

# COMMENTS ON THE ART MARKET

## VOLUME 164

---

Rehs Galleries, Inc.  
Rehs Contemporary Galleries, Inc.  
5 East 57<sup>th</sup> Street, New York, NY 10022 – (212) 355-5710  
[www.rehs.com](http://www.rehs.com)

### Baltimore Summer Antiques Show

At the end of the month we will be heading a 'little' south for the Baltimore show; this is the largest show we participate in ... with over 500 dealers. If you happen to be in the Baltimore area we do hope you will stop by for a visit; details on the show are below (you can find a link to a complimentary ticket on our web site:

Show dates and hours:  
Thursday, August 21: 12pm – 8pm  
Friday & Saturday, August 22 & 23: 11am – 7pm  
Sunday, August 24: 11am – 6pm

---

### Stocks

We are now on the back six of the year and the market seemed, I stress seemed, to be holding its own ... that is until the last day --- holy cannoli! The opening number on July 1<sup>st</sup> was 16,826 and at the end of the month we were at 16,563 (back to mid-May numbers) ... what happened? By the middle of the month all seemed hunky dory ... hitting all-time high of 17,138 on the 16<sup>th</sup> ... the real question now is: will that be THE all-time high? Hope not!

On the evening of July 31<sup>st</sup> I expected to be real sick, but it wasn't too bad. In fact, most of my stocks are still in the black: JP Morgan (\$57.67 - up), Emerson (\$63.65 - down), Exxon (\$98.94 - down), GE (\$25.15 - down), AT&T (\$35.59 – up), VOD (\$33.22 - down), Verizon (\$50.42 - down), Wal-Mart (\$73.58 - down), Coke (\$39.29 - down) and DuPont (\$64.31 - down). Oh, and JD.COM ... bought it at \$25.46 and today it was at \$28.58 – up!

---

### Really!?

By: Amy

We hope you're all having a wonderful summer, catching some sun and surf, and having a little time to play and work.

As we celebrated our nation's birthday this past month, I thought it would be interesting to find a few items with some American historical value. The first is a Native American Northern Plains war shirt that dates back to the 1850s. The buckskin shirt belonged to the Hidatsa Indians, who were the first inhabitants of the Dakotas (most still live in North Dakota today). The shirt is in excellent condition as it has retained its vibrant colors; it's decorated with dyed quills and seed beads. In addition, it has long fringes, a buffalo head motif on the neck, and real buffalo hair tassels.

The shirt attracted collectors throughout the country, every phone line was in use, and its \$20-\$30K estimate was quickly eclipsed with the hammer finally falling at \$115K.

At a recent auction that featured items from World War II, a D-Day flag that was really flown from the USS LST-493, a Class Tank Landing Ship used in the Normandy Invasion, sailed past its \$25-\$35K estimate

to sell for \$387K.

The flag is one of a handful of surviving flags flown from D-Day ships, and initially had been taken as a souvenir by a Gunnery Watch Officer. Of the other Normandy battle flags that are known to exist, only two are in private collections. While the auction house did not make the buyers publicly known, the buyer of the flag was all too willing to broadcast his purchase... it was conservative talk radio host, Glenn Beck! Really!

This last one I found very interesting --- I only just learned that four of our past presidents were/are artists, or at least they consider themselves artists. Did you know that Ulysses S. Grant, Dwight D. Eisenhower, Jimmy Carter and George W. Bush all painted to help them relax before, during and after their hair turned gray from their high power position? I guess being the Chief Executive of the United States is really an intense and exhausting job.

While I could not find the prices for works by Grant, Eisenhower or Bush (you may remember an exhibition that recently opened in April called *The Faces of Power, From the Portraitist in Chief* at the George W. Bush Presidential Center), a recent work by former President Carter was auctioned off for charity. This shouldn't be a surprise, because after Carter ended his political career he founded the Carter Center -- a human rights organization that aims to "prevent and resolve conflicts, enhance freedoms and democracy and improve health." The foundation organizes fundraisers like charity memorabilia auctions, selling luxury vacations, signed photos, fine jewelry and among the more popular items is Jimmy Carter's own artwork. At a recent auction, an original painting by Carter sold for \$210,000 (not a bad price, but in 2012 one of his paintings sold for \$250,000)! Actually, the winning bidder had their choice of three original Jimmy Carter paintings:

*Old Grist Mill*, (2008) the has been hanging in the Executive Dining Room at the Carter Center

*Mountain Cabin* (2010), that has been at President Carter's home in Plains and

*Boyhood Farm* (2012) that has been hanging in the Peace Pavilion at the Carter Center.

I guess we will know which one was chosen when we see which ones are available at the next charity auction.

---

### **Tales from The Dark Side**

By: Howard

Marcel Lazar Lehel – this hacker, who broke into the email accounts of numerous US and European leaders, was sentenced to 4 years in jail by a Romanian court. Lehel, whose hacker handle was Guccifer, is best known for informing the world that George W. Bush was spending a great deal of his post-retirement time painting. In addition, Lehel leaked sensitive material related to Colin Powell, Hilary Clinton, George Tenet and others.

<http://www.theweek.co.uk/world-news/57008/super-hacker-guccifer-held-and-named-marcel-lazar-lehel>

Luke Brugnara – this 50 year old convicted tax evader and trout poacher (trout poacher?) has been charged with mail fraud; accusing him of taking delivery of the works and then failing to pay for them. It appears he falsely claimed that he had \$11 million to buy artwork. In April, Brugnara agreed to pay \$7.3 million for 16 works by de Kooning and about \$3 million for works by Degas, Luks and Miro from New York art dealer Rose Ramey Long (who got them from other dealers). Long accompanied the works to Brugnara's home to make sure they arrived. When she got there, he asked that the works be placed in his garage (red flag number one). Then Long entered the home and it was almost empty (red flag number two). Finally the dealer offered special tools to open the crate and Brugnara stated he was too busy (red flag number three). Oddly, the dealer left the works and then tried to collect the funds and as you might guess, there was no money. The most recent update is that of the 5 crates sent to Brugnara, 4 were recovered, but the last crate (with the Degas) is still missing. Like we always say, leopards never change their spots.

Pastor Kevin Sutherland – on April 8 a jury found this pastor guilty of second-degree attempted grand larceny for trying to sell some fake Damien Hirst paintings to undercover police officers. In May he was sentenced to 6 months in jail and five years of probation. Sutherland bought the paintings (thinking they were real) from Vincent Lopreto (a California dealer who admitted he flooded eBay with forged Hirst works). In 2013, Sutherland first attempted to sell one of the works at Sotheby's ... but it was rejected after the Hirst studio determined it was a fake. He then tried to sell all the works to undercover detectives for \$185,000 ... never disclosing the fact that the Hirst studio rejected one of them. Greed rears its ugly head again.

Gardner Stolen Art – it has been 24 years since the theft of 13 important works of art from the Isabella Stewart Gardner Museum. In a recent television interview, FBI agent Geoff Kelly has confirmed that the case is still going strong and that over the years there have been sightings of the missing works ... sorry, that made me laugh – sightings! All I could think about were UFOs!!

Haring & Warhol – there have been a number of recent articles about the flood of fake Warhol and Haring works hitting the market --- many coming through online auction sites like eBay. We all knew that once the committee's disbanded this was likely to happen and it did not take very long. In this instance, it was a dealer who was stung and like they always say --- when something is too good to be true, it probably is.

Since we are on the topic of fakes, I want to stress the need for our government to take action on the current bill that is supposed to protect experts. If not, there are going to be many more stories like this and many unhappy buyers.

---

## **The Art Market**

Well, the auction action just never seems to end. This past month we saw many sales in Europe and the action, at times, was fast and strong ... and then there were times that it was like pulling teeth – very painful!

### **Old Masters**

By: Alyssa

Christie's evening Old Masters and British Paintings began the week and if the results were a sign of what was to come, some people were not going to be very happy.

The top selling lot was Francesco Guardi's *Venice, the Bacino di San Marco with the Piazzetta and the Doge's Palace*. Painted at the height of Guardi's career this work recorded the second highest auction price for the artist when it made £9.9M / \$16.9M (est. £8M - £10M). This work has not been seen in public since 1954 when it was bought by Baron Henri de Rothschild from the Earls of Shaftesbury collection.

In second, was a work that made headlines both in the U.K. and in the U.S. -- Johannes Vermeer's *Saint Praxedis*. The authenticity of this signed and dated painting has been disputed for decades; but recent scientific analysis points to it being the real thing. If so, this would be the earliest known work by Vermeer and I guess someone believed it to be right since it sold for £6.2M / \$10.7M (est. £6-8M). It is important to note that the hammer price was under the low estimate --- hard to believe that an 'authentic' Vermeer would sell for such a low price, but what do we know about Old Masters? Not much! The painting was being sold by the estate of Barbara P. Johnson and is one of the only two works still in private hands – currently there are only 37 'authentic' works by Vermeer.

In third was *The Road to Calvary*, by Pieter Brueghel II which sold for £5.5M / \$9.4M (est. £5M - £7M) and is said to be one of the finest of all his large-scale works that remain in private collections.

Many works during the sale set new artist auction records including, Willem Claesz. Heda's *A Blackberry Pie on a Pewter Platter*... which made £4.8M / \$8.3M; Matthias Stomer's *Christ before Pilate*, which brought in £843K / \$1.4M; *The Annunciation to the Shepherds* by the Master of the Annunciation to the Shepherds (love that artist's name) selling for £2.4M / \$4.1M (est. - £1M - £1.3M); *The Martyrdom of Saint Bartholomew* by Fa Presto, which sold for £963K / \$1.6M (est. - £800K - £12M) and Sir Henry

Raeburn's *Portrait of Sir Evan Murray-Macgregor of Macgregor* which sold for £459K / \$785K (est. - £400k - £600K).

In the end, the sale realized £44.9M with 36 out of 68 works selling (53% - not very good) ... it is interesting to note that this year's total was almost double last year's of £24M for the same number of sold lots.

On the 9<sup>th</sup>, Christie's held their day sale and Antonio Zucchi's *Portrait of James Adam* held the top post at £375K / \$641K (est. - £30K- £50K). This was followed by a Sir Peter Paul at £231K / \$395K (est. £100K – £150K) and a Marten Ryckaert landscape which brought £213K / \$364K (est. £200K - £300K).

When done, the auction room set a record for an Old Masters and British Paintings day sale when they realized £5.4M / \$9.3M, selling 86 of the 142 lots offered (61% - not a great sell-through rate). Again, it is interesting to note that last year's day sale sold 85 of the 142 lots offered and brought in £3.9M ... so 2014 was far stronger from a very similar sale.

That evening, Sotheby's offered its Old Masters and British Paintings Evening Sale and the results were much better than their competitor; so strong that they broke their previous record of £67.58M set in 2002. The key ingredient in this sale was that many of the works came from prestigious aristocratic and private collections and have not been on the market for decades, even centuries.

The top selling lot was George Stubbs's *Tygers at Play*, bringing in £7.7M / \$13M (est. £4M - £6M). The work, first exhibited at the Royal Academy in 1776, depicts two leopard cubs and was originally part of a distinguished British aristocratic collection. The painting changed hands in 1962 and 52 years later was put up for sale.

Jan Brueghel the Elder's *The Garden of Eden with the Fall of Man* carried an estimate of £2M - £3M and garnered £6.8M / \$11.7M; giving it the number 2 spot in the sale and setting a new auction record for the artist.

Giovanni da Rimini's *Left wing of a Diptych with episodes from the lives of the Virgin and other Saints...* carried a £2M - £3M estimate and sold for just under £5.7M / \$9.7M -- generating another record for an artist at auction and placing third in the sale.

It was very interesting to note that throughout the sale, numerous works made well above their high estimates. Both, Hendrick Avercamp's *A Panoramic Winter Landscape...* and Michele Marieschi's *Venice, The Bacino Di San Marco...* more than tripled their high estimates, the first bringing in £5M / \$8.6M (est. £1M - £1.5M) and sparking yet another auction record and the second bringing in £2.2M / \$3.8M (estimate £400K - £600K GBP). In addition, a work by a follower of Hieronymus Bosch made £423K / \$724K— more than five times its high estimate of £80K / \$137K.

In all, seventeen records were set during the auction; the most interesting of which was a drawing by Sandro Botticelli. His *Study for a seated St. Joseph, his head resting on his right hand* is the only drawing by the Renaissance Master that has come to auction since the 19<sup>th</sup> century. The provenance and changes in attribution for this work provide an interesting glimpse into the complex world of the Old Masters. In 1955, the drawing was sold as "Workshop of Sandro Botticelli" for £300, two years later it was sold for £290 (a little loss), in 1979 the work was sold as "Circle of Sandro Botticelli" and brought \$26K, but by the time it reappeared in 1988 it was considered the real thing and garnered \$80K. This time around, the drawing realized £1.315M (\$2.25M), more than twenty-seven times its last selling price. Impressive!

Overall the sale brought in £68.3M / \$116M from 51 of 63 lots offered (81%); 95% of the lots sold achieved prices within or above their high estimates – pretty good! In 2013, the same sale offered 48 works and sold 37 (77%) for a total of £35M.

On the 10<sup>th</sup>, we had Sotheby's Day Sale and all of the top ten works came from the collection of the Earls of Warwick. The top seller was a surprise when the bidding for a painting Attributed to Sir Anthony van Dyck, titled *Portrait of Ferdinand de Boischott, Baron Zaventem*, soared past its estimate of £50K - £70K to sell for £723K / \$1.2M. The number two lot, *Portrait of a man with a gloved hand* from the Studio of Anthony Van Dyck, brought £411K / \$704M, over six times its estimate of £40K - £60K. The third most

expensive work was *Madonna and Child* by Agnolo di Domenico di Donnino which sold for £207K / \$354M, more than three times its estimate of £40K - £60K.

Sotheby's stated that this sale was one of the strongest in recent history, and provided lengthy provenances for several works. This enabled me to determine the growth of the Old Masters market all the way back to the 1700s in some cases. For example, Giovanni Battista Salvi's *Madonna and Child* was originally bought at Christies, in 1778, for 8 ½ guineas, the equivalent to about 8.93 GBP at the time (if my research is right). This time around the work brought £81K / \$138K ... that's over a 906,000% increase in value.

Overall, the Old Masters and British paintings day sale totaled £5.99M / \$10.2M well above the pre-sale estimate of £5.2M from 100 of the 140 lots offered (71%). In 2013, the same sale at Sotheby's brought in £4.6M from 80 sold lots (51.3% -- there were 156 lots offered).

By the end of the week, Sotheby's racked up a total of £74.3M while Christie's brought in £50.3M for a combined total of £124.6M ... the 2013 combined total was £67.6M (\$103M) --- so 2014 was stronger.

## **Marine Art**

By: Howard

This month I decided to cover one of the smaller sales that took place in London ... the John Robertson Collection of Marine Paintings. While I am not a sailor, I do enjoy these works and throughout the gallery's history, we have sold some great maritime art. For me, I felt this sale would be a nice barometer of the more traditional market since both marine and sporting art took a fairly hard hit in 2008.

On July 9, during Old Master week, this compact sale set sail. According to the saleroom, *John Windeler Robertson had a long standing passion for the sea and all things maritime. He spent his National Service in the Royal Navy and, on his return to civilian life, maintained his links with the sea by competing for many years in the Cowes to Torquay power boat race. The starting point of his collection was a gift from his mother and, over time, he acquired many more works using the joy he would get from looking at them as his only criterion.* Like we have always recommend, when it comes to art it is important to buy what you like ... remember, you are going to look at it; the value part should take care of itself over the long run.

Featured, were examples from many of the important 18<sup>th</sup> and early 19<sup>th</sup> century British marine artists and taking the top berth was Thomas Luny's *The battle of Trafalgar...* which brought £165K (\$279K) on a £30-50K estimate. In second was Peter Monamy's *The Royal Yacht Peregrine...* at £161K (\$273K – est. £60-80K) and rounding out the top three was Charles Brooking's *The celebrated English Privateer squadron known as the 'Royal Family'...* that made £87K (\$147K – est. £30-50K).

Now I will not say that it was all smooth sailing since the most important painting in the sale – John Cleveley's *The flotilla of ships, led by the Royal Charlotte...* which carried a £300-500K estimate failed to find a buyer; however, of the 22 works offered, 19 sold (86.4%) and the total take was £895K (\$1.52M) – presale estimate range was £752K-1.2M. In addition, 12 of the works sold above, 6 within and 1 below their presale estimate range. Not a bad result for a part of the art market that was basically dead-in-the-water just a few short years ago.

## **Contemporary & Modern**

By: Lance

Is it just me or are there Contemporary Art sales every single month?!? Christie's and Sotheby's both held Post-War and Contemporary sales in the first week of July over in London. As usual, there was a ridiculous amount of money thrown around and the results were fairly impressive, for the most part.

Sotheby's Evening auction was up first with just 59 works on the block. Leading the way was a small scale Francis Bacon triptych, *Three Studies for Portrait of George Dyer (on Light Ground)*, which far surpassed its £15-20M estimate after a heated 4-party battle, bringing £26.6M (\$33.3M). Two other Bacon's sold in this sale as well; *Study for Portrait of P.L. No 1* (£4.4M) and *(Seated Man)* (£2.09M), both at the top end of their estimate range. Taking second was Peter Doig's *Country-Rock (wing-mirror)*, selling for £8.4M (\$14.4M) as it was estimated to be "in the region of £9M" (can someone explain why the

estimate is not just £8-10M?... you know, a range, like every other lot!) Nevertheless, it was still pretty accurate. Rounding out the top three was Warhol's *Nine Multicolored Marilyn's (Reversal Series)* with an estimate of £4-6M, which found a buyer at £4.56M (\$7.7M). It ended up being a great night for Warhol as all five of his works featured in the sale were sold. In all, 51 of the 59 lots sold (86.4%) which yielded a grand total of £93.1M (\$158.4M – est. £67.9-92.7M) for the evening.

The following afternoon was the Day Sale with a hefty amount of work up for grabs – 321 lots. The top lot of the day, *Untitled (1996)* by Rudolf Stingel brought £902K (\$1.5M) on a £400-600K estimate. In second was a work by German artist, Gunther Uecker, whose work *Rupture of the Artistic Genus* sold for £674K (\$1.03M), nearly doubling its estimate of £250-350K. The third spot went to another *Untitled*... my favorite of all the titles... by Anish Kapoor, selling for £602K (\$1M) on a £350-450K estimate. Over 100 works failed to sell; just less than a third of the works offered (leaving a 68.5% sell-through rate) and totaled just £15.3M (\$26.2) which made it into the pre-sale estimate range (£14.2-20.2M), but only after the buyer's premium was added in.

Later that day, Christie's kicked off their Post-War and Contemporary Evening sale and oddly enough, the top three lots were works by the same three from Sotheby's sale the night before. Francis Bacon's *Study for Head of Lucian Freud*, was the top lot of the night at £11.5M (\$19.6M) and comes out of celebrated writer, Roald Dahl's estate. Estimated at £8-12M, the study is only one of two portraits of Lucian Freud, the same subject of Bacon's triptych which sold for \$142M in New York in 2013. Doig's *Gasthof* took second, which set a new record for the artist at auction at £9.9M (\$16M – Est. £3-5M), selling to Gagosian Gallery. In third was *Self Portrait (Fright Wig)* by Warhol, which was produced in 1986. The work sold to Greek financier and collector Dimitri Mavrommatis for £6.3M (\$10.8M) on a £6-9M estimate. According to the Wall Street Journal, Mavrommatis' apartment in Paris is decorated with 70 Sevres porcelain vases and 18<sup>th</sup> century gilt furniture... Lucky for him, he just bought another apartment in Paris across the street from the one he currently owns for his growing collection of African art, modern paintings and Art Deco furniture... I think we know where that Warhol is headed. As a whole, the sale totaled £99.4M (\$169.8M) on an estimate of £78.9-114.8M while setting new auction records for 7 different artists. In the end, all but 12 of the 75 lots sold, good for roughly 84%.

Christie's day sale was far better than their counterpart as they offered nearly 100 less lots (sold 38 less works) yet still garnered a higher grand total. David Hockney's *With Conversation* led the way at £1.65M (\$2.8M) on an estimate of £500-700K. Two works tied for second... *The Virgins 10* by Brice Marden was estimated at £200-300K but the bidding pushed on until it found a buyer at £434K (\$744K). Lichtenstein's *Water lilies with willow* also sold for £434K (\$744K) and was estimated to bring £280-350K. As I mentioned, there were far fewer works sold (182/222) in Christie's day sale yet the total was £17.2M (\$29.5M – Est. £12.1-17.4M), nearly £2M more than Sotheby's day sale.

Over the course of the week, a total of 516 works sold for £225M (\$383.9M) between the two auction houses. The figures work out to an average of just £436K per lot sold, not such an astronomical figure for a set of contemporary sales. Even when we isolate the evening sales, we see a drop off in prices when comparing them to last month's contemporary sales in New York. Now, this all could be attributed to the specific pieces up for sale; but the quantity of work coming to the market surly is holding some of the prices back.

The Rehs Family

© Rehs Galleries, Inc., New York – August 2014

**Gallery Updates:** Keep in mind that our summer hours for the month of August are Tuesday - Thursday: 10 am - 5 pm. We will also be exhibiting at the Baltimore Summer Antiques Show from the 21st - 24th ... a number of the works featured in our Web Site Update (below) will be on view.

**Web Site Updates:** Even though we are on our summer hours, a number of works have passed through the gallery; among them were paintings by: Jehan-Georges Vibert, Abbott Fuller Graves, 2 by Blanchard, Ben Bauer, Allan Banks, Guy Combes, Tony South, Dave Palumbo and Ken Salaz. In addition, we have added a number of new pieces to the web site ... some are illustrated below:

## TRADITIONAL



Antoine Blanchard  
*Porte St. Martin*

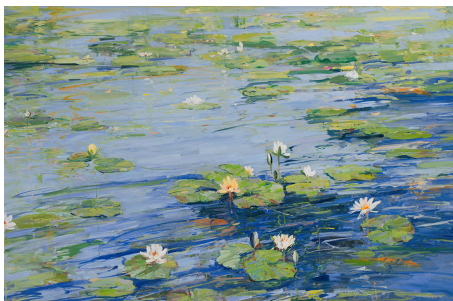


Benjamin Eugene Fichel  
*A Difficult Move*



Edouard Leon Cortes  
*Arc de Triomphe*

## CONTEMPORARY



Sally Swatland  
*Water Lilies*



Ben Bauer  
*Early Morning Fog Burn*





Tony South  
*Still Smokin*



Justin Wood  
*Sugar Plums*



Ken Salaz  
*Return Journey Home*

**Next Month:** I have no idea – yet!