

COMMENTS ON THE ART MARKET

VOLUME 141

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

I trust everyone had a very nice summer and in case you are wondering, we did! I figured everyone needed a break from the high flying prices I normally report on and the detailed statistical analysis I include, so this month's newsletter is a little light on that content (there isn't any); however, have no fear, I am sure there will be a great deal to report on during the fall and winter seasons!!

Crime Inc. The Art of the Theft

We thought this program was airing in August on CNBC; however, it was postponed until September 13 at 9 pm. If you happen to be home that evening please tune in. While none of us were interviewed for the program, the opening and closing scenes were filmed at the gallery. If nothing else, you will see a few nice paintings on the walls behind Carl Quintanilla.

Next Show – New York City

We just finished the Baltimore Summer Antiques Show (I even got a little air time on the local news) and are now getting ready to participate in the Avenue Show which takes place at the Park Avenue Armory (67th Street) from September 21 – 24, 2012. Show hours are: Friday -- Sunday 11:00am – 7:30pm and Monday – 11:00am – 5:30pm. Please check the online version of this newsletter for a link to a complimentary ticket.

Stocks

Well, it has been an interesting month for the stock market and we are holding above the 13,000 level, which is nice – ok, it was 13,000.71 the day I wrote this; but we are still above. I can add that there is lots of black in my portfolio – but then again, I sold off many of the RED stocks and bought new ones; most of which are doing ok. I will have to give it a few more months to see if I am really any better off.

Among my new favorites are: Chevron \$110.93 (up); Emerson Electric \$50.74 (up); Microsoft \$30.32 (up); Du Pont \$49.58 (up); Exxon \$87.20 (up); Wal-Mart \$72.25 (up a tiny bit); Berkshire B (even I cannot afford the A ☺) and Coca Cola

\$37.14 (down -- argghh). And among my old favorites are Altria \$34.44 (UP); INCYTE \$19.92 (still up a bit); VOD \$29.05 (up); AT&T \$36.69 (up), Verizon \$42.77 (up) McD \$88.70 (still up some); GE \$20.64 (up) and Pfizer \$23.84 (up) ... and I no longer own a whole bunch of STUFF including RIMM, BofA and Citi!! But I still have my 20,000,000 shares of SNRS (however, I do not know if they are still in business)!!

The Big Gamble

The Big Gamble will be coming to our gallery in April. I still do not want to give too much away, but I will say that Tim Jahn, Anthony Waichulis and many members of the Ani Art Academy (both graduates and current students) will be involved; this promises to be a very significant and exciting event. I will include a more detailed list of participants in future newsletters.

Rico y Ortega

I thought some of our readers would find this of interest ... the Museo Nacional del Prado will be presenting an exhibition titled "The Landscape Painter Martin Rico (1833-1908)" which will run from October 20, 2012 through February 10, 2013. While many of you will not be venturing to Spain to see this, have no fear; the same show will also be presented at the Meadows Museum in Dallas, Texas from March 10 – July 7, 2013.

Tales from the ...

Dark Side

Thought I would give you a little more from the darker side of the art world.

David J. Crespo – this past month a federal grand jury accused Mr. Crespo (owner of Brandon Art Gallery) of swindling \$225,000 from unsuspecting art collectors by selling phony Picassos and Chagalls. Should be interesting to see how this one plays out – I will keep you posted.

Illustration House – Larry Kritcher and Eve Thyrum have accused the gallery of swiping four Norman Rockwell paintings. The works were originally consigned in 1995 (yes, 1995) and one

was sold in 1996 for \$9000 (for which they were paid). They then waited 16 years to find out about the others? This sounds a little odd to me. I am very interested in reading more on this one.

Chinese Buyers – the art papers are loaded with stories about Chinese buyers who bid huge sums for works at auction and then just ‘walk away’. It has been reported that Sotheby’s has brought at least 9 lawsuits against successful buyers for failure to pay more than \$22M for items bought between 2008 and 2011. In 2011 Freeman’s sold a Ming vase for \$1.39M to Ting Wang (agent) who was acting on behalf of a Mr. Liu. Only \$750,000 was received (part of which was paid to the seller). Now there is a court battle to decide if the sale should be rescinded, to whom the money should go, etc. The outcome of this case should be interesting.

Pedro Guzman & Maria Lazo – these two were caught in an FBI sting operation when they attempted to sell a painting by Matisse titled *Odalisque in Red Pants* valued at \$3M for \$740,000. The painting was reportedly stolen, and replaced with a fake, from the Caracas Museum of Contemporary Art. If found guilty, Guzman & Lazo could face up to 10 years in prison.

Mastro Auctions – three executives of Mastro Auctions (William Mastro, Doug Allen & Mark Theotikos) have been accused of selling bogus “bona fide” locks of Elvis Presley’s hair even though they knew they were no good. This story is worth the read as it seems they did a lot of other underhanded things --- including selling sports memorabilia and shill bidding.

Michael G. Sullivan – this Australian lawyer was accused of stealing two paintings from a gallery. While dining at the gallery’s restaurant he went up the fire escape, between courses, and took the paintings ... funny thing is that he was being filmed by the gallery’s security cameras. Now here is the best part --- he got off! While Sullivan pled guilty to the crime he claimed that he had no memory of his actions. According to a psychiatrist, he had a case of ‘dissociative amnesia’ and was playing the role of an art thief. He was placed on a two year ‘good behavior bond.’ Gotta love the law and the lawyers who can manipulate it!!

Peter Biro – this Canadian art authenticator sued investigative journalist David Grann and The New Yorker magazine over their article “The Mark of a Masterpiece: The man who keeps finding famous fingerprints on uncelebrated works of art” which was published in July 2011. Now I am not going to comment on this article or case since there are a number of additional claims against other publications for

commenting on the story. Check the web for more!

Bright Side

Since I usually tell you about the dark side of the art world, here are a few from the lighter side.

Van Gogh – it was recently reported that the authenticity of a painting believed by its owner to be an original Vincent van Gogh will be determined by DNA. Yes, DNA! It seems as though a red hair (deeply embedded) was removed from the paint layer and will be compared to DNA samples taken from van Gogh’s living relatives. Wow – the wonders of science.

Unidentified Family – a 500 year old sculpture of St. Peter that was seized by the Nazi’s from a Jewish collector is being returned to his family. The work was originally taken by Hans Posse for Hitler’s planned “Fuehrermuseum” – it has been reported that more than 560 works were involved.

Sad Side

Rembrandt – In a effort to save money on the shipping costs, a Norwegian gallery decided to send their recent Rembrandt etching purchase through the mail ... well, as you can expect, that one got ‘lost in the mail’. Luckily it was only worth about \$8,600 ... could you imagine if it were an original oil painting!?! “Penny wise and Pound foolish” really hits this one on the head!!

Restoration – an amateur restorer in Spain took it upon himself to restore a 19th century fresco in his local church ... what a mess he made --- you need to see this one to believe it!

Fire – a fire in the apartment of Jean Boghici destroyed some of what experts say is one of the largest and most important art collections in Brazil. While there was a great monetary loss, even worse was the art historical loss.

Howard L. Rehs

© Rehs Galleries, Inc., New York –September 2012

Gallery Updates: Another reminder -- will be exhibiting in New York City at the Avenue Show this month (67th Street Armory) and our next show will be in Dallas this November.

Web Site Updates: First we have posted new biographies on Tony South, Holly Banks and Warner Friedman. In addition we have added, or will be adding, a number of new works to the web site by Ridgway Knight, Georges Laugee, Berthelsen, Herring, Banks, Jahn, Swatland, Harris, Hollingsworth, Lovett, Bauer and Tony South.

Next Month: The season should be starting.