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## ... While Christie's Morphs Into a Dealer

BY ALEXANDRA PEERS

**I**n a move that upends traditional power relationships at a tremendously nervous time in the art world, Christie's auction house is going into the gallery business. Last year, Christie's International (The Group), the parent company of the London-based auctioneer, bought cutting-edge London gallery Haunch of Venison. Friday, backed by the seemingly bottomless pockets of Christie's billionaire owner, Francois Pinault, it opened a huge satellite gallery in New York with an impressive array of Abstract Expressionist masterworks on loan from top museums and collectors. As far as a host of art dealers and advisers are concerned, here comes trouble.

With Haunch of Venison, "auction galleries are crossing over a line that's always been faintly there in the sand," says Todd Levin of New York's Levin Art Group, which advises contemporary-art collectors such as financier Adam Sender. Traditionally, auction houses have been arm's-length brokers of art; transparency ruled. Art dealers have always been understood to have a financial stake in what they are selling. With Haunch,

Christie's auction house now has a vested interest in some of its merchandise. "There's a little bit of distrust about auction galleries getting involved in artist's careers," says Priyanka Mathew, director of New York's Aicon Gallery, which deals in the currently fast-rising field of Indian and Pakistani art. With Haunch, she says, the attitude is "watch and wait."

Christie's \$3.5 billion in the six months ended last month, a 10% increase over the same period, but growth is slower than in the past. So is buying Haunch of Venison hedge for a volatile economy, says R. Haunch's interior director. Collectors are attracted by the "discretion," he says, as they don't want to be seen parting with pieces they are known to own. Buyers, too, like to spend more time with potential purchases in a soft market, "coming back to look" at the art, he says.



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Christie's business may be even more lucrative than that, since one of its clients, Roman Abramovich, is one of the world's biggest art buyers right now. The billionaire, who had one of the earliest VIP tours of the gallery in New York, reportedly paid a record \$83.6 million for a Fran-

cis Bacon work at auction earlier this year.

Haunch, which also has sizable outposts in Berlin and Zurich, enters the New York fray when the decades-old rivalry between dealers and auctioneers has turned nasty. Dealer Andrea Rosen, at a panel at the Museum of Modern Art earlier this year, called auction houses "sharks... and opportunists," going

after some artists like "the fish that's easiest to get," even as Phillips Chairman Simon de Pury and Christie's Deputy Chairman Amy Cappellazzo sat beside her. Haunch was tossed out of the prestigious Frieze art fair when the gallery was acquired by Christie's, and it isn't eligible for the powerhouse Art Basel and Art Basel Miami fairs. The issue, says Charlie Finch, art critic for online magazine Artnet.com, is that while the auctioneer says it will remain completely uninvolved in gallery business, "Dealers worry Haunch of Venison is just a fig leaf for Christie's." In a worst-case scenario for dealers, Haunch of Venison could raid artists, or build its own stars, cutting out dealer middlemen

entirely—or even bid against dealers at Christie's auctions with insider information.

Christie's stresses that Haunch of Venison's gallery business of representing artists and their estates is managed independently from the auction house. Haunch is a wholly owned subsidiary not of the auctioneer but of its parent company, Christie's International (The Group). (Ed Dolman, Christie's chief executive officer, oversees both.) Mr. Fitzpatrick says that while Haunch dealers have been and will be seen bidding at Christie's sales, they won't have inside information and will place bids only for clients, not for inventory.

**T**he ties between the two entities, geographically and historically at least, are close. Haunch is in the same New York building as the auctioneer, in a 20,000-square-foot airy duplex at 1230 Avenue of the Americas. Haunch co-founder Graham Southern used to head Christie's contemporary art department in London. In 2002 he partnered with Harry Blain, a financier and friend of Damien Hirst's, to launch the gallery. Haunch of Venison, named after an address in London, kept a low profile until October 2004. Then, Mr. Blain placed bids on behalf of Mr. Pinault, the owner of Christie's, at Mr. Hirst's famous

Pharmacy auction of objects from his restaurant of that name. Mr. Pinault paid \$2.2 million, twice the high estimate, for "The Fragile Truth," a drug-filled medicine cabinet.

Haunch represents, in some cities, such well-known artists as Bill Viola, Richard Long and Keith Tyson. Its director of exhibitions, Michael Rooks, adds that a handful of dealers and their artists have been pleased to hear that some works by artists the gallery doesn't represent will be prominently featured in its New York show of contemporary sculpture, scheduled to open in November. There are "delicacies" to the situation, he notes, but even rival dealers realize "we offer a different kind of platform" for their artists.

Certainly, Haunch gives Christie's some business advantages: It offers spacious, striking venues to showcase work year-round, not just prior to the big spring and fall auctions. It allows the company to make careers, spotting art stars and showing their work internationally before they hit the auction block. Insiders expect the art world to change as a result. Haunch, notes Mr. Levin, "has money to throw at artists like nobody's business."

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