

U.S. District Court Issues Decision on Guelph Treasure Art Restitution Lawsuit Against SPK and Federal Republic of Germany

The *Stiftung Preußischer Kulturbesitz* (Prussian Cultural Heritage Foundation, or SPK) and the Federal Republic of Germany were named in a lawsuit (*Philipp and Stiebel vs. Federal Republic of Germany and Stiftung Preußischer Kulturbesitz*) on February 23, 2015 filed before the United States District Court in Washington, D.C., seeking restitution of a collection of medieval relics known as the "*Welfenschatz*" or "Guelph Treasure". SPK believes the case should not be heard in U.S. court and therefore filed a Motion to Dismiss. On March 31, the judge issued a decision granting several components of SPK's motion and denying others.

"It is SPK's long-held belief that this case should not be heard in U.S. court," said Prof. Dr. Hermann Parzinger, President of SPK. "SPK is now analyzing the ruling and considering its options. Having researched all of the facts and historical background carefully, SPK is also convinced that this case has no merit, as the Guelph Treasure's sale more than 80 years ago was not a forced sale due to Nazi persecution."

SPK continues to be committed to the fair and just resolution of legitimate claims to Nazi-confiscated art, consistent with the Washington Conference Principles. Since 1999, claimants alleging Nazi-looted art have submitted more than 50 restitution claims to SPK, which has responded by returning more than 350 works of art and more than 1,000 books from its collections. Those restituted objects include a van Gogh drawing, a work by Munch, and "Der Watzmann" by Caspar David Friedrich. Along with SPK, other German museums and institutions have returned more than 14,300 Nazi-looted items.

The merits of the Welfenschatz case have already been discussed before the German "Advisory Commission on the return of cultural property seized as a result of Nazi persecution, especially Jewish property", which concluded in 2014 that restitution was not appropriate.

SPK is represented in this matter in the United States by the law firm of Wiggin and Dana.

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Background on the 2008 Restitution Request to SPK

In 2008, several individuals – who claim to be heirs of owners of some of the art dealer firms that participated in the consortium – contacted the SPK, which owns the Guelph Treasure and exhibits it in the *Kunstgewerbemuseum* (Museum of Decorative Arts) of the *Staatliche Museen zu Berlin* (National Museums in Berlin). The group of claimants, including the plaintiffs, advanced the theory that the Guelph Treasure sale had been forced.

The SPK conducted an extensive investigation into the circumstances of the 1935 transaction. Consistent with its policy of openness, it shared its findings and historical documentation with the plaintiffs through extensive correspondence. Based on the investigation, the SPK concluded that the 1935 sale had been a voluntary, fair-market transaction, and that restitution of the Guelph Treasure would not be appropriate.

In 2012, the SPK and a group of claimants, including the plaintiffs, mutually agreed to submit the Guelph Treasure restitution matter to the Advisory Commission on the Return of Cultural Property Seized as a Result of Nazi Persecution, especially Jewish Property (*Beratende Kommission*, often known as the Limbach Commission in honor of its chair, Jutta Limbach, the former president of the Federal Constitutional Court of Germany). The Commission in 2014 came to the same conclusion as the SPK, that the 1935 sale of the Guelph Treasure was not a forced sale due to Nazi persecution, and therefore the Commission could not recommend restitution. It found that "[a]Ithough the commission is aware of the difficult fate of the art dealers and of their persecution during the Nazi period, there is no indication in the case under consideration by the Advisory Commission that points to the art dealers and their business partners having been pressured during negotiations, for instance by Göring."

For the 2014 Recommendation of the Advisory Commission, please visit: https://www.kulturgutverluste.de/Webs/EN/AdvisoryCommission/Recomm endations/Index.html;jsessionid=40358DF1F223FFB0051BB61E13DAE2 CD.m7



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SPK's Provenance Research Regarding the 1935 Sale of the Guelph Treasure

In 1929, a consortium of entities including successful art dealer firms based in Frankfurt, Germany, came together to purchase a collection of medieval German church art from the Duke of Brunswick-Lüneburg that dates back to the 1600s. Known as the Guelph Treasure, the collection was originally housed at the Brunswick Cathedral in Brunswick, Germany. The consortium intended to resell the Guelph Treasure and turn a profit. Several weeks after they paid a princely sum for the collection, the U.S. stock market crashed, ushering in the years of worldwide economic hardship that would come to be known as the Great Depression. Art prices fell along with the stock market. The consortium of art firms had invested a fortune in this joint investment, hoping for a profit, but it could find no buyers for the whole collection.

The consortium contacted museums and collectors in the U.S., Germany and the rest of Europe, including the Metropolitan Museum of Art in New York. It even arranged an elaborate tour of the collection across the U.S. Giving up its initial hope of selling the collection as a whole, the consortium began to sell off pieces. The buyers were individual collectors and museums, among them the Cleveland Museum of Art. When it had sold what it could, the consortium stored the rest of the Guelph Treasure in Amsterdam while the Great Depression ground on.

Almost two years later, the consortium began negotiating with a German bank that expressed interest in purchasing the remainder of the Guelph Treasure for an undisclosed client. Initial offers were made on each side, and, after extensive negotiations, the consortium and the bank compromised on a number roughly midway between their initial offers. On June 14, 1935, the contract was concluded. The consortium received what was promised in the deal, and nothing more was heard for more than 70 years.

Further information about the Guelph Treasure and a detailed historical review of the sale in 1935 are available at: www.preussischer-kulturbesitz.de/en/priorities/provenance-research-and-issues-of-ownership/in-focus-the-guelph-treasure.html



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About the SPK

With its museums, libraries, archives and research institutes, the *Stiftung Preußischer Kulturbesitz* (Prussian Cultural Heritage Foundation) is one of the most important cultural institutions in the world. Its outstanding collections include all areas of cultural tradition: from archaeological and ethnological objects by way of the visual arts to literature and music. They are the basis of intense scholarly and educational work. The combination of art and culture, with science and research, is an unmistakable feature of the Foundation.

The Foundation was established in 1957 by federal law as a foundation directly responsible to the German government. It is financed by the German federal government – from the budget of the commissioner for culture and the media – and Germany's sixteen states.

For more information about the SPK, please visit: www.preussischer-kulturbesitz.de/en.html.