

# COCHRANE ADAMS FINE ART AGENTS

In this newsletter, we wanted to move away from the risks and rewards of selling and share some thoughts on collecting. We will also give you a very brief update on HMRC's Fiscal Forum.

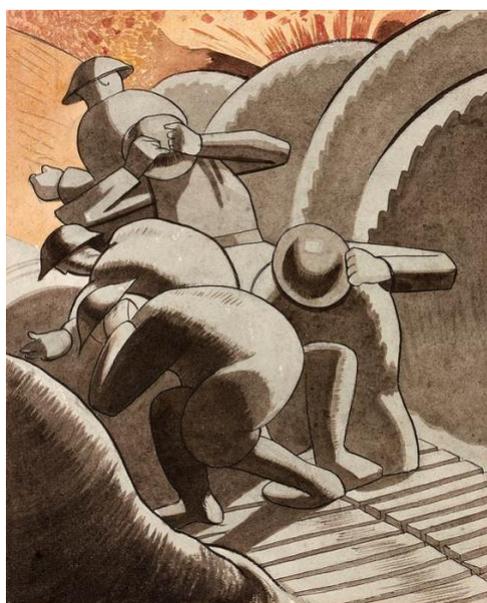
## A Tale of Two Catalogues

### Chapter 1

A wonderful catalogue dropped onto our doormat at Eastcastle Towers this month. It came from Harry Moore-Gwyn, a young dealer in British art who has just set up in premises in St. James's after nearly two decades of private dealing. Harry specialises in British art from the first half of the 20th century. He has a particular intuition for those artists who drew upon landscape and the traditional rhythms of British life: those themes with which British artists have always had a close and almost symbolist (even surrealist) relationship. And this most dramatically during those times of tribulation which Harry's period provided in such abundance.

The catalogue documents the collection formed nearly two decades by Mark Robson, a Northamptonshire collector who has now chosen to sell it through Harry (fittingly, since many of the works were sourced by him in the first place).

I've chosen to write about this for several reasons. First because receiving a scholarly catalogue like this, full of exquisite and genuine surprises and once upon a time the proudest expression of a good dealer's craft, has become an unusual and happy event. This reflects the fact that Harry is himself a rare and somewhat old-fashioned type these days, the kind of dealer who appears



Rupert Lee  
*The Shell, 1918*  
£38,000

over



Richard Eurich  
*Scene on a Street, Lyme Regis, 1930*  
£12,000

sometimes to regard his profession largely as an excuse for indulging his own passion. I hope that he will forgive me for saying that he is painfully modest about promoting himself, yet he has a devoted word-of-mouth following and many major collectors among his clients. Like all great dealers, he is a teacher and a proselytiser, as much as he is a businessman.



James Tarr  
*A Tractor in a Field in a Chiltern Valley, 1930s*  
£6,750

these artists are only known these days because Harry has singlehandedly worked to preserve their reputations. And yet you will learn much more about a Stanley Spencer by seeing it in the company of these contemporaries than alongside other star names whose work bears no relation to it, another Big Name in a greatest hits collection like that of a second-rate museum.

Most of all, though, it is Harry's patent integrity which distinguishes him. He is not a salesman: each work in his catalogue is presented on its own merits at a fair price. He doesn't pretend to be selling time shares. He doesn't talk of 'investment opportunities' and recommend a '3- to 4-year hold' like some of the galleries which now proliferate along Maddox Street and New Bond Street.

There are dealers like Harry in every field, although it often takes some effort to discover them. Their loyal patrons like to keep them a secret. Many great collectors have depended for advice and guidance, as well as access to great works of art, on great dealers. It's easy to assume that today's art market belongs to the auction houses and the superstar names on which they increasingly focus. Harry Moore-Gwyn proves that the day of the connoisseurial dealer is far from done, and any collector would do well to remember this.

Note: No money changed hands during the writing of this article. Nonetheless, Harry's website is <http://www.mooregwynfineart.co.uk>.

What is interesting, I think, is that Harry's span of interest coincides almost exactly, both chronologically and thematically, with the work of Sir Stanley Spencer. And yet while Spencer is an auction superstar, many of his buyers would not pause to look at the artists who feature in this catalogue, even though Stanley himself regarded them as his friends and peers.

Maybe it is because they are too cheap, maybe because seeking them out requires too much time and effort, maybe they don't offer enough 'brand

recognition', but many of



Sir Stanley Spencer  
*The Scarecrow, Cookham, 1934*  
Sold, Christie's, 2014, £2,938,500

## Chapter 2

Harry Moore-Gwyn's catalogue, however, was not the only one to drop through the letter box this month (there are weeks in which we receive 50 of them – our postman gets a case of good claret at Christmas). The catalogue for Sotheby's American Art sale on 16th November, however, was a heavier affair (it weighs nearly 4lbs) but an altogether less pleasurable one.



Sotheby's EST. 1744

Georgia O'Keeffe  
*Cottonwood Tree in Spring*  
\$1,500,00-2,00,000

The Georgia O'Keeffe Museum in Santa Fe has consigned three works to Sotheby's. The group has unaccountably been split up, though, with the two most important lots, the astonishing 1928 *Calla Lilies on Red* and *A Street* of 1926, together adding up to a \$20-30,000,000 estimate, being poached by the Contemporary department where they signally failed to perform. The American department has been left, like Cinderella, with the minor lot which they have had to feature as their cover - an additional smack in the face when they achieved a stunning world record of \$44,400,000 in 2015 for the last O'Keeffe that the Santa Fe Museum consigned.

The 20th century pioneers of African -American Art also seems now to belong to the Contemporary department, with Jacob Lawrence's *The Businessmen* being taken for their evening sale. Lawrence was the magisterial artist of the African-American exodus of the 1930s and 1940s, as black Americans moved to the industrial cities of the north in search of livelihood and

Sotheby's trumpets its British origins when marketing aims demand it but it has had close links to America since the 1960s and nowadays it is an American company, registered in Delaware. The art of its home country lies at the very centre of the auction house's identity but if things are to continue this way this catalogue reads like an 83-lot death certificate for auctions dedicated to American Art at Sotheby's.

The top lots have been ruthlessly cherry-picked and assigned to more powerful and more glamorous departments. Stuart Davis who brought Cubism to America has been poached by the Impressionist and Modern department and allocated to their Evening Sale on 12th November, along with a stunning 1913 Marsden Hartley (which failed to sell).



Georgia O'Keeffe  
*Calla lilies on Red*, 1928  
Sotheby's Contemporary, 14<sup>th</sup> November  
\$8,000-12,000

status. He is one of the great narrators of the American story. There is no art-historical logic to any of this.



Jacob Lawrence  
*The Businessmen*, 1941  
\$1,500,000-2,000,000  
Sold \$6,169,800 (including BP)

To add insult to injury, the American department has been made to devote the first 50 pages of their sale catalogue to trumpeting these appropriations, like an ex-boyfriend forced to be the best man. One can only imagine the quiet anguish of the department's Sotheby's ceased holding sales of Latin American art earlier this year, consigning that continent to auction oblivion. This catalogue seems to indicate that it has been the auction house's intention that North America should face a similar fate. Hopefully the patchy results thus obtained have changed managerial minds. If not, and if such a ruthless land-grab continues, it's hard to see how the American Art department, left with

only Catskill landscapes and views of red barns to fill its catalogues, can now remain economically viable. Auctions make their nut on the top lots: taking those away is equivalent to depriving a restaurant of its liquor license. And that will be a terrible loss because it means that a whole collecting demographic will never be exposed to the artists who did so much to define the way in which we perceive the United States and many great collections of American art will never be formed as a result.

Why would this be such a tragedy? Surely it's just market forces at work? I suppose so, but it's a sad day when market forces so comprehensively rout art-historical integrity, in a business founded upon the ideal of connoisseurship.

Because the auction houses are peddling tabloid connoisseurship: art as status. Andy Warhol once remarked: 'I like money on the wall. Say you were going to buy a \$200,000 painting. I think you should take that money, tie it up, and hang it on the wall. Then when someone visited you the first thing they would see is the money on the wall'. As in so many things he was prescient, and here we are.

The irony is, of course, that money seeks class. Why did the Peggy and David Rockefeller sale at Christie's break every record going earlier this year? Because they collected in a very old-fashioned way. They collected in depth and they devoted great energy to their choices. Because they didn't allow anyone, auction house or dealer, to spoon-feed them. They bought work they admired from people whom they trusted.

And so, I suppose, the wheel of this article has turned full circle: we're back at Harry MooreGwyn and his commitment to the undiscovered gem and the forgotten talent. Selling art has its obligations. A great dealer or auctioneer knows that, for his or her business to be sustainable in the long term, he or she must initiate new generations in the pleasures of enjoying and collecting art.

If we sell art the easy way, with price and glamour as our yardsticks and profit as our litmus, many areas of the art market will be dead and gone before too long, and we shall all be the losers. Collecting art for its own sake and playing a creative part in history thereby is one of life's gifts. Good art dealers, both primary and secondary, are a part of that process. They still exist. If you'd like to meet one, please call us.

### **HMRC Fiscal Forum 2018**

The centre of the forum was once again chattel licences. The forum in part gives HMRC the opportunity to air their views on the level of rent and costs that they consider makes the tax planning side of these arrangements acceptable. Last year HMRC suggested examples of returns of 10% or more from New York ought to be considered when setting the rent. This year HMRC suggested other asset classes should be looked at when setting rents as they stated there was no open market for the letting/licensing of chattels: levels of 3/4/5% were quoted. When pressed however, HMRC accepted that chattel examples were the primary evidence for the levels of rent.

Where does this leave us? HMRC clearly still wants more than the previous benchmark level of 1% of value but no mention was made of 10%. Reference to other markets has been tried before and HMRC appear to accept the chattel market, such that it is, is the one to refer to. However, they are not issuing any guidance.

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www.cochrane-adams.com*

Charles Cochrane: Charles@Cochrane-adams.com  
Mark Adams: Mark@Cochrane-adams.com

**Our mailing address is:**  
Cochrane Adams Fine Art Agency  
21 Eastcastle Street London,  
W1W8DD  
United Kingdom  
Tel: 02030955120