

NEUE GALERIE NEW YORK AND HEIRS OF ALFRED AND TEKLA HESS REACH JOINT AGREEMENT ON KARL SCHMIDT-ROTTLUFF PAINTING

(New York, September 27, 2016)--After more than a year of intensive research, the Neue Galerie New York and the heirs of Alfred and Tekla Hess are pleased to announce that they have reached a fair and just solution regarding the ownership of *Nude* (1914) by Karl Schmidt-Rottluff. The settlement adheres to the principles of the 1998 Washington Conference on Nazi-Confiscated Art and the Terezin Declaration regarding Holocaust-Era Assets. Under the terms of the settlement, the Neue Galerie has returned the painting, which it had acquired at the German auction house Villa Grisebach in 1999, to the Hess heirs. Subsequent to its restitution, the Neue Galerie then reacquired the painting from the Hess heirs for its current fair market value.

The Erfurt shoe manufacturer Alfred Hess, who died in 1931, was a prominent art collector and patron and had one of the most significant collections of Expressionist art in Germany. His immediate heir was his son Hans Hess, who lost his job and fled Germany in 1933, a few months after the Nazi seizure of power, first going to France and later to England. Also in 1933, his mother Tekla Hess sent many of the most important artworks in the collection first to Basel and then to Zurich on a "free pass" (temporary export license), for exhibitions that included the painting *Nude* (1914) by Karl Schmidt-Rottluff. In March 1937, under duress and due to the expiration of the "free pass," she sent it back to Germany together with other Hess artworks, all of which were then stored at the Cologne Art Association. In 1939, Tekla Hess managed to flee Nazi Germany and emigrate to Great Britain, under extremely difficult conditions. Following the end of World War II, Tekla Hess contacted the Cologne Art Association about the Hess artworks, and was informed that the artworks that were once stored with them were all destroyed.

It was only during the so-called "Cologne Art Forger Trial" in 1949-50 that some of the allegedly destroyed artworks reappeared as stolen property. In connection with this criminal proceeding, it became clear that the former head art handler of the Cologne Art Association, Joseph Jenniches, as well as others, including Robert Schuppner and the Cologne painter Peter Herkenrath, had appropriated artworks from the Hess collection that had been stored there. Herkenrath, for example, had been to the cellar where the Hess artworks were stored and had cut out a head from a Heckel painting and taken it with him. Several paintings that were found by the police were returned to the Hess family after the criminal proceedings had ended. However, the painting *Nude* by Karl Schmidt-Rottluff was not among them. It did not reappear in public until 1994 when it was auctioned at Villa Grisebach by Peter Herkenrath's heirs. The Griesebach provenance mentioned the Hess collection, but did not mention that the work had been lost when the Hess family fled Germany. The work was later sold a

second time, again at Grisebach in 1999, when it was acquired by the Neue Galerie.

The joint research conducted by the Neue Galerie and the Hess heirs revealed several possible scenarios surrounding its disappearance: the painting may have been stolen by Herkenrath from the basement of the Cologne Art Association; it may have been stolen by Jenniches or Schuppner, who might then have sold it to Herkenrath; or it may have been acquired in some other manner by Herkenrath without the authorization of the Hess family. Further it was determined that the loss would likely not have occurred had not Hans and Tekla Hess been forced by the Nazis to emigrate and leave Hess artworks behind in Cologne.

The Hess heirs commended the professional and transparent manner in which the Neue Galerie has handled this matter. From the outset, the Neue Galerie agreed to waive all legal, procedural defenses available under applicable law, including statute of limitations and equitable defenses such as laches. The Neue Galerie's goal was to resolve the matters at issue on its own merits. With the resolution of this claim, the Neue Galerie has set the bar high with respect to best practices for museums in applying the principles of the Washington Conference on Nazi-Confiscated Art and the Terezin Declaration on Holocaust-Era Assets, and by also taking into consideration German restitution law and principles.

Although some of the Hess artworks stolen from the Cologne Art Union have been recovered, many are still missing or have not yet been resolved by museums, other institutions holding them, or by private owners. All such parties are urged to similarly meet their responsibilities under the principles of the Washington Conference and Terezin Declaration and find fair and just solutions regarding these artworks, which were lost or stolen due to Nazi persecution.

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