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## **THE WALL STREET JOURNAL.**

WSJ.com

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ART & MONEY | NOVEMBER 16, 2007

# Art Market Stays Strong at Auctions

By **KELLY CROW**

The successful fall art auctions that conclude today in New York City showed that art buyers are powering ahead, mostly untroubled by woes in the world's financial and housing markets. Collectors and speculative investors got spooked only once by the stock market's wild swings, resulting in a bumpy Impressionist sale last week at Sotheby's in which a Van Gogh landscape went unsold.

The two chief auction houses, Sotheby's and Christie's International PLC, brought in about \$1.67 billion combined over the past two weeks, up from \$1.3 billion last November and \$764 million the November before. At least 75 artist records were broken, and more than 258 works sold for \$1 million or more. The twice-a-year sale of contemporary, modern and Impressionist art ends today with an estimated \$66 million two-day sale by smaller auction house Phillips de Pury & Co.

Overall sales set a record, and works by Henri Matisse, Mark Rothko, and Francis Bacon fetched higher-than-expected prices. Americans also surprised the art world by competing for art despite the weak dollar. Their presence led to runaway prices for contemporary artists long favored by U.S. buyers such as Ed Ruscha, Richard Prince and John Chamberlain. As expected, foreign buyers took home half the sales' offerings, twice as much as they carted away five years ago.

Cristin Tierney, a New York art adviser, likens the exuberance to the final days of the last art boom in the late 1980s as buyers sought out art for its value as a hard asset. "People were going that extra bid as a conscious vote of confidence in this market," Ms. Tierney says. "Nobody wants the good times to end, and the art market seems bulletproof compared to the financial markets."

After four years of booming art prices, the fall sales marked the first true test of the art market following the summer's credit crisis. What's more, collectors came to town just as the stock market encountered turbulence over lingering fears about the economy. On Nov. 7, the same day the Dow plunged 360 points, Sotheby's auctioned \$269.7 million worth of Impressionist and modern art, 25% below its \$355 million low estimate. A quarter of its works went unsold, including the Vincent van Gogh landscape "The Fields," which had been estimated -- and guaranteed by the auctioneer -- to sell for \$35 million. Sotheby's says its estimates had been set too high. Its shares fell by nearly a third to \$36.38 the next day. (By yesterday, the shares had risen about 5% to \$38.27 at 4 p.m. in New York Stock Exchange composite trading.)

But rival Christie's was enjoying steady sales even as Sotheby's was smarting. On Nov. 6, Christie's auctioned off \$395 million worth of Impressionist and modern art, within its presale estimate of \$348 million to \$486 million. Private dealer Franck Giraud paid \$33.6 million for Matisse's "L'Odalisque, harmonie bleue," more than double its low estimate. A telephone bidder bought Picasso's portrait of a

costumed former lover, "Femme accroupie au costume ture (Jacqueline)," for \$30.8 million, up from its \$25 million high estimate.

Christie's had a similarly strong sale at its Tuesday evening auction of postwar and contemporary art. The star of that \$325 million sale was Mark Rothko's "Untitled (Red, Blue, Orange)," which sold for \$34.2 million, just over its \$30 million high estimate. A heavily marketed Warhol portrait of Elizabeth Taylor, "Liz," sold for \$23.5 million, below its low estimate of \$25 million. But former owner Hugh Grant is sitting pretty: The British actor paid only \$3.5 million for "Liz" at Sotheby's in 2001.

Determined to rally, Sotheby's auctioneers like Tobias Meyer logged long hours in its showroom galleries last weekend in order to meet with any potential bidders. The hustle -- and the Dow's uptick earlier this week -- helped: Sotheby's Wednesday evening sale brought in \$315.9 million, a total that far surpassed its presale estimate of \$220 million to \$283 million. It was also the highest in the company's history, with about 91% of the art on offer finding buyers.

Sotheby's had laid out its own cash upfront for just over half of the works -- 36 of the 71 lots -- but the move proved prescient: 55% exceeded their high estimates. Only six pieces failed to find buyers, and of those only three had been guaranteed. Mr. Bacon's Creamsicle-colored view of a matador dueling a bull, "Second Version of Study for Bullfight No. 1," sold to dealer Philippe Segalot for \$45.9 million, just over its \$45 million high estimate. A soulful self-portrait by the same artist also sold for \$33 million to a telephone bidder, double its presale estimate.

But the auctions also proved that dealers are stepping in more to defend their artists' price levels. Both auction houses offered comically big sculptures by Jeff Koons, and Mr. Koons's dealer bought them both: Larry Gagosian paid \$23.5 million for the "Hanging Heart (Magenta/Gold)" sculpture at Sotheby's, and he paid \$11.8 million for Koons's car-size blue diamond at Christie's. Matthew Marks Gallery bought a work by Ellsworth Kelly, and L&M Arts bought several works by Willem de Kooning, artists these galleries represent. Such moves are not uncommon, but dealers typically prefer to get outbid by collectors.

Bill Ruprecht, Sotheby's chief executive, says for now he's pleased about the art market's buoyancy. "The whole financial market is volatile and will continue to be, but works of art still seem to be awfully attractive to people," says Mr. Ruprecht.

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Printed in The Wall Street Journal, page W8

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