

AUTHENTICATION  
IN ART

AiA Art News-service

# ART MARKET MONITOR

## Fabricant on the Offensive: Fatigue from B-Material



Andrew Fabricant has become an increasingly vocal anti-auction house figure in the press. Today he goes much further than the occasional press comment with a sustained performance on CNBC that includes the suggestion that 11 unsold lots constitutes a crack in the market and the idea that third-party guarantors buying the works they guaranteed is a bad thing.

CNBC's Robert Frank went further: "We saw a breakdown last night in prices."

The real question is how Fabricant hopes to improve his business by taking this position, especially when Fabricant quickly gets overwhelmed by the anti-art mockery from CNBC's hosts who suggest the Twombly Fabricant predicts will make \$50m (he doesn't tell us whether this is a B- work or not) could have been made by Elmo or might be a fake.

### Auction Fatigue? (CNBC)

## Sotheby's Big Sale Contains Contradictory Market Signals

Sale N09221 Contemporary Art Evening Auction	11 NOV 14
Grand Total: \$343,677,000 (£216,885,650)	Exch Rate: 0.63
Sold by Lot: 85.9%	Lots Offered: 78
Sold by Value: 89.3%	Lots Sold/Unsold: 67 / 11

Lot	Price	Estimate	Buyer
17 Mark Rothko, No. 21 (Red, Brown, Black and Orange), 1953	\$44,965,000 (£28,376,246)	Estimate upon Request	Anonymous
9 Jasper Johns, Flag, 1983 *RECORD FOR THE ARTIST AT AUCTION*	\$36,005,000 (£22,721,823)	\$15,000,000 - 20,000,000	Anonymous
27 Andy Warhol, Liz #3 (Early Colored Liz), 1963	\$31,525,000 (£19,894,611)	Estimate upon Request	American Private Collector
8 Gerhard Richter, Abstraktes Bild , 1991	\$21,445,000 (£13,533,384)	\$15,000,000 - 20,000,000	Asian Private Collector
11 Robert Ryman, Untitled, 1961 *RECORD FOR THE ARTIST AT AUCTION*	\$15,005,000 (£9,469,267)	\$15,000,000 - 20,000,000	European
41 Andy Warhol, Brigitte Bardot, 1974	\$11,645,000 (£7,348,858)	\$10,000,000 - 15,000,000	Anonymous
31 Andy Warhol, Self-Portrait (Fright Wig), 1986	\$11,365,000 (£7,172,157)	\$12,000,000 - 18,000,000	Anonymous
47 Jeff Koons, Bear and Policeman, 1988	\$8,005,000 (£5,051,748)	\$7,000,000 - 9,000,000	American Trade
3 Christopher Wool, Last Year Halloween Fell on a Weekend, 2004	\$8,005,000 (£5,051,748)	\$6,500,000 - 7,500,000	European Private Collector
21 Jean Dubuffet, Cité Fantoche, 1963 *RECORD FOR THE ARTIST AT AUCTION*	\$7,445,000 (£4,698,347)	\$4,000,000 - 6,000,000	Anonymous

Last night's \$343m Contemporary art sale with 67 of the 78 works—or 86%—sold, was remarkable for its Rashomon diversity of opinion. Although the sale was marked by a number of important lots from collectors (and those were the top lots), the sale was also stuffed with guaranteed works leaving the impression that Sotheby's staff was instructed to buy itself a Contemporary art evening sale last May shortly after the company's board fight was resolved.

Estimates proved a consistent headwind all night as Oliver Barker coaxed, squeezed and tugged at the audience to get bids to within a respectable shouting distance of the low estimate on many of the night's guaranteed lots.

Carol Vogel represented one side of the coin with this reaction:

After the auction Lucy Mitchell-Innes, a Manhattan dealer, called the sale "respectable," adding that buyers were holding on to their money because "the material just wasn't that compelling, and these days there are so many opportunities. If you don't get something tonight, there's always tomorrow night or any number of art fairs."

James Tarmy caught the obverse:

"What I really like about this auction is that there's a level of connoisseurship in the works they're offering," said Clayton Press of Linn Press LLC, an art-advisory firm based in Ewing, New Jersey.

Brian Boucher found variations on both of these themes:

"The sale was a bit spotty," New York private dealer Andrea Crane told A.i.A. after the sale. "The estimates were very aggressive." [...]

"Estimates were about 10 to 15 percent too high," New York consultant Todd Levin, director of the Levin Art Group, told A.i.A. "We are reaching an event horizon, beyond which estimates cannot go without causing imminent failure of the sales. They're really playing a dangerous game."

New York dealer Nicholas Maclean, a Christie's veteran, was more sanguine. "The sale did fine. There were one or two disappointments, but overall the big things did well, actually." Maclean was seen bidding on pieces by Warhol, Lee Ufan and Christopher Wool.

Finally, here's Dan Duray's contribution to the estimates and guarantee quote genre:

"It's amazing that Sotheby's went to bat for their guarantees and had to fight Dan Loeb to get them raised," said dealer David Nisinson after the sale, "when it looks like Christie's still just blew them out of the water. That's what happens when you have a billionaire owner whose whole life now is about the art world," referring to Christie's owner François Pinault's recent retirement.

"I think a lot of people were waiting for tomorrow night," he said.

At the top of the market, Sotheby's did well. Here's Vogel on the Jasper Johns flag that made an artist's assistant a very wealthy man:

There will always be competition for classic examples by masters like Mr. Johns, and Sotheby's sale featured one of his seminal "Flag" paintings, from 1983. Mark Lancaster, the British artist who had worked for Mr. Johns, was the seller. Although it was small (just shy of 12 inches by 18 inches), its rough encaustic surface — created from pigment suspended in wax — gave it a tactile quality that appealed to collectors. Four bidders went for the "Flag," which ended up selling for \$36 million, way above its high \$20 million estimate.

As soon as the gavel fell, rumors started circulating about who the buyer could be. Although Sotheby's declined to comment, some dealers said it was bought by Alice L. Walton, the Walmart heiress who founded the Crystal Bridges Museum of American Art in Bentonville, Ark.

Many presumed the Johns would be sold to a "global" buyer but it appears much of the competition came from the cognoscenti, here's The Master, Judd Tully:

At least five bidders chased the prize, including New York private art advisors Ruth/Catone and New York collector Donald Bryant.

And Vogel also added some color to the green Warhol Liz that did substantially better than Steven Cohen's yellow example sold last year:

The best was a depiction of Elizabeth Taylor on a mint green background, "Liz #3 (Early Colored Liz)," which dealers said was being sold by Kemal Has Cingillioglu, a Turkish collector. It brought \$31.5 million, about what Sotheby's expected. Only one bidder went for "Self-Portrait (Fright Wig)" from 1986, estimated at \$12 million to \$18 million; it went for \$11.3 million, not bad considering that it sold at Sotheby's in London two years ago for \$8.5 million.

The other marquee lot was the Schlumberger Rothko which sold for \$45m. James Tarmy got a little background:

"Yes, a number of Rothkos have come up," said Simon Watson, a New York and Sao Paulo-based art adviser. "But there are a lot of people looking."

In between the big sales and the lots where bidders fought the estimates every step of the way, there were some works that excited buyers and lit up the board. Here's Duray on one:

Paula Cooper director Steve Henry noted after the sale that quality works that were "new to the market" understandably did well—Glenn Ligon's record-breaking \$3.97 million white painting, *Untitled (I Was Somebody)* (1990/2003), being a prime example—but said that the

estimates probably were too high in many cases. “There’s a lot of pressure on these people to bring high results,” he said.

And Judd Tully on another:

The Ruth/Catone duo came back and won Cy Twombly’s elegant and equally masterful oil on paper “Untitled” from 1967, which made an impressive \$5,205,000 (est. \$3-4 million).

Artnet’s Eileen Kinsella spotted one Sotheby’s specialist, Scott Nussbaum, buying in bulk for a single customer number. That was the buyer of the Johns flag. If Vogel is right, about the flag’s buyer, it would suggest all of these works also went to the same institution:

Among other purchases made by the same paddle number via Nussbaum: Mark Rothko’s No. 21 (Red, Brown, Black and Orange), an early 1951 painting (and slightly less typical Rothko) with an unpublished estimate north of about \$50 million that sold for just under \$45 million with premium; a Joseph Cornell box construction, *Untitled (Palais de Cristal)* (ca. 1953), which sold for \$665,000, short of its \$800,000 low estimate; Mark Tansey’s painting *Landscape* (1994), which sold for \$3.7 million on an estimate of \$3–4 million; and Louise Bourgeois’s marble and stainless steel sculpture *Distant Figures* (1971), which sold for \$1.8 million on an estimate of \$1.5–2 million.

Kinsella also did her homework and put together some good tracking sales too:

These included a Warhol *Self-Portrait (Fright Wig)* (1986) that came to the block with a hefty \$12–18 million estimate and sold for \$11.4 million with premium. According to the Sotheby’s catalogue, the work was offered at Sotheby’s London just over two years ago as part of the Gunter Sachs Collection sale in May 2012, when it sold for \$8.5 million (£5.4 million) on an estimate of \$3.4–4.7 million.

An even shorter resale offer was Christopher Wool’s *Untitled*, an abstract enamel on aluminum from 1996 that sold at Sotheby’s New York in March 2013 for \$3.7 million on an estimate of \$1.2–1.8 million. This time it was estimated at \$3.75–4.5 million and sold for \$4.1 million (\$3.5 hammer).

Two paintings by Jean-Michel Basquiat in the sale also had auction track records to provide some context for pricing. His *Untitled* (1983) sold for \$3.9 million on an estimate of \$3–4 million. It was last sold at auction at Sotheby’s New York in May 1997 when it fetched \$79,500 on an estimate of \$40,000–50,000. Another *Untitled* painting, from 1987, depicting a fire engine–red car on a dark black background, sold for \$5.8 million on an estimate of \$6–8 million. Last offered for sale at Sotheby’s London in June 2007, it sold back then for \$1.3 million (£2.5 million) on an estimate of \$1.8–2.4 million.

**Rothko and Johns Paintings Are Stars of a Sluggish Auction for Sotheby's** (NYTimes.com)

**Sotheby's \$343 Million Sale Led by Jasper Johns's 'Flag'** (Businessweek)

**Led by \$45-Million Rothko, Sotheby's "Spotty" Contemporary Sale Tallies \$344 Million** (Art in America)

**A Mixed But Solid Contemporary Sale at Sotheby's** (BLOUIN ARTINFO)

**\$36 M. Flag Sets Jasper Johns Record at Sotheby's \$343.7 M. Contemporary Art Auction** (ARTnews)

**Rothko Reels In \$45 Million at Sotheby's \$343.6 Million Contemporary Evening Sale** (artnet News)

## Sotheby's (BID) Gets Its Catalyst in Mrs. Mellon



The lingering question about Sotheby's stock (BID) has been whether it can find a catalyst that allows the share price to break the crucial \$40 ceiling/floor that has characterized the stock for several years. Yesterday, anticipation of the Mellon sale (or simply the coming week of sales of Contemporary art) has launched the stock. Now let's see if it can stay there. The p/e on the stock remains a very expensive 22 against historic averages of 15 and little in the way of a transformative strategy. (\$40 ceiling/floor illustrated below with a dotted green line.)

