

Daimler caught in F1 sponsor dispute

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Daimler's new Formula One motor racing team has been hit by allegations that its €90m sponsorship contract with German consumer goods company Henkel is fraudulent.

Henkel said on Monday that it filed a lawsuit last month against Brawn GP to assert that it had no obligations from a three-year sponsorship contract signed this summer between Brawn, this year's Formula One winning team, and what it called a "Dutch letterbox company".

The row over the possibly forged contract comes at a delicate time for Daimler, the German premium carmaker, which agreed to take a majority stake in Brawn last month. Daimler is rumoured to be close to a deal with Michael Schumacher for what would be a spectacular comeback for the seven times world champion into Formula One as a driver for the all-German Mercedes Grand Prix team.

The dispute also adds to a series of setbacks and scandals at Formula One this year. The world's most famous motor racing series has plunged into a deep crisis amid the withdrawal of several high-profile teams, revelations about a crash ordered by Renault and a row over the leadership of its governing body.

Daimler said that "Mercedes GP is interested in a mutual conciliation over the sponsoring contract agreed upon with Brawn this summer". People close to the company said talks about a possible out-of-court agreement had already started.

Henkel said Brawn had signed the contract with ERE BV, a Dutch company owned by Willy Luchs, a German who was convicted of fraud in the 1990s.

The consumer goods company said the deal had been struck with the help of Kai von Barga, a former middle manager responsible for sponsoring activities. He presented Brawn with what he claimed was an authorisation from Henkel to guarantee the deal.

Henkel claimed that Mr von Barga's authorisation was a forgery and that the manager, who left the company in October, had no mandate to sign deals of this size.

Henkel spends €2m each year on sponsorship – much less than the €30m per year agreed between Brawn and the Dutch company. The deal was one of the largest sponsorship contracts in the once cash-rich F1 series.

A spokesman for the Düsseldorf state prosecutors' office said investigators were still looking into the question of fraud. They were also examining whether documents had been falsified.

Mr von Barga's lawyer did not return calls seeking comment and Mr Luchs's lawyer declined to comment.

Henkel said it had told Daimler it did not have any sponsoring deal with Brawn and then warned it about the alleged wrongdoing of Mr von Barga before the carmaker took over the racing team last month.

But people close to the carmaker said this was an internal issue for Henkel and that Daimler did not have any reason to believe the contract not to be valid.

Fonte: Financial Times, London, Dec. 15th 2009, Companies, online.