

Kaliman and Reid Signal Generational Shift for Secondary Art Dealer Market

By Jane Raffan, on 21-Sep-2010

Vasili Kaliman and Michael Reid are currently in discussions regarding the opening of a new gallery focusing on the secondary art market. Proposed for launch around March 2011, the dealership will be poised, Phoenix-like, to coincide with the art market's rebirth.

Michael Reid believes that the art economy will 'be up to speed with our actions by then', having arisen from the doldrums of the GFC and the cumulative effects of a string of government policies and regulations that has impacted buyer confidence and stalled spending.

Reid is confident that he and Kaliman's investments over the past year will pay off, and predicts the return of reinvigorated collector confidence. This move coincides with a shrinking core within the secondary market dealer establishment. In the past few years, the closure of Wynn Schubert's Queensland galleries and the more recent death of Sydney dealer Eva Breuer are notable events in this regard.

Over the same period, auction houses have been exploiting divergences in the secondary market dealer landscape, with many small and large firms offering private treaty services as extensions to their core auction calendar. This trend has become more obvious over the past two years in particular, with a growth in prospective vendors facing credit crunches. Post crash, many sellers who bought at the top of the market have sought to trade outside the saleroom where results, and the taint of a fire sale, are less immediately apparent.

In Melbourne, Mossgreen has managed to imprint the market with their boutique model, but there have been no serious players in Sydney where the auction scene has also faced ongoing distractions generated by multiple shifts in ownership of major corporate brands.

Reid proposes to work with Kaliman while continuing to run his Elizabeth Bay contemporary art exhibiting gallery. While the new gallery will focus on Australian, Aboriginal and international art with an emphasis on works from the 1980s onwards, it will also be aiming to reposition quality works, irrespective of period, with private collectors and art museums.

Despite their claims the gallery will thus be navigating new territory, this stated focus places it squarely alongside at least one other contemporary secondary market dealer, Annette Larkin, who has successfully maintained the same business model in Sydney since going solo in 2006. Another ex Christie's consultant, Shaun Dennison, briefly flirted with a dedicated Aboriginal secondary market dealership in Sydney with Leo Christie before joining the Mossgreen stable in 2007.

Strategically, Reid predicts a generational shift will favour their joint venture. He believes that his and Kaliman's efforts behind *Art Month Sydney*, and the development of new ways of engaging with art, such as Reid's iPhone gallery App, speak to the current generation of art buyers, whilst establishment secondary market art dealers are 'two generations from the sensibilities of those beginning their collecting journey'.

Attracting the new generation is one thing. Keeping their attention is another. It will be interesting to monitor whether or not the stars of the secondary market will even appeal to those of the Twitter generation. As the seasoned dealers understand, it is much harder to engender excitement about select shows of older works of art by mid-career artists versus the pull of fresh works by the 'next big thing'.

And here, cultivating the crowd becomes key. Not content with capitalising solely on happenstance or incremental client movements between dealerships across this generational divide, Reid believes he and Kaliman will become 'opinion formers within their generation'. To this end the gallery will undertake up to three thematically curated exhibitions a year, each supplemented by scholarly catalogues. Reid believes this last point, in particular, sets them apart from others in their field.

Auction house catalogues have been developing along these lines for years, and an essay by a consultant scholar is now *de rigueur* for major works and others of note. Auction houses are also able to marshal significant resources to build momentum and engender excitement about their sales, the costs and logistics of which are almost impossible to match by small galleries.

If the recovery of the art market continues apace with the financial sector, it is likely that auction houses will engender even greater appeal and smaller dealerships will find it harder to compete with the power of their marketing dollars and commercial reach.

Undaunted, Kaliman and Reid insist their venture will be a highly focused, bespoke practice at the upper end of the art market that isn't aiming to directly compete with any auction house or dealer. Stay tuned to your state-of-the-art communication portal of choice for more...

About The Author

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