

THE ART OF COLLECTING

Treasure House and Art Basel

Art fairs bounce back and evolve

LONDON

Facing new realities, organizers try to win back visitors and dollars

BY FARAH NAYERI

Art fairs are in-person experiences par excellence: a place where visitors gaze at artworks in gallery booths and collectors shop for them in between sips of sponsored champagne. So for the international fair business, the lockdown phase of the pandemic was, by all accounts, a nightmare scenario. Most of the 408 art fairs held in 2019 were canceled outright in 2020.

This month, Art Basel and the Treasure House Fair are opening their doors to visitors in Basel, Switzerland, and in London, and the picture is much more upbeat. A total of 359 fairs were held around the world last year, roughly one for every day of the year, according to the Art Basel and UBS Global Art Market Report 2024.

Still, the outlook is not quite as rosy as that tally would have you believe.

To start, at least 85 fairs have died since 2019, including — in 2023 alone — Masterpiece London (Treasure House's forerunner), Fotofever in Paris and BRUNEF in Brussels, according to the report. In response to these challenging conditions, those fairs that remain are listening closely to their audiences, trying to look and feel distinctive (rather than identical) in each city, and introducing branding and boutiques to appeal to a younger clientele.

At the same time, the fair business is also increasingly dominated by two big franchises — Art Basel and Frieze — that are buying up rivals. Art Basel started a new fair in Paris in 2022, driving FIAC out of business, and Frieze's owners announced last July that they were buying the Armory Show in New York and Expo Chicago.

"You're certainly seeing consolidation at the top," said Melanie Gerlis, the author of the 2021 book "The Art Fair Story: A Rollercoaster Ride," and an art market columnist for The Financial Times.

Gerlis acknowledged that there had been a bounce back since the end of the lockdown period of the pandemic. "People had missed seeing each other and had money in the bank because they hadn't been out and about and on big holidays," she said. She noted that there was an urge to "gather in the same place at the same time."

Yet there are a new set of realities the fair business must reckon with. Wealthy, big-spending collectors who frantically compete for high-priced art are giving way to a new, less art-obsessed generation. The phenomenon known as fair fatigue is keeping some fairgoers away. And the fair business's overreliance on air travel is increasingly drawing attention to its carbon footprint.

As a result, Gerlis said, even the big fair franchises "can't take anything for granted." She noted that fair organizers were being "held to account" by gallery owners who, in some cases, would have spent \$100,000 on a fair before even opening their booth, and who would not want to see the same cookie-cutter tent replicated in multiple cities around the world.

She predicted that of the more than 300 fairs likely to take place this year, a good number of them would not exist in a year's time. And she noted that some of those that prevailed have been "getting smaller," citing the example of Frieze New York, which, when it opened in May, was about one-third of its original size with 68 exhibitors, compared with 180 galleries in its debut outing in 2012.

The David Zwirner gallery — one of the world's leading dealerships — generates about a third of its business at art fairs, according to its founder and owner David Zwirner. And the gallery has clocked up a number of multimillion-dollar deals at recent fairs, notably at Art Basel this week, where it sold a Joan Mitchell painting for \$20 million.

"There's a bit of a rhetoric out there that there are too many fairs," Zwirner said. "I think that is not true."

"Smaller fairs are an important part of the local visual arts ecosystem for smaller cities," he explained. As for the



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bigger Art Basel and Frieze fairs taking place in cities around the world, he noted that they were "very exciting for us larger galleries."

"They create a competitive environment," he said. "In order to buy something in Basel, you will have to make a quick decision. There's a good chance that somebody else wants it too." He added that this "decision-making energy" was good for a gallery's business and for a fair to succeed.

Zwirner said fair organizers had to keep delivering "the client base, the competitive environment, the quality by bringing great galleries that have good material." Otherwise, he said, "if you look at the history of our fair participation, you'll see that we tried all kinds of fairs and then didn't go back."

Zwirner denied that the fair business was a big polluter.

"We are not making machines," he said. "Our art is not junk or fast fashion that needs to go into landfills." Zwirner said that looking out of his office window in New York City, he saw cars, asphalt and steel, all of which were products with "big footprints." By comparison, he said, "the art industry has a very small one."

Zwirner confirmed that his business had benefited from the rebound that had occurred since the lockdowns ended — as did Noah Horowitz, the chief executive of Art Basel. Describing the upswing as a "slingshot" effect, Horowitz said the end of travel restrictions and lockdowns had re-energized the business.

But Art Basel could not rest on its laurels, he noted. "We cannot sit on the side and just assume that it will be forever thus," he said. "We must evolve, and we must do harder work than ever."

Horowitz acknowledged that "business has been a little slower" in the art market at large, particularly at the high end, and that there was "potential for some sort of an inflection point" in which the market took a turn. He added that art fairs and other art market participants had to be "extremely attentive" and cater to the needs and wants of their clients.

Since his appointment in November 2022, Horowitz has restructured the Art Basel team and named directors for individual fairs who will give each one a local and specific flavor. In May 2023, Maike Cruse was named the new boss of Art Basel's flagship fair in Basel.

To appeal to younger collectors and those newer to collecting, Horowitz said, Art Basel was launching its first-ever shop, offering objects specially commissioned from artists, limited-edition items provided by galleries, and Art Basel's own merchandise. Art Basel has also hired Hayley Romer — the former publisher and chief revenue officer of The Atlantic — as its new chief growth officer. She will be responsible for developing the brand and leading marketing and audience engagement channels globally.

"That's what I mean about staying on our toes," Horowitz said.

One fair that ended in the last year was Masterpiece London. Art Basel's parent company MCH Group had acquired a controlling stake in the fair in 2017, but the fair was not held in 2020 or 2021. When Masterpiece reconvened in 2022, there were fewer booths (127 versus more than 150 in 2019), so MCH announced in January 2023 that it was canceling the fair altogether.

One key cause of the demise of Masterpiece was Britain's exit from the European Union, or Brexit. There was so much added paperwork and expense for gallerists from the European Union that some stayed away.

Last year, the two co-founders of Masterpiece set up the Treasure House Fair in the same attractive riverside location in Chelsea where Masterpiece used to be held. It was a much smaller affair: 70 booths compared with the 127 at that final iteration of Masterpiece in 2022.

Why the revival? The fair's co-founder, Thomas Woodham-Smith, said that a core of Masterpiece exhibitors — around 40 or 50 — begged him for another fair, which he and his fellow

founder set up in two weeks: "We threw ourselves into it."

"If you're trying to do what you did 10, five or even two years ago, you're going to get unstuck," as there has been "an incredible reckoning in the market," Woodham-Smith said, referring to the fact that people were buying a lot less. "I anticipate there being a shakedown because the world is just not flush with money at the moment."

In the meantime, Woodham-Smith

said, Treasure House was appealing to foreign dealers by paying for their import and export paperwork in the hope of alleviating the pain of Brexit. He added that it was important for Treasure House to be international, "outward-looking" and "not parochial."

Ultimately, he said, Treasure House was appealing because "we're not just a fair that turned up in London: We are London, and we're part of the London season. That, we feel, is significant."

Rebound

Above, 2023 Art Basel in Miami Beach. Art Basel's chief executive, Noah Horowitz, said the end of travel restrictions and lockdowns re-energized the fair business.

Evolving

Below, the 2023 Treasure House Fair, the first edition of the event. The fair was created by the same people who founded Masterpiece London, which ended after it underperformed in 2022.

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