

# The Sun King

**UWE T. SCHMIDT** The former Ferrostaal manager wants to create a stir with the construction of the world's largest solar power plant on the stock market.

**UWE T. SCHMIDT** (49) loves cigars, private jets and big business. "Isn't life great?" could be the motto of the German-American, who was born in the UK and works in Cleveland, Ohio.

For years, Schmidt ran the US operations of Ferrostaal Group, Essen (Germany), and Solar Millennium, Erlangen (Germany). Both companies hit the headlines at the beginning of 2010 – Ferrostaal because of far reaching allegations of corruption, and Solar Millennium because of corporate governance quarrels. To date, Ferrostaal has not recovered from this. Numerous top managers had to leave, the owners are still fighting, and the company is struggling for survival. Only Schmidt, who also lived off high consulting fees, emerged from the whirlwind of affairs unscathed. What's more, the Teflon-manager emerged as the winner.

With the help of Hannes Kuhn (46), the strong man in the background of Solar Millennium, Schmidt in 2009 bundled the solar businesses of both companies in the USA under the roof a company named Solar Trust of America (70 percent of the shares belong to Solar Millennium, 30 percent to Ferrostaal). With this he launched the development of large-scale solar power plant construction projects – just in time to benefit from the energy policy changes of the Obama administration.

Now Schmidt sees himself in a leading position: "measured by megawatts, we have almost twice as many projects in the pipeline as our main competitor in the USA." Schmidt's company has already secured the approval for the construction of a mega solar power installation (1000 megawatts) near Blythe, California.

The project which represents a construction volume of 2.6 billion dollars in the initial phase is to be launched this year. In order to secure the capital, the man with the Ferrostaal background molded Solar Trust into a pristine US company (Schmidt: "In the first phase of the Blythe-project, we'll be creating more than 7,500 jobs in the USA.") He placed an expert from Citibank, a Siemens project developer, and a further US-expert on the executive board of the company. Schmidt himself presides as Chairman and CEO.

Schmidt intends to secure approximately 2 billion dollars of the required project capital through the loan guarantee program of the US Department of Energy. The approval is expected for the beginning of December.

At that point, private investors are to participate as well. 540 million dollars in capital contributions are to be raised in the private sector. Citibank and Deutsche Bank have been engaged as financial advisors. Together with Schmidt, they presented the business model in May to 30 potential investors in Granada, Andalusia (Spain). "Four top addresses have signaled interest," said Schmidt – among them are apparently private equity funds and US energy companies.

But Schmidt is already a step ahead of the game, according to insiders. He has already made preparations for the merger with a publicly listed US company. This is how the project maker wants to gain access to the stock market. Experts refer to this as a "reverse merger." Yes, life can be truly great.

Schmidt resigned from his position at Ferrostaal, where he was a member of the so-called management board, and so managed to distance himself from this organization. Schmidt himself sees it like this: "Solar Trust is a multibillion dollar venture which requires my full attention."

*By Thomas Werres*

