

BUSINESS

Go in peace

Mr. Clemens Vedder reconciled the mail-order firm heiress, Mrs. Madeleine Schickedanz, discreetly with the Deutsche Bank.

Formerly, Mr. Clemens Vedder sometimes liked to irritate fine private bankers. Since he had been at odds with the financial institute Sal. Oppenheim from Cologne, he had e.g. polo shirts distributed in a general meeting, reading: “We have already reduced the property of quite different people by half. Sal. Oppenheim – Private banker up to 2010«.

Recently, Mr. Vedder has been very nice to this bank, even helping them to solve their biggest problems: disputes worth billions with former clients. The mail-order firm heiress, Mrs. Madeleine Schickedanz, has had disputes with the bank before the courts for years. She blamed Sal. Oppenheim for having driven her into a commitment with the failing Arcandor department store group, which deprived her of her property. She claimed damages of 1.9 billion Euros from the bank. The bank presented a counterclaim of 575 million Euros from credit transactions. Now, the parties have come to an extrajudicial settlement - thanks to Mr. Vedder’s mediation. Details are treated confidentially by the parties.

Thus, this is the end of endless discussions which must have required patience and skill from Mr. Vedder. Mrs. Schickedanz's actual counterparty was the Deutsche Bank which took over the Cologne Bank Sal. Oppenheim that was involved in the Arcandor failure in 2010. And the management board of the Germans has currently a lot of other problems on the table.

According to the Schickedanz action against Sal. Oppenheim at the Cologne regional court, the claimant's handsome real property assets for which the bank claimed real estate liens was the major issue of the dispute, the handling of which had to be settled. It is understood that not every million but a preservation of a "way of life befitting her social standing" mattered to her. Daily newspapers said that the bank was the winner of the arrangement - since Mrs. Schickedanz would probably not get the requested 1.9 billion but a three-digit million amount only. However, great satisfaction can be felt in the environment of the alleged loser.

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The Schickedanz case is not the only burden of the past which Sal. Oppenheim left to the Deutsche Bank. The Cologne financial institution was also at issue with the families Schwarz-Schütte (Schwarz-Pharma), Kreke (Douglas Perfumeries and Thalia bookstores), Neven DuMont (publishing houses) and many more. Meanwhile, about 15 cases have been settled by arrangements where Mr. Vedder is said to have been active as a mediator. Last Monday the Cologne regional court announced that a further decision for the Schickedanz case has been adjourned to January.

Mr. Vedder calls himself a "retired businessman with a completed wealth formation" and has meanwhile won a reputation as the most successful peacemaker of the German economy in his circles. But he refuses any confirmation that the number of his mediations is within a high

two-digit range. Next, he will try to settle the dispute between the Media-Markt founder, Mr. Erich Kellerhals, and Metro for the control in the Media-Saturn group.

Formerly being a commercial apprentice at Norhorn in Lower Saxony, Mr. Vedder has achieved a great deal. He distributed tax saving plans and was involved in some big deals in the retail business, achieving a three-digit fortune worth millions and thus a regular place in Germany's rankings of the rich. Whoever wished to see him during his active time as an investor had to attend the general meetings where he confronted management boards and supervisory boards with sophisticated questions as a critical shareholder. Moreover, he could be seen in the function of an alert observer who did not seem to miss anything. In his self-designed and slim suits he was a striking figure among the bosses in pinstripes.

Today, Mr. Vedder likes it a little more quiet. When he has no dispute to settle, he is mainly dedicated to cultural events which he has always liked very much. He can be seen in art auctions, in the Zurich theatre, during vernissages of the Berlin-based Camera Work photo gallery and on round birthdays of prominent business people. Or at the Nuremberg Christkindl-Markt (Christmas Market), or an excursion from a visit to the Schickedanz family.

Already prior to the Sal. Oppenheim cases it was known that Mr. Vedder acted as a mediator – and these were no petty causes. In 2015 he made it possible for the Bayer Leverkusen pharmaceutical group to take over the Berlin-based Schering pill manufacturer. Minority stockholders opposed their threatening compulsory exclusion, and the mediator settled it. Similarly, Mr. Vedder overcame shareholder resistance against the fusion of the Daimler and Chrysler carmakers already in 1998. For the Munich Re he settled an embarrassing dispute between their Ergo affiliate and the sales staff on commissions in the background. It was settled

after it was disclosed on the Munich Re general meeting that Ergo sent sales staff to an incentive trip to Budapest, including services in the red-light area.

The way how Mr. Vedder settled a dispute between the Wella heirs Gisa and Hans-Joachim Sander and the fashion designer Wolfgang Joop caused a sensation. The Sanders had interests in Joop's Wunderkind company. However, they disagreed about strategy issues and the price at which the Sanders wanted to exit. Mr. Vedder took over the Sanders share himself, and now he was Joop's partner. It is better not to refuse offers made by Mr. Clemens Vedder.

He has always despised the establishment because of its arrogance and incompetence.

The autodidact in corporation law has always been able to keep up with every specialized lawyer. And his respect of management boards of German stock corporations is limited. Currently, he can mock at "legal and commercial cottage cheese" produced by the advisers and experts employed by Dax boards.

Naturally, mediation is a discreet business - and has legally been determined in the Mediation Act which defines the activities of mediators against the legal services of retained lawyers. Therefore, only few facts can be known about the cases settled by Mr. Clemens Vedder. People who had dealt with him say that there are two things that constitute his special role, in addition to a unique network of relations.

Firstly: He can leave typical thinking and life conventions in which almost all representatives of his asset category are captured. An observer says: "Everybody knows that he is discreet and reliable but also knowing every trick. He has the mobile phone numbers of the bosses."

Secondly: Mr. Vedder is capable of simplifying things. "Whenever I take care

of something, it may happen that I send the lawyer to take a shower”, he says himself. “The decision-makers in Germany are used to surround themselves with hundreds of advisers. They then build up huge complexities, considering this and that. And in the end nobody dares to decide.

In general, Mr. Vedder will not be active for charity’s sake. “He will surely get more than is stated in the fee schedule”, a lawyer says. It is heard again and again that he takes a percentage of the amount the client achieves by his mediation beyond the last offer of the counterparty.

It is not necessary to ask Mr. Vedder whether his successful mediation in the Schickedanz case gives him special satisfaction since his old opponent Sal. Oppenheim had to make concessions. To admit this would be prohibited by the mediator’s confidentiality. But it is sure that the Cologne private bank has stood for all what the former financial rocker despised of the establishment: Arrogance, incompetence, illegal actions.

And then it surely feels good to have provided help in the end.

BY WOLFGANG GEHRMANN