

COMMENTS ON THE ART MARKET

VOLUME 105

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Summer is coming to a close and we will soon, I stress soon, be back to normal business hours ... but not until October. I am pleased to report that August was a quiet month --- which is what it should be in NY at this time --- allowing us to recharge our batteries and acquire some interesting works of art.

We hope you all have a wonderful Labor Day weekend!

Thoughts on Stocks

Well, last month's article discussing Steve's idea that I forget my stock market comments and concentrate on the art market got some of our readers talking – and all of them were in favor of my continuation – even those who work in the financial world like to hear what 'the common man' has to say. So with that, here are this month's thoughts ... sorry Steve.

WOW ... what a month (at least up until August 24th); the market has been holding over the 9500 point mark and I do not know about you, but my portfolios are up about 17.5% for the year – Woo Hoo!! As of the 24th Citi hit \$4.80 and you know what that means – I am now in the black; YES, my dollar averaging worked (for the time being) ... although I did get a letter from Citi asking for my vote on a possible reverse stock split which could be as high as 1 – 30! There were also some interesting stories on Citi in The Wall Street Journal (*Lost Citi Begins to Find Its Way Back Home*) and on AOL (*U.S. government sitting on \$11 Billion profit from Citi stake*). RIMM continues to perform well – hovering in the mid \$70s – and my purchases of Oracle, Pfizer, Bank of America and McDonalds are all slightly in the black.

Now I am not saying this is the light at the end of the tunnel, because what do I know about that particular light? Nothing. But it is nice to see a far less volatile market and while the daily graphs are still a bit choppy, I do not see any gale force winds on the horizon; but we all know how fickle Mother Nature is.

Now on to the serious business ...

General Market Comments

Since the beginning of the year my columns have focused on the art market ... because that is what I know best. However, there have been many interesting stories and results from other markets that I thought you might enjoy hearing about. So this month's newsletter is dedicated to everything but art:

Time is Money

As we all know, time is money and in the watch market the right timepiece can bring you a good deal of it. A few interesting items appeared on the market this summer and among them were a Patek Philippe (Ref. 5959) that sold for \$260,000; a Patek Philippe perpetual calendar wristwatch (Ref. 3448) made \$125,000 and a Patek Philippe perpetual calendar chronograph (Ref. 3971) made \$120,000. In addition, a 1943 Rolex stainless steel Oyster Chronograph (Ref. 3525) brought \$85,000 and a 1960s Omega Pre-Professional Speedmaster made over \$12,500. Humm, it might pay to check that jewelry box!

Money Begets Money

Just before the summer there were a couple of coin auctions and the results were rather amazing. Top place for these sales was taken by a coin classified as The King of Coins, the Adams-Carter specimen of the Class III 1804 silver dollar, which was bought by collector John Albanese for \$2.3M (now that is a nice return on your DOLLAR)! Coming in second was an 1856-O double-eagle (a rare New Orleans minted \$20 gold coin) that brought in \$1.48M; and in third were the 1870-S seated dollar and a 1794 dollar which each brought \$503,125.

And here are a few others – an 1876-CC 20-cent piece sold for \$460,000; a 1919-D walking liberty half dollar, a 1918/7-D buffalo nickel and a 1796 JR-4 dime each made \$253,000. In addition, a \$10,000 note made \$86,250; a 1934 \$5,000 note made \$80,500 and an 1882 \$5 Brown Back made \$75,750 ... from these results I would say ... put your money in the metals as the paper does not seem to appreciate as well!! And do not forget to keep checking your change.

Guns, Capes, Guitars, Posters, License and Choppers

So I guess you are wondering what these items have in common? Well, they all fall into the Entertainment Memorabilia category. Recent sales saw some interesting items hit the market and among them were: the cape worn by Christopher Lee in the 1958 horror film *Dracula* that made \$43,000; Omar Sharif's full-length cloak worn in the film *Lawrence of Arabia* made \$11,700 while the pre-Oscar UK six-sheet poster promoting the film made \$40,000 – I do find it interesting that the poster is considered more valuable than the coat; a one sheet movie poster for the 1923 movie *Hollywood* brought \$89,625 while a 1946 poster for *Gilda* made \$33,460. The gun used by Harrison Ford in *Blade Runner* (called the Hero Blaster) flew past its \$100-\$150,000 to sell for \$258,750 – now that is a hefty price for a rubber gun. A 1994 Taylor 12-string acoustic guitar used by John Denver in the 1990s made \$20,315, while an acoustic guitar used by Elvis sold for \$26,290. And finally, "The King of Cool's" drivers license brought an astounding \$42,700 – in case you are wondering, the King of Cool is none other than Steve McQueen; oh, his 1963 Triumph Bonneville Desert Sled (a motorcycle that was customized by Bud Ekins and painted by Von Dutch) brought \$84,240 ... normally this bike would have sold in the \$3-\$6,000 range, but the McQueen touch made all the difference.

Duck, Duck, Goose

The summer season also brings out the decoy collectors and this year we continued to see some incredible results during the 3 main sales that took place; between them over 2000 items were offered. Taking top BILLing was an A. Elmer Crowell (c.1910-12) nesting goose that sold for \$661,250; in second place was Crowell's (c.1900-10) preening pintail drake at \$546,250 and Crowell also captured third when his tucked-head red-breasted merganser drake (c.1900-10) made \$207,000. There were many other impressive results, far too many to list here; however, I found it interesting that one of the sales boasted a 90% sell-through rate! Like I have been saying – if you have the goods, there are buyers!

Toys for Boys and Girls

A number of dolls and toys came across the block this summer and as with many other things ... the good items really stood out. In Atlanta, an auction record was set when an Albert Marque doll (number 21), based on the Ballets Russes in Paris and made c.1915, sold for \$263,000 while an 18 inch French bébé A.T. by Thuillier sold for a strong \$64,960. At a sale in Maine, a fabulous Arcade clockwork "Say it with Flowers" delivery cycle toy brought \$63,250 (one of the most sought after toys of its kind); an Arcade utility truck brought a record \$22,425 and a scarce Checker Cab brought \$23,000. And in New Hope, PA another summer toy auction took place with top honors going to a Marklin manufactured Iowa Battleship (c.1903) at \$46,000 while another Marklin piece – Battleship Baltimore – came in a close second at \$43,125. It is nice to see that some toys do last a lifetime, and longer!

Tales from the Dark Side

Here are a few people who have found themselves on the wrong side of the law (as reported in the Maine Antique Digest):

1. Ronnie Meyerson (of Long Island) is being sued by James Healy for \$207,652.20 plus punitive damages, etc. for selling what turned out to be a fake Chagall. Now anyone could be fooled by a very good fake, but the real issue here is that supposedly Meyerson insisted that the Comité Chagall confirmed its authenticity. A certificate of authenticity was delivered to Healy after the deal was done, but it turns out that it was a fake as well. Yikes! And here is the real kicker ... the painting was sent to the Comité for inspection and both it and the certificate were deemed fakes – their policy is to not only confiscate any fakes, but destroy them. The Comité has been kind enough to delay the destruction of the work until the suit is settled. As for Meyerson – she has moved from Long Island and left no forwarding address.
2. Detective Stephanie Lazarus, part of the Los Angeles Police Department's Art Theft Detail was arrested on June 5 for the 1986 murder of Sherri Rasmussen. This reads like a story you would see on TV. The LAPD were reviewing cold cases and used DNA collected at the crime scene to identify the killer. It turns out that Lazarus was having a relationship with the victim's husband at the time.
3. Merkin Collection Sold – J. Ezra Merkin (tied to the Madoff scandal when it was revealed that he invested over \$2.4 billion of client's money with Madoff) has sold his art collection, which included a large number of Rothko paintings, for \$310M (after fees and taxes the balance will be \$191M). The money will be frozen and held in escrow until the pending court case is settled.
4. Anthony Bonneau of T's Family Auction, Cairo, New York was indicted on charges of grand larceny in the third degree. Bonneau is accused of selling items that once belonged to the artist J.M. Newall and not paying the consignor.
5. The auction license of Frank Beliveau, New Hampshire, has been suspended for 5 years after failing to pay a consignor the funds owed.
6. Indian Artifact sting – 25 people from Utah, Arizona, Colorado and New Mexico were charged and arrested in one of the longest running sting operations involving Indian artifacts from federal and tribal lands. An undercover informant worked for 2 ½ years chronicling the illegal activities of dealers and collectors; two of the collectors committed suicide. It is an amazing story of this underground market and its wealthy players ... the stuff movies are made of.
7. Bouguereau is back in the news. In a recent report the dealer who purchased the Bouguereau from the nuns for \$450,000 has countersued stating that the price paid was fair and reasonable given the works condition and "alleges that art dealers Paul Dumont and Robert Boyle conspired to extort money from dealers Mark LaSalle and Mark Zaplin and when LaSalle spurned their entreaties, they carried out a systematic plot to destroy his reputation." Zaplin makes a real interesting argument for his case and it is worth reading the full story (a link can be found on our web site).

That is it for this month's Comments on the Art Market and once again we hope you all have a wonderful holiday!

Howard L. Rehs

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Gallery Updates: **Gallery hours for the month of September are Monday – Thursday 10 am – 5:30 pm and all other times by appointment.**

Web Site Updates: Works by the following artists have made their way through the gallery: Jean B.C. Corot, Katie Swatland and Sally Swatland. Look for new works by the following artists: Julien Dupré, Jean P. Clays, Edouard Cortès, Sally Swatland, Katie Swatland and Mark Lovett; a couple of the new works are illustrated below:

TRADITIONAL



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Paul J. Clays
Along the Coast
31 x 43 ¾ inches

CONTEMPORARY



Mark E. Lovett
Ladybug
30 x 30 inches

Next Month: Continuing art market updates.