



VIEWPOINT

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Damage/Loss Appraisals: Part II - From Average To Aberrational

The “silly question” is sometimes the first step towards understanding and solving a problem in the field of damage/loss. Never be afraid to ask, never apologize for asking. Let them think you’re naïve if it results in getting the information you seek.

A late nineteenth century table has been exposed to water damage. The company responsible for the sprinklers that caused the damage agrees to only pay for refinishing the top, the only part affected by the water.

“Won’t it look funny if the restoration results in a shiny new top and the rest of the table retains its darker, patinated finish?” A silly question with a deeper meaning.

An early twentieth century oil on canvas is subjected to damage in transit – a small hole that requires reweaving and minor in-painting. The moving company’s appraiser advises that the restoration be confined exclusively to the area of damage. If the owner wants the overall painting treated, that cost should be his, not that of the moving company.

“Would such a painting be salable if only the damage was addressed, without removing the varnish from the overall painting and revarnishing?” A silly question with economic ramifications. In both these instances, and in similar ones involving damage to part of an object or artwork, the overall aesthetics of the piece must be considered. Loss in value, at least in the manner in which we view it, is also a question, albeit not so silly. How much would a dealer or any seller expect to discount the damaged object if it is restored professionally and offered to a knowledgeable and interested buyer?

For the hundreds, even thousands of damaged items that this firm appraises every year, there are any number of “silly questions” that we feel compelled to ask, and finally, the most important one – how to decide on loss in value when considering the financial effect of restoration.

Which leads us (rather circuitously) to a discussion of whether there is a loss in value if a disintegrating shark suspended in formaldehyde can be replaced by a newer, firmer fleshed shark (also dead of course) in a stronger solution and still retain its value?

Many readers will know about the famous shark piece (that we viewed both in London and New York), commissioned in 1991 by British ad man and collector Charles Saatchi from artist Damien Hirst. The purchase price was equivalent to about \$750,000.

If you haven’t seen a photo of it, let me attempt a description. The case in which the shark floats is about 15 feet long and filled with a 5% solution of formaldehyde. The dark gray fish submerged in dim liquid isn’t doing much of anything, just bobbing about in the tank.

The piece was first displayed in London’s Saatchi Gallery in 1992, and has been in numerous exhibitions in numerous places over the ensuing years. During that time that the shark has been submerged its flesh began to rot, its carcass became distorted, and the liquid in which it floated became murky.

Yet in 2004, despite its less than dapper appearance, Steve Cohen, the hedge fund manager and recently famous collector, paid about \$12 million for it.

Now, the artist’s company, Science Ltd., states that Hirst would be glad to refurbish the piece, “as he would with any of his works that are over ten years old.” (The Art Newspaper, No. 171, July-August 2006)

It is true that the conceptual artwork, “*The Physical Impossibility of Death in the Mind of Someone Living, 1991*,” could readily be called an “iconic” piece, easily recognizable by most in the art world and many outside. Hirst also did a number of other similar dead animal artworks, like a split sheep in



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formaldehyde and a dead carcass with accompanying live flies, enclosed in a glass case.

The silly question here is: how many times can an organic piece be destroyed and reproduced without losing any value? In the case of Hirst concept appears to be everything, the dead shark merely a disposable physicality, to be substituted forever without losing value. It is the idea that lives on.

Yet, when a Jeff Koons piece, such as basketballs floating in liquid, encased in glass, had a problem there was a discussion at a museum conservation lab that centered on how to replace the damaged basketball, since production of the ball with the name of the then famous basketball star was no longer possible. A solution did occur. It appears that many similar basketballs had been laid aside for just such an occurrence. Silly question, but how long will these last and what happens when they run out? Is it up to the artist to decide if his piece is only an idea and that it can be reproduced endlessly, or does the owner have a say in the matter, or does the appraiser?

This piece could also be considered iconic, so why if Hirst's shark is, is this entire piece not replaceable? Of course with the artist's and the owner's permission.

Several years ago an artist left a couple of bags of dirt in storage at a warehouse. In turning the warehouse over to new owners it was cleaned out and the bags of dirt dumped. Unfortunately it turned out that the "Earth Artist" had collected pillowcases full of dirt dug personally from patches of earth outside numerous concentration camps in Europe.

Replace it with any kind of ordinary dirt? Not on your life, insisted the artist. She must be compensated for returning to Europe and repeating all the steps taken on her first trip. In this instance it was asked of the appraiser to negotiate the loss in a way that appeased the artist and made sense to the insurance company. This is a case where psychology 101 is needed of an appraiser.

"If it was so important a piece to you, why did you leave the dirt in the warehouse for so long? Why didn't you label the precious earth carefully so there was no mistaking what it was? Do you really want

to repeat a piece so many years after 'Earth Day' when your piece had greater meaning? Don't you want to move on to new projects?"

And to the insurance company: "Why didn't your client notify all clients ahead of time that there was going to be a clean-up of the spaces? Do you want to continue arguing that the dirt is worthless when you will end up with the entire art community being dragged in for opinions and let this discussion go on for months, or do you want to settle the case?"

When appraisers themselves speak of "damage/loss" appraisals they often mean cut and dried situations in which a leg of a chair is broken, a painting water damaged, a chest of drawers gouged on its side. Cut and dried in that these damages can be measured, both scientifically and financially. However, if this area of appraising is one in which you choose to become deeply immersed, be prepared for three givens:

- 1) You will have to know everything the deceased artist has written about his own work, and if he is alive you must find out his views on conservation of his work..
- 2) In every instance you must think outside the box.
- 3) And very importantly, you must prepare each report as if you are going to have to defend it in court, because eventually, unfortunately, you will be sued. You may very well be penalized for being conscientious if a collector or owner fails to admire your recommendation as to original value or loss in value post repair.

Appraising is a profession that is becoming increasingly sophisticated, particularly in the area of damage and loss, since the materials that are now being utilized by the more famous artists have become more complex and their work more obscure.

We have dealt with many Surrealist artworks that have endured slight to major damage. These pieces could also be considered conceptual since they often rely on mass produced items, such as coat racks or manufactured steel tubes, and even urinals. However, when a Joseph Cornell box fell from a



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table and one of four cocktail glasses was smashed, there was a big brouhaha about whether the piece had lost its value because the replacement, although exactly the same in every aspect (a cheap 1950s cocktail glass), had not been handled by the artist. In this instance, because the artist was no longer alive, it was determined that there was a loss, although, after replacement, no viewer would ever have been able to tell the difference.

We appraisers walk a fine line, don't we?

Much of how we determine loss has to do with the hand of the artist, I have found. In one memorable instance my firm strongly recommended that a damaged painting by a famous living artist be restored by a specialist conservator, but the owners insisted on the artist doing the work. He botched it up. Artists often are the very last people you'd want to restore their own work. In so many instances they can create but not recreate. In any event, the owners preferred the inferior restoration by the artist to a fine job by a trained conservator. We still felt impelled to give it a loss in value since, on a hypothetical offering on the secondary market, it certainly would have brought less than the owners had paid.

There's very little conceptual confusion when it comes to the decorative arts, since most of these objects have been made for use. You can't think about a chair and sit down on air. However, there is always the matter of how much loss has occurred to, for instance, a quilt that's 75 years old and full of moth holes. The maker is gone, half the patches must be replaced, and many others mended. The question here is: is what remains for the most part by the hand of the maker, or by the hand of the conservator?

Again, with the quilt, as with furniture, porcelains, rugs, and other types of decorative items, the central question is what the resale value of the item is after it has been conserved, as seen through the eyes of a potential buyer who has been provided complete information on the damage and restoration.

Or, to put it another way, how much would the dealer or seller be expected to discount the item, given the nature of damage, the extent of restoration, and the current market for similar items in good condition?