

Corona aid: IHK Munich and Upper Bavaria fends off million-dollar claim with Luther

Düsseldorf, 17.11.2022 – Adler Modemärkte sued for higher Corona aid of EUR 28 million before the Administrative Court of Würzburg. The court ruled in favour of the IHK Munich and Upper Bavaria and has now rejected the claim. The IHK was represented by the Luther Rechtsanwaltsgesellschaft team.

In autumn 2021, the fashion chain applied for Corona aid of EUR 43.7 million from the Chamber of Industry and Commerce for Munich and Upper Bavaria, but only received EUR 14.7 million and thus sued for the difference. Adler had already filed for insolvency in January 2021, but was able to end its economic woes when it was taken over by the conglomerate Zeitfracht. Luther and the Chamber of Industry and Commerce for Munich and Upper Bavaria argued in Würzburg that Adler could not prove that the funding requirements had existed for the entire funding period. They also criticised an inadequate audit of the subsidy application by an internationally active auditing firm.

In court, Dr. Stefan Altenschmidt and Nina Eckardt from the Düsseldorf Luther team prevailed against six lawyers with whom Adler had appeared at the hearing. In its judgement of 14 November 2022, the Administrative Court dismissed the action in its entirety after three and a half hours of oral proceedings (Case No. W 8 K 22.95).

"The Corona economic aid was an important support for the economy during the pandemic. Many companies and jobs could be saved this way. However, these are subsidies from taxpayers' money. The subsidy agencies must ensure that proper evidence is provided, even in the case of large companies and renowned auditors. The Administrative Court in Würzburg has confirmed this practice with its ruling," explains Dr. Stefan Altenschmidt of Luther Rechtsanwaltsgesellschaft.

The Luther team led by Düsseldorf partner Dr Stefan Altenschmidt and Munich partner Reinhard Willemsen currently represents the Chamber of Industry and Commerce (IHK), which is the funding body responsible for granting Corona economic aid for the whole of Bavaria, in approximately 900 proceedings before all Bavarian administrative courts and the Bavarian Administrative Court.

On behalf of the Chamber of Commerce and Industry Munich and Upper Bavaria:

Luther, Environment, Planning, Regulation: Dr Stefan Altenschmidt (Partner), Nina Eckardt (Associate).

Luther, Insolvency Law: Reinhard Willemsen (Partner)

IHK Munich and Upper Bavaria: Dr Frauke Kamp

On behalf of Adler Modemärkte GmbH:

Dr Christian Suhl, Darja Bleyl, both PricewaterhouseCoopers Legal AG Rechtsanwaltsgesellschaft (Hamburg), Dr Matthias Tressel, Dr Marc Rutthoff, both Gleiss Lutz (Stuttgart).

Bavarian Administrative Court Würzburg:

8th Chamber chaired by the presiding judge at the Administrative Court, Dr Müller

Luther Rechtsanwaltsgesellschaft mbH

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Luther works closely with other commercial law firms in all the prevailing jurisdictions. Luther is a founding member of unyer (www.unyer.com), a global organisation of leading professional services firms that cooperate exclusively with each other.

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