

## **PRESS RELEASE**

### **Legendary entrepreneur Werner Otto died at the age of 102**

**Hamburg, December 27, 2011** – The businessman and entrepreneur from Hamburg Prof. Dr. h.c. Werner Otto, founder of the mail-order company OTTO and the shopping center development company ECE, died on Wednesday, December 21, 2011, at the age of 102 in the presence of his family in Berlin.

Werner Otto was one of the last living post-war trade pioneers, who had considerable influence on the Federal Republic's economic, socio-political and social development due to their visionary power, distinctive inventiveness, and entrepreneurial courage.

Maren Otto, wife of Werner Otto: "My husband was very fortunate to grow old in a harmonic and loving family. He consciously did something for his health and lived in a disciplined manner. But his probably most important principle of life was to still have objectives in old age. We are deeply grateful that our family was spared major misfortunes."

Dr Michael Otto, entrepreneur, Chairman of the Otto Group Supervisory Board and eldest son of Werner Otto: "My father lived a fulfilled life. His deeds and decisions were consistently future-orientated and he accomplished a great deal as an entrepreneur. He saw the human being as the focus of all his actions and his social commitment was outstanding. I will miss a valued and intimate discussion partner."

Alexander Otto, youngest son of Werner Otto and ECE CEO: "My father was a real visionary, who was fortunate enough to be able to realize his ideas in good health and with thirst for action and who was often successful in doing so – whether with the otto group, ECE or other activities in the USA. But most of all, he was a good father who always inspired and encouraged me."

Werner Otto, born on August 13, 1909 in Seelow (Margraviate of Brandenburg), Germany, as son of a merchant, moved with his family as refugee to Hamburg after the Second World War. There, he founded his first shoe company. "When the sector borders were eliminated and shoes in good quality were introduced to the market by shoe companies that

were traditionally located in south-west Germany, my company without specialist staff was not viable. This is why I closed it down. At least, I still had 6,000 Deutsche Mark and the factory halls,” remembers Otto.

Then Otto had the idea that changed his life: why not sell shoes produced by others? And this in a mail-order business. With start-up capital of 6,000 Deutsche Mark and four employees, the unparalleled story of success started in 1949 with the result of the otto group as the world’s largest mail-order group. Basis if this unique development was the consistent implementation of Werner Otto’s corporate convictions. He gave priority to a clear innovation-oriented corporate strategy, the establishment of an efficient management and the consistent multiplication of the own strengths. In this way, he avoided the cardinal error many founders make: considering oneself as indispensable in the long term in the daily business and to interfere in too many details. Already in 1965, Werner Otto transferred the management of the company to Günter Nawrath, who was no member of Otto’s family. In 1981, Werner Otto’s son Dr. Michael Otto continued to head to company. In this way, Werner Otto gave himself the freedom for his second entrepreneurial career.

As of 1965, he established another successful company: ECE – economically and in terms of personnel completely independent from the OTTO mail-order company. Today, ECE is the most important development, construction, and management company for shopping centers in Europe. ECE develops and constructs not only shopping centers but also large office blocks, logistics centers, and other commercial large-scale real estate – always with the aim to effectively contribute to the vitalization of city centers as well as to careful urban regeneration. In 2000, Werner Otto’s youngest son Alexander Otto took over the management of ECE.

In 1962 Werner Otto took the step to North America and developed industrial parks and residences in Canada. From 1973, at the age of over 60, he started setting up a US real estate group: the Paramount Group in New York.

Werner Otto always felt it was his duty to use the opportunities he enjoyed thanks to his successful enterprise to give back to society.

In order to be able to help targetedly and efficiently and to relief human misery, he founded the “Werner Otto” Foundation in 1969. The medical foundation supports in those cases in which the state does not provide financial help at all or not sufficient. Another important project of the Werner Otto Foundation is the scientific treatment center for centre for childhood cancer diseases at the pediatric university hospital Hamburg-

Eppendorf, which has saved the lives of many leukemic children. Moreover, for the advancement of medical research is a prize awarded every two years for outstanding scientific achievements by Hamburg researchers and doctors.

Inspired by a report of the family's excellent pediatrician about excellent successful healing processes in the USA, Werner Otto founded the "Werner Otto Institute" on the area of the Alsterdorf Foundation in Hamburg in 1974. It is the first and up to now only institute dedicated to the early detection and treatment of developmentally challenged or disabled children and teenagers. Since 1966, there is also the "Werner Otto Scholarship to promote young medical and scientific students at the University of Hamburg". In the "Werner Otto House" in Berlin, hearing-impaired children and adolescents are taught to hear again after a Cochlear Implant operation.

Werner Otto has remained true to his principle of fulfilling his social responsibilities in other areas as well. For example, he donated a new museum building at Harvard University, the Werner Otto Hall, to showcase the expressionist art of German-speaking artists.

In his native town of Seelow, where 50,000 people died in the last major battles at the end of the Second World War, Werner Otto had the church spire re-erected and the nave restored. In Potsdam, Belvedere Palace on Pfingstberg hill was restructured and revived with Otto's help. He funded an additional modern stage for the Konzerthaus Berlin. In Hamburg, Otto supported the redesign of the Jungfernstieg promenade.

On the occasion of his 100<sup>th</sup> birthday, Werner Otto and his wife Maren founded in 2009 the "Werner and Maren Otto Foundation for the promotion of old-age care" in particular in Berlin and Brandenburg.

Werner Otto has received several awards and decorations for his entrepreneurial and social commitment, including the Grand Cross 1st class of the Order of Merit of the Federal Republic of Germany, the Honorary Commemorative Medal in Gold and the Hamburg Senate's Mayor Stolten Medal, the honorary title of Professor of the Free and Hanseatic City of Hamburg, the Berlin Senate's Ernst Reuter Medal as well as the Konrad Adenauer Foundation's Social Market Economy Prize for his business practices. He is an honorary doctor and honorary senator of the University of Hamburg and a Laureate of the Hall of Fame in the "Haus der Geschichte der Bundesrepublik Deutschland" history museum in Bonn. On the occasion of his 100th birthday, he was awarded the honorary citizenship of Berlin in 2009.

***otto group***



Werner Otto's actions will remain example and challenge at the same time. His standards of value will be carried on in the companies founded by him.

**Information for journalists:**

On the Internet, comprehensive information material can be downloaded under [www.werner-otto.info](http://www.werner-otto.info):

- this press release
- Prof. Dr. Werner Otto's curriculum vitae
- photos (printable for download)
- numerous quotes by and about Prof. Dr. Werner Otto (in German)
- complete text of the Werner Otto biography „Der Jahrhundertmann“ (in German only)
- Audio material for radio (in German)
- Time code list for TV material and contacts for ordering the material for Beta SP (in German)
- corporate history and history of otto group and ECE
- historic pictures of ECE and otto group (printable for download)
- links to the Internet pages of the Werner Otto Foundation and the Werner and Maren Otto Foundation
- contacts

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