



February 4, 2012 Saturday 12:01 AM GMT

## Prizewinning museum hit by pension debts

**BYLINE:** Simon Tait

**SECTION:** COURT & SOCIAL

**LENGTH:** 895 words

Less than three years ago the Wedgwood Museum was awarded the £100,000 Art Fund Prize for brilliantly highlighting "the marriage of art, design, manufacturing and commerce" and for being everything that a 21st-century museum should aspire to be. Now it faces closure, and its renowned collections - including the extraordinary replica of the classical Portland Vase Josiah Wedgwood himself made - may be sold off piecemeal.

Because of a loophole in the pensions legislation the museum is responsible for the pension debts of what was once, and is no longer, its parent company. The High Court has ruled that the collections, worth an estimated £18 million, can be sold to help to meet the £134 million pension liability of Waterford Wedgwood Potteries which collapsed three years ago.

"As things stand the museum assets are to be used, wrongly, to plug a pension shortfall which is not its liability," said a member of family, Simon Wedgwood. "There is a body called the Pension Protection Fund which would normally fill this gap, but they have noticed that due to this badly drafted legislation they may try to get another party to pay, even though it seems scarcely credible that a special 50-year-old, bona-fide museum trust should be entrapped in this way."

The museum can trace its history back to 1784 and Josiah himself, the founder of the ceramics company. Over the years examples of the company's wares were collected, and in 1906 a formal museum collection was put together. The museum remained open at the Wedgwood Etruria works until production moved to Barlaston and a special Long Gallery was opened in 1952. It was succeeded in 1975 by a visitor centre, which included museum galleries, and in the early 1960s the

museum trust was set up deliberately to separate the collections from the company.

In September 1999 Wedgwood decided to refurbish its visitor attraction, closing the historical galleries and the trust launching a fundraising campaign to build a new Wedgwood Museum with its extensive display area and new research facilities. At an eventual cost of £10.5 million (with £5.86 million from the Heritage Lottery Fund and significant contributions from Wedgwood and other donors) it opened in October 2008.

Designed by Hulme Upright Manning with interiors by Ivor Heal, the new museum presented an encyclopaedia of the development of fine English china. It includes manuscripts, documentation, correspondence, factory equipment, trials and original models as well as fine art and, of course, ceramics. No other collection has such diversity and depth.

Pride of place goes to Josiah's copy of the famous Roman cameo glass Portland vase in the British Museum. Made from black jasper with white reliefs, it took the first Wedgwood three years of experiment and trial before the first perfect copy was achieved in 1789, still considered one of the finest achievements of the potter's art.

The 2009 Art Fund winnings were to go towards a new £2 million exhibition gallery that would allow the museum's director, Gaye Blake Roberts, and her team to mount much more extensive special exhibitions from their collections, as well as shows that would incorporate the work of non-Wedgwood artists such as Susie Cooper and Clarice Cliff, and to bring loan exhibitions to Stoke-on-Trent.

But the pension-liability disaster intervened. Even though ownership of the museum's collections had been transferred to the independent trust, the pensions law was not as impermeable as had been thought, and the result could be calamitous for the museum and charity world.

Badly hit by the financial crisis of 2008, Waterford Wedgwood went into administration in 2009 and was sold to a New York-based private equity firm, KPS, which was able to avoid the liabilities of the former company, including the pension fund deficit.

There appeared to be nothing to connect the museum until it transpired that five members of its staff were among the 7,000 members of the company pension scheme, which implicated the collections as an asset and liable for the whole deficit, even though the company and the museum are legally separate. Consequently, the museum was put into administration in 2010, and in December the High Court ruled that the collections could be sold to help to meet the debt.

"It is," said two more of Josiah's descendants, Alison and Tom Wedgwood, in an open letter to a local paper, "the worst possible outcome, a grave day for British history, a sad testimony of Britain's resolve to neglect, and not cherish, its internationally significant cultural, scientific, social and industrial treasures."

Not all hope is lost, yet. Bob Young of the administrators Begbies Traynor has said it will try to raise funds to keep the collection, worth £18 million, at the museum. "We have held discussions with the Heritage Lottery Fund,

the V&A, certain members of the Wedgwood family and other potential benefactors about raising funds," he said. "We will spend the next few months in intensive discussions with potential benefactors and the museum trustees to try to come up with a proposal that is acceptable to creditors."

This month it was reported in the Museums Journal that a consortium comprising the Department for Culture, Media and Sport, Heritage Lottery Fund, Arts Council England, Art Fund and the V&A Museum has been established in a bid to save the collection.

**LOAD-DATE:** February 4, 2012

**LANGUAGE:** ENGLISH

**PUBLICATION-TYPE:** Web Publication

**JOURNAL-CODE:** WEBTTO