

bulletin



Architecture & Finance

2019/20

eabh (The European Association for
Banking and Financial History e.V.)

Intended for magnificent business: The enduring legacy of New Court

Justin Cavernelis-Frost

There is a sense of achievement in a business continuing in the hands of the same family for generations; Alexandre de Rothschild, the Chairman of Rothschild & Co. is the seventh generation of the family. Remarkably, in London, that business has traded from the same location for over 200 years, weathering the fall and rise of markets and nations. Today, Rothschild & Co. occupies the historic site in St Swithin's Lane in the City of London that was first chosen by Nathan Mayer Rothschild (1777-1836), as the base of the operations of his finance business, N M Rothschild in 1809. The name 'New Court' has graced four buildings on the site, and a shield proudly bearing the Rothschild motto 'Concordia, Integritas, Industria' still graces the building.¹

Nathan Rothschild was born in the Frankfurt Judengasse, the third son of the trader Mayer Amschel Rothschild (1744-1812). At his father's request, Nathan had settled in Manchester in 1799, where he had established N M Rothschild, a branch of his father's merchant house. In 1806, he married Hannah, daughter of the London merchant Levi Barent Cohen, giving him a position in society and access to influential contacts. Following the death of his father-in-law, Nathan moved to London and established his finance house dealing in bullion and foreign exchange. Nathan's increasingly successful business provided a model for his brothers, and over the next fifteen years they also left Frankfurt and established finance houses in Paris, Naples and Vienna.²



The first New Court, shortly before demolition, c.1860

St Swithin's Lane and the first New Court (c.1809-1868)

It is believed that there was a thoroughfare in Roman times running along the narrow line now called St Swithin's Lane, where traders made their way from the banks of the Thames to the City. The lane takes its name from St Swithin's church, which once stood at the south-western corner of the lane. 'St. Swithun' was a Saxon Bishop; according to legend if it rains on 15 July, St Swithin's Day, it will rain for the next 40 days in succession. The first mention of a house called 'New Court' was noted in 1720.³ By the early 1730s, the lane was described as 'a very handsome large place, with an open passage into it for a coach or cart. Here are very good buildings and at the upper end is a very good large house in-closed [sic] from the rest by a handsome pale'.⁴ In 1809, Nathan



The Partners' Room in the second New Court (c.1960)

acquired the lease of No.2, New Court for £750, as a home for his family and as the centre of his London business interests. Joseph Barber, Nathan's head clerk in Manchester remarked 'St Swithin's Lane is a very proper situation for a Manchester man to reside on account of the wetness of the weather which that saint portends', a wry comment on the address, and the rain for which Manchester was infamous.⁵

New Court had many advantages. The building had a warehouse attached so Nathan could continue his business as a merchant; although Nathan had every confidence in his new venture, he was not to wind up his Manchester firm until 1812. More importantly, New Court was a short stroll away from the Bank of England and the Royal Exchange where Nathan would soon make his mark. The building Nathan acquired was in good order, having 'a cantilevered cornice. A covered colonnade on the south side

¹ The Rothschild family motto is derived from the Imperial Letters patent granting the Austrian baronial title and arms to Salomon and his brothers, 29 September 1822. RAL 000/275.

² In 1812, James Mayer Rothschild (1792-1868) established a banking house in Paris. Salomon Mayer Rothschild (1774-1855) settled in Vienna in 1820. Carl Mayer Rothschild (1788-1855) set up business in Naples in 1821, leaving Amschel Mayer Rothschild (1773-1855), to head the Frankfurt bank.

³ A Survey of the Cities of London and Westminster, John Strype, London, 1720.

⁴ A Survey of the Cities of London and Westminster, Robert Seymour, London, 1733.

⁵ Letters received: Barber of Manchester, 1809. RAL XI/38/41B.



Watercolour of the front of the second New Court, c.1930

with steps up to the front door, a brick parapet, cock-loft, garrets and flats.’ In 1815, Nathan signed a new 21-year lease for New Court for £175 per annum. This was the year of Nathan and his brothers’ famous commission to supply the British government with coin to pay the troops after the Battle of Waterloo.⁶ Nathan moved his to family a villa in Stamford Hill in 1816, but New Court remained the heart of the business; by the mid-1820s, N M Rothschild was acknowledged as the foremost issuer of government loans in the world, and in 1824, the Alliance Assurance Company was founded at a meeting of Nathan and his associates. However, for such a successful business, New Court remained a somewhat modest address; to the German Prince Pückler-Muskau, visiting Nathan in 1826, New Court appeared ‘obscure-looking.’⁷

Nathan died in Frankfurt, where he had been attending the wedding of his son Lionel Nathan (1808-1879). On 8 August 1836, Nathan’s funeral cortege of 75 carriages

left New Court. On his father’s death, Lionel became the senior partner in the new firm N M Rothschild & Sons, which he formed with his three brothers. Lionel immediately embarked upon renovation works. In 1841, at the request of the City Surveyor, an engraved stone was added to the frontage of the building, bearing the name ‘New Court’. Plans survive from 1857 showing the layout of the bank’s offices; the building contained a kitchen, dining room, porter’s room, offices for clerks, waiting rooms and a bullion room.⁸ In the 1850s, New Court was the hub of ideas for reform. In December, 1846, the British Relief Association, established to raise funds for famine relief in Ireland, was organised in from New Court, and in 1858, Lionel took his seat as the first Jewish Member of Parliament, the result of a long campaign for Jewish emancipation, much of it co-ordinated from his business address.

The second New Court: a ‘palazzo’ for business (1868-1962)

Business continued steadily under Lionel, who extended the bank’s circle of influential clients and Government loans business. By 1850, over 40 people worked for N M Rothschild & Sons and salaries ranged from £50

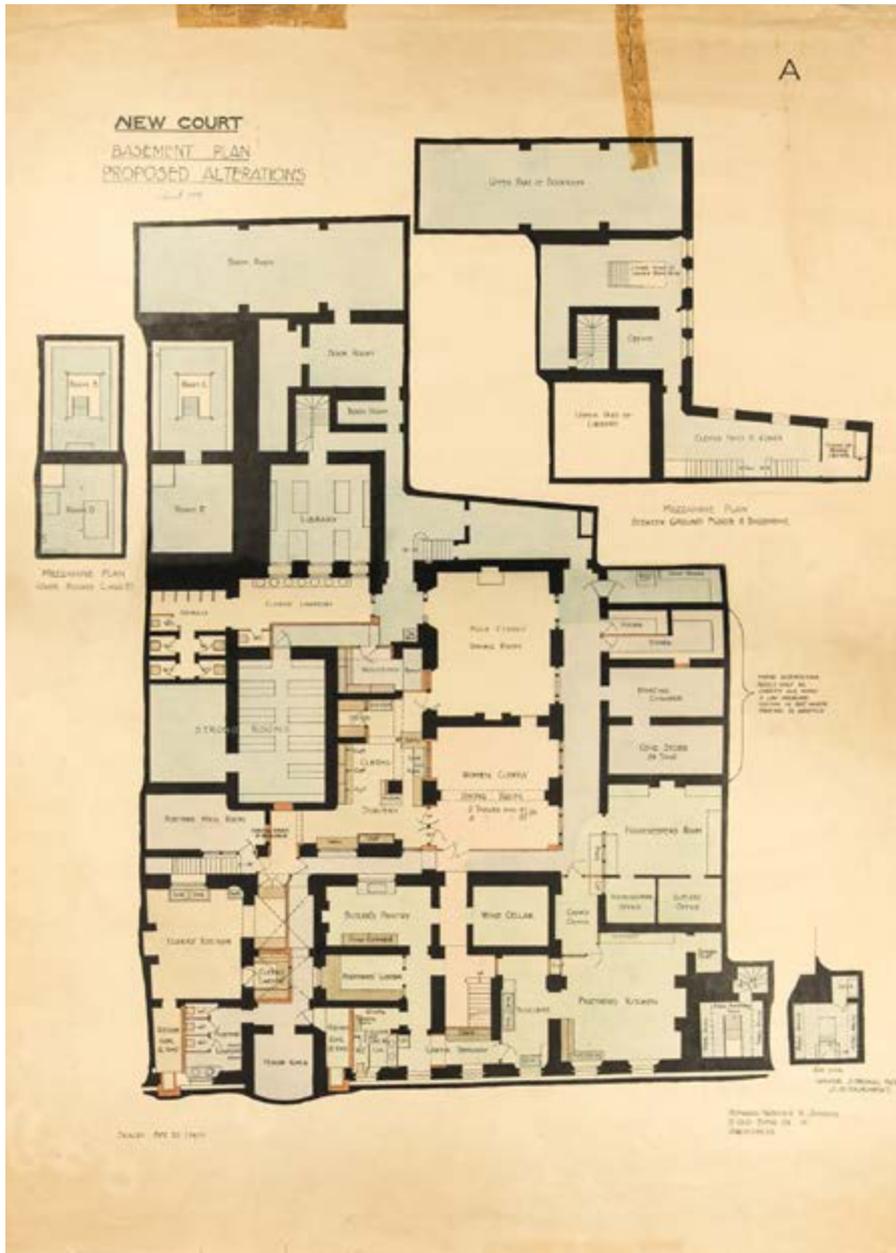
to £500 per annum. As the 1850s drew to a close, Lionel felt that it was time for a new building reflecting both his status and the firm’s position in the world. Between 1860 and 1865, the first re-building of New Court took place. The new building was completed in the style of a grand Italian ‘palazzo’ to the design of Thomas Marsh Nelson, of the firm Nelson & Innes. Nelson had already worked on Lionel’s elegant London townhouse at 148 Piccadilly. The domestic feel of the old New Court was swept away in favour of a building more imposing and business-like. The Rothschild Partners were all accommodated in the Partners’ Room, a grand wood-panelled office. The new building certainly impressed Charlotte, Baroness Lionel de Rothschild, who declared upon its opening in 1865, ‘New Court - I mean the new portion which I had never seen, seems to me quite marvellous, and intended for magnificent business.’⁹ New Court was indeed the setting for a spectacular business in 1875 when Lionel advanced to his friend, the Prime Minister Benjamin Disraeli, a discreet personal loan of £4 million to enable to the British Government to purchase a majority share in the Suez Canal; the desk at which this historic deal was said to have been sealed remains proudly on display at New Court today. Lionel died in 1879, and was succeeded as Senior Partner by his son Nathaniel (1840-1915), who was himself supported at New Court by his sons Alfred (1842-1918) and Leopold (1845-1917). Nathaniel, who was raised to the peerage in 1885, turned his interests to the mineral resources of the New World and in 1886, he was instrumental in establishing The Exploration Company, which operated from offices further down St Swithin’s Lane. Rothschild business was in such demand that Nathaniel had to climb into New Court via a first floor window to avoid crowds clamouring for shares in the Burma Ruby Mine issue of 1889. Nathaniel extended the Dividend Office in 1884 and in 1889 electric light for New Court was costing £1,000 per month. In 1899, No 7 St Swithin’s Lane was acquired for £8,000. On 4 March 1912, Leopold had a narrow escape. Whilst leaving New Court by car an attempt was made on his life by a gunman; he was not injured and the attack was thwarted by Charles Berg, a police officer in private service at New Court, and Sidney Coleman,

⁹ Charlotte, Baroness Lionel de Rothschild to Leopold de Rothschild, 16 October 1865. RAL 000/84.

⁸ Plans of New Court, 1857. RAL 000/609.

⁶ Brian Cathcart has recently disputed the claim that news of the English victory was received at New Court before anyone else in ‘Nathan Rothschild and the Battle of Waterloo’ The Rothschild Archive Review of the Year 2013-2014.

⁷ Tours in Germany, Holland and England, in the years 1826, 1827, and 1828, with remarks on the manners and customs of the inhabitants, and anecdotes of distinguished public characters, in a series of letters, by a German Prince, Hermann Pückler-Muskau, London, E. Wilson, 1832.



Plan of the basement, the second New Court, c.1919



The Shield which hangs outside New Court to this day



The third New Court, main entrance, 1965



The third New Court, 1965

a newspaper seller in the lane. Hundreds of telegrams and letters of goodwill were received by Leopold congratulating him on his fortunate escape.¹⁰

Lord Rothschild died in 1915, and his son Charles (1877-1923) and the first of Leopold's three sons, Lionel Nathan (1882-1942) entered the Partnership, to be joined in 1917 by Leo's other sons Evelyn Achille (1886-1917) and Anthony Gustav (1887-1961). During the First World War, whilst his brothers were on active service, Lionel was reluctantly persuaded by the King to remain at New Court, where he supported the war effort by hosting meetings of the Jewish War Services Committee to address issues of Jewish recruitment and welfare.¹¹ At Alfred's request the Dividend Office gallery at New Court was packed with sandbags to protect

the Bullion Room below, and an air raid shelter was built in the corner of the Drawn Bond Department. Upon Alfred's death in 1918, his nephew Charles Rothschild (1877-1923) took over, and set about modernising the administrative practices of the bank. On 12 September 1919 the first Gold Fixing took place at New Court.¹²

Charles died in 1923, leaving Lionel Nathan and Anthony Gustav to take charge of the London business. But the clouds of war were once again on the horizon, and during the 1930s, the brothers organised meetings of the Central British Fund at New Court, co-ordinating efforts to aid Jewish refugees. A week before the Second World War was declared, three-fifths of the clerical staff and 'records and books of value' were evacuated from New Court to Tring Park, a Rothschild country estate. New Court was equipped with a first-aid station,

fire-fighting apparatus, gas-proof curtains and fire-watching rotas were organised. The City Corporation requested permission to erect a water reservoir in the courtyard. From 1941, air-raid warnings were frequent and, according to a pre-arranged plan, staff evacuated the upper storeys of the building and carried on their work in the basement dining room, which had been strengthened to provide protection. The most serious raid took place on 10 May 1941, in which the historic church of St Swithin was destroyed. According to a report in the Archive by P.C. Hoyland, a Rothschild clerk on fire-watching duty that night, New Court was at very real risk of loss. 'Soon the crash of high explosive bombs was heard, flares were dropped, followed by showers of incendiaries which lit up the whole of the sky... A shower of missiles, consisting of blocks of concrete and bits of pavement, were hurled into the air. Some of these landed in the courtyard, others on New Court itself.'¹³ However, the Auxiliary Fire Service were able to pump water from the Thames to control the flames, and New Court survived the war relatively unscathed. The names of members of staff who fell in both wars are recorded on the New Court War Memorial.

The third New Court: a new building for a new age (1962-2008)

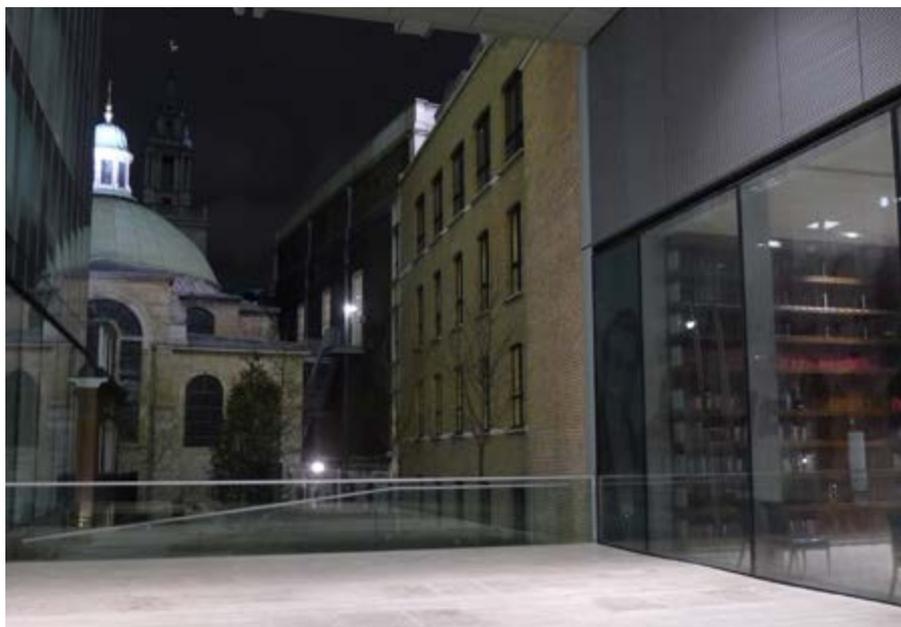
In the early 1960s, at the instigation of senior partner Edmund de Rothschild (1916-2009), New Court hosted the first trade delegation from Japan to the City after peace had been negotiated. By 1962, over 300 people worked at New Court, half of them women. However, the century old building was beginning to show signs of strain. Attempts were made to extend it upwards, but the building was looking dated, and was not easily adaptable to new ways of working, at a time when N M Rothschild & Sons were looking resolutely to the future. The time had come to re-build again, and a new Rothschild-owned company was created to undertake the development. The architect Fitzroy Robinson was commissioned and the construction company Trollope & Colls were appointed to oversee the project, which was closely supervised by Evelyn (later Sir Evelyn) de Rothschild (b.1931). In 1965 the staff returned to St Swithin's Lane

¹⁰ Leopold de Rothschild, press cuttings concerning the attempt on his life, 1912. RAL 000/432.

¹¹ Tragically, Evelyn Achille de Rothschild was killed on active service. Wounded in the Yeomanry charge on El Mughar on November 13th, 1917, he died in the Citadel Hospital, Cairo, four days later.

¹² From 1919 to 2004 the representatives of the members of the London Gold Market would assemble in a room at New Court each day to agree the world gold price.

¹³ New Court, sundry papers, report of 'Attack by the German Luftwaffe on the City of London', 1941. RAL 000/2214.



The fourth New Court, view of The Reading Room of The Rothschild Archive, and church of St Stephen, Walbrook



The fourth New Court

to a black glass and marble building very different to that which they had left. The main building had two floors below ground and six above, set back from the Lane, with two three-storey wings joining the main block at right angles, arranged, in a deliberate echo of the two earlier buildings, around a central courtyard. Externally defiantly of the 1960s, inside the building retained elements from its past. Granite setts from the old courtyard were laid in the new. Panelling, from ‘the Old Room’ used by Nathan Mayer Rothschild was incorporated in a new Partners’ Conference Room. State-of-the-art fittings included air conditioning and a strongroom, with Europe’s then biggest strongroom door, with a lock offering over 4,000,000,000 different combinations. The building was the visible symbol of a trend of modernisation within the firm, and in 1970 N M Rothschild & Sons became N M Rothschild & Sons Limited, with a board of directors.

The fourth New Court: Into the 21st century

In 1984 an extra storey was added to New Court to create a new Board Room, and in the 1990s, 1 King William Street, (situated at the top of St Swithin’s Lane), which had been built in 1921 as the offices of the London Assurance Corporation was acquired and refurbished. In 2008 the decision was taken by Chairman Baron David de

Rothschild to consolidate the departments of the London business in a single new building on the New Court site. The 1960s building was razed to the ground and between 2008 and 2010 work began on a new landmark building to the designs of internationally renowned architect Rem Koolhaas and his practice OMA. OMA’s vision for the new building was driven by the idea of ‘heritage in the City’, with the inspiration behind the design came from the Palazzo Vecchio, in Florence.¹⁴ The fourth New Court is a striking 15 storey glass and steel building providing 20,992 m² of office space in a building 75m high. At ground level, the building opens up views of Christopher Wren’s Church of St Stephen Walbrook which have been unseen for 150 years; and from the roof-top, the London skyline from an elegant glass pavilion. The interior of the building includes many references to the company’s history, and includes a stunning oak reading room for The Rothschild Archive. Ellen Van Loon, Senior Partner OMA summed up the vision: ‘The exterior as well as the interior of the new building has been carefully conceived to create an inspiring building for Rothschild that establishes a new dialogue with the City.’

Throughout the last two centuries the physical buildings occupied by the London

Rothschild business may have changed, but an enterprise is more than just bricks and mortar, it is about a certain way of conducting business and the people that inhabit the space. In 1926, a young Siegmund Warburg spent time N M Rothschild & Sons, under the tutelage of Lionel and Anthony de Rothschild. His letter of thanks expressed the special quality of New Court: ‘...But I learnt something also which will be far more important to me in my future life. This is the fine tradition of New Court which combines business with humanity, without neglecting either.’¹⁵ ●

Author Profile

Justin Cavernelis-Frost is Archivist with The Rothschild Archive London. He has held senior positions with The National Archives of England and Wales and the Museums, Libraries & Archives Council. He joined the staff of The Rothschild Archive in 2009, and was previously Trust Archivist of St Bartholomew’s Hospital in London.

All images © The Rothschild Archive

¹⁴ The Fourth New Court, design and access statement, 2006. RAL 000/1734.

¹⁵ Siegmund Warburg to Lionel and Anthony de Rothschild, 1 November 1926. RAL XI/111/433.