

COMMENTS ON THE ART MARKET

VOLUME 190

Rehs Galleries, Inc.
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ARC Select

Another reminder that our inaugural exhibition – ARC Select – is set to open on October 22nd at the gallery. Featured will be new works by 6 of the Art Renewal Center's 2015 ARC Salon finalists: Philippe Attie, Richard Hall, Joseph McGurl, Duffy Sheridan, Kari Tirrell and Walter Rane. This will be an amazing event and I hope many of you will have an opportunity to stop by and see it.

The opening reception will take place on Saturday, October 22nd from 1 – 6 pm. The exhibition will continue through November 18: Monday – Friday 10 am – 5 pm.

To read a review of the exhibition that was featured in American Art Collector visit our Press Page and click the link: Dedicated to their Craft

Stocks

By: Howard

September has come and gone (not going to be a “September to Remember”); but in about 30 days it will be a November to Remember. There is one month left before we need to make a decision between, as many in the press have stated: “the lesser of two evils” – kind of sad that it has come down to that. I am not a political person and for most of this election, I have been laughing at how sad it is. Great fodder for our comedians and the news channels! Oh well, like many other things in life, we will get through it – do we really have a choice? Regardless of the outcome, American is still a great place to live ... even over the next 4 years. Now, it is time to get back to the really important issues ... art and finance!

The Euro closed at \$1.124 (up a little), the Pound dropped to \$1.297, Crude continues to climb (gaining more than \$3) too close at \$48.05 (guess that is why Exxon was up) and gold added a little – closing at \$1,319.

As for the DOW, we opened at 18,396, got up to 18,538 by the 6th, then continued to bounce around between 17,990 and 18,400 and finally closed at 18,308 (down a tiny bit). With everything going on in the world, that really isn't too bad. As for my favorites: JP Morgan (\$66.08 – down 0.92%), Exxon (\$87.28 – up 0.51%), GE (\$29.62 – down 4.36%), AT&T (\$40.61 – down 0.85%), Verizon (\$51.45 – down 1.10%), Wal-Mart (\$72.12 – down 0.99%), Coke (\$42.32 – down 1.58%), DuPont (\$66.97 – down 3.96%), Merck (\$62.41 – down 0.05%), Disney (\$92.86 – down 1.49%), Intel (\$37.75 – up 4.80%) and Apple (\$113.05 – up 5.92%). The only real bright spots this month were Intel and Apple (I am sure the new iPhone 7 helped the latter).

Tales from the Dark Side

By: Alyssa

Most days my mom and I will walk down to our favorite lunch spot one block west on 57th street. On the way we pass Metropolitan Fine Arts & Antiques and wonder how such a large store with such unimpressive “trinkets” manages to pay the hefty rent on one of Manhattan's most expensive blocks. This month's news gave us some insight...

Two undercover agents posing as collectors entered Metropolitan looking to purchase a piece made from ivory. If you didn't know, in 2014 New York banned the sale of ivory with the following exemptions – that the ivory contains less than 20% elephant ivory by volume, that is over 100 years old with documentation, or it is part of a

musical instrument built before 1975. During the visit, one officer purchased an ivory carving for \$2,000 that a salesman claimed was made from mammoth ivory... clearing the 100-year regulation. The item was then taken to the Museum of Natural History for inspection and determined to be made from African elephant ivory... Cue the raid!

Officers with search warrants in hand entered Metropolitan and found 126 elephant ivory pieces, including two pairs of uncarved elephant tusks priced at \$200,000 and \$150,000; the total collection was worth \$4.5 million. Metropolitan owners, Irving and Samuel Morano along with salesman Victor Silberman were arrested and charged with two counts of illegal commercialization of wildlife.

All of the seized items will be destroyed next August at the Department of Environmental Conservation's Ivory Crush event on World Elephant Day.

This isn't the first run in with the law for Metropolitan. Back in 2013, an elderly Ohio woman was defrauded of more than \$1 million. According to the case, Priscilla Janney-Pace entered the shop in January 2012 looking at several sculptures. She claims that store employees and the CEO repeatedly attempted to solicit her even outside the shop. For example, she received letters, phone calls, personal visits to her homes in Florida and Ohio and even gifts, all in pursuit of her patronage. As a result, she ended up spending over \$1 million on "museum quality" Chinese statues that the shop claimed were actually worth over \$2 million. Her daughter decided to have the works appraised and as you can guess, the words "museum quality" were not words the appraiser chose to use ... it turned out that the sculptures were worth under \$100,000.

In 2014 an Orange County man sued Metropolitan Fine Arts & Antiques for selling him \$3 million worth of 'nearly worthless' art and jewelry. Again, after purchasing all the goods, he decided to have them independently appraised. According to the appraiser, these 'museum quality' items had been recently made in China and were at best worth about 10% of the purchase price.

Yesterday afternoon I walked by the store – it is open for business!

In other news ... Another major retailer strikes again! Last month's newsletter exposed Zara and Topman for stealing artwork from young artists. In more recent news, Lane Bryant could be joining the list. According to New York based artist, Shantell Martin, Lane Bryant's latest t-shirt designs are her works of art. The design on a t-shirt posted on the retailers Instagram "You Are You." can originally be found on Martin's own Instagram. Martin reposted that image to Facebook and wrote: "Stolen! I did not give permission to this brand to take/use my stuff." and is asking her followers for support.

Really!

By: Amy

As we have come to expect, Asian works are making spectacular prices! If you are a tea lover, these items may inspire you to really start brewing or even buying. A Chinese Jian tea bowl, dating to the Southern Song dynasty (1127 – 1279 AD) steeped past the *conservative* estimate of \$1.5 -2.5M, selling for \$11.7 M...a new world record for a tea bowl from this period. The kiln where this piece was fired is in the city of Jianyang (Eastern China) and there are only about 100 pieces of these Jian oil glaze bowls still in existence. The bowl is an important part of the history of Chinese Song dynasty ceramics and the development of tea drinking in China. In addition, they have become prized possession of Japanese collectors due to their really long history of use in tea ceremonies.

A Qianlong period turquoise teapot sparked a heated bidding battle with more than 10 bidders vying for this wonderful example of a 'Hui mountain retreat' teapot. This teapot is one of two known examples and features a garden scene of a scholar admiring an open scroll on one side and an imperial poem, *Jihuiquan peng zhulu ge* (*Brewing Tea by Hui Spring*) on the other side. It boiled its \$300-500K estimate and sold for \$3.49M!

A tiny ivory netsuke (miniature sculptures that were invented in 17th century Japan) of a rat surprised everyone when it gnawed past its \$260-390 estimate and sold for \$37K. The tiny 1 ½ inch rat was of great interest not only for its meaning, but for its exceptional carving. The rat is one of the Japanese Zodiac signs and if you were born under the Japanese Zodiac of the Rat (birth years - 2008, 1996, 1984, 1972, 1960, 1948, 1936, 1924, 1912) you are charming and ambitious...and as luck would have it, I happen to be a Rat! Really!!

Now this may be old news, but when I recently read the story, I thought REALLY?? Last month Howard did an article titled "How Stupid do you think I am?" Well this month, the flip side of the coin is "How Dumb are

you...Really?" Someone out there is unbelievably dumb or just didn't care! A very rare 16th century Chinese folding armchair chair was on exhibit at the Minneapolis Institute of Art. During its heyday it had been used by the highest dignitaries of the Imperial Court; but unfortunately, it could not bear the weight of a 21st century museum visitor. Apparently, this individual decided that the "DO NOT TOUCH" sign did not mean 'DO NOT SIT' or they just did not care and as you can guess they decided to take a seat. Well, the chair broke in three places from their weight. Now I am not implying they were heavy, I honestly have no idea, BUT who would sit down on an exhibited piece?? The chair was bought for \$410,000 in 1996 and gifted to the museum; so now the question is: who paid the restoration bill? I would be willing to bet it was not the guy who had to rest his feet! Really sad!!!!

Oh, and while I am no longer really covering stories on sports cars, here's one that some of you may be interested in because the sale is not until October 7th and you might have a chance to buy an almost brand new 2016 Porsche 911R (it does have 52 kilometers on it.) There were only 991 built, and all of them were presold to preferred customers. The cars initially cost somewhere between £137,000 to £173,000...this car is estimated to bring €250-350K with unofficial reports stating that the Porsche 911R is already being traded at €500 -600K! If you are one of the fortunate few who bought the car, maybe now's your chance to flip it... if you get my drift!

The Artist's Corner

By: Lance

Choosing a Gallery - This is probably the most daunting task for any artist new to the market and is possibly the most crucial to success. To begin with, you should visit as many art fairs as possible and make good use of the Internet. You want to find galleries that would be a good fit for you and your work. If you are a representational artist, you probably will not have much luck if you approach a gallery that specializes in abstract or conceptual art... and vice versa. After you have found a group of galleries that might be a right for you, the next thing is to do some research on each. Some things to consider are: How long have they been in business? What sort of reputation do they have? Which fairs do they attend? How do they promote themselves and their artists? How many artists do they currently represent? If you happen to know any of the artists on their roster, it would be advisable to speak with them ... they will likely have some great inside information about the gallery, the dealer and the staff.

While each individual artist has a unique set of criteria that they are looking for in a gallery, there are certainly a few key characteristics that apply across the board. Aside from simply finding a gallery that matches your aesthetic, you want to be sure that the galleries you are considering are well established. In today's art world, there are countless individuals that seemingly wake up one day and decide they want to be a gallerist. Now, while some galleries that pop up become successful, many fail after just a short while and the last thing you want is to have work consigned to a gallery while the owner is filing bankruptcy. I've seen and heard too many stories of artists having to fight to get their artwork back, or worse never seeing them again. Further, simply because a gallery has been around a while does not mean that they are necessarily someone you want to "get in bed with." You want to find a gallery with a great reputation with both their collectors and their artists; as I mentioned earlier, reaching out to a currently represented artist will give you some great insight as to how things work at that gallery, particularly in relation to this point, and will definitely help make your decision easier.

Aside from the gallery's history, you certainly need to evaluate who's doing the most work for you. That is, the gallery should be taking advantage of every outlet they have at their disposal... A social media presence, magazine and digital advertising, art fairs and exhibitions, etc. The more eyes your work is exposed to, the more likely you are to find a buyer, so the scope of a prospective gallery is an important consideration. On top of that, the current roster of artists will tell you a lot about the gallery. Sure, a stacked roster shows they have the ability to attract top level artists and garner interest from collectors; but, if they have a huge roster of artists represented, how much time and attention can be devoted to you? As a new artist, the access to guidance and advice early on may be far more useful than the potential exposure of throwing yourself into the deep end and hoping for success. Remember, these are career decisions that can have a profound impact on your life... it's always best to have all the facts and make a well-thought out and educated decision as you move forward.

Once you have narrowed down your list, you will want to prepare yourself for contacting the gallery and presenting your work – we will touch on that next month.

The Art Market

By: Howard

Looks like we are about to start an interesting art season. During the month of September there were a few smaller Contemporary sales and the biggest news (which I have been predicting for some time now) was that a number of those high-flying artists have had a reality check. However, the overall results were still ok.

At the recent Phillips sale – New Now – there were some pretty strong prices achieved including \$225,000 for Yayoi Kusama's *Infinity Nets (TWWP)* – estimate \$70-\$100K; \$175,000 for Lawrence Weiner's *Hard as a Rock or (Assuming he Position)* ... - estimate \$70-\$100K and \$150K for Giuseppe Penone's *Fingernail and Marble* – estimate \$150-\$250K. In addition, there were 8 auction records achieved ... sorry, some of these are rather funny: \$4,750 for a Laeh Glenn, \$16,250 for an Emily Eveleth and \$17,500 for a John Knuth. Ok, really? We are now claiming 'auction records' for works under \$5,000!

What the press seems to have latched onto were that facts that a Lucien Smith (an artist I have written about before) brought just \$16,250 on a \$12-\$18K estimate. Now you might say, that is not bad, based on the estimate; but what you need to realize is that similar works have sold for more than \$300K. This artist hit the market back in 2011 when they originally sold for about \$10,000 (in case you are wondering, his abstractions were created using a fire extinguisher to spray paint on canvas ... of which he made more than 200 ... some reports stated that he actually had over 300). 'Traders' got into the market and elevated the works to unbelievable prices – in 2013 (just two years after it was originally sold) one of his works from the series brought almost \$390K at auction – not a bad investment for the seller. All I can say is that now, three years later, I feel bad for the person who spent \$390K ... ok, no I do not.

Another high flyer was Hugh Scott-Douglas. According to Katya Kazakina's article in The Wall Street Journal, *Art dealer and collector Niels Kantor paid \$100,000 two years ago for an abstract canvas by Hugh Scott-Douglas with the idea of quickly reselling it for a tidy profit. Instead, he is returning the 28-year-old artist's work to the market this week at an 80 percent discount. She goes on to report that: Before consigning his piece to Phillips, Kantor tried selling it privately for a year -- through Blum & Poe, the work's former owner, even on eBay. At one point he was asking \$50,000 but couldn't get an offer.*

As I stated earlier, the overall results weren't too bad ... of the 202 works offered, 149 found buyers (74%) and the total take was \$2.85M ... low end of the presale estimate was \$2.42M ... so they beat it with the buyer's premium added in.

During the month of October, more works hit the auction market and we will begin to get an understanding of each market's health. Then we will have the BIG sales in November which should give us more info. The question on everyone's mind is: will owners be willing to sell? Word is, the auction rooms are still having a difficult time convincing people. Look, in uncertain times who wants to put a work up at auction without some sort of guarantee? Some sales are having large unsold rates and today sellers are opting to go with galleries when offering works for sale – it is a lot more private and there are no records if a work is not sold.

As you travel through the art world, please be careful. I have always stressed that you need to buy works that you will enjoy owning for years to come. If you end up buying a 'hot' item, there is nothing to say that it will not cool off rather quickly. Now if you got in and out early – great. But if not, you could get stuck holding a very expensive wall hanging. Nobody can guarantee where things will be in the future, so be wise and buy right.

The Rehs Family

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Gallery Updates: For the month of October we are back on our normal hours: Monday – Friday from 10 am – 5 pm.

Web Site Updates: Works by Dupré, Richet, Laugée, Bauer, Vallejo, Giannini, Mastromatteo, Bell, Salaz and Palumbo have been added to our available inventory ... below is a small selection:

TRADITIONAL



Julien Dupré
Le repos dans les champs



Leon Richet
Marguerite



Georges Laugée
Returning from the Fields

CONTEMPORARY



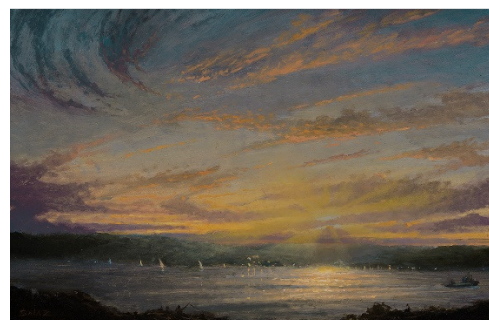
Ben Bauer

Sauk Rapids Farm by Moonlight



Ken Salaz

Sunset over Jackson, N.H.



Ken Salaz

Sunset over Palisades



Julie Bell

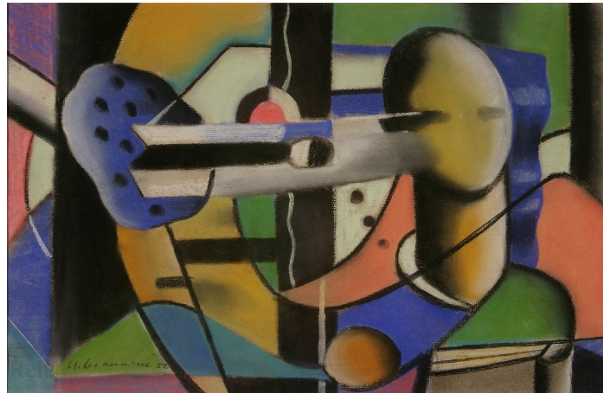
A Dream About a Dragon and a Tree



David Palumbo
Jacqueline 18



Dorian Vallejo
Reflections



Ugo Giannini
Composition with Bust



Julie Bell
Little Sister



Dorian Vallejo
Bodymind



Anthony Mastromatteo
Honey Bear



Ugo Giannini
My Father's Garden

Next Month: We should have some public sales to cover.