

ART MARKET

US & Americas



Collectors net website art

If you think buying video art is complex, try buying a website. The New York-based Postmasters Gallery presented a new website, www.flyingfrying.com by the Dutch-Brazilian artist Rafaël Rozendaal, at the Seven fair in New York last month. Priced at \$6,000, the animation of a fried egg is one of 100 websites by Rozendaal (left, www.slowempty.com), 40 of which have sold to collectors, including the Belgian-based Alain Servais and Holland-based Carla and Hugo Brown. Each website comes with a contract that stipulates that it must remain live and that the owner must renew the domain registration annually. In exchange, the owner's name appears at the top of the web page (although he or she can also choose to remain anonymous). Rozendaal says that "it's the virtual equivalent of owning a sculpture in a public park". J.H.



Nikolay Shchukin has opened a gallery selling Russian art in Chelsea

Gallery targets US market with Russian artists

OPENINGS

New York. With the appetite for contemporary Russian art and US-Russian relations both at a low point, it is a strange moment for one of "the first arts organisations to bring contemporary Russian art to international audiences" to set up shop in New York. Yet Gallery Shchukin has just opened a 3,500 sq. ft space in Chelsea with an exhibition (until 30 June) of works by Aladdin Garunov, who was born in the Russian republic of Dagestan.

Gallery owners Nikolay and Marina Shchukin are undaunted. "We are here because of the energy of the American market," Marina Shchukin says. "We didn't think about the politics because [Garunov's] art is quite the opposite to what's happening in the world. He thinks that people should know more about other cultures."

The Shchukins are not novices. Nikolay is the great nephew of Sergei Shchukin, whose collection was appropriated in 1917 and is now in the State Hermitage Museum and the Pushkin State Museum. The couple have had a Paris gallery since 2013, have an office in Moscow and claim credit for helping establish the careers of artists such as Sasha Semenov, Andrey Shchelokov and Vladimir Migachev.

But Alexandre Gertsman, who has been selling Russian art for more than 20 years and owns a gallery in NoHo, says this market has not yet recovered from its fall in 2008 and, at the higher end in particular, "most buyers are predominantly Russian-speakers."

Ingrid Hutton, whose Leonard Hutton gallery has long shown Russian avant-garde artists, "applauded" the Shchukins. "It's not easy to do," she says. "But if he has enough money behind him, he might succeed."

Judith Dobrzynski

Private club, private sales

New trading platform enables members to buy and sell works online, promising total discretion

E-COMMERCE

New York. A new members-only trading platform aims to be the first to broker multi-million dollar sales online.

The company, Artwise, mimics a private club. Membership is free, but applicants are "financially, legally and artistically vetted", says Jean-Michel Melemedjian de Rus, one of the company's 12 founders. He says there are around 300 members (this number could not be independently verified). They are "not visible to the rest of the world, so the information is unique", says the European art advisor Laura Gowen, who has been a member for about a month and has already completed transactions. "It's a very active site, I look at it every day," she says.

The company, which went live in April, is officially based in the tax haven of Hong Kong and follows UK law. Discretion is paramount: it works

with three major banks, which it declined to identify, and various international freeports.

The company acts as the middleman in every deal, which means founders can carefully monitor sales to ensure they receive the right amount of commission and also make sure members never communicate directly. "We're not in the business of putting people together," says co-founder Francois Renet (right), who previously worked at New York's now defunct L&M gallery.

The other founders are also the major investors in the platform, none of whom want to be mentioned for reasons of confidentiality and because of "a desire for the world to know Artwise for its business model and not for who is investing", Renet says. The investors all have "their own experience of the art world, whether they are lawyers,



bankers, entrepreneurs or art people who know the market and have connections", Melemedjian de Rus says.

Despite its internet presence, Artwise is not an online venture, says its founders, who think of the company as more closely resembling a bricks-and-mortar business, albeit one which uses the internet as its main distribution and communication channel. "The internet is a tool, but it's not the only element in our business model," Renet says. "Every deal has a human component."

Members can offer, request and buy works of art in three ways. The most public is the main showroom, which all members can view. For more discretion, the private room allows bespoke levels of security: only the name of the artist and year of the work are publicly available. Interested parties

ask to be connected through the company, though they have to match the seller's demands—for example, they might only want to sell to a US buyer. The third level, "Requests", is reserved for rare works (typically with very high price tags) that members might request to buy or sell.

The online art market accounted for an estimated \$1.6bn of transactions in 2013 (up from \$870m in 2012), and is forecast to grow to \$3.8bn by 2018, according to a report on the online art trade published in April by the specialist insurance group Hiscox.

"The bulk of our membership is not galleries," Melemedjian de Rus says. "It is collectors, institutions and estates. Around 10% of our members are art professionals. The rest are corporations and banks. The market needs to go in new ways and give access to certain people. We want to be the platform to do that."

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