

SPECIAL REPORT
DESIGN

When a "Dragon" armchair by Eileen Gray sold for almost €22m at Christie's Paris in 2009, the collectible design market seemed immune from recession. Rapid growth between 2001 and 2008 had seen prices nudging contemporary art levels and, even after the financial crash, a prototype "Lockheed Lounge" aluminium chaise, 1988, by Marc Newson—a living designer—fetched more than \$2m at Phillips de Pury New York in 2010.

Then a chill set in. Phillips de Pury stopped holding exhibitions of new work by living designers like Ron Arad, Zaha Hadid and Marcus Tremonto and retreated to a mainly 20th-century, secondary market. Nervous collectors followed suit. "The contemporary market was very speculative in the mid-2000s," says Alexander Heminway, the design director at Phillips (as it is now known) New York. "After the crash, collectors became suspicious of large editions and wary of conceptual rather than functional work. They are now looking at earlier, more established periods. The contemporary market still exists but it's more about specific designers and specific pieces." Still, even big names don't necessarily find buyers on the secondary market. Arad's bronze "Looploom" chaise, 1992 (est \$80,000-\$120,000) failed to sell at Phillips de Pury New York's sale in December.

"The auction houses were very influential in backing the contemporary market a few years ago and their retreat demotivated collectors," says Loic Le Gallard, the co-founder of the London- and Paris-based Carpenters Workshop Gallery. "This will change as confidence returns. We saw it at Design Miami in December. For us, it was the best fair in 2012. US collectors had really got their confidence back and were keen for new work."

Primary market

"It's a recalibration moment," says James Zemaits, the senior vice president of 20th-century design at Sotheby's New York. "Confidence in contemporary design is returning, prices are more realistic and the general trend is healthier because it's mainly a primary market, with most work bought direct from galleries."

"Contemporary work will always have to fight harder than 20th-century blue chip pieces," says Libby Sellers of Libby Sellers Gallery in London. "But a designer's career has to start somewhere and savvy collectors know that. One client has requested a portfolio of emerging and established designers. Collectors want investment pieces. They want sculptural work with evidence of the designer's hand and they also look for a narrative, whether in the process, as with Max Lamb and Peter Marigold, or the object, like FormaFantasma." Gianandrea Castellazzi of the Milan-based Dilmos gallery agrees: "Clients increasingly want something personal with a strong narrative. We often arrange for designers to work on site-specific pieces."

Overall, the 20th-century design market "is still erratic," says Zemaits. "Many contemporary art buyers are also buying design but it's a different animal. Contemporary art is finite, so lot values are exploding but decorative arts aren't limited. Unlike the major fine art market there are two dozen competing auction houses. A gigantic volume of property is being offered all the time, which can cause fluctuations in prices. Numerous lots fail or get under-sold because of the sheer volume." He notes another contrast with the art market: "Design is now less speculative. Clients want to live with the work and only buy if they

A renaissance in contemporary design

Modern pieces dominate the market, but confidence in new works is returning. By Nicole Swengley

have a specific space for the pieces. The market was softer in 2012 than 2011 and 2010."

His views are confirmed by Ben Faga, the editor of the online publication, DeTnk, which produces an annual design market report. "Overall the design market shrank 11% in value and 18% in volume in 2012 as auction houses offered significantly fewer design objects than in 2011," he says. "But the average sale price was £17,071, which is a global record for the design market and 8% higher than 2011."

Launched in 2011, DeTnk's annual report is a one-stop shortcut to design sale results from the five top auction houses: Christie's, Sotheby's, Phillips, Dorotheum (Vienna) and Wright (Chicago). Analyses highlight both what sells and what doesn't, since it lists the percentage of unsold lots by specific designers.

Sales of the earliest 20th-century work, says Zemaits, "are very slow". This includes French and Belgian Art Nouveau, English Arts & Crafts and the Austrian Wiener Werkstätte. Among the most collected Art Nouveau designers listed by DeTnk are Carlo Bugatti, Josef Hoffmann, Charles Rennie Mackintosh and Harvey Ellis. The best pieces do find buyers. A rare Bugatti desk and chair fetched \$80,500 (high estimate \$50,000) at Christie's New York in December.

While Art Deco lost ground in 2012, shrinking 32% in value and 19% in volume (of the total market), DeTnk's report confirms it still holds the market's highest percentages in value (32%) and volume (23%). "French work from Art Deco through to Claude and François-Xavier Lalanne remains strong, although the market is increasingly more selective," says Zemaits.

Aside from the evergreen appeal of René Lalique, DeTnk lists the top-selling Art Deco designers as Jean Dunand, Emile-Jacques Ruhlmann and Eileen Gray. A Ruhlmann desk and chair, around 1930, fetched \$302,500 (est \$250,000-\$350,000) at Christie's New York in December.

Giving *The Art Newspaper* an exclusive preview from DeTnk's 2013 report ahead of publication in March, Ben Faga says: "The area with the largest growth is mid-century Modern (1945-1970), which grew 56% in value and 35% in volume (of the total market) since 2011. It also had the highest percentage of lots sold—76%—compared with other periods, such as contemporary design at 68%." Blue chip French designers domi-

An Eileen Gray "Dragon" armchair, 1917-19

nate the mid-century market, with collectors buying lighting by Serge Mouille and furniture by Jean Prouvé, Le Corbusier, Pierre Jeanneret, Charlotte Perriand and Jean Royère. Four pieces of Prouvé's furniture, 1936 to 1955, sold above their high estimates, six within their estimates, and one remained unsold at Phillips de Pury New York's design masters and design sales in December. Six Royère late 1940s-early 1950s lighting and furniture designs sold above or within their estimates.

Site-specific pieces

Of the mid-century Americans, demand remains strong for rarer or site-specific pieces by Charles and Ray Eames, George Nakashima, Paul Evans, George Nelson, Harry Bertoia and Florence Knoll. "It goes in cycles," says Simon Andrews, a senior specialist in 20th-century decorative art and design at Christie's London. "Eames and Nelson were popular ten years ago, then collectors lost interest when re-editions appeared, like Vitra's Nelson clocks. But good, authentic examples do retain interest," he says, adding that: "The value of objects is based on their cultural resonance."

Post-war Scandinavian design has an "enduring and robust appeal," says Andrews. The market confirms Zemaits, "continues to be strong for individual pieces. Prices are way higher than 2002 but are flattening out because there's too much around."

The Nordic designs sales held by Phillips de Pury in 2011 and 2012 embraced Sweden and Finland as well as Denmark. "Furniture by Alvar Aalto, Finn Juhl and Borge Mogensen did well. So did lighting by Poul Henningsen and ceramics by Axel Salto," says Alexander Heminway.

Meanwhile two pairs of 1950s-designed chairs by Poul Kjaerholm topped their high estimates—despite one pair being made in 1997—at Phillips de Pury's design sale in December.

Post-war Italian architect-designers, says Andrews, "produced fresh ideas and created a lot of good objects that sought to articulate something new about society and materials". Heminway notes strong demand for furniture by Giò Ponti and Ettore Sottsass, rarer pieces by Carlo Mollino, glass and furniture by Carlo Scarpa and lighting by Gino Sarfatti. "It's an area that's less explored than the early 20th century," he says. "The designers feel familiar and yet they still have the potential to surprise."

Of 12 pieces, 1942-60, by Ponti, five sold within their estimates and seven topped their high estimates with some lots doubling or tripling that figure at Phillips de Pury New York's sale in December. Didier Krzentowski of the Paris-based Galerie Kreo, meanwhile, confirms Sarfatti's lighting is "very much in demand".

"The market for Italian 20th-century furniture is now global," says Rossella Colombari of Galleria Colombari in Milan. "This epochal change has become increasingly evident in the past two years. We've sold to clients all over the world from Bucharest to Kosovo and Johannesburg. What sells are the true masterpieces by the master Italian architects like Ponti, Mollino, Ico Parisi and Osvaldo Borsani. The pieces that don't sell so well are minor works, pieces from large editions and average designs."

Anchored in history

This flight to quality and provenance is echoed by Andrews. "Collectors are looking for important pieces that are truly anchored in history," he says. James Zemaits agrees: "Collectors want museum quality, the best of the best. With museums building up their own 20th-century design collections, this may mean the more average and mass-produced pieces won't find their way to market in future."

A more considered approach to collecting design could also boost renewed interest in the best contemporary work. "We're seeing demand for designs by Studio Job, Zaha Hadid, Ingrid Donat and Johnny Swing," Zemaits says. "However, the big difference between today and 20 years ago is that people 'decorate' rather than 'collect' things to display."

As a result, when collectors see contemporary design within a decorative environment such as at the Pavilion of Art & Design (PAD) fair, dealers and galleries benefit. Galerie Kreo, Carpenters Workshop Gallery, Gallery Fumi and Galerie Downtown François Lafanour all did well at PAD London last autumn, while the Scandinavian specialist, Galerie Maria Wettergren, sold everything.

"Every year we have more galleries applying and the fair is always full of hungry collectors," says Patrick Perrin, the president of PAD. Next year the fair will debut in Los Angeles in addition to its established locations in Paris and London. As confidence in the contemporary market returns, so prices will strengthen, even if this renaissance comes, as Zemaits laments, "without the fireworks of previous years".

