

ART

Wary Art Collectors Find Gems in the Past

By Scott Reyburn

June 29, 2014

LONDON — The art world is becoming a tale of two markets: contemporary — and the rest. Works made in the last 50 years, or days, now dominate the auction and gallery scene, making the jaw-dropping prices paid for a Monet, van Gogh and Picasso back in the 1980s seem like ancient history.

Sotheby's, Christie's and Phillips's postwar and contemporary art auctions in New York in May raised an unprecedented \$1.6 billion, dwarfing the \$611 million that the two main houses achieved from their preceding sales of Impressionist and modern works. In 2013, for the first time in recent memory, a work by Picasso didn't feature among the 10 most expensive lots sold at auction.

Impressionists and moderns, like Old Masters and 19th-century painters, might have fallen out of fashion with the majority of art buyers, yet national museums are still filled with their works. This hasn't escaped the notice of some collectors who are uneasy about the ever-higher prices being paid for contemporary art, particularly the six-figure sums currently being given for on-trend painters in their 20s.



Monet's 1906 "Les nymphéas."
Sotheby's

"Most of my clients are interested in anchoring their contemporary collections with historic works," said the New York adviser Mary Hoeveler, who was in London for Sotheby's and Christie's evening Impressionist and modern sales on June 23 and 24 respectively. "They've also seen the prices currently being paid for young artists, and recognize the value in other markets."

Obviously, no one is making Impressionist and modern art any more, and most of the best examples are in museums. When A-grade works do trickle onto the market, and are realistically estimated, they now fetch commensurately high prices, thanks to bidding from contemporary collectors and wealthy individuals from Russia and Asia looking to invest

in proven “brand” artists.

Sotheby’s 46 lots included a 1906 Monet water-lily painting from the artist’s landmark 1909 “Les nymphéas” exhibition at the Galerie Durand-Ruel. In exceptionally well-preserved condition, it had failed to sell at Christie’s, London, in 2010, after being valued at an ambitious low estimate of 30 million pounds. This time, with a low estimate of £20 million, or \$34 million, it sparked a lengthy telephone bidding duel between clients represented by David Norman, Sotheby’s co-chairman of Impressionist and modern art, worldwide, and Kevin Ching, the company’s chief executive in Asia. Mr. Norman prevailed at £31.7 million, the second highest auction price for a Monet.

“A new range of buyers has appeared in the last four years from Asia, Russia and South America,” said Philip Hook, Sotheby’s senior international specialist, Europe, at the post-sale press conference. “People were bidding on that painting that weren’t around in 2010. The market has changed.”



“Ja - Was? - Bild” a 1920 painting by the German Dadaist Kurt Schwitters.
Christie’s

Indeed it has. Anyone who was at the Art Basel fair earlier this month will have noticed how buying and selling contemporary works, particularly by emerging artists, has become a name and numbers game. There isn’t much time to talk about the art when so many people are jostling for trading positions, and when cellphone messaging is making holding times so much shorter.

“You’re not going to flip an Impressionist picture,” said the London-based art adviser Wendy Goldsmith. “The people who put their money into these things actually have to like the work, rather than a put it in a warehouse.”

Comparing the market for Impressionist and modern art with that for contemporary reveals some eye-opening price differentials. Sotheby’s £122-million auction also featured Monet’s sparkling 1875 plein-air river scene, “La Seine à Argenteuil,” from the Impressionists’ second group exhibition in Paris, in 1876. Formerly owned by the American collector Ralph C. Wilson Jr., who died in March, this rare and important canvas, which had been on long-term loan to the San Francisco Museum of Modern Art, sold within its estimate to a telephone bidder for £8.5 million. This was less than the £9 million valuation that Sotheby’s have put on the 1999 Peter Doig landscape, “Country-rock (wing-mirror),” included in their contemporary art sale in London on Monday.

These days, exceptional modernist works that have evolutionary connections with contemporary art — such as later Monet, which was admired by the Abstract Expressionists — are much more in demand. The German Dadaist Kurt Schwitters influenced a range of postwar artists, including Joseph Beuys and Robert Rauschenberg, and Schwitters’s unusually large 1920 mixed-media relief painting, “Ja - Was? - Bild,” offered at Christie’s the following evening was an outstanding example of his work. From the family of the German collectors Viktor and Marianne Langen, the work was bought by another telephone bidder for £14 million. The price was more than double the upper estimate and more than 10 times the previous auction record for the artist.

Giacometti’s 1947 “La Main” was one of the unsold lots at Christie’s last week.



But that Schwitters was a one-off. Market-fresh, museum-quality Impressionist and modern works are in short supply, and the pool of buyers is much shallower than at contemporary auctions, making demand acutely price-sensitive.

Auction houses compete for consignments with their valuations. Dealers noted that estimates were consistently higher at the evening sale of Impressionist and modern art at the privately owned Christie's, resulting in a third of the 60 lots failing to sell and a lower total of £85.8 million. The unsolds included the 1947 Alberto Giacometti bronze, "La Main," valued at £10 million to £15 million.

Meanwhile, dealers are also offering major-name modernist artworks at the fifth edition of the Masterpiece art and antiques fair in London, which previewed on Wednesday. Among the 154 dealers exhibiting at the grand Christopher Wren-style temporary structure in the grounds of the Royal Hospital, Chelsea, Paris-based Diane de Polignac is showing the hitherto-unseen 1933 Jean Dubuffet canvas, "Paysage Sous Bois," at £120,000. And to coincide with Tate Modern's "Matisse: The Cut-Outs" show, the London-based print specialist Frederick Mulder is offering six plates from Matisse's 1947 series "Jazz," ranging from £7,200 to £16,200.

This event, aimed at London's wealthy international community, runs through Wednesday. By then, dealers will have found out if they've got their prices right.