

The Telegraph
How art went viral
Mick Brown
5 December 2020

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2020 has sparked a revolution in the
art world, changing everything we thought we
knew about who buys what, and why

By Mick BROWN

Standing at the auctioneer's rostrum in the saleroom of Sotheby's London auction house, Oliver Barker, chairman of Sotheby's Europe, stared into a television camera and offered words of comfort and encouragement to an audience of almost one million people around the world, watching online.

'The demand in the art market,' Barker said, 'remains reassuringly strong.'

It was a rainy evening a few weeks ago, and Sotheby's was holding its Modernités Paris/Contemporary London dual art sales, bringing together stellar works by Picasso, Cy Twombly, Jean-Michel Basquiat and Gerhard Richter, plus Banksy's appropriation of Monet's impressionist water lilies, *Show Me the Monet*. Another day, another performance of multi-



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Show Me the Monet by Banksy sold for £7.5 million at a Sotheby's live-streamed auction in October



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million-priced art theatre. But with a major difference.

In normal, which is to say pre-Covid, times Sotheby's main London auction room would have been crowded with almost 400 people – buyers, dealers, art mavens and well-heeled rubberneckers. A cross between a pantomime and the stock market in a state of high, acquisitive excitement, an evening art sale is the best free show in town.

But for the London art market, as for everything else, these are not normal times. The live art sale has been transformed into something more akin to a television spectacular.

Rather than facing an excited crowd, Barker was looking at a bank of television screens, beaming in live pictures from Sotheby's auction rooms in New York and Paris, where 15 of the firm's specialists were ranked behind stands, taking telephone bids. In a room next door to Barker, also visible on a screen, were a further 13 specialists from Sotheby's London office, and in another room five more representing the firm's Asia department.

Tens of millions of pounds-worth of art hung on the

urgently whispering into their telephones to potential buyers around the world.

To the audience watching online, it might have lacked the heat and colour of the live saleroom, but none of the tension. It took a near nine-minute battle between five collectors before Banksy's *Show Me the Monet* went for £7.5 million. By the end of the evening, the auction had taken around £69.4 million.

Covid has transformed the global art scene beyond recognition. In the space of less than a year, virtually the entire business – galleries, auction houses, museums and art fairs – has been forced to adapt to the changing circumstances by migrating online. It is a transformation in which there have been winners and losers. For art fairs and museums, dependent as they are on visitors, the struggle has been particularly hard. Galleries, too, have found the transition difficult – but manageable. It is the auction houses who seem to have best weathered the storm.

The revenue from online auction sales at Christie's, Sotheby's and Phillips is five times the total for 2019. At Sotheby's, online-only sales up to October were about

£284 million; the full-year total in 2019 was around £61 million. By the end of this year, the firm will have conducted 540 online-only auctions, compared with 129 in 2019. The total figure for online-only sales and the 80 'live' sales held so far this year is £1.9 billion, compared with £2.5 billion for the same period last year – although Sotheby's says this shortfall has been largely made up by an increase in the number of private sales, for which it declines to release figures.

'If you'd said to me in January that you're going to have to shut most of your offices,' Oliver Barker told me, 'that all of your auction facilities are not going to be viewable, that clients are not going to be able to see works in person, and yet your turnover will be transformationally better than it was pre-Covid, I just don't think I would have believed you; and yet that, ultimately, is the situation we find ourselves in.'

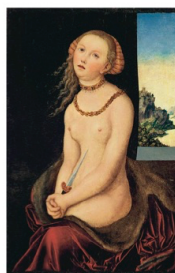
'We don't really think of ourselves as an auction house any more,' he adds. 'We're like a digital start-up in the luxury and fine-arts sector.'

While there is a tranche of super-rich buyers seemingly unaffected by economic fluctuations, whose appe-

Click bait

£3.9m

Lucretia by Lucas Cranach the Elder was deaccessioned (owing to Covid) Brooklyn Museum this year, and sold at a Christie's sale in October

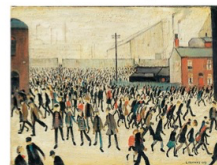


£11.3m

These Alfa Romeo concept cars (1950s) were sold as a single lot at a Sotheby's art auction in October

£2m

LS Lowry's *Coming from the Match* (1959), auctioned online by Christie's in July



£1.6m

This 28.86ct diamond ring broke the online-sale record, at Christie's in June

walls behind them. Some staff were wearing diamond bracelets and brooches from Sotheby's jewellery department, just in case potential buyers, caught in their deliberations over the Basquiat or the Twombly, felt minded to pick up a bagatelle or two.

In the auction room, a camera on a dolly tracked behind the rostrum, giving viewers an auctioneer's-eye view of the bank of screens in front of Barker, including one showing bids coming in online and by telephone – clicking up like the fare on an exorbitantly expensive taxi meter: £800,000... £1,250,000...

In a room adjacent to Barker, a handful of people sat at socially distanced tables, with napkins, vases of flowers, wine and canapés. The live audience.

All of these images were feeding into another gallery, repurposed as the control room – a forest of screens and wires, where a production team that usually works on *Strictly Come Dancing*, *The X Factor* and *The Voice* juggled camera angles, overlaying pre-recorded 10-second films of each piece of art as it came up for auction, and zooming in for close-ups of Barker, a ringmaster orchestrating the bids, or the specialists

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tite for art – or, to put it bluntly, in some cases moveable assets – remains undiminished, the reach of the internet has also brought new collectors into the market. At Sotheby's, 40 per cent of buyers and bidders in online sales are new, and more than a quarter are under 40. It has also effected a broader geographical reach – the number of buyers in Asia has increased by 98 per cent.

People with time on their hands, unable to spend money in expensive restaurants and on luxury travel, have boosted the art market. It is the sale of the £64 million Francis Bacon that makes newspaper headlines, but 70 per cent of the lots sold at Sotheby's are under £8,000.

There has been an influx of younger collectors who are more willing to experiment online than they might be in an auction house, and less concerned with distinctions between 'high' and 'low' culture – a fact that auction houses have been quick to recognise.

'People are collecting across categories,' says Barker. 'One minute they're bidding on Nike trainers, the next on a Chinese contemporary painting, and the next on a jewel.'

In May a pair of match-worn, autographed Michael

Stephen Friedman Gallery

The Telegraph
How art went viral
Mick Brown
5 December 2020

Jordan Nike Air Jordan 1 sneakers from 1985, which drew bidders ranging in age from 19 to 50-plus, sold for \$560,000 (£429,000) in a single-lot online sale at Sotheby's in New York. And the firm now holds regular online sneaker auctions, as well as selling vintage and new pairs online.

In October, a Contemporary Art Evening Auction at Sotheby's in New York, featuring work by Mark Rothko, Donald Judd and Frank Stella, also included three Alfa Romeo cars and a Carlo Mollino 1950 dining table. More exotically still, an auction at Christie's New York of works by Picasso, Pollock and Monet found room to include the skeleton of a *Tyrannosaurus rex*, which sold for \$31.8 million (£24.4 million).

At Sotheby's the number of lots sold this year has decreased, but there are still plenty of new works coming to market. What Charles Stewart, its CEO, describes as 'the traditional drivers' of high-value lots and estates – the famous 'three Ds: death, debt and divorce' – are in 'fairly robust' condition, and supplemented by works now being sold by museums, desperate to raise revenue in the face of financial crisis.



Oliver Barker, chairman of Sotheby's Europe, amid a live-streamed auction in June

sold for \$2,115,000 (£1,607,546), setting the new record for a jewel sold in an online auction.

'In the old days we had a glass ceiling of around \$10,000 [for online auctions],' Boll says. 'But during lockdown there was a spiral of selling at higher values, inspiring confidence in people to bid up these amounts in online-only sales.'

And while online bidding has brought in new and younger collectors, Boll says that existing clients have been quick to make the transition.

'More than two-thirds of our existing clients aged over 60 were moving online in a nanosecond, and even the 70-plus clients, about half of them moved online. We had underestimated the willingness of our client base to do that, because there was no reason for them [before]. Coronavirus was the catalyst moment.'

In recent years, the month of October has meant Frieze, the contemporary art fair that has become a magnet for dealers and buyers from all over the world, and the time when, as Oliver Barker puts it, 'London puts its best foot forward.'

Art fairs in general have become a major generator of

£129k

Michael Jordan's Nike Air Jordan 1 sneakers (1985)



were offered by Sotheby's in a single-lot sale in May



£64.2m

Francis Bacon's *Triptych Inspired by the Oresteia of Aeschylus* (1981), sold by

Sotheby's in June at a sale where no in-person room bidding was offered



£3.5m

Gerhard Richter's *Abstraktes Bild* (1989), sold by Sotheby's in October

'Some museums, particularly in the US, have been offering things that two or three years ago nobody would have thought would become available,' he says.

In October, nine works deaccessioned by the Brooklyn Museum in New York sold across Christie's European Art and Old Masters auctions for a total of \$6.6 million (£5 million). Among the top lots was Lucas Cranach the Elder's 16th-century work *Lucretia*, which sold for \$5.1 million (£3.9 million), and which had been in the museum's holdings since 1921.

Like its rival Sotheby's, Christie's has undergone a dramatic shift in its way of doing business because of Covid. 'The art market has been waiting for the internet revolution for the past 20 years and it never really came through, but coronavirus has done that,' says Dirk Boll, Christie's president of Europe and the UK, the Middle East and Africa. 'Digitisation has touched everything we do: how we catalogue, how we photograph, how we exhibit or not, how we offer online and in the saleroom, and, particularly, client-relationship management, data management – all of that has become a big push.'

Christie's has moved to a combination of online-only auctions – which it has been doing since 2011 – and what Boll calls 'hybrid auctions', combining a live sale conducted by an auctioneer with online bidding. The firm conducted its first hybrid sale in July – an auction of Impressionist, modern and contemporary art, relayed in sequence from Hong Kong, Paris, London and New York – which realised nearly £335 million.

'The live auction, where the auctioneer is in a room interacting with bidders, is the best way to find the highest price,' Boll says. 'That's why we've tried to protect that as much as possible, and have made it internet-ready far above what we were able to do a year ago. On the higher level of value and interest, this is the future.'

But at the same time, the past few months have proved that collectors are willing to pay prices for art online – that they were unable to view in person – far in excess of what might have been expected.

In July a work by LS Lowry, *Coming from the Match*, fetched £2,051,250 – the highest price for a work in an online-only auction at Christie's. While in June a 28.86ct-diamond ring, valued at more than \$1 million,

business in the art world: in 2019 sales were estimated to have reached £12.6 billion. But the pandemic cut a swathe through them.

Frieze usually runs four fairs throughout the year: Frieze and Frieze Masters in London in October, Frieze LA in February and Frieze New York in May. When Covid struck and New York went into lockdown, the physical fair was cancelled, but Frieze quickly mounted a 'virtual fair' online, explains Victoria Siddall, the organisation's global director. Galleries and dealers were refunded their fee to exhibit, and were able to present their work on the online platform for free. 'We tried to maintain as much as we could the idea of curated collections,' Siddall says. Visitors to the site were even encouraged to order deliveries from the pop-up restaurants that would have been catering to the fair.

As with the auction houses, the transition immediately demolished the myth that people would not pay substantial amounts for art they could only see on a screen. 'We had works selling for upwards of \$2 million,' Siddall says.

Stephen Friedman Gallery

The Telegraph
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Mick Brown
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In 2019 150,000 visitors from around the world visited Frieze and Frieze Masters in London, rubbing shoulders in the two marquees in Regent's Park, lubricating the art market at drinks parties, openings and special events. All of it gone.

This year Frieze had to settle for presenting a more refined version of the virtual fair – at the same time staging a free exhibition of sculpture (available to buy) in Regent's Park, and a modest performance programme in Mayfair's Cork Street. 'We had tiny audiences,' Siddall says, 'but it was live-streamed and thousands of people all over the world were watching it.' A 'West End Day' and an 'East End Day' involved 128 participating galleries, museums and partner organisations. All told, Frieze hosted 250 galleries on its platform. The most expensive painting purchased was Q7 by Mark Bradford, which was sold for \$3.5 million (£2.7 million) by the international dealers Hauser & Wirth. 'But smaller galleries were selling between eight and 10 pictures,' Siddall says. 'The fair has been a real lifeline for galleries that may not have the opportunity to sell otherwise.'



Five Conversations (2019)
by Lubaina Himid at
the Frieze Sculpture
exhibition, held in
Regent's Park in October

fluctuating fortunes owing to Covid: while some have seen their disposable income fall, others are in businesses that have done well in lockdown and have actually had more money to spend. 'One big, big thing has been people not going on holiday. A family holiday can cost £5,000 to £10,000, so suddenly people have that money in their pocket to spend on art.'

Lockdown, he says, has increased the importance of Instagram as a promotional tool for artists. 'It has been a difficult time for [those] who've had shows cancelled, so Instagram has been a great way of getting their work seen. People are selling on it, making shows on it, making connections on it. I find new artists on Instagram whose work the client has not seen before I sell it to them. Everything I've sold has been purely from the image the client has viewed on the screen.'

Rook cites the Artist Support Pledge, founded by the artist Matthew Burrows at the beginning of the Covid crisis. Using Instagram as a platform, artists list works costing no more than £200 each, and anyone who makes £1,000 in sales pledges to commit 20 per cent to buying a work by another artist. The scheme, which Burrows

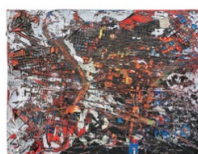
£4.7m

This Carlo Mollino table (1950), deaccessioned by the Brooklyn Museum, was auctioned by Sotheby's in October



£6.2m

Black by Jean-Michel Basquiat (1986), sold by Sotheby's in October



£2.7m

Q7 (2020) by Mark Bradford was the most expensive painting sold at the Frieze fair in October

£24.4m

This *Trex* set a new record for the sale of a dinosaur at Christie's in October



The radically altered circumstances brought on by Covid have had some positive effects, she adds. 'Reaching audiences in 156 countries in one week is something we'd never have been able to do before. People are spending a huge amount of time in their home, and I think that has spurred collecting in some areas.'

Another interesting by-product has been that galleries are now finding it expedient to list the price of a work, a practice that was largely avoided at fairs and on gallery walls, being regarded as distasteful – it's the art that's important, not the cost! Also, the dealer was able to price the piece according to the cut of a potential customer's cloth.

'At Frieze New York in March we encouraged people to put prices on the work, and everybody did,' Siddall says. 'At fairs, they want to generate conversation and have someone ask the price. But that changed really quickly with pictures on a digital platform.'

Greg Rook is an art advisor, focused on buying and selling international modern and contemporary fine art, and advising on building collections for private and corporate customers. His clients, he says, reflect

'Standing in front of works in the flesh was a reminder of how life-affirming art can be. And that's very difficult to translate on to a digital platform'

describes as 'a virtuous circle', saw nearly 9,000 pledges in the first week. It has generated 443,000 postings and has now raised about £70 million for artists. Interestingly, 75 per cent of the platform's users are female.

In the last honours list Burrows was made an MBE for services to the arts during the coronavirus pandemic. 'I know artists who've sold 100 pieces over the last six months,' says Greg Rook.

A UBS Global Art Market Report, using data from 795 galleries and analysing the collecting habits of 360 high-net-worth individuals across the US, the UK, Europe, and Asia, showed that in the first half of 2020 gallery sales had fallen by 36 per cent compared with the equivalent period in 2019. At the same time, online sales rose from 10 per cent of total sales in 2019 to 37 per cent.

Stephen Friedman opened his first gallery in Old Burlington Street in Mayfair in 1995, and represents 29 artists and estates, with areas of interest that include conceptual and South American art, and abstraction, minimalism and figuration in painting, sculpture, video and installation. In the first weeks of lockdown, he says, 'everything came to a standstill'. He was obliged to put

Stephen Friedman Gallery

The Telegraph
How art went viral
Mick Brown
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a number of staff on furlough and cut costs to the bone while building up his online viewing galleries. But more successful, he says, was his proactive approach to maintaining contacts with collectors over Zoom.

Deluged by emails from galleries offering their wares, potential buyers quickly developed what he calls 'online fatigue' and tired of scrolling through virtual galleries. In April he wrote personally to his top 100 collectors. 'And I got a positive response from 95 per cent of them, and they all said how surprised they were that I'd written to them. I was going in with a very gentle approach: "How are you...?"' But in each case I had a list of works in the back of my mind that I was ready to talk about, should they feel engaged; and in most cases everybody wanted to talk about art and led the conversation, and were willing, ready and happy to be offered works.'

Business, he says, has been down 25 per cent on last year. 'But it's on the rise. Everybody is having to find new ways of doing business, and we're managing quite successfully.'

'The lion's share of the clients I deal with are very long-term: they start the year with a plan and a budget



The famous Goldschmidt sale at Sotheby's in 1958 was the first black-tie gala auction. Current CEO

Charles Stewart wants future live events to be similarly glamorous

a high-class evening sale, through a mouse click. That is here to stay.'

Over at Sotheby's, Charles Stewart has a similar view. 'As with most things to do with technology, you don't put the toothpaste back into the tube. I think people have got more comfortable with looking at art online and bidding online. People like to be at home, actually – although maybe not quite as much as they've been forced to in recent months. And when we move past this, I think the things we choose to do in a live way will be more selective, more special and more meaningful.'

Even when things return to normal, if they ever do, the vast majority of the small- to medium-sized live auctions that the firm used to conduct – typically populated by dealers and passionate collectors in half-empty salerooms – will remain online. 'There's no reason to do them any other way,' says Stewart.

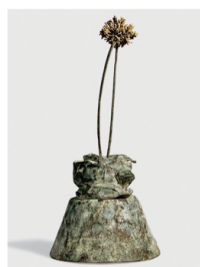
But the marquee evening sales in the crowded auction room would certainly return. 'Those events we want to make even more special.'

Stewart looks back to the famous Goldschmidt sale at Sotheby's in 1958 – the first black-tie gala auction,



£23.8m
Untitled (1967) by Mark Rothko, auctioned by Christie's at a hybrid live/online sale in October

£2.3m
Untitled (1997) sculpture by Cy Twombly, sold by Sotheby's in October



£200k Denzil Forrester's *Youth of the Day* (1989) was sold pre-Frieze for over £200,000

and identify priorities in terms of artists they're going to collect, and they're still maintaining that pattern of buying. They have more free time on their hands, and there's much more focus on one-on-one buying, where they can engage more with the material. At art fairs there's so much distraction.'

Friedman sits on the gallery selection committee for Frieze, and in October opened a special pop-up space on Old Burlington Street, separate from his main gallery, to display the work he was showing in the Frieze and Frieze Masters online viewing rooms: large-scale paintings from the 1980s by Grenada-born Denzil Forrester, and new works by the British sculptor Holly Hendry. Forrester's paintings were selling for £200,000 to £400,000. Friedman sold two, along with three of the artist's more recent paintings.

Even though the physical fair did not take place, and there were next to no buyers or dealers from overseas, Frieze, Friedman says, was still able to engage the London arts community. 'Everybody came out to support the galleries. Standing in front of works in the flesh, with the public and curators and museum directors,

was a reminder of how life-affirming and life-changing art can be. And that's very difficult to translate on to a digital platform.'

So what does the future hold?

'So much depends on the next few months, and how the government as well as individuals support the galleries, museums and artists, and the entire ecosystem that makes up the art world,' says Victoria Siddall. 'Because things will close otherwise. That's inevitable.'

At Christie's, Dirk Boll says it is too soon to say with any certainty whether auction-room sales will return to normal.

'If somebody had asked back in 1919, at the height of the Spanish flu, "Do you expect to have an open world again?", everybody might have said, "Never again." We will have to be careful, at least for the foreseeable future. Throughout the whole crisis we've tried to protect the model. We were the first to be back in the auction room in Paris; we were the first in London after the [spring] lockdown was lifted. But on the other hand, what will never go away is the whole internet scenario around auctions, and the ability to buy, even in

masterminded by the firm's then chairman, Peter Wilson. Paintings by Van Gogh, Renoir, Cézanne and Manet, from the collection of the New York banker Jakob Goldschmidt, drew London's high society, dressed in dinner jackets, furs and diamonds, while police held back the crowds outside.

'If we can recreate even an element of that in our live events, then for people who were there that will have real meaning to them and will be an unforgettable night.'

Stephen Friedman says he is making provisions on the assumption that Covid will be affecting his business for the next two or three years.

'I hope it won't be that bad, but we are planning for the worst-case scenario. Until things change and travel picks up, like any gallery we will just have to continue to engage with collectors in the way we have been for the last eight months.'

It will not be easy, he admits. Some galleries will survive and others will go. 'But I don't think we will ever become obsolete. The experience of standing in front of a painting, a drawing or a sculpture, and the impact that it has, will never be replaced. Humanity needs that.' ●

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