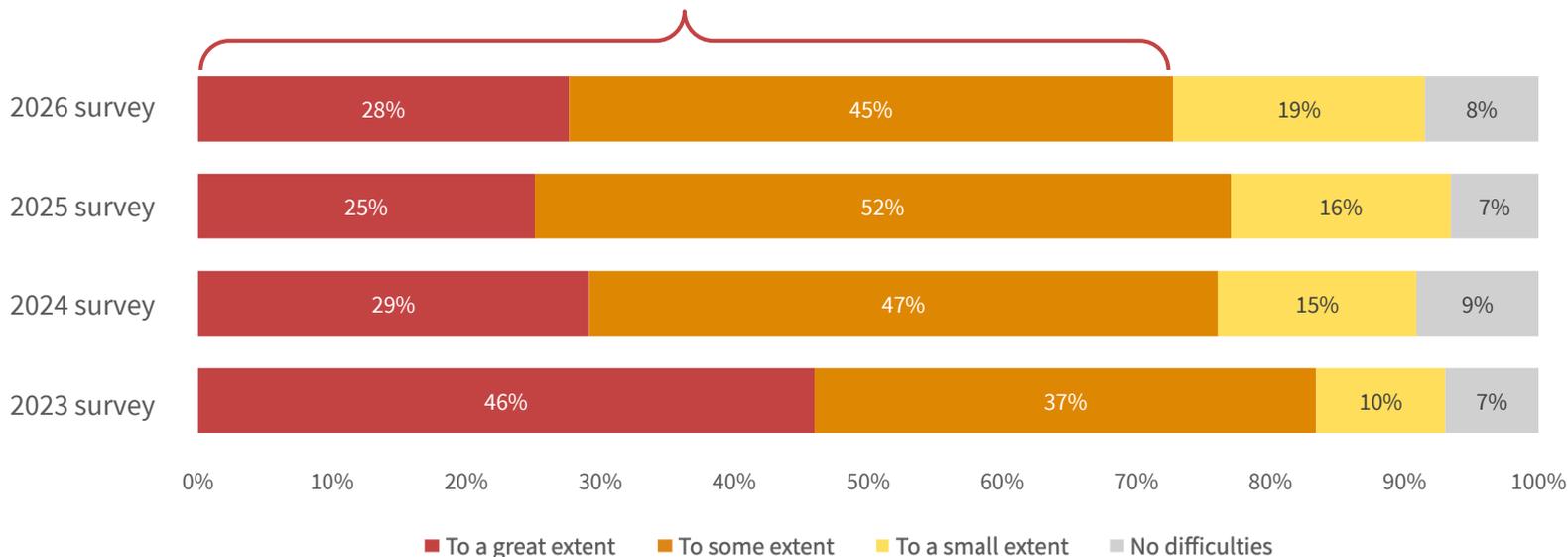
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

SKILLED WORKFORCE REMAINS A MAJOR CONCERN

73% report 'great' or 'some' difficulties attracting skilled workers.



To what extent do you experience difficulties in attracting skilled workers in the U.S.?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



Digitalization and A.I. Investments

German American Chambers of Commerce



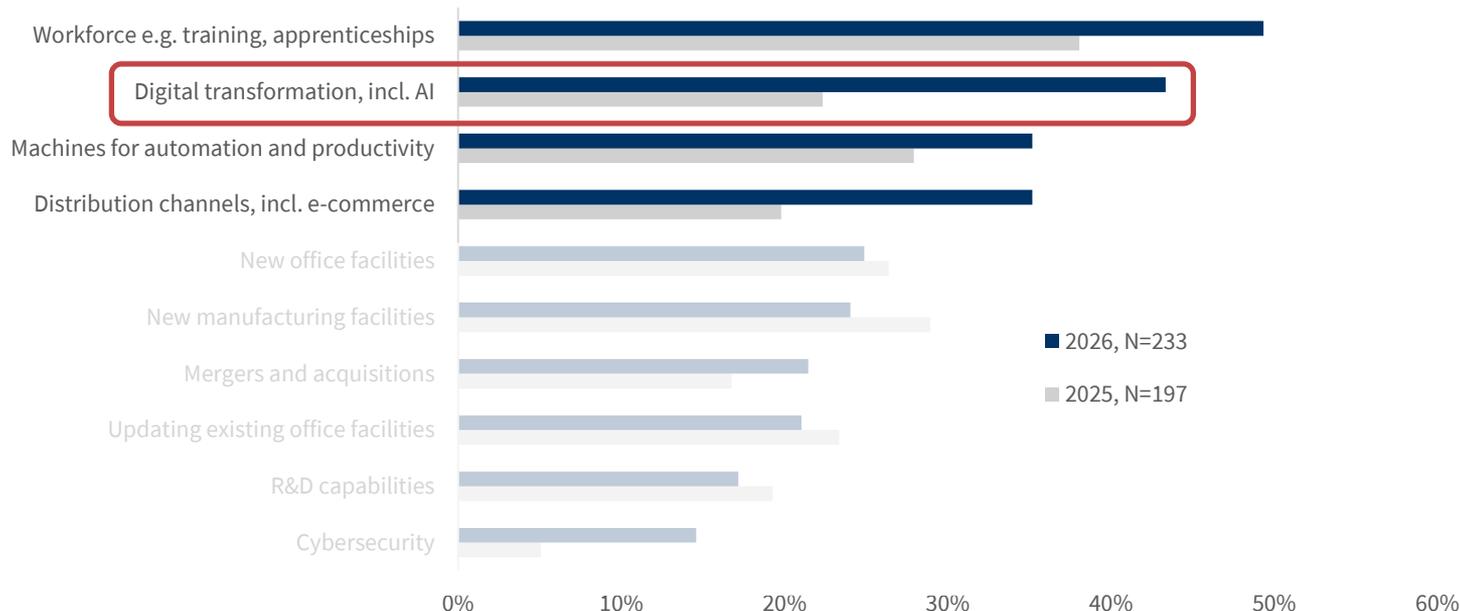
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

SPOTLIGHT: A.I.

“Digital transformation including A.I.” is the second most popular area of investment



In which areas is your company planning to invest in the U.S. within the next three years (2026 - 2028)?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

A.I. IMPLEMENTATION RATE MORE THAN DOUBLED**57% have already implemented A.I. in at least one area, doubling the 2025 rate of 28%****In 2025: 28% reported “Already Implemented”****In 2024: 26% reported “Already Implemented”**

- Already implemented
- Planned implementation in the next three years
- Did Not Answer
- Planned Implementation in the coming year
- Considering Use Case

How is your company implementing A.I.?

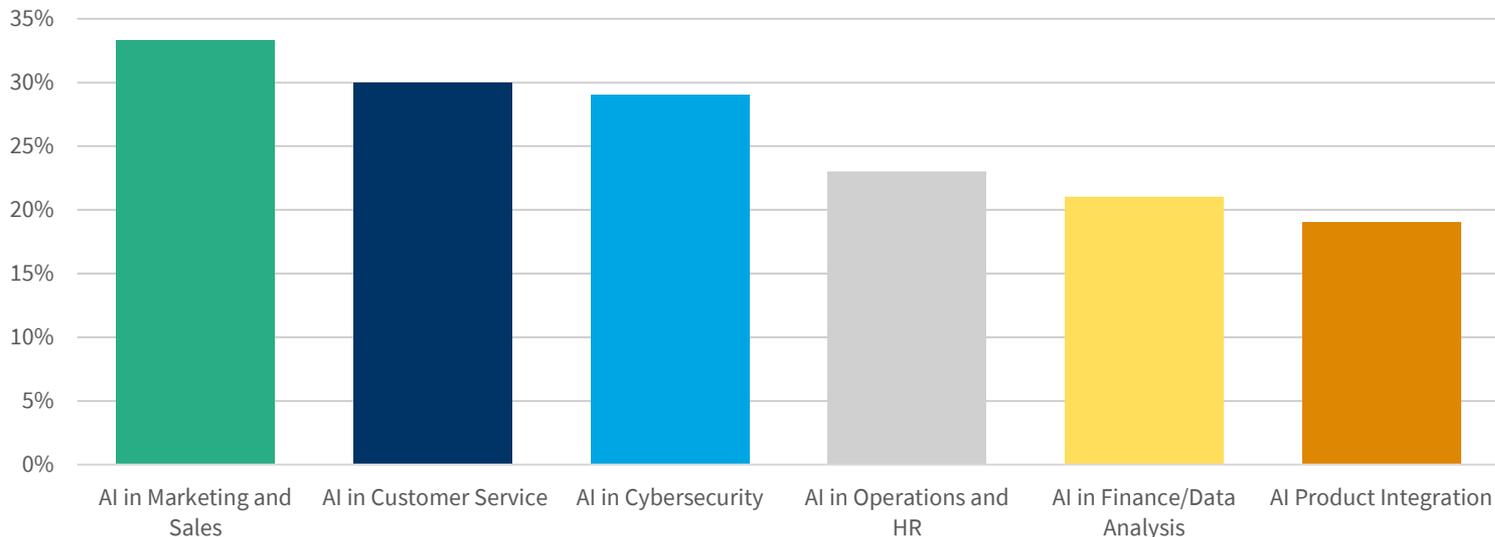
German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC

2026 GERMAN AMERICAN BUSINESS OUTLOOK

A.I. IMPLEMENTATION RATE MORE THAN DOUBLED

Marketing & Sales is the leading area of implementation, with large companies driving early adoption.



How is your company implementing A.I.?



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC



Thank you for your attention!

German American Chambers of Commerce



German American
Chambers of Commerce
Deutsch-Amerikanische
Handelskammern

Atlanta | Boston | Chicago | Detroit | Houston | New York | San Francisco | Washington DC