

Europe's Industrial Collapse: Companies Are Fleeing | Dr. S. Ebner & R. Landgraf

The economic downturn of the EU heart-land (Germany, France, Italy) is progressing with an incredible speed. SME's are dying or are being sold off to US and Chinese investors who are after the intellectual property of formerly competitive enterprises. Dr. Stephan Ebner and Rolf Landgraf, two German lawyers working directly with companies that are going through this period join Pascal to discuss this spiral of doom. Drawing on their work advising corporate transactions, they examine bureaucracy, energy costs, succession problems, foreign acquisitions, and the loss of industrial expertise. They debate whether defence production can offset automotive decline, assess Europe's dependence on the United States, and discuss political paralysis. Despite their concerns, the conversation closes with opportunities in international expansion, vertical farming, and artificial intelligence. Stephan and Rolf's Links: Maclaw: <https://maclaw.legal> Maclaw team: <https://maclaw.legal/team/> Rolf Landgraf's profile: <https://www.landgraf-schneider.com/team/rolf-c-landgraf/> Neutrality Studies Links: Neutrality Studies Substack: <https://pascallottaz.substack.com> Support Neutrality Studies: <https://neutralitystudies.com/donate> Neutrality Studies shop: <https://neutralitystudies.com/shop> Time Stamps 00:00 Stephan Ebner and Rolf Landgraf: Europe's business exodus 05:54 Energy costs and the pressure to sell 11:37 Financialization and the loss of industrial knowledge 15:50 From automotive suppliers to defence production 22:55 Economic decline and political deadlock across Europe 28:38 Brussels, regulation and the limits of reform 36:23 Which industries are leaving—and can America help? 41:53 International expansion and reasons for optimism

#Pascal

Welcome back, everybody, to Neutrality Studies. Today, again, with my colleague, Dr. Stefan Ebner, and his colleague for the first time, Mr. Rolf Landgraf from the law office Maclaw. Rolf, Stefan, welcome back. Thank you so much. Always happy to be with you. Thank you very much for coming back online. You both work for several law offices, actually, and you are directly involved in helping companies to escape Europe. And that's what we want to talk about today: the sellout of Europe and how companies are currently fleeing the continent. I mean, we see not only a brain drain, we are seeing also a fleeing of companies and industries. You are directly working in that. And maybe, just for everybody to understand what you're doing, maybe Stefan first, then Rolf, what exactly are you doing in your everyday work?

#Stephan Ebner

Thank you very much for the question. Well, we help companies to sell their companies. We help other companies to sell German companies, Swiss companies, Austrian companies. That's basically what we do. It's called M&A transactional law. And you have used the right word. We see a flight, and that is scary. Why do we see a flight? Valuations for companies, especially in Germany, are at the bottom. You can buy German companies for an apple and an egg at the moment. And we see various reasons why this is the case. For instance, it's generally the EU bureaucracy. The economy is at the bottom. We see a political leadership issue that cannot be taken seriously anymore. And we also have a problem with the new company owners, often heirs of companies, young people who are not really interested in being active as an entrepreneur, who want to live a great life, who want to be in France at the beach.

And they say, well, if we have such problems in Germany especially, or in the EU, we just sell our company for a lot of money. Maybe the company is worth 200 million or 250 million, and we just sell it to Chinese investors for 70 or 80 million. Get rid of the problems and have a nice life. And of course, this is a very, very problematic development here in Europe, in the EU, and especially in Germany, because we won't have any companies, we won't have good companies, we won't have the amount of companies we now have in the future. We will lose these jobs, and we will lose, most importantly, the knowledge. The knowledge which has made Germany great, which has helped Germany to get a wealthy country. And that is maybe something, a point I will throw the ball to Rolf: the buyout of IP companies.

#Rolf Landgraf

Yes, certainly. I think there are several reasons. Stefan, you mentioned quite a lot of items. I think one of the points is bureaucracy, which is killing every attitude to start up a company, to start a business here. For example, in my neighborhood, we have a carpenter who is employing 25 people, and he was building a new hall for wooden machines to cut wood and to, how do you say, to glue the top layer on wood. So it's not nuclear waste. It's just a carpenter. He's working with wood. And he was facing a four-year period until he was allowed to take his production hall into use. And when he started to use it, a neighbor who was annoyed that there was something going on went to the police and said, "Underneath the ground, he dropped some waste in the past." Then the police came. The 35 policemen, the three police bosses, arrested him.

A large digger came. The ground was opened, and they took a few stones away, and there was no waste to be found. But he was kept away from his work for a day. Now there's an investigation going on. The state has to employ 30 people who go there, investigate for assumed waste disposal. Of course, waste disposal is something to be taken seriously if it harms the environment. But it just shows that people are too much stressed and say, okay, about 25% of all people who run a company in Germany now want to stop it because they are sick of bureaucracy, sick of people who

are employees who are not motivated, and costs for energy which are outrageous. So it's a mixture of, I think, a lot of things. And as Stefan mentioned, then people think, okay, if I can sell my business, can I have a life without being stressed out every day? It's easier.

#Pascal

So red tape is growing. The cost of business is going up. And can we maybe talk especially about the energy issue? Because that one is completely self-made at the moment. All of Europe, the Europeans completely switched their energy mix away from, well, the cheap, reliable gas and all that came from Russia into very expensive LNG coming from the United States. And guess what? The Iran war is not helping. And the Americans are now even thinking of doing a petroleum—no, a diesel export stop. But how is that, the energy question, currently impacting the mix that you described? Maybe first Stefan and then Rolf again.

#Stephan Ebner

Thank you very much. It's devastating. That's the only word I can say. It's simply devastating. And if you're a company owner, you cannot help yourself. You can hire lawyers. You can hire great advisors, whoever you want to. There is no way around it. It is that expensive. And if you don't pay the money for the energy, you won't get any energy. And then you can close the door of the company. And a lot of entrepreneurs see that, especially the new generation who have inherited companies from their parents and grandparents. They say, why should I do that? Why should I get into such a situation where I cannot help myself when I can sell a company for 80 million euros and then have a great life? And Pascal, you must imagine, it's so simple to sell a big company you have inherited.

They don't even come to our office. They just call us. They usually know us. They call us and they say, "We want to sell our company." And the next thing I do is I call our colleagues, our friends in Shanghai or in Beijing, and say, "Well, there is a great company. We will send you some numbers, some information about that. The owners want to sell that. Do you have a client who wants to buy that?" And in most of the cases, I would say, plus 90%, we will get feedback quite quickly. And they will have some kind of investor financed by the Chinese government, that is, by the Chinese Party. And they will be interested, and proceedings can start. The owners don't have to do anything. Lawyers are doing everything in that regard.

#Pascal

And the deal is...

#Stephan Ebner

And we are often asked, aren't there any laws in Germany or in the EU that forbid that buyout of German knowledge, for instance? We would have to say, yes, there is a set of laws. But it is not important in practice. We always can go around that. Only if you sell companies in the defense area or in the areas of critical infrastructure, it might be a problem. But even there, we find legal solutions to get Chinese buyers on board, for instance. So it's a vicious circle.

#Rolf Landgraf

Please, Rolf. Sorry to interrupt you. In terms of energy costs, I think in the U.S. you're paying about \$0.08 per kilowatt hour. In Germany, it's 27. In the mix of Europe, it's 23. So you've got three times the energy costs in Germany than in Asia or in America. So any industry which is energy-intensive, of course, is closing down within the next five years. So we are facing a massive deindustrialization here. And there will be no stop, as you started in the beginning of your question, energy, because how do they affect the economy? I think by far it has affected quite a lot, but more industry is moving away, like steel industry, or especially steel, because they're energy-intensive. And what has been done in the past, I mean, you know the history.

Ten years back, 14 years back, Mrs. Merkel, our former chancellor, decided to close down nuclear power stations and meant we can't run everything by solar panels and wind turbines. So that's what happens if wind and sun is fluctuating, giving away our energy and paying extra that the countries in the neighborhood get our electricity, pay them on top, but they take our electricity because otherwise the whole network would blow off. And in times there's no sun shining and no wind, we are buying back from these countries, especially France, nuclear power energy for three times the costs which we used to pay for production. So that's another point which is affecting economy and industry by far.

#Pascal

Do you, you know, one of the other effects or one of the other phenomena that we saw, I think, especially since the reunification of Germany, is that first there was a big sell-off of a lot of assets in East Germany, right? Secondly, then it seems as if, though, you know, this financialization of the economy took place also in Germany, and that, you know, the big banks and the big financial structures, they all grew, and there was deregulation in that sector. But what you're talking about, the SMEs, in many ways the backbone of a healthy industry, they start withering away, dying, and now we are in the dying process where whatever is left is being sold off. Can you talk a little bit about that and what your perception is about this aspect of financialization?

#Stephan Ebner

I'm happy to, thank you. The backbone of the German economy is broken. They are breaking the neck of the German economy. It's all about money. And to be honest, it's maybe also a fault of us

lawyers. Financialization: we reach out to our U.S. clients and we tell them, even if they haven't reached out to us, "Would you like to buy a company in Germany? It's very cheap at the moment, low prices. We can help you with that." And they have open ears because usually they have a good financial status, and they invest that money in the hope that at some time, maybe in 10 or 15 years, people in the EU, in Germany, get back their minds and we will see a better development again.

And they would have a great win in that field. And it's all about money. It's all about taxes. The German government, of course, sees that we are bought out, that we are selling patents we will never get back again, and that we will be out of the game if these patents, if that IP is gone. But they are looking for short-term solutions. And in the short term, if patents, if companies are bought by Chinese big corporate groups, it means tax money for them. They can say our economy is growing to some extent, which is not true. We get tax money by foreign investors buying German IPs. But in the long run, it will be devastating. Wolf, what do you think?

#Rolf Landgraf

Especially with respect to the eastern part of Germany, of course, there was a sellout after reunification, but there was no functioning industry because it was closed. It was not competitive at this time. So that's why the state was bankrupt in the end of the '80s. And what we are facing in the East is, we have very, very few entrepreneurs. The people are still, after 40 years, not used to working themselves because the state used to run everything into detail, like when your children are being brought to school, what you may study or not study, what you have to learn. You didn't have to care about how much you pay for your flat because the state was taking care of everything. So people are not able to make their lives themselves comfortable. And so that's why we have some huge industries which went into the eastern part of Germany. But we don't have these SME companies there a lot. So it's difficult, and the return on investment in the infrastructure is still pretty low.

#Pascal

And Stefan, I believe the first time we talked, we actually discussed the integration now of German SMEs in the U.S. military-industrial complex. So the one point where Germany is still strong is creating precision instruments that are now more and more being used for military purposes. Can you maybe talk about that a little bit? How is that one going? And also, I mean, are we seeing now how industry is being bought by the Chinese, by the Americans, and how this is now growing apart and nothing is left for local decision-making anymore?

#Stephan Ebner

Absolutely. Here we see a boom, but the boom is not really happening in Germany. It's happening in the U.S. So we have these SME companies that see that automotive is dead. It's not dying. It's dead. So they do no investments in the automotive sector whatsoever in Germany anymore. So the

backbone of the country—but nobody really cares about that. You read something about that in the newspapers, but people still go on, the government goes on. But automotive is dead. They have to change, and what do they do? They invest in the U.S. and in the defense sector, and that is working. So German characteristics here rule: the precision, the focus, the strong work, building weapons that kill other people—that works, and we earn money with that. But the market is not large enough to have all these SMEs, all these automotive suppliers from Germany, be in the defense sector. So it is a boom. Something happens, but it will not be enough to be a compensation for what is generally happening to the German economy. So it's difficult. Yeah. Yeah.

#Rolf Landgraf

The whole country cannot live on defense industry, but I think there will be quite a movement towards defense industry because everyone is becoming aware since the war in Ukraine that defense is of importance. For the last 40 years, we were all living here in peace, and everyone was thinking, oh, guns are bad, tanks are bad, military is bad. People who worked for the military did not want to show their uniform in public. But now you see people are proud to be part of the military, of military stuff. So there has been a mindset change, a lot.

And the big automotive companies like Mercedes and Volkswagen are thinking about closing factories and opening them up for building, for producing defense, for the defense industry. So there is a change. And among every industry, car factory, there are about hundreds of SME companies who deliver parts like screws, bolts, or whatever, or cables, or electronic stuff towards these automotive companies. If they change the production into defense, I'm sure this can soften the deindustrialization by far. Companies turn to defense companies. I think it's a very good chance also, and collaboration of US and other countries will help us to develop these industries to become even stronger.

#Pascal

But that means, you know, since the defense sector is so highly protected, it means that what we are seeing is the German and the European economy more generally: either anything that's not defense-related will be sold off into the world, mostly maybe China and a couple of other places that are buying things up, and the rest will be tightly integrated into something that is ultimately controlled in Washington because you have to live up to the standards that are set over there. It's not even Brussels. It's going to be Washington because that's going to be the headquarters of things. Is that the direction, the general direction of the European economy?

#Stephan Ebner

Absolutely. We are totally dependent on the U.S., especially in the defense sector. I mean, everybody has read about the new fighter jets Germany has bought from the U.S. If you look into the contracts, you are totally dependent on the U.S.

#Stephan Ebner

The U.S. is free to decide whether they give you the new software updates for these fighter jets. If you don't have the software updates, you can leave the plane on the ground. It doesn't help you at all. And Germany is paying ridiculous prices for that. I mean, that is not a partnership on the same level. That is, I don't know how I should call that. Yeah, it's eye-opening. Yeah.

#Rolf Landgraf

And I think the U.S. doesn't have problems with different technical standards. For example, the Germans and the French could not find a solution how to produce tanks because French and German have different techniques. And the French wanted to use other engines. The Germans wanted to build tanks that even pregnant women could drive without harming their unborn child. Wait, wait, wait. It sounds like a joke, but to be honest, it's true. The German tank that was developed for a couple of years had to be stopped in development because it could not be guaranteed that pregnant women could drive without harming their unborn child, because there had to be air conditioning and the seats had to be comfortable so there was no harm to a pregnant woman. So the costs rose by another \$20 million for the development of that car. So that shows how ridiculous our rules and regulations sometimes are.

#Pascal

We're talking about tanks, right? Tanks that are used in war in order to go and kill other people and be shot at and be killed in tanks, right? Yes.

#Rolf Landgraf

Yes. Yes, it makes you speechless and leaves you without words. It sounds like a joke, but... yeah.

#Stephan Ebner

Yeah.

#Pascal

I'm speechless. I've never heard such a big, ridiculous, most ridiculous thing that I've heard on this channel in four and a half years of this channel. But congratulations, Germany. I don't say thank you because it's not a shame. It's just ridiculous.

#Rolf Landgraf

All right.

#Pascal

And then this is now, in your observation, also just speeding up this kind of economic decline. And how about the rest of Europe? I mean, of course, your expertise is probably in Germany, but what about France and Italy and, let's say, Spain, Eastern Europe? I mean, what are your observations there? Are they on a similar trajectory, or is this mainly the economic heartland at the moment?

#Stephan Ebner

I think we can talk about a live suicide mode of the EU. So it's not only Germany. I mean, it's very difficult in Germany, so Germany is the leader in that regard. But we see comparable developments all over the EU, to be honest. So, for instance, I have moved to Luxembourg recently. We have created an office here. And what we see is a society, a Luxembourg society, that is totally rich. They have money, money, money. And if you look closer at the standards, the legal standards in Luxembourg, it's scary. In many cases, they don't even have laws for specific matters. So they just do what they think is right. And they are not really interested in achieving anything. They have their field where they get their money from. In Luxembourg, it's the finance sector.

And they have a great life, and money pours in from countries like Germany and France. And they are not really interested in achieving anything anymore. So I don't see them working until late at night or something like that, as we see that in the US, for instance, or in Asia. So it's total decline. It's not only Germany. We also see that in France. We see that in Spain. People think they can rely on the government, on the social security systems, that they don't have to work that hard. And they are only asking for what their government can do for them. So we are asked again and again, nearly on a daily basis, what do you think about the development of the EU? And our clear answer is: we don't see any chance, so that will not work in the future.

#Rolf Landgraf

Yeah, I think it's twofold. We are facing, on the one hand, deindustrialization and social welfare costs, which are not anymore bearable to be paid out of state funds. And secondly, people become more and more disappointed because taxes rise and standards—for example, public institutions like public hospitals, swimming pools close, all sporting places close down because the state has not enough money. That brings people to voting far left and far right. And especially in France, you face that the far left and the far right have enough votes, but they won't go together in a joint government, so that makes these countries not anymore governable.

And we are facing this in Eastern Germany now. The last elections, Berlin, socialists, far-left socialists, communists won the election, and the second strongest party was the far-right Alternative

AfD for Alternative Deutschland. That even makes the situation more difficult, on the one hand, with deindustrialization, unhappy people, and people voting for the far left, for the far right, and then there are no stable governments anymore, and there is no chance for real modernizations.

#Pascal

But it seems almost as if the political process itself is deadlocked. I mean, the people in power themselves and the Brussels elite, they are more or less installed. The parties that would want to change this, at least in theory, they are blocking each other because of different ideological outlooks. And the entire kind of cooperation with the United States and the transatlantic apparatus is more or less in place, right? So it's stuck where it is. Or do you see any realistic scenario through which Germany, France, Italy would get out of this stuck place?

#Stephan Ebner

It's pure madness. It's pure madness. And to be honest, I don't have a real explanation for that. What is happening there? I mean, Berlin will be governed by communists. What does that mean? They have open relations with organized crime in Berlin. They want to defund police forces. It's totally mad, and we don't see anything from Brussels in that regard that anything could change. It is just some kind of propaganda. Everything is great in the EU. We are doing fine. We have a great development. Let's get Canada into the EU. Everything will be fine. It's pure madness.

#Pascal

Rolf, maybe also, like, the impact of Brussels. I mean, since all of the EU member states are also subject to the rules and regulations coming directly from the EU level, what is the impact of that on this, you know, dynamic that we're describing here?

#Rolf Landgraf

The EU in the beginning was to form a single European market, which was only economy-wise driven. Since the late '70s or '80s, it wanted to establish the same economic standards and social welfare standards, which made the social welfare state explode, costs explode, which is slowing down the industry because they left their original task to form a single European market, which is still not completed by far because we have different regulations in every single member country. But they more and more care about issues which are less important for the economy and take more care about same living conditions by raising taxes on the European level and spreading the money into other countries, turning the whole European Union into a socialist union. So, in a nutshell, I think it's even worse at the moment. And that's why some far-right parties, like in Poland or Italy, would even like to leave the EU. But looking into the UK, it shows that it seems not to be the right solution because the UK was suffering a lot and lost quite a bit of economic growth in the last couple of years.

#Pascal

Yes, Stefan, where do you think that the EU level is actually leading the states to? Because, like, one thing, you know, I must say that over the last four and a half years of the war in Ukraine, what we have seen is that the Brussels centre successfully actually grabbed quite a bit of power and also public attention. You know, I do not remember that six, seven years ago, we used to look at the Commission President saying, or the High Representative for Foreign Affairs. We didn't take note of them as closely as we're doing now. I mean, I think their importance in the entire political setup has definitely increased, hasn't it?

#Stephan Ebner

Yeah, it has. It has to some extent. But I think at the end of the day, they are still helpless. They cannot really do anything in the EU. It's just too burdensome. And I think, of course, they know in which direction they are heading, that this won't work in the future anymore. But they see that they don't have a chance to change anymore. And they are just trying to earn as long as possible from these institutions. I mean, if you look at Brussels bureaucrats, what they are earning and what they really have to do all day long. I have friends there, of course, as well. And that's ridiculous, too. So we do not think about any—or we do not hope for any—impulses from the EU that anything will change, to be honest. Maybe if I add another question, what could be really interesting is, and I think I maybe have some kind of answer for that difficult question.

Why don't we see any changes in that situation in Germany, in politics in Germany, in the economy and in society? And if I should give maybe a first try for a solution, I think people are still too well off. So the elites in Germany, for instance, that live at Starnberger See, in Stuttgart, who live in the towns around Frankfurt am Main, they are still doing well. They have their big houses, their big mansions. We have the case—we have talked about that earlier. The young Generation X that inherits a company from their grandparents that is worth 200 million, and they are selling it now for 80 million. They don't care. They still get 80 million, and they can have a great, great life in that respect. So there is no real pressure at the moment for the elites in Europe to change. That pressure will maybe come in 10, 15, or 20 years. But when the pressure will pop up, it is probably too late. Yeah.

#Pascal

Rolf, do you see the issue in the same place? Or where is it coming from, this inertia that currently Europe seems... I mean, a lot of people seem to agree that Europe is in deep, deep trouble, but nobody seems able to somehow even sketch out a way forward. I must say, though, the Brussels Centre and so on, the EU constantly keeps saying that everything is fine. And, you know, your former chancellor actually said, like, "best Germany of all times," right? I mean, the rhetoric is there. The rhetoric goes, "We are the best," right? It is still there all over Europe. But it seems that the actual economic reality seems to speak about that time and time again. But, Rolf.

#Rolf Landgraf

Rolf Haller. In terms of politics, I think you made a good point. Brussels is taking more responsibility on foreign affairs and the defense sector. You notice these people write quite more in the public. But going back to the economy, if we don't have a constantly strong economy in Europe, we can't hold up our standards. We can't pay for defense. We can't pay for public infrastructure. So that's a critical point. If Germany, for example, had economic growth comparable to the US within the last five years, the state funds would have risen by 1 billion euros per year. So everything we are talking about—no money for infrastructure, for social welfare, or whatever we have a shortage of—would be easy to pay.

So the central question is always, how can we make the economy great again? What is the limiting factor? And there are quite a lot. Stefan mentioned them in the beginning. And I think the state is responsible for slowing down bureaucracy and taxes. And at the end of the day, people within Europe will be less and less happy with their situation. And sooner or later, there might be a politician coming like Donald Trump who is disruptive or who is not taking care of forms and regulations. And I think at some point something like that will be needed. And sooner or later we will find someone in some of the European countries, and maybe this will be a chance for disruptive change.

#Pascal

Which sectors are the ones that are mostly impacted now by the trend that you're seeing? We talked about SMEs, probably manufacturing. What about agriculture? Because we've seen how certain venture capital firms have been trying to buy up agricultural farmland and also forests, by the way, especially in Eastern Europe. They did that also in the United States. Are you observing anything on that front in these other sectors, not directly the industrial sectors? Maybe Stefan and then Rolf?

#Stephan Ebner

I'm happy to. Not really, to be honest. The most striking example is automotive, because we have so many suppliers, especially here in Germany. And if I think back 10 or 15 years, there hasn't been happening that much. And what we see now, it feels like being at a fresh grave. Nothing is happening anymore. And if you understand how important the automotive sector is for Germany, we have communities in the area of Stuttgart and so on. If they don't get the tax money from the German Gewerbesteuer, they will be bankrupt. So, not really, to answer your question, not really. It's overshadowed by the automotive sector.

#Pascal

Rolf, is it automotive that's going down in Germany and probably France as well, huh?

#Rolf Landgraf

Automotive, steel industry, everything which is depending on cheap energy costs, everything in this sector. I think we are still quite competitive. Industrial production and products for industry, as well as pharmacy, are still running good. Automotive has been cut off by the European Union because they were pushing battery electric cars by far. Maybe that was a reason that the people in Brussels were looking at Germany, which made most of the money within the last couple of decades through the successful car industry, and they wanted to limit it because they were kind of envying it. And that's why, for reasons, pushed forward the electric cars. Vehicles are more environmentally friendly, but this is only part of the story.

#Pascal

Do you have any hope that help will come from the other side of the Atlantic, like that actually the integration with the U.S. economy might, in the end, be a blessing in disguise because you can produce more together than alone? And whether the IP is in Berlin or in Washington, I mean, at the end of the day, you're part of the same club. Is that anything that could give you a little bit of hope for the way that the development is going?

#Stephan Ebner

That is a very good question, but to be honest, not really. Because the U.S. as a whole, the U.S. government, is not interested in a very strong German economy at the end of the day. We are competitors, to be honest. So we don't see any help on a state level in that regard. We see a hope for companies in Western Europe that say, "We want to go to the U.S. and be successful there." There could be a solution for these Western European corporate groups, but that is not a solution for our economies in the EU. And maybe another question that could be interesting is, why does it work in the U.S.? I mean, the U.S. has maybe a very difficult government at the moment as well. And the U.S. has so many problems too. One of the problems is called Iran. And why is the economy of the U.S. growing that much? And why isn't the economy of Germany growing to an extent we would love to? The U.S. has also the problem with Generation X, who is selling companies, but not for an apple and an egg, for instance. So that is an important question as well, I think.

#Pascal

Yeah, Rolf, do you have your own theory on why that is?

#Rolf Landgraf

With respect to the German, the European, and the U.S. economy, it's difficult because it's not foreseeable and it's not reliable. Because within the U.S., we used to have very strong economic bonds. But since tariffs can be 10% one day and 20% the other day, it makes the economy very

difficult. So I don't think that it gives a lot of hope and trust that these economies will grow more together than being separated, at least for the time being we have Donald Trump as president in place.

#Pascal

And how about, I mean, in your work, do you also advise companies who want to enter other markets, not just companies that want to sell off, but also those who want to go to the Chinese market, those who want to enter, like, Southeast Asia or North America, for that matter? Does that also still happen?

#Rolf Landgraf

Yes. To make a positive statement here, at least, yes, we are also facing companies which are going abroad, expanding, starting their business in Germany, taking their production to other countries, but starting off here in Germany, spreading all over the world. We have a client which we're advising since startup, several years ago, is in the vertical farming market, which is becoming more and more important because with vertical farming, you save 90% of the water.

You don't need any chemicals to grow and to produce, that there are no insects affecting your groceries. So this is a development coming from Germany, which is sold into the Middle East a lot because there's too much sun and you can't grow vegetables and salads and all that stuff. There are huge farming halls, which are much better than to be grown on the open field. So we're facing some industries which are starting from Germany, spreading into the world, and we have been setting up structures abroad with our colleagues in these legal entities wherever needed. Yes.

#Pascal

Yes. Okay, Stefan, so not everything is doom and gloom, but the general trend is rather of industry leaving than industry, like, starting up in Germany. That's a little bit the message here, right?

#Stephan Ebner

Yes, mainly in regard to the U.S. So we have these strong family-owned companies that are investing in the U.S. The basic thought is, defense sector, we would like to produce in the U.S. as well, because then we are closer to the market and we are not dependent on any tariffs or something like that. We see a little bit also in regard to South America, Brazil, for instance. Unfortunately, in regard to Asia, it's a very, very, very low amount of investments. It's getting more and more difficult, especially in China. We see a little bit activity in Taiwan as well, in Singapore, but mainly U.S.-based. And that is also what we advise our clients. We tell them more or less, the EU is dead. If you want to grow, look to the U.S.

#Pascal

Yeah, the EU might be dead, but it's still kicking and walking around. Let's see how long it takes until it realizes that something needs to change. My colleagues, any final thoughts you would like to share with us? And also, where can people find you, your work, and your advice if they wish to get that?

#Stephan Ebner

Thank you very much. My final thought is we need a complete restart. We need a complete restart here in Europe. We cannot proceed in the way we do that at the moment. We have elites that are interested in nothing changing. But I think here, we as democrats, we need to step up and we need to urge democracy. We need to coerce them to change. You can always reach out to us. You can find us on the internet. We are happy to advise you. Just give us a call. Thank you.

#Rolf Landgraf

Yeah, even we've talked about some gloomy situations in Germany as well as the rest of Europe, I'm very positive about the future. I think we have some disruptive technologies, not coming from Germany originally, but artificial intelligence, I think, is a game changer here that helps us. We're facing fewer employees because people are turning older and we have fewer children. So artificial intelligence will help us by far to catch up and to develop new economies, new businesses. And I'm still positive that the current legal or economic situation, as well as the political situation, might be difficult. But in the long distance, I think we will face good times.

#Pascal

Your words in Ursula's ear. They bring the continent back up and back on speed, and most importantly, keep it peaceful. That's a real danger there. But my friend Stefan Roth, thank you so much for your time today.

#Stephan Ebner

Thank you very much for having us.

#Rolf Landgraf

Thank you, Pascal. It was a pleasure. Thank you. Thanks.