

COMMENTS ON THE ART MARKET

VOLUME 191

Rehs Galleries, Inc.
Rehs Contemporary Galleries, Inc.
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Upcoming Events

During the month of November, we will be participating in two fairs:

Antique & Modernism - Winnetka

The Winnetka show is set to open on November 4th and will run through November 6th. If you will be in the area, please stop by for a visit.

New York Art, Antique & Jewelry Show

This fair opens to the public on November 10th and runs through November 13th. If you would like to attend the Opening Night Preview (November 9th), please call the gallery – we have a few tickets left.

ARC Select

And do not forget that our ARC Select exhibit will continue at the gallery through November 18. If you happen to be in the area, please stop by. There are many exceptional works by Sheridan, Attie, McGurl, Rane, Tirrell and Hall on display.

Julien Dupre Catalog Raisonné Update

Janet Whitmore was back in New York finishing up her research at the gallery ... we have a very nice archive on the artist. Once everything is sorted and cataloged, Janet will begin the writing phase. Yes, we are almost at the writing phase!!!

If you have a work which has yet to be authenticated, now is the time to be sure it is included.

Stocks

By: Howard

October is over and we are moving into the "November to Remember". I, for one, will be very happy on November 9th ... our political circus will have crowned our next ringmaster and a new clown car will be heading for D.C. I still believe that America is a great place to live and hope that once all the uncertainty is gone, our various financial markets can get back to work.

At 5 pm today I checked on the Euro -- it closed out the month at \$1.098 (down a little – we are getting close to parity), the Pound lost a tiny bit - \$1.224, Crude also lost a little -- closing at \$46.70, and gold dropped – closing at \$1,278.6 (might be time to buy that gold bracelet).

As for the DOW, we opened at 18,279, never got higher than 18,329 and finally closed out the month at 18,161 – not too bad given the circumstances. As for my favorites: JP Morgan (\$69.26 – up 4.13%), Exxon (\$83.32 – down 4.28%), GE (\$29.10 – down 1.82%), AT&T (\$36.79 – down 9.76%), Verizon (\$48.10 – down 7.29%), Wal-Mart (\$70.02 – down 2.76%), Coke (\$42.40 – up 0.88%), DuPont (\$68.79 –

up 1.40%), Merck (\$58.72 – down 6.08%), Disney (\$92.69 – up 0.22%), Intel (\$34.87 – down 7.41%) and Apple (\$113.54 – up 0.91%). I hope that we see some upward mobility once the election is over ... and people, start using your phones!

Tales from the Dark Side

By: Alyssa

A VAT fraud case involving Swiss billionaire, Urs Shwarzenbach, has come to an end after 3 years of investigation. Per reports, Shwarzenbach failed to claim 10M Swiss francs (SF) worth of duties and presented falsified documents for over 200 works of art valued over 130M SF. Investigators have concluded that at least 123 works went unreported; many of which were purchased in Switzerland, sent to his home in the UK (avoiding taxation) and then smuggled back into the country. For example, a painting by Giovanni Segantini, *Le due madri*, that was purchased at Christies, Geneva, in 2011 for 1.4M SF and shipped to his London estate was recently found hanging in his Swiss Alps villa. In addition, authorities uncovered receipts for falsified valuations – e.g. there was one dated June 16, 2012 for Gottardo Segantini's *Paysage alpin* for 10,000 SF – Shwarzenbach actually paid 105,000 SF for the work. In the end, Shwarzenbach admitted to the charges and agreed to pay the 10M SF VAT; however, he is objecting to pay the fine of 4M SF he is hoping to present his side and clear his name in a Zurich district court.... good luck man.

Another month, another indie-artist, another giant retailer. LA- based artist, Lili Chin has filed a copyright infringement lawsuit against the second largest department store in the US, Kohl's and its supplier K. Bell, an LA based sock company. Fans alerted Chin that her design from a popular 2011 poster, *Doggie Language*, were being used as a design for the stores shirts and socks line. Joining the efforts of the many cheated artists from the past few months, Chin hired a lawyer to help her protect her rights as an artist...and like the other retailers, Kohl's has chosen to ignore the complaints.

What happens when the Big Brand takes the blame?? Again, the same issue arose this past month with Spanish artist, Roberta Marreo and the British fashion mogul Vivian Westwood. However, a turn of events occurred when the brand reached out to Marrero with an apology. Yes, you heard that right, Westwood took the blame for the “mistake” and is making efforts to make right of their wrong. According to Westwood, the t-shirt, which was priced at \$343 (more expensive than what Marreo sold her original work for) was a created by Dame Westwood's husband and the brands creative director Andres Kronthaler. Apparently, they did not know the work was by a contemporary artist... funny since the original is signed and dated. Anyway, it's nice to see the “little (wo)man” take an easy win.

Really!

By: Amy

The World Series is underway and I am sure many of us are enthralled by the fanatical fall classic, as it is great to see two teams that have not had much luck in the past 'batting' it out on the field...the Chicago Cubs have had 11 appearances with only two wins (1907 and 1908) and the Cleveland Indians with only 6 appearances have also had just two wins (1920 and 1948). So, just in time to celebrate a new World Champion, a few championship items have made their way across the auction block.

Several items from Yogi Berra's (1925-2015) estate just sold - the featured lot being the 1953 World Series ring that he wore most of his life. Berra was the Yankee's star catcher from 1946-1963 and participated in 14 World Series, winning 10 championships! This ring was from his fifth World Series win and what has made it so valuable is that in 2014 several of his World Series rings were stolen from the Yogi Berra Museum and Learning Center in New Jersey – they have yet to be recovered....really! The ring had a starting bid of \$100,000 and sold for \$159,720. In total, the sale of items from the estate made close to \$500,000!

Once again, a Honus Wagner baseball card set a new world's record when it sold for \$3.1M!! Really! This is the first time a trading card of any kind has sold for over \$3M and this card beat its previous record of

\$2.1M (set in 2013). The card is referred to as a Jumbo Wagner for its unusually large margins and is highly prized by collectors. The card is extremely rare as only 200 were printed before Wagner objected to the use of his image on the card.

The famous slugger Shoeless Joe Jackson (1887-1951) was banned from baseball in 1920 for allegedly throwing the 1919 World Series (along with 7 other players), although all were acquitted by a jury after only two hours of deliberation. The baseball commissioner at the time wanted to send a no tolerance message regarding gambling in baseball, imposing a lifetime ban from professional baseball for all 8 players and subsequently inspiring the plot for one the greatest movies, *Field of Dreams*...really!! A 1909 Jackson rookie card sold for an amazing \$667K (minimum bid \$100K); it is one of only two examples known to exist. In addition, a regulation baseball bat used by Jackson sold for \$584K (estimate \$500 - 700K). Even though it only sold at the low end of the estimate, it still made history since it sold for more than his legendary "Black Betsy" Bat which brought \$578K in 2001. However, the auction record for a bat still belongs to Babe Ruth --- a 1923 game-used baseball bat sold in 2004 for \$1.2M!! Really!

Finally, here is important news for anyone who buys/sells/collects sports memorabilia (although this new California law pertains to all collectibles). An amended bill was signed into law by Governor Jerry Brown stating that anything with a signature that is sold for more than \$5 – and not limited to an autograph, photograph, trading card, ticket, program, manuscript, first edition book – will require a Certificate of Authenticity (COA) when sold to a Californian. (So if a California customer buys something out of state, the dealer is subject to this new California law too! Really!) If a COA is not provided or is falsified, the seller may be subject to 10 times the actual damages which may include the cost of the collectible, court fees, attorney fees and expert witness fees. That is a really big WOW!

GO CUBS! GO INDIANS! (Although by the time you read this, the World Series will probably be over and we will have a new World Champion!)

REHSing Artists

By: Lance

Thank you for the great response to last month's article. As I alluded to in the first piece, we are now going to cover some of the dos and don'ts when contacting perspective galleries. Next month we will discuss the actual presentation of your work.

Making Contact – The old adage "you'll never get a second chance to make a first impression" could not be more fitting. Your goal should be to make the gallery "want you" and if you do not go about it the right way your work may not even be reviewed.

When it comes to making contact, there really is no simple or straightforward answer as to what is best. That is, this step of the process changes on a case by case basis, mainly because there is no clear industry standard. When applying for most jobs, you need a CV (resume), Cover Letter, perhaps a few references; fairly standard stuff. In the art world, you need to present your work and that can be done in a variety of ways. I've had artists mail in CD's, photographs and USB drives; send e-mails with images, PDF presentations, or a link to their website; show up in person with their artwork and in one case, do some insane magic tricks... so what should you do?

First and probably a bit obviously, I'd advise checking the gallery's website. Some have a formal submission process and if they do, it might be posted on their website. In fact, many galleries will have some notation on their website as to how they prefer submissions be sent – look for a "Contact Us" section. Checking into this beforehand is imperative, some galleries will ONLY review submissions that were done in accordance with their requirements, even if it just means writing "Submission" in the subject line of your email. Your work may be a perfect fit, but if no one at the gallery ever sees it, who cares?

On the other hand, some galleries will make no mention of a submission process... that likely means they do not have a formal submission process and you can make contact at your discretion; that is, you have a bit more freedom in how you go about this. As I discussed in my last post, one of the best things you can do to give yourself the upper hand is getting in touch with another artist who is or has worked with the gallery you are looking to approach. They will probably have some great insight, after all, they already went through the submission process and they got the exact result you are looking for... Representation! What better resource could there be? If that doesn't work, you can try a more direct approach and simply

give the gallery a call and ask “how can I submit my work to be considered for representation?” I know, I know, common sense stuff but you’d be surprised.

WARNING: What I DO NOT recommend doing is coming up with a cookie cutter application/portfolio package and mailing it off to a bunch of galleries – you may have some luck but it is an inherently risky approach given the fact that each gallery may have different requirements.

That said, you should start considering how you plan to approach each gallery on your list. Remember, this is basically an interview and there are thousands of other artists vying for the position. You want to set yourself apart from the others and make the gallery want you, but first you should do everything you can to ensure your submission gets reviewed.

****DEALER TIP:** While art fairs are a great place to research which galleries may be a good fit, this is not an ideal place to approach a gallery and make your pitch for representation. Further, just for clarity, that does not mean it would be appropriate to just drop off your portfolio and ask them to review it after the fair... your materials may very well end up in the garbage. Galleries participate in fairs to increase their brand awareness; focusing on marketing the works by artists they *already* represent and hopefully making some sales in the process. You want the gallery’s undivided attention and consideration; art fairs are loud, dealers are busy, and you just may not get an adequate amount of time to make your presentation... long story short, save your pitch until the fair is over. I am sure you’d want that same consideration if your works were the ones hanging in that gallery’s booth.

The Art Market

By: Howard

The 19th Century – London and New York

Since our last newsletter we had a couple of encouraging warm-up sales --- the first of which took place in London during the last days of September. On the 28th, Bonham’s presented their lower to mid-level 19th century European, Victorian and British Impressionist Art sale ... a wide range of works dating from the 1850s through the 1970s. I have always said that the true health of the 19th century market will be told by the results of these lesser sales, so....

Taking the top slot here was a small Atkinson Grimshaw’s *A Moonlit Road* that brought £255K (\$314K – est. £120-180K), in second was a pretty Fantin-Latour still life at £219K (\$267K – est. £200-300K) and in third was a tiny sketch by Sorolla at £189K (\$230K – est. £40-60K). Rounding out the top 5 were von Ambros’ *A Street Vendor* at £111K (\$135K – est. £40-60K) and Wierusz-Kowalski’s *Looking for Bears* at £99K (\$120K – est. £40-60K). All five works either met or handsomely beat, their estimate range.

What I found very promising is that of the 109 works offered, 88 sold (80.7%) and the total take was £2.3M (\$2.85M) on a presale estimate range of £2.03 – 2.99M. We have not seen sell-through rates that high in the traditional mid-level market for some time. When we dissect this sale a little further we find more encouraging numbers. Of the 109 sold works, only 6 sold below their presale estimate range, 44 within and 39 above (do remember, the final numbers include the buyer’s premium while the estimates do not). Even so, it is nice to see. Now the question is: will this trend continue?

About a month later (October 25th), we had another test with Bonham’s British and European Art (Victorian, British Impressionist, 19th century European, Impressionist and Modern) sale ... again, a lower to mid-level sale spanning the 19th – 21st centuries.

Taking the top position here was Edward E. Simmons’ *Sarah and Marjory* at £46K (\$56.5K – est. £10-15K), coming in second were both O’Neill’s *The Rehearsal* (est. £5-7K) and George Jones’ *The Burial of Sir John Moore...* (est. £7-8K) at £21K (\$26K). Rounding out the top 5 were After William P Frith’s *The Derby Day* at £18.8K (\$23K – est. £4-6K) and Guerrier’s *Rendez-vous* at £17.5K (\$21.4K – est. £5-8K). As you probably noted, all 5 blew past their estimate range ... even the “After William Powell Frith”!

Of the 194 lots offered, 150 sold (77.7% sell-through rate) and the total take was £710K on a presale estimate range of £431-637K. Ok, I know that £700K is not even a bid on a major Picasso or Rothko, but at this end of the market those are strong results. When we drill down a little further we see that only 5 works sold below their presale estimate range while the other 145 sold within or above.

For many years now (since late 2008), the lower end of the British Victorian market has been ... for lack of a better phrase ... in the crapper. Well, it now appears people are beginning to realize that many of the works are a screaming bargain. We must also note, that the estimates in these two sales were more realistic. It is pretty simple ... curate with fresh material and estimate the works correctly (in other words – get rid of the junk and make sure the prices are correct) and success is only a few bids away!

Then came Christie's 19th century sale in New York. At this end of the market we are still experiencing a lack of consistent quality and while there are works by many of the bigger names being offered, some of the works are just not what the market wants. As we have seen in previous sales, strong prices are being achieved for the good works while the 'stuff' is just not finding a buyer. The top lot in this sale was Helleu's *Consuelo Vanderbilt*... which carried a \$300-500K estimate and sold for \$908K. In second was Godward's *A Signal* at \$404K (est. \$350-450K) and in third was a Doyen/Bouguereau collaboration at \$344K (\$150-250K). Rounding out the top five were landscapes by Courbet (\$188K – est. \$120-180K) and Corot (\$175K – est. \$120-180K).

Of the 59 works offered, 1 was withdrawn (a Bouguereau), 36 sold (leaving a sell-through rate of 62% --- not very strong) and the total take was \$3.63M (low end of the presale range was \$4M – so even with the buyer's premium assed in, they fell short). Now we need to dissect the sale for a better understanding. The first issue we encounter is that some of the works were 'recently on the market' ... things that others had tried to sell and failed. There were also several less than stellar examples (very late), or works that had condition issues. All these factors played a role in the low sell-through rate. On top of that, the Bouguereau (which carried the highest estimate of the sale (\$600-800K) was withdrawn. In the end, there were just too many higher priced works that did not sell: Grimshaw (\$150-250K), Millais (\$150-200K), Gilbert (\$80-120K) and two Munnings (\$300-500K & \$300-400K). As I said earlier, properly curated sales are the key to success.

The Rehs Family

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Gallery Updates: We will be exhibiting at fairs in Winnetka (Illinois) and New York City this month.

Web Site Updates: Works by Ridgway Knight, Cortes, Blanchard, Joe McGurl, Duffy Sheridan, Kari Tirrell, Walter Rane, Philippe Attie and Richard Hall have been added to our available inventory ... below is a small selection:

TRADITIONAL



Daniel Ridgway Knight
Polishing the Urn



Edouard Cortes
Place de la Madeleine

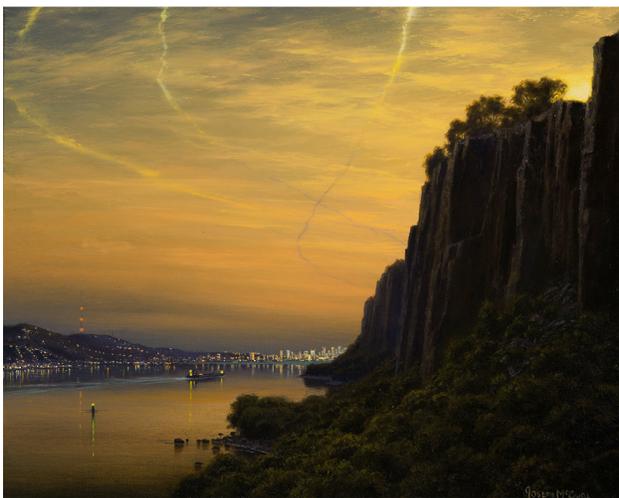


Antoine Blanchard
Les Grands Boulevards, Vaudeville

CONTEMPORARY



Julie Bell
In Circe's World



Joseph McGurl
Twilight, Hudson River



Duffy Sheridan
Esperanza



Kari Tirrell
Tattletale



Richard Hall
Freedom Rider



Kari Tirrell
Tin Menagerie



Walter Rane
Rising



Philippe Attie
Patouche

Next Month: It is the BIG ONES ... oh, and we will be exhibiting in Palm Beach!