

COMMENTS ON THE ART MARKET

VOLUME 158

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AOL Email Issues

Over the past few weeks we saw a dramatic decrease in the number of emails hitting our AOL account; I originally chalked that up to the holidays and cold weather. Then earlier this week I received an email that was sent almost 3 weeks ago, so I decided to call AOL and see if there were any issues. As you can guess, there were. The individual on the phone confirmed that their servers were working rather slowly and some customers are having problems with delayed emails – great!. Well, he walked me through some steps on my computer that would help re-index and clean up my email folder. Then he started a program on their end to do the same.

I saw no immediate change; however, when I got home that night and opened AOL more than 300 old emails hit my inbox! Additionally, a similar number hit Amy's email account. As many of you know, we are pretty diligent about answering our emails and I think we got to all of them that night. If, for some reason, you sent us an email in the last 3 weeks and did not get a reply please resend it ... we will get right back to you. Guess AOL's cyber mail is taking lessons from the Pony Express!

While on this topic, we are now also using Gmail as a backup email provider. Any email sent through our web site will go to both our AOL & Gmail account ... at some point we will probably phase out AOL and just go with Gmail. We will keep you posted on this and sorry for any inconvenience.

Florida Shows

Warm weather is in sight as we leave frosty New York City for sundrenched Naples and West Palm Beach, Florida this month! Almost 100 works will be set up first at the Naples Art, Antique & Jewelry Show opening Friday, February 7th and running through Monday, February 10th located at 201 Goodlette-Frank Road South.

Upon closing, the works (hopefully a few less than we came with) will be repacked and sent east to the Palm Beach Jewelry, Art & Antique show where we set-up for our third show of the new year! The Palm Beach show runs from Saturday, February 15th through Tuesday, February 18th at the Palm Beach Convention Center. We hope to see many of you there and if you haven't already had chance to print out complimentary tickets to the show(s) please use the links in the Upcoming Shows section.

Stocks

Holy Moly ... what is happening? Things were going along so well through the end of December ... wonder if those Wall Street guys got all their bonuses and then took a long holiday; leaving the market to us amateurs!!!

Now before we all decide to panic, let's remember that we have been through this scenario many times before and as we all know there is little any of us regular folk can do about it. The big boys on the street will continue to rule the market and we are just along for the ride ... oh, I did buy another batch of Dramamine pills the other day ... just in case.

As for the status of my investments ... well, here are my favorites (all down from the end of last month): JP Morgan (\$56), Emerson (\$66.58), Exxon (\$93.99), GE (\$25.5), Berkshire B (\$113), AT&T (\$33.35 – retraced all the upside from 2013), VOD (\$37.23), Verizon (\$47.63), Wal-Mart (\$74.75), Coke (\$38.17) and DuPont (\$61.54). I do not like this trend.

Book a flight to NYC in March and you will be in for a MARVEL-ous experience!

Last year we hosted The BIG Gamble ... Rehs Contemporary Galleries' first in-house exhibition on 57th Street and the first chance for the Ani Art Academies to display a large selection of their art in New York City. Well, as we expected the show was a hit and by the end of opening day almost 800 visitors attended; despite the fact that at times all three elevators broke down and we are on the 8th floor! Our fire escape probably never saw so much action! The odds were in our favor and the BIG Gamble was a royal flush of a show.

On March 15th, we are pleased to present our second exhibition: ***Heroes, Villains, Myths, Legends*** which will once again feature the talented artists of the Ani Art Academies. This year the group of artists has almost doubled and the academies' instructors, apprentices, students and alumni are creating some amazing works inspired by characters and stories they love.

With mainstream media fixated on science fiction -- heroes, villains, myths and legends have not only become part of our daily lives, but in some cases, an obsession. According to various reports, the past five years' top worldwide box office hits were: 2013 - *Iron Man 3* which made over \$1.2 billion, 2012 - Marvel's *The Avengers* making over \$1.5 billion, 2011 - *Harry Potter and the Deathly Hallows Part 2* bringing in over \$1.3 billion, 2010 - *Toy Story 3* making over \$1 billion and 2009 - *Avatar* which made just over \$2.7 billion ...these movies are all about heroes, villains, myths and legends. In addition, many of the television shows we watch are influenced by these themes: *True Blood*, *The Walking Dead*, *The Vampire Diaries*, *Once Upon a Time*, *Game of Thrones* and *Agents of S.H.I.E.L.D.*, just to name a few. And let's not forget how they affect our daily lives ... from San Francisco turning into Gotham City for a day just to make a little boy's dream come true, to the young ladies who dream and plan their sweet 16s and weddings that are fit for a princess and the rich collectors paying tens of thousands of dollars for collectible comics and action figures. It is a theme everyone can relate to, and with such a broad subject matter given to the talent found at the Ani Art Academies ... well, our show – ***Heroes, Villains, Myths, Legends*** - is going to be EPIC.

Now that I have introduced the show, I will give you a little insight on what has been going on in the gallery since this project began. About two weeks after the closing of The Big Gamble we were all throwing out ideas for the 2014 show...of course, my dad and his GREEN Camaro obsession (R.I.P – Hurricane Sandy took that one as I am sure he has spoken about in the past) led him towards cinema ... Transformers, to be exact – you remember Bumblebee (the yellow Camaro --- my father loves that character). But, a show of robotic-car-alien-mishmash? Well, we weren't sure how it would go over with the general public; so we dug a bit deeper. The Transformer movies are about Heroes and Villains, a common theme for many of the chart topping movies. Immediately Spiderman, Batman, the Joker and Freddy Kruger came to mind – well, my opinion was that would create a show generated more towards the guys, and I knew we needed to bring in an element of femininity and beauty, right? Light bulbs go off – Myths and Legends! Aphrodite, Joan of Arc, etc. Yes, that was it ... now all we needed was the talent and imagination of the Ani artists – when we told them about our idea, they jumped on it.

Within days we were receiving emails with ideas and themes for the works, the Ani artists were **super** excited. It is now almost a year later and their works are beginning to filter in ... and from what we have seen so far, this will be an awesome exhibit.

I should add that it is an amazing experience to watch these young artists as they progress through the Ani Art Academies' 3 year curriculum ... and watching them move from charcoal drawings to oil painting is really impressive ... they all make it look so easy!

Heroes, Villains, Myths, Legends opens at the gallery and on our web site on Saturday, March 15th, at 11 am and will run through April 11. We do hope you will have an opportunity to stop by and see the exhibit.

Really!?

A rare 1913 Liberty Head nickel, one of only five ever made, is to be auctioned at a coin show held at the Ilikai Hotel. European master criminal Eric Damien gets con artist and sleight-of-hand expert, Arnie Price, freed from jail so that he can switch a cleverly-made fake with the original before the auction. But things do not go as planned; as Price, fearing capture, tries to dispose of the nickel in a news rack, and the chase is on to recover the nickel before anyone else finds it.

Doesn't the above scenario sound like a great idea for the plot of a TV drama series? Well, it was! Back in 1973, that was the plot for an episode of Hawaii Five-O...and the story behind the real 1913 Liberty Head Nickels, one of which is now often referred to as the 'Hawaii Five-O specimen' (aka the Olsen specimen), sounds almost as fictitious as the TV plot.

So the story goes....in 1913, the unpopular Liberty Nickel, which had been in use since 1883, was to be replaced by the Buffalo Nickel. Originally the Mint had planned to produce Liberty Nickels in early 1913 at both the Philadelphia and San Francisco Mints; however, this never occurred and only Buffalo Nickels were produced that year. Yet, mysteriously there are five 1913 Liberty Nickels known to exist.

Public knowledge of their existence did not surface until 7 years later. In December 1919 an advertisement by Samuel W. Brown appeared, offering to buy any 1913 Liberty Nickel. Amazingly, in 1920 the same Samuel Brown exhibited five 1913 Liberty Nickels. Wow! He placed an ad and miraculously he was able to buy 5 coins ... the only ones ever to be found! So, we do know that Brown had been employed at the Philadelphia Mint from 1903 to 1913, and therefore must have been present when the coins were struck. Nobody knows how he got them ... did he really buy them? Did he strike them himself? These are questions that will probably never be answered.

The five coins, as a group, passed through the hands of many collectors including: Stephen K. Nagy, Wayte Raymond, Col. Green and Eric Newman. The latter, whose formidable collection is currently being sold (I wrote about some of the record prices for part of his coin collection in the December newsletter), was the last person (and in fact the only person alive today ... at age 102) to have owned all five 1913 Liberty Nickels at the same time. Today, two are in museums and three are in private collections.

The Hawaii Five-O specimen changed hands many time and in 1972 it was sold to World Wide Coin Investments for \$100,000, thus inspiring its title appearance in *Hawaii Five-O* the following year. Its price doubled to \$200,000 when it was resold to Superior Galleries in 1978. Since then it has been resold on several occasions fetching \$3,000,000 in June 2004 and \$3,737,500 in 2010. Well, a few weeks ago it sold once more ... this time for \$3,290,000 ... sadly the seller took a really big hit!

Since we are on a money theme, here is another coin that became the center of a plot for a book and later a movie. A fictitious theft of the legendary Brasher Doubloon was the subject of a Raymond Chandler novel (*The High Window*), later made into a movie "The Brasher Doubloon" starring George Montgomery by 20th Century Fox in 1946. Who knew coins were so inspirational??

The historical significance of the Brasher Doubloon cannot be overstated. It is the first American gold coin made in the New World although no one knows exactly why the coin was actually produced. Historically, English and Spanish coins were the primary circulating coinage in the new world. A shopkeeper in colonial America would have a scale on his counter to weigh the various foreign coinage presented for payment to determine its exchange value for the store's goods.

Ephraim Brasher, a respected gold and silversmith, designed the doubloon (incidentally, Brasher lived the next door to George Washington at the first White House, 3 Cherry Street in New York City. Brasher made the first silverware for the White House, some of which is in the permanent collection there). The coin was aesthetically pleasing and patriotic. Its motto, "NOVA EBORACA COLUMBIA EXCELSIOR," translates to "New York and America, ever upward," reflecting loyalty to both his state and the new nation.

The reverse includes many of the elements incorporated into the seal of the United States in 1782 and later used on federal coinage. The eagle's breast is covered by a shield with stripes representing the 13 states. Its left talon holds arrows, the symbol of preparedness for war, and its right, an olive branch,

symbolizing peace. The motto, "UNUM E PLURIBUS" appears in the seal and many regular issue coins as "E PLURIBUS UNUM." This translates to "One out of many."

The gold doubloon contains 26.66 grams of gold - slightly less than an ounce - and was worth \$16 at the time. If you had one today and decided to sell it purely for its gold value, you could get somewhere around \$1000.

The doubloon was last sold in 1979 for \$430,000. And at a recent auction it sold for \$4,582,500.00!! I know that sounds really impressive, but I must add that one sold back in 2011 for \$7.4M!!!

This next coin didn't inspire much, but it is quite a lovely piece ... an 1880 Coiled Hair Stella. This example, one of the very finest known, brought an astonishing \$2,574,000 (more than doubling the presale estimate). Making this Stella one of the ten most expensive US coins ever sold at auction.

The coin, known to collectors as one of the 'white whales' is six grams of pure gold and was never released in circulation. It was designed by famed United States Mint engraver George T. Morgan when there was a push in the United States for its own international coinage to enable easier trade with Europe. Congress rejected the initiative; but not before a handful were produced. The precise number minted is unknown, but it is widely believed that no more than 10 to 15 exist. This particular coin is considered to be the finest certified piece ever auctioned. Really!

And let's not forget about the good old paper money...the rarest and possibly the most famous of all US currency notes is the 1890 \$1,000 Treasury Note, better known as the "Grand Watermelon." The descriptive nickname was given to this note because of the way the zeroes in 1000 are shaped. They are fat and oblong, and look something like watermelons. Many different kinds of \$1,000 bills were printed since the first ones of 1862, but none are as colorful and sought-after as this one.

Few people have seen any \$1,000 bills in recent years. While they are still legal tender, so many were being used in illegal dealings, a decision was made to stop printing any bills over the \$100 denomination. Furthermore, if any \$500, \$1,000 or \$10,000 bill is turned in to a bank today it is sent to Washington for redemption and destruction. The government estimates that fewer than 6 still exist today.

This note is an icon of American financial history, and easily surpassed its estimate of \$2 million. The last time this note was offered at auction was in 1970, when it brought \$11,000. It became one of the most valuable pieces of currency in the world when it was sold for \$3.29 million, including buyer's premium.

After these results, make sure you check your loose change before tossing it into your coin jars.

The Art Market

January has, as usual, been a very slow month in the art world and this year the weather made it even slower ... when will the snow stop!? Since nothing much has happened in our area (well, there was one sale in London which Lance will cover shortly) I thought it might be interesting to list, in no specific order, some of the factors you should consider when buying a work of art (this will be a quick summary).

1. **Authenticity** – you always want to be sure that the work you are buying is by the artist in question. Make sure that the seller guarantees the work in writing and has checked its authenticity with the expert ... if there is one ... or has confirmed it is listed in the catalogue raisonne.
2. **Quality** – I know every seller will tell you that the piece they are offering is a high quality work; but as we all know that is not always the case. Be sure the seller has in-depth knowledge about the artist's complete oeuvre and really knows the good works from the poor ones. I would also advise that you to have an overview of the artist's work.
3. **Provenance** – as I have stated before, every work of art has a provenance; but the provenance of a work might not be known. Over the year, certain paintings went in and out of favor and during the 'out of favor' years, they may have traded for very little and nobody really cared who owned it; this will leave large gaps in the provenance. This isn't a very serious issue for most works of art; but it never hurts to ask for any provenance that might be available.
4. **Condition** – ask the seller about the condition of the work. Many works of art, like cars and other collectables, have had some level of restoration or conservation. The real question is how much and does it impact the work's value.

5. Size – the first part of this is to know how the size of the work affects its value and then will the work fit in the space you have? I do find this to be a rather interesting factor since some galleries will offer their works with the overall size (which includes the frame) and this will make it impossible for the buyer to establish if the work is fairly priced. Now, of course you need to know the overall size in order to determine if it will fit in the space you have. Make sure you get both the canvas size and the overall size ... this will resolve any issues.
6. Style & Subject Matter – every artist goes through different periods and phases. You should have an understanding of the changes the artist went through both stylistically and in terms of subject matter. Different periods and subjects will have different values.
7. What You Like – this is the most important part of the hunt ... you need to buy works that you like and want to live with. Since art became more of an investment vehicle, we are meeting people who want to buy something just for the investment potential (some are even happy to leave the works boxed up and wait a number of years before reselling it). Why? The whole point of owning a work of art is because it brings you enjoyment ... not to mention it fills up some large empty spaces in your home. Let me say this ... if the person you bought a work from really knew that it would be worth considerably more in a year, are they going to sell it to you now or wait the year? Any good dealer can give you an overview of how the general market (or specific artist's market) has done over the years; but there is no way they can truly guarantee that a work is going to be more valuable in the future.

In the end, you need to be sure that the people you are buying from really know what they are doing ... especially if you are trading in the upper levels of the art market. We would all love to be sure that the works of art we buy today will be worth considerably more in the future; but nobody can really tell the future. History has shown that if you buy good works, odds are they will do well over the long run. I personally remember when I first came into the business that paintings by Ridgway Knight & Dupre could be had for \$10-\$15,000, Elsley & Dawson were in the \$15-\$30,000 range and the list goes on. Today, good quality works by these artists will run into the 6 figures. If you buy the right works, with the right subject matter, from the right periods and they are in good condition, history has shown that they should be worth more in the years to come ... but the most important part is that you receive years of enjoyment from them.

Now on to the warm-up sale.

London – 19th Century

By: Lance

With a number of strong sales in 2013, Bonhams looked to continue that trend with their 19th Century sale early in the New Year... unfortunately, it is not that easy. With a large mix of mid-level European, Victorian and British Impressionist art, it is understandable that the results were not grabbing any headlines; there were no blockbusters to be found here.

Leading the way, by a longshot, was *The Fair* by Sir Alfred James Munnings selling for £182,500 (\$303K) on an estimate of £150-250K (\$250-410K). The work was exhibited at the Royal Scottish Academy in 1916 and originally purchased from the artist for a mere £35! Falling in second was a work titled *The Mountain Patrol* by one of the most popular Polish artists of the Munich School, Alfred Von Wierusz-Kowalski, achieving £98,500 (\$163K) on a £40-60K estimate (\$66-98K). The biggest surprise of the afternoon was the work taking third, *Quinterelle II* by Sir William Russell Flint. With a fairly low estimate of £15-20,000 (\$25-33K), the work sold for 285% over the estimate at £76,900 (\$127K).

Other well performing lots included an unframed Jules Breton which sold for 221% above the estimate and a small Ronner-Knip whose selling price was 181% above the estimate. Conversely, a very dark Grimshaw failed to find a buyer carrying a £150-200K estimate (\$250-300K) along with a number of works by Italian artist Vittorio Reggianini.

In the end, 91 lots sold of the 142 offered (64%) and most were within or above their estimate range (44 in the range, 41 above and 6 below). That being said, the sale totaled just over £1.9 million (\$3.2 M), including the buyer's premium, which landed just short of the presale estimate's low end (£2-2.9M / \$3.3-4.9 M).

The Rehs Family

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Gallery Updates: During the month of February we will be exhibiting at the Naples and Palm Beach shows. Hope to see some of you there.

Web Site Updates: A number of works have passed through the gallery this month. Included were paintings by Julien Dupre, Johan Jongkind, Antoine Blanchard, Gregory F. Harris, Justin Wood, Jay Davenport and Helen Crispino. We have also added a number of new pieces to the site ... some are illustrated below:

TRADITIONAL



Antonietta Brandeis
A View of Amalfi



Edward Ladell
Still Life



Georges Laugee
Feeding Time



Edouard Leon Cortes
Sacre Coeur



Charles H. van den Eycken
Kittens Playing with a Pocket Watch

Contemporary



Justin Wood
Still Life with Grapes & Bread



Holly H. Banks
Summer Flowers



Erik Koeppel
A Farm in the Hudson Valley



Helen Crispino
Cloud 9

Next Month: The sales are starting!