

COMMENTS ON THE ART MARKET

VOLUME 128

Rehs Galleries, Inc. – 5 East 57th Street, New York, N.Y. 10022 – (212) 355-5710
www.rehs.com

The Baltimore Show

It is almost time for the Baltimore Antiques Show which runs from August 25 – August 28, 2011 at the Baltimore Convention Center. As promised, we have included a link to a complimentary ticket that you can print out and bring with you:

[Your Complimentary Ticket to the Baltimore Show](#)

We plan on showing works by many of your favorite artists: Julien Dupré, Daniel Ridgway Knight, Louis Aston Knight, Montague Dawson, Jean B.C. Corot, Eugene Boudin, Antonio Jacobsen, Thomas Luny, Edouard Cortès, Antoine Blanchard, Sally Swatland, Greg Harris and many others.

The Stock Market

Stabilizing? Could it be? Who knows! I can tell you that during the past month I have been treading water ... up one day and down the next (or the next few); far better than the wild rollercoaster rides just a few years ago. My big question is: what happened to the idea of investing in great companies for the long run? Guess I am still 'old school'.

As for some of my favorite stocks, RIMM (around \$27) is still in the crapper – so sad! Will I ever get back to break even? I know ... maybe not in my lifetime!! As for some of the others: GE - \$18.60 (same), AT&T \$30 (down), VZ \$36.30 (down), MCD \$88.14 (up), Citi \$40 (down), VOD \$27 (up), Cisco \$16.33 (up) and a new one: Pioneer Drilling (recommended by one of my readers) \$17 – it is up 13% since I bought it. And finally, I am sure you are all waiting to hear about SNRS ... it is still at .0001 – I will have to wait a little longer before retiring!

Tales from the Dark Side

I know everyone seems to like this feature, so here are a few new ones and a couple of updates:

Leigh Morse, former director of Salander-O'Reilly Galleries, was sentenced, this month, to serve weekends in prison for four months (starting in August) and make restitution of \$1.65 million – ouch! I guess that is far better than what the DA was looking for: 1 – 3 years in prison and \$9 million in restitution.

William T. Meloy – this fugitive, already wanted in North Dakota and Montana, has been making his way through Missouri writing bad checks at antique shops and then taking the merchandise and selling it to other dealers. Now here is the sad thing, in 1998 Meloy served time at the North Dakota State Penitentiary for doing the same thing ... like I always say: leopards never change their spots.

Unknown – at the time I wrote this the name of the criminal was not released, but earlier this month a 57 year old French man walked into the National Gallery, London, took out a can of red spray paint and 'enhanced' two paintings by Nicolas Poussin, *The Adoration of the Golden Calf* and *Adoration of the*

Shepherds. He was grabbed by security officers and finally arrested by police. According to reports, the conservation staff was swift to respond as well; very little, if any, permanent damage was sustained – the paintings are already back on display. Here is my question: how on earth does someone get into a museum like that with cans of spray paint?

Mark Lugo – I am sure most you have heard about this one, but just in case ... Mr. Lugo was arrested for stealing a Picasso from a California gallery on July 5. In addition, police raided his New Jersey home and discovered a trove of stolen art – including another Picasso stolen from the Carlyle Hotel in NY a month earlier. According to reports, Mr. Lugo plans on pleading 'not guilty'! Come on ... do we really need to waste our tax dollars on this one? They have videos of him taking the works and his apartment was filled – seems like an open and shut case to me!

Pneuco, Inc. (an auction firm in upstate New York) pled guilty to under-reporting more than \$164K in sales tax which they collected over a 4 year period and failed to remit to the tax department. That is one department of you do not want to mess with!

Calvin Bean – here is a gentleman who appears to have been wronged! Mr. Bean, a Virginia antiques dealer was offering two bear mounts on behalf of his brother-in-law and was arrested by an undercover officer with the Virginia Department of Game and Inland Fisheries. Turns out that it's illegal to sell a wild animal in the state of Virginia (something Mr. Bean did not know); Bean has only been in the antiques business for a very short time. When the officer was asked why he just did not tell them it was illegal he supposedly stated: "nah, if I told people they were breaking the law then I wouldn't catch the bad guys. You'd just sell it out the back door." -- are you kidding me? Mr. Bean was offered a plea deal – felony charges would be dropped if he pleaded guilty to a misdemeanor, which would include a six-month jail sentence. Sorry, that is just absurd – just another case of wasting taxpayer dollars!! I was glad to read he turned down that offer and hired an attorney. It will be very interesting to see what happens ... the sad thing is it all could have been avoided with a simple warning!

Spanning the Globe

For months I have inundated you with art sales report and there are still a few more to cover this month; however, I thought that I would also include results from other parts of the art & antiques world that took place over the past few months ... it will show that strong prices are not only reserved for fine art.

Sports

At a sale in New Jersey a 1938 Lou Gehrig Yankees jersey sold for a record \$329K (this same item sold just two years ago for \$240K); a restored Honus Wagner baseball card sold for \$188K while a Joe Jackson card from 1910 made \$200K; the 1886 Kalamazoo bat of Jim O'Rourke (purchased in 1991 for \$6,050) brought \$58,750; Jake Daubert's 1919 Cincinnati Reds World Series championship pin brought \$94K and a voucher, signed by Joe Jackson, brought a record \$64,625. In a New York sale John Wooden's UCLA coach's jacket made \$183,500; "Downtown" Freddie Brown's 1979 Seattle SuperSonics World Championship ring made \$115K and Julius Erving's 1972-73 Virginia Squires ABA autographed game jersey sold for \$190K.

Celebrity

At a sale in California (where else) Michael Jackson's 'Thriller' jacket made an impressive \$1.8M – I just checked my closet and found some old jackets ... anyone interested!!!? Several pieces of George Washington's original coffin (including one of the handles) made \$12,000 – how do they actually verify that? In addition, his personal compass made \$59,750. And the winner of this category was Chief Black Bird's Oglala Sioux beaded and fringed hide war shirt that made \$2.65M!

Photography

They say a picture is worth a thousand words, but what is a camera worth ... well, if it is the right one, a lot – at a sale in Austria a Leica M2 grey brought \$172K; however, that was not the highlight ... a 1923 Leica 0-series camera sold for \$1.89M (the same piece sold in 2007 for about ¼ the price). At a sale in the US, Robert Vance's daguerreotype (c.1850) of a gold mining scene fetched \$83,650 and a cabinet photo of Martha "Calamity Jane" Canary made \$26,290. And top dog here was a tintype featuring William Bonney (AKA Billy the Kid) that sold for an astounding \$2.3M to William Koch – it is said to be the only authentic image taken of the gunslinger.

Documents & Maps

At a sale in London, the original draft of Jane Austen's unfinished novel "The Watson's" made £993,250 (\$1.6M – it last sold in 1988 for £90,000) while the only known surviving copy of the 1859 printed "Rules, Regulations & Laws of the Sheffield Foot-Ball Club" made 881,250 (about \$1.4M) – it will be interesting to see how many other 'surviving copies' show up! Moving over to America, a US patent signed by G. Washington in 1796, issued to Hodgen Holmed for an improvement on Eli Whitney's cotton gin, made \$179,250. A rare map of Connecticut from 1777, which carried a \$3-\$4,000 estimate, made \$168K; William Eddy's 1854 map of California brought \$32,500 and a 1789 road atlas of the US by Christopher Colles made \$63,250.

And these were just a tiny sampling of the many impressive prices reached in all categories and levels of the antique and collectibles markets during the past few months.

The Art Market

My monthly report would not be complete without some art coverage and there was plenty of art to cover – even in the dog days of summer.

The Contemporary

Last month I left off at the HUGE London sales with the catalogs weighing in at 17.37 lbs. This series started on the evening of June 28th at Christie's and as expected, there was plenty of action. Taking to top three positions were Francis Bacon's *Study for a Portrait* (est. upon request – and I never requested it) that made £17.9M (\$28.7M), Warhol's *Mao, 1973* (est. £6-8M) at £6.98M and Peter Doig's *Red Boat* (est. £1.4-£1.8M) at £6.2M – the Doig was bought in 2004 for \$162,000 and there was a little legal issue that arose prior to the sale ... to read more, use this link: <http://www.entlawdigest.com/2011/06/10/702.htm>, and then the parties reached an agreement so the work could be sold: <http://www.observer.com/2011/06/michael-werner-gallery-settles-lawsuit-over-doig-with-a-doig-to-be-named-later/>.

When the evening session ended, of the 65 works offered, 53 sold leaving a sell-through rate of 82% and a total take of £78.8M (\$125.8M); the expected range was £55.3M – £76.7M, so with the buyer's premium they beat their expectations with only 82% selling – showing that the highly contested works will bring in the bacon!!!

On the 29th they followed with their day sale and taking the top positions here were Richter's *Untitled, 1969* which sold for £481K (\$770K - est. £350-£450K), Dubuffet's *Frequented Neighbourhood, 1979* at £409K (\$654K - est. £100-£150K) and Warhol's *Portrait of Florinda Bolkan* at £361K (\$578K - est. £90-£120K). Of the 249 works offered 186 sold (75.1% sell-through rate) and a total take of £13.2M (\$21M)

At the end of Christie's two days their totals were: 314 offered, 239 sold (76.1% sell-through rate) and a total take of £92M (\$147M) ... and then came Sotheby's.

That same evening the competition launched their attack and taking top position here was ... go on, take a guess ... Francis Bacon's *Crouching Nude*, that sold for £8.3M (\$13.3M – est. £7-£9M). In second was

Polke's *Jungle* that made an auction record £5.7M (\$9.2M – est. £3-£4M) and in third was Basquiat's *Untitled* at £5.4M (\$8.7M – est. £5-£7M). At the close of the evening, of the 88 works offered, 79 sold (89.8% sell-through rate) and the total take was £108.8M (\$174.1M) ... not only better than the competitions evening sale, but besting their combined evening and days sales.

On the 30th they followed with their day sale and the top item here was John Currin's *Edwardian* at £713K (\$1.14M – est. £300-£400K) and coming in second was Parrino's *Purple Monster Shifter* and Zao Wou-Ki's *20.8.84* each at £601K (\$967K – est. £150-£250K). When the day was done, of the 250 works offered 202 sold for a sell-through rate of 80.8% and a total take of £19.8M (\$31.9M) ... again, beating the competition and topping their presale estimate of £13.3 – £18.8M.

At the end of their two days, Sotheby's racked up 128.6M (\$206M) from the sale of 281 work (338 were offered) and leaving a nice sell-through rate of 83.1%.

For the week, the combined totals were: 652 works offered, 520 sold (79.75%) and a total take of £220.6M (\$352.8M) – not too bad!

Old Masters

We then rolled into July with the Old Masters and while there were some fireworks, my overall impression is, and always has been, that July is a tough time to sell art. Let's face it; this is the time of the year when many people are more concerned about some fun in the sun.

On the evening of the 5th Christie's offered their Old Master & British Paintings (finally -- no 19th century works) and the top lot here was George Stubbs' *Gimcrack on Newmarket Heath* at £22.44M (\$35.9M – est. £20-£30M) ... now while this was an auction record for the artist it should be noted that the work had a 'third party guarantee' (in other words, before the sale they basically presold the work). So, should that really be considered an auction sale since the work sold at what appears to have been the reserve? Not in my opinion. For more on this read Souren Melikian's take - [Eagerness to Buy Old Masters at Odds With Their Availability in Auctions](#). Anyway, let's move on ... the number two position was taken by Gainsborough's *Portrait of Mrs. William Villebois* at £6.5M (\$10.5M – est. £4-£6M) and in third was Michelangelo's drawing *A Male Nude Seen from Behind* that fetched £3.2M (\$5.1M – est. £3-£5M).

When the evening ended, of the 61 works offered 41 sold (a sell-through rate of 68%) giving a total take of £49.7M (\$79.6M). Last year's corresponding sale offered 56, sold 28 (67.8% sell-through) and took in £39M (\$59.2M) – top lot here was a Rubens at £9M (\$13.6M) ... so it was the extra £10M for the Stubbs that made the difference between 2010 and 2011. It was also interesting to note that the top 10 lots in the 2011 sale made £40M (about 80% of the gross).

On the 6th they followed with the Day Sale which further strengthened my conclusions that July is not the time to sell ... of the 118 works offered only 55 sold, leaving a sell-through rate of 47% and a total take of £2.3M (\$3.8M). Top lot here was The Master of the Legend of Saint Mary Magdalene's *A Triptych* which made £301K (\$483K – est. £120-180K). In case you are wondering, which I am sure you are not, but I am going to tell you anyway, the top 10 works in this sale made £1.1M or 46.4% of the total take.

Between these two sales there were 179 works offered with 96 finding buyers (53.6% - not very impressive) and a total take of £52.1M (\$83.4M).

The evening of the 6th brought on Sotheby's offerings and the results were on par with the competition. Top lot here was a large Francesco Guardi scene of Venice that brought £26.7M (\$42.9M – est. £15-£20M), in second was a Correggio Madonna and Child at 3.6M (\$5.8M – est. 2-3M) and in third was Schaufelein's *The Dormition of the Virgin and Christ...* at £2.7M (\$4.4M – est. £1.5-£2M). When this session ended, of the 73 works offered 50 sold (68.5% sell-through rate) and a total take of £47.6M (\$76.5M) – a wash with Christie's. In the corresponding 2010 sale, Sotheby's offered 57, sold 39 (68.4% sell-through) and a total take of £53.5M (\$80.8M) – they had a Turner in the sale that made £29.7M (44.9M). Still comes down to one or two paintings making all the difference.

Over the next two days Sotheby's offered 3 more general sales featuring Old Master and British Paintings ... to save time, here are the main highlights. The true 'Day Sale' found 268 offerings with 179 finding buyers (66.8% sell-through rate ... much better than Christie's) and a total take of £9.5M (\$15.2M) – top lot was a work by the Studio of Vanvitelli that made £719K (\$1.15M – est. £15-20K ... at least two people believe it could be and actual Vanvitelli).

This was followed by a Drawings sale which had 333 lots and sold just 167 (50.2% sell-through rate) for a total take of £3.5M (\$5.6M). Top lot here was Ligozzi's *A Sultan Standing Beside a Goat* at £469K (\$749K – est. £150-£200K). And then on the 8th they offered an Old Master Sculpture & Works of Art sale which had 112 works, sold 60 (53.6%) and took in £2.65M (\$4.2M). Top lot here was a German Walnut Half-Relief at £529K (\$845K – est. £60-£80K).

When the Sotheby's sessions were finished we saw 786 works offered with 456 finding buyers (58%) for a total of £63.3M (\$101.5M). The gross was better than the competition, but it took them more than 4 times the number of works to accomplish this – not very impressive.

By the end of the week the two rooms had offered 965 works, sold 552 (57.2%) and grossed £115.4M (\$185M). It appears that the salerooms are now throwing out whatever they can in the hopes that some of it sticks and they make their numbers ... this is fine for them, but not very good for all the people whose works did not sell.

On the bright side, at least Christie's is offering smaller and tighter sales and this showed in their Price Per Lot Sold: \$868,692 versus Sotheby's rather dismal \$222,658 ... come on boys and girls: get with the program!

Lifestyles of the Rich and Famous

As if they had not put enough works on the market that week, the two main London rooms created sales geared exclusively towards the rich and famous. Now I know you are asking: More? You are kidding? Nope! After a while you just have to laugh at this. However, what the results will continue to show is that for the right material, there are tons, and I mean tons, of money available.

During the Old Master week Sotheby's offered Treasures, Princely Taste which featured 33 very expensive items, including furniture, vases, clocks, etc. Of these, 20 sold (60.6%) for a total take of £10.8M (\$17.4M) – top lot was a pair of Italian carved giltwood settees at £1.7M (\$2.8M – est. £300-£500K). The next day Christie's offered The Exceptional Sale, 2011 ... who comes up with these titles? I heard that some of the other options were: Most Of You Cannot Afford This Stuff Sale, Show Us The Money Sale, Stuff For the Super Rich, The Big Bucks Sale, Black Card Holders Only Sale ... just kidding, I think! Of the 50 items offered 36 sold (72%) creating a total take of £28.8M (\$45.9M) – not too shabby. Top lot here was a set of four Chinese vases which were purchased by Wynn Macau, Ltd. (Steve Wynn) for £8M (\$12.7 – est. £600-1M) – guess you need something to attract people to a CASINO!

I would have delved deeper into these sales, but if you click on the following link: [Buyers Scoop Up the Trophies at Auction](#), Mr. Melikian has done a nice job so there was no reason to rehash it.

What all of these sales continue to illustrate is the desire by people with some 'extra money' to find alternative areas to 'invest'; and this is not limited to the extremely wealthy. There is continued demand for the best in all areas and price levels of the art and antiques market. Our gallery has been lucky to have enjoyed continued interest in the works we are offering ... the partial list of works passing through the gallery (in our Web Site Updates, below) during the normally quiet month of July testifies to this.

Trust you are all enjoying your summer.

Howard L. Rehs
© Rehs Galleries, Inc., New York –August 2011

Gallery Updates: GREAT NEWS – we are still on our summer hours ... this month we are only open Tuesday – Thursdays; all other times by appointment – I love August!

Web Site Updates: Works by the following artists have made their way through the gallery: Montague Dawson, Henry Woods, Aston Knight, F. Kaufmann, T. Wores, A.G. Hill, Blanchard and Cortès. And look for new works by Lepiné, Cortès, Blanchard, Jacobsen and Luny that have been, or will be, added to the web site; a few of the works are illustrated below:



Stanislas Lepiné
La Seine a Ivry
15 x 22 inches



Edouard L. Cortès
Arc de Triomphe, Neige
28 ¾ x 36 ½ inches



Louis Aston Knight
Along the River
26 x 32 inches



Antoine Blanchard
Les Grands Boulevards: Portes St. Denis & Martin
13 x 18 inches

Next Month: There are more sales to cover.