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At a time when the global art market is contracting, the Dallas Art Fair continues its bullish

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At first glance, the news appeared grim. A recent report by UBS Group AG and Art Basel delivered the March headline that, for the second straight year, the global art market careened downward in 2016, to its deepest point since the Great Recession.

Sales of art and antiquities dropped 11 percent, with sales of art at auction declining by a whopping 26 percent.

The 2016 slide, on top of a 2015 downturn, wiped out gains seen in 2013 and 2014, when sales reached an all-time high of \$68.2 billion.

But to underscore the point that one man's pain is another man's pleasure, the news resonated in the world of art fairs, which, according to the report, generated more than \$13 billion in sales in 2016 alone, up 5 percent from 2015.

And now, the bull market for art fairs turns its attention to the Dallas Art Fair, whose ninth edition opens April 7 at the Fashion Industry Gallery on Ross Avenue. The Dallas fair began inauspiciously in 2009, at the height of the Great Recession, or as co-founder Chris Byrne has said, "three months after the world ended."

Almost a decade later, the Dallas Art Fair exemplifies one of the report's most telling statistics: Art fairs in 2016 represented 41 percent of total sales by galleries, almost 100 of which — including 39 from foreign countries — will set up booths in Dallas.

They include even a recognized art-world heavyweight, the New York-based Gagosian Gallery, which will make its first trip to the Dallas fair, at a time when its profile is arcing even higher. Part of that may be due to Instagram, which the *New York Times* recently dubbed "a commercial game changer for the art market." Gagosian would appear to be leading in that endeavor, with at least 593,000 Instagram followers, to say nothing of its stable of artists.

In January, Gagosian announced that renowned artist Brice Marden, whose work has sold for more than \$10 million in the past, was switching galleries and joining Gagosian, which already lays claim to being the U.S. representative for Damien Hirst.

Living in such rarefied air does not mean, however, that a gallery is immune from unpleasant scrutiny. Last July, *The Times*, calling Gagosian "one of the most successful art dealerships in the world," reported that it "failed to pay New York State sales tax on hundreds of art transactions over a decade." Eric Schneiderman, the New York State

attorney general, announced an agreement to collect \$4.28 million in back taxes, interest and penalties" from Gagosian, which will show the work of acclaimed artist Piero Golia at the Dallas fair.



The Nasher Sculpture Center dropped the literal curtain on artist Piero Golia's *Chalet Dallas* at 12:11 a.m. on Saturday, Feb. 6, 2016. The four-month installation, done in collaboration with architect Edwin Chan, transformed the Nasher's Corner Gallery into a social experimentation gathering space. Nan Coulter/Special Contributor

While news of a downturn in the global art market may be wreaking havoc in such esteemed auction houses as Sotheby's and Christie's, "in Dallas, this decline is not having an impact — at all," says art adviser John Runyon. "As a city, we are doing quite well, and the trajectory of the Dallas Art Fair has been, I would say, overwhelmingly positive."

John Sughrue, who with Byrne co-founded the fair, calls the report "fascinating," for offering even more evidence that galleries have undergone a sea change in how to do business; the Great Recession marked a turning point in the business model of art galleries.

"At one point, they could have resorted to business as usual," Sughrue says, "with people walking into their galleries, buying art during a bull market." But the game changed, forcing them to "go out and find a new audience," albeit in such faraway places as Dallas.

"Like anything else, the industry is a community," Sughrue says. "And it's a community of tastemakers and arbiters that talk among themselves. And word is out that Dallas is a community that revels in collecting contemporary art."

The best dealers in the world, he says, are now "on this art-fair circuit," which means going to "eight, nine, 10 art fairs a year." To be part of the discourse on contemporary art, Sughrue says, participating in art fairs is mandatory.

"And we came online at a time when these dealers also needed to find new audiences. And they found a new audience in Dallas."

The Dallas Art Fair is a private enterprise, as are the galleries, meaning they don't have to release financial figures, as non-profit corporations do. But one of four U.S. managers for the internationally renowned Skarstedt Gallery, which is coming to the fair for the first time, says the 15 to 18 pieces they bring to Dallas will range between \$18,000 and \$45,000 apiece.

The fair is one thing, Dallas' maturation as an art city quite another. But the two are intertwined. Runyon cites the city's growing base of collectors, including familiar names — Howard and Cindy Rachofsky, Deedie Rose, Marguerite Hoffman, Jennifer and John Eagle — and a new generation.

They include Derek and Christen Wilson; Will and Catherine Rose, who recently became the chairwoman of the board of the Dallas Museum of Art; and Alden and Janelle Pennell, who own the Power Station, a cutting-edge art space near Fair Park.

Absent committed collectors, Runyon says, international galleries would not be flocking to Dallas.

"There's tremendous pride in the community and in philanthropy," he says. "And the Dallas Art Fair is a spoke on that wheel of progress, in terms of Dallas becoming a legitimate art destination."

Runyon says that when got into the art business in 1988, "Dallas was not a destination for people to come and spend days looking at art. Now, we have boards from museums all over the world that come here and spend several days. And they stay in an art-filled hotel, the Joule.

"And they venture out to Howard's and Cindy's warehouse. They visit private collections. And they're in town during art fair week. They'll even go to AT&T Stadium to tour the Dallas Cowboys Art Collection."

Runyon says well-placed contemporary art is redefining Dallas as a visual-art destination. He salutes art collector Tim Headington, who owns the Joule Hotel, and Jonas Wood, who owns Thanksgiving Tower, where pieces by French artists Daniel Buren and Isabelle Cornaro grace the landscape.

The city, Sughrue says, has accelerated the fair by giving it "a very animated, robust central city. We've got a city that's becoming more dense, more urban, more international. It's a city with great contemporary architecture. It's a city that is maturing."



Cindy Rachofsky, John Runyon, Lisa Runyon at the Krug Journey Dallas dinner with chef Grant Achatz at the Rachofsky House in 2015 (John Thompson/Special Contributor)

Nine years ago, Sughrue says, Dallas collectors "had an interest" in buying contemporary art "but not the knowledge they have today. Now, we have a very sophisticated, knowledgeable, collecting, contemporary-art community, and the world knows that."

<http://www.dallasnews.com/arts/visual-arts/2017/04/02/time-global-art-market-contracting-dallas-art-fair-continues-bullish-ways>