

Art Market Review

by Chris Murray

The UK art market has attracted a great deal of comment recently, and in this new column I want to chart the important changes it's undergoing. I'll be looking at both general trends and specific issues, the focus being mainly but not exclusively on provincial sales. I also want to consider the needs of those who are new to the art market and keen to start buying.

The art of success

Two aspects of the present art market are particularly intriguing. Firstly it is doing so well when many areas are suffering badly. There are several probable reasons. The first is the success of 'Brit Art.' British art is talked about. There's the controversy over the Turner Prize, the notoriety of the pickled sharks and unmade beds of the Bad Boys (and Girls) of contemporary art, and the popular acclaim won by artists like Antony Gormley, whose standing figures are a very public form of art. There's a whole calendar of fairs, exhibitions and sales, including *Frieze Art* (October), which is now rivalling *Basel Art Fair* in international importance, and, by contrast, the *Affordable Art Fair* (now three times a year), at which the top price is just £3,000. Promoting art is now an industry in itself. Success leads to confidence and so to more success. And though the effects are felt first in London, they soon spread. Another probable reason is that it's not as sensitive to changes in interior design. In a modern house or apartment a painting, even an old one, is more likely to fit in than a Georgian bow-fronted corner cupboard.

New for old

The second feature of the present art market is the shift in the provincial salerooms to twentieth-century art. A few years ago, catalogues of such auctions listed pages of Victorian art, with a page or two of modern art tacked on at the end. For many, the situation has almost reversed. Quite a few auctioneers I've spoken to admit that it's the sale of modern art that is their only real success. The reasons are the same: modern art in particular is much talked about, and it suits modern décor. The long-term shifts in the market are a factor, of course: a style, period or movement may be in fashion, then out, then in again. The Victorians have, after all, had a good run. And it's not just well-established figures (Sutherland, Pasmore, Ravilious...) who are selling, but a host of more obscure figures. The search for 'discoveries' and 'rediscoveries' is a sure sign of a demand-led market. There is a growing (if still cautious) interest in British abstract art, particularly in those post-war artists overshadowed by Pop Art. This is a welcome development, for many twentieth-century British artists not of the first or second rank, have been undervalued in the past and their works deserve to be collected and enjoyed. But it does have its dangers and it is not

clear whether some of the moderns bringing good prices will keep their value for long.

Resale rights

The success of modern and contemporary art also raises the issue of resale rights (*droit de suite*). This European Commission directive, which came into force in February means that whenever a work by a living artist is resold, a part of the resale price will have to go to the artist. Now *Bridgeman* have announced they will challenge the monopoly of the present collecting agency, DACS (Design and Artists Copyright Society). DACS, who are aware that many are still confused by the issue, have told me that they are to begin a series of nationwide seminars.

There was some concern that resale rights would depress the UK market. A government report suggested that sales in London might drop by 20%. That remains to be seen. There is also concern at the amount DACS would take for administering the scheme: 25% seems very high. Would an extra 4% on an auction price make a difference when you're bidding? An extra £80 on a work with a hammer price of £2,000?

Overseas art in the UK market

Sales throughout the country still offer great variety and value. As the UK market covers not just British art, I'd like to glance briefly at art from overseas. Russian and Ukrainian paintings are still selling reasonably well (there was a large sale at Lots Road Auctions in March). But the number of works in circulation (and the suspicion that there may be an endless supply) has kept prices at a modest level. If you're looking for profit, you need to pick and choose. If you want a well-painted Impressionist and Fauvist landscape, or a soft-focus nude, there are lots of bargains. By contrast, French art, which has played a small role in the UK market for generations, has been in the doldrums for some time. Even important artists are not attracting the old interest. It's still possible to get a good price for modern works (a drawing by Bazaine, (d.2001) sold for £600 HP at Roseberys, March 2006); while by stark contrast a superb little portrait by Agard (1866-1950) sold for a mere £320 HP at Bearne's, June 2005.

Indian art is showing promise, reflecting the growing affluence of Indian communities. Some already command good prices: an oil by Maqbool Fida Husain (1915-) sold at Cheffins in Feb 2006 for £46,000 HP, which is on the less expensive side for his works. Francis Newton Souza (1924-2002) commands similar prices. As there's not much of it helps support prices. Investors need to keep an eye on the younger Indian artists. And it's not just modern works that may be of increasing interest, but also traditional indigenous and Anglo-Indian works, though there a great deal of material here, some very poor, so buyers need to exercise discrimination.

Resale rights in brief

Which artists?

It's commonly thought that it's largely living British and European Union artists, but in fact it also includes artists from any other countries that have signed up to the agreement, a curious list, including the Russian Federation, Brazil and Congo. You need to check. Those who have not signed up include Australia, Switzerland and the USA.

Inheritances

Resale rights will also be paid to those who have inherited an artist's copyright, but this will not apply until 2010. If you are not sure whether an artist is alive or dead, there is a search facility on DACS's website.

How much?

There is nothing to pay on works prices below 1000 Euros (depending on the rate of exchange on the day of the sale, about £680). Between a €1,000 and €50,000 (c. £34,000) it's 4 %. Beyond that it gradually decreases.

Who pays?

The responsibility for paying lies with the 'art market professional' (dealer or auction house), and monies are collected by the artists' rights agency DACS (though in time this may also include Bridgeman). In practice, it seem that auction houses are passing on this additional cost directly to the buyer, while dealers (on the whole) are trying to 'absorb it'.

Which works qualify?

All original art works in any media qualify, including prints. Reproductions do not. Works bought directly from an artist and resold within 3 years for less than €10,000 (c. £ 6,800) are also exempt.

DACS website:

<http://www.dacs.org.uk/>
0845 410 3 410



Maqbool Fida Husain (Indian b.1915) Untitled oil on board, 89 x 58cm. Purchased by the vendor in 1979 from the exhibition Maqbool Fida Husain presented by the Pundole Art Gallery Bombay under the patronage of Tun Mohamed Sultan Hashem Lord President of Malaysia at the Hilton Hotel Kuala Lumpur. Cheffins, Cambridge. Feb 06. HP: £46,000. ABP: £54,107.



Francis Newton Souza (Indian, 1924-2002) Abstract Church, signed upper left 'Souza '62", oil on board, 59 x 75cm. Cheffins, Cambridge. Apr 05. HP: £39,000. ABP: £45,873.



Yuri Matushevski (Russian, 1930-1999), The Railway Station, c1960, oil on board, 56 x 76cm, signed, framed. Lots Road Auctions, Chelsea. Mar 06. HP: £1,400. ABP: £1,646.



Emile Jacque, (1848-1912), French, Two young women, one sewing, reclining on a parlour settee, signed, in giltwood frame, oil on canvas, 49 x 76cm. Locke & England, Leamington Spa. May 06. HP: £800. ABP: £941.



Anatoliy Demenko (Ukrainian), Morning, oil on canvas, 70 x 50cm, signed, framed. Lots Road Auctions, Chelsea. Mar 06. HP: £700. ABP: £823.

Chris Murray will welcome any comments by readers on this feature or the art market in general. The Editor will also welcome comment on any other feature in this or any other Edition or comment on the antiques and collecting industry in general where it operates at auctions, fairs or the retail sector in general.



Jean Rene Bazaine, 1904-2001, Untitled, c1958, pen and black ink, signed on the reverse, 16 x 24.5cm. (2). Rosebery's, London. Mar 06. HP: £600. ABP: £705.



Baren Basu, Indian, b.1943, Untitled composition, pen and black ink and watercolour, signed and dated 82, 53 x 34.5cm. Rosebery's, London. Dec 05. HP: £350. ABP: £411.



Charles Agard, (1866-1950 French) Portrait of a young lady with a bowl of cherries head and shoulders in an interior; signed centre right, oil on canvas, oval 51 x 42cm. Bearne's, Exeter. Jun 05. HP: £320. ABP: £376.



Alexey Voyskam (Ukrainian), Still life with Blue Lamp, oil on canvas, 59 x 80cm, signed, framed. Lots Road Auctions, Chelsea. Mar 06. HP: £300. ABP: £352.



Indian miniature portrait, 19thC. 'A Young woman wearing headdress', oil on oval ivory panel. 5cm max dia. Rosebery's, London. Mar 06. HP: £230. ABP: £270.



L. Chartrelle (19thC French), 'L'Grerolles (Cote D'Or)', Empty street scene with hens to foreground, canvas 8.75 x 10.5in, signed and inscribed on stretcher to reverse, in gilt moulded and swept frame. Canterbury Auction Galleries, Kent. Feb 06. HP: £220. ABP: £258.



Indian School, two miniatures, Interior scenes with an amorous couple, on ivory, 4.25 x 3in, and 3.25in square, and one other Indian miniature of an erotic nature, 5.25 x 3.75in, all variously framed. Canterbury Auction Galleries, Kent. Dec 05. HP: £160. ABP: £188.



Russian School 20thC, Industrial landscape, oil on card, bears inscription and official release stamp verso, 70 x 108cm. (unframed) Rosebery's, London. Feb 06. HP: £150. ABP: £176.



Lev Nikolaevich Orehov, Russian, 1913-1991- View over the fields, oil on board, signed, 43 x 66.5cm. Rosebery's, London. Mar 06. HP: £70. ABP: £82.



French school, Hill top village, pencil, signed with initials and dated 28/1/1900, 15 x 21cm, European school, 19thC. Figures in a town; pencil, indistinctly signed with a folio of etchings, aquatints and pastels, mostly signed, by various hands. (a lot) (unframed) Rosebery's, London. May 06. HP: £60. ABP: £70.