

COMMENTS ON THE ART MARKET

VOLUME 118

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

More Show NOTS!

In two of my previous newsletters I covered many things one should not do, or say, to a dealer when visiting a show ... and to be honest, I thought I had actually covered them all. Well, during our recent show in Baltimore I realized that I left out three fairly important recommendations; as well as one general excuse and one I want to revisit:

DO NOT TOUCH THE ARTWORK! Yes, at the recent show I was amazed, and shocked, as I watched a man bend down to look at a painting and proceed to run his fingers across the entire canvas. Let me say this: the paintings in a dealer's booth are their property; and unless they give you permission to touch them, DON'T! Personally, I do not want to see your fingers on my paintings – so until you own it, please do not touch it! Not only is it inappropriate, but if you happen to damage the piece, are you ready to write a check?

Photography – While some dealers do not mind people taking photos of their works, others do. Do not assume that you can walk into someone's booth and photograph the works on display. It is important to ask before you start snapping away. In addition, if they do give you permission, make it quick. I normally have no problem with people photographing our works – though I often wonder what they are going to do with the images. At the recent show in Baltimore a woman stopped by our booth and asked if she could photograph one of our works ... I said: no problem. Well the next thing I know, 5 women are standing in our booth (blocking a large section of the entrance) taking dozens and dozens of photos ... and they were standing there for 4 or 5 minutes. As I have stated before, dealers participate in shows in order to sell their works ... not to create a photo-op. And if that dealer is kind enough to let you photograph a work, please make it quick!

Children – Before I get into this one, please keep in mind that I love kids and have some of my own. However, it is really important when visiting an art/antique show that you keep a tight hold on your youngsters. Many times I have watched a toddler start running for a painting that is sitting on the floor, only to be scooped up moments before impact. In addition, try not to let your kids bring toys that they may throw or swing – I have seen kids playing with yo-yos or dragging their favorite toy behind them on a long string. I can tell you that is a recipe for disaster ... and maybe an unwanted expense.

Phones – I did touch on this in my first article, but I want to revisit it. It is just rude to walk into a dealer's booth, sit down in their chair, or at their desk (which someone did in Baltimore), and start making calls on a cell phone. This is not your office or home – it is ours. In addition, I do not want to overhear intimate details of your or your friend's personal life; especially in such a confined space. If you really need to talk on your phone, find a more public space.

AND ... *I don't have a house for a frame like that.* A rarely used excuse, but one I did hear in Baltimore. Now just in case anyone else wants to try it please note: we are always happy to either change a frame, or we can sell you the painting without one!

Stocks & the Economy

September was another interesting month in the market ... and at the time I started writing this report, September 25, my portfolio was up 7.16% for the year and gold broke the \$1300 mark --- WOW! I know the euphoria will be short lived, but enjoy it while you can. I'm wondering: what really happened? Well, whatever it was, I hope it continues. In addition, like most of you, I was happy to hear that the recession is over ... in fact, according to the 'experts', it has been over for more than a year. Amazing ... wish they had given us the good news 12 months ago!

As for my favorite stocks here is where they stand (or stood when I wrote this): CTL - \$39.25 (in the black); Oracle - \$26.96 (in the black); Citi - \$3.904 (in the red ☺); Pfizer - \$17.4 (in the black); RIMM - \$48.87 (still in the black; but down almost 28% from where I was at the beginning of the year ☺); BofA - \$13.6 (also still in the black; but down 10% year to date); GE - \$16.66 (in the red; but up 12.2% year to date) and MCD - \$75.1 (in the black and up over 22% this year).

Even More Tales from the Dark Side

Seems like our readers still like hearing about all the criminals in the art world; so here are a few I have missed during the past few months:

Peggy Kempton – Ms. Kempton was once the deputy executive director and CFO of the Fruitlands Museum in Harvard, Mass. Well, this June, Peggy was sentenced to three to five years in prison and ordered to pay restitution after pleading guilty to stealing \$1.3 million from the museum. It was revealed that she accomplished this by creating credit cards in the names of her children and unwitting museum employees and used the money to fund a lavish lifestyle.

Luigi Cugini - On August 20 Mr. Cugini, caught in an FBI sting, was arrested in Florida for allegedly trying to sell reproductions of John Singer Sargent paintings he claimed were authentic. It will be interesting to see how this one plays out. In addition, it was noted that in 2007 Luigi was involved in a lawsuit over a 'fake' Picasso and in the mid-1908s he was a co-defendant in a federal case involving the sale of fake artwork to wealthy collectors in New York City. Like they say, leopards never change their spots.

Paul Galzerano – Between 2003 and 2006 this former vice president of Beverly Hospital in Beverly, Mass. oversaw a multimillion-dollar renovation of the hospital. During the renovation, paintings and antiques that were donated to the hospital were placed in storage. Well, somehow, some of those items found their way into Paul's home – wonder how that happened? Once the renovation was completed, the items were never returned and the hospital reported them stolen. In 2008 an online real estate listing for Galzerano's home was seen by some of the hospital employees and low-and-behold they recognized the missing items that were pictured in some of the room photos. Hey Paul ... smart move!

Christopher Saunders – After stealing a 1752 Spanish coin (valued at \$9,000) from a Vero Beach dealer, Mr. Saunders proceeded to sell it to a nearby antiques dealer for \$167. That dealer, who had little knowledge about his purchase, took it to someone who would know – the coin dealer from whom it was stolen. It was only after that dealer went to compare it to 'his' coin that the theft was discovered and Mr. Saunders was caught. Hey Chris ... have you met Paul!?

Edemar Cid Ferreira – This former head of a collapsed Brazilian bank figured it would be a good idea to smuggle some of his important artwork out of Brazil and into the US. The story begins in 2004 when ICE suspected Mr. Ferreira of smuggling. Brazilian authorities began an investigation and in 2005 ordered the seizure of assets held by Ferreira and his associates which were acquired with unlawfully obtained funds – it was then they determined that part of his collection was missing. In 2006 Ferreira was arrested and sentenced to 21 years in prison on charges of bank fraud. Since that time a number of the 'missing' works have turned up on the US art market – including important paintings by Lichtenstein, Torres Garcia and Basquiat; all of which were smuggled into the US between 2006 and 2007 with values of about \$200 – boy, would I like a Lichtenstein for \$200!. Sadly, many of the works were resold and subsequently seized by the US government. They are now being returned to Brazil.

Thomas Doyle – I am sure most of you heard about this one, but just in case you missed it... reports surfaced at the beginning of September about a Corot painting that went missing after a night of drinking. This is a very complicated story and one you will need to read for yourself (just search for Thomas Doyle, Corot) but in the end, it turns out that the lost painting was found by a doorman at an apartment building near the bar and placed in his locker for safe keeping. Mr. Doyle was later arrested on charges of conspiracy to commit mail fraud and wire fraud. And as you might guess, this was not the first time Mr. Doyle was in hot water. In 2006 he was charged with grand larceny and possession of stolen property in connection with a Degas bronze he stole in 2004 and sold for \$225,000. He pleaded guilty to the charges and was sentenced to a maximum of five years in prison ... he was paroled last December. Boy, there are a lot of 'really smart' leopards around!!! You realize that when these leopards roam free they cause a lot of problems ... maybe they should be left in their cages?

The Art & Antique Markets

Well, September was another slow month for art in the public sales forums; so along with coverage of the limited art offerings I will cover highlights from other markets.

Decoys and Art

Over the summer there were a number of sales featuring decoys with a little art thrown in. During previous summers we have seen decoys reaching the \$1 million mark, but this year the \$100K mark seemed to be the upper limit. It appears the top price this summer was the \$109,250 paid for a George Boyd goose at a sale in Mass.; followed by a Ward Brothers black duck that set an auction record of \$97,750 (the previous black duck record was \$57,000 in 2008). At a sale in N.H. a Joseph Lincoln widgeon drake made \$60,375 while a rare redhead hen by Ira Hudson sold for \$58,075. At another sale in N.H. an A. Elmer Crowell Hudsonian curlew brought \$57,500 while his red-breasted mergansers sold for \$40,250. This same sale offered a number of sporting and wildlife paintings and among the most impressive results were Carl Rungius' *Humpback Grizzly* which made \$460,000 (est. \$300-\$500K), his *Bull Moose* that realized \$373,750 (est. \$200-\$400K) and *Near Summit, British Columbia* that made \$316,250 (est. \$200-\$300K). In addition, there was beautiful oil by Ogden Pleissner titled *The Rapids* which carried a \$60-\$90K estimate and sold for a very impressive \$345,000 – making it, at least from my research, the most expensive oil by the artist sold at auction.

Dolls and Toys

This July a saleroom in Chicago offered a large selection of dolls and among the highlights was a French Poupée by Adelaide Huret. This particular doll, commissioned by Victor Hugo to serve as inspiration for the heroine of *Toilers of the Sea*, sold for an impressive \$160,000. A rare French Bisque wooden-bodied BÉBÉ Musique by Leon Bru made \$44,000 while another made \$40,000. In addition there was a Schoenhut circus and various wooden animals offered – the circus made \$6,000, a wolf brought \$2,000, a gorilla made \$1,900 and a hyena fetched \$1,800. Better check those old boxes in the attic.

The Test of Time

Just before the summer a sale featuring clocks and horological tools (used to make and repair watches and clocks) took place. Of importance in the 'tool' area were two rose engines (special lathes used to make elaborate decorative engine turnings on watch and clock parts). The most expensive was an early 19th century engine from the Paris shop of Abraham Breguet which made \$44,438 on an \$8-\$10K estimate; the other, from an unidentified shop, brought \$15,405 (est. \$5-\$7K). In the clock section, the top lot was a circa 1815 nine-month duration regulator by Jean Lepaute which was estimated at \$30-\$40K and sold for \$106,650.

And we all know that time has no boundaries ... this summer clocks also appeared in a number of sales in Europe. Among the more impressive results were an ormolu and agate cased musical automation table clock from the 1760s which carried a £200-£300K estimate and sold for £600K; a Breguet traveling carriage clock (c.1800) fetched £320K and an early 17th century gilt brass automata lion clock made £98K.

It is always nice to see that not only does time keep on ticking, but in certain instances it becomes more expensive with age.

They're Back - Paintings!

Well, we are about to start the art cycle again ... sales will begin this coming month and following the action should be very interesting. The big question is: will the salerooms be able to produce high quality sales that will attract the buyers? Only time will tell.

In order to get you ready, I thought I would cover a Scottish art sale that took place. For many years the two big auction rooms held specialized Scottish picture sales in Scotland during August, but recently both abandoned the idea and moved their sales to London. This left the field wide open for Bonhams, the only 'international' saleroom to still hold sales in the area. For the past two years, Bonhams really struggled and totals took a beating; but staying the course may have proven to be a wise move. This year the saleroom offered 135 works and the results were rather good.

Top lot here was a George L. Hunter Still Life that brought £144K on a £100-£150K estimate – this same painting last sold at auction for £15K in 1988 – a nice increase in 22 years. Other strong results were seen for Anne Redpath's work -- her *Still Life with Michaelmas Daisies* made £134.4K (est. £30-£50K) and *Cagnes-Sur-Mer* brought £114K (est. £60-£80K).

In the end, of the 135 works offered, 123 found buyers for a sell-through rate of 91% and a total take of £1.1M (hammer price). Now while that might not seem like a great deal for an art sale, one needs to compare this to last year's result of £318,000; a definite improvement.

Howard L. Rehs

© Rehs Galleries, Inc., New York –October 2010

Gallery Updates: Sadly, we are back to our regular hours – Monday – Friday: 10 am – 5:30 pm. I already miss the summer months!

Web Site Updates: Works by the following artists have come and gone from our web site this month: Edouard Cortès and Jack Gray; as well as, four works by Sally Swatland, three works by Greg Harris and one by Katie Swatland. Works by the following artists have, or will be, added to our web site this month: Thomas Luny, Henry Victor Lesur, Edouard Cortès, Antoine Blanchard, Greg Harris and Sally Swatland. A few of the new works are shown below:

TRADITIONAL



Edouard L. Cortès

Flower Market, Madeleine – 13 x 18 inches



Henry V. Lesur
Marchands des Fleurs – 24 x 19 inches



Henry V. Lesur
La Porte Neuve, Paris – 24 x 19 ½ inches

CONTEMPORARY



Gregory F. Harris
Garden Pathway – 12 x 18 inches



Sally Swatland
Playing in the Sand – 16 x 20 inches

Next Month: Art market coverage.