

Five reasons for Paris



Simon Hewitt
reports

AMIDST GLOBAL gloom and doom, Paris has several reasons to face 2009 with a degree of optimism.

SIMON HEWITT identifies five of them.

YSL sale is a landmark

THE first and most spectacular reason for celebration in Paris is Christie's sale on February 23-25 of the Yves Saint Laurent and Pierre Bergé Collection previewed in detail in last week's *ATG*.

With a total value variously estimated at €200m to €500m, this could be the most important private collection ever to hit the market – and for it to take place in Paris rather than London or New York is unquestionably a coup for the French capital. "Yves Saint-Laurent was French, I am French," explains Pierre Bergé. "We pursued our careers entirely in France, and Paris was our base. So this is where the sale had to be."

The eyes of the auction world will be on Paris, as only twice in recent memory – for the 2003 André Breton sale, dominated by Surrealism, and the 1987 Georges Renard Collection of modern art, which marked the opening of the Drouot-Montaigne prestige venue.

Unlike those two sales, the YSL sale has breadth, ranging from Renaissance works of art to Art Deco via early 20th century paintings, and mirrors some of Paris's market strengths.

As Christian Giacomotto, president of the state-appointed Conseil des Ventes, puts it: "Paradoxically, the weakness of the French auction market has been transformed into a circumstantial advantage: the traditional goods more prevalent in France will doubtless resist the current crisis better than contemporary art."

Moreover Art Deco was given a recent boost when Deco-period furniture and objets d'art were included, with jewellery, in a new government decree slicing import VAT from 19.6 to 5.5 per cent.

Paris has also benefited, since 2007, from the EU's capping of droit de suite at €12,500 per work. It would otherwise have been difficult, whatever Pierre Bergé's patriotism, to have justified selling the top paintings in his collection in Paris rather than New York.

Christie's landmark sale and Sotheby's 2008 success boost France's art market status

New impetus for reform and extra capacity at Grand Palais sees Paris looking to the future

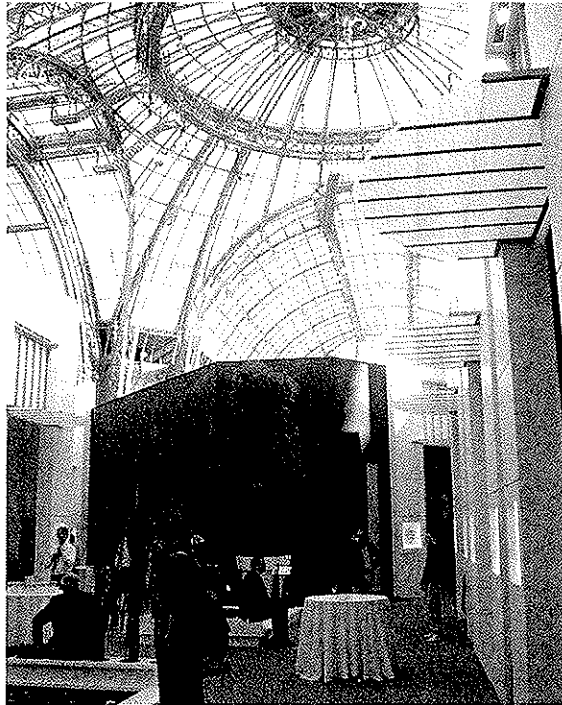
Right: hopes are high that the Grand Palais, shown here during last year's Paris Biennale, and venue for next week's Yves Saint Laurent/Pierre Bergé sale, will almost double its fair capacity when its spacious balconies, and the aisles below, are again made available to exhibitors.

Biennale is set to grow

THE YSL/Bergé sale will be the first auction in the Grand Palais, the colossal Art Nouveau landmark halfway down the Champs-Élysées. The venue will have old-timers looking back nostalgically to the days when the city's auctions took place in the Gare d'Orsay (before it became a museum) while the Hôtel Drouot was being (badly) rebuilt in the 1970s.

The Grand Palais is the traditional home of Paris's art fairs, notably the Paris Biennale, and is a major draw for foreign dealers, who deserted both the Biennale and the FIAC Contemporary Art Fair in droves when, in a classic for-want-of-a-nail scenario, the Palais was closed for over a decade after a rivet fell from the roof in 1993. The Biennale's exile to the murky yet exorbitantly expensive Carrousel du Louvre coincided with the unquestioned emergence of TEFAF Maastricht as the world's number one fair. FIAC, banished to the city outskirts, is still recovering from its decline.

The Palais' reopening in 2006 has not



yet boosted the Biennale as much as anticipated – largely because nearly half the space previously available (on and under the broad balcony that runs around the building) has been off-limits for draconian fire-safety reasons.

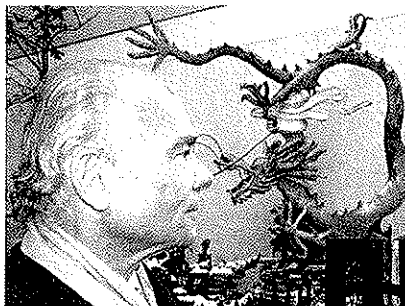
This year will see an easing of those restrictions. With the balcony areas available again and stand prices reduced, fair capacity will be virtually doubled, and there is no doubt that the Biennale and other fairs will leap at the chance to expand – FIAC in particular, which is currently straddled between the Grand Palais and a tent at the Louvre, over a mile away.

Although the Biennale has been

singing a *Small Is Beautiful* tune, contrasting its 100 exhibitors with the 250-stand Maastricht juggernaut, its organisers are planning a major overhaul that could, in due course, see the Biennale become an annual event, fusing with the *Salon du Collectionneur* that is currently held in the alternate years (and this year runs from September 11 to 21).

Antoine Lebel, the Brussels-based ceramics dealer who chairs the *Salon du Collectionneur* organising committee, believes an increase in the Grand Palais's capacity will lead to a bigger Biennale and sees the event becoming annual. He regards Hervé Aaron, the steady-eddie President of the Syndicat National des Antiquaires, who recently replaced the flamboyant Christian Deydier, as the man to oversee what would be something of a revolution in the international fairs world.

Meanwhile the SNA is organising an open-door promotional weekend on April 18-19, *Le Marché de l'Art en Fête*, and Aaron is keen to relaunch the Comité de Liaison du Marché de l'Art, the French equivalent (in theory) of the British Art Market Federation. This has never proved an effective spokesman for the French trade partly because, under Deydier and against a background of in-fighting, the SNA refused to take part.



Left: face to face – SYMEV President Hervé de Chayette is at loggerheads with the Conseil des Ventes over the future of the profession, and who best represents France's auctioneers.

is to prosper

President is urging reform

AFTER the familiar bureaucratic delays, 2009 should be the year that France finally gets a new reform of auction law – if only because the EU Services Directive, which is at odds with several aspects of France's current auction legislation, comes into effect at the end of the year.

There is also impetus from on high. Last month, at a meeting in Nîmes, President Sarkozy reiterated his campaign call for France to improve the competitiveness of its art market.

Guillaume Cerutti, President of Sotheby's France, believes a draft law will reach Parliament by the end of March and could come into effect this summer. Some minor adjustments have already been made, notably the abolition of tableware tax and a reduction on import VAT in some auction fields (see above); but the main wish-list, as far as most auctioneers are concerned, includes allowing auction guarantees (notwithstanding the risks associated with this practice witnessed elsewhere) and authorising private treaty sales. Such sales are thought to account for 10-15 per cent of the big two's turnover – and rising, says Cerutti, given recently impoverished vendors' desire for discretion.

Another aspect of the Reform that part of the French art world is awaiting with baited breath is the fate of the Conseil des Ventes. Ever since the Bethenod Report, commissioned by Culture Minister Christine Albanel as a basis for the new law, down-played the need for a watchdog body, Conseil President Christian Giacomotto has been on the warpath, insisting that the Conseil is needed to oversee the application of the new law, and suggesting it serve as a model for an EU-wide auction supervisory body. His visit to the European Parliament in Strasbourg last summer, however, encountered total indifference from MEPs.

In a recent article in *Le Figaro*, Giacomotto advocated that the new law should be delayed until August to coincide with the newly constituted Conseil des Ventes, whose members come up for renewal every four years.

The Conseil is a much-unloved body in French auction circles, not just because of its powers to fine or suspend errant auctioneers, but also because it exists, in no little style, on the back of a percentage levy on auction takings. Its bitterest enemy is the auctioneers' union SYMEV (Syndicat National des Maisons de Ventes), which feels that the Conseil

Right: where now? Christian Giacomotto, right, President of the Conseil des Ventes, ponders the future of French auctions with former culture Minister Jacques Toubon during a visit to Euro MPs in Strasbourg last summer.

authored an anonymous "confidential" document circulated to French MPs before Christmas, accusing SYMEV of representing only 20 per cent of auctioneers (SYMEV claim they represent over half), of systematically opposing the Conseil des Ventes, and of being run by ultra-reactionary officials.

SYMEV President Hervé de Chayette reacted by asking Christian Giacomotto to disown the document, but received no reply.

"Rather than be drawn into this sort of polemic, SYMEV would prefer to concentrate on promoting auctions across France," says Chayette. He is busy preparing for SYMEV's 4th Annual Auction Weekend, designed to promote auction buying to the general public with a series of events on March 28-29.

Sotheby's are committed

ALTHOUGH Sotheby's missed out on the YSU/Bergé Collection after selling items owned by Bergé in New York in 2004, their French head Guillaume Cerutti says he will be supporting the sale. "To have the collection sold by Christie's in New York would have been the worst-case scenario," he adds. "Now the spotlight will be on Paris. Everyone will benefit!"

Cerutti can almost afford to be magnanimous, given that Sotheby's Paris turnover has tripled since he took over 18 months ago, reflecting a U-turn in company policy. Before, against a background of in-house inter-regional rivalry, Sotheby's exported nearly everything they found in France for sale in London or New York. For 2008, at least, they were top dogs in Paris and are keen to expand their sales in the city.

Cerutti believes that with Paris's strength lying more in such traditional fields as books, tribal art, Old Masters and 18th/19th century furniture, rather than modern and contemporary art, it will prove more "resilient" than other major auction centres, and he sees Paris narrowing the turnover gap somewhat with New York and London this year. He also suggests that France's "loyal, refined auction clientele" is less likely to suffer



from post-speculative blues than buyers elsewhere.

Whereas Sotheby's newly bullish attitude to Paris is good news for the city's reputation as an international auction centre, it raps out a sharp challenge to other French auctioneers, especially Artcurial, who have slipped from the city's close-running number two to a distant number three in the last couple of years and Tajan, whose sales slumped by 17 per cent in 2008. Both firms have been vulnerable due to the importance they attach to contemporary art.

"There are a number of firms in Paris who operate at a respectable level," says Cerutti. "But over time Sotheby's and Christie's will consolidate their predominant role, much as elsewhere."

Cerutti is also keen to stress that the average price of individual lots sold at Sotheby's Paris was a hefty (premium-inclusive) €52,000 in 2008, and that Christie's outsold Christie's despite offering three times fewer lots. Christie's decision to stop its cheap-lot *interieurs* sales in Paris appears to have been influenced by those statistics.



Above: Guillaume Cerutti has led Sotheby's Paris revival after taking over as Chairman for France 18 months ago.

Millon merger makes waves

AFTER years of inertia and empty promises to spruce the place up, there are signs that Drouot, where sales have been in steady decline, is shuddering out of its parochial mindset.

Last year Pierre Bergé & Associés launched a subsidiary in Brussels and Aguttes – who are based in Neuilly but regularly sell at Drouot – acquired Anaf the Lyon auctioneers.

The start of 2009 saw the long-rumoured merger of two major firms, Millon & Associés and Cornette de St-Cyr, whose combined sales for 2008 exceeded those of traditional Drouot top-dog, and Paris number five, Piasa.

Piasa boss Jacques Babonneau acknowledges that the new Millon-Cornette outfit represents real competition and vows that Piasa will strive to defend their status.

To do that, Piasa – who had a "pretty good 2008 before a really brutal drop in November and December" – will be hoping that the group of show business and political personalities, who bought a controlling stake in the firm from François Pinault last year, will make their presence more strongly felt.

Piasa will also continue to diversify, and plan to launch new departments for watches and Vintage (fashion and accessories). Millon and Cornette, on the other hand, have a penchant for 20th century and contemporary art – so the scene is set for an interesting clash in strategies.

Babonneau is making no predictions. He speaks for most of his colleagues, and rivals, when he says: "We've been cost-cutting in every field, except staff. A lot of vendors are hesitant through fear of low prices."

"Will the recession stay with us throughout 2009, or will there be a recovery in the second half of the year? No one knows."