

# Can you see what he said?

When it comes to contemporary art, hype is priceless.

**I**n the world of contemporary art, there is a spectrum of collectors: they range from those who collect with their eyes, to those who collect with their ears. The rise of the art consultant is proof that many collectors don't trust their own eyes: instead, they rely on the eyes of others. And, in truth, the consultants that they rely on aren't relying on their own eyes either: they're listening to the buzz, following the auctions, cruising the art fairs, and otherwise trying to keep abreast of what's going on, who's hot, what the Next Big Thing is likely to be.

The vast majority of big-name collectors rely heavily either on consultants or on dealers for advice about who and what to buy. There are a very few notable exceptions, foremost among them the legendary Italian collector Giuseppe Panza di Biumo, who has unshakeable faith in his own taste and convictions. But the hedge-fund managers and other nouveau riche who are the big buyers these days often don't have the time or the inclination to seek out undiscovered artists who carry no cachet. Instead, they want to buy brand names: that's a Richard Prince on their wall, or a Damien Hirst, or an Ed Ruscha.

Once an artist starts being collected by such buyers, he enters a glorious virtuous circle: the more people buy him, the more desirable he becomes, the higher his prices go, the more buzz surrounds him, and so on indefinitely. Eventually the early collectors and the cognoscenti move on to someone new, but by that point the market in the artist's work is well established and he's set for life.

The people who choreograph this elaborate dance are the dealers, people often more famous than the artists they

represent: Jay Jopling, Larry Gagosian, Mary Boone. Dealers do need to have a good eye, but even more important for their craft is the possession of an excellent ear: they need to be able to position themselves and their artists in exactly the right place and exactly the right time.

For both collectors and dealers, relying on one's ear rather than one's eye is the best way to be successful, if you judge success in terms of rising market value. Over the very long term things might be different, but over periods of a few years the ability to find an artist whose value is going up fast is pretty much unconnected to any long-term art-historical value that artist might have.

And so it's hardly surprising that one of the greatest dealers of the 1980s and 1990s, Anthony D'Offay, turned out to be an incredibly astute and successful collector in the wake of his retirement in 2001.

Over the course of seven years from 2001 to 2008, D'Offay spent £28 million (\$56 million) buying 725 artworks by the biggest names in the contemporary art scene: Warhol, Hirst, Beuys, Kiefer, Koons, Richter, Ruscha, Mapplethorpe, Viola, Celmins, Twombly, and many more. He bought in depth: the final collection comprises 50 "artists rooms," each dedicated to the work of a single artist, in much the same way as you might see that artist displayed in a commercial gallery. The collection today is worth some \$250 million, and D'Offay has donated it, at cost, to the national art collections of England and Scotland.

Very few people could have achieved this. D'Offay could, for a few reasons: he knew everybody in the art world and was a master at navigating its potentially treacherous wa-



ters; he had the cash; and, most importantly, he let it be known that the collection he was putting together was destined to be given, sooner rather than later, to a major museum or set of museums. As a result, artists were often willing to sell him their work at well below market prices.

Of course, D'Offay was lucky: he happened to be collecting contemporary art over the course of the biggest contemporary art bubble the world has ever seen,

which helps to explain why his collection is valued at roughly five times the amount of money he paid for it. But he was also smart: he knew he was filling an important gap in the market. Public museums never have much in the way of acquisition budgets, and UK museums in particular have long been notorious for massive holes in their collections. Every contemporary artist would desperately love their own room at the Tate, and one of the best ways of achieving that was to sell your work to D'Offay—who, of course, also had first dibs on all the art that he sold in his own gallery over the course of three decades.

None of this in any way diminishes the magnitude and impressiveness of D'Offay's extraordinary generosity. Donations of this magnitude only happen a few times a century, and D'Offay's reputation has been transformed in the weeks since his decision was made public. Museums around the world will be hoping that many more collectors, and former dealers, follow his example. ■

## PRICEY WHISPER.

For both collectors and dealers, relying on one's ear rather than one's eye is the best way to be successful, if you judge success in terms of rising market value.

felix salmon



Felix Salmon is a financial blogger for *Condé Nast Portfolio* magazine

ILLUSTRATION BY ISABELLE CARDINAL.