

## Art Agency, Partners

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## Market Report

### What Happened on the Fair Floor



Tomoo Gokita, *Celebration Day* (2017). Courtesy of the artist and Blum & Poe, Los Angeles/New York/Tokyo. Photo credit: Andrea Rossetti

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## **“It’s lunch time on day one and I am talking to you—I shouldn’t be”**

Dealers had time to sit and chat on opening day, which typically means they are less busy than they’d like to be at that point in the fair. Attendance picked up as the day wore on, but some notable collectors, museum directors and curators seemed to be missing.

“There are fewer people here, for sure,” says Tim Blum, co-founder of Blum & Poe (G22). Was he worried? No: “I feel very, very good. The market is active. There’s a lot of money out there.” By lunchtime on the first day, Blum & Poe had made several sales including of work by two artists new to the gallery: Tomoo Gokita’s *Celebration Day* (2017) (\$60,000) and Robert Colescott’s *Magic Act II: Reverse Miscegenation* (1970) (\$150,000).

### **10% bigger**

The newly rejiggered fair contributed to the sense that there were fewer people. Far more open and airy than in previous years, the fair is 10% larger and down one gallery, “so the booths are bigger on the whole. The aisles are wider and the central plazas add more room”, says Noah Horowitz, director Americas and executive committee member at Art Basel. Most people seemed happy—if a little lost—within the new layout.

### **Cash is King**

Barring the rumored \$12m sale of Lichtenstein’s *Study for Peace Through Chemistry* (1969) at Galerie Gmurzynska (B1) (the gallery declined to comment, other than to say the work had “found a good home”), sales at the top end were slow in the making. “The big guys don’t think they’re going to find anything at this fair,” lamented one dealer, reporting his own sense of ennui.

There were several examples of work on offer with major secondary-market dealers for prices that were either a slight increase on, or roughly equivalent to, prices originally paid, suggesting that some dealers are willing to take a small gain (or loss) to get cash. This is a continuation of a new trend: during the auctions, a leading secondary-market dealer spoke off-record to say that he was selling minor inventory at a small loss in order to clear out the cupboards. The move to free up capital indicates either that dealers are stockpiling cash in order to trade up or that they are preparing for a correction.

## **“If you keep winning at the casino table, then you start to get worried”**

The market is in a moment of transition. Despite many dealers reporting strong sales, some seem anxious: “If you keep winning at the casino table, then you start to get worried”, one trade figure says.

Part of the nervousness comes down to the unpredictability of success. While certain kinds of work are almost certain to sell—great work by in-demand artists, whether a hot, young thing or a blue-chip Modern master—there is less consensus in-between. This unpredictability leads to unease: while some dealers are having record years in terms of profits, they say it is difficult to determine where the market is in the cycle.



Roger Brown, *Peach Light* (1983). Courtesy Kavi Gupta

## **“People are spending a lot of money—they just will not be panicked”**

The pace was more relaxed than in previous years. “I don’t get a sense of urgency, but we’re doing fine across a wide range,” says one mega-gallerist. “I never liked those days when people elbowed each other out of the way like this was a stock exchange—this is far more seemly,” he said. “There are certain fairs like Basel where you know you’ll sell \$20m to \$30m worth of art on the opening day. It isn’t like that here. People are spending a lot of money on art—they just will not be panicked.”

Business was spread out: some dealers were caught off-guard by an early flurry of activity while others had to wait. “By 11.05am on day one, we were in a mad rush—we have done extremely well,” says Kavi Gupta (A16), who had sold more than half the booth by the end of the second day and was in the middle of a rehanging. For others, sales were slow and steady.

Even if some dealers had to wait for it, most had done solid business by the end of the second day. For example, there was real demand for four new works by Jonas Wood (\$250,000-\$275,000) at David Kordansky Gallery (B14); several postwar European works quickly found buyers at Tornabuoni (C1), including a ceramic plate from 1957 by Lucio Fontana (\$260,000) and *67 Senza Titolo* (1960) by Piero Dorazio (\$330,000); Van de Weghe sold a Warhol *Flowers* (1964) (around \$2m); sales at Thaddaeus Ropac (G11) included Alex Katz’s painting of Calvin Klein models, *CK 21* (2017) (\$550,000); Yayoi Kusama’s *Standing at the Flower Bed* (2013) (\$1m) was one of several sales at David Zwirner (F7); while sales at Michael Werner (D10) included Sigmar Polke’s *Transparent #8* (1988) (\$1.5m).

## **“I can’t afford to do it, but I can’t afford not to”**

The perilous mid-tier level is ever more stretched according to several dealers, who spoke frankly about the problems they are facing. “This is an un-recuperable stand,” says one well-respected US dealer. He broke down the costs: \$220,000 to come to the fair, including \$100,000 for the booth plus the extras (lighting and walls); a further \$60,000 for fabrication; to which he added shipping, staff travel, hotels. Even if he sold every single work on the booth (and he had halfway sold out by lunchtime on opening day), he would go home at a loss: the prices for artists at this level aren’t high enough to cover the costs (and, for most dealers, the booths are more expensive: prices have not increased per square foot, but the booths are simply larger).

“Five years ago, I would go back to my gallery with enough profit to last three months. Last year, I went home with \$35,000. This year, it will be a loss,” he says. “The middle is evaporating: collectors aren’t buying. It’s dead. But you can’t go from emerging to blue-chip without a gallery like me.” Nonetheless, he wasn’t worried about going out of business. “The market is enormous, compared to what it was in the 1990s. I can sell to anyone anywhere around the world in an instant.”

For another dealer, non-US, “the problem we have is that the work is cheap compared to the cost of taking part. But we need to come because business in the galleries is down.” Another younger dealer said he can’t afford to take part, but can’t afford to lose his seat at the table, either.

“I used to think art fairs were something I did *for* my artists,” says José Freire of Team Gallery (I9), who was showing nine paintings by Parker Ito, five of which had sold on the opening day (\$30,000-\$35,000). “Now I realize they’re something I do *to* my artists: making them overproduce, ripping things from the studio before there’s time to contemplate.”

## **“People are getting tired of the newest artists”**

Reporting one of the gallery’s most successful opening ABMB days ever, Arne Glimcher of Pace (D8), had “sold virtually half of the works by midway through the first day”, from a Rauschenberg wall sculpture (in the region of \$1.5m) to a Yoshitomo Nara painting, *Young Mother* (2012) (around \$2.9m). “I think people are getting tired of buying the newest artists before they’ve had a chance to develop. Art is very expensive these days and there’s a nice sense of security in buying artists who led the avant-garde,” he says.

Throughout the fair, there was less of the type of bold, bright, often-glittery work that used to define Miami. In its place, more mature offerings included lots of art made during the 1960s and 1970s. This speaks to the ongoing appetite to rediscover once-overlooked art, and also to a certain conservatism in the market.

## **Artists at the fair**

Art fairs used to be events that the artists steered clear of, but this year there were lots of visiting artists, from Mark Bradford to Chuck Close. “I find it stressful and tedious, but it’s really the only way I get to see this mix of art”, said artist Louise Fishman at Cheim & Read (D9).

## Party Before the apocalypse

"Is Culture in America in Big Trouble?" was the question at hand during an Art Basel talk this week. Panelists (artist Jordan Casteel; Brooklyn Museum director Anne Pasternak; Contemporary Arts Museum Houston director Bill Arning; and writer Teju Cole answered a "resounding yes", reported the journalist Anny Shaw. Pasternak added: "Art Basel feels like the party before the apocalypse."



Absolutely brilliant @artbasel talk last night: is culture in the Americas in big trouble? @annepasternak @\_tejucole @barning @jordanmcasteel A resounding yes from the panel. "Art Basel feels like the party before the apocalypse," Pasternak said ☐

A post shared by Anny Shaw (@annyleshaw) on Dec 8, 2017 at 5:00am PST