

## Press Release

# Automotive service provider ZSK to restructure itself under debtor-in-possession proceedings

15 September 2020 · Ravensburg · Business Area: Insolvency Administration

ZSK GmbH has filed an application for the opening of debtor-in-possession insolvency proceedings. The Local Court of Ravensburg ordered provisional proceedings to be opened on 31 August 2020. Restructuring expert Mr Michael Pluta from PLUTA Rechtsanwalts GmbH has been appointed to oversee the proceedings and represent creditors' interests as provisional insolvency monitor.

The company has had to file for insolvency due to liquidity problems, as it has been strongly affected by the increasingly difficult trend in the automotive sector and the consequences of the coronavirus pandemic. The automotive service provider based in Weingarten will now avail itself of the opportunities afforded by debtor-in-possession proceedings. Companies can use this mechanism, created by the legislator through the German Act to Further Facilitate the Restructuring of Companies (ESUG), to restructure themselves in difficult situations and reposition themselves for the future. During such proceedings, the management team remains in charge and carries out the restructuring itself under the supervision of the court and an insolvency monitor.

### Ongoing business operations

#### PLUTA press contact

Patrick Sutter  
relatio PR  
+49 89 210 257-22  
presse@pluta.net

#### PLUTA expert



#### Michael Pluta

Rechtsanwalt,  
Fachanwalt für Insolvenz-  
und Sanierungsrecht,  
vereidigter Buchprüfer



#### Stefan Warmuth

Rechtsanwalt, Diplom-Kaufmann,  
Steuerberater

#### About PLUTA

PLUTA helps companies in legally and economically difficult situations. Since the company was founded in 1982, PLUTA has constantly grown. Today PLUTA has a staff of about 500 employees in Germany, Spain and Italy including more than 290 graduates in business economics and business management, attorneys, business lawyers, tax consultants, public auditors, certified accountants, economists, bankers, bookkeepers, engineers and insolvency administration specialists. Many of them own multiple qualifications what ensures practicable and economically sensible solutions. In particular, PLUTA provides support in restructuring companies affected by a crisis or insolvency and in continuing business operations, if necessary by involving restructuring experts in a responsible role. PLUTA is one of the top enterprises specialising in restructuring and turning around companies, as demonstrated by rankings and awards from INDat, JUVE, The Legal 500, Who's Who Legal, brandeins, and Focus. Further information at [www.pluta.net](http://www.pluta.net)

## Press Release

The company is continuing to operate without restrictions. The salaries of the 39 employees are guaranteed for a period of three months thanks to specific substitute benefits provided under German insolvency law. The employees had already been kept fully abreast of the proceedings by the relevant people in charge. Even before the application was filed, they had made their contribution to the restructuring by agreeing to temporary wage cuts aimed at relieving the cost situation.

Since its foundation in 1996, ZSK GmbH has been engaged in toolmaking with a focus on exterior body parts (doors, roofs, engine bonnets, tailgates, etc.). The company provides support in design work as well as projects aimed at optimising pressed parts on customer production presses. It also helps its customers to improve current series production where pressed part quality is lacking and to boost product quantities. The company places great emphasis on high quality, adherence to schedules and reliability.

ZSK GmbH is a certified service provider in this market and carries out work for automakers, automotive suppliers and well-known industrial toolmaking companies. The company operates worldwide, especially in the EU, China, the US and Russia. ZSK's services are in demand for vehicles with combustion engines as well as electric and hybrid vehicles, as all require exterior body parts.

### Insolvency plan the aim

Although the company's order situation is good, there is spare capacity for the months ahead. The company has a

Further information about PLUTA and the contents of these Press information you will find under [www.pluta.net](http://www.pluta.net)

#### About PLUTA

PLUTA helps companies in legally and economically difficult situations. Since the company was founded in 1982, PLUTA has constantly grown. Today PLUTA has a staff of about 500 employees in Germany, Spain and Italy including more than 290 graduates in business economics and business management, attorneys, business lawyers, tax consultants, public auditors, certified accountants, economists, bankers, bookkeepers, engineers and insolvency administration specialists. Many of them own multiple qualifications what ensures practicable and economically sensible solutions. In particular, PLUTA provides support in restructuring companies affected by a crisis or insolvency and in continuing business operations, if necessary by involving restructuring experts in a responsible role. PLUTA is one of the top enterprises specialising in restructuring and turning around companies, as demonstrated by rankings and awards from INDat, JUVE, The Legal 500, Who's Who Legal, brandeins, and Focus. Further information at [www.pluta.net](http://www.pluta.net)

## Press Release

workforce of 39 permanent employees. Most of these are currently in China, supporting key customers on site. This is a strategic advantage for the company, given the ongoing difficulty in getting visas for China due to the coronavirus. Moreover, it also has relationships with subcontractors and freelancers that carry out assignments abroad.

“The current situation is challenging. The automotive sector is feeling the effects of structural change and is particularly affected by the coronavirus pandemic at this time. Nevertheless, we are optimistic that we will be able to use these debtor-in-possession proceedings to put our company on a viable footing. We offer high-quality services, and customers particularly value our employees’ expertise. We have to improve our internal processes, boost our sales activities and expand our current order backlog going forward if we are to operate profitably,” said Mr Thomas Strasser, ZSK co-founder and managing director. The persons responsible will draw up a restructuring concept over the weeks ahead. Management is seeking an agreement with creditors on an insolvency plan that will keep the company in business. Many certifications from automotive customers are bound to the current legal entity, ZSK GmbH, and thus represent a valuable asset. Hence, the company is looking for a strong investor that will return it to its former strength in the medium to long term.

Insolvency monitor Mr Michael Pluta added: “Everybody involved is pulling in the same direction. This is important in debtor-in-possession proceedings. The company will

### **About PLUTA**

PLUTA helps companies in legally and economically difficult situations. Since the company was founded in 1982, PLUTA has constantly grown. Today PLUTA has a staff of about 500 employees in Germany, Spain and Italy including more than 290 graduates in business economics and business management, attorneys, business lawyers, tax consultants, public auditors, certified accountants, economists, bankers, bookkeepers, engineers and insolvency administration specialists. Many of them own multiple qualifications what ensures practicable and economically sensible solutions. In particular, PLUTA provides support in restructuring companies affected by a crisis or insolvency and in continuing business operations, if necessary by involving restructuring experts in a responsible role. PLUTA is one of the top enterprises specialising in restructuring and turning around companies, as demonstrated by rankings and awards from INDat, JUVE, The Legal 500, Who’s Who Legal, brandeins, and Focus. Further information at [www.pluta.net](http://www.pluta.net)

## Press Release

hold initial discussions with investors in the coming weeks. We will support the company to the best of our abilities while protecting the interests of creditors." Mr Pluta will be supported in these proceedings by attorney, business management expert and tax consultant Mr Stefan Warmuth.

### **About PLUTA**

PLUTA helps companies in legally and economically difficult situations. Since the company was founded in 1982, PLUTA has constantly grown. Today PLUTA has a staff of about 500 employees in Germany, Spain and Italy including more than 290 graduates in business economics and business management, attorneys, business lawyers, tax consultants, public auditors, certified accountants, economists, bankers, bookkeepers, engineers and insolvency administration specialists. Many of them own multiple qualifications what ensures practicable and economically sensible solutions. In particular, PLUTA provides support in restructuring companies affected by a crisis or insolvency and in continuing business operations, if necessary by involving restructuring experts in a responsible role. PLUTA is one of the top enterprises specialising in restructuring and turning around companies, as demonstrated by rankings and awards from INDat, JUVE, The Legal 500, Who's Who Legal, brandeins, and Focus. Further information at [www.pluta.net](http://www.pluta.net)