

# COMMENTS ON THE ART MARKET

## VOLUME 135

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### **A Vetting (Or Should I Say Vexing) Problem**

This past month we participated in the American International Fine Art Fair; one of the best in the U.S. Setup was a rather long, tedious and an almost deadly endeavor - I added deadly because at one point the workers were installing a ceiling in our booth and dropped a 10' long 2 x 4 that grazed my wife's back ... another inch or two and it would have been all over! Thankfully she was only a little shaken up.

On Friday morning we finally finished hanging the paintings and posted the cataloging cards on the walls ... then along came the vetting committee which was comprised of three museum curators – I will not reveal their names here, but you can always use the following link - <http://www.aifaf.com/vetting.html>. I never had the “pleasure” of meeting them before so I introduced myself and let them go about their business.

The three spent about 10 minutes going over the works in our booth, thanked us and walked away; this was what I had expected since I knew that the condition of all the works was outstanding and there would be no issues regarding authenticity. A few minutes later a woman came back into our booth with a sheet of paper from the committee and I expected it to say “Passed” – was I wrong. Written on the paper were the instructions that I remove Mark Lovett's paintings ... the reason: they were not “show worthy”. I was shocked, to say the least. I stood in front of Mark's paintings (which were hanging next to paintings by Holly Banks, Sally Swatland, Ben Bauer and Gregory Harris, and I just could not figure out: why on earth they were not show worthy? I started getting aggravated and wrote across the paper – APPEAL. I then found a member of the show promoter's staff and handed it to them and said: “this is a bunch of Bull...!”

A short while later the woman who originally handed me the paper walked back into my booth and stated that the vetting committee would like to see me. I was asked to follow her to a meeting room at the front of the show. I walked in and seated around the table were the three committee members. I sat across from them and they asked: you are appealing? I stated I was and asked: what made the works not ‘show worthy’? The three seemed perplexed by this question and began by telling me that the work was decorative and somewhat commercial. In addition, it brought down the other works in the room where it was hanging. I was shocked and continued to press the issue. They then went on to tell me (in a somewhat annoyed tone) that one particular painting

*Spring into Fall* was salacious, bordered on child pornography and brought down the look of our entire booth. In addition, it was their job to make sure that works like those are not displayed since many visitors would see them, be offended and complain to the owners of the show. I must tell you I was more than shocked ... I was actually disgusted and sickened by this.

I left the room in total amazement and wondering how anyone could look at Mark's paintings that way – the only thought racing through my mind was: what sort of people were these vetters? After returning to my booth I took the paintings off the wall and placed them in the closet as the opening was fast approaching. Throughout the opening event all I could think about was the vetting issue and by the end my blood was boiling.

The next morning I composed and sent the following email to the promoter:

*The vetting issue that arose yesterday afternoon has left me with a horrible taste in my mouth. How, on earth, can any NORMAL person look at the Mark Lovett painting (image attached) and think that it is anything more than a wonderful depiction of youth and innocence? The fact that YOUR committee decided, in their minds, that it is salacious and borders on child pornography is preposterous and makes me wonder what issues they may have.*

*What I decide to show is my decision and I will NOT be dictated to by a few museum curators whose opinions, I now, do not respect. So, as of today I will be hanging the painting. I will say that they were probably right in stating that the painting was not right for the room it was in ... so I will be hanging it on the FRONT wall of my booth.*

*If YOU have an issue with this I will talk with YOU and only YOU. In the future, I will abide by your vetting committee's decisions when it relates to the authenticity or condition of a work I am showing; I will NOT listen to their personal opinions on the Show Worthiness of a painting I am displaying.*

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### **Stocks**

As you can see, my newsletter is rather late. The reason, we have been tied up with the Palm Beach shows for most of the month and because of this, I am afraid that I have very little to say about the stock market ... just no free time to think about it.

However, I did check my portfolios once I returned to New York (March 1) and I am pleased to report that not only has the stock market climbed to levels we have not seen in quite some time, but my portfolios are looking a little better (a 6% increase – wow). While the numbers of stocks in the RED still outweigh those in the BLACK, there are less of them!!! Among my favorite gambles are GE at \$18.97 (black); BofA - \$8.13 (lots of red); Citi - \$34.10 (a little red); JPM - \$40.63 (black); MCD - \$99.50 (black); Pfizer - \$21.41 (black); AT&T - \$30.87 (black); VOD - \$27.18 (strong black); Altria - \$29.96 (strong black) and my two favorites – RIMM - \$13.79 (so RED it hurts my eyes) and SNRS - .0001 (neutral – darn, still need to work).

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## The Art Markets

### The Impressionist & Modern

February is when all the major auction action moves to London and on the 7<sup>th</sup> things started to really heat up. That evening Christie's offered their Important Impressionist & Modern works and the flames began to roar. Taking the top slot here was a Moore sculpture *Reclining Figure, Festival*, that made £19.1M (\$30.1M ... leaving its £3.5-£5.5M estimate in the dust – it also turned out to be the top lot of the week). In second place was Miro's *Painting-Poem* which made £16.8M (\$26.6M – also leaving its estimate of £6-£9M in the rearview mirror) and in third came Gris' *Le livre* at £10.3M (\$16.3M – falling short of its £12-£18M est.). Rounding out the top five were Liz Taylor's Van Gogh at £10.1M (\$16M – est. £5-£7M) and Signac's *La Corne d'Or, Constantinople* at £8.8M (\$13.9M – est. £4-£6M).

When the evening ended, of the 88 works offered, 76 found buyers (86%) and the total take was a very strong £134.99M (\$213.3M). As with many sales the top ten accounted for a large percentage of the sale; here they made £83.3M (\$131.6M) or almost 62% of the final total.

The next day they followed up with two more sales - Works on Paper and their general Impressionist / Modern Paintings. Top lot in the works on paper sale was a Schwitters at £870K (\$1.4M – est. £100-£150K). Of the 135 works offered, 103 sold (76%) and the total was £7.4M (\$11.7M). The painting sale saw a Soutine take the gold medal at £1.1M (\$1.7M – est. £400-£600K) while a Schwitters took the silver at £691K (\$1.1M – est. £200-£300K). When this sale ended, of the 161 works offered, 137 sold (85%) and the total take was £18.3M (\$29M).

Between the evening and day sales, Christie's brought in £160.6M (\$254M) from the 316 works sold (82.3% sell-through rate ... total offered: 384). In addition, they offered a lower end sale which added £2.16M (\$3.4M) and another evening sale from a private collection – the Impressionist & Modern works from this sale brought in another £16.3M (\$25.8M) – top lot was a Miro at £5.8M (\$8M – est. £4-£7M). So when all added, Christie's grand total was £179.1M (\$282.6M) ... their corresponding sale in 2011 brought in £107.5M (\$172.4M)... **Please visit our site to read the rest of this story**

## The Post-War & Contemporary Sales

Yes, the following week saw even more art hit the auction block with the Contemporary sales. As we have seen in the past, the action here was fast and furious, with many works of art bringing extremely strong prices.

First up was Christie's evening sale and the results were steaming. Top slot here went to Bacon's *Portrait of Henrietta Moraes* that made a sizzling £21.3M (\$33.4M – est. was 'on request' and I forgot to ask ... sorry). In second was Richter's *Abstraktes Bild, 1994* at £9.9M (\$15.5M – est. £5-£7M) and in third was a de Stael at £5.3M (\$8.3M – est. £3.5-£5M). Rounding out the top five here were a Wool at £4.9M (\$7.7M – est. £2.5-£3.5M ... this was an auction record for the artist's work) and a Manzoni at £2.7M (\$4.3M – est. £1.8-£2.5M).

When the session was over, of the 65 works offered, 58 (89%) found buyers for a total take of £80.57M (\$126.5M – the low end of the presale est. range was £65M); and the top ten made £53.3M (66% of the total). If you would like to read more about this sale, check out Souren Melikian's [Burst of Buying at Modern Art Sale](#).

On the 16<sup>th</sup> they continued with their Day Sale and once again there were some pretty strong numbers. **Please visit our site to read the rest of this story**

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## My Thoughts

For the two weeks I covered the overall numbers were pretty good: 1263 works offered, 994 sold (78.7%), for a grand total of £418.7 (\$660.5M); this resulted in a price-per-lot-sold figure of about \$664K. Now let's compare these figures to the past two years:

2012: 1263 offered, 994 sold (78.7%), grand total £418.7 (\$660.5M) and price-per-lot-sold: \$664K  
2011: 1437 offered, 1156 sold (80.4%), grand total £425.3M (\$683.5M) and price-per-lot-sold: \$591K  
2010: 1100 offered, 935 sold (85%), grand total £375K (\$596M) and price-per-lot-sold: \$637K

What we find is that adding many more works to the sales does not really help the market's strength and in my opinion, it is the higher sell-through rates that are the true sign of a strong market ... we are still in a 'less is more' phase. It is also obvious, from the individual painting results, that people are ready to buy good quality works that are priced right ... and if you happen to have a REALLY good work ... the sky is the limit!

Howard L. Rehs

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**Gallery Updates:** This month we invite you to visit us at our gallery ... no shows for the month of March!

**Web Site Updates:** Works by the following artists have made their way through the gallery: Cascella, Blondeau, Blanchard (8 works), Oretsky, Jahn, Swatland and Bauer (4 works). And look for new works by Seignac, Frere, Cortès, Blanchard, Ridgway Knight, Aston Knight, Bauer, Jahn and Swatland that have been, or will be, added to the web site.

**Next Month:** More art market action!