

Comments on the Art Market

B Y R E H S G A L L E R I E S

Volume 240

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December Hours

The gallery will continue its Tuesday through Friday from 10 am – 5 pm hours. If you would like to stop by, please call to schedule an appointment. We are also available, by appointment, on Saturday, Sunday, or Monday.



In January of 2001, we presented the art world with our first Comments on the Art Market newsletter. Back then, they were very short, less than one printed page, and sent via the U.S mail. Yes, Amy & I would sit home and print, fold, stuff into envelopes, attach labels and stamps, and drop them off at the post office. As the years progressed, and the number of copies grew, we went out and bought a folding/stuffing machine ... it did speed up the process.

As the Internet grew, and our folding/stuffing machine started having mechanical problems, we switched to an online-only format. While each issue still takes a great deal of time to create, at least we are no longer buying thousands of envelopes and stamps each month ... I am sure our printer and the USPS was not happy about that!

The December 2020 edition marks our 20th year of bringing updates and news from the art world. All of us at Rehs Galleries & Rehs Contemporary Galleries are looking forward to another 20 years.

We wish you, your family, and friends a happy and safe holiday season.

Current Exhibitions



Not A Creature Was Stirring

Our holiday gift exhibition featuring new works by Stuart Dunkel, Lucia Heffernan, Tony South, Beth Sistrunk, and Kelly Houghton continues through December. Prices for the featured works range from \$600 to \$2,500. This year, the perfect holiday gift may be one that hangs on the wall.

Remember, unlike clothing and food, the gift of art is one that can last a lifetime ... and will always bring back memories of the people who gave it.

New Biographies

One of the main reasons we created our website and newsletter is to educate our readers. Over the past few weeks, we have added new, or updated, biographies for the following artists:

[Julien Dupré](#)
[Antonio Jacobsen](#)
[Antonietta Brandeis](#)
[William Davis](#)

Stocks

By: Howard & Lance

Talk about a crazy month (I know, there is still one day left, but it was much easier to get this done over the weekend). I guess after two down months, the market has decided to shoot past the 4th dimension and is now in the Twilight Zone (I loved that show). The Dow opened the month at 26,501.60 and closed on Friday (November 28th) at 29,9010.37 (a 3,409 point gain – holy crap), and on November 24th it closed over 30,000. Where we go from here is anyone's guess. The cryptocurrencies were up BIG - Bitcoin closed at \$17,756.55 (up \$3,845.40 – that is a \$7,000 gain in two months); Litecoin finished at \$73.27 (up \$17.85); Ripple ended at \$0.55 (up 0.31); and Ethereum closed at \$542.92 (up \$152.65) ... WOW!

The Dollar lost ground against the Euro and Pound - \$1.20 (down \$0.03) and \$1.33 (down - \$0.04), respectively. Crude Oil was pumped, closing at 45.53 (up \$9.81), and Gold lost \$90.70 to close at \$1,788.10. And now for my stocks:

JP Morgan (\$121.22 – up \$23.18), AT&T (\$29.03– up \$2.01), Verizon (\$60.58 – up \$3.59), Wal-Mart (\$151.60 – up \$12.85), Disney (\$147.13 – up \$12.85), Intel (\$47.45 – up \$3.17), Apple (\$116.59 – up \$7.73), Microsoft

(\$215.23 – up \$12.76), Bristol-Myers (\$63.05 – up \$4.60), Pepsi (\$144.60 – up \$11.31), Eaton Corp. (\$121.90 – up \$18.11), Comcast (\$51.75 – up \$9.51), American Express (\$120.59 – up \$29.35), Bank of American (\$28.99 – up \$5.20), Twitter (\$46.59 – up \$5.23), eBay (\$51.34 – up \$3.71), and a little over a month ago, I bought shares of Palantir Technologies at \$9.29, it is now at \$27.66 ... talk about a short term gain! Of the 17 stocks listed, all of them were UP!

Tales from the Dark Side

By: Alyssa

Sam Orlofsky Fired From Gagosian

According to recent articles in ARTnews & The Art Newspaper (links below), after an investigation brought about by “claims from current and former employees that a colleague engaged in serious misconduct, primarily targeted against women in the Gallery,” Sam Orlofsky, a director at Gagosian, has been fired.

I assume that more information will emerge as the investigation continues.

More Hot Water For Sotheby's

Last week, the New York Attorney General filed a lawsuit against Sotheby's alleging that the auction room violated the New York False Claims Act by helping a major client (Porsal Equities, Ltd.) create, and then use, false resale certificates to avoid paying sales tax on \$27M worth of art.

Back in 2018, Porsal Equities, Ltd. reached a \$10.75M settlement with the OAG and admitted that they improperly used resale certificates from 2010 through 2015. According to OAG's 2018 press release, Porsal Equities Ltd., a company based in the British Virgin Islands, certified it was exempt from paying sales tax on the basis that the art was purchased for resale. In reality, Porsal Equities purchased the artwork for personal use, including for display at New York City apartments belonging to the company's sole director, Isaac Sultan. Porsal Equities also failed to pay use tax on artwork purchased outside New York and shipped into New York for display at the same apartments.

We will bring you more on this case as it develops.

Restitution of €20M Painting – Will It Happen?



Over the years, we have seen more and more of these stories ... works stolen by the Nazis were sold at bargain prices, and now the heirs want them back. Many end in favor of the heirs, but sometimes it goes the other way.

In 2018, the restitution committee ruled against the heirs of Robert Lewenstein in their quest to have Kandinsky's *Bild mit Häusern* returned to the family. The painting was *sold at a cut price to Amsterdam city council, which runs the Stedelijk Museum, on 9 October 1940 at the Frederik Muller auction house.*

The heirs have not given up, and are claiming that *there is a conflict of interest as four of the seven members of the Restitutions Committee have a relationship with the Stedelijk Museum (where the painting is housed) by being members of the museum's business club or working at an office that sponsors the institution.*

A court ruling is expected on December 16.

Frans Hals Matter Back In Court

The saga of a fake Frans Hals painting, which Sotheby's sold privately for \$10.8M, was thought to be over last year; however, one of the "consignors" has decided to challenge a London High Court's ruling.

Last December, the court ruled that Fairlight Art Ventures owed Sotheby's \$5.3M. Now, Fairlight is claiming that they were not a partner with dealer Mark Weiss (who settled with Sotheby's), but a financier. As such, they are not bound by the contract for the sale of the work.



Frans Hals Case Might Be Over

This morning, The Art Newspaper reported that the London Court of Appeals upheld an earlier decision that Fairlight Art Ventures has to pay Sotheby's \$5.37M, plus interest and legal fees, for the allegedly fake Hals painting. Hopefully, this will put the matter to rest.

Really?

By: Amy & Lance

Worth More Than Its Weight In Gold



A really rare ancient gold coin just made history when it sold for far more than its "weight in gold" (it was only about the size of a United States nickel). The coin commemorates the assassination of Julius Caesar as it represents the celebration of the dictator's bloody and brutal murder by members of the Roman Senate who believed that Caesar intended to make himself king. The coin was issued by Marcus Junius Brutus in 42 B.C., two years after Caesar's death.

On the front of the coin is a portrait of Brutus, who took part in the assassination. On the other side are two daggers, which represent the weapons used to stab Caesar 23 times, along with the words "EUD MAR," which is the Latin abbreviation for The Ides of March (referring to March 15, the day Caesar was assassinated).

Nearly 100 Ides of March coins still exist, most of which were struck in silver; the one recently sold is just the third example to be found that was struck in gold. The other two examples are in European collections, one in a private collection currently on loan to the British Museum, and the other is in the Deutsche Bundesbank collection.

Conservatively estimated to bring £500K (\$650K), the coin easily surpassed the estimate when it sold for \$3.5M (\$4.2M w/p), which set an auction record for an ancient coin. The record for the most expensive coin ever sold is a 1794 United States "Flowing Hair Dollar," the first federally issued coin which sold for \$10M in 2013.

Talkin' Bout My Generation

My Generation, the album by The Who, had an impressive performance when it sold at a recent auction. The Who formed in London in 1964... since then, there have been name changes and band member changes, but over the decades, fans are most familiar with the classic group members, *who* consisted of Roger Daltrey, Pete Townshend, John Entwistle, and Keith Moon. They are regarded as one of the most famous and influential rock bands of the 20th century.



The album was a first pressing, meaning that it was pressed from the 1st original master, making it a rarity and greatly sought after by collectors. The consignor went to school with the son of the

band's manager, Bill Curbishley, and was quite fortunate to have the album signed by all four of the notable band members in the early 1970s. (Curbishley also produced the movie *Tommy* in the early '70s that starred The Who and Elton John.)

With a conservative estimate of £800 -1200 (\$1000 -1500), the hammer price easily scratched the estimate when it sold for £8400 (\$10.8K) (£11,000 w/p – \$14,2K).

Holiday Puppets Make History

Wishing everyone a very Happy Thanksgiving, and with that we have officially entered the holiday season! And so begins the onslaught of holiday television specials... One of those specials has aired yearly since December 1964 as part of NBC's *General Electric Fantasy Hour*... it features the most famous couple of Christmas characters – Santa and Rudolph.



The stop-action movie was based on Jonny Marks' song *Rudolph the Red-Nosed Reindeer* (which was inspired by a poem [by the same name] written by Marks' brother-in-law Robert May in 1939). The tune has become so culturally significant and instantly recognizable over the years – Gene Autry recorded the song, and it hit No. 1 on the U.S. charts Christmas week of 1949. It has also been re-recorded by countless bands and singers including Bing Crosby, The Supremes, The Temptations, The Jackson 5, Destiny's Child, and Alvin and the Chipmunks, just to name a few.

Recently, two of the original puppets that were made for the original movie flew across the auction block. They included the most famous reindeer of all and his partner Santa, as well as Santa's sleigh and some misfit toys.

In 1964 the puppets cost \$5,000 each to make and were created by Japanese puppet maker Ichiro Komuro; Santa stands at 11 inches tall and Rudolph is just 6 inches in height... both were crafted from wood, wire, cloth, leather, and yak hair.

The puppets had been housed in the N.Y. offices of Rankin/Bass Productions (the creators of the movie) until the early 1970s when Arthur Rankin, Jr. gifted them to his secretary. She, in turn, gave them to her nephew. In 2005 he brought them to the Antiques Roadshow where they were appraised at \$8-10K. With that, he decided to offer them on eBay and was contacted by Kevin Kriess, the owner of a toy store in P.A., who purchased the puppets for an undisclosed price.

Rudolph and Santa underwent some minor restoration, and Kriess sold them to a collector (Peter Lutrario) for "significantly more than \$30K." Lutrario fully intended to hold onto the puppets until his death but recently decided to sell them to help his family...

All the items were presented in one lot and were estimated to make \$150- 250K. Bidders "shouted out with glee" as the estimate was quickly surpassed – the little puppets made history, selling for \$368,000!

If you are looking forward to watching Rudolph this year, you can see it on CBS on December 12th, at 8 pm...Enjoy!

The Potato Head of Palencia

Usually, when you hire someone to do a job, the first thing you should consider is how well they can do said job... I say "usually" because that was clearly not the case in this instance. A statue, which sits atop the façade of a bank in the city of Palencia, is the most recent occurrence of a string of unfortunate restoration work in Spain... it is not that the work in question is some ultra-important work of art, but it begs the question... who



hired the “restorer”... and better yet, what kind of “restorer” has the confidence to get up there and do work like this that will remain on display in public indefinitely. I’m not sure if I should laugh or cry, but I guess it is doing what all good art should do... elicit an emotional response and get people talking. Behold the great Mrs. Potato Head of Palencia!

The Art Market

By: Howard, Lance & Amy

While the auctions just keep coming, we decided to scale back on the number of sales we are covering this month. While there were dozens of them, we figured that everyone (including us) needed a little break. But have no fear, December is coming, and the sales are not slowing down (one of the main salerooms has over 80 taking place in December!). My impression is that many auction rooms are now becoming department stores ... offering everything from sneakers, to handbags, to watches, to art, to wine, to porcelain, to furniture, to books, and the list keeps going.

This month we chose three sales to cover ... a much shorter read than last month. Enjoy!

The Orientalists Take A Hit – Christie’s London

By: Howard



On the 18th of November, Christie’s presented a mixed bag of Orientalist works, and the results will have hopefully taught them a lesson. The lesson – slow down on the number of works you are throwing into the market! (w/p = with buyer’s premium).

Taking the top spot here was one of the more interesting lots in the sale, Gustav Bauernfeind’s *Warden of the Mosque, Damascus*. The exquisitely painted interior scene carried a £1.5-2.5M estimate and sold for £2.2M (£2.66M/\$3.54M w/p). Coming in a distant second was a tiny (9 ¾ x 11 ¾ inches) Gérôme’s, *Chef arnaut*, in a family collection since the early 20th century, that carried a £200-300K estimate and sold for £320K (£400K/\$532K w/p). Well behind that was Ludwig Hans Fischer’s *The Khamsin* which brought £62K (£77.5K/\$103K w/p – est. £40-60K). Rounding out the top five were Mahmoud Mokhtar’s *Au Bord du Nil* at £60K (£75K/\$99.7K w/p – est. £60-80K), and Rudolf Ernst’s *The Narghile Smoker* at £50K (£62.5K/\$83K w/p – est. £60-80K).

While there were no real ‘big hits’ in the sale, there were several big failures... the biggest of which was John Frederick Lewis’s *The Bezestein Bazaar of El Khan Khalil, Cairo* (est. £3-5M). Then there was Gérôme’s *An Arnaut Smoking* (£1.2-1.8M), and Roubtzoff’s *The Souk, Tunis* (est. £300-500K).

By the end of the small 41 work sale, only 20 found buyers (a 48.8% sell-through rate – not very good). The presale estimate range was £7.04M-11.34M, and the total take was £2.92M (£3.56M w/p) — less than half of what they expected. I decide to calculate the presale estimate range of ONLY the sold works... that worked out to £2.1-3.35M, so even without the buyer’s premium, they fell into that range. Now here is an important fact to consider, the top lot (Bauernfeind) not only accounted for 75% of the sale’s total, but it alone brought the sale into the range — basically making up for a lot of works that sold but did not do very well. As we always say, what a difference one painting can make!

Going a little deeper, we find that 5 works sold below, 12 within, and 3 above their presale estimate ranges; this gave them an accuracy rate of 29.3% ... stronger than some.

Impressionist & Modern Day Sale – Sotheby's N.Y.

By: Howard

There does not seem to be an end to the number of works auction rooms are throwing into the market. With all the sales that took place last month, one would assume that there would be a bit of a slowdown this month ... well, that is not happening. On November 19th, Sotheby's put forth a sale of 213 Impressionist and Modern works, but in the end, only 206 were offered — guess some of the items had no interest, so they were pulled from the sale. (w/p = with the buyer's premium)



Taking the number one spot was a surprise to many. Lucien Lévy-Dhurmer's massive (102 x 137 inches) *Paysage montagneux* was expected to bring between \$150-250K, and when the bidding battle ended, the new owner forked over \$1.6M (\$1.956M w/p – it is interesting to note that in the past, many of the artist's works were offered in 19th-century sales). The \$1.956M was also a record auction price for the artist. The previous record was set back in 1989 when *Fantasmagorie* (62 x 94 inches) sold for \$264K. The second-place finisher was Degas' *Femme debout et vue de face agrafant son corset* that was expected to bring \$1.2-1.8M (the highest estimate in the sale) but hammered down at \$1.1M (\$1.35M w/p). This painting also had an irrevocable bid, so it was guaranteed to sell — back in 2007, the work made \$1.6M, then went unsold with a \$1.8-2.5M estimate in 2015. In third, there was a tie... two paintings by Bonnard, *Assiette de fraises* (last sold in 2001 for \$457K) and *Nu assis, Fleurs dans les cheveux (Étude de nu)* were each expected to bring \$500-700K, and both hammered at \$950K (\$1.169 w/p).

Rounding out the top five were Salvador Dali's gold sculpture *Untitled (Le Pain et le vin)* which brought \$900K (\$1.109M w/p – est. \$300-500K, the work was last on the public market in 1997 and made \$61K). Following that were two works that hammered at \$700K (\$867 w/p), Wilfredo Lam's *La Fugue (La Terreur, La Peur dans la nuit)* (est. \$800-1.2M) and a tiny (8 ¾ x 5 ¾ inches) Marc Chagall *Femme et bouquet* (est. \$120-180K).

Several other works did pretty well (some of which I really do not understand)... Renoir's 8 x 12 inch sketchy *Roses* (which bears the initial R at the top – meaning they do not believe the 'R' was put on by the artist) was estimated at \$100-150K and sold for \$320K (\$403K w/p). Why?! Lynn Chadwick's *Sitting Elektra II* made \$170K (\$214K w/p – est. \$40-60K). Pissarro's drawing *Deux paysans* made \$28K (\$35.3K w/p – est. \$4-6K), and Brasillier's *L'Hiver Vert* hammered at \$90K (\$113.4K w/p – est. \$25-35K).

On the flip side, works by Tamayo (est. \$700-900K), Chagall (\$500-700K), Sérusier (\$400-600K), Klee (\$300-400K), Ernst (\$250-350K), and Picasso (\$250-350K) were among those that did not find buyers.

When the sale finally finished, of the 206 works offered, 161 sold, and 45 did not sell – this gave them a sell-through rate of 78.15% — a respectable number. The low end of their estimate range was \$25.3M, and the hammer price was \$24.4M (30.5M w/p), so on that, they fell a little short. Of the 161 sold works, 43 were below, 57 with, and 61 above their estimate ranges; when we add in the unsold works, this left them with an accuracy rate of 27.7% ... a somewhat reasonable number.

Lots More Contemporary Art, No Thanks Sotheby's

By: Lance

Last week Sotheby's hosted a 2-part Contemporary Day Sale, one in-person and one online, with more than 230 works in total on the block... it seems they kicked over the lesser lots into the online session, while keeping more mid-level works for the in-person offering. Either way, it did not work out so well...



The top spot from the in-person bidding was to Barkley L. Hendricks' *Jackie Sha-La-La (Jackie Cameron)* at \$2.2M hammer (\$2.8M w/p) on a \$2-3M estimate. The same work was sold at Swann Galleries' African American Fine Art Sale back in 2010, where it also sold within its estimate range... at that time though, it was only estimated at \$40-60K and found a buyer at \$48K including the premium – that's an annual rate of return of more than 50%! Behind that were two works that tied. The first being Helen Frankenthaler's *Giant Step*, which topped its \$1.2-1.8M estimate as it hammered at \$2M (\$2.4M w/p). This one also yielded a more modest 17% annual return... it was purchased by the seller back in 2003 at Christie's New York

(Post-War and Contemporary Morning Session) for \$153K on an \$80-120K estimate. The other lot hammering at \$2M (\$2.4M w/p) was Fernando Botero's *Leda and the Swan*, which was also expected to sell for \$1.2-1.8M.

There were a few other lots that saw nice prices... the most significant overachiever was a Calder which found a buyer at \$504K on a \$120-180K estimate (180% above estimate). A work by Alex Katz sold for \$645K on a \$200-300K estimate (115% above estimate); a Calder necklace sold for \$612K on a \$200-300K estimate (104% above estimate); and a Keith Haring found a buyer at \$1.9M on a \$900k-1.2M estimate (58% above estimate).

As always, there were a few poor performances and outright failures in the session... Somehow a Keith Haring sold for just \$155K on a \$300-400K estimate and a Sturtevant went for just \$302K on a \$400-600K estimate. Works by Albert Oehlen (\$800K-1.2M), Rondinone (\$800K-1.2M), Sam Francis (\$900K-1.2M) and a slew of others failed to find a buyer... and an additional 9 works were withdrawn, the most significant being a KAWS estimated at \$800K-1.2M.

At the end of the session, just 60 of the original 81 lots were sold.... The 9 withdrawn works, and 12 unsold. Without factoring in the withdrawn lots, the sale achieved an 83% sell-through rate and totaled just over \$39.1M with premium (\$31.8-45.2M estimate)... of the sold works, 28 were within the estimate range, and 26 were above estimate, but that is only when you factor in the premiums... if you look at the hammer prices, just 18 were within the estimate and 15 above, meaning 27 lots hammered below estimate. All in all, not too bad but certainly not too great either.

As for the online session, there was not much to write home about... there were a few nice results, but the amount of unsold work really weighed this one down. The top three lots were among the first 20 lots, and the rest dragged on. The top spot was Yayoi Kusama's *Coffee Cup*, which doubled up its \$200-300K estimate at \$600K. Behind that was a work by Botero at \$403K on a \$350-450K estimate and then a Haring at \$378K on a \$150-200K estimate.



A few select lots saw unexpected results, such as works by Warhol (\$201K on a \$40-60K est.), Calder (\$151K on a \$35-45K est.), and Olga de Amaral (\$239K on a \$60-80K). That said, 47 works failed to sell, including a Basquiat estimated at \$350-550K and a Frank Stella at \$350-450K; and 7 works were pulled from the sale, the most significant being Danh Vo's *Red Bull* expected to bring \$260-350K.

The 97 sold works (67%) resulted in a total of \$8.9M (including the premium), but the presale estimate was \$10.9-16M, so even with the premiums, they still fell short – not good. As has been stressed, time and time again, the amount of material being thrown into the market is more than can be absorbed... it is simply a recipe for poor results.