

Build-up and Dismantling of a German Hi-tech Enterprise

Build-up

- 1994: During a conference of the union of mechanical and plant engineers (VDMA), the **CargoLifter** project is being initiated
- 1.9.1996: **CargoLifter AG** (joint-stock company) is founded in Wiesbaden by 93 shareholders
- 2. Mai 1998: Shareholders meet to turn the first sod for the hangar
- 18. Oktober 1999: Maiden flight of the test airship "Joey", built by **CargoLifter** engineers
- Mai 2000: Following the greatest share placing prior to stock-market in German trade history (16,000 share holders), CargoLifter makes its initial public offering
- 30.11.2000: Consecration of the completed hangar with 7,000 visitors and music artists out of four continents
- More than 30 lead user agreements have been concluded. Among others, with Linde, Hochtief and the UNO. Branches all over the world being opened.
- September 2001: Commissioning of the production plant with broad participation of politicians
- September 2001: First load exchange; **CL 75 AirCrane** for the first time outside the hangar
- November 2001: Preliminary Design Review of the CL160 V4 successful. "No more show stoppers any longer."
- Number of shareholders about 70,000. Their investment totals to 307 million Euros.
- Cooperation contracts with well-known component suppliers (BAE Systems, Hamilton, GKN Engage, ...)
- April 2002: Signing of letters of intent with a Russian metal group and with Boeing
- Mai 2002: First purchase contract plus 25 options for the Arctic AirCrane with HeavyLift Inc. Canada

Dismantling

- In contrast to Boeing, the federal ministry of economy and trade has "doubts concerning the technical feasibility and the market for giant airships from **CargoLifter**".
- Juni 2002: The capital becomes exhausted -> application for insolvency due to inability to pay. Main causes: Stock market crash; delays and cost increase for the CL160. Group liabilities: approx. euro 20 million, exclusively to suppliers. No bank debts. Market value of the CargoLifter real estate plus hangar: euro 87 million
- The investment bank of the country of Brandenburg (ILB) demands repayment of the subsidy of 38 million Euros plus interests, despite partial fulfillment of provisions.
- Ignoring the proposal of the management, Prof. Moenning is being appointed as the preliminary insolvency manager
- The country of Brandenburg is torpedoing the insolvency in self-management - mass credit will be granted only if Dr.v.Gablenz is dismissed and Moenning becomes a "strong" insolvency manager

- 1.8.2002: Start of insolvency proceeding due to inability to pay *and due to excessive debts* (although assets exceeding debts)
- A technical hearing, conducted by Moenning, confirms that there are no principal technical obstacles to building the **CL 160**. The announced publication of the results does not happen. Participants are obliged to keep silent.
- Moenning ignores warnings of the engineers to shelter the **CL 75** prototype from storm. 2002-07-10: The AirCrane hull gets destroyed by a century storm.
- Moenning addresses Zukunft in Brand: 20 million Euros would enable rescuing the company; **CL** supervisory board emits debenture bond. Moenning intervenes, cancels the mortgage component, delays the emission, so that only two weeks of signing period remain; prolongation is being refused. Result: Target missed. 1.4 million Euros have to be paid back
- Sudden mass dismissal prevents saving and documentation of development results
- Supply creditors are kept away from the creditors' committee. Only the country of Brandenburg, its investment bank and the solicitor of the works committee build up the committee and give Moenning a free hand.
- November 2002: Moenning discredits **CL** in a TV documentation as "Bauherrenmodell" [A scheme by which tax relief is obtained on investment in building projects; charged with an ill reputation] and makes the management repeatedly out to be swindlers. He institutes legal proceedings against the management for insolvency protraction and heaps absurd actions upon the executive and the supervisory board (the latter having been set up by court). Little by little, Moenning loses one trial after the other, but refuses reimbursement of expenses for the opposing lawyers because of a lack of insolvency mass.
- Prof. Kroeplin offers investment plans under inclusion of the shareholders and the country of Brandenburg (private-public partnership). He makes a deposit payment for the airship "Charly" and offers immediate redemption of the mass credit. Rejected!
- **CL** executive Mr. Engelken presents a reorganisation concept. Supply creditors signal approval. Insolvency manager and country of Brandenburg say "no".
- One investor after the other is first presented and most appreciated by the insolvency manager and then dropped. Universal Express, Lion Monaco, BrandAir. Despite of an offer three times as high by Ensis B.V., Tanjong/Colin Au obtains the contract to purchase the area plus hangar for merely 17.5 million Euros. A tropical amusement park is to be created.
- 8th to 10th October: The complete mobile assets of the CargoLifter group come under the hammer. Big auction on the hangar area. German high technology for a bargain price! Preliminary peak of the deliberate dismantling of a once appreciated German technology enterprise by the federal ministry for trade and commerce, the country of Brandenburg and by a submissive insolvency manager as executing agent.

We ask: Why gets a quite rehabilitable, international well-known enterprise of German high technology of the aviation branch deliberately dismantled, whose products would worldwide be without competition, and why gets any rescuing opportunity foiled? Which interests are behind the scenes?

We, the shareholders, together with supply creditors, are putting up a legal fight against this deliberate dismantling of the assets created by us. Please support us by your membership or donation!

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