

Bidding for art

Buying desirable artworks at auctions should not be left to chance. This first of a two-part article offers some tips on how to bid at auctions, locally and internationally. **By Sarah Abu Bakar**

With many private collections being put up for sale at auctions — most recently, the three-part auction of the David Bowie collection at Sotheby's London on Nov 10 and 11, which recorded sales of RM180.8 million (£32.9 million) — auction houses are one of the best places to consider when purchasing art, besides galleries and fairs.

The leading artwork in the Bowie sale was Jean-Michel Basquiat's *Air Power* (estimate: £2.5 million to £3.5 million), which fetched £7.093 million. Other works included Frank Auerbach's *Head of Gerda Boehm* (estimate: £300,000 to £500,000), which was sold for a staggering £3.789 million, and Damien Hirst's piece done in collaboration with Bowie, entitled *Beautiful, Hallo, Space-Boy Painting* (estimate: £250,000 to £350,000), which raised £785,000.

The results consist of hammer price with buyer's premium.

Before even attending an art auction or raising your paddle to bid for a desired work, there are certain considerations to be taken into account.

Identify

First and foremost, one needs to determine the purpose of owning an artwork. Is the artwork for emotional enrichment and visual stimulation? Or is it for decorating a new home or office, a gift for someone or investment?

Secondly, what type of artwork is suitable? Do you prefer Malaysian, Southeast Asian or European themes; modern or contemporary; sculpture or painting; abstract or still-life; landscape or figurative; monochromatic or multicoloured; photography or print; batik art or Chinese ink; watercolour, charcoal or oil; on paper or canvas? And so forth.

By identifying the purpose first, it will ease the process of looking for the right artworks at auctions.

Knowledge

Now that the types of artworks have been narrowed down, one is ready to subscribe to online art platforms. There is a sea of information on the web — a good place to start would be Artnet.com, which focuses on global art politics and economics.

Locally, The Edge Galerie's website lists art events in Malaysia and Southeast Asia. It also offers free data on what Malaysian artists and foreign artists based here have achieved at local and regional auctions.

Once the local art scene has been explored, the names of established or popular artists and their works will soon become familiar. This may come in handy later when you enter the saleroom. It is also important to chat with gallerists to stay informed of developments.

The annual calendar of art events in the region usually begins with Art Stage Singapore, followed by auctions in Malaysia and Singapore, Art Basel Hong Kong and auctions held in conjunction with the fair. Art Jog in Yogyakarta, Indonesia, is typically held in the middle of the year whereas Art Expo in Malaysia and several auctions in Malaysia and Hong Kong are scheduled for the end of the year. Throughout the year, art galleries will regularly hold exhibitions.

Budget

After the stimulating reconnaissance at art events, one would have an idea of the types of



Jean-Michel Basquiat's *Air Power* was the most expensive artwork on sale at the Bowie Collector auction at Sotheby's London

artworks that meet one's desire and budget. Indicative prices for works by young and emerging artists range from hundreds of ringgit to RM5,000; young contemporary artists, from RM6,000 to RM20,000; mid-career artists, from RM30,000 to RM100,000; and living senior artists and pioneer or deceased artists, from RM50,000 to RM700,000.

The prices, however, are a general guide and may not apply at every instance.

Factors that influence the prices of artworks include the medium, year, dimension, condition, provenance and whether they are signed.

For instance, an artwork by a venerable name may not necessarily be more expensive than a contemporary one. An undated watercolour on paper by Malaysian pioneer artist Abdullah Ariff (1904-1960), entitled *The River Ferry*, was sold at a local auction for RM46,200 in 2013. In the same auction, contemporary artist Chang Fee Ming's watercolour on paper, entitled *At Dusk ... Nanyang*, dated 2012, was sold for RM198,000.

Also, do keep in mind the additional charges at auctions. The hammer price is not the final price to pay. Other costs to consider are the buyer's premium, Goods and Services Tax and artwork logistics.

The buyer's premium is a commission on top of the hammer price (winning bid at auction) of the lot that must be paid by the winner. It is charged by the auctioneer to cover administrative expenses. The buyer's

premium goes directly to the auction house and not to the seller.

Once you have determined your budget, which includes all expenses, you are ready to go window shopping.

Preview

Auction houses usually organise exhibition previews before the auction day to encourage potential buyers to view and inspect the works, known as lots, up close. It is during these previews that the lots sourced from private collections are displayed to the public, mostly for the first time.

The general public can admire and enquire further during this limited time before the lots find a new home.

Potential bidders are encouraged to enquire about an artwork's provenance, request condition reports and find out if it comes with a certificate of authenticity. Though such certificates are not provided most of the time, it should not be a deterrent to acquire good works.

In our next article, readers will find out the different ways to bid, what happens on auction day, when a bid is won and the ramifications of being an under-bidder. **E**

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