

# A Blockbuster Deal Reassures the Art World

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By Scott Reyburn

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As the art market braces for a difficult year ahead, along comes news of a \$500 million private sale that creates a reassuring sense of business as usual.

According to market insiders, Willem de Kooning's 1955 Abstract Expressionist painting "Interchanged" is now either the world's most expensive artwork or on par with Qatar's reported \$300 million purchase in 2014 of the 1892 "Nafea Faa Ipoipo (When Will You Marry?)" by Paul Gauguin.

The buyer was the Chicago hedge fund manager Kenneth C. Griffin, founder of Citadel, which manages more than \$24 billion in assets, and the seller was the entertainment mogul David Geffen, owner of one of the world's most admired collections of postwar American art.

Mr. Griffin was said to have paid \$300 million for the de Kooning and \$200 million for the 1948 Jackson Pollock drip painting "Number 17A" in a transaction that was completed in the fall, Bloomberg News reported.

Both works have been on loan to the Art Institute of Chicago since September.

Mr. Griffin, 47, has a net worth of \$7.6 billion, according to Forbes. Katie Spring, his spokeswoman at Citadel, confirmed in an email that the two paintings had been bought for \$500 million, but she declined to specify their individual prices.

This blockbuster deal was first mentioned on Feb. 18 in the trade newsletter The Baer Fax, which suggested that a "Midwest hedge fund collector" had paid about \$500 million for Abstract Expressionist paintings by de Kooning and Pollock from a "West Coast collection."

Brett Gorvy, international head of contemporary art at Christie's, then used his Instagram account to identify the de Kooning as "Interchanged" (which is also known as a "Interchange"), a "seminal masterpiece" by the New York School artist that sold at auction in 1989 for \$20.7 million.

Mary Hoeveler, an art adviser in New York, said, "It's business as usual on a grand scale — the uber rich buying the most coveted works of art."

"Regardless of conditions, and sometimes because of them, the market always responds to once-in-a-lifetime opportunities," she added. "Masterpieces are a safe haven for wealth."

Ms. Hoeveler, like many professionals in the art trade, viewed the news of the \$500 million transaction as a welcome counter to the downturn in auction sales so far this year, even though the purchase was made in 2015.

The Griffin acquisition also has symbolic value. Back in 1989, "Interchanged" was bought by the Mountain Tortoise Gallery in Tokyo for a \$20.7 million at auction, at the time the highest price for a contemporary work of art. But that was only about a quarter of the \$82.5 million paid the next year for Van Gogh's "Portrait of Dr. Gachet" at the high-point of the late-1980s art boom. Now this monumental de Kooning abstract is deemed equal to, if not more valuable than, such Post-Impressionist masterpieces.

Wendy Cromwell, an art adviser in New York, said: "That cycle ended and we have skipped on to the Abstract Expressionists. That is where the focus is right now. It's a natural evolution that comes with a younger generation of collector."

Many in the United States revere de Kooning, Pollock and Rothko as the Leonardo, Raphael and Michelangelo of postwar modernism.

Unfortunately for private collectors, virtually all the prime examples by these Abstract Expressionist masters are in, or promised to, museums.

Dealers said “Number 17A” was probably the last available large-scale Pollock from his most admired period, 1947 to 1950. The painting, which is three feet, eight inches wide, was one of three featured in a Life magazine article in August 1949 entitled, “Jackson Pollock: Is He the Greatest Living Painter in the United States?”

Killed in a car accident in 1956, Pollock might now seem to be regarded as the country’s greatest dead painter. In 2011, the San Francisco collectors Harry W. and Mary Margaret Anderson bequeathed Pollock’s majestic drip painting “Lucifer,” dating from 1947, to the Anderson Collection at Stanford University. Dealers now value that work at as much as \$500 million.

With museum-quality Pollocks rare on the market, collectors returned to the realities of the mainstream art trade on Wednesday at the ARCOmadrid fair in Spain. The event, now in its 35th year, is one of a group of what might be called second-tier contemporary art fairs, with price levels that can be more accessible to many collectors than those being asked by the megagalleries at Art Basel, Frieze or FIAC.

But this is a crowded marketplace. Art Cologne in Germany, Artissima in Turin, The Armory Show in New York, Art Brussels in Belgium, Viennacontemporary in Austria and ARCOmadrid are all vying for a similar audience of wealthy, but not necessarily extremely wealthy, clients. All need to come up with something distinctive to persuade serious exhibitors and collectors to participate, particularly at a time of economic uncertainty.

One way of doing that is to pay for them. ARCOmadrid is organized by a consortium of local municipal bodies in the Spanish capital that this year allocated the fair a budget of 4.5 million euros, about \$5 million. The fair was thus able to finance visits from about 400 collectors, curators and “international influencers,” and offer moderately priced or even free booths to exhibitors.

The Paris dealer Chantal Crousel, who exhibited at the first edition of ARCO in 1982, was one of 33 galleries allotted free spaces to present works by two of their artists, selected by the fair’s curators to celebrate the 35th anniversary.

“The fair has become a lot more open and international,” said Ms. Crousel, who was showing Mona Hatoum and Danh Vo. “The city’s museums give a point of reference, and people from abroad love to come to Madrid.”

Works by Mr. Vo, a Vietnamese-born Danish artist who represented Denmark at last year’s Venice Biennale, continue to be on collectors’ shopping lists. One of his 2011-2014 “We the People” copper sculptures, derived from a drapery section of the Statue of Liberty, sold at ARCO’s Wednesday preview for €174,000 to a Spanish client and a gold-painted Corona beer cardboard-box sculpture was bought by a Belgian for €70,000.

The fair, held as usual in the Feria de Madrid exhibition center on the outskirts of the city, featured 221 galleries from 27 countries and was expected to have attracted 100,000 visitors by the time it closed on Sunday.

Most galleries in the main body of the fair, even if they were not from Spain, featured works by Spanish-speaking artists. Lisson Gallery of London, for example, sold two brightly colored 2010 fabric sculptures by the Spanish artist Angela de la Cruz, priced between 20,000 and 50,000 pounds, or \$27,000 and \$69,700.

Sales were sporadic, though, and there was a conspicuous lack of urgency in the way that visitors browsed on preview day. There was, however, plenty of commercial action at the booth of the Berlin gallery Crone, which was showing works by young Cuban artists.

Notable for their technical innovation and political engagement — and for 20 sales at the preview on Wednesday to a range of international buyers — the Crone sales included 18 drawings made by Kelvin López, using a fake official rubber stamp, of houses appropriated by the former Cuban leader Fidel Castro. Ten of these “This Is Your House Fidel”

drawings sold for €800 each. Two of Rachel Valdés's mirror installations, "Infinite Composition," from an edition of five, have respectively sold to a German collector and the Cuban state for €100,000 each. Ms. Valdés, who, like Mr. López, lives in Havana, is just 25.

"With the opening up of Cuba, collectors are looking for opportunities," said the New York adviser Erica Barrish, who was one of the fair's 400 invited guests. "They're always looking to new regions. Something similar happened in China."

These transactions might seem small in light of the money that has been paid for those works by the two Abstract Expressionist painters. But they do show that there is still some life left in the market for contemporary art.

**Correction: March 3, 2016**

*An earlier version of this article misidentified the gallery at Stanford University to which a different Pollock work, "Lucifer," was bequeathed. It was the Anderson Collection at Stanford University, not the Stanford University art gallery. The article also gave an incorrect date for the bequest. It was in 2011, not 2014.*

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