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Christie's powers ahead of the field

Last week's fine art auctions in New York saw prices soar and rivals do battle, reports **Geraldine Norman**

MAYBE success and gossip always go hand in hand. Last week, Christie's, the fine art auctioneers, sold \$213 million-worth of Impressionist and modern art in New York in two evening sessions, a staggering success, and the cocktail hour across Manhattan was dominated by hair-raising tales of the financial manipulation that lay behind the sales. Sotheby's, its traditional arch-rival, had only got enough art for sale to fill a single evening, earning a mere \$82 million — peanuts by comparison.

The chatter centred on Joe Lewis, 60, possibly the richest man in Britain. Well, perhaps not exactly *in* Britain — he's a tax exile based in the Bahamas — but he was born

in London's East End and brought up in the back rooms of a pub run by his father. He is now a currency dealer with a fortune measured in billions and owns 28.75 per cent of Christie's. He climbed to these dizzy heights via catering and tourism, laying on medieval banquets for Americans and selling cashmere sweaters to the Japanese — among many other things. And he rigorously avoids the attention of the media.

In the absence of hard information, Manhattan's gossip industry determined that Lewis had an art fund which bought paintings and popped them into Christie's for sale — and could take them back and hold on to them as an "investment" if they didn't sell. Hence the phenomenal success of Christie's. The story turns out to be

an ingenious invention but was taken so seriously in New York that Sotheby's has been debating whether to mount a rival fund.

And there is never smoke without fire. Lewis is, of course, dabbling in art, and, for a man reputed to bet \$50,000 a hole when playing golf and \$30,000 a point while watching American football on television, his dabbling must inevitably have a speculative edge. The best attested story in New York last week was that Lewis is making a corner in the work of Lucian Freud.

A normally reliable Whiskey Sour informed me that Lewis has just bought all Charles Saatchi's Freuds, a distinguished collection which was exhibited in Saatchi's Boundary Road gallery in the early Nineties. Since Thomas Gibson, the Bond Street dealer, is



Sold for \$12.4m Renoir's 'Jeune femme se baignant'

Thomas Gibson, the Bond Street dealer who reputedly acts as Lewis's art adviser, refused to confirm or deny the story, it's odds on it's true.

It is Thomas Gibson and his close relations with Christie's that have set the rumours flying round New York. Gibson, a tall, smooth, wise-cracking Old Etonian, was born in Argentina where he still spends time on the family ranch. But he is also a successful international dealer in modern art; his taste spans roughly 1890 to 1990, with a particular depth of enthusiasm for Giacometti and Vuillard. In 1996, at the modest age of 53, he announced his retirement and handed his Bond Street gallery over to his wife and children.

"I had decided to become an art adviser," he explains, "and there would have been a conflict of interest if I'd continued to buy and sell paintings on my own account." He admits to advising three private clients on a "permanent" basis, and to running an art fund. "You can hire me by the day, month, year or deal," he told me. It is believed that Christie's pay

him an annual retainer for consultancy work, while Lewis pays him commission on a deal-by-deal basis.

It would be too much of a coincidence to believe that there is no connection between Gibson's close links to both Christie's and Lewis. The mega-investor collects modern art of the Picasso-and-after variety, and it seems probable that Christie's suggested to him that Gibson would be a good adviser in this field.

The deal that set the New York tongues wagging concerned a large Picasso of 1932, *Femme assise près d'une fenêtre*, which Gibson helped Lewis buy last year. It was one of several works Gibson reputedly helped Lewis buy from Stephen Hahn, a New York dealer. Lewis and his wife are said to have taken the paintings to their Florida home and decided, when they started to hang them, that they didn't like the Picasso after all. So they popped it into Christie's.

Shortly afterwards it was

Sold for \$7.5m Picasso's 'Femme assise près d'une fenêtre'

'I've never seen the competition between Sotheby's and Christie's more aggressive,' a stunned president of Sotheby's told me

spotted in a Christie's warehouse by a knowledgeable rival dealer who leapt to the conclusion that Lewis had started buying paintings to boost Christie's sales — as a financial strategy. The Picasso sold for \$7.5 million last week.

Once the Martini brigade had spotted the Picasso in the Christie's catalogue, they decided that Lewis must also have had a hand in the purchase and resale of two other works, a Renoir nude and a Van Gogh drawing. This was nonsense.

However, market insiders knew that Renoir's *Jeune femme se baignant* had been on the market in Japan, and Christie's catalogue disclosed with an asterisk that it was a work "owned in whole or part by an affiliate company".

What, in fact, seems to have happened is that the Nehmad brothers, canny international dealers, proposed to Christie's that they buy the painting together and bring it to New York for sale — and Christie's agreed.



Christie's coups Cézanne's wife (\$23.1m); Manet's self-portrait (\$18.7m); and Toulouse-Lautrec's dancer (\$14.5m)

Judging by the estimate, the painting cost them around \$8 million and showed a nice return by selling for \$12,432,500 last week.

THE purchase of paintings by Christie's to resell at its own auctions does indeed represent a new departure for this old-fashioned British firm. But the explanation of this shift in policy and the phenomenal success of last week's auctions has a much simpler explanation.

The company's chief executive, Christopher Davidge — the commercial brains behind the resurgence of Christie's as a business — has recently decided to make a home in New York, and he seems to be running rings round Sotheby's.

Last week Christie's had the John and Frances Loeb collection for sale, 29 paintings which sold for a total of \$93 million. It included a historic Cézanne portrait of his wife, which sold for \$23,102,500 — the top price of the week — a Manet *Self-Portrait* at \$18.7m, and a ravishing Toulouse-Lautrec dancer which set a new auction price record for the artist at \$14.5m.

Sotheby's had competed for the privilege of selling the Loeb collection but lost out to Christie's. Even worse, come the autumn, Christie's is to sell the collection of Victor and Sally Ganz. It is expected to make over \$125 million, more than any single-owner collection has ever realised

before. Sotheby's also pulled out all the stops to get this one — but failed.

"I've never seen the competition between us more aggressive in my 18 years with the company," a stunned Diana Brooks, president of Sotheby's, told me. "We are very much in the looking and watching stage. We don't know what's fact and what's fiction about Christie's new policies — but we are not going to start our own art fund."

The art fund story was concocted by gossip-mongers on the basis of one of Gibson's commercial ventures which is not linked with either Christie's or Joe Lewis. A bank has provided him with a credit line of \$500 million or so to spend on fruitful opportunities in the art market.

The credit line is guaranteed by an unnamed client who trusts Gibson's judgment. The only investment he is talking about so far is a deal with Diana Vierney, Maillol's long-term companion. Gibson's "fund" has become the exclusive agent for Maillol's estate world-wide and will be financing posthumous editions of bronzes cast from plasters that the sculptor left behind.

That will mean more Champagne for Gibson but will not alter the ground-rules of competition between Sotheby's and Christie's. It's time to bite the canapé and admit that Christie's is on a sharp upswing. Sotheby's and other major art dealers are going to have a very tough time competing.