

T: 212 355-5710  
F: 212 355-5742  
www.rehs.com

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GALLERIES, INC.

5 East 57th Street  
8th floor, New York  
NY 10022

Vernon,

I enjoyed your latest article on the Bloomberg - Picasso's Top Price Depends on Appraisers Not Liking 'Lactating Raspberry'. The issues you touched on, have and probably always will, plague the art world.

When it comes to contemporary, cutting edge, art and those artists who create individual/unique pieces, the job of placing an exact value on the secondary market appears to be a tough one. A lot seems to ride how a specific piece is interpreted by the individual valuing it ... in your example, one sees it as a 'clumsy' work while another sees the 'sexy' side of it. What I did find interesting is that even after the appraiser found the work not to his liking, he still valued it at £250,000 -- a nice price for a work he described as "clumsy and somewhat absurd."

The biggest issue the art world faces, when it comes to individuals valuing works of art, is the fact that many people who claim to be appraisers have little training in the field; and many of those that do, really cannot be considered experts in what they are appraising. Let's face it, how can one individual be an expert in all periods of the art world, in addition to furniture and antiques? They cannot. I have been dealing in 19th century paintings for some 30 years and while many people consider me an 'expert' in my specific area, I am always learning about new artists and then trying to understand how they fit into the period -- both historically and in terms of value.

Many so-called appraisers seem to rely on one of the online auction databases to cull their information and the biggest problem with using these sources (and not knowing what you are looking at) is that most of the time there are important reasons why certain works made more, or less, than others -- condition, quality, period, subject matter, time they were sold and most importantly ... authenticity. Each individual market is constantly changing and you need to be fully immersed in them to accurately value any individual piece on any given day.

A few years ago I wrote an article addressing the issues with using these databases as the main source for price comparison and I looked at one specific artist - Julien Dupré. I took the last 20 works that had been offered at public auction (which spanned a 27 month period) and here is what I found: 8 of the 20 were not by Julien Dupré (they were fakes) and 1 was by Jules Dupré (though catalogued as a Julien Dupré). The balance spanned the artist's career from early to late pieces. So, how is someone who knows very little, or nothing, about this artist going to accurately value a work based on this information? They cannot. In addition, how do they know that the work they are valuing is in fact a 'real' work by the artist? They do not.

I can also tell you that most of the outside appraisals we see (from individuals looking to sell a work) are incorrect; and we often learn that when the value was very low, the appraiser tried to purchase the work once the job was done. This should be a big red flag to the individual who hired him/her.

Your article also touches on the Internal Revenue Service's Art Advisory Panel ... of which I am a current member. I can tell you that the panel is made up of very knowledgeable dealers and curators who really know, and understand, their specific fields. During our meetings it is always interesting to see what values taxpayers and, at times, their appraisers, put on specific works; as the numbers showed in your article, a majority of the reviewed works need a price adjustment which, at times, can be substantial.

Please do not get me wrong, I do know there are some very good appraisers out there. Individuals, or firms, who do the homework necessary to come up with a 'real' value -- but those professionals, at least from my experience, are few and far between.

I have always said that the art world is a jungle and without the right guide you may become someone's next meal!

Howard L. Rehs



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