



VIEWPOINT

by Elin Lake Ewald, Ph.D., ASA

Associative Value

One of the more difficult challenges to the personal property appraiser is deciding upon the significance of associative value on the price he or she will ultimately place on an art work, antique, decorative object or just mundane household item otherwise destined for a New Jersey landfill.

First of all, what is associative value? For the purpose of this article at least, we are discussing the additional increment(s) assigned to any personal property whose value could be enhanced by having been owned by or associated with a renowned collector, celebrity or other individual or institutional entity.

There is no formulaic structure that an appraiser can place, grid-like, on an associative value. However, there are specific factors to be noted. In reviewing sales over the past several years in which associative value played a role, we are able to suggest several points that the appraiser might take into consideration:

The international recognition of the owner or central figure, i.e. the celebrity, political figure, explorer, etc. as well as standing within his or her own profession.

The significance of the event in which the object figured, i.e. a specific performance, political event, scientific accomplishment, major expedition or discovery, notable historic occurrence, etc.

The attendant publicity relating to the event, including publication coverage, videos and films recording the event or performance.

The relationship of the object or artifact to the specific event or owner.

The timing of the sale and its site when applying this auction reference to the specific object being currently appraised.

Examples

On April 25-26, 1988, a group of four cookie jars from the Estate of Andy Warhol, Lot #844, and estimated at \$25 each, sold for \$9,350 at Sotheby's, New York. Both the linkage to the world's most famous recently deceased artist (died 1987) and the publicity surrounding the sale brought to the auction hordes of eager buyers. Does the value of more than \$2,300 still represent the fair market value for one of these cookie jars today?

On September 18, 1999, Lot #173, an ordinary metal pen, probably purchased for about \$1.98, sold at Christie's East Space Exploration sale for \$6,900. The pen had been used by Astronaut James Irwin during the flight of Apollo 15. Its associative value raised its worth 3,500 times. Could it have achieved that much if offered privately by a dealer?

In the Estate of Jacqueline Kennedy Onassis at Sotheby's on April 23-26, 1996, Lot #638, two undecorated Green pottery vessels, one 5th/4th century BC and the other 2nd/1st century BC brought \$10,925. They had been estimated at \$500-800, and that is what they might have brought if not associated with the Onassis name. At that time the average auction price gotten by similar unassociated vessels was about \$325 each. Although this was 1,500 times normal value they did not come close to equaling the pearl necklace in the same sale – costume jewelry in which the former president's wife had been photographed. That necklace brought \$211,500.

Less dramatic associative values can come from indirect association. In the sale of the Estate of Rudolph Nuryev on November 21, 1995 at Sotheby's, New York, a small framed costume design that was given to the dancer as a gift, but was not directly related to one of his performances, doubled its estimate, reaching



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\$7,130. Should we consider a doubling of a “basic” price the minimum value we should attribute to associative value?

Collectibles present a fairly straightforward picture of how associative value works. On June 24, 1999, Lot #21, at Christie's, New York, a 1959 Gibson guitar (A Selection of Eric Clapton's Guitars), used on Clapton's 1994-95 Blue's Tour, and estimated at \$20,000-\$30,000, realized \$51,750, while another Clapton-owned Gibson guitar not used for public performance sold at the same time for \$25,300 (Lot #41).

In the realm of the exploration, associative values can add to the prices paid for treasures from the deep. On December 14, 2000, at the Christie's sale of Gold Rush Treasures from the *SS Central America*, an 1857 shipwreck, a gold ingot with a market value today of approximately \$3,600, sold for 12 times that amount at \$46,000, based on its associative value to a recently publicized and highly documented historic event. A lecture, video presentation and newspaper and magazine coverage made the sale a magnet, not just for undersea treasure collectors but to general collectors responding to the lure of a glamorous sale at a major auction house that enabled them to purchase a piece of marine history.

At Sotheby's, London, a recent auction of horological and scientific objects brought up from a San Francisco ship wrecked on the reefs of the Cape Verde Islands, found the Mariner's Museum of Virginia willing to pay the equivalent of \$165,000 for a Portuguese mariner's silver plated astrolabe. This was a direct association with a particular wreck pinpointed to a particular place and a particular time. Not all associative value has to be linked to a celebrity or celebrated individual.

Conclusion

The more pertinent data that can be presented in the evaluation of an artwork or artifact with

potential associative value, the higher the incremental factor that can be applied.

The costume jewelry sold at the Estate Sale of the Duchess of Windsor reached numbers hundreds of times that of the same pieces sold at auctions containing similar items of costume jewelry. The fame of the wearer, as well as the fact that she was known worldwide for her indulgence in costume and jewelry, added to the glamorous aura of the sale and its extensive exploitation, and brought extraordinary prices primarily because of associative value. This was also the case with the wearable items in the Jackie Onassis sale that had been photographed on various ceremonial occasions or Kennedy family photo shoots. A flamboyant Elvis Presley costume, in which there is documentation to show it had been worn and photographed during performances, will have a much greater associative value than any one of the several casual shirts Presley wore at home. This might seem obvious, but if the appraiser is asked to value the ordinary clothing how can he or she deduce from the prices paid for famous Presley costumes a reduced associative value for more ordinary clothing? We suggest starting with the higher prices and logically working down from there. If your narrative explanation of how value was reached makes sense to your reader you probably have got it right.

The difficult part of applying associative value is when not to overdo it. While a great work of art may not need associative value to sell it, as long as it is in good condition, the addition of an important collector's name in its provenance probably adds a certain amount to its realized price, as well as – just as significantly – assuring its sale. But provenance is not exactly the kind of associative value to which this article refers.

It is in the realm of ordinary items that associative value probably figures most, and is most clearly seen. One knows the going price for an ordinary cookie jar, ballpoint pen, strand of costume jewelry pearls and then takes note of the



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price brought at public auction when these items are linked to an internationally known celebrity and sold to eager would-be collectors during a competitive bidding process.

It is then up to the professional appraiser to decide how these sales relate to the particular evaluation that he or she has been asked to make. What is the celebrity level of the person involved? How significant is the even, if any, in

question? What is the historical, scientific, political importance of the property? Are you able to produce a cogent, clearly stated and well-documented narrative that substantiates your associative value linkage?

There are a thousand examples we have seen over the years that could be brought out to underscore specific associative values, but we will leave that up to you. Good luck.