

New publications

Organising a sale is like putting on a play

In the final extract from *Collecting Contemporary*, Simon de Pury reflects on selling contemporary art at auction

Born in Basel, Switzerland, Simon de Pury was chairman of Sotheby's Europe and also its star auctioneer. In 2001, with Daniella Luxembourg, he merged de Pury & Luxembourg Art into LVMH's Phillips Auctioneers to create the third major international art auction house. Although both LVMH and then Luxembourg subsequently dropped out, Simon persevered. Based in the heart of Chelsea, New York's busiest art district, Phillips de Pury continues to sell challenging contemporary art for record prices, much to the chagrin of its two entrenched competitors, Sotheby's and Christie's. **A.L.**

Changes in the contemporary art market over the last ten years

The market for contemporary art has totally changed over the last few years. The contemporary art market used to consist only of American and Western European artists until recently, and it is only now that it has become a totally global market. You now have artists from every continent, from every part of the world, who have a market. You have biennials in Havana, São Paulo, Shanghai, Seville, and of course Venice and Istanbul, so you have a lot of surveys that show you what is being done around the world, and the audience for contemporary art has widened in an extraordinary way.

The primary market has a key importance in

creating the market for the artists because it determines, for instance, how wide the geographic spread will be and in which collections the works will go. You have certain artists who are so sought after that it's not a question of money to be able to get those works; it is a question of being in the good books of the dealer who's handling them. There are long waiting lists that develop for certain artists, and certain buyers who cannot, irrespective of money, have access to works by those artists. The minute a work by one of these artists comes up at auction, it's simply a question of whoever will pay the highest price.

It is fascinating to see how rapidly taste evolves. Taste evolves all the time, in all areas of the art market, but there is an acceleration in the change of tastes, particularly in the contemporary art market. You look at artists who

have been active for many, many years, like Richard Prince, his market has multiplied several times just over the last two years. I think this is just the beginning, his market will strengthen further due to the great quality of his most recent work, because very often, if the recent work of an artist is weak, it does damage to the market of his earlier work, even if his early work was much stronger. We obtained the highest price for any of his photographs with the *Cowboy*, and also the highest price for any of his "Joke" paintings with *My Name* (1987), which sold for \$750,000.

On selling contemporary works at auction

At Phillips, over the last few years, we have introduced into our evening sales one, two, or three artists who have not been tried yet at auction, but where there are long waiting lists. Artists like Ugo Rondinone, Neo Rauch, Daniel Richter, Noble and Webster, Luc Tuymans or Jack Pierson, I could go on and on providing artists for whom we have been, in a way, the pioneers in selling them at auction. What has normally happened is that those works have sold far in excess of what they were available for in the galleries. Now this can be a mixed blessing. If that increase is too steep and too quick, it can backfire as well.

A market has to be sustained in the long term and something that may rapidly obtain very high prices, unless you can sustain it, is not necessarily a good thing. We try never to have too many works by the same artist in the auction. We try not to have works that compete with each other in the same sale. We try to put these auctions together like curating an exhibition—really putting together exciting shows of what has been done in the art field over the last 20 to 25 years.



Richard Prince's *A Nurse Involved*, 2002, sold at Phillips for \$1.02m on 12 May 2005

I believe that as an auction company, we do have a responsibility to the marketplace, to the market and to the artist, and so it is in our interest not to flood the market with works by a certain artist, to act responsibly, and to have as good a relationship as possible with the artist and with the dealers representing these artists, because the relationship between the gallery and the auction house does not need to be antagonistic. On the contrary, both need each other. When you have a healthy auction market for an artist, it helps the primary market for that same artist, and vice versa.

Contemporary art and risk

In a way, younger is riskier, yes. Let us say you buy ten paintings by ten different artists for \$10,000 each. The likelihood that all of those will be worth much more is not that great. You may have one that is going to be worth \$100,000 in the foreseeable future, but the others may not be worth more than \$10,000. In fact, they may be worth only \$5,000 or zero, if you resell them. Whereas, if you buy a blue chip or something by a mid-career artist at \$100,000, it is much easier because you can already look back at the career of the artist, you have a way of gauging how much he paints, in which collections his work has gone, does he have an international or a local audience, etc.

In the end, it is cheaper to spend \$100,000 for a mid-career artist than to spend \$10,000, on an artist who is just starting. On the other hand, that is the most exciting part of the market—when you don't know how an artist is going to develop, what he's going to do, what is going to happen to him. You do not have any points of comparison. That is the true adventure, to choose and follow your own instinct for what is good.

On buying at auction and primary

As a private collector, you always want to have a point of reference when you are offered something at a given price. You want (a) to have a feeling whether that price is justified or whether it is just taken out of the air, and (b) to know that you have an outlet to be able to sell it. I mean, it is legitimate, if you spend a lot of money on something that you may wish to resell it at some stage. It is very important to know that there is, besides the possibility of giving it back to the dealer who has sold it to you, a possibility of putting it onto the public marketplace.

In most cases, dealers, when they sell something, justify the prices of what they sell by comparing it to the prices obtained by that given artist on the open marketplace. And while, ten years ago, market prices were really something only accessible to the professional in the market, now anybody can just click into Artnet and see what prices have been obtained for any artist at auction. So that information is available to everybody. There is a much greater transparency in the market and, ultimately, everybody benefits from that greater transparency.

The collectors who buy with passion, with guts, with their hearts, and don't think primarily of the investment, are those who make the best investment. Whereas those people who think primarily of the investment when they buy, in most cases, fall flat on their face. To buy particularly well at auction, you must follow the market very, very closely.

On auction-house estimates

There is a rule that a conservative estimate is much more likely to get a high price than a stiff estimate. Let us say you have seven potential bidders for a lot. If the estimate is too high, out of the seven maybe five won't even get into bidding. Whereas if you have a conservative estimate, all seven will start bidding and that creates the excitement in the room, and then the competition, and then you are more likely to get a high price.

When you put together an auction, it is like putting on a play. You must have changes of rhythm, you must have your high moments, you must have less exciting moments, and you must orchestrate it so that each work is sold in the context where it will sell the best.

Advising for a collection

It is as part of the advisory work at Phillips that we have been involved in building collections. We buy a lot on behalf of clients at galleries, but also from our competitors, so we buy from other auction houses. The Pisces Collection was a collector who approached me in the late Nineties, who wanted to build a collection of art focusing on the last 20 years. It is somebody who had never collected any art, who had the

means to collect, and who liked the intellectual challenge of seeing how a collection could be developed. This person is very private, and did not want us to mention gender, age, nationality, nothing except the sign of the zodiac: this person is a Pisces and hence the name. We bought very actively for several years and then the owner of the Pisces Collection wanted to see whether there was the reality of the market behind it. So between November 2003 and November 2004 we sold a number of works from the Pisces Collection. I think we have sold around 30-40% of the works.

What makes a great collector

Collecting is a disease. It's the most wonderful disease and a totally incurable disease, and it has as many forms as there are collectors. The best collectors I have encountered in my life are the most passionate, and that passion takes over every other aspect of their lives. There are three or four collectors around, living today, who are utterly obsessed and they are, at the same time, the greatest collectors. Most collectors of contemporary art who have made good collections have a very good sense for artists of their own generation, and then they have not shown that same sense for artists of the next generation, or even for the one after that. But I have also seen some exceptions. ■



Collecting Contemporary is written by Adam Lindemann and published by Taschen. It is available for £16.99, and can be ordered by phone: +44 (0)20 7845 8585 or online: www.taschen.com