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THE ART MARKET

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# The Art Market: Art crowd gather by the Gulf

By Georgina Adam

**G**uggenheim director Richard Armstrong, Dhaka collectors Rajeeb and Nadia Samdani, and curator Massimiliano Gioni were just some of the 4,500 visitors on the opening day of [Art Dubai](#), which ends Saturday night. Their presence, as well as that of 70 museum groups from as far afield as Hong Kong, Houston and Zurich, shows the attraction of the Gulf event even in a non-Sharjah Biennale year.

This year saw the fair extend its size and range by unveiling a more “modern” section housed in the adjoining Mina A’Salam hotel, where 11 galleries included Aicon from New York and London, showing MF Husain. In this context “modern” often seemed to mean “more established”, with, for example, Nabil Nahas at Lawrie Shabibi or the Egyptian sculptor Adam Henein at Karim Francis of Cairo.



Valérie Belin's 'Pieris Japonica' (2013)

While Middle Eastern art remains the main thrust of the fair, many of the sales were of western art: for example, “Candy Garden” (2013) by the Portuguese Joana Vasconcelos sold for €70,000 to a local expatriate, and a photograph by Valérie Belin, “Pieris Japonica” (2013), went for €30,000 to a European collector, both from Nathalie Obadia’s stand. A work by the artist duo Gert and Uwe Tobias went to a Saudi Arabian collector for \$38,000 (with Rodolphe Janssen of Brussels), and

Marian Goodman sold two paintings by the German-born painter Sabine Moritz (prices between €10,000 and €20,000).

Showing art in the region continues to have its constraints, however, as the New York-based gallerist Leila Heller discovered. A sculpture on her stand, by the Iranian artist Reza Aramesh, was of a prone man with his jeans pulled partly down. Even though he was wearing underpants, Heller showed the work with a box covering his nether region.

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Joshua Reynolds' romantic portrait of a South Sea islander, "Omai" (1776), which has been at the centre of a 13-year legal battle, is a "wasting asset" and so escapes capital gains tax, according to judges in London's law courts. This week they threw out an appeal by HM Revenue & Customs (HMRC) in a test case that could have far-reaching consequences for the owners of paintings in historic homes.

At the centre of the wrangling stands "Omai", which was sold at Sotheby's in 2001 for £10.34m, after hanging for years in Castle Howard. Because it had been loaned to the company that ran the stately home, the executors of Lord Howard's estate claimed it should be tax exempt because it contributed to promoting the "business" of attracting visitors to Castle Howard and so was "plant" and a "wasting asset" as defined by the law.



Joshua Reynolds' 'Omai' (1776) at Tate Britain in 2005

The appeal court judges went right back to a case in 1887 – concerning an employee kicked by a vicious horse – to establish what was "plant". In what they admitted was a "wholly extraordinary case", they came down on the side of the Howard estate, and even refused the taxman the right to take the case further. "HMRC must take the rough with the smooth; and this case may be

an example of the rough,” wrote one judge. Indeed there are a couple of other examples of the “rough”: clocks and classic cars also enjoy a tax-free ride when sold for a profit.

The London agent Robert Holden, who has handled many sales of paintings from historic homes, thinks that this case might encourage more owners to sell while the going is good. “I wonder if there won’t be attempts to change the law now. In the meantime, some see this as a window of opportunity: I am currently working on a major sale, worth many millions, and there is no doubt that saving CGT would make a huge difference,” he says.

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The five-year legal battle between photographer Patrick Cariou and artist Richard Prince has been settled – but on confidential terms. The lawsuit, under which Cariou accused Prince of breaching his copyright by using his photos of Rastafarians to make “new” works, was closely followed by the art world because “appropriation” is widely used by many artists today. The crux of the matter was whether the new works were “transformative”, and a lot of money was at stake: the Prince paintings and collages had sold for over \$10m when first exhibited at Gagosian in 2008.

Cariou won in the first instance, but lost when appeal judges ruled that 25 of the 30 Prince works were “fair use” and demonstrated a different aesthetic from the original photographs. However, the judges didn’t want to decide on a further five which included “Graduation” – a photo on which Prince had simply painted the eyes blue and pasted a guitar into the Rastafarian’s hands. These were due to be re-examined by the lower court, and risked being destroyed if the judges found against Prince. In the end, the case has settled with both sides paying their own costs. The owners will get back the works, leaving the question of whether they were sufficiently “transformative” unanswered.

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The niche auction house Phillips had sales of \$363m last year, according to the French auction regulator Conseil des Ventes. It establishes these figures by totting up all the firm’s sales, and it noted that turnover had shrunk by 5.2 per cent compared with 2012. I asked Phillips to confirm these figures, but the Russian-owned firm declined to comment.

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Saatchi Online, the website launched by the Saatchi Gallery in 2006 and which was sold off to investors in 2010, has been renamed Saatchi Art. Although a separate operation, it continues to “partner with” the Saatchi Gallery; the gallery’s former director Rebecca Wilson has been appointed chief curator and director of artist development. She has relocated to Los Angeles, where the firm is based.

The site allows artists from anywhere in the world to upload and sell their original art or prints. The result is a cacophony of over 348,000 works of wildly varying quality, but Wilson organises it into collections. She also selects “ones to watch” or even “ones to invest in” for those wanting to take a punt. A selection will be shown in the “real world” Saatchi gallery in London from April 2; prices range from a few hundred dollars to about \$30,000.

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