



## VIEWPOINT

by Elin Lake Ewald, Ph.D., ASA

### Appraisers Shouldn't Pay

How does a fine art appraiser counter the demand for payment from a dealer asked to provide a price for the work on an artist that dealer represents? How does the appraiser even get cooperation of any sort from that dealer?

For as long as most of us remember, there's been an ongoing tug-of-war between personal property appraisers who need a replacement price from a gallery to complete an appraisal and the dealer who wants to be paid for this "appraisal."

A few years ago a dealer friend showed me a letter that had been sent to all Art Dealer Association members from its central organization, suggesting that they were not required to provide "free appraisals" to callers and that there might be legal implications connected to giving out such information. I contacted the counsel to ADAA who said the problem was that too many appraisers were calling dealers for information and it had become a nuisance. I had been told the same thing before by several auction house department heads.

For purposes of this article, I again called the ADM council to discuss how ASA appraisers could produce a better working relationship with dealers. What he said shocked me and at the same time made me better understand why there has been so much antagonism between appraisers and dealers.

Rather than directly quote the gentleman, I shall paraphrase. According to him, it seems that a spokesperson for an appraisal organization has been regularly attacking the dealers association. I protested that this had nothing to do with ASA, but the gentleman

insisted that to the dealers, an appraiser was an appraiser, no matter the organization. In other words, we have been lumped with the great mass of appraisers even though our professional standards, code of ethics and methodologies may be light years apart.

Based on the experience we've had, it is possible to conclude that dealers may feel imposed upon when the query comes from an unknown person out of the blue. Ask yourself why should that dealer, who may be busy with other important things, go out of his way to help someone he doesn't know?

Instead of viewing this ongoing problem as a contest between dealers and appraisers, why don't we see it as a public relations matter? The problem, in my estimation, will continue to be a problem unless we take the initiative and start communicating to these dealers exactly who we are, how we differ from other appraisal organizations, what it is we as appraisers do, and how by helping us may in the end benefit them.

Professional success depends a great deal on the contacts the appraiser establishes—and the favors he or she is willing to provide when asking a favor from someone else. A few suggestions:

1. Never pick up the phone to call for information without having done your own research. That's where auction knowledge comes in. Say to the dealer: "I would appreciate your help in this matter. I have done the auction review and found that the paintings of the artist you represent, Harold Potter, have sold four times in the past year for an average of \$7,000. The one that's closest in size and imagery to the work



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- I'm pricing sold at Butterfield & Butterfield in May of 2001 for \$7,500. If I send you a photo of the work, include the dimensions and describe condition, and provide a stamped self-addressed envelope (or email it), would you be kind enough to give me your current replacement price?"
2. Often a dealer will ask payment for what they call an "appraisal." I think it's then our obligation to inform them of what data must be included in a professional appraisal. That's what YOU do. What he does is simply provide you with a single figure. You might indicate that if the dealer is willing to go to the trouble of including the information that you as an ASA member must provide, and state what that information covers, he ought to join the ASA.
  3. My favorite tack is to explain to a reluctant dealer who wants payment for his "appraisal" that since appraisers don't pay just to obtain an asking price from a dealer, the alternative is to use auction price. Of course, (you explain) doing that will diminish the importance of the artist's work in the eyes of the owner, since auction price is invariably far less than the dealer's price. If the auction price is less than the price the owner paid a couple of years ago, it will make the artist look as if he's lost stature. That give pause for thought.
  4. Sometimes there is a misunderstanding of what is being requested. If a dealer thinks that you are asking for prices that have been paid for works he has sold through the gallery, he may be reluctant to provide that private data. Explaining that you are only requesting the asking price for replacement of a work of art notifies him that there isn't much work to do on his part. This information is often posted in the gallery during the exhibition of the artist. The dealer, or his assistant, just has to refer to that list.
  5. The situation with obtaining from a dealer prices realized from an actual sale is another matter. This relates to appraisals for charitable contribution when auction records are either non-existent for the artist or are so distant in time that they are irrelevant to the appraiser. If you are going to ask for this information, make clear that the name of the purchaser should be removed from the copy of the invoice. Again, I would emphasize that you should never ask for this information unless you have done extensive research prior to the call or visit. Of course, it is more likely that the dealer will cooperate with you if you have set up a professional friendship with him or her over the course of time.

I can't overemphasize the rewards of good public relations. Depending on where you practice, the galleries you contact may be close to home. If that's the case make sure you are a regular visitor to exhibitions, posting your name in the address book on every occasion. Try to strike up conversations with the dealer once in a while so that he or she becomes familiar with your name when you make that call later on asking for help. Offer to exchange information for help. "If you ever need prices for an artist you don't represent, please give me a call and perhaps I can be of assistance."

If you are practicing in a place distant from the galleries you normally seek prices from, think about sending a note to the gallery director. Introduce yourself and let him know of your availability in your specific region. Let him or her know that you'd be glad to provide pricing information about



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artists in your area if he or one of his clients needs it.

And never fail to thank the dealer if he has given you the requested help, whether it's by way of email, a written note, or just a phone call.

### Wish List For Appraisers

It may seem impossible, but it's not. That is, to have each ASA chapter send out a letter to all the gallery owners in the state-or at least in all the major cities where galleries are clustered. Begin by stating that there is a desire on the part of ASA members to establish a good working relationship with the dealers of (fill in the name of the city) by being of service to their clients when the need arises. The letter would include information that is already available in *The Appraisal of Personal Property*, i.e., the elements of a professional appraisal. It would explain that ASA members must adhere to the highest professional standards in their appraisals and that an ASA appraisal contains numerous informational points, only one of which is the current replacement price. The gallery providing the price will be credited on the appraisal so that the client receiving the report will know immediately at which gallery he may purchase another artwork by the same painter-or sculptor-or printmaker.

I believe it important to demonstrate that the appraiser appreciates the help given by the dealer. Acknowledge by your action that the dealer has gone to some trouble and you wish to reciprocate. For instance, the appraisal should include the gallery name and address. The client is then apprized of the gallery location and could visit it as a result of the appraisal. If the item had been purchased from the gallery in the past, there

should be no trouble in having the updated value provided by the dealer.

It is reasonable to point out what benefits the dealer may get in cooperating with the ASA appraiser. I have suggested some of those benefits. In a monthly meeting of your chapter you may decide to fine-tune a letter as I have mentioned, and offer other benefits to dealers, such as providing various types of information, or suggest an informal two-way discussion between dealers and appraisers that would allow each side to openly voice opinions. The ASA appraiser should demonstrate respect for the role of the dealer if he expects a respectful response in return.

Most importantly, it is crucial that we differentiate the ASA appraiser from any others if we wish to create good will between dealers and appraisers-at least, appraisers of the American Society of Appraisers. Not every appraisal problem can be completely resolved, but its difficulties can be ameliorated, at least over time. Sometimes it's simply a matter of communication.

### ABOUT THE AUTHOR

*Elin Lake Ewald, ASA, has been president of O'Toole-Ewald Art Associates, Inc., since 1982. Specializing in the appraisal of fine art, she has authored numerous articles about, and lectured on art, art and the law, appraisal function in equitable distribution of properties, appraisal methodology, and appraisal procedures in damage/loss/fraud cases. She is a faithful contributor to the Personal Property Journal. Ms. Ewald holds a Ph.D. from New York University and has served as advisory curator for museum exhibitions and as art advisor to the U.S. Army Corps of Engineers and other government offices.*