

# ART ADVISORY E-BULLETIN

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## 1858 LTD ART ADVISORY

LONDON | PARIS | NEWYORK | DÜSSELDORF | SYDNEY | HONG KONG  
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### February Auction Highlights

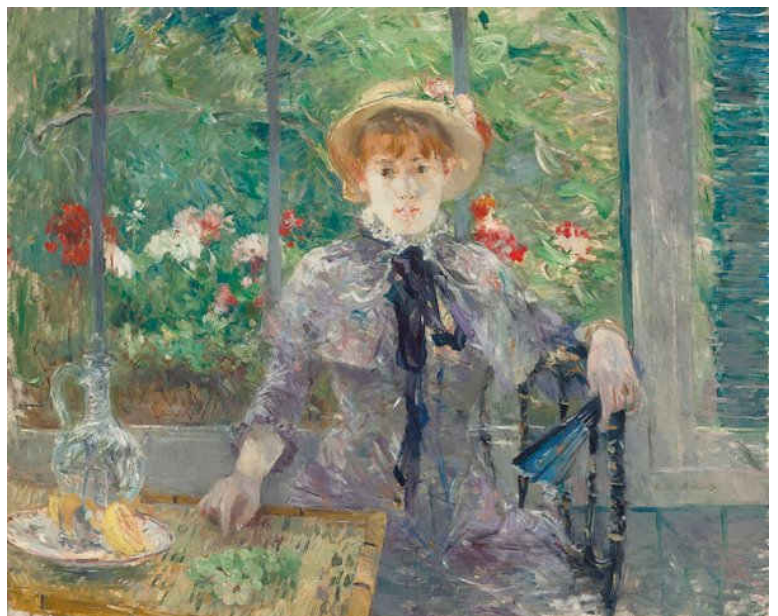
London's February auction series has yet again proved the unwavering strength of the art market. The mid-season Post-War and Contemporary, Impressionist and Modern, and Surrealist sales at Sotheby's and Christie's all achieved superb results.

The first of these sales were the Impressionist and Modern Art and the Surrealist Art sales at Sotheby's, which together raised just over £121m on 5th February. The top lot was Picasso's 'Femme assise près d'une fenêtre' (1932) which sold for £28.6m, coming in at the lower end of its £25-35m estimate, but nonetheless achieving top lot status across the auction houses that week. At the Christie's sales the following evening, the top price went for Modigliani's 'Jeanne Hébuterne (au chapeau)', dating from 1919, which raised slightly less at £26.9m, though far exceeded its pre-sale estimate of £16-22m.

The Christie's sale which raised an astonishing total of £136.5m also saw Berthe Morisot's 'Après le déjeuner', 1881 (pictured right), achieve a new record for the artist raising just under £7m, double her previous record achieved at Sotheby's New York in 2005. Christie's also claim that this is the highest ever price for the work of a female artist at auction. Three other artists' records

were set at the sale, with many works provoking furious bidding and commanding hammer prices high above their pre-sale estimates. Some commentators have noted the different estimating strategies of the two auction houses, suggesting that the more realistic estimates at Christie's led to the better results. Either way, the sales have shown the unabated fervour of art collectors and investors, as always, willing to pay top prices for high quality works.

Barely leaving time to recover, the Post-War and Contemporary sales took place one week later. These too proved to be hugely successful, with Christie's and Sotheby's bringing in £81.7m and £74.4m respectively. The stars of the show were undoubtedly Francis Bacon, whose 'Three Studies for a Self-Portrait', 1980, (pictured above) achieved the highest price of both auctions at £13.8m at Sotheby's; Jean-Michel Basquiat who had the top lot at



Christie's, selling 'Museum Security' (1983) for £9.3m; and Gerhard Richter who is continuing to achieve top prices following beating the record for the highest price at auction for any living artist last October. At both houses, 26% of the lots on offer sold for over £1m.

The overall feeling in the London art market is one of success. The high-quality supply, known to have sometimes been lacking in the past, of Impressionist and Modern works attracted serious buyers, coming from as far as the Middle East, Asia and Russia. A cluster of highly sought-after artists in the Post-War and Contemporary sales resulted in a similar situation there.

## 1858 Ltd Panelists at the European Family Office Symposium

The European Family Office Winter Symposium took place on 11th-12th February, in order to explore the challenges and opportunities faced by Family Offices when investing in emerging markets and alternative investments amongst other asset types. An intimate event, attended by private investors and asset managers from around the world, it also attracted HNWIs and family offices keen to engage in stimulating discussions on the latest investment trends.

Invited to be panelists, 1858 Ltd focused on a discussion titled 'Investing in Art - What Determines Value', which looked at factors such as art investing for the first time, due diligence, valuation, asset allocation and investment approach amongst others.

## Harvey Mendelson's Art Buying Tips

A recent feature on art investments in the Guardian newspaper, emphasized 1858 Ltd's Harvey Mendelson's 'Best Tips' for investing in art. Increasingly being seen as viable alternative assets, buying artworks is not as straight forward as you might think. The first tip offered was to do your research, more specifically meaning to find out whether you are buying the best of the artist in question's work, something you can find out by studying his other works. Secondly, don't only stick to one artist. Market changes can affect artists individually so look into the artist's wider art movement and history. Next, despite seeming obvious, it is crucial to look after your collection and protect it how you can. For example, DNA coding reduces the risk of theft from 1 in 33 to 1 in 346. It also helps reduce insurance premiums by up to 10%. Last, but by no means least, follow your heart. This seemingly clichéd advice has proven to be a winning strategy for many collectors, and increases the chances of not only financial, but also emotional returns on your investment.

## Freeport in Luxembourg

The news of a new Freeport in Luxembourg, due to open in 2015, will be joy to the ears of many art collectors and investors. With Freeports around the world known to be bursting at the seams, an additional European address for storing artworks will be welcomed.

What's more, new legislation in Luxembourg means goods will be able to be imported into the Luxembourg Freeport (LFP) free of VAT and customs duties. Also exempt of VAT will be all



A model version of the LFP

value adding services on offer at the site, including storage, expertise, authentication, restoration, photography, framing, forwarding and packaging services.

The 20,000 square-metre, 4 storey high state of the art facility will be accessible directly from the Luxembourg cargo terminal (the 5th largest in Europe) as well as by road, making it easily reachable from anywhere in the world. Due to the nature of its holdings - it has said it will specialise in artworks, precious metals and stones, jewellery, fine wine and other such valuables - it will be equipped with an 'ultra-safe' basement for the highest security and also with show rooms to facilitate transactions as well as exhibitions; activities which will be carried out at the discretion of the owners holding goods. Despite being a government supported project, it is privately funded and the investors behind the project EUROASIA, are the owners of the hugely successful Singapore Freeport, which opened in May 2010. With construction already underway, this new Freeport can be expected to be unique in its kind in the European Union, contemporary in design and built at a prime location.

## Art Stage Singapore

Singapore has been growing into the art hub of South East Asia, and the recent success of Art Stage Singapore's third edition can only be seen to confirm this. At the end of January this year, the fair attracted 40,500 visitors over four days, many of which were said to be first-time fair goers, and some 10,000 more than last year. Over 130 galleries from 23 different countries representing over 600 artists were present, bringing



Nyoman Masriadi, 'Peaceman', 2012, was one of the Indonesian artists on sale at the fair.

both international art market stars to South East Asia, and showcasing emerging artists from the region. This made it interesting for both local collectors and investors but also for

those from further afield, keen to invest into this burgeoning art market.

There was a distinct focus on South East Asia art however, and on that of Indonesia in particular. The fair's flagship component was in fact an Indonesian Pavilion, whose aim was to promote Indonesian contemporary art to a new global audience. The pavilion will be an added catalyst for growth in the already fast-growing sector, with a now wider audience informed about it and aware of its potential.

Many critics believed that the 2013 edition was "make or break" for the fair. With the fair's director Lorenzo Rudolf describing this year's sales as a success, particularly when compared to 2012's weak sales, and one gallery director saying the fair was "an invaluable opportunity to meet and interact with collectors in the region", it seems everybody is already getting excited about the 2014 edition.

Some of the top sales included an abstract painting, 'Wall of Light Burning' by Sean Scully (pictured above) going for \$550,000 (USD), a series of waterfall paintings by Hiroshi Senju selling at \$415,00 and two works by Balinese artist Nyoman Masriadi bringing in \$350,000 and \$200,000.



## Artist in Focus: Amedeo Modigliani



Amedeo Modigliani was born in Italy in 1884, into a cultured Jewish family who were nearing financial ruin. By the age of 22 he had moved to Paris, where he pursued the majority of his artistic career. His most notable influences were the linear forms of African masks and the works of Cézanne but he refused to be categorized by any one style, particularly in the age of the 'isms', and developed a style unique to him and which is still easily recognisable today. He suffered from ill health from a very young

age, and by 16 had already contracted the tuberculosis which would cause his death twenty years later at the tender age of 36. It led him to a life of alcoholism and drugs but it didn't stop him painting a vast number of nudes and portraits during his lifetime, and also working in sculpture for a few years. Exactly how many works he created however, is impossible to say, with Modigliani known to have destroyed many of his early works, and also in his perpetual state of poverty, often giving away his paintings in exchange for a meal or glass of wine. In addition, and despite some having been widely discredited, at least five *catalogues*

*raisonnés* exist of his works and there have been numerous authentication cases surrounding his works in the past.

Modigliani's auction record was achieved by 'Nu assis sur un divan (la belle romaine)' dating from 1917, the year in which the painter had his first and only solo exhibition, which is notorious for having been temporarily shut down by Parisian police who only reopened it after having confiscated some nude paintings deemed too scandalous to exhibit. The painting sold at a Sotheby's auction in November 2010 for £42.7m. His painting which sold at Christie's in London this month was of his wife and the mother of his child, Jeanne Hébuterbe in 1919 (pictured above), the year before he died, and she subsequently committed suicide. The success of the painting at auction shows that despite authentication issues in recent years, the market for Modigliani is still strong, particularly when for such significant works.

## Virgin Atlantic's Mile High Art Gallery

Virgin Atlantic airline has just announced that it is launching a new service for its business and first class travelers, 'Gallery in the Air'. The idea is to offer more than just the standard perfumes and gadgets during in-flight shopping, by offering artworks too. Although they won't be duty free like the rest of your shopping, Joshua Crousthamel from the brand pointed out that they would at least last forever. He spoke of people's desire to take home a souvenir from their travels and the artworks on offer simply being an alternative choice.

The first artist to take part in the program is British street artist Ben Eine who has created ten new works specifically for the project. Each one is inspired by the brand and also themed on London and New York, the works being available to buy on flights to and from both those cities. Priced between \$4,000 and \$24,000, Eine has described his collaboration with Virgin Atlantic as crossing "a new frontier for the industry". However, with many of his works either not selling or rarely hitting the \$4,000 mark at auction, critics will be watching closely to see the results of this initiative.

Regardless, the collaboration between artists and luxury brands has been a winning formula for years, so it is an interesting development to see airlines now also aligning themselves with art. Virgin Atlantic founder Sir Richard Branson said the project was part of the company's continuing efforts at "finding new ways to surprise and entertain our customers".



Artworks from the 'Gallery in the Air' project will be displayed in Virgin Atlantic clubhouses at Heathrow, JFK and Newark airports.

# I858 Ltd Art Advisory

**Buying  
Selling  
Authentication  
Valuations  
Auction Representation  
Collection Management  
Art Philanthropy Advice  
Art Finance  
Art related Tax and Estate Planning**

## How an I858 advisor can help you:

- **Exclusive Access** to works of art in private collections that are not available on the market
- **Impartial Advice** being independent of auction houses, galleries and dealers, we provide impartial advice when buying and selling on behalf of our client
- **Time Savings** as we are able to manage all areas of the collecting process on our clients behalf, we are able to build or sell complete collections with as much or as little involvement from the client as they wish
- **Direct Savings** due to our buying and negotiating capabilities we significantly reduce transactional charges which in turn we pass directly to our clients
- **Reducing Risk** by undertaking thorough due diligence on all transactional decision, we ensure that potentially costly mistakes are avoided and the client has complete confidence in the decision made.

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## Art Calendar Highlights

Kochi - Muziris Biennale 2012  
Kochi, India  
Until 13<sup>th</sup> March  
[www.kochimuzirisbiennale.org](http://www.kochimuzirisbiennale.org)

Manet Portraying Life  
Royal Academy, London  
26<sup>th</sup> January – 14<sup>th</sup> April  
[www.royalacademy.org.uk](http://www.royalacademy.org.uk)

Lichtenstein: A Retrospective  
Tate Modern, London  
21<sup>st</sup> February – 27<sup>th</sup> May  
[www.tate.org.uk](http://www.tate.org.uk)

Barocci: Brilliance and Grace  
National Gallery, London  
27<sup>th</sup> February – 19<sup>th</sup> May  
[www.nationalgallery.org.uk](http://www.nationalgallery.org.uk)

Alberto Giacometti  
Musée de Grenoble, Grenoble  
9<sup>th</sup> March – 9<sup>th</sup> June  
[www.museedegrenoble.fr](http://www.museedegrenoble.fr)

TEFAF Maastricht  
MECC, Maastricht (Netherlands)  
15<sup>th</sup> – 24<sup>th</sup> March  
[www.tefaf.com](http://www.tefaf.com)

Images, in the order in which they appear, courtesy of:  
[www.artinfo.com](http://www.artinfo.com); [www.nytimes.com](http://www.nytimes.com); David Arendt, CEO Freeport  
Luxembourg; [www.bloomberg.com](http://www.bloomberg.com); <http://sea.blouinartinfo.com>;  
[www.christies.com](http://www.christies.com); [www.artinfo.com](http://www.artinfo.com)

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