

Robb Report

Buying Fine Art and Antiques

by Regan Good

Buying Art

In June 2007, London-based artist Damien Hirst sold *For the Love of God* for \$100 million, creating the latest example of alpha in the already alpha-rich art market. Considering Hirst himself once quipped, "Art is the most fabulous currency," it isn't surprising he created an object that interplays art and commerce, a theme that defines the current art scene. The piece, a platinum skull complete with a full set of human teeth, is encrusted with 8,601 ethically sourced diamonds and crowned with a large pear-shaped pink one in the center of the forehead. It was announced that the skull was bought by unspecified investors from the White Cube Gallery in London. Later it was revealed that Hirst himself was one of the investors, further underscoring the opaque relationships and external forces at work behind a contemporary art sale. A complex mix of growing global affluence, a better-educated buying and selling populous, and even surplus hedge-fund cash have been cited as possible causes for the skyrocketing prices. As the art market continues to grow, the art world is becoming more complex, with high-end art advisors claiming crucial access to elusive art and artists, and galleries with three-year waiting lists for work by certain high-demand artists.

All of the experts we spoke to agreed that research was the single most important aspect of buying art or antiques in this sophisticated, moneyed, fast-moving 21st-century art world. The other shared rule was to take time with

your research — as much as a full year if you are new to purchasing art.

Following is advice from industry experts.

Enlist the Help of an Art Advisor

Can an art adviser really help a collector navigate the fast-paced international art market? The answer is yes. Top advisers Thea Westreich and Mark Fletcher, sources say, have the power to secure work by highly desirable artists at some of the world's top galleries as a result of their long-standing relationships and imposing reputations. Since not every collector is going to have access to Westreich and Fletcher, the big question is how to evaluate an adviser in such an increasingly crowded scene. When searching for advisers, keep in mind that their value goes far beyond just access. The less glamorous aspects of owning and buying art — insurance upkeep, shipping, storage, and inventory updates — are as important as entrée to in-demand artists and galleries and overall collection coherence. Don't just seek out name recognition; seek out an adviser who will attend to all your art-collecting needs.

Take your time

"Finding the right adviser often comes down to a personality fit. Spend the day with a potential adviser going to galleries, museums, auction galleries.

The job of an adviser, in some cases, is to help you articulate your taste. An adviser should function partly as a teacher by helping you develop a context for your purchases." — Liz Klein, partner, Basilico Klein LLC/Art Services, New York

International experience

"More than ever the art world has become global. So finding an adviser who can provide access to international dealers and has experience with different languages and cultures is paramount." — Stefano Basilico, partner, Basilico Klein LLC/Art Services, New York

Word of mouth

"It's like finding a doctor. Word of mouth works. Ask your friends, your attorney, your neighbor, your banker. It takes time, but it is time well spent. The least expensive check you will ever write is in the service of good advice." — Christian Jussel, vice president, Freeman's Auction House, Philadelphia, and an expert on English and Continental furniture

Reasons to Buy

Know what you want

"Know why you want to purchase art. Do you want 10 pieces to decorate a new home; do you want to begin to build a serious collection; or do you want to buy art as an investment? Those are the first questions to answer. All reasons are valid. Then you answer other questions

like, do you have a period in mind or a particular artist?" — Liz Klein

Love and money

"One, you need to love it. Two, you need to be able to afford it, and three, you need to love it." — Laurence L. DiCarlo, director-partner, Fischbach Gallery, New York

You've done your homework

"Know as much as possible. It is very important to spend time doing research on Art.net, for example, in order to create a price context for the piece in question. Check price history for similar pieces. Look at past sales. Plus, examine the piece's own actual history — its provenance, its condition report, any documents related to its history — as deeply as you can." — Cathy Elkies, director of special collections and an expert in iconographic ephemera, Christie's, New York

Reasons Not to Buy

Inferior quality

"The only thing the art world cares about is quality. So as long as you are buying the best example of the artist's work, then whether you've paid too much or too little, in the long run you are generally safe. The most dangerous thing to do in a bullish market — when demand outstrips supply — and even second-tier artists' prices rise, is to purchase the work of these artists at first-tier prices. You can't judge quality by price." — Stefano Basilico

Space fillers

"Don't ever buy something for a specific space. It will artificially narrow your options and ruin the experience." — Laurence L. DiCarlo

Price cap

"Ultimately, the two questions to ask are: Do you like it, and can you afford it. Don't go over your limit. Have a limit in mind before you bid at auction, at the gallery, whatever, and if the price

exceeds your number, let it go." — Christian Jussel

How to Deepen the Experience

Get intimately involved in the search. Such simple advice as see everything you can, might be lost on those who have high-end advisers doing most of the legwork. Do not let them spoon-feed you a collection. Advisers may help guide you to what you love, but only your own hands-on work will help you build the collection that is right for you, your lifestyle, and your budget.

Make long-term relationships

"It's about building relationships and developing one's sense of aesthetics. Most collectors are repeat buyers. Art collecting is not a widespread practice; there is only a small subset of people who are serious and passionately dedicated to this pursuit. Long-term relationships with collectors are developed by galleries that provide a reliable partner to the collector, assisting them in finding the works that are right for them and being flexible with people as they develop their eye for art." — Bert Green, director, Bert Green Fine Art, Los Angeles

Take your time to learn

"Slow yourself down, give yourself a long time frame before you buy anything. See everything. Then make a real commitment to the experience of collecting or buying art. Being a collector is really a lifestyle that is about the love of the aesthetic." — Joe Amrhein, director, Pierogi Gallery, Brooklyn, New York, and Leipzig, Germany

Look at all venues, large and small

"Look at and read about everything you can. Smaller galleries can often function as launchpads for up-and-coming artists. And remember, while galleries have set price lists, the prices are often flexible, especially for return customers. You're more likely to get a discount if you have a solid relationship

with the gallery." — Bert Green

Buying at Auction

Attend the presale open gallery

"Walk the rooms. Look at the particular pieces you are interested in. Get a sense of the condition firsthand. You can touch things. Talk to the experts, bring questions, contact the experts by e-mail, or set up an appointment. That's what they are there for." — Cathy Elkies

Prepare before you purchase

"There is a plethora of information out there. Are you going to be a lazy buyer and have it laid out for you, or are you going to read, research, attend shows, attend symposia, ask the auction house about their process, track auction prices, and search the Internet? Would you buy a house or a car without research? We've often said here that an educated buyer is our best customer." — David Rago, director, Rago Arts and Auction Center, Lambertville, New Jersey

Attend a practice auction

"Go to a practice auction before buying the first time. Watch how the process works. It can be paralyzing to go to an auction cold. Besides doing homework on the object you are interested in, you really need to be comfortable with the auction process. That way you won't get caught up in the drama and theater and spend more than you wanted to. It is so easy to get caught up in the excitement." — Cathy Elkies

Try specialist auctions

"These auctions are the second-generation auction houses and are often run by experts with decades of experience in one area, so they really know the area backward and forward." — David Rago

Buying Antiques

Quality antiques are always in demand. From a Stickley side table to a Newcomb vase, the antiques market

moves at a brisk pace, with 20th-century furniture emerging as a hot market. The same rules apply to buying antiques as fine art: Know as much about a period and the piece in question as possible. As with all art or antique purchases, it's important to research an item's provenance, authenticity, importance, integrity, and desirability before making a significant purchase.

Find the right expert to guide you on a particular piece

"The rule is: Buy the best you can acquire with the best advice behind it. Ask yourself, who is the best person to talk to for this period? Contact that person whether they're in a local institution or on staff at a major museum." — Leigh Keno, president, Leigh Keno American Antiques, New York, and an expert in 18th- and early-19th-century American furniture

Buys books

"Don't just rely on the Web. Use it as one tool among many. Build your library. Make a list of books written by experts in your area of interest and purchase them." — Leigh Keno

Never buy altered pieces or alter your own antiques

"Original surfaces are always important. It's that classic Antiques Roadshow moment where the lesson learned is that tampering with the original anything — hardware, surface patina, upholstery — can shave hundreds of thousands of dollars off a piece's value. At the moment, I am thinking of people especially who collect in the Modern period, often they reupholster, for example, an Arne Jacobsen Egg Chair. There are people out there reupholstering Egg Chairs! You are taking away part of its integrity." — Leigh Keno

Documentation

"Always, always get a receipt with a detailed description of the piece and a signed guarantee of its authenticity. The lack of such documentation could mean

the loss tens of thousands of dollars if you go to resell it." — Leigh Keno

Resources

- Christian Jussel, Freeman's Auction House; www.freemansauction.com
- David Rago, Rago Arts and Auction Center; www.ragoarts.com
- Leigh Keno, www.leighkeno.com
- Liz Klein, Stefano Basilico, Basilico Klein LLC; www.basilicoklein.com
- Lawrence L. DiCarlo, Fischbach Gallery; www.fischbachgallery.com
- Bert Green, Bert Green Fine Art; www.bgfa.us
- Joe Amrhein, Pierogi Gallery; www.pierogi2000.com
- Cathy Elkies, Christie's; www.christies.com
- www.art.net
- www.artfact.com