

THE \$100 MILLION CLUB

Words by Claire Phillips

In a land where the world's most famous works of art can be purchased by whomever the highest bidder may be and \$100 million seems a mere trifle amount, there lives a strange band of merry men. Aside from their private jets and super yachts, this private club of rock stars, business magnates and royalty is only concerned with one other thing—art. Surprisingly this doesn't mean works by the likes of Leonardo da Vinci or Michelangelo, but by a handful of artists from the modern period. In this lavish buying game, the real tastemakers are van Gogh, Gauguin, Picasso, Munch and Monet. And it is not just the name that matters, but where it's been and who's seen it before—the more private, the better.

Of course once you've dropped your \$100 million, what happens next? Do you hang your newly acquired wares above the fireplace in your mansion for everyone to admire or whisk it away into the night never to be seen again? For each buyer there is a different motive and a different story to tell, which is what makes the art market so intriguing.

Perhaps the best way to get to grips with this strange world of hushed bids and private dealings is to start at the very beginning. Back in May 2004 at Sotheby's New York, Pablo Picasso's haunting painting of a young boy wreathed in flowers became the most expensive painting ever bought at auction and on top of that; the first member of the \$100 million club (it sold for \$104,168,000 including the auction house's tidy commission of \$11 million). But why this painting? For one thing *Garçon à la pipe* (1905) is an incredibly rare example from Picasso's Rose Period during his earliest days in the garrets of Montmartre—to be precise it is only one of three that are still in private hands. In a bidding battle filled with drama and intrigue, the then Sotheby's chairman Warren Weitman beat out superstar gallery owner Larry Gagosian on behalf of a secret collector that to this day remains unknown. Rumours swirled about who the new owner could be, however most of the time the mega-rich are surprisingly coy about their art purchases. We can only listen to the gossip and guess that the man in question could be the Italian pasta billionaire Guido Barilla and that the painting may have disappeared into the vaults of a maximum security Swiss storage facility.

Switzerland is a safe haven for the \$100 million club. Its Geneva Freeport warehouse is a place where the taxman cannot reach and the destination of choice for those expensive artworks bought as a savvy investment. Although a closely guarded secret, it has been suggested that one point two million works of art lie in its vaults. It would no doubt be the greatest museum in the world, if it were public.

So what does it all mean? If Picasso was the most expensive, does that make him the best artist in the world? Well, no. The value of this painting was decided in a stuffy

auction room over a few minutes by two bidders determined to see off each other's competition. And while Picasso wore the crown briefly, with a few whispers here and there the outcome could have been entirely different. Picasso is a name that has always been associated with extravagance and it continues to dominate the wish list of collectors that want to put themselves on the map. That in mind, it is hardly surprising that several of Picasso's paintings are status symbols in the \$100 million club. But curiously, this doesn't mean they are all his best. It is all really a question of timing. That, and an awful lot of cash.



SALE 1722, IMPRESSIONIST AND MODERN (EVENING SALE) NEW YORK, ROCKEFELLER CENTER, 8TH NOV, 2006. LOT 54, PROPERTY FORMERLY IN THE COLLECTION OF ADELE AND FERDINAND BLOCH-BAUER, GUSTAV KLIMT (1862-1918), PORTRAIT OF ADELE BLOCH-BAUER II, OIL ON CANVAS, PAINTED IN 1912. PRICE REALIZED USD 87,936,000. IMAGE COURTESY OF CHRISTIE'S LTD 2017.

The next Picasso to steal hearts was the sensual *Nude, Green Leaves and Bust* (1932), created at the height of the artist's affair with young teenager Marie-Thérèse Walter. Dark, brooding and filled with sexual desire, this painting was snatched up at Christie's in 2010 for \$106.5 million by a mysterious phone bidder rumoured to be either Chelsea F.C owner Roman Abramovich or billionaire

investor Steve Cohen. Cohen went on to take home another dreamy painting of Marie-Thérèse in 2013 through a private sale with Las Vegas casino owner Steve Wynn for a cool \$155 million. The story goes (and you really couldn't make this up) that the first time Wynn tried to sell *Le Rêve* (1932) he managed to over excitedly put his elbow through the canvas—killing the deal. But after some swift restoration, Cohen still went ahead with the big buy and paid even more money than he had promised in the first place.

The most expensive Picasso to date however, is the spectacular reinvention of Delacroix's *Les Femmes d'Alger* (1955), which went for \$179.3 million in 2015 at

Christie's. The lucky purchaser in this bidding war was the former Qatari Prime Minister Hamad bin Jassim bin Jabar Al Thani. For years the Al Thani family had been making moves to amass a world-class collection of Islamic artefacts, alongside modern and contemporary masterpieces, yet Jabar's personal collection, to which this work belongs, remains a closely guarded secret. Rumour has it he has already spent a whopping \$1 billion getting his hands on western artworks. The Al Thani family are just one of several high rolling families from the Middle East, propped up by immeasurable oil and gas fortunes. With new Louvre and Guggenheim Museum outposts in Abu Dhabi to fill, it's hardly surprising that Arab buyers have been rapidly snapping up the best of the best when it comes to the \$100 million mark.

In the British world of high fliers, the names Sting, Paul McCartney, Elton John and Andrew Lloyd-Weber are often heard in mutterings on the auction floor, while the most desirable British catch around is the Irish painter Francis Bacon who is best known for his tortured portraits of lovers and friends in contorted positions of emotional turmoil. The ex-wife of Steve Wynn (of clumsy elbow fame) laid claim to Bacon's *Three Studies of Lucian Freud* (1969) at Christie's in 2013 with a monstrous \$142.4 million pay out—a firm line in the sand for British art on the luxury stage. This masterpiece is reportedly heading to the Los Angeles County Museum to be pride of place in its public collection.

On the other side of the Atlantic, Andy Warhol, Willem de Kooning and Jackson Pollock lead pack of artists dominating the twenty-first century market. These artists highlight a migration from Paris to New York in the wake of the Second World War as Abstract Expressionism began to boom and Pop Art took control of the art world. For Pollock, of splat painting fame, two works have outstripped the \$100 million line. The first was *17A*, sold to entertainment mogul Ken Griffin in a double deal along with de Kooning's *Interchange* (1955) for an astronomical \$500 million. Normally in private sales, secrecy is the word, but in this case the two paintings found their way to the Art Institute of Chicago on loan. The other Pollock to seize a top price is *No. 5*; again it was a private sale but this time to the incredibly tight-lipped Mexican financier David Martinez for a cool \$140 million in 2006, even though Mr Martinez's representatives have always actively denied the deal. Even when you do get your hands on some of the best art in the world, it seems you often don't brag about it.

Mark Rothko, with his raw patches of dense abstract colour, has also become an American star act. In 2012, Rothko's *No. 1 (Royal Red and Blue)* was sold for very respectable \$75.1 million at Sotheby's New York. However just two years later the Russian billionaire and owner of AS Monaco football club Dmitry Rybolovlev paid a whopping \$186 million for Rothko's *No. 6 (Violet, Green and Red)*, purchasing it through a Swiss art dealer and setting a world record for the artist. What caused this enormous leap in value? Whether madness or folly, sometimes you just have to have something. The sale later hit headlines, with Rybolovlev having the dealer (who had sold him over \$2 billion worth of art and coincidentally owned a stake in the secretive Geneva Freeport) arrested on suspicion of money laundering and fraud.

In the land of luxury, what seemed like a crazy price yesterday could be perfectly reasonable tomorrow, and it isn't just westerners that are playing this high stakes game. In 2015 one of China's most notorious art collectors Liu Yiqian snapped up Amedeo Modigliani's languorous *Nu couché* (1917) for \$170.4 million at auction, settling the bill after the sale by handing over his American Express. Mr Liu began his career as a taxi driver in downtown Shanghai

before becoming an international real estate, stocks and pharmaceuticals businessman who is also one of the most ostentatious collectors in China. Often more public to acknowledge their purchases but less likely to exhibit them for all to see, these new super-rich eastern collectors are helping push prices to what seem like infallible new highs.

The American talk show host Oprah Winfrey has turned her hand to the \$100 million club, selling her portrait of high society patron Adele Bloch-Bauer II by Gustav Klimt for \$150 million just a few months ago after having lent it to New York's Museum of Modern Art for several years. She had purchased the work in 2006 for \$87.9 million after it was sold by the heirs of the portrait's subject. After a long drawn out legal battle, the painting was returned Bloch-Bauer's family from the Austrian state since it was discovered to have been illegally looted by the Nazis from the sitter's husband during World War II, and they quickly cashed in. Winfrey only entered the bidding war for the work when the price reached \$74 million, suggesting she was willing to pay whatever it would take for the work. The work's counterpart, *Portrait of Adele Bloch-Bauer* also sold by the family in 2006 to Ronald Lauder, founder of Neue Galerie and heir to the Estée Lauder Company in a private sale for \$135 million, made it the most expensive art work ever sold at the time. It now hangs in Lauder's personal museum in New York. Winfrey's painting on the other hand, like so many western masterpieces from the twentieth century, was destined for an Asian private collection (although it has been hinted at that the mysterious owner is currently building their own public museum in China). In Asia a new billionaire is made every three days currently, and thanks to this boom, the face of the luxury art market has changed drastically in the last few years. Christie's is supposedly scaling back its European operations, with rumoured impending closures of its Amsterdam and South Kensington in London branches in favour of pastures greener in Asia and Russia.

'Why an earth would anyone pay that much for a work of art?' you might ask. The answer is not simple. The question of value is riddled with complex factors, including skill, taste and even whether a collector felt like buying something that day. And for those who get stumped at the post, they can look forward to the second wave of dealers and auction houses approaching, knowing they're in the market for a masterpiece and have \$100 million going spare. For better or worse, the mysterious dealings of the art world are bound to the cash register. While a crash could be somewhere on the distant horizon, for now—the untouchable \$100 million club seems only on the rise.



SALE 3789, THE ARTIST'S MUSE: A CURATED EVENING SALE, 9TH NOV 2015, NEW YORK, ROCKEFELLER CENTER. LOT 8 A. AMEDEO MODIGLIANI (1884-1920), OIL ON CANVAS, PAINTED IN 1917-1918. PRICE REALISED USD 170,405,000. IMAGE COURTESY OF CHRISTIE'S LTD 2017.