

# International New York Times



Luke Diiorio, *Untitled (Sunset Park #4)*, 2015, pigment, acrylic, bleach and graphite on hand-folded canvas, 175.3 x 81.3 x 7.6 cm

## Emerging Art Cools Down

LONDON — The art market is a notoriously opaque business. And over the past couple of years the highly speculative trade in emerging artists has given off plenty of heat. In 2014, recently made works by young abstract painters like Oscar Murillo, Lucien Smith, Alex Israel, Mark Flood and Christian Rosa were being “flipped” at auction for eye-watering multiples of the artists’ original gallery prices.

But in the past six months or so, this volatile sector of the market, where insiders continually scour Facebook and Instagram for the next Damien Hirst, has undergone a correction. The global economic outlook has become less certain, and so have buyers of emerging contemporary art. In February 2014, a 2012 “Rain” painting by Lucien Smith, 26, one of about 200 made by the New York artist by spraying paint on a canvas with a fire extinguisher, was sold at a Sotheby’s auction in London for 224,500 pounds, about \$372,000, more than 30 times its original purchase price. This May, at Phillips in New York, a Smith “Rain” painting of the same size and year was auctioned for \$62,500.

“People with foresight have stopped buying this kind of art,” said Kenny Schachter, a collector, dealer and writer in London who has been buying emerging contemporary works for more than 25 years. “There was a bubble of fashionable artists. People made a lot of money, and people lost a lot. Artists in their 20s just shouldn’t be selling for almost \$400,000.” According to research by the salesroom result database Artnet, contemporary works created within

the preceding three years generated \$217.4 million of auction sales in the first half of 2014. Sales of such works declined 23 percent, to \$167.5 million, during the equivalent period this year.

That market shift is reflected in a mid-season auction that will debut at Phillips in New York on Sept. 17. The house's previous series of sales, aptly branded "Under the Influence" and heavily weighted with abstract paintings by on-trend names like Mr. Smith, has given way to what Phillips is calling the "New Now," a format that combines both emerging and established artists. The first of four annual sales, divided between New York and London, will include about 250 lots that Phillips estimates could raise \$4.4 million to \$6.5 million.

"There seems to have been a bit of a cooling and hopefully that means we're heading toward a market that's more sustainable," said Rebekah Bowling, who is organizing the sale. She added that the format was a response to new and seasoned collectors' increasing desire to look for value among neglected artists at later stages of their careers. For example, the "New Now" sale will include a 2001 pink neon web sculpture, "Spiders From Mars," by the American "Gonzo" minimalist sculptor Blair Thurman (who was born in 1961), estimated at \$12,000 to \$18,000. (Gagosian held a show of new works by Mr. Thurman at its Madison Avenue gallery from Nov. 1, 2014, to Jan. 10 this year.)

But the auction will also include plenty of the younger, of-the-moment names that have been Phillips's recent trademark. Ibrahim Mahama of Ghana (born in 1987) became one of the most talked-about artists at this year's Venice Biennale after creating a monumental 300-meter installation lined with jute bags that runs through the event's main "All the World's Futures" exhibition. Another Mahama jute bag — sacks used to transport coal — is included in the "New Now" sale. Presented on a stretcher to resemble a painting, and signed and dated 2014, it is estimated at \$12,000 to \$18,000.

Mr. Mahama's works evoke colonial exploitation, but interestingly, as ARTnews reported on Aug. 25, he has become embroiled in a lawsuit that raises issues of exploitation within the art market itself, and exposes its brutally commercial dynamics.

On June 15, the Los Angeles collector and dealer Stefan Simchowitz and the Dublin gallerist Jonathan Ellis King (who presented an exhibition of Mr. Mahama's work last December and January), filed a civil suit in U.S. District Court in California against the artist. The suit claims the artist broke a contract with the dealers by declaring in May that none of the 294 individual signed jute-bag pieces he had supplied to the dealers was his work, and by saying that he had not agreed to the "commercialization" of his artworks.

According to the suit, Mr. Simchowitz and Mr. Ellis King paid Mr. Mahama £90,000 for the sacking material and a fabricator \$67,000 to mount the individual bags on wooden stretchers. The suit claims that 27 of the works (similar to the one at Phillips, which the auction house said by phone has no connection with this case), had been sold for an average of \$16,700 each, making the remaining unsold inventory valued at \$4.45 million.

"He delivered and then after Venice took this crazy position of claiming signed works were somehow not authentic," Mr. Simchowitz said in an email. "It was outrageous and left me with no choice but to sue as I had sold works to clients."

The South African-born Mr. Simchowitz is a controversial figure in the contemporary art world. Respected as an astute and passionate collector — he was an early supporter of Mr. Murillo (born in 1986), buying dozens of works for himself and clients when they were priced at less than \$10,000 — he has also been criticized for his aggressive management and marketing of young artists, like Mr. Rosa, Kour Pour and Mr. Mahama.

"I am not a philanthropist," Mr. Simchowitz said by phone. "The intention from the beginning was to subdivide some of the jute sacks and turn them into paintings. I need to have paintings on walls to sell to clients." Mr. Simchowitz said that he has a client base of more than 200 collectors.

Neither Mr. Mahama, nor the artist's current dealer, A Palazzo Gallery in Bescia, Italy, responded to emails requesting a comment on the case.

Whatever the outcome of the suit (Mr. Simchowitz did not know when it might be resolved), the case reveals how dealers and artists can be tempted to mass-produce works to feed the market's insatiable hunger for instantly recognizable "brand" art.

"There are dealers and artists who confuse the market for a career. They're not the same thing, and that is a problem," said Vanessa Carlos, co-founder of the East London gallery Carlos/Ishakawa, which has been exhibiting Mr. Murillo since 2011. The Colombian artist, who lives in London, is one of the few heavily speculated 20-somethings who has successfully made the transition into the top tier of the gallery system. In October, Mr. Murillo will have his first one-man show at the Mayfair gallery of the New York dealer David Zwirner, where new works will be priced as high as \$250,000.

Meanwhile, galleries continue to introduce emerging artists to the market, and collectors continue to buy them, albeit at more modest price levels. On Friday, the London dealer Pippy Houldsworth opened a solo show of works by the New York artist Luke Diiorio (born in 1983). At an early stage of his career, and yet to be successfully "flipped" at auction, Mr. Diiorio makes austere minimalist canvases out of geometrically folded linen.

"An artist's career should be built gradually, with prices kept stable until institutional support has been built," Ms. Houldsworth said. She added that all seven of the Diiorio canvases in the show, priced at \$12,000 each, have been sold to "trusted collectors, each of whom has agreed to offer the work back to the gallery if they were to sell in the future."

Mr. Diiorio is yet another artist who has benefited from the patronage of Mr. Simchowitz. Though Ms. Houldsworth confirmed Mr. Diiorio "has been working with Stefan Simchowitz for a few years," she said he is now "represented internationally" by the gallery.

Still, sales might also have been helped by recent works by Mr. Diiorio (and dozens of other emerging artists like Mr. Mahama) being shown on Mr. Simchowitz's Instagram account, where he has 73,000 followers.

*Luke Diiorio: Sunset Park is on at Pippy Houldsworth gallery, London until 3 October 2015.*

**Scott Reyburn**