

COMMENTS ON THE ART MARKET

VOLUME 93

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

Update: Better Late Than Never – O’Keeffe Suit Resolved

Back in 2005 (Newsletter – Volume 53) I wrote about a lawsuit brought against Barbara Buhler Lynes (the Georgia O’Keeffe expert), the National Gallery of Art, the Georgia O’Keeffe Foundation and Berry-Hill Galleries, of New York by a Mr. Ed Brady. Mr. Brady (an art dealer and retired lawyer) purchased an O’Keeffe work of art that was excluded from *Georgia O’Keeffe: Catalogue Raisonne* (1999, Yale University Press) authored by Lynes and sponsored by the National Gallery of Art and The Georgia O’Keeffe Foundation (now dissolved). After an out-of-court settlement with the previous owners, Brady decided to sue the expert and the sponsors of the catalogue project (see Volume 53 on our web site). Well, this July the case was finally resolved in that the judge dismissed all of the plaintiff’s claims due to insufficient evidence and the fact that some of the claims were time barred (statute of limitations ran out). This is a huge victory not only for the parties involved, but for all us art experts. A true expert needs to be free to provide their unbiased opinion on a work of art without threat of litigation; if they are not, then what is the point of having an expert for someone to consult with? And as I stated back in 2005, if Mr. Brady did his due diligence and contacted the expert before buying the work, he might have saved everyone a lot of headaches and expense.

If you are wondering why it took more than 3 years to settle this case, well -- Berry-Hill Galleries filed for Chapter 11 bankruptcy protection back in 2005 (see the Financial Times’ – www.ft.com - web article: Paint peels on the genteel market - 2006) and the O’Keeffe case was put on hold until that matter was settled.

Our congratulations go out to the National Gallery of Art, the Georgia O’Keeffe Foundation and, most importantly, Ms. Barbara Buhler Lynes.

What I Did On My Summer Vacation

Before I start, I do want to apologize to any of our readers and clients who happened to stop by the gallery in August only to find that we were closed. While we did visit the ‘construction’ site from time to time, we never stayed for more than a few minutes and there was no way we could show any work while the renovations were taking place --- far too much dust and dirt. I will say that we were a bit nervous at the beginning of the job since each time we stopped

in there were never more than two people working – but towards the end of August, there were as many as a dozen workers on the job site and we have been told that we will be able to move back in during the first week of September! Don’t worry; we are not holding our breath. Of course not everything will be finished, but all the messy work should (hopefully, maybe, possibly) be completed. And for those of you who figured we were just playing hooky and wanted some time off, please see the PDF version of this newsletter on our web site for photos.

I do want to add that while we are looking forward to getting back into our ‘new’ space, it was really nice not to drive in and out of Manhattan for the six weeks (it gave us an extra 2 – 3 hours of time each day) --- yes, the typical drive is at least 1 hour each way and we only live 19 miles away.

As you can guess, nobody wrote in with a specific topic for this month’s newsletter so now you will have to put up with a topic we are all familiar with from our grade school days --- my summer vacation. Actually, the past month was a very productive one for the research we are doing on Daniel Ridgway Knight and Julien Dupré. As you know, we closed the gallery towards the end of July, moving almost all of the paintings, furniture and files into a 7 ½ x 24 foot room ... boy was that packed from end to end and floor to ceiling (see PDF version for a few images). I took home all of the Dupré and Knight research (about 12 file boxes) along with my gallery computer and scanner. For the next five weeks I sorted through all the loose information and correlated it to works we currently had on file; scanned every image into our computer system (making three complete backups); and catalogued a number of ‘new’ works. So, as it stands now, we have close to 450 Knight and 220 Dupré images on file – still not enough to ‘go to press’, but we are making great progress. We also realized that a number of the images we have are not ‘reproduction’ quality. If, in the past, you sent us images of a painting you own by either Ridgway Knight or Dupré and it was not professionally done, please take the time to have it properly photographed and send us some high-resolution images – preferably of both the front and back. While we are not going to press tomorrow with either project, we are getting much closer and it is extremely important that we have high quality photos of your painting on file.

Another interesting ‘experiment’ that took place during the month was the forwarding of all telephone calls to my cell phone. I decided to keep a journal of every call we received during the six weeks; well, even by the end of day one I could not write down all the

computer generated calls we received offering us credit card services, lines of credit, cruises, etc. Do people actually respond to these computer phone calls? Seems like a real waste of time and money. However, I did find it interesting that along with the serious inquiries, in one week alone there were about 12 calls from people looking for information on prints, as well as people looking for information on furniture and porcelain (those always amaze me), and a call from the Art for Obama group – yes, they were looking to have a number of fundraising events at art galleries in New York during the month of September.

In the end, I will say that the 'time off' was rather enjoyable. Working from home is not bad, especially during the summer months in New York. Gives one food for thought for next summer! Anyway, we should be up and running at the gallery by the second week of September and look forward to seeing you during your next visit to NYC. We will have some interesting new works on display.

The Fall Art Market

We are all curious to see what will happen this fall. Will the surge in interest experienced during the past few years continue, level off, or peter-out? Will the super-rich continue to add to their growing collections? Will the rest of us commoners continue to purchase art and antiques? Will the supposed 'global economic slowdown' have an impact on the art and antique markets? I say 'supposed' because I have lost all faith in our news reporting agencies – one day things are good and then next they are bad; one day the stock market is up 200 and then next day it is down 200. As I have stated before, this age of information being available 24/7/365 has caused a whole host of problems and many financial markets are reacting to specific pieces of news as they come across the wire and not looking at the BIG PICTURE. We have all seen mornings where the futures are either way up or way down and the markets are anxiously waiting for some 'important' economic number to be released at 8:30 and then the futures either skyrocket or tank. Shortly after we are confronted with at least 2 or 3 stock gurus/analysts ready to tell us why that number is so vitally important to the future of our economy or why it means very little – give me a break. Most of them seem to know as much about what is going to happen as I do about brain surgery; wait, I do have one of those [Brain Surgery for Dummies](#) books somewhere! And I do not even want to try and understand how the commodity markets make such wild moves. Let's face it, the stock and commodity markets have become the biggest crap tables in the world and while there are a few people making a great deal of money, most of us common folk are taking the most sickening rollercoaster ride of our lives. I do not know about you, but my stock portfolio is now down 15.1% this year. But there is a bright side; I have met people who are now selling off some of their stocks to buy something tangible – and not just art or antiques. A good friend of mine just sold some stock so he could buy himself another Corvette Z-06 --- he figured that

before the money evaporated he would have some fun with it!

The next four to eight weeks will tell us a great deal about the strength of the art, antiques and collectibles (AA&C) markets as many of the big public sale rooms will start placing on the market more works than any of us can ever imagine. Will there be buyers for all the merchandise? While only time will tell for sure, my bet is that the good quality pieces will still find eager buyers.

Until this point we do know that the AA&C markets have been strong and during the month of July these markets were still moving at a very fast pace with record breaking sales throughout Europe. At the very end of that month we saw the yearly Western sale in Nevada and with a 96% sell through rate and a total of \$37 million -- it was a blockbuster. Among the big winners were: Charles M. Russell whose *The Hold Up* made \$5.167 million and *Meat for Wild Men* bronze made \$4.05 million. Berninghaus' *The Pueblos Await the Dancers* made \$1.47 million and E.M. Hennings *Streamside* made \$1.36 million. Even some of the contemporary artists, painting scenes from long ago, did extremely well – Mian Situ's *Pacific Carriage Company, S.F., 1905* (painted in 2008) made \$258,000; Robert Griffing's *After the Trade* made \$218,000; and Martin Grelle's *Gros Ventre Hunters* (2008) made \$195,000.

During August there were very few important works offered, however those that did appear performed exceptionally well. A painting by the American artist Martin J. Heade was offered in a small sale in Massachusetts - *Haying on the Marsh* (7 ½ x 14 inches) – the work was estimated at \$300 - \$500,000 and ended up selling for \$1.06 million; and at another Massachusetts sale an Edmund Osthaus dog painting (est. \$40-\$60,000) sold for a record \$230,500. In the sports memorabilia market, Lou Gehrig's 1939 NY Yankees warm up jacket brought \$373,750; while Babe Ruth's c.1920-30 Yankees baseball cap sold for \$327,750.

So, regardless of its age, if a good quality painting or collectible hits the market, a strong price is being paid.

Howard L. Rehs
© Rehs Galleries, Inc., New York –September 2008

We will start moving everything back into the gallery on September 4th. Our hours for the month are Monday – Thursday 10am – 5:30pm.

Gallery Updates: Our renovation is almost done!

Web Site Updates: Bios on G r me, Meissonier, Biva, Hublin, Laurencin and Firmin-Girard have been added to the site.

Next Month: Complete market and gallery updates.