

What Happens When the Kids Don't Want It?

Part 1: Auctions Happen

by Leslie Ferrin, director, Ferrin Contemporary, specialist in ceramics from 1950 to the present.

Auction Records Matter



Michael Lucero lot #110

For both artists and collectors who are afraid of what happens to their collections when “the kids don’t want it” or are considering “lightening their load” by de-accessioning artworks through public auction, the results from two estate auctions this spring indicate that to do so successfully, the auction houses need help. Two collections, passionately acquired and left to their families to disperse, ended up in two different auction houses in the last two months, with mixed results. While they did achieve the goal of getting the estates sold, these collections were subjected to a variety of avoidable and unfortunate outcomes. Besides generating funds from the sale for the es-

tates and emptying the houses, new public records were established from prices realized during these sales. These records will now be used to establish values for insurance, replacement, and estimates for future sales and have important implications for the artists and collectors who are still actively creating and buying.

“More than 20 auction records were attained during the five-hour sale,” *artfixdaily*, April 19, 2016

For artists whose works are being sold for the first time on the secondary market, it is indeed the wild-west era. After the *Fire & Form: Fine Art and Ceramics, Part 1* sale, *Artfix Daily* reported that: “More than 20 auction records were attained during the five-hour sale, with competitive bidding in a full auction room, online, and on the phones.” However and despite the appearance of success, these new public records are now available for the next auctioneer, appraiser, and potential buyers to inform their buying decisions, estimates, and for appraisals for tax purposes for museum donations. The “20 records attained” is not so much a measure of success as it is a statement about the lack of public records for many artists offered in these two estate sales, as their artwork had never been through a public auction and these are their first and only public records.

When Records Beget Records

Both artists and collectors can impact the value and outcome of what they leave behind by keeping, organizing, and sharing their records. The sad and untimely deaths of Candice Groot and Sylvia Elsesser meant that the families and the auction house specialists struggled under pressure to empty houses and settle estates. These two collections involved large numbers of works by both passed and living artists, and many had never been sold publicly. To compound the task, without access to orderly systems, complete records, and a clear de-accession plan, the resulting sale catalogs included objects that were mis-identified, minimally documented, partially shown, and in some cases bulked in a group of objects as a group lot. Would a bundled lot have sold better had Bonhams known what was in it?



Lot 1353

MODERN CRAFT

Group of sterling silver articles, late 20th/early 21st centuries

comprising a Jack da Silva 18kt gold washed sterling creamer, 2003, a Mexican silver sugar bowl & scoop, a silver Duck spoon, two leaf form dishes, a Barbara Bayre square dish, a tree-form salt and pepper on acrylic stand, signed *Spring Buties 925*, together with a mixed metal and 'jeweled' magnifying glass and letter opener

height of creamer 3 1/4in (8cm); length of dishes 4in (10cm) to 7 1/2in (19cm)

Sold for US\$ 350 inc.premium

FLAG

In both cases, record keeping is only partially to blame. Original documentation, provenance, and publication history may have been separated from the objects or possibly lost entirely. Valuable information, only known by the collector was no longer accessible. Families may or may not have been involved in decision making along the way or been given the opportunity. But as we learned with these two estates, when the time comes, the family needs to know how and where the records are kept and preferably be involved with the planning for de-accession. Would the auction houses use this information if provided? Would the interest in the artwork from buyers be greater had they known? Would the sale price achieved been higher? One would think so.

The Nature of the Beast



Linda Cordell lot #43

However, the nature of the auction system is such that they receive their commissions regardless of price achieved and this works against spending time on objects whose values are still low or unknown. The business model balances the costs of handling, time, and marketing dollars spent against their profit margin. This means that they are not necessarily motivated to use their resources to seek out additional information that may or may not affect the sale price achieved. They may not consider additional paid advertising and marketing resources as cost effective for a sale that will take place regardless of how much is spent to offer it. In terms of research, the auction houses often use Wikipedia and Google to quickly learn about an artist identity and establish estimates. For many artists, if

their identification marks are not registered with listing services such as The Marks Project, The Dictionary of American Studio Ceramics, 1946 to Present, then they may end up mis-identified or sold in a lot of "articles, late 20-21st centuries" for much less than they are worth.

Mistakes Happen



Robert Arneson "Portrait of the Artist as a Clever Old Dog" lot #16

In addition to the inaccuracies generated by these records, and despite the occasional use of amended information, the nature of the auction process means that when the final gavel bangs down, a public selling price record is established. The auctions create a dialog between buyers and auctioneers who are juggling simultaneous and occasionally competitive bidding that involve bids left with the house, buyers in the room, telephone calls coming and going, and multiple live internet platforms delivering bids from far and wide. Mistakes that can involve thousands of dollars get made when the auctioneer who asks "all in?" does not sense how long to wait or how high the sale might progress past a stalled bidding process. This individual's experience as an auctioneer, knowledge of their material, and familiarity with the buyers is another unknown factor that plays into the final price achieved.

Since this first wave of selling a group of living, and less than well-known artists is taking place under extreme conditions, most if not all works are selling for a fraction of what they were sold for originally and in most cases, much less than comparable works currently offered through the primary market. How much less was raised than could have been for the Groot and Elsesser estates had another method of de-accession been planned or chosen? Water under the bridge now but questions are now raised and new awareness of the pitfalls could have a positive impact on the future.

What can be done about it?



Deborah Butterfield lot #254

What we do know is — if collections are prepared and outcomes planned whether sold or given, they will achieve better results and make it easier for families and those involved. Whether you are an artist with a life of work in private collections or your attic, or a collector seeking to downsize or de-access, everyone can make choices that will have an impact on what happens if "the kids don't want it."

Continued ... Check back for part 2 for what you can do when "the kids don't want it" and examples of how artists, foundations, and collectors are finding ways to work with collections and lifetimes of artwork and seeing positive results from their efforts.

Ferrin Contemporary Collector Services

Ferrin Contemporary offers a full range of services, knowledge, and expertise to collectors. With our experienced team of professionals, we can photograph, catalog, organize, and protect your collection. We can also prepare your collection for insurance valuations, estate plans, private or institutional gifts, as well as explore successful sale options. With the help of our experienced professionals, you can focus on cultivating, curating, and improving your collection while we take care of the rest.

View our collector services webpage at <http://ferrincontemporary.com/collector-services-contacts/>

Additional Links



Peter Held

- From an Appraiser's Viewpoint

Read Appraiser Peter Held's blog post:

Fire & Form Part I: The Estate of Candice Groot Auction or the Showdown at the Mudslingers Ball at

<http://peterheldappraisals.com/fire-and-form/>

- Groot Auction

See results of *Fire & Form: Fine Art and Ceramics Part 1 from the Estate of Candice B. Groot*, April 16, 2016 auction at Treadway Toomey at

<http://www.treadwaygallery.com/lots.php?s=1&auctionID=60>



- View photos of Toomey Gallery during the Groot auction at

<https://www.youtube.com/watch?v=36rpKkNkxbw>

Photos by Leslie Ferrin.

- Elsesser Auction

See results of selected works from the estate of Sylvia and Eric Elsesser in the auction *The Modern House* Bonhams, Los Angeles, May 4, 2016 at

<http://www.bonhams.com/auctions/23393/?category=results>

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