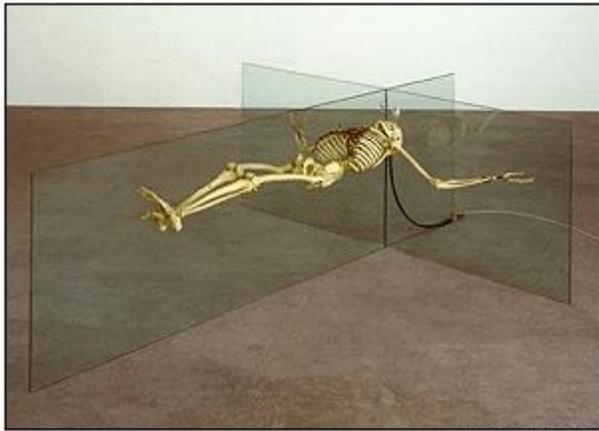


WALL STREET JOURNAL

ART & MONEY | DECEMBER 8, 2000

Accidents at Art Galleries Grow Along With Crowds

By **KEN BENSINGER** | *Staff Reporter of THE WALL STREET JOURNAL*



Gagosian Gallery

Lately, it seems, the art world has been bracing for a crash. For Damien Hirst, one just hit.

Shattered: During a recent crowded Saturday at New York's Gagosian Gallery, a visitor cracked one of the glass panes of Damien Hirst's 'Death Is Irrelevant.'

Two weeks ago, a sculpture by the ultrahot British artist was smashed while on display at New York's Gagosian Gallery: During a crowded Saturday at the gallery, a visitor apparently walked right into "Death Is Irrelevant" -- a human skeleton partially embedded in a glass crucifix -- and cracked it.

The mishap points out an increasing (and increasingly expensive) problem with accidents in the art business as crowds grow in size. Last year, more people went to museums than to Major League Baseball games, and as crowds swell to record sizes, so does the risk of art abuse.

"Most dealers never report damages," says Renee Vara, of insurer Chubb Corp. "They don't want everyone to know about it." Ms. Vara says one museum client recently reported a painting vandalized with a marker, and the work lost 30% of its value as a result.

Ealan Wingate, a curator at Gagosian, says the gallery is replacing the glass in the Hirst work and that the repair will have minimal impact on its value. The piece already had sold for a price that wasn't disclosed. However, one of the leading Hirst collectors, Charles Saatchi, purchased two works in the show, including one for \$1.6 million.

Galleries generally have insurance against damage, but some are starting to take it further. Dealer Jeffrey Deitch keeps two plainclothes guards on hand for a current show to keep crowds in check, and says he plans to continue the practice with big future openings. Robert Mnuchin, owner of C&M Arts in New York, says that to avoid problems with crowds, he flat-out refuses to throw bashes for openings.

Artists of the World, United

Tired of splitting sales with running-dog capitalist art dealers, some artists have turned socialist: They're forming collectives to sell their works on online auction sites.

A victory for the collective: 'Por Vida,' a mixed-media work by EBSQ member Adam Tullie, sold on eBay for \$550.

Two groups, EBSQ and F@M, have been selling artworks for several months on eBay (eBay.com). The artists pay only the site's 1.5% to 5% commission, a fraction of what dealers generally charge. When member artists post their works on eBay, they include the name of their collective; buyers can use the keyword to sift quickly through the tens of thousands of art listings on eBay.



Adam Tullie

The sales strategy started modestly, but is beginning to pick up steam. EBSQ, founded by John Seed in Hemet, Calif., sold 560 of 924 works it posted in November. The top price was \$550 for a painting by Adam Tullie. Meanwhile, F@M, which stands for "Free Art Movement," sold a work by founder Moises Monteferro for \$999.

Mr. Seed says that by seizing the means of distribution, EBSQ's 67 members avoid the 50-50 split other artists generally pay to sell through a dealer. "In five years, eBay is going to be the place to start a career."

Dealers are a bit skeptical of this art-world revolution, pointing out that artists generally rely heavily on dealers' marketing savvy and client lists. Moreover, the prices paid on eBay -- so far, the average selling price for these works has been well below \$100 -- are tiny compared with what dealers routinely charge even for the B-list artists in their stables.

Initial Public Art Offering

Talk about David vs. Goliath.

An inventive New Mexico financier hopes to take on the big auction houses with an art stock market. Dennis Doherty, president of investment firm Lyons & Hannover, last month announced plans for the Toronto International Art Exchange. The idea: Artworks will be bought and sold like stocks, and dealers will buy seats on the trading floor. Commissions will run about 1.5%, compared with more than 15% at Sotheby's and Christie's. (The exchange would be a platform for selling entire works, not shares in a work.)

"It would replace the auction houses," says Mr. Doherty, who plans to open the market this spring. He says the time is right because of growing mistrust of the auction houses in the wake of the price-fixing scandal.

The art world is hardly shaking in its boots. Works of art, unlike stocks, are usually one-of-a-kind and can't be sold in blocks. Moreover, many experts say, collectors with truly expensive art won't risk selling it anywhere other than the big houses. "It might work for lower-end things like prints," says Richard Polsky, a San Francisco art expert. "But for anything of quality over \$50,000, it won't make it."

Besides, says New York dealer Richard Feigen, the high-end auction business is scarcely profitable as it is, even with the high commissions that it charges. An art exchange, he says, would be trying to grab a slice of "a lousy business."

Artifacts...

All gallery openings, all the time: Recently launched Artivents.com (Artivents.com) provides a day-to-day calendar of gallery openings, art fairs and auctions around the U.S. One advantage: Galleries can check their competitors' plans before scheduling conflicting events. After Jan. 15, however, they'll have to pay a fee to use the calendar. ... All the world's your gallery: Ever wonder how to get your work out on the street? The Public Art Fund is now taking applications from artists to develop their creations into a public exhibit. Winners receive \$11,000 toward their project. Last year's winners included Olav Westphalen's series of large robot-like statues placed around New York. ... Out of the deep, onto the block. At long last, Christie's will auction a share of the gold recovered from the U.S. mail ship S.S. Central America, which was recovered off the coast of the Carolinas a decade ago, but has been in the courts ever since. The Thursday auction is expected to raise \$2 million.

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