

The Nation's Leading Art Galleries

ADAADAADA collector's guide

Art Dealers Association of America

ADAA

ADAA

Collector's Guide to Working with Art Dealers

45TH ANNIVERSARY EDITION

ART DEALERS ASSOCIATION OF AMERICA
575 Madison Avenue
New York, NY 10022
Tel: 212.940.8590 Fax: 212.940.6484
Email: ADAA@artdealers.org
Website: www.artdealers.org

Sponsorship provided by
LEHMAN BROTHERS



Courtesy Edwyn Houk Gallery.

Here in the City of New York, the greatest museum of contemporary art is the aggregate of hundreds of commercial galleries. That's the great museum of contemporary art: the galleries.

PHILIPPE DE MONTEBELLO, *Director,*
The Metropolitan Museum of Art, New York

No great collection has ever been put together without the advice and assistance of an art dealer.

GIL EDELSON, *Administrative Vice President*
and Counsel, Art Dealers Association of America

The Eyes of the Art Market

Art dealers are the pivotal link between artists and their public, between sellers of art and collectors. The best dealers possess a degree of specialized expertise that parallels that of curators and art historians, combining connoisseurship and knowledge of art history with practical experience and an understanding of the marketplace gained from everyday immersion in the trade.

Founded in 1962, the Art Dealers Association of America seeks to promote the highest standards of connoisseurship, scholarship and ethical practice within the profession.

Our more than 165 member galleries cover every major collecting field, from Old Masters to contemporary art, in a wide range of mediums, including sculpture, painting, drawing, prints, photography, video and film. To qualify for membership, a gallery must have been in business for at least five years, have a reputation for honesty and integrity, have expert knowledge in a selected field of art and make a substantial contribution to the cultural life of the community.

Among its various activities, the ADAA organizes the annual Art Show, one of the world's premier art fairs, and presents regular Collectors' Forums on art-related topics of interest to collectors and the general public. The ADAA also operates a highly regarded independent Appraisal Service.

ADAA members work hard to assure that your collecting experience is as enjoyable and rewarding as the art itself. We hope that this handbook will be a useful guide for buyers and would-be collectors. Please contact our members or the Art Dealers Association if you have any questions.

For an online directory of ADAA members, updates on The Art Show, a schedule of upcoming Collectors' Forums and information on the ADAA Appraisal Service, please visit www.artdealers.org. A printed membership directory and brochure on the ADAA Appraisal Service can be obtained by writing or calling the Association at 212-940-8590.

Sponsor's Statement

Lehman Brothers has a strong commitment to the visual arts.

At Lehman Brothers, we believe that we all need to be inspired. The arts not only enrich our lives, but also they challenge our thinking, broaden our perspective, and spark our creativity. The visual arts, in particular, encourage us to understand history, form and substance as well as to always stay current, to embrace the ever-changing, and to see the world in new and different ways.

Lehman Brothers is proud to sponsor the ADAA COLLECTORS' FORUM and THE ART SHOW, both of which provide information, education and opportunity for such inspiration.

LEHMAN BROTHERS

Contents

WHAT TO LOOK FOR IN A WORK OF ART	9
Authenticity	
Quality	
Rarity	
Condition	
Provenance, Publication and Exhibition History	
Value	
UNDERSTANDING THE ART WORLD	13
Primary-Market Dealers	
Secondary-Market Dealers	
Public and Private Dealers	
Art Consultants	
WHAT DO DEALERS DO?	17
Education	
Exhibitions	
Publications	
Curatorial	
Appraisals	
Sales and Resales	
HOW TO BUY AND SELL THROUGH A DEALER	21
What's it Worth?	
Why Sell to or Through a Dealer?	
Outright Sale and Consignment	
Setting the Price	
Estates	
ART FAIRS	27
WHAT ABOUT AUCTIONS?	31
Before Buying at Auction, Ask a Trusted Dealer for Advice	
Don't be Misled by Presale Estimates	
Don't be Misled in the Salesroom	
ART ON THE INTERNET	37
Buying	
Online Auctions	
Caveat Emptor	

What to Look For in a Work of Art



Courtesy James Goodman Gallery.

Dealers who are out in the market on a daily basis, putting their money where their eyes are, have an intrinsic incentive to make accurate judgments of authenticity.

JANE KALLIR, *Galerie St. Etienne*
Author of the *Egon Schiele catalogue raisonné*

Collecting requires eye-balling and connoisseurship. It's learning to look and learning to talk, learning the lingo and learning to discern subtle differences. You need to find a dealer who's not there just to sell, a dealer who is interested in educating collectors. Often, we spend a long time with people who don't buy anything. It's not a problem.

JANIS CONNER, *Conner-Rosenkranz*

In today's competitive art market a dealer must have a broad vision, be a good editor and recognize quality and value. The challenge is to identify work that is underappreciated or overlooked.

BARBARA MATHES, *Barbara Mathes Gallery*

What to Look For in a Work of Art

The key issues to consider when weighing a potential purchase are authenticity, quality, rarity, condition, provenance and value. No one of these points is sufficient to warrant overlooking the others. All factors should figure in the decision, even if allowances are made in special cases.

AUTHENTICITY Dealers who represent artists or their estates automatically have access to primary source information that can be used to authenticate works. A dealer with an extensive history of handling a specific artist's work will also build up an archive of information as well as a body of experience that can help resolve questions of authorship and title. ADAA dealers will either authenticate works in their areas of specialization or make a referral to an appropriate expert.

QUALITY Judgments of quality depend on knowledge and connoisseurship. ADAA dealers are skilled at assessing the relative aesthetic merits of a given work, evaluating it both within the larger context of art history and within the specific context of the artist's oeuvre.¹

RARITY Rarity tends to enhance value. The rarity of a given work is determined by how many similar examples exist and how frequently such works become available. Even in the contemporary world, where artists are still living, some pieces can be much harder to get than others. By understanding a specific artist's oeuvre and by tracking the market, an ADAA dealer is ideally poised to recognize the rarity of works that come up for sale.

CONDITION The condition of a work is important. Because dealers see a great many works in the areas they represent, they are uniquely qualified to assess the significance of conservation or repairs. With some artists or types of work, it may be impossible to find a piece in pristine condition. An ADAA dealer can

¹ *Oeuvre*: The complete body of work produced by an artist.

interpret the importance of condition in the context of an artist's oeuvre and make a considered judgment about the impact of condition on a given work's value. In addition to counseling on nuances of condition, a dealer can advise on restoration or conservation. Dealers familiar with the work of a particular artist or period can recommend a restorer with pertinent experience and provide invaluable information regarding the techniques and materials used by the artist.

PROVENANCE, PUBLICATION AND EXHIBITION HISTORY

A good provenance² can help establish authenticity, art-historical importance and title. Similarly, inclusion in significant publications or exhibitions may enhance a work's pedigree by documenting it and certifying scholarly approval. However, the absence of a complete provenance need not be a cause for alarm. Again, an ADAA dealer can help evaluate a specific provenance to determine its legitimacy and significance. In fact, the inclusion of an important dealer in the history of a work can significantly augment its provenance.

VALUE Art chosen solely on the basis of price will yield a mediocre collection that does not necessarily hold its value on resale. It is collections formed with passion and intelligence that stand the test of time, both aesthetically and monetarily. Collectors should be wary of apparent bargains and promises of future gains. Although no one can predict the future, ADAA dealers are able to place current values in perspective.

Understanding the Art World

²*Provenance*: A work's chain of ownership.



Courtesy of the Artist and Metro Pictures.

You have to have a good eye, but also a good ear. There's no other way if you want to make a good choice. You hear things, feel vibrations, gauge reactions. You spot movements emerging, and you try to pick the best practitioners.

LEO CASTELLI (1907–1999), *Leo Castelli Gallery*

Galleries have historically been at the forefront in supporting video and installation work. Galleries have much more autonomy than museums; we can make our own decisions and plan things rather quickly, if we wish. But exhibiting this work poses huge challenges, both logistical and financial. You have to be willing to show the work without knowing whether there's remotest chance of selling it.

ROLAND AUGUSTINE, *Luhring Augustine*

The most reliable source for me to find new artists has been artists themselves. When you work with a stable of artists whom you respect and one of them recommends another artist, you pay attention. As a dealer, you always keep your eyes open, you go to big international shows and to group shows in the summer.

DAVID ZWIRNER, *David Zwirner Gallery*

Cindy Sherman: *Untitled Film Still #48*, 1979.
Black and white photograph. 8 x 10 inches.

Understanding the Art World

There are ADAA dealers specializing in just about every field of fine art. In deciding which dealers to work with, it is useful to consider the following distinctions:

PRIMARY-MARKET DEALERS Primary-market dealers represent the work of living artists. They work to identify new talent, regularly visit artists' studios and develop close working relationships with those whom they champion, enhancing their careers and establishing the market for their work. Dealers serve as intermediaries among artists, curators, critics and collectors. ADAA dealers have played a fundamental role in cultivating the careers of most key postwar artists in the United States and Europe.

SECONDARY-MARKET DEALERS Secondary-market dealers handle work that is brought to the market for resale on behalf of collectors, institutions and estates. Often these dealers specialize in particular periods or artists, developing a considerable and unique fund of knowledge.

When dealing with artists who are no longer living, issues of authenticity, title, attribution and rarity are preeminent. Not only are experienced secondary-market dealers equipped to distinguish subtle gradations of quality and value, but their taste and expertise make them a vital resource for curators, scholars, auctioneers and art consultants, as well as collectors.

Many ADAA dealers are recognized worldwide as experts on the artists or periods in which they specialize. They regularly represent and manage the estates of important artists and compile or publish catalogues raisonnés.³

³*Catalogue raisonné*: A publication that documents and authenticates a complete inventory of an artist's oeuvre, sometimes specific to a given medium (e.g., paintings).

PUBLIC AND PRIVATE DEALERS Hundreds of gallery exhibitions are open to the public annually without charge, offering visitors an unparalleled opportunity to browse, learn and cultivate their taste.

Private dealers operate on an appointment-only basis and are not usually geared to working with the walk-in public; often they will cater to the individual needs of a select group of private clients.

Both private and public dealers share a serious commitment to their areas of expertise and are available to advise on everything from the acquisition of a single work to the formation or sale of an entire collection.

ART CONSULTANTS The exponential growth of the art world has led to a surge in the number of art consultants, who serve as legs and eyes for collectors too busy to make the rounds themselves. Many well-established consultants bring to their task years of experience, taste and knowledge. However, not all consultants are equally qualified, and before engaging one, you should check his or her references. Most ADAA members work regularly with art consultants, as well as themselves serving as advisors to their clients. When checking a potential consultant's references, it is therefore prudent to get an ADAA dealer's opinion and/or that of a museum professional.

What do dealers do?



Courtesy Martha Parrish & James Reinish, Inc.

Nothing has ever been named after Pierre Matisse, and you may look hard and long before you find his name on a museum label. But in museum after museum, throughout the United States, there are works of art that passed through the Pierre Matisse Gallery that now stop us dead in our tracks.

JOHN RUSSELL, *former Chief Art Critic,*
The New York Times
From Matisse: Father & Son

The art world is built on a network of personal relationships that develop over time. A gallery is judged on its track record. Over and over again, the associations between dealers and collectors have had a vital impact on the making of art history.

ADAM SHEFFER, *Cheim & Read*

America's public galleries collectively offer the greatest free art show in the country.

GIL EDELSON, *Administrative Vice President*
and Counsel, Art Dealers Association of America

Elie Nadelman: *Host*, c. 1920–23. Cherrywood, gessoed and painted, and wrought iron. 28 1/2 inches high.
Columbus Museum of Art, Columbus OH. Museum Purchase, Derby Fund and funds from the Sessions and Schumacher Collections; 2001.001.

What do dealers do?

ADAA dealers offer a range of services:

EDUCATION ADAA dealers enjoy sharing their knowledge and experience. In addition to educating prospective and established clients at their own galleries, many dealers accompany collectors to artists' studios, museums, art fairs, auctions and other galleries in order to encourage a well-informed approach to acquisitions. Dealers advise their clients about lending and donating art, insurance, framing, conservation, cataloguing and other subjects of mutual interest.

EXHIBITIONS Exhibitions are central to the dealer's educational mission. Most artists had their first shows at galleries. Dealers use exhibitions to introduce new work to the public and to support the developmental progress of more established artists. Many ADAA dealers mount exhibitions that rival museum presentations, incorporating major loans and displaying the work in an in-depth art-historical context. Browsing gallery exhibitions is one of the most effective ways for collectors to learn about art, and all public galleries welcome walk-in visitors during normal business hours.

PUBLICATIONS Many ADAA dealers regularly publish exhibition catalogues, monographs and catalogues raisonnés, promoting scholarly research and critical understanding in areas rarely covered by commercial publications.

CURATORIAL ADAA dealers encourage and collaborate in the formation of collections, assisting their clients in developing an overall strategy and focus. Museums and non-profit spaces commonly request curatorial advice from dealers and ask for help in locating works the institutions wish to borrow for exhibition. ADAA dealers have curated numerous exhibitions for museums, large and small, all over the world. Collectors who understand the custodial relationships inherent in caring for and lending their art to important exhibitions will often be treated more favorably by the dealer and the artist.

APPRAISALS Collectors require appraisals for a wide variety of purposes: insurance, legal matters, tax issues and estate planning. ADAA dealers are sensitive to the nuances that distinguish these different types of appraisals, and their years of experience make them particularly adept at interpreting comparable sales, both private and public. Individual ADAA member dealers provide all types of appraisals except those involving museum donations, which are handled by the ADAA Appraisal Service.

SALES AND REALES Buying a work of art from an ADAA dealer is the beginning of a long-term relationship. Art dealers not only help collectors buy, but can also help clients sell works when the time comes to change the direction of a collection. It is always worth consulting the dealer who originally sold you a work before reoffering it, since dealers frequently keep track of requests for specific works on behalf of clients. Dealers appreciate clients who turn to them when re-selling, and are more likely to offer these collectors important works in the future.

How to Buy and Sell Through a Dealer



Courtesy Castell Gallery.

It's very important to let art dealers educate you. That's their basic job, and you should never feel foolish asking them questions, even if it's a dumb question. That's the only way you are going to learn.

EILEEN COHEN, *Collector*

The most important thing you can bring to any purchase of art is an education. Know as much as you can about the work, not so much about its value, but what it is that is interesting and that initially captivated you. Search the Internet, go to the library and go to museums. Go see the work in different contexts and talk to different dealers about it.

BRIAN WALLIS, *Director of Exhibitions
International Center of Photography*

My advice is to go out and do as much research as you can about whatever area you're interested in. A good dealer can be of great help to you, but in the end it's your choice and your eye that are important. You should buy what you really care about, what you would like to have on your wall and live with.

MARGARET WESTON, *The Weston Gallery, Inc.*

How to Buy and Sell Through a Dealer

ADAA dealers are passionate about the art and artists they represent, and they are eager to share their enthusiasm with collectors. Good dealers consider time spent with beginners not only gratifying but an investment in the future. Engage a dealer in conversation about an artist or work you admire, and ask questions. Acquiring a work of art is a personal and genuinely rewarding experience, and clients can profit considerably from a good ongoing relationship with a dealer who has their collecting interests in mind.

WHAT'S IT WORTH? Many people think that auction results and Internet price guides are sufficient to determine the value of a work of art, but these guides rarely tell the whole story. The evaluation of a specific work depends on numerous factors, including quality, condition and evolving market conditions. Dealers can evaluate a work in the light of recent sales, both public and private. A good dealer will explain to you how a price was determined, and why a given work may be worth more, or less, than a seemingly similar example. ADAA dealers, who have years of experience dealing in their areas of specialization, are particularly qualified to price works correctly and have a vested, long-term interest in maintaining a stable market.

WHY SELL TO OR THROUGH A DEALER? ADAA dealers have spent many years creating a circle of collectors interested in their specialized fields. It is likely that these dealers will have among their clients some who are interested in buying the work you want to sell. Unlike an auction house, which is locked into a fixed sales calendar, a dealer can begin marketing a work from the time it is received. Sellers also have more control over the final price and conditions of sale when working with a dealer. The absence of arbitrary time constraints allows for a measured and effective

interchange among the dealer, the seller and potential buyers. Dealers protect sellers with confidentiality and comparative privacy, avoiding the negative over-exposure that can occur at auction. Dealers work closely with sellers to accommodate their needs as well as changing market circumstances.

OUTRIGHT SALE AND CONSIGNMENT Outright sale to a dealer is the quickest method of deaccessioning art, but since the dealer must invest working capital without any promise of a quick return, the amount paid is usually less than could be netted from a consignment sale. Therefore, most sellers today prefer consignment arrangements. In such an arrangement, the dealer works on a commission basis or with a fixed net price, and the seller is paid when the work has been sold. Since the dealer is responsible for the work until the seller is paid, it is important to choose someone, like an ADAA dealer, whose reliability is assured. The cost of selling through a dealer is generally comparable to or less than selling at auction, and a competent dealer is often able to obtain a more favorable net outcome than would be possible at auction. In addition, dealers frequently absorb extra costs, such as photography, catalogue illustration and insurance, that auction houses routinely charge to the seller.

SETTING THE PRICE To determine a fair value, ask the advice of a trusted dealer. It is a good idea to get several informed opinions and to check prior auction results. Ask the dealer to explain the valuation strategy. There are many variables that affect price, and an experienced dealer can interpret both public and private sales results to accurately assess a work's fair-market value. Bear in mind that it is in the dealer's interest as much as the seller's to achieve the highest possible price, but the market does have practical limits. A transaction can only be completed with a willing buyer, a willing seller and a price acceptable and fair to both parties.

ESTATES Estate beneficiaries are frequently best served financially by working through a dealer. A dealer can help collectors, executors and lawyers develop a strategy for achieving the highest price if a collection is to be sold, or for dividing a collection fairly among multiple beneficiaries. Often a collector's heirs and legal representatives are less knowledgeable about a collection than the person who formed it. Collectors are therefore wise to involve a trusted dealer in their estate planning. Many ADAA dealers have substantial experience in preparing estate tax appraisals and dealing with the IRS on related matters.

Art Fairs



Courtesy Jill Newhouse.

We've made a substantial investment in our bricks and mortar space. Yet this year, we're planning to be in five different art fairs. They've become very, very important to our business. You can go to Art Basel in Miami or Basel and see everyone in the field in two or three days. It might take you the better part of a year to fly around the country and visit all those galleries and see all those artists.

HOWARD READ, *Cheim & Read*

You do not have the same dialogue at an auction house or an art fair that you do at a gallery. There's this frenzied psychology that makes collectors think that if they don't buy a work right now they are not going to get it. For balance, you also need to visit the galleries and see more in-depth exhibitions.

LESLIE TONKONOW, *Leslie Tonkonow*
Artworks + Projects

Titian (Tiziano Vecellio); *Two Satyrs in a Landscape*, c. 1509–15.
Pen and brown ink, highlighted and corrected with white gouache, on off-white laid paper. 8 1/2 x 5 7/8 inches.
The Metropolitan Museum of Art, Rogers Fund 1999; 1999.28.
Photograph © 1999, The Metropolitan Museum of Art.

Art Fairs

In the last decade, the art world has become increasingly event-driven. The quantity, quality and variety of art available at the leading art fairs, such as Art Basel in Basel and Miami, Frieze in London, TEFAF⁴ in Maastricht and the ADAA's own Art Show in New York City, often exceeds the offerings of the two large auction houses in their semi-annual sales. The biggest fairs, with smaller satellite fairs and long menus of ancillary programming, draw visitors from all over the world. These fairs are travel destinations and social gatherings as well as unparalleled opportunities for collectors to see an outstanding array of top-quality art.

The Art Show, composed exclusively of ADAA members, is unique among the major fairs in offering a comprehensive array of fine art, from Old Masters to contemporary. Art Basel is limited to art produced after 1900; Frieze is strictly contemporary; TEFAF, long the premier vehicle for Old Master dealers, now also includes twentieth-century (but not contemporary) art. In addition to these high-profile events, there are literally dozens of other art fairs throughout the U.S. and the world.

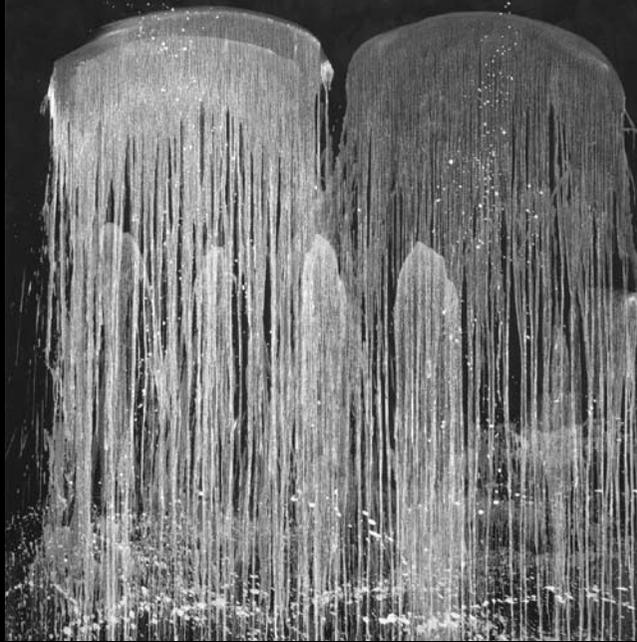
Art fairs offer an exceptionally efficient way to collect. Although some people travel long distances to attend, fairs also give the residents of their host cities a chance to acquire works from a far-flung array of galleries. Beginning collectors can use fairs to develop their eyes and find a direction. Experienced collectors, knowing that dealers often save their best material for fairs, rush to be the first in the door. Fairs can generate an excitement and competitive energy similar to auctions.

Yet there is a downside to art fairs. The competitive frenzy and compressed timeframe do not encourage quiet contemplation. Dealers may not have as much time to chat as they would in their own galleries. Art-fair booths are comparatively small, and though

⁴TEFAF: The European Fine Art Fair.

dealers put enormous effort into their installations, a booth cannot match the breadth or depth of a gallery exhibition. At a gallery, a collector can usually see many more examples of an artist's work and get more information before making an acquisition. Though art fairs have their place, collectors should make a point of also visiting galleries.

What about Auctions?



Courtesy Cheim & Read, Photograph Christopher Burke.

What about Auctions?

Auctions have become big business in the last two decades. A vast number of lots in categories ranging from ancient to contemporary flow through the sales-rooms each year, and one needs considerable knowledge of the art market to properly evaluate these sales and their attendant publicity. The press often stresses extreme results—both high and low—when reporting on auctions. However, in order to understand the true significance of a given sales result, one must look at the market as a whole. It is important to recognize that the prices achieved at auction do not necessarily reflect the true fair-market value of the works in question. One can easily overpay at auction, and when selling at auction, one may well end up netting less than by selling through a dealer. For both sellers and buyers, auctions are a gamble in which control is ceded to fickle and sometimes irrational forces. Buying from or selling through a dealer allows for more reasoned decisions, with adequate time for research and consideration. Dealers are able to give personal attention to buyers and sellers at all levels of the market, while auctioneers lavish much of their energy on multi-million-dollar lots. ADAA dealers have made a long-term commitment to the art and artists they represent, whereas auctioneers seldom look much further than the next sale.

BEFORE BUYING AT AUCTION, ASK A TRUSTED DEALER

FOR ADVICE ADAA dealers are generally willing to accompany collectors to sales previews as well as auctions and frequently execute bids on behalf of clients. Unlike auction-house personnel, dealers have no vested interest in the outcome of a sale and are therefore able to offer impartial advice.

Before buying at auction, it is prudent to ask an experienced dealer to examine the work and evaluate its condition and quality. This is particularly important when a collector cannot attend the sales preview in person, as catalogue reproductions are frequently inaccurate.

Before I started a gallery, I worked in an auction house for thirteen years, so I know the art business from both sides of the podium. As an auction cataloguer, I was frequently instructed to bring art works to dealers and seek their expert opinions. I learned a great deal on these visits and developed a great respect for the expertise of dealers. As a dealer, I am frequently consulted by auction employees and gladly return the favor.

MARY-ANNE MARTIN,
Mary-Anne Martin/Fine Art

When you sell a work privately, through a gallery, you can better control both the price and the timing of the sale than you can at auction.

ROBERT FISHKO, *Forum Gallery*

Pat Steir: *Double Waterfall for a Simple Afternoon*. 1990.
Oil on canvas; 90 x 90 inches.
The Nelson-Atkins Museum of Art, Kansas City, Missouri.
Purchase: acquired through the generosity of the William T. Kemper Foundation-Commerce Bank, Trustee; 2002.1.

Don't assume that a work is in good condition just because no condition problems are mentioned in the catalogue. Catalogue descriptions and auction-house condition reports are not always reliable. If questions arise upon personal examination, a dealer can engage an independent restorer to provide an additional report.

Dealers can also help collectors bid. In addition to suggesting an appropriate price, a dealer can tell whether there is genuine interest in the salesroom or on the phone. Auctioneers are allowed to bid against the audience on behalf of the consignor, up to the seller's reserve.⁵ In such a situation, a buyer may well end up overpaying. Having a dealer bid on your behalf can prevent you from getting unwisely swept up in the excitement of the moment.

DON'T BE MISLED BY PRE-SALE ESTIMATES Pre-sale estimates published in auction catalogues are not necessarily predictive of final sales results or of fair value. Estimates are frequently the result of a negotiation between the auction-house and the consignor and may represent wishful thinking on both sides. At other times, estimates are intentionally set low to attract bidding. Auction-house specialists rely largely on public sales of supposedly comparable works when setting estimates, whereas a dealer is also familiar with private sales and often has more insight into the true value of the work in question. A dealer who specializes in a particular field can evaluate presale estimates and suggest the correct price to pay for a work in the light of current market factors.

DON'T BE MISLED IN THE SALESROOM Many factors, both objective and subjective, can affect the outcome of an auction, and things in the salesroom are not always what they seem. A work that sells well below its estimate is not necessarily a bargain. If a lot appears to be going cheaply, it may be that the estimate was too high. Possibly the work is in bad condition. Perhaps the attribution is doubtful and other bidders have been

warned off. On the other hand, the most expensive works in a sale are not necessarily the best. Auction fever can drive up the prices of lesser works. Seasoned auction-goers set a limit beforehand and do their best not to exceed it, no matter how frantic the bidding becomes.

Do your homework before the sale, and don't be afraid to enlist the assistance of an experienced dealer. The modest fee most dealers charge for their services could save you from a far more costly mistake.

⁵*Reserve*: The minimum acceptable price set by the consignor of a work to auction, below which the lot will not be sold. The reserve should not exceed the low estimate.

Art on the Internet



Courtesy, Ullrich Augustine.

Art on the Internet

The Internet is a remarkably user-friendly way to navigate the art world. The World Wide Web can be used to do background research on an artist or type of art that interests you, to locate dealers specializing in that work, to scout available inventory and to check prices. The Web offers access to art and galleries all over the world. Email makes it easy to initiate a relationship with a gallery that you might not readily be able to visit.

However, no one polices the Web for accuracy, and the Internet must be approached with intelligence and a degree of caution. Art-historical information is only as good as the source from which it comes. Internet sellers may post images of works they do not actually have access to, or that are incorrectly described or not authentic. Prices need to be understood within the larger context of the art market, and are often meaningless when you have not seen the work in person. Many Internet portals offer listings of dealers and art works for sale, but these are for the most part paid services that are not screened for quality or reliability.

The ADAA's website, www.artdealers.org, offers a convenient way to access America's top dealers, as well as advice for collectors and information about ADAA-sponsored events and services. Every ADAA member dealer has a home page on the ADAA's website, with a link to that dealer's personal site. Most ADAA member dealers also have their own websites, which provide more in-depth information about the art and artists represented by the dealer, current inventory and exhibitions. The ADAA's website is the cyberspace equivalent of a top-tier, vetted art fair.

BUYING While the Internet can be helpful in researching an acquisition, the actual process of buying art takes place in the real world and should not differ substantially from any other kind of art purchase.

Unlike books or appliances, most art works are unique, and unless you are buying a low-cost multiple, you will not want to simply pop the item into your online “shopping cart” and proceed to “checkout.” After you have located a work or artist that interests you, call or email the dealer. Ask questions about provenance. Does the dealer perhaps have other works by the same artist that might interest you more? Get a description of the condition and a good photograph, and be sure to see the piece in person before making a final commitment. If it is not possible to visit the dealer, ask him or her to send the work on approval for a specified period of time. In such cases, most dealers will demand payment in advance, but will agree to refund the money if the work is returned in good condition within an agreed-upon time period. Be sure, however, that the terms of the agreement are confirmed in writing, and that the dealer is reliable and reputable.

ONLINE AUCTIONS So far, attempts to sell higher-priced unique art through online auctions have not proved very successful. The risks attendant to buying on unvetted websites such as eBay are simply too great. eBay and similar sites essentially act as neutral conduits between buyers and sellers, who are solely responsible for delivering on their promises. Services such as Paypal, which withhold payment from the seller until the item has been satisfactorily received by the buyer, cannot wholly guard against disappointment or fraud. eBay-style auctions generally take place over a period of days, with incremental bids posted online as they are received.

Recently, some of the larger art auction houses have initiated online bidding services, which enable bidders to participate in real-time auctions from their laptops. Essentially, the process is no different from bidding on the phone, as the actual sale is still conducted in the auction house’s salesroom. If you choose to bid online at such an auction, you should follow the same procedures outlined in the section *What About Auctions?*

CAVEAT EMPTOR Investigate carefully before you buy. Since Internet sellers are liable for the authenticity of the works sold and for conveying good title, buyers must ultimately rely on the honesty and knowledge of the individual seller. If in doubt about the authenticity of a work, make payment conditional on getting a certificate from a qualified expert. ADAA dealers can authenticate works for you or help you locate the appropriate expert.

While it may be fun to take a chance on an inexpensive collectible, it would be reckless to forego normal precautions when buying art on the Web. ADAA members apply the same high standards to Internet sales as to regular gallery sales.



ART DEALERS ASSOCIATION OF AMERICA

575 Madison Avenue

New York, NY 10022

Tel: 212.940.8590

Fax: 212.940.6484

Email: ADAA@artdealers.org

Website: www.artdealers.org

© Copyright Art Dealers Association of America

DESIGN: McCall Associates, New York