

# COMMENTS ON THE ART MARKET

## VOLUME 107

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### Dallas

Here's a final reminder: We will be exhibiting at the Dallas International Art, Antique & Jewelry Show from November 5 – 9, 2009. If you are in the area that weekend, please stop by and see us. We will be exhibiting works by Bouguereau, Boudin, Corot, Dupré, Knight, Swatland, Harris, Lovett, Banks and many others.

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### Edouard Cortès Catalogue Raisonné

Volume 2 of the Cortès Catalogue Raisonné is scheduled to be released in November. Once the final cost is established we will let you know; hopefully we can obtain a quantity discount from the publisher. If you are interested in purchasing a copy, please let us know as soon as possible (word is it will cost about 220 Euros plus postage).

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### Our Bolotowskys Will Hit the Road

The University of Wyoming has requested the loan of our three Ilya Bolotowsky paintings for their upcoming exhibition which will run from January 30 through August 7, 2010. While the three works – *Untitled* (1852), *Blue Construction* (1939) and *Vibrant Tondo* (1968) – will still be available for sale, after January 30 they will be hanging in Wyoming. And should they sell before the show, we do hope that the new owner/owners will agree to loan them.

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### Our Stock Market

Now you have to give a big shout-out to the stock market ... it has been holding its own for a few months now. On October 14 we broke through the mystical/magical 10,000 point mark (a first for 2009). Many companies have been reporting positive earnings and it seems that the light at the end of the tunnel may be getting a little closer – I do stress “may”! Boy, do I long for stock market sunshine!

And for those of you who care, my personal portfolio is looking good --- total returns for the year are hovering in the 20 – 22% range and Citi, BofA, RIMM, Oracle, Pfizer, etc. are all in the black; which is a nice feeling.

I am sure there will be more interesting twists and turns before we settle down for a more orderly advance, but I hope that most of the crazy ups and downs are behind us ... at least for the foreseeable future.

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## The Art Season Has Started

The art market is ramping up for what appears to be a reasonable fall/winter season. I can report that over the past few weeks we have sold a number of great works including two wonderful Julien Duprés, a fabulous Isaac Israels, a lovely street scene by Cortès and a very nice Blommers.

Catalogs from the different salerooms have been flowing in and a majority are somewhat scaled down when compared to those of just over a year ago --- a very nice change in terms of the quantity of material being offered. It is funny when I look at the shelf where we keep the upcoming sale catalogs -- now it takes two, three or even four to match the thickness of one of the previous catalogs -- they are definitely saving a lot of trees! However, the biggest issue facing the auction rooms is the lack of quality material being offered to them. It appears that many sellers are more comfortable working with the galleries, rather than taking their chances at auction; it is hard for the auction rooms to argue this point since they are all now pushing their 'private sale' option. To me a 'private sale' seems to go against the very reason someone would choose the auction format, but I guess it is all about the bottom line ... or shall I say survival? I still think they need to stick to what they know best ... selling works in the auction forum; look, their foray into the lending world really took its toll on them.

I am also pleased to see that some of the auction rooms have finally decided to condense their sub-categories ... an idea I have been pushing for years. Actually, I don't think they had much of a choice since sourcing good material has been very difficult. It is time that they return to the old days when a good 19<sup>th</sup> century sale included ALL the 19<sup>th</sup> century sub-categories -- Barbizon, Academic, Marine, Sporting, Orientalist, etc. While they have now been forced to do this, I really hope that once the market begins to heat up again, and some of the good material starts flowing back into the auction forum, they will create strong IMPORTANT 19<sup>th</sup> century sales --- weeding out the really minor works and placing those in separate general sales. Right now they cannot be too choosy if they want to survive.

Let's get to the action ...

### The American Sales

At the very end of September the two main New York salerooms offered their early season American Painting sales. These were not their Important sales (those are in December) so the material was not the best of the best, but there were some nice paintings and the results for both sales were almost identical.

Top honors for this series went to Francis A Silva whose *Sailing in Twilight* brought \$86,500 (est. \$40-\$60,000); second place saw a three way tie: Soren E. Carlsen's *Summer Mist*, Edward Kemeys' *Coyote* and John F. Carlson's *Forest Silence* (his 1917 N.A. exhibition painting) each made \$80,500 (the last two were actually World Auction Records for those artists). In addition, there were other interesting works that did well: William Trost Richards' gouache *Moonlight* made \$74,500; a small (18 x 16 inch) Guy Wiggins of *Fifth Avenue* brought \$64,900; a small Frank Shapleigh of *St. Augustine, Florida* made \$62,500; and William Chadwick's *Early Spring Flowers* brought \$52,500.

I did find it interesting that one of the saleroom's press releases listed the top 10 works (number 10 came in at \$37,500); the other saleroom posted just the top 3 -- odd. That was a first for me.

In the end, Christie's brought in \$2,057,400 with 188 works offered and 123 works sold (a sell-through rate of 65%). Sotheby's totaled \$2,177,438 with 192 works offered and 126 sold (a sell-through rate of 65.6%) -- as I said earlier, basically a tie.

### The 19<sup>th</sup> Century European Sales

The third week of October is traditionally 19<sup>th</sup> century week in New York with both Sotheby's and Christie's offering the best works they can source. As we all know, Christie's merged their 19<sup>th</sup> century and Old Master departments -- not the best move in my opinion, but given the fact that the auction rooms are having a tough time finding quality material it will probably turn out to be a wise move in the short run; their sale will be in January

Since Christie's left the October slot wide open, Bonhams decided to throw their hat into the New York ring – offering their European Paintings Sale (covering Old Master - 19<sup>th</sup> Century works) on October 21<sup>st</sup>. While I commend them for their effort, many of the works really fell into the 'decorative' range – under \$10,000; and the sale was not very successful.

Like any auction, there were some stellar results and taking top honors was Giuseppe de Nittis's *A Ride Along the Avenue des Champs-Élysées* which brought an impressive \$1.33 million on a \$200-\$300,000 estimate (that seller is going to be very happy). Coming in a distant second was a nice Eugene von Blaas titled *The Love Letter* at \$242,000 and his painting *Lovelorn* captured third at \$176,000. Rounding out the top five were an extremely late (I would swear the date read 12/23, but it must be 1923) and not very good Ridgway Knight that sold for \$103,700 (my bet was that it would not find a buyer, but it did – shows you what I know); and an Orientalist Charles Lenoir (whose condition was rather iffy) that made \$73,200 on a \$20-\$30,000 estimate (another work I figured would not find a taker). There were a few other mid five figure results, but in the end most works sold in the \$3,000 - \$20,000 range - not what this market needs or wants right now.

As for the final results: Of the 196 lots offered 119 sold and 77 were bought-in for a sell-through rate of about 61% and a total take of \$3.08 million -- and keep in mind that the de Nittis sold for \$1.33 million, almost half the sale's total. To give you an even better picture of the works offered, here is some additional information: of the 119 works sold, 78 brought less than \$10,000 (65.5%)... and of those, 43 were under \$5,000 (36%). If Bonhams really wants to be a serious contender in the New York 19<sup>th</sup> century market, they are going to have to do a lot better next time.

I have said this before and I will say it again: if you do not have the material for a really good sale, do not have a sale. Poor results, generated from poor offerings, are only going to hurt the overall market and this is not something we need ... especially in the current economic climate.

The following day, October 22<sup>nd</sup>, Sotheby's offered their main 19<sup>th</sup> Century European Art sale and I have to say that when I initially received the catalog I was not impressed, at least from the photos. As always there appeared to be some interesting pieces, but this 'important' sale only had 139 lots with a fair amount of filler (works that should have been offered in a more 'general' sale). The sale's breakdown was as follows: 33 Sporting & Marine; 24 Orientalist and 82 General 19<sup>th</sup> century. In addition, only one painting carried an estimate in excess of \$1 million – Frederic, Lord Leighton's *Venus Disrobing for the Bath* (\$1.2 - \$1.5 million).

While perusing the catalog I was taken by a few lots: Leopold Müller's *A Street Scene Cairo* (est. \$600-\$800,00); Jean Discart's *The Pottery Studio, Tangiers* (\$100-\$150,000); Edward R. Hughes' *Dream Idyll* (\$100-\$150,000); Arthur J. Elsley's *Weatherbound* (\$150-\$200,000); William Bouguereau's *Le Bruit de la Mer* (\$300-\$500,000) & *Jeune Fille a la Cruche* (\$750,000 - \$1M); Paul Fischer's *An Evening at the Royal Theatre, Copenhagen* (\$300-\$400,000); Isidor Kaufmann's *Portrait of a man with Streimel* (\$150-\$200,000); Leon Lhermitte's *Les Glaneuses* (\$200-\$250,000); Gustave Courbet's *La Trombe* (\$400-\$600,000); and Montague Dawson's *The Rising Moon – The Golden Fleece* (\$150-\$250,000). However, after viewing the sale I had a feeling that quality and condition issues were going to take their toll on the overall results.

The Müller & Elsley paintings looked much tighter in the photos and the Elsley had some obvious condition problems – but both sold ... the Müller made \$720,000 and the Elsley brought \$182,500. The Paul Fischer really fell apart in person and it failed to find a buyer; not a surprise. Bouguereau's *Le Bruit de la Mer*, which had extensive areas of pigment separation, also failed to sell, but his *Jeune fille a la Cruche* (in far better condition) made \$842,500. The large Leighton, a work I was not personally impressed with, made \$1,874,500, the sales most expensive lot (the last time it appeared at auction was in March of 1976 when it made a whopping \$6,140 – nice return on that investment). A fantastic Edward R. Hughes titled *Dream Idyll*, which was estimated at \$100-\$150,000 made a more appropriate \$866,500 and Courbet's dramatic *La Trombe* brought \$566,500. The Kaufmann I mentioned earlier fetched \$182,500; the Lhermitte reaped \$302,500; the Discart traded for \$224,500 and the Dawson sailed away at \$182,500.

Now for the final numbers: Of the 139 works offered, 73 sold, 64 were bought-in and 1 was withdrawn for a sell-through rate of 54% (not very impressive) and a total take of \$9.83 million. In addition, the top 5 paintings made a combined total of \$4.02 million, accounting for about 40% of the total dollar value ... and if you add up the top ten you hit \$5.48 million, or 55.7% of the sale's total.

To put everything in perspective let's compare this year to last year (one of the most difficult economic climates many of us have lived through). In October of 2008 the two main salerooms offered 467 works, 215 found buyers and 252 were unsold (a bought-in percentage of 54%). In 2009 the two salerooms offered 335 works, 192 sold and 141 did not (a bought-in percentage of 42%). So that seems good. However, the total take in 2008 was \$24.48M (an average of \$113,883 per lot sold); in 2009 the total take was \$12.9M (an average of \$66,666) --- and this is where the problem is ... still far too much junk being offered!

I will continue to stress this point. The market is not healthy enough to absorb anything you throw at it ... if a saleroom does not have enough material to create a strong sale, then do not have one. And if you only have 60 or 70 good works then have a sale of 60 or 70 works ... seems to me that you would do far better selling 100% of a 70 lot sale than 54% of a 139 lot sale. But then again, what do I know about making money in the auction business?

Howard L. Rehs

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**Gallery Updates:** We will be exhibiting at the Dallas show November 5 – 9, 2009

**Web Site Updates:** Look for new works by the following artists: Frederick Morgan, Julien Dupré, Henriette Ronner-Knip, Daniel Ridgway Knight, Edouard Cortès, Mark Lovett, and Katie Swatland. Images of a few are shown below:



Frederick Morgan  
*The Cherry Gatherers*



Daniel Ridgway Knight  
*Fishing*



Leon Lhermitte  
*La moisson*



Edouard Cortès  
*Soir d'hiver*

**Next Month:** Continuing art market updates.