

# Lauder raises \$190m cash as Bloch-Bauer Klimts come up for sale

Austria and Los Angeles had both hoped to keep the works

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1st October 2006 00:00 BST

## New York

Ronald Lauder, the billionaire cosmetics heir and collector who paid \$135m for Gustave Klimt's 1907 portrait of Adele Bloch-Bauer I in June, received \$190m in cash through the sale in August of 49% of his interest in Central European Media Enterprises.

Mr Lauder said the deal would allow him to diversify his personal portfolio and realise a return on his initial investment in the Eastern European television broadcasting company which he established in 1994.

The transaction, just two months after Mr Lauder purchased Klimt's portrait of Adele for his Manhattan museum, the Neue Galerie, suggests that he may have raised cash to pay off any financing arrangement that allowed him to acquire the world's most expensive work of art. The sale also suggests that Mr Lauder could be preparing to pursue one or more of the four other Klimt paintings owned by the family that sold him the portrait. They will be offered by Christie's New York in its 8 November sale of impressionist and modern art.

Christie's estimates that the four paintings will sell in excess of \$93m and some experts have valued them at \$150m. The works are: Adele Bloch-Bauer II (1912, est \$40m-\$60m), Birch Forest (1903, est \$20m-\$30m), Apple Tree I

(around 1912, est \$15m-\$25m), and Houses at Unterach on the Attersee (around 1916, est \$18m-\$25m).

All five Klimts had been in the Austrian National Gallery until earlier this year, when an arbitration court ordered them returned to the descendants of Ferdinand Bloch-Bauer, the Viennese sugar magnate from whom they had been confiscated by the Nazis. The niece of Adele Bloch-Bauer, Maria Altmann of Los Angeles, led the family during the litigation. The five works are on view at the Neue Galerie until 9 October.

Sotheby's competed for the consignment but Ms Altmann says that Christie's Chairman Stephen Lash "has long been our friend and supporter in our recovery efforts". Presumably, Christie's also offered a higher guarantee (neither auction house charges seller's commissions or expenses for restituted works of art and in some cases, part of the buyer's commission is forfeited).

Mr Lauder may well be girding for a battle. In June he told The New York Times he would consider purchasing one or more of the available paintings "if the price is right", and said he would most like to acquire the later portrait of Adele Bloch-Bauer (right). "They're all great pictures," he said. "Each one would have something to add to the Neue Galerie's collection, but if the buyer is not the Neue Galerie, I hope they will end up in other museums." The Austrian government had hoped to keep the paintings in Vienna, but culture minister Elisabeth Gehrler said they would have cost four times the annual budget for Austria's national museums.

In August, Christoph Leitl, president of the Austrian Chamber of Commerce, said an unnamed Austrian buyer was willing to purchase one of the works for display in the Lentos Museum in Linz. The Los Angeles County Museum of Art, which showed the works after they were returned to Ms Altmann in March, has also expressed interest in jointly acquiring them with the Getty.

Ms Altmann told Austrian reporters that Randol Schoenberg, the lawyer who led the seven-year case, will receive 40% of the proceeds from the Klimts. This means he has reaped \$54m from the sale of Adele Bloch-Bauer I alone. The balance will be divided among Ms Altmann and other family

members.

 *Appeared in The Art Newspaper Archive, 173 October 2006*

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