



# 2025 German American Business Outlook

German American Chambers of Commerce



German American  
Chambers of Commerce  
Deutsch-Amerikanische  
Handelskammern

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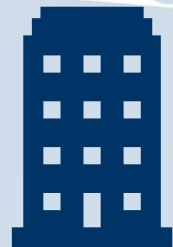
# GLOBAL GERMAN CHAMBER NETWORK



**93**  
Countries



**150**  
Locations



**>48,000**  
Members



**>3,000**  
Voluntary Board  
Members

# EXECUTIVE SUMMARY

## STRENGTH DESPITE POLITICAL UNCERTAINTY – GERMAN COMPANIES EXPANDING THEIR FOOTPRINT IN THE US

- **Investment & Optimism:** Over the next 3 years, 84% of respondents plan to invest in the US; of those, 43% invest more than \$5 million
  - 27% of German companies active in the US without a production facility plan to build one in the next 3 years (excluding professional services and logistics firms)
  - 88% plan to grow their US workforce by 2029
- **Divergence:** Three-fourths of companies report US revenues and profits as significant or dominant in their global company results. Noticeably, fewer companies report staffing, manufacturing and R&D growth at their German headquarters coupled to their US growth; despite 2.1% export growth in 2024 to the US.
- **US Challenges:** Countering the optimism, 81% expect impacts from tariffs to affect their business. 93% report challenges finding skilled workforce.
- **Germany Challenges:** Germany's market and political uncertainty (62% & 41%), growing bureaucracy (45%) and declining domestic demand (35%) are key concerns.



# 2025 GABO RESULTS

## Survey Participants

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# 2025 GERMAN AMERICAN BUSINESS OUTLOOK

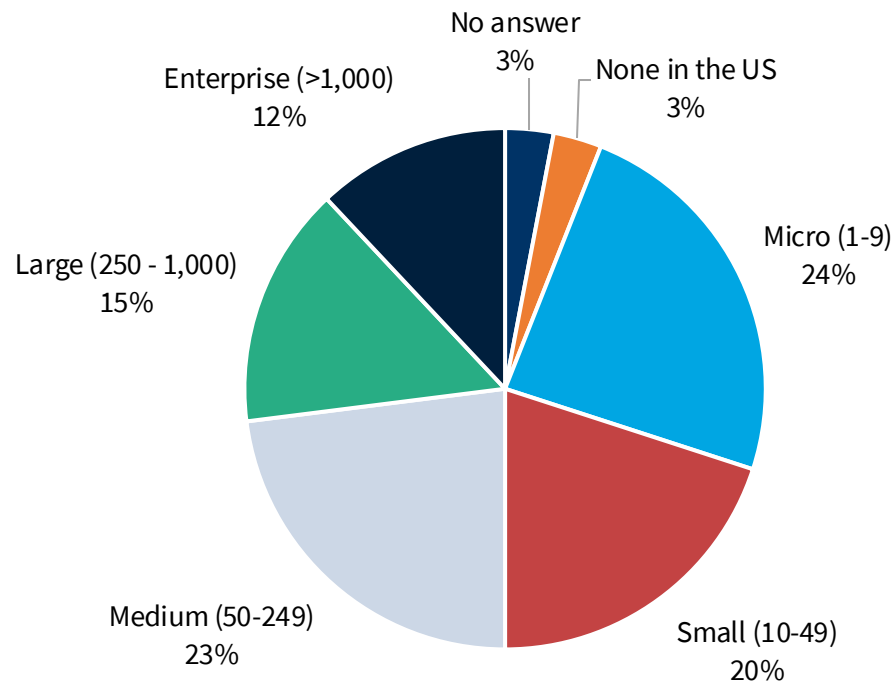


**JANUARY 2025**

**OVER 200 RESPONDENTS**

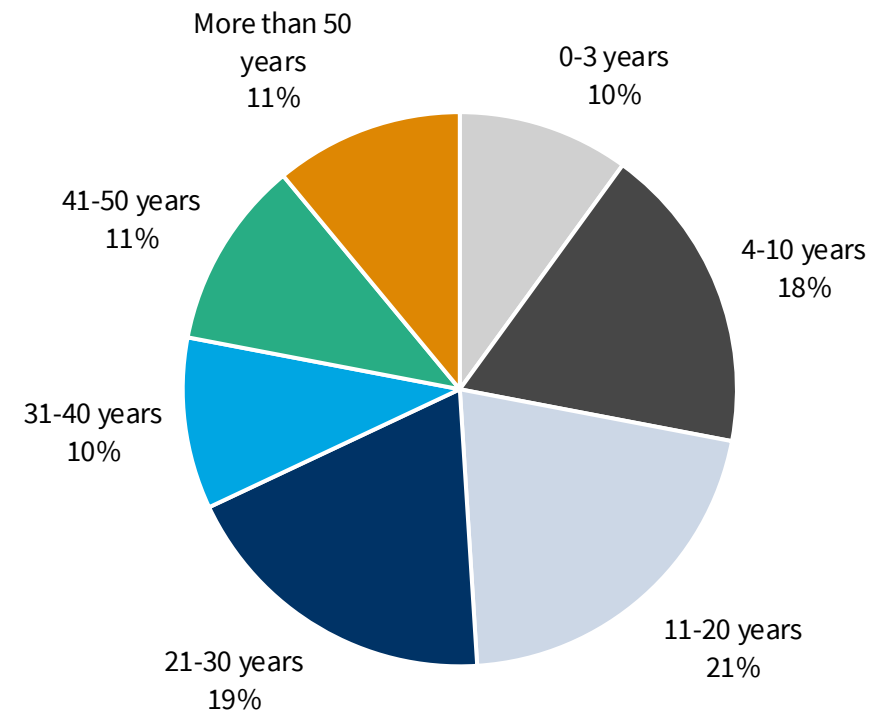
# COMPANY PROFILE OF RESPONDENTS

## NUMBER OF EMPLOYEES



N=207

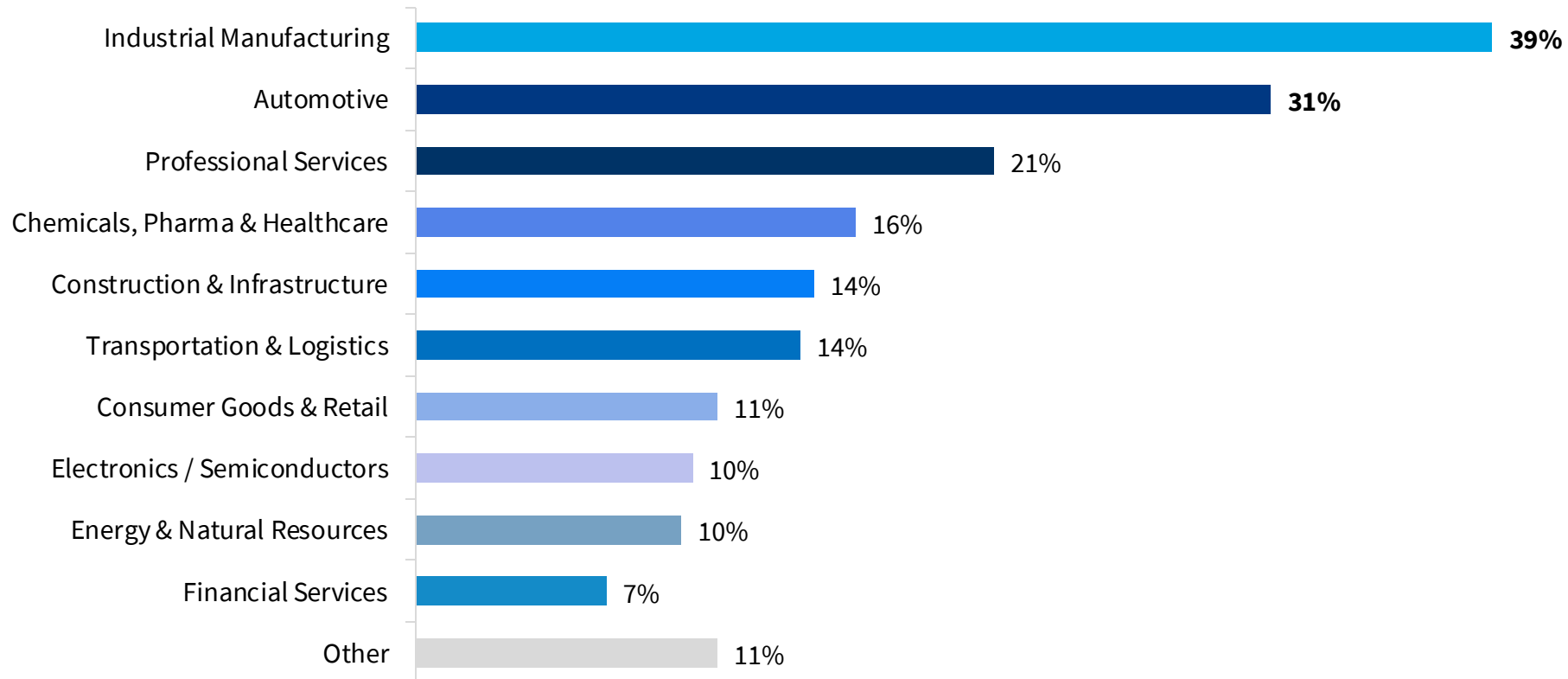
## YEARS IN THE US



Source: GACCs, 2025, figures in percent, N=207

# COMPANY PROFILE OF RESPONDENTS

## KEY INDUSTRY (MULTIPLE SELECTIONS POSSIBLE)

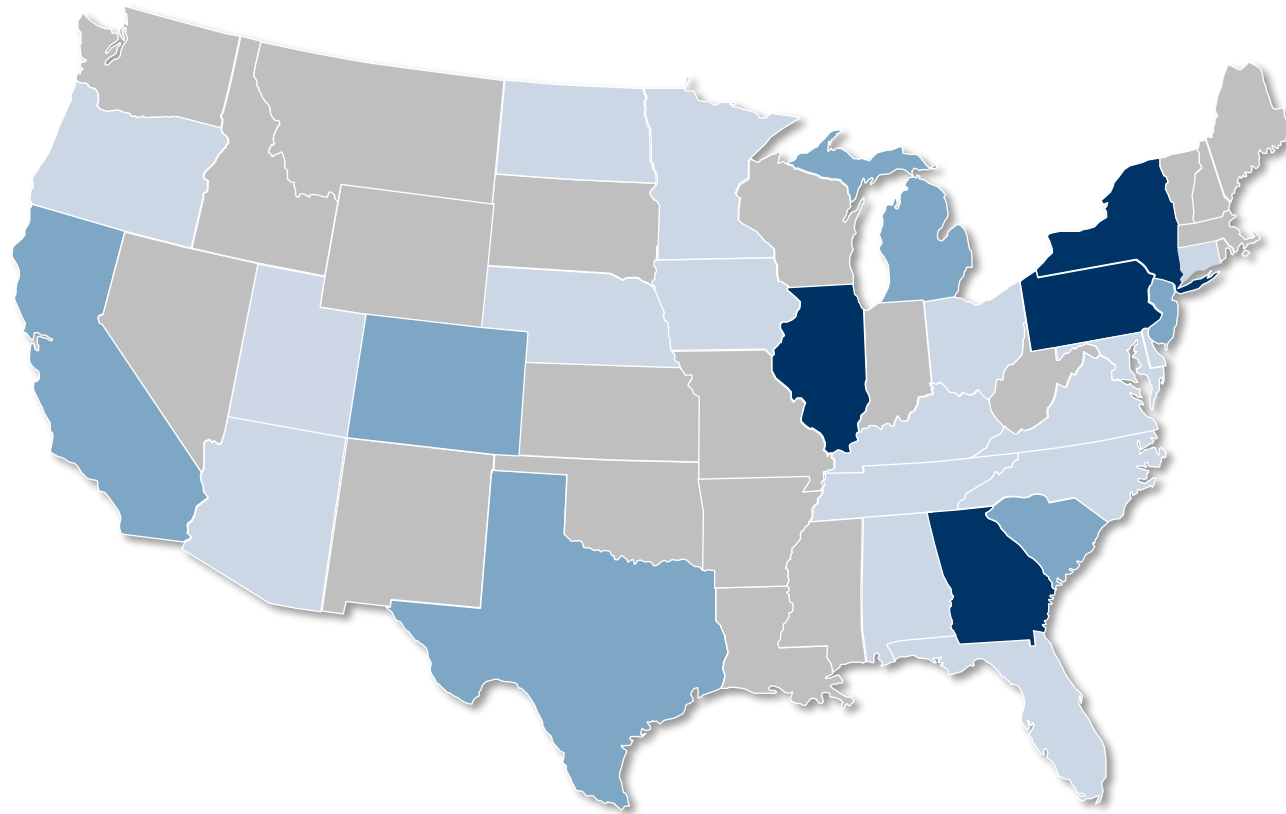


Source: GACCs, 2025, figures in percent, multiple answers possible, N=207

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# HQ DISTRIBUTION OF RESPONDENTS

In which US state is your headquarters located?



**Top States:  
GA, NY, IL, PA**

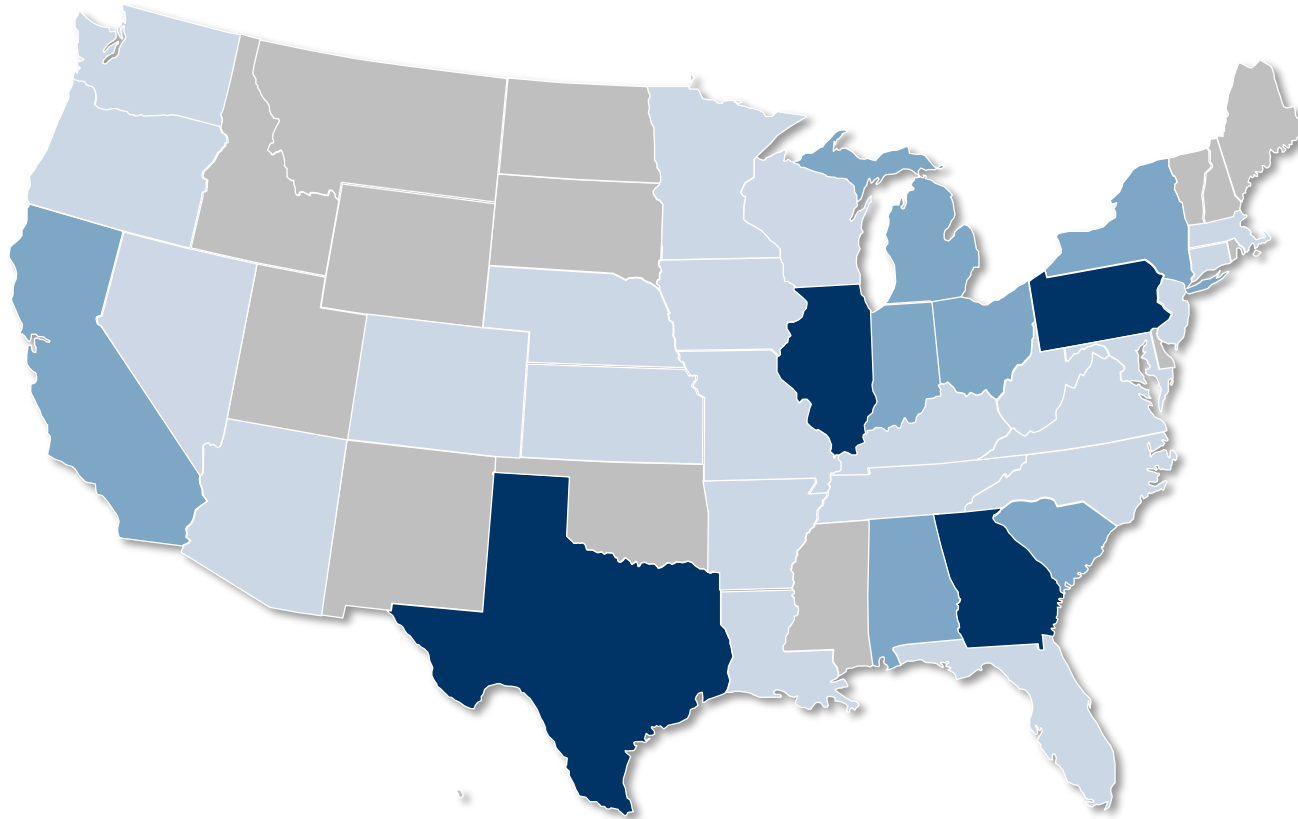


Source: GACCs, 2025, figures in percent, N=202



# PRODUCTION HUBS OF RESPONDENTS

In which state(s) is your US production facility?



**Top States: GA, IL, PA, TX**

*Excluding professional/ financial services  
and transportation & logistics:*  
**60% have a production  
facility in the US**



Source: GACCs, 2025, figures in percent, N=76  
(excluding professional & financial services and transportation & logistics)

# **NEW ADMINISTRATIONS IN BOTH COUNTRIES DRIVE UNCERTAINTIES ACROSS RESPONDENTS**

**“The USA is the best market (largest and easiest to deal/work with) for a German company.”**

**“‘Local for local’ will be the driving engine within the US market this year.”**

**“I am concerned about Germany’s competitiveness globally, taxes, energy cost, regulations.”**

**“Biggest challenge in USA is skilled labor, ICATT supports companies I wish US politicians would support manufacturing and apprentice programs more.”**



# 2025 GABO RESULTS

## Strength of German Companies in the US

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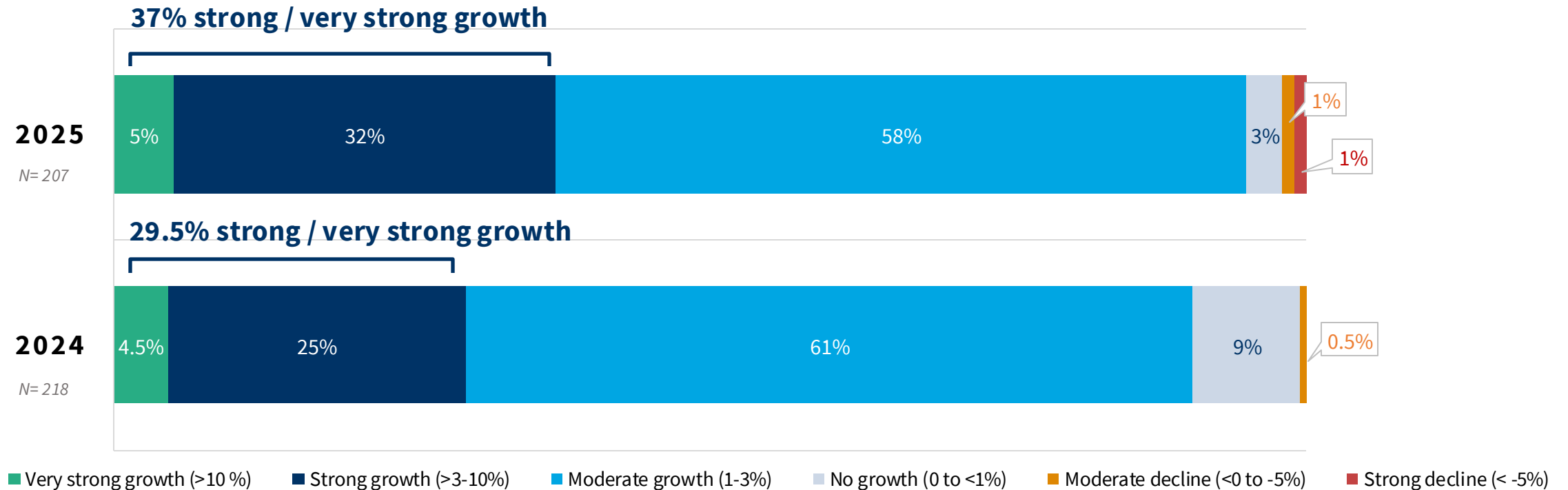
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## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# STRONG GROWTH EXPECTATIONS CONTINUE FOR US ECONOMY

What are your expectations for the overall development of the US economy in 2025 vs. 2024?



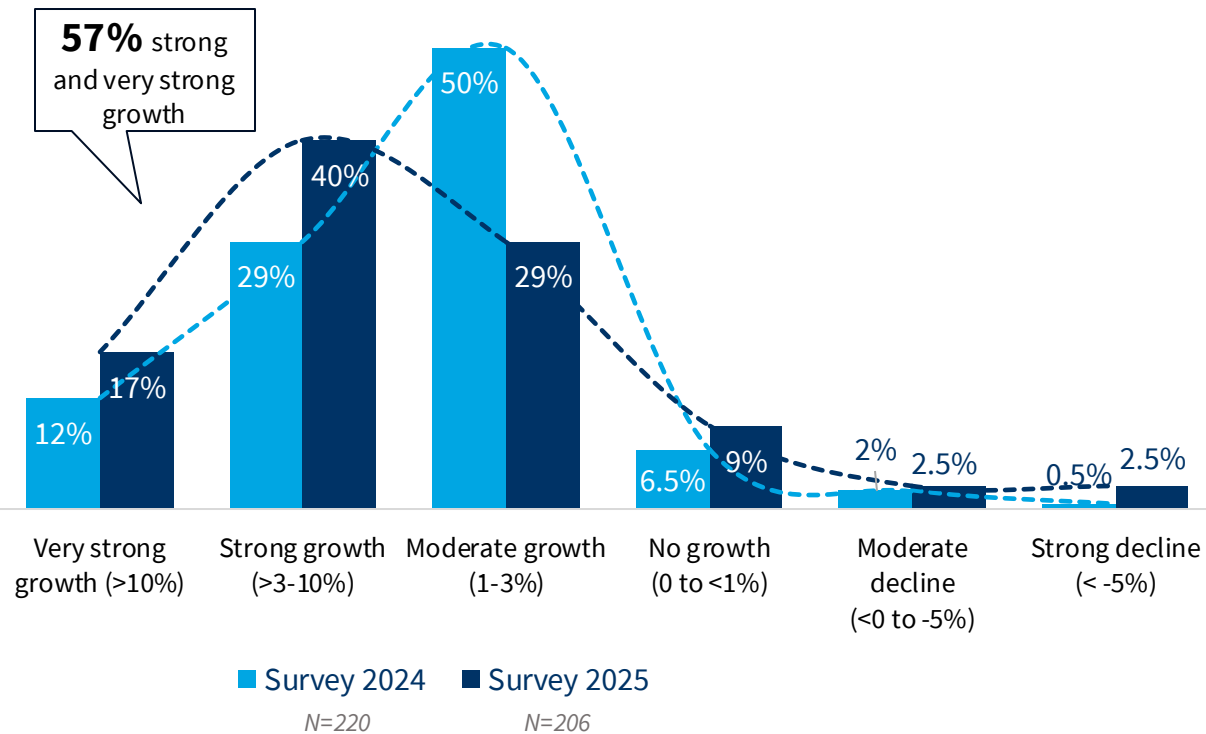
Source: GACCs, 2025, figures in percent

## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

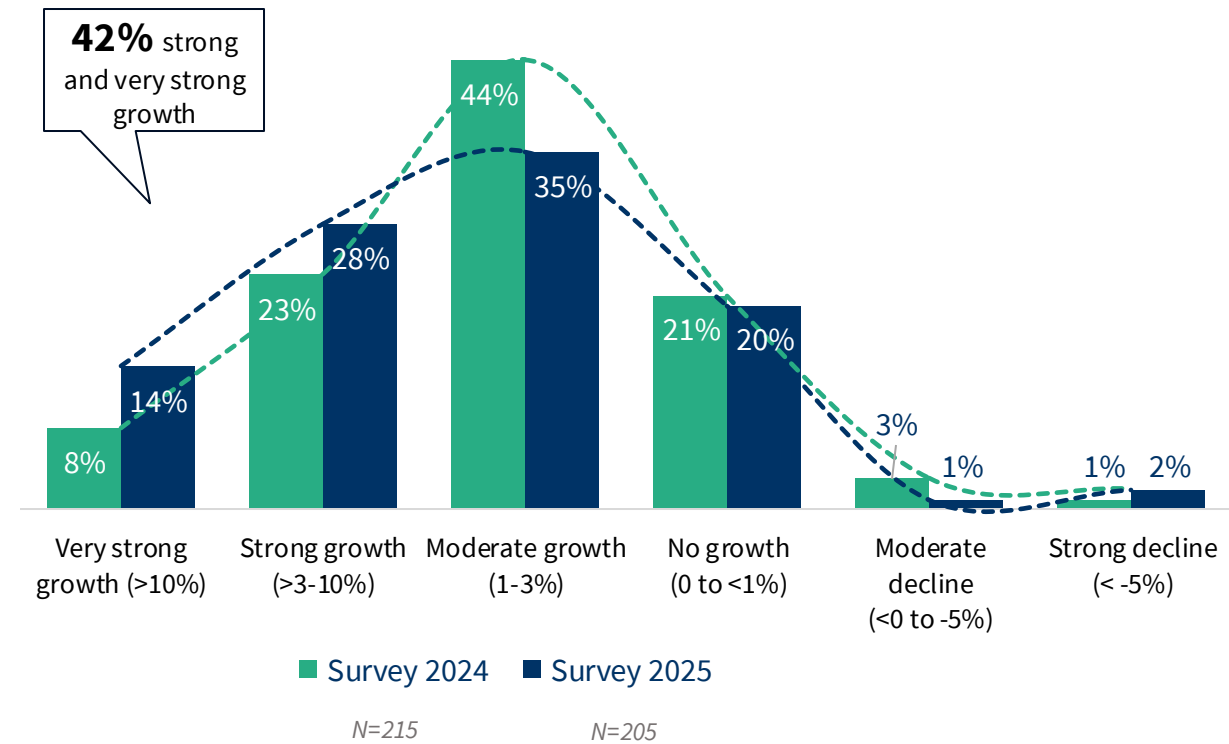
# GROWTH EXPECTATIONS CONTINUE FOR INVESTMENT AND SALES VOLUME

How do you predict your business will develop in the U.S. in 2025 vs. 2024 across the following categories?

## Net sales volume



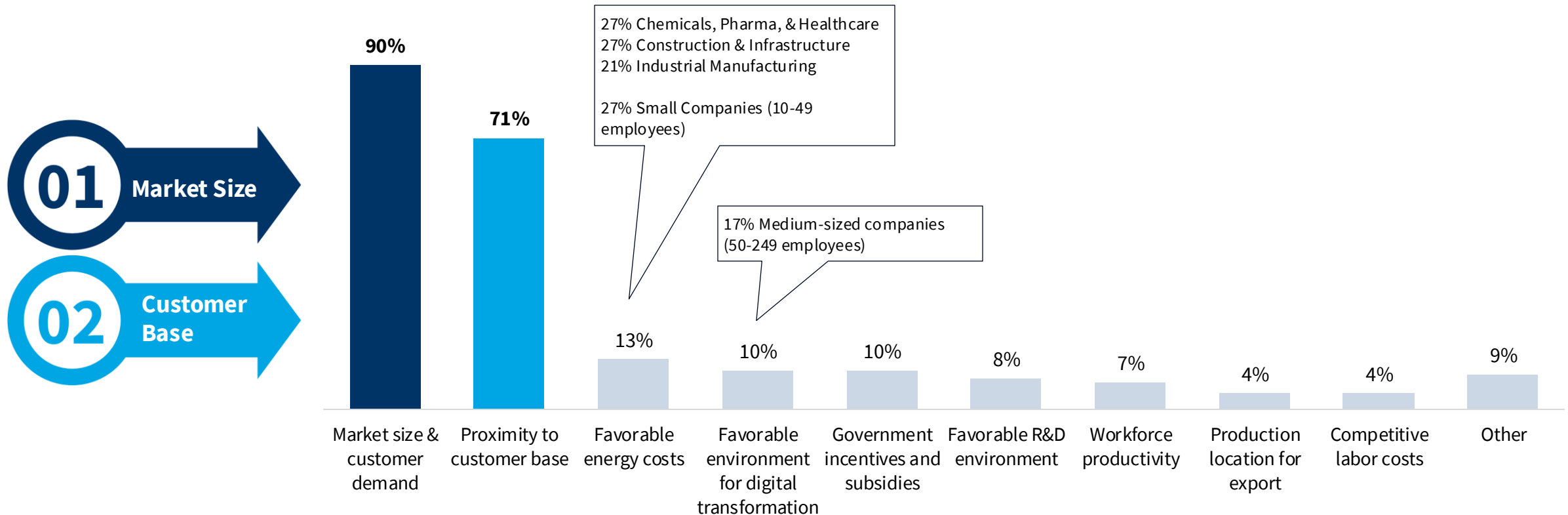
## Company investments



## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

**INVESTING DUE TO SIZE & CUSTOMERS**

What are your group's top reasons for investing in the US relative to other global markets?



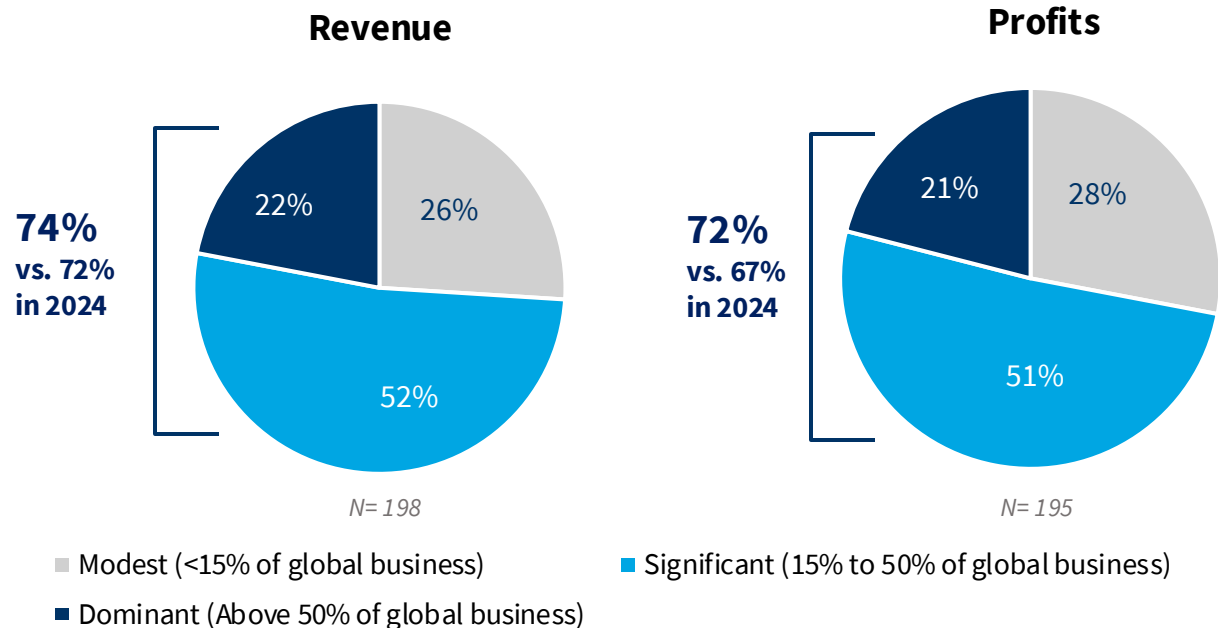
Source: GACCs, 2025, figures in percent, multiple answers possible, N=205



## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# US BUSINESS FOR GERMAN COMPANIES DRIVES REVENUE AND PROFITS

On a global scale, how important is the US business compared to other countries in terms of revenue and profits?



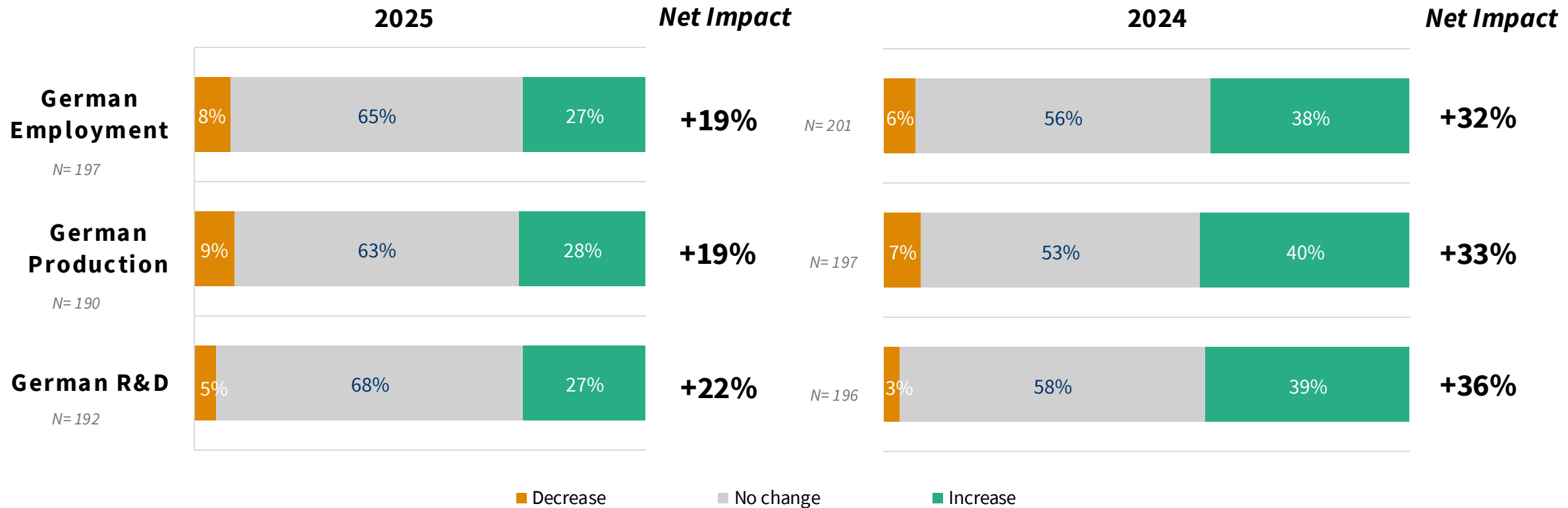
For “dominant” profits, top industries are construction & infrastructure 29%, chemicals, pharma & healthcare 27%, and transportation & logistics 26%

Source: GACCs, figures in percent, 2025

## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# “LOCAL-FOR-LOCAL” LEADS TO DIVERGENCE OF BENEFITS FOR GERMAN OPERATIONS

As your company has grown in the US for the past 3 years, how has it impacted your German operations?





# 2025 GABO RESULTS

## Long-Term View of German Investment

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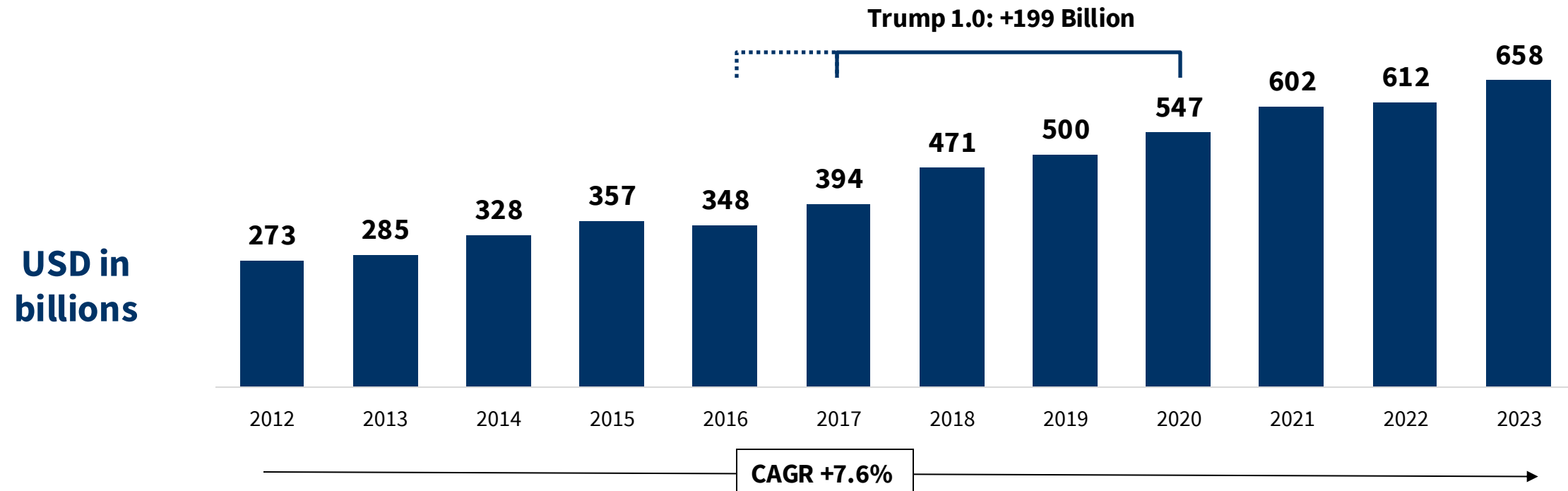


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## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# GERMAN INVESTMENT GREW +7.6% PER YEAR ON AVG. THROUGHOUT CHANGING ADMINISTRATIONS

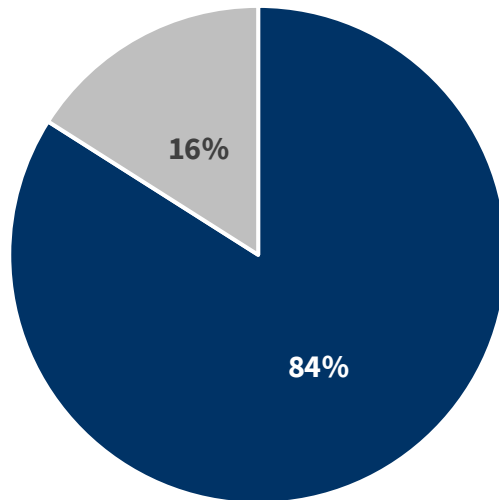
## Foreign direct investment (FDI) in USD from Germany in the US 2012 - 2023



## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

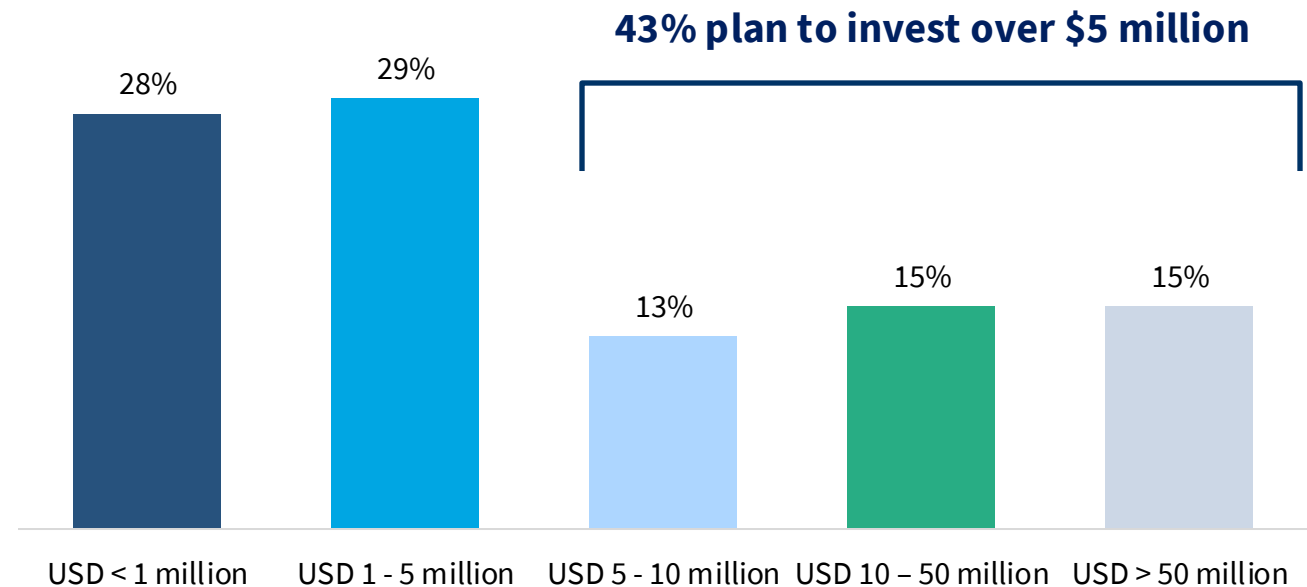
# 84% OF GERMAN COMPANIES PLAN TO INVEST BY 2027; 43% MORE THAN \$5 MILLION, 15% OVER 50 MILLION

Is your company planning to invest in the US within the next three years (2025 - 2027)?



■ Yes ■ N/A

How much is your company planning to invest in the US within the next three years (2025 - 2027)?



Source: GACCs, 2025, figures in percent, N=207

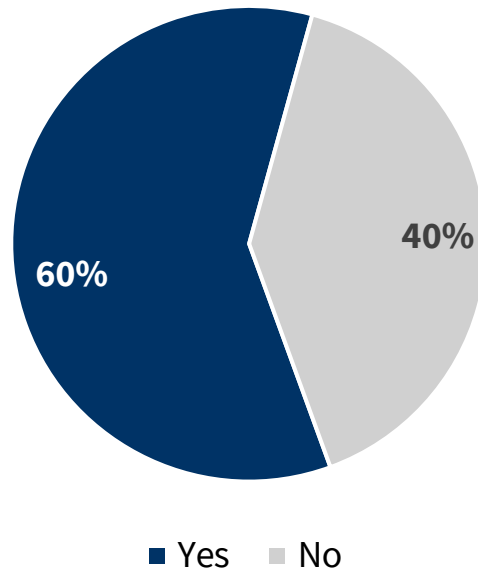
Source: GACCs, 2025, figures in percent, N=173



2025 GERMAN AMERICAN BUSINESS OUTLOOK 2025

# GROWTH AND INVESTMENT CONTINUE, EVEN FOR COMPANIES NOT YET PRESENT IN THE US

Do you have a production facility in the US?

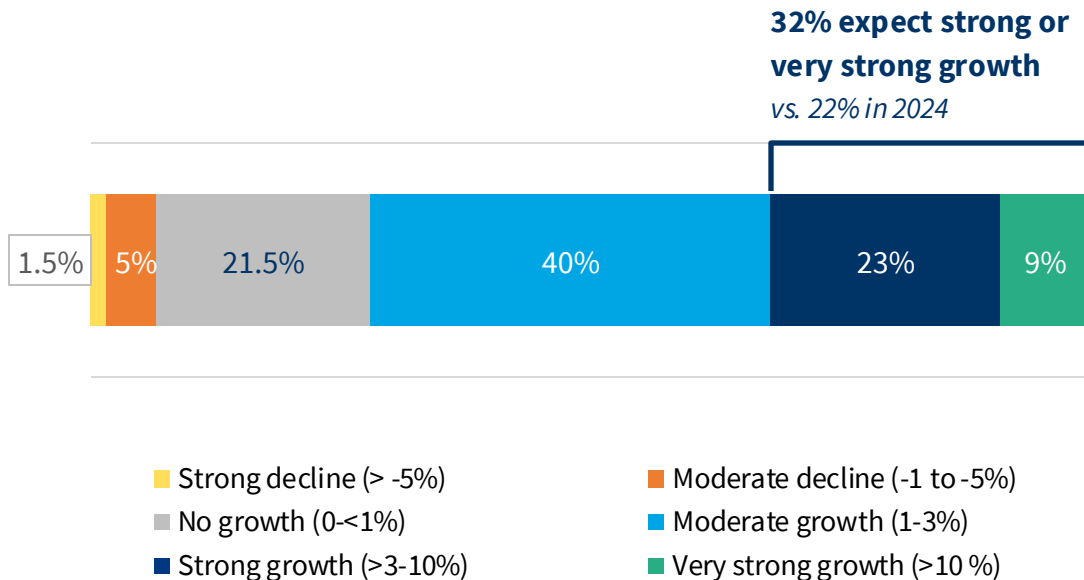
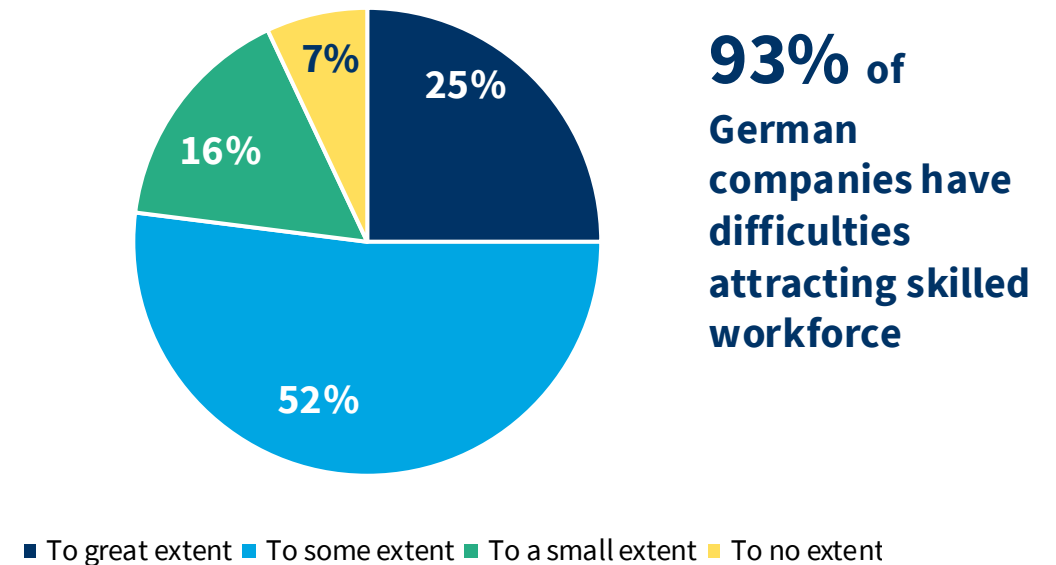


**27%** without production facility plan to build in the next 3 years

Source: GACCs, 2025, yes/no question, N=127  
(excluding professional & financial services and transportation & logistics)



## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

**MORE AGGRESSIVE HIRING BY +10% IN 2025 VERSUS 2024****How do you predict your workforce will develop in the US in 2025 vs. 2024?****To what extent do you experience difficulties in attracting skilled workforce in the US?**

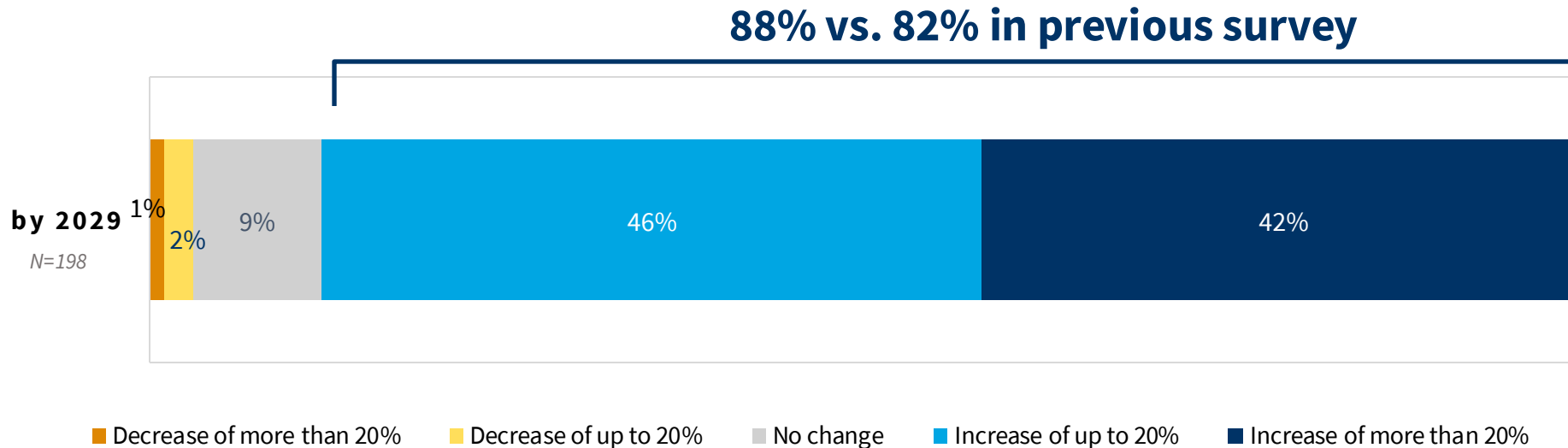
Source: GACCs, 2025, figures in percent, N=205

Source: GACCs, 2025, figures in percent, N=183

## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

**88% EXPECT TO GROW THEIR WORKFORCE BY 2029**

How do you expect your number of employees in the US to change by 2029?



**Most aggressive hiring in industrial manufacturing, automotive, and construction & infrastructure**

Source: GACCs, 2025 figures in percent



# **GABO 2025 RESULTS**

## **Optimistic Yet Cautionary Outlook**

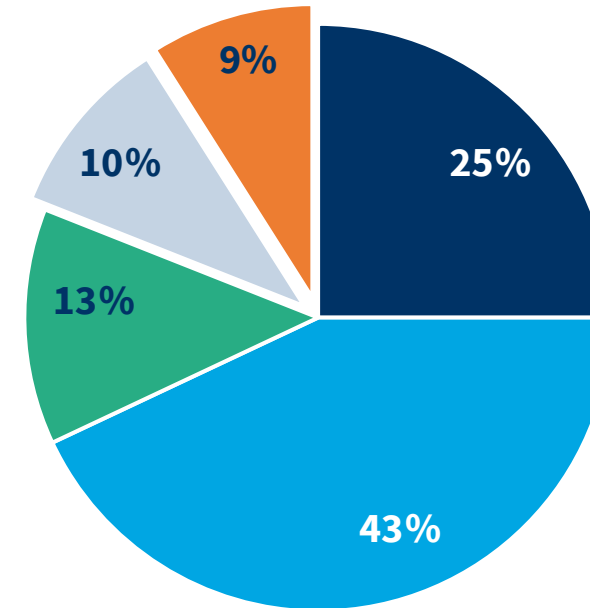
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## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# TARIFFS ARE HIGHLY CONCERNING FOR GERMAN COMPANIES IN THE US

How do you expect potential tariffs from the Trump administration to affect your US business?

**81%** expect impacts from potential tariffs (9% still too early to tell)



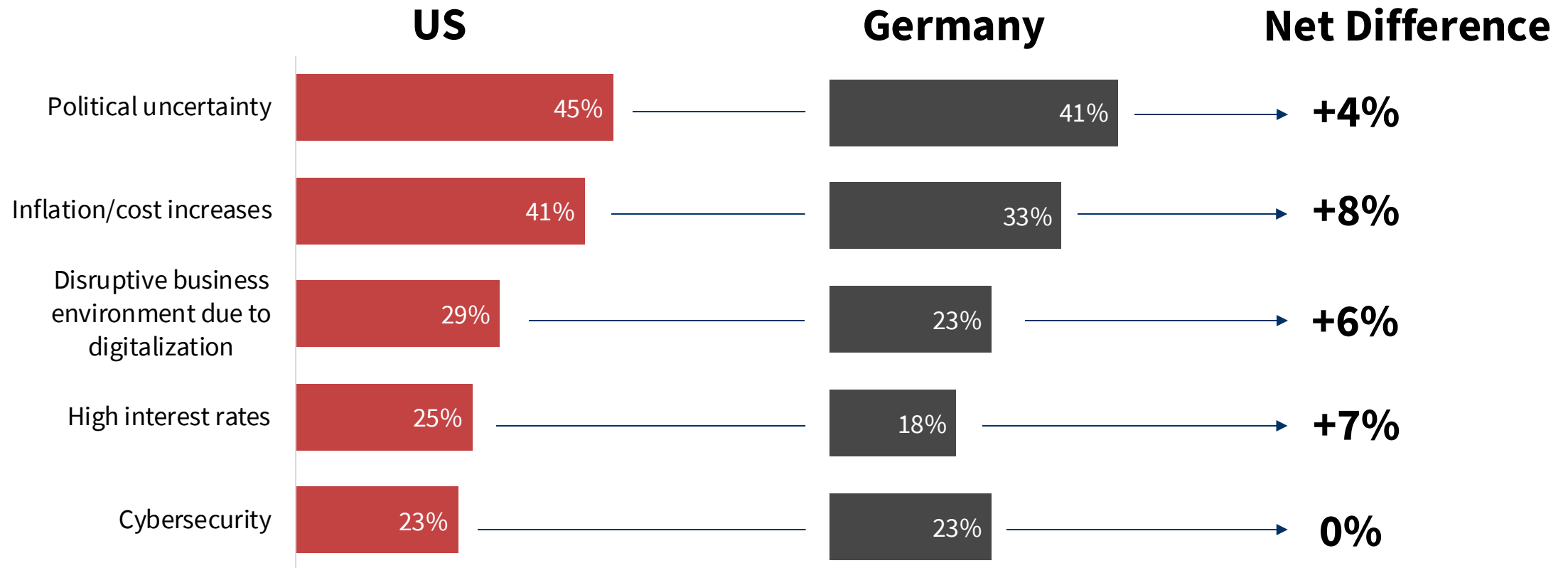
■ To a great extent ■ To some extent ■ To a small extent ■ To no extent ■ Too early to tell

Source: GACCs, 2025, figures in percent, multiple answers possible, N=206

## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# WHILE GERMANY AND THE US HAVE MAJOR CHALLENGES IN COMMON...

What are the biggest challenges for your company today?

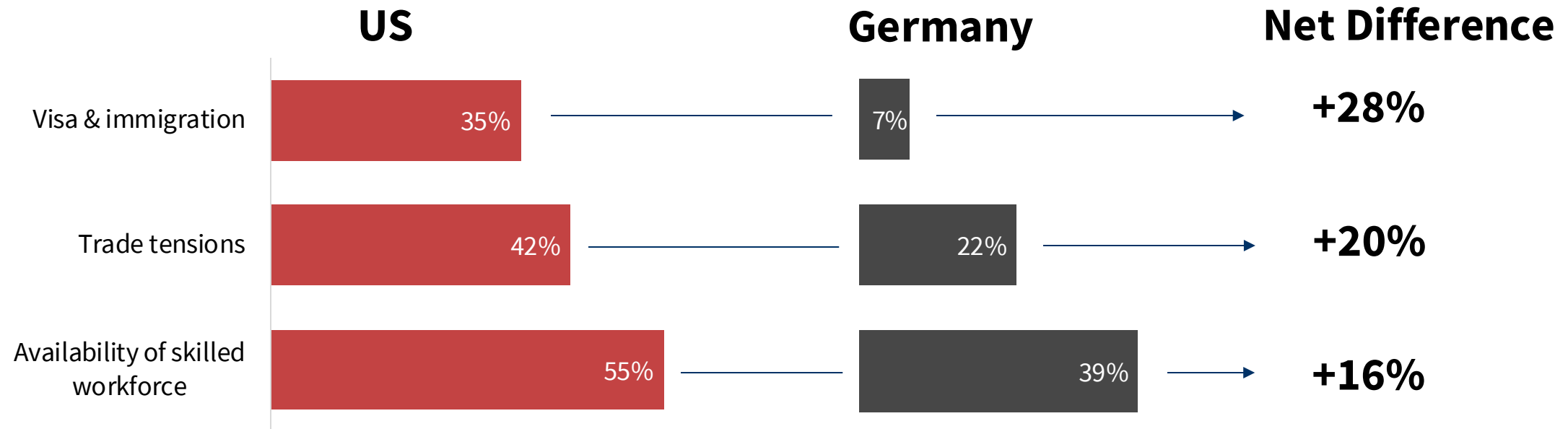


Source: GACCs, 2025, figures in percent multiple answers possible, N=206

## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# ...THE US FACES UNIQUE CHALLENGES REGARDING IMMIGRATION, TRADE & WORKFORCE

What are the biggest challenges for your company today?



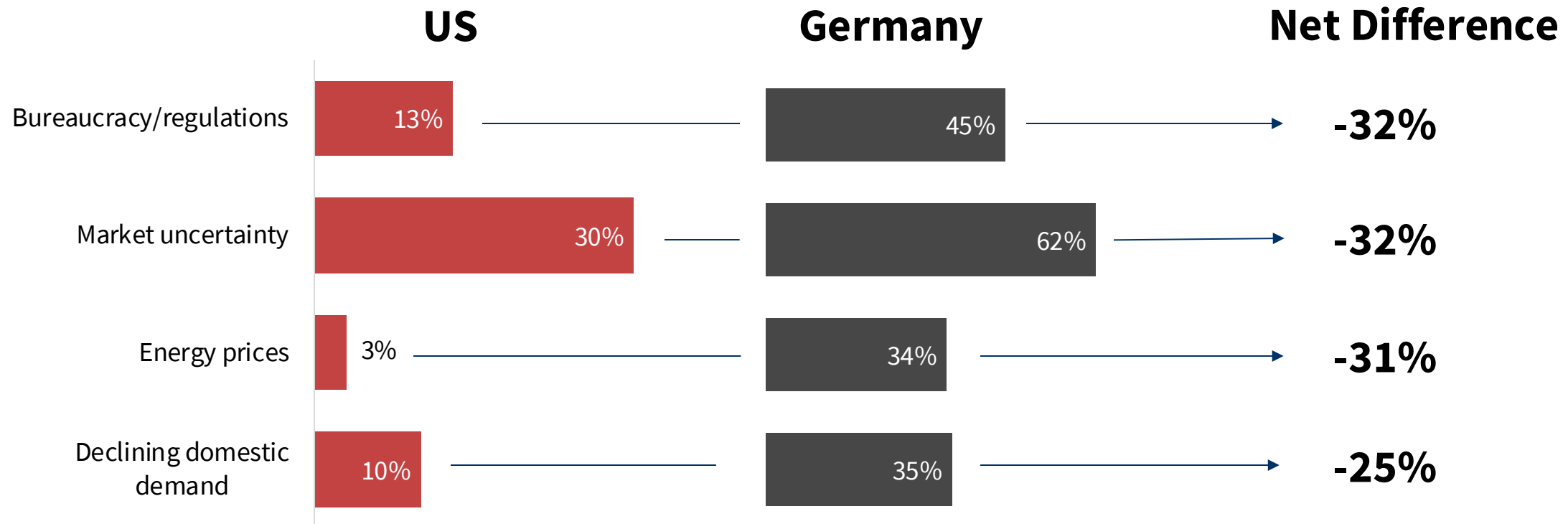
Source: GACCs, 2025, figures in percent multiple answers possible, N=206



## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

# ...WHILE GERMANY NEEDS TO ADDRESS BUREAUCRACY, MARKET UNCERTAINTY, ENERGY COSTS & LOCAL DEMAND

What are the biggest challenges for your company today?



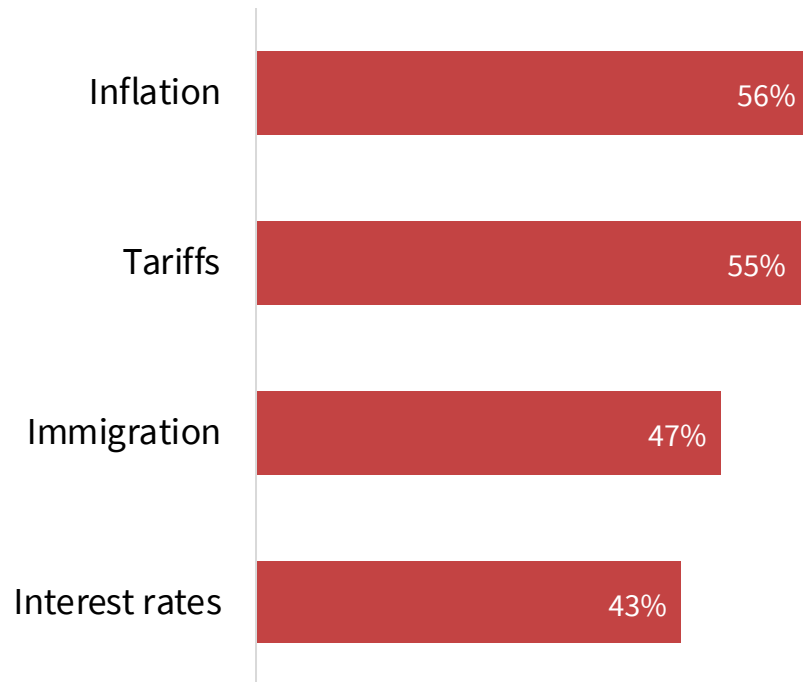
Source: GACCs, 2025, figures in percent multiple answers possible, N=206

## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

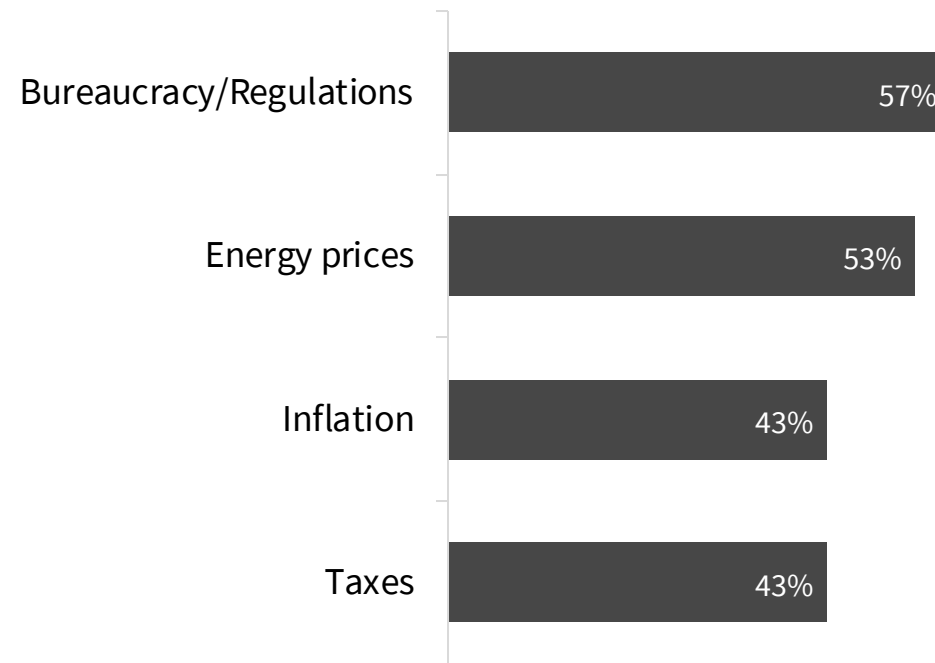
# WISH LISTS FOR NEW GOVERNMENTS IN THE US AND GERMANY

Which topics would you like the new administrations in the US and Germany to address first?

## US



## Germany

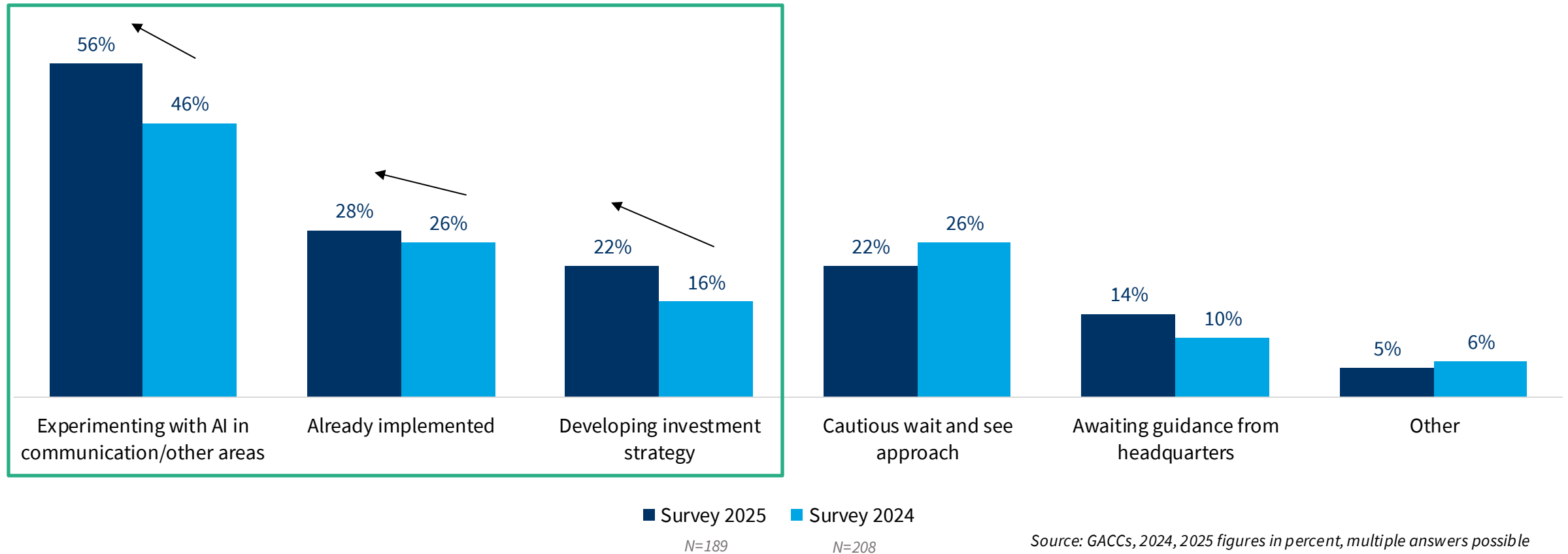


Source: GACCs, 2025, figures in percent multiple answers possible, N=204

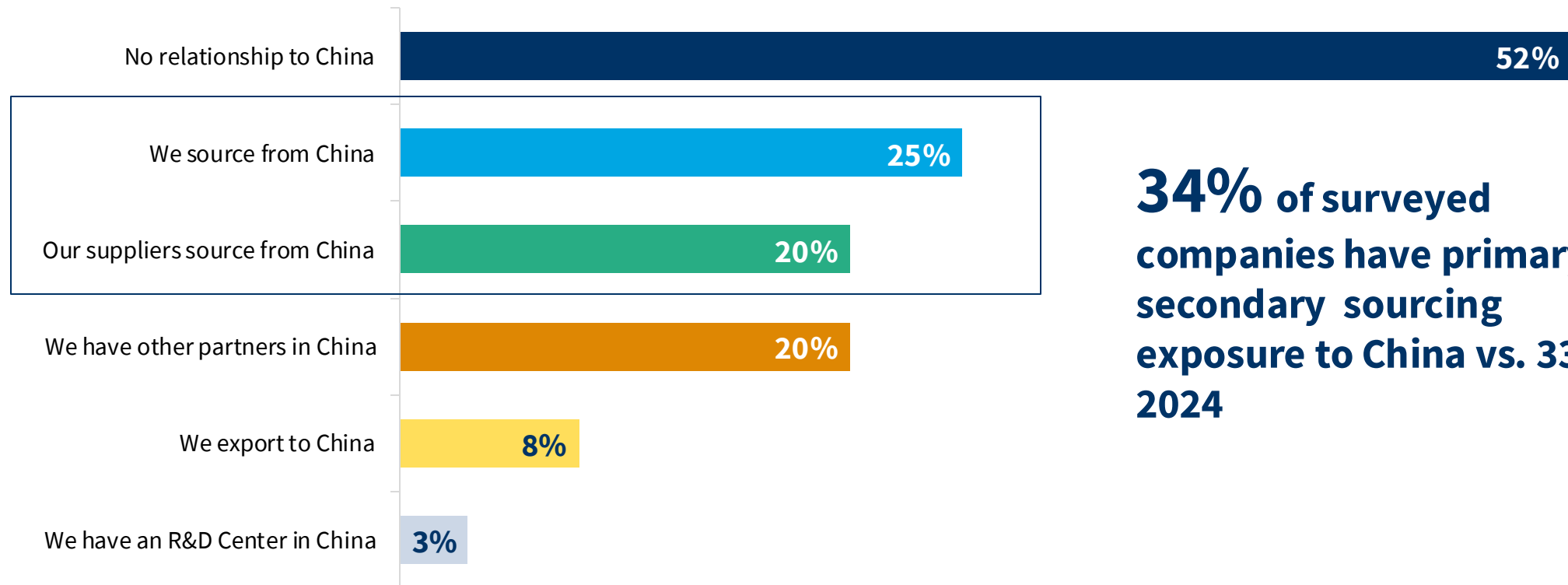
## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

**AI IMPLEMENTATION & INVESTMENT MOVING AHEAD**

How do you describe your company's approach to Artificial Intelligence (AI) within the next year?



## 2025 GERMAN AMERICAN BUSINESS OUTLOOK

**MORE THAN 50% HAVE NO RELATIONSHIP TO CHINA****What is the relationship between your US subsidiary and China?**

**34%** of surveyed companies have primary or secondary sourcing exposure to China vs. 33% in 2024

Source: GACCs, 2025, figures in percent, multiple answers possible, N=201