

COMMENTS ON THE ART MARKET

VOLUME 103

Rehs Galleries, Inc. – 5 East 57th Street, New York, N.Y. 10022 – (212) 355-5710
www.rehs.com

Some Gallery PR

A recent interview I gave to Artist Advocate was published in its summer issue. If you are interested in reading it please visit the 'Articles' section of our web site; you can see both the published copy and the full, unedited, version.

This Spring I also received a Note of Appreciation from the Association of Historians of Nineteenth-Century Art (AHNCA) -- which can also be seen in our Article section. On top of that, this association bestowed upon me an Honorary Life-time Membership. I am not only a big fan of the work this group does, but I'm always amazed at how they 'do the things they do' with such a small budget. I know times are tough, but if you can lend a little financial support it would be great. This is a worthy cause, especially if you are involved in the 19th century market. Remember, these are "the people" who help uncover information that brings underappreciated 19th century artists to the forefront; and, at times, rewrite the history of art.

A Few Quick Comments on Our Stock Market

Well, June was just another fun month for the stock market. When I started writing this newsletter (mid month) I was up over 10.5% for the year, by the 22nd I was up only 4.4% and what happened to RIMM? On June 11th it topped \$85, on June 19th it was in the \$72 range and on the 22nd it hit \$68 ... what a drop! I saw one online report titled: *RIMM Overflows Expectations* ... so they overflowed expectations and dropped like a rock! Not that I am too worried since I only paid \$41 but still, that was one big drop – like I have said before the market gives a bunch and then takes most of it away! And Citi cannot get out of the \$3 range ... come on, I only need 1 ½ points to break even! I will add that I recently bought a little Oracle, Pfizer and McDonalds ... needed more material for this column!!

Tracking Provenance – Doing Your Due Diligence

As I have stated before: *Every work has a provenance, but the full provenance of every work is not necessarily known*. Now before you begin to panic about the provenance of a work you own please keep in mind that frequently a work's complete provenance cannot be established and usually there is no need to worry. However, if you are considering the purchase of a historically important or very expensive work then its provenance is imperative; especially if there is the possibility that it may have been looted during World War II.

I have written on this topic before, but I thought the following story would both beautifully illustrate my thoughts on the matter and show you how someone can, at times, track a work's provenance. Recently a client asked us to sell Alfred Sisley's *La Seine à Suresnes*, a fabulous work from 1880. She sent good images of the painting and all the documentation which included a description, the fact that it was listed in the 1959 catalogue raisonné and a very limited provenance (Durand-Ruel; Private collection).

After seeing the image I contacted a client of ours who, in the past, had expressed a serious interest in purchasing a Sisley. I forwarded the image and they confirmed their interest in buying the painting. Then the fun began. I informed both the seller and buyer that before we could consummate the deal I wanted to

do a little more research on the provenance; I found it a little odd that there was almost nothing for a work of this importance.

My search began by contacting the Comité Alfred Sisley since this group is currently updating the old catalogue raisonné. We were fortunate that the painting was listed and illustrated in the first catalogue so all we needed to do was confirm that this was in fact the same painting ... something they were willing to do with high quality images, all the documentation and a condition report from an independent conservator. The fee for this service was about \$400; had the work not been in the original catalogue, their fee would have been about \$1200 and a physical inspection of the painting was required ... round trip shipping to Paris would have added another \$2000. I should add that they had no additional information on the provenance.

Once we received their ok (which took about 1 week) I went on to my next port of call ... The Art Loss Register. For a \$75 fee this firm, which maintains a database of stolen art and antiques, will search their records to see if an item is listed. If so, then you are in for some fun and, more than likely, a visit from local law enforcement. Luckily for us, there was No Match (in the end we received a certificate stating that the painting was not listed in their archives). However, they did recommend that because there was no 'real' provenance (especially during the war years) that we follow-up with some additional research at the Witt Library in London and then possibly with Durand-Ruel. Fortunately for us the Frick Art Reference Library in New York has the Witt's photographic records on microfiche so I spent 3 hours looking through both the Witt's and Frick's images ... no match.

My next stop was Durand-Ruel (the only name in the provenance). I did a quick online search and discovered that for a fee the family will research the gallery's old inventory records. I sent them an email and received a quick reply listing all their requirements and charges (about \$460 – depending on the exchange rate!). We agreed to their terms and sent all the information; a few days later we received an email which included the following:

This painting was previously in the famous collection of Sainsère. Then it was replaced in the warehouse by a painting collector on 24 May 1944, and we returned it on the 6 November 1944. It was then no longer part of our stock.

This appeared to be both good and possibly troubling news. The good news was that this painting once belonged to the Olivier Sainsère (a very important collector of Impressionist paintings), the bad news was that we had no idea what happened to it from the time of his death in 1923 till 1944 ... and the fact that it was placed in 'storage' on May 24, 1944, a couple of weeks before the Invasion, and retrieved a few months after the liberation of Paris made me a little nervous. I began to wonder: could this painting have a dicey history?

I wrote back to Durand-Ruel and asked if they could let us know the name of the collector who 'stored' the painting in 1944? I also called Sharon Flescher at IFAR to see if she had any advice. Her initial thoughts were to contact Durand-Ruel to see if we could get the name of the collector (which I had done). She then gave me some additional avenues if that proved to be a dead end. After 4 days, and 1 pleasant phone conversation with Paul-Louis Durand-Ruel, Caroline Durand-Ruel Godfroy sent us another email which included the following:

I am happy to let you know that the Sisley Daulte 381 has been deposited to us by Madame O. Sainsère from May 24 to November 6, 1944.

Yes! Exactly the news we needed ... an unbroken chain of ownership in the Sainsère family. No need to worry that this painting might have had an issue with its provenance during the War and great news for both the seller and the buyer.

This whole process took just over 1 month and cost about \$1000; had the work not already been included in the original catalogue raisonné the cost would have been in excess of \$3500. Either way it was money well spent.

Art Market Updates

I want to begin by clarifying something I and most writer's are guilty of when quoting auction results. When we discuss the overall estimate range for a sale, those numbers do not include the Buyer's Commission

since they were tallied before a sale takes place; however after a sale, the total sales figure quoted usually includes the Buyer's Commission.

You might say so what, isn't a work's final sale price the amount with the buyer's commission? And you would be correct. However, many times you will read that a sale was expected to bring \$6 - \$8 million and the total was \$6.4 million ... "within the estimate range". However, if you subtracted the Buyer's Commission from the final result, that sale would not have met its expected 'pre-sale' range. I am not sure if that means very much but it is something you should keep in mind. Now on to the action ... and there was more than I can even think of covering.

The 19th Century

In early June, Sotheby's, London, showed what can happen when a saleroom offers some nice quality 19th century works of art. Top honors went to Sorolla's *Niña Entrando en el Baño* at £1,665,250 (on an estimate of £1.7 - £2.5M) and while it did not reach its estimate (even with the Buyer's Commission), it was still a very strong price. Coming in a distant second was Delacroix's *Le Combat* - a 9 x 14 inch oil study that made £421,250 on an estimate of £300-£500,000; and bringing up the top five were Leo Putz's *Hinter den Kulissen* at an above estimate £361,250; Max Liebermann's *Zwei Reiter am Strand Nach Links* at £289,250 (which more than doubled its high estimate of £120,000); and a fabulous Carl Spitzweg titled *Die Plauderstunde* at £217,250 - also beating its high estimate of £120,000.

As with all the recent 19th century sales there was a section devoted to the Orientalist paintings and here again hopes fell far short of expectations. Of the 28 works offered only 12 sold, for a sell through rate of about 43%. I think it is time to realize that right now, unless they offer high quality Orientalist works, the Middle East is not going to save these sales ... but then again, this sale did not need oil money to save it since many of the other sections did very well.

Here are a few additional highlights: Jacob Schikaneder's *Prague at Dusk* made £205,250 against a £40-£60,000 estimate; Ziem's *La Sortie du Buccentaure devant la Quai des Esclavons* brought £54,050 on a £10-£15,000 estimate; Kaemmerer's *Une Ascension en l'an VIII* made £135,650 (estimate £40-£60,000) and Dargelas' *Le Tour du Monde* made an over-the-top price of £68,450 on a £12-18,000 estimate – we sold our Dargelas the week before ... arrrrgghhhhh!

The one surprise lot was Odd Nerdrum's *The Memory Hall*. I say surprise because Odd was born in 1944 and this painting was done in 1985 so I am not sure how this fits into the 19th century; but in any event the painting sold for £67,250 on a £50-£70,000 estimate.

In the end, Sotheby's offered up 178 lots of which 130 were sold (73% sell through rate) for a total take of £8,382,550 (about \$13.9M). Now you might think that a 73% sell through rate is not very strong, but in the 19th century arena that is a strong percentage.

The following day Christie's put forth its Victorian & British Impressionist Picture sale and this was a great example of an auction room putting on a sale just to have a sale. The catalog was anemic – weighing in at just over ½ lb. In addition, in order to put together enough lots they had to include watercolors and drawings (23 of the 107 lots); a specialty that had its own sale last year. And while there were some good prices for selected works, in general the results were as one would expect for such a lackluster sale – there was just no WOW factor ... you know that feeling when you look at a painting and say: "WOW, I have to buy that!"

Top dog in this sale was Sir George Clausen's 10 x 8 inch *A Village Maiden* which blew by its £100-150,000 estimate and sold for £481,250 (\$800,800) ... I will add that it was a pretty little painting, but it was only a head study. Following closely was Walter Crane's *The Roll of Fate* which made £421,250 (\$700,960) on a £180-250,000 estimate; and rounding out the top five were Rossetti's *Portrait of Annie Miller* at £205,250 (\$341,536); Frederick Morgan's *Bob Apple* at £121,250 (\$201,760) and a very large and spectacular Myles Birket Foster watercolor titled *Harvest Time* which more than doubled its high estimate to sell for £109,250 (\$181,792).

Some additional highlights included a small but attractive Munnings titled *Pike Fishing in January* that realized £99,650 (\$165,818) on a £30-£50,000 estimate; Grimshaw's *Au Clair de Lune* which brought £97,250 (\$161,824) on a £70-£100,000 estimate; another Birket Foster watercolor at £70,850 (\$117,894) and a Burne-Jones pencil study at £67,250 (\$111,904).

Now you are probably saying: "Hey, those works did fairly well. What are you complaining about?" The issue I have is that there was very little meat in this sale ... no powerful works to build a strong sale around; not the type of sale one would expect from a top auction house.

Here is a little more info about this sale to consider. I mentioned earlier that this year's catalog weighed in at just over ½ lb.; well, last year's weighed in at about 2 lbs. (and if you add in the works on paper sale that would bring the total to about 3 ¼ lbs.). In addition, this year's top lots had double page entries; last year there were many multiple page entries and one lot had a 20 page entry (it always amazes me that they feel buyers need numerous pages of hype in order to buy something – shouldn't a work sell for a great price because you can see that it is a great work and not because somebody had to tell you it is great?). Ok, we can also look on the bright side and say that they are now saving on paper costs which definitely go right to the bottom line (as did the second round of job cuts Christie's took in June). On top of all that, last year's star lot was Albert Moore's *Jasmine* which sold for £1.78 million while this year's top five lots only totaled £1.34 million.

In the end the 2009 sale offered 107 works; of those 64 sold (a sell through rate of 60%) and the total take was £2,683,925 (about \$4.4M). I have said this before and I will say it again: if you do not have the goods for a quality sale then do not have a sale!

19th Century & Old Masters

To further illustrate my last point, and to show just how thin the offerings are in the auction market, one needs to look no further than Christie's Old Master and 19th Century Art sale in New York. This auction room recently announced that it was combining the Old Master and 19th century departments to give its buyers access to a wider range of works ... ha ha! Those buyers always had access to the works; all they needed to do was view the sales. We all know this was done in an effort to trim costs ... well, not only did they save money, but they really made a mess of these departments (in my humble opinion). Old Masters should stay in the Old Master realm and 19th century works should stay where they belong. Hey, if you need to trim costs, then stop using so much paper and reduce your staffs ... oh wait, you have already done that!

I remember reading in one of their earlier press releases that this new department would allow them to juxtapose great Old Master paintings next to great 19th century paintings; well, the main issue here was that they did not have any "great" paintings. And while walking through the saleroom one could not help but notice that the more expensive 19th century works were hanging in a room all by themselves. Even those 19th century works that were hanging in the main room looked completely out of place -- or maybe it was the Old Masters that were out of place.

Look, an Old Master seascape just does not look good hanging next to a Montague Dawson; and a Venice scene by The Master of the Langmatt Foundation Views (that is how it was catalogued) just does not sit well next to an Unterberger or Ziem. Another glaring difference is the basic cataloging; most 19th century paintings have the name of a specific artist attached to them -- in other words we know who painted the work. On the other hand, many Old Master paintings are often cataloged as Circle of, Manner of, Attributed to, Workshop of, Master of and assorted School of classifications.

The concept of combining the two periods is nice, but in practice it just does not work. And if you remember this same saleroom attempted to combine the 19th century and Impressionist departments a few years ago (selling Bouguereaus and Monets in the same sale) and we all know how long that lasted ... not long.

I am not saying that you cannot hang great works from different periods in the same room; what I am saying is that in general, hanging them next to one another does not work ... and trying to sell them in one sale is also a big mistake. Now I could be wrong, but I personally do not believe that in general the buyer of a 15th century Madonna and Child is going to consider buying a Tissot, Herring or Ridgway Knight.

Anyway, here are the results from that sale. Top honors went to two 19th century works (there was a tie): Bouguereau's *La Leçon Difficile* and Tissot's *The Japanese Scroll*; both works sold for \$722,500 and were estimated at \$700,000-\$1M (each made their estimate range with the Buyer's Commission). Coming in third was Gustave Courbet's *Le Miroir de Scey-en-Varais* at \$578,500 (est. \$250-\$350,000) -- an amazing price for a painting that appeared to have been flattened during a previous relining. Fourth and fifth places were taken by two Old Master paintings: Boucher's *Autumn* at \$266,500 (est. \$180,000) and Robert's *Figures on the Banks of a Lake with Classical Ruins* at \$242,500 (est. \$200-\$300,000).

In addition there were some strong prices for other works: Grimshaw's *Homeward Bound* brought \$242,500 on an \$80-\$120,000 estimate (one of the nicer works in the sale); Circle of Quentin Massys' *A Gentleman in his Study* made \$230,500 on a \$100-\$150,000 estimate; John Linnell's *Reapers at Noon* made \$206,500 on a \$120-\$180,000 estimate and *Corot's Les Trios Arbres en vue du Lac* made \$182,500 on a \$100-\$150,000 estimate (a nice price for a work that did very little for me – no WOW in this one).

Now keep in mind that Christie's did not have individual 19th century & Old Master sales in April/May, when they historically have them, and last year's 19th century sale made \$5.4M while the Old Master hit \$48M. This sale was supposed to combine the best of both ... but the quality and beauty of the offerings was really lacking. Of the 155 works offered in this sale, 112 found buyers (72% sell through rate) - an amazing number from my perspective - and a total take of \$6.5M – way below the \$53M combined total for last year.

To break this sale down even further, there were about 91 Old Master works and 64 from the 19th century realm. Of those, 63 Old Masters sold (70% sell through rate) and 49 19th Century found buyers (77% sell through rate). The total take for the top 10 works was \$3.56M (accounting for more than half of the sale's grand total); in addition, 7 of those were 19th century paintings which brought \$2,825,500 or 80% of that number!

Look, any auction room can decide to sell their works any way they like. But reshuffling the makeup of your sales is not going change the way the art market looks at the works in historical perspective, nor will it put a good spin on the fact that there are very few great works coming to the auction market. Remember that they were only able to create this sale by combining two departments; each of which would have normally had their own important sale at this time. The fact that they only grossed \$6.5M proves they did not have the goods for a real sale.

I could go on with the other sales that took place during this month, but the results were basically the same. Good works sold well and the others were hit or miss.

Howard L. Rehs

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Gallery Updates: Works by the following artists have made their way through the gallery: Alfred Sisley, Andre Dargelas, Edouard Cortès, Antione Blanchard, Katie Swatland and Gregory F. Harris.

Web Site Updates: Some minor changes were made to the buttons on our site; among them is the addition of an Articles option which lists all the articles we have either written or been quoted in since 2001.

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Look for new works by the following artists: Boudin, Cortes, Blanchard, Swatland, Harris and Banks. A few of the recently added works are shown below:



Eugene Boudin

Trouville, le port maree basse



Antoine Blanchard
Café de la Paix, Place de la Opera



Holly Hope Banks
Roses, Delphinium and More



Gregory Frank Harris
April Morning



Sally Swatland
Afternoon in Central Park

Next Month: Continuing art market updates.