

## **Excerpts from letters by Wunderlich to Joel**

### **From a letter by Wunderlich dated October 7, 1946**

Following this, the inventory was taken, which proceeded properly and without any cause for complaint. The next step was to carry out the valuation, using the documents and guidelines that had been drawn up at that time in your apartment. However, this did not occur. To explain what followed, I must go back a bit further.

Records had been kept concerning the valuation of inventories in previous years, in which we noted the financial statements, consumption figures, etc. that had been used as the basis for valuation. The purpose of this measure was to be able to immediately locate the documents on which the valuation was based in the event of audits by the tax authorities. You will surely remember that, with regard to valuation, we made special year-end closings in order to achieve a particularly favorable valuation of inventory. For ready-made clothing and knitwear, the smallest sizes were taken as the basis, and in addition, the justification for special depreciation on a wide variety of items was determined. All of this was recorded in a list, as already mentioned.

When the valuation was to be carried out, this list was presented to your authorized representative, Tillmann, who then decided that “the Jew could not demand more than he himself had valued his goods at.” Since I was not present during this discussion, the decision was communicated to me, and the inventory as of September 1, 1938 was then valued according to the inventory valuation of 1937. As a result of this valuation based on the 1937 inventory, the takeover inventory amounted to approximately 2.3 million.

### **From a letter by Wunderlich dated January 3, 1948**

Neckermann was always fully aware of my view regarding the Aryanization of your firm. In the spring of 1939, on the occasion of his birthday, Neckermann invited us to the office for coffee. By chance, my wife picked me up from the business and was therefore also a guest. Neckermann stated that he had been cheated in his Aryanizations in Würzburg and that the same had almost happened to him again in Berlin. When I asked him how he arrived at this view, N. could not provide any

explanation and stated that he had not been cheated. I could not refrain from remarking that one could rather say the opposite.

Besides my wife, at least six other people were present at the time. Even later, I repeatedly pointed out to N. his profits from Aryanization—for example, when a note appeared in the press stating that Aryanization profits were to be taxed away, i.e., confiscated. However, this announcement was not pursued further, apparently because too many Party members would have been affected.

After the takeover of your firm, N. requested that Kleinlein and I submit a declaration stating that the valuation had been carried out to the best of our knowledge and conscience. However, since I had no freedom of action in the valuation, I refused to provide such a declaration. I only attempted to submit a declaration to the effect that the valuation had been carried out in accordance with Tillmann's guidelines. Whether this actually happened, I cannot say at the moment. I believe that this declaration was ultimately not submitted at all. Kleinlein, too, after my objection, was no longer willing to sign the requested declaration, which surprised me.

#### **From a letter by Wunderlich dated January 8, 1948**

In a letter to you, Tillmann stated that a list had been presented to him in which the prices were fixed, and that he could only acknowledge these prices. To my knowledge, however, two lists must have been presented to Tillmann: first, a list containing the goods prices according to the inventory of 1937. I could have testified to this. Some time later, after the prices from the 1937 inventory had been entered, a meeting took place with Tillmann in which negotiations were held regarding a number of items that were considered too expensive from Neckermann's point of view—that is, items that were “allegedly” purchased more cheaply in the Würzburg department store, for example *Vistra muslin*.

Further discussion concerned items whose assortment was not entirely in order or for which unusually large purchase quantities existed. Objections could of course be raised against such matters, but the difference could not possibly amount to several million. Even if 100,000 or 150,000 resulted, that would already be a high estimate.

The main difference between the two balance sheets lies in the inventory. While the balance sheet of June 23, 1938 shows inventory of 4.44 million, the balance sheet of August 3, 1938 shows inventory of only 2.5 million. This fact struck me as particularly interesting because it proves the correctness of my own estimate. I always estimated the Aryanization profit at approximately 2 million from the inventory alone, while I was unable to make any estimates regarding other items.

I had to prepare the costing, and I was uncertain which price should be considered the purchase price: the takeover price or the actual purchase price proven by invoices. A certain Stoehr at the *Textilzeitung* dealt with pricing issues, and Neckermann and I went to Stoehr to obtain information. After this discussion, however, there was still no clarity, and I still did not know how I should proceed.

Shortly thereafter, a notice appeared in the press stating that the original invoice price could be used for costing, because if the takeover prices had to be used, this would cause market disruption. In this way, Aryanization profits were assigned to the Aryanizers. Presumably, many high-ranking Nazis had carried out Aryanizations and thus came into wealth.

Toward the end of 1938, N. came to Kleinlein and me with a written statement and asked us to sign it. The document stated that he had exerted no influence on the valuation of the goods and that we had carried out the valuation ourselves to the best of our knowledge. I told Kleinlein that I would never sign such a document, since I was not free to act when entering prices into the inventory but was bound by specific guidelines (see inventory prices of 1937).

### **From a letter by Wunderlich dated January 14, 1948**

The difference of approximately 50% in the inventory could not have arisen without cause. I am thinking only of the example of Tillmann's ribbed fabrics. I recall that there were large inventory levels and purchase quantities sufficient for approximately five years. Since Tillmann no longer offered his ribbed fabrics at 3.80 but only at 3.00, this lower replacement price was used. I also recall that, in view of the large inventories and purchase quantities, the required interest on capital was deducted. If

we calculate this interest at approximately 6% annually, this amounts to 1.14. Thus, 3.80 minus 0.80, minus 1.14 results in 1.86.

From the total calculated inventory value, however, a further 15% was deducted as a lump sum—allegedly at the insistence of the Gau economic advisor. Whether the Gau economic advisor himself came up with this idea or was led to it by Neckermann, I naturally cannot judge.

### **From a letter by Wunderlich dated February 24, 1948**

Neckermann is attempting to present the matter in such a way that he exerted no influence on the valuation at that time. For this reason, he demanded from Kleinlein and me a declaration stating that we had carried out the valuation independently and on our own responsibility. This demand went too far for me, since I had no influence on the valuation, particularly because it had been determined that the inventory prices from 1937 were to be used.

I am enough of a businessman to know that this meant that any liquidation profit contained in the hidden reserves of the inventory could not come to light and remained concealed within the inventory.

Now regarding the alleged attempt at bribery: I am not aware of any attempt by you to influence me to conduct the inventory of June 23, 1938 in your favor. I did not participate in the inventory-taking itself at all. At that time (Kleinlein, you, and I), we did go through and review the prices that were to serve as the inventory valuation in the event of a sale. These prices were not identical to the yarn prices but were generally somewhat lower. Otherwise, we would not have needed to do this work and could have simply used the yarn prices directly.

I recall that we always determined the maximum permissible prices as yarn prices and then sold at prices that were, in some cases, considerably lower than these. This was done particularly to ensure that you would not have to fear any objections. Given that this was a Jewish company, we always had to reckon with such a possibility at the time. This tactic was also maintained in the following years. Despite multiple price inspections, nothing could be objected to.

Thus, I am not aware of any bribery attempt, since I was not involved in the inventory-taking or the preparation of the interim balance sheet of June 23, 1938. How, then, could such an attempt have been necessary? And in that case, it would have had to have been directed at Kleinlein. Kleinlein was present at the valuation of the goods in your apartment at the time. Moreover, all business documents were available. What purpose would bribery have served?