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# Irish Director

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## HIGH ART

Investing in Irish Art 2008

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**‘There are definitely criteria upon which you can judge a work of art, if you are thinking specifically about investing.’**



‘Girl with Cat’, by Daniel O’Neill, sold at Whyte’s for €170,000 in November 2006

ART

# attack

With many traditional investments out of favour, **Deirdre Mulrooney** asks if investing in Irish art might be a worthwhile pursuit. She talks to industry experts

**Despite the overriding** excitement about the Irish art market at Christie's and Sotheby's, reflecting the general economic trend, sales at this May's Irish art sales were slow. Around 40pc of lots were left unsold. This, however, is good news for art investors, insofar as the likelihood of getting a good deal from galleries and auction houses in what is considered by many to have been an overheated market is now high.

"Wise investors buy when stock is not selling," concurs Noelle Campbell-Sharpe, Arts Council board member, director of Cill Rialaig Artist Retreat, its Dublin counterpart Urban Retreat Gallery and her own Origin Gallery. With the likelihood of increased discounts, Campbell-Sharpe believes now is an opportune time to buy art. But where does one start?

First things first - 'get your eye in' and familiarise

yourself with what's out there. Make sure to take your time; visit galleries, museums, auctions; talk to gallerists, auctioneers, artists and fellow collectors. Read the right background material and, generally, inform and educate yourself about the market. Go to the National College of Art and Design end-of-year show (10-18 June), to the Irish Museum of Modern Art, the Royal Hibernian Academy, the Hugh Lane Gallery - see what appeals to you, so you can adhere to rule No 1 of investing in art: 'buy what you like'. After all, you will hopefully be living with the artwork on your wall for long enough.

One of the biggest advantages to investing in art is - unlike a pension fund, which is invisible - a work of art can offer you daily pleasure. While you enjoy it, hopefully it will be accruing value that you can access in, say, 20 years' time, should you so wish. One important question



Above: 'The Family', by Louis le Brocquy, sold at Whyte's for €680,000 in April 2007



Left: 'O'Guigan's Bar', by Hector McDonnell, valued at €6,000-€8,000 by Adam's

Below: 'The River Mouth', by Jack Butler Yeats, sold at Whyte's for €205,000 in April 2008



to ask yourself before buying, according to Campbell-Sharpe, is 'Will this convert to cash when I am of a pensionable age?' If you choose wisely, it should.

"Almost every auction we have," shares Ian Whyte, director of Whyte's Art Auction House, "somebody brings in a painting to sell, to pay for something like the college fees for the kids, or the wedding reception. When they bought the picture for two grand, it was "something for the young one, and in the meantime we can have the pleasure of having something on the wall".

### Lifestyle choice

"The best investments in art are made by a particular type of collector rather than simply those looking for 'investments' per se," says Josephine Kelliher, owner and director of Rubicon Gallery. "This type of art buyer has a deeper passion and a longer-term view." Becoming an art 'collector' (you would be wise to refer to yourself as a 'collector', as opposed to an 'investor') is a lifestyle choice. It involves a lot of socialising - familiarising yourself with the market by attending exhibition openings and getting to know artists and your fellow collectors.

However, while there is emotion involved, "Investing in art is no different than investing in any other market - for example, stocks and shares," offers Jane Beattie, associate director of Adam's Fine Art Auctioneers and Valuers. "People tend to be a bit more put off by art, or feel out of their depth because it tends to be a lot more

## **'The gallery and the auction environment are not mutually exclusive. You can work both systems to your own benefit'**

subjective. But there are definitely criteria upon which you can judge a work of art, if you are thinking specifically about investing."

While Kelliher admits that when somebody presents just as an art investor, she's always a little cautious, she also concedes that "Just as you wouldn't wake up one morning and decide to invest in the stock exchange, open up your computer and give it a lash, it's the same principle at play. Anyone can have fun in the art world, look at it and enjoy it, but if you are actually going to put your hand in your pocket and spend money, I do say it's a serious activity to engage in and you should take it seriously."

Whyte, who like most auctioneers and especially gallerists, would also rather convert investors to collectors, adds: "It's a collection you are forming, rather than a portfolio of shares. The first thing is to determine which paintings turn you on and then to take advice."

"Using the pin-the-tail-on-the-donkey method is useless," shares Beattie. "There are ways of judging pictures. For starters, look at the history of the artist. Look at their education - six out of ten really successful artists will have had a good academic base. You can look at things like whether they have been selected for certain shows, or whether they have managed to get work into museum bodies." She advises to look at their gallery representation - somebody who is represented by the likes of the Kerlin Gallery or the Taylor Gallery are much more likely to have more clout. "Pay attention to public collections, like those selected by Francis Ruane for AIB, Derville Murphy for Bank of Ireland, Patrick Murphy for the Office of Public Works and even to what is hanging in places like the Lord Mayor's Bar in the Shelbourne Hotel." However, beware of hype, razzmatazz and the 'celebrity artist', she cautions.

Be warned - talking about art purely in terms of investment does come over as rather crass. "More and more people are turning towards art and thinking that it would be a great way to make a quick killing, much in the same way as property has been. Art tends to be a much more long-term investment," cautions Beattie. "If you are thinking about buying art just purely for investment, then you are missing the point. The advantage of putting your money into a painting is that it's in something that you can get some joy from, for the time you are holding it."

### **Putting in the effort**

Aside from hiring an art consultant to do the legwork for you, there is no shortcut. But why would you want one? What fun it is to build your collection according to a theme that appeals - like landscapes, nudes, a region, or to be completely eclectic and idiosyncratic.

"Keep in mind that galleries will always try to place work in a safe pair of hands and certain artists, whose work is in huge demand, request that they pre-approve who may acquire their work," says Kelliher. "Obviously things will go through auction, but otherwise many artists will ask for a profile and description of everybody who wants to buy. More and more artists are concerned about doing this, particularly as they see the auction houses gobble up contemporary work." The gallerist's ideal customer will become a custodian, or an advocate for an artist's work.

"All collectors will go to auctions as well as galleries, if they cannot get something in a gallery. The gallery and the auction environment are not mutually exclusive. You can work both systems to your own benefit," counsels Kelliher.

"From time to time there is antagonism between the energy that plays out in an auction room and the energy in a gallery. I could appreciate an investor saying why on earth do I have to sit down with this gallerist and have a conversation where they determine whether or not I'm serious about something, when I could just put my hand deeper and deeper into my pocket and get whatever I want at auction?"

What's the difference? According to Whyte, "In most cases you could almost say that you are buying wholesale at an auction. You will pay less than at a gallery, but you don't get the same choice. If you are interested in a particular artist, you should find out which gallery they are with and get on their mailing list. Get invited to the show and talk to people in the gallery about which works are better. However, you will get good value in an auction and closer to market value." Also, though they have a bigger mark-up, galleries can be more flexible financially - you don't have to pay the entire amount in one go. (Additionally, at the Urban Retreat Gallery, you will get a 20pc tax rebate, as it is a registered charity.)

"Overall, those collectors who go into it for the fun do very well. It is a long-term investment. It's not something you buy and flip," says Whyte. "The longer you collect, the better you'll get. Every collector will get a break."



Far left: 'A Bird Never Flew on One Wing', by Harry Kernoff RHA, valued at €80,000-€100,000 by Adam's

Left: 'The Nervous Watcher', by Eleanor McCaughey, valued at €1,500-€2,500 by Adam's

## Recent sales at Whyte's auctions

- A set of prints entitled *The Táin* by Louis Le Brocquy, originally sold in 1969 for 600 guineas (€800), made €120,000, well outpacing most other investments, even property
- Le Brocquy's *The Family* (1950), sold then for a few hundred pounds, changed hands in 1985 for about £20,000 (€25,400) and was resold at Whyte's last year for €680,000
- *Night, Glengariff* by Jack Yeats, bought at auction in 1975 for the equivalent of €4,000, made €82,000
- *Girl with Basket* by Jack Hanlon, bought for £30 (€38) in 1966, made €7,000
- Gerard Dillon's *Girl Hiding*, which was purchased for £60 (€76) in 1955, made €130,000 in 2007
- A John Shinnors oil painting bought for £12,000 (€15,000) in 2000, made £35,000 (€44,450) at Whyte's last April. A large Donald Teskey painting of Castletownshend, also acquired in 2000 for £10,000 (€12,708), made €50,000 in the same auction
- A large work by Mark O'Neill, bought in 1999 for under €9,000, made €28,000 in 2005, and would probably make about €35-€40,000 today.

## Useful reading

### In print:

*The Art Economy, An Investor's Guide to the Art Market*, by Clare McAndrew (Dublin: The Liffey Press, 2007)

*Dictionary of 20th Century Irish Artists*, by Theo Snoddy (Dublin: Merlin Press, 2002)

*A Buyers Guide to Irish Art* (Dublin: Ashville Media, 2006)

The quarterly journal *Irish Arts Review*

*Irish Arts Review Annual Price Guide to Irish Art (2007-2008)*

The Fine Arts pages of *The Irish Times*, or the *Irish Independent* or *Sunday Business Post*

### Online:

[www.artprice.com](http://www.artprice.com)

[www.artfact.com](http://www.artfact.com)

[www.artnet.com](http://www.artnet.com)

## Names to look out for

### Promising contemporary artists

Brian Ballard, John Boyd, Naomi Brosnan, Gerard Byrne, Elizabeth Cope, Diana Copperwhite, Orla de Brí, Rita Duffy, Martin Finnin, Bridget Flannery, James Hanley, Gillian Lawlor, Francis Matthews, Maeve McCarthy, Nick Miller, Mark O'Kelly, Conor Walton.

### Some established artists whose prices are still affordable

Veronica Bolay, Brian Bourke, Peter Collis, Barrie Cooke, Dorothy Cross, Mick Cullen, Edward Delaney, Felim Egan, Ciaran Lennon, Anne Madden, Alice Maher, Clement McAleer, Hector McDonnell, Stephen McKenna, Sean McSweeney, Michael Mulcahy, Mick O'Dea, Neil Shawcross, Anita Shelbourne and John Shinnors. Their work can still be bought at galleries and auctions at prices (from €2,000 to €5,000 for small pieces up to €15,000 to €30,000 for major pieces) that will seem very inexpensive in years to come.

### Undervalued mid-20th century Irish artists

Arthur Armstrong, Jack Hanlon, Letitia Hamilton, Evie Hone, Mainie Jellet, Norah McGuinness, Basil Rakoczi (Dublin 'White Stag' group) and Nano Reid. Those who came to prominence in the Sixties and Seventies and are now beginning to attract the serious interest of a new generation of collectors include Robert Ballagh, Michael Farrell, Patrick Hickey, Patrick Scott and Camille Souter.

The 'blue chips' of Irish art are still Osborne, O'Connor, Orpen, Lavery, Paul Henry, Yeats and Leech and even decent small works by these Irish masters are available from €10,000 to €30,000. More serious works will cost up to €2m. Francis Bacon is above and beyond (up to €14m).

More recent additions to this elite list are George Barret, Basil Blackshaw (Northern School), Gerard Dillon, Colin Middleton, Tony O'Malley, Dan O'Neill, William Scott, Sean Scully and Mary Swanzy, all good long-term investment opportunities. Others whose work is lately much in demand include George Campbell, Hughie O'Donoghue, Donald Teskey (hot) and William Crozier (very hot).

Popular artists of the Thirties to the Fifties such as William Conor and Harry Kernoff have taken off. Their successors, such as Graham Knuttel, Arthur Maderson and Markey Robinson, are also doing well, while perhaps not highly regarded in academic circles.