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New Orleans Auction Galleries: Sustaining Vitality in Shifting Auction Markets

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New Orleans Auction Galleries: Sustaining Vitality in Shifting Auction Markets

An Internship Report

Submitted to the Graduate Faculty of the
University of New Orleans
In partial fulfillment of the
Requirements for the degree of

Master of Arts
In
Arts Administration

by

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Abstract

This report examines an internship experience as the Auction and Fine Art Department Assistant at New Orleans Auction Galleries with discussion of the Company's history, operating structure, and role in the auction market. In addition, an evaluation of the Company's strengths, weakness, opportunities and threats and a discussion of the auction industry's best practices used by international auction houses as they related to New Orleans Auction Galleries is also found. The report concludes with recommendations made by the intern, for the Company's future sustainability in the auction market.

Keywords:

Auction, Art Auction, Auction Market, Antiques, Arts Administration

Chapter 1

A Brief History and Company Overview

History

Located in the heart of the Arts District, New Orleans Auction Galleries is a premier regional auction house that provides specialized auction services in Fine and Decorative Arts: furniture, rugs, art, pottery, silver, estate jewelry, and more. Founded in 1991 on Julia Street by Jean Vidos, New Orleans Auction Galleries has hosted high-end auctions and attracted sophisticated sellers and buyers of antiques for the past twenty-five years. The auctions offer unique estate antiques, including those of 18th and 19th-century furniture, fine and decorative arts, and important works from regional artists including works from Clementine Hunter, George Rodrigue, and Newcomb Pottery.

Through the early formative years, New Orleans Auction Galleries' profits generated from auctions consistently broke auction records. During the 1995 fiscal year, New Orleans Auction Galleries grossed eight million in sales, an amount comparable to smaller auction houses found in large cities such as New York, San Francisco and Dallas. In 1996, the Louisiana state record for profits generated by an auction was broken when New Orleans Auction Galleries' May sale made \$1.5 million.¹

During the 1990s, the New Orleans antique market gained notice for having interesting pieces at affordable prices. Antique shops on Royal Street and the local auction houses were

¹ Cage, C. "Company History." Personal Interview. 21 Oct. 2015.

booming, attracting deal-seekers from local and international markets. Because of these successful years of sales and the competitive growing market, New Orleans earned a spot on the map as a thriving market for auctions, granting ample amount of opportunities for sellers, buyers, and antique dealers.² New Orleans Auction Galleries found itself in the right place at the right time, and the successful formative years established a strong base from which the company's reputation to grow.

With the success achieved through the early years, New Orleans Auction Galleries expanded, opening an extension of the auction house on St. Charles Avenue with the purpose of hosting the auction of items estimated at a lower price point. The main gallery, on Julia Street, continued to host successful major estate sales.

Through the early 2000s, New Orleans Auction Galleries continued to produce successful auctions. Though Hurricane Katrina caused the company to postpone their usual fall and winter sales during 2005, in 2006 it came back in full force auctioning off the Estate of Martha Ann and Ray Samuels' Private Collection of Southern Art. The sale of this important collection of regional art gave the auction house strong exposure, brought in \$7 million and resulted in the Galleries' largest profit to date.³

Unfortunately, in 2008 success slowed when the country experienced a severe economic crisis, and New Orleans Auction Galleries was faced with the harsh financial realities many organizations around the United States faced. The economic recession brought about debts, a lot of expenses, and losses to the company. In 2011, New Orleans Auction Galleries filed

² Masciere, Christina. "Bid Easy: New Orleans' Thriving Auction Industry." *New Orleans Magazine*. 1 Aug. 1996. Web. 29 Mar. 2016.

³ Cage, C. "Company History." Personal Interview. 21 Oct. 2015.

bankruptcy claiming \$4 million in debts and \$500,000 in assets.⁴ During this time of bankruptcy, New Orleans Auctions Galleries was allowed to restructure and maintain business as usual by filing an order to present a plan 120 days from the initial bankruptcy filing.⁵ It is unclear if the company ever presented a new scheme, and New Orleans Auction Galleries eventually went up for auction.

On June 8, 2012, Houston-based businesswoman Susan Sarofim, CEO of Cakebread Art and Antiques Collectables, Inc., won full ownership of the organization. Sarofim originally owned an antique shop that was based in New Orleans, but when Hurricane Katrina struck in 2005, she relocated to Houston. Today she is a successful businesswoman who serves as CEO of two companies, New Orleans Auction Galleries and Brooke Staffing Companies, an employee recruiting and company-staffing agency.

After its purchase, New Orleans Auction Galleries' Julia Street location stayed open, becoming incorporated into Cakebread Art and Antiques Collectables, Inc., Sarofim's Houston-based company, but the St. Charles Avenue branch closed. In July of 2012, a month after Sarofim purchased the company, New Orleans Auction Galleries hosted a record-breaking estate sale, and the future of the company seemed to have turned around.⁶

Under the direction of Sarofim, New Orleans Auction Gallery expanded and continued on its upward track to success. In 2013, Sarofim purchased a warehouse on St. Joseph Street in the Warehouse District. The entire space was renovating while a third floor was also added to the building. The intention of the expanded location was to allow greater gallery viewing space and

⁴ Connors, Grace Elizabeth, "New Orleans Auction Galleries: An Internship Academic Report" (2015). *Arts Administration Master's Reports*. Paper 192. Web. 29 Mar. 2015.

⁵ Peterson, Jenny. "N.O. Auction Galleries Declares Bankruptcy, Stays Open." *New Orleans City Business*. 7 Apr. 2011. Web. 29 Mar. 2016.

⁶ Cage, C. "Company History." Personal Interview. 21 Oct. 2015.

to be able to produce an increased number of auctions during the year. Sarofim told New Orleans City Business magazine, “The expansion will allow us to conduct another four auctions a year.”⁷

At the beginning of 2015, New Orleans Auction Galleries relocated from its Julia Street location into the larger renovated Arts District warehouse space located at 333 St. Joseph Street. The new location currently hosts auctions on the first and third floor, with the second floor reserved for storage.

New Orleans Auction Galleries Today

Today, New Orleans Auction Galleries exists as a competitive regional auction house continually offering well-tailored auctions that entice bidders and bring substantial hammer prices. New Orleans Auction Galleries hosts two types of sales multiple times throughout the year: the Major Estate Sales and Cakebread Sales. The Major Estate Sales offer finer items with higher bid prices, and the Cakebread Sales feature lots at lower reserve prices.

The connectivity of the Internet and the introduction of online bidding platforms have completely changed how auctions are run and has allowed the auction house the ability and potential to find audiences from around the world. All auctions presented by New Orleans Auction Galleries are featured on online bidding platforms, including Liveauctioneers and Invaluable. In the past, the auctions relied on live attendance, bidding either “in the room” or bidding by telephone. Also before the Internet, most bidders were local or regional. Today “in the room” crowds are dwindling, but the Internet and telephone bids thrive, and auction items are won by bidders from all over the globe.

⁷ Shannon, Robin. “Pfeiffer sells Foundry; Auction House Moving In.” *New Orleans City Business*. 14 Mar. 2014. Web. 29 Mar. 2016.

Today, New Orleans Auction Galleries continues its path of growth with the expansion of staff and an increased number of yearly auctions, anticipating future success.

Organizational Structure

Owner Susan Sarofim travels between Houston and New Orleans to attend preview receptions and auctions. While she is away Ashton Thomas, President, and Tessa Steinkamp, Director of Auctions, serve as on-site supervisors for the Company.

The professional staff of New Orleans Auction Galleries is well-trained in various backgrounds and specialties, allowing the gallery to provide services for a large variety of the art and antique market segments. Each of these specialists' training allows him or her the ability to locate items that bring the highest auction prices and, in turn, benefit both the auction house and the consignor. The consignor is the individual who brings the auction item to the auction house. In total there are eleven specialists: Fine Art, Decorative Arts, Furniture, Silver, Asian Arts, Books and Manuscripts, Jewelry, and Fine Carpets and Textiles.

New Orleans Auction Galleries' other staff members include five administrative employees, two graphic designers, one marketing and public relations employee, and a Director of Human Resources. The warehouse operates with eleven operations employees who keep track of inventory, set-up presale exhibitions, and assist with the pick-up and delivery of objects. Two photographers are also contracted, as needed, to photograph objects for upcoming sales.

The workspace at New Orleans Auction Galleries functions in an open office format where inter-department communication is more than accessible. Due to the openness of the office, everyone assists in whatever task need to be accomplished. On any given day one may find department heads and consignment agents answering phones and helping clients at the

counters. The open nature of the office allows for connectivity, sharing of responsibility, and sense of equality among all employees, but it can also aid in fostering chaos and confusion during the stressful, busy weeks leading up to auction.

Auction Cycle

The auction business flows in a cycle, beginning with specialists going into the field to obtain consignments. It is their responsibility to find items of value to then slate for the upcoming sales. In many cases, specialists build healthy relationships with consignors who continue to bring items to the auction house for sales. All specialists are trained to research and evaluate the fair market value of incoming items and decide if New Orleans Auction Galleries is a good fit for the item at auction.

When New Orleans Auction Galleries obtains an estate for auction, all of the specialists work together to evaluate the potential lots from the estate, examining each item under their specialty. When large estates are acquired, “all hands on deck” are required, and each of the specialists work together to provide the best services to consignors.

Once consignment items are identified, an agreement detailing each item, terms of sale including the auction estimate, reserve, photography fee, commission fee, buyer’s premium and insurance fee, must be agreed upon and signed by both the consignor and the specialist.

After paperwork is completed and the gallery has entered into a contract with the consignor, the item is picked up by operations employees to be brought in and prepared for auction. The operations staff plans trips across the Southern region and sometimes across the country to collect items from estates.

Once the warehouse receives items, they are separated by category and catalogued by each specialist. The cataloguing of auction lots includes research into the nature of the object, and the listing of information about the items, such as the type, date, and dimensions. All departments follow a basic cataloguing format that is printed in the Company's auction catalogue, but information written about each object varies between departments. For example, the Art Department researches the artist, title, nationality, dates, medium, and size, whereas the Furniture Department, might list the furniture style, country of origin, period, and production company.

The two weeks before each auction, the gallery is open to the for viewing objects offered; the operations staff works hard to display each item in the best possible manner, which includes highlighting important items. The operations staff groups lots by style, and with a cohesive display that seeks gallery visitors to imagine how each objects might be shown in their own homes.

In the weeks leading up to auction, individuals unable to visit the gallery can request a condition report. These requests are divided among proper departments where specialists will examine specific items and report on its condition. Condition reports are important for buyers to request in advance since all items are sold "where is, as is". These reports protect the auction house from liability for any item issues, such as forgeries or fake. All condition reports are posted on the website for public access.

Clients planning to bid in the upcoming auction are required to register in advance. Once clients register for auctions, they are assigned a paddle number so the auctioneer can match an item sold to an individual bidder. For office organization purposes, paddle numbers 1-500 are

assigned to in-house bidders, while 600-900 are either telephone or absentee bidders. The 8000s are used for internet bidders.

Auctions are held six or seven times a year and traditionally take place over a weekend. Typically, anywhere between 1,000 and 1,200 lots are auctioned off during an auction. During the auctions, the consignment agents handle phone bidding, while the office administration staff helps clients at the counter and enters hammer prices in the auction house's operating system, named Droge.

After each auction, invoices are printed and mailed to bidders. The auction house is not allowed to pay consignors for their items sold at auction until payment is received from purchases of said item. Once consignors are paid, the auction cycle is complete, only to start all over again with specialist searching for new objects to slate for upcoming auctions.

Profits

New Orleans Auction Galleries is a for-profit business that relies on the success of its items at its auctions to turn a profit and keep its doors open. The company would not provide me with detailed financial statements. However, auction records are public knowledge. In addition, the consignor contracts can give ideas of where and how the company profits from hosting sales.

When a consignor enters into contract with New Orleans Auction Galleries, specific terms of sale are agreed upon and though each contract may differ depending on the consignor, certain commission fees are presented in the contract. Section 2 of the Condition of Sales packets states the "Commission/Buyer's Premium" as:

- a.) “For its services, NOAG will receive and retain from the proceeds of the Sale of the Property a commission (“Commission”) from the consignors as follows:
- 10% of the Sale Price of \$2,500.00 and above;
 - 15% of the Sale Price of \$1,501.00 to \$2,500.00;
 - 20% of the Sale Price \$501.00 to \$1,500.00
 - 25% of the Sale Price less than \$500.00; but at no time will the minimum Commission per Lot be less than \$25.00
- b.) In addition to the Commission, NOAG shall also receive a premium (“Buyer’s Premium”) to be paid by, and collected from, the Buyer at the Auction. The amount and terms of the Buyer’s Premium is set forth in the Conditions of Sale.”⁸

Other fees collected by the auction house listed in the consignor contract include photography and transportation fees. Each item to be auctioned is photographed and uploaded to the website for a fee of \$25 or featured in the catalogue for \$75 per photo.

Buyer’s premiums for items purchased at auction are set at 25% of the hammer price, and that additional amount on the hammer price is added to the buyer’s invoice. If the buyer pays by cash, check or wire transfer within 15 days of the sale, they are offered a 3% discount on the premium. When I started at New Orleans Auction Galleries, the buyer’s premium was 23%, but was increased for the December Estates Sale. There was a slight backlash from the buyers, but the increase kept within industry standards. During the summer of 2015, Sotheby’s and Christies increased their buyer’s premiums to 25%.⁹

⁸ Appendix A: New Orleans Auction Galleries Consignor Agreement

⁹ Kinsella, Eileen. “Sotheby’s Announces Increase to Auction Buyers’ Premium.” *Artnet News*. 26 Jan. 2015. Web. 29 Mar. 2016.

Chapter 2

The Internship

In September of 2015, I began working as the Auction and Fine Art Department Assistant at New Orleans Auctions Galleries. I worked directly with the Fine Art Department Head and Consignment Agent, Jelena James. During my internship, I also assisted Accounts Manager Denis Haik and Cakebread Auction Assistant Director Grace Connors. Each of these individuals invested a significant amount of time and effort into teaching me about the art auction industry and helping me to develop my skill set as it pertains to the auction business.

My primary goal as the Auction and Fine Art Department Assistant at New Orleans Auction Galleries was to gain a better understanding of how the artwork was researched, valued and prepared to be offered at auction to the public. Having worked in a gallery setting before, I had some knowledge of the selling of artwork and both its selling value in the market and intrinsic value to potential buyers. Through my internship, I learned how art auctions differ from the selling of artwork in a gallery setting, and gained an understanding of the workings, practices, and cycle of the art auction market.

Though I completed many small tasks during my time as an intern, the bulk of my days were spent on responsibilities that can be divided into three categories, whose details are listed below. The majority of these duties were cyclical, and tasks were dependent upon where in the auction cycle the company was at a given time.

Art Department

When artwork was received from consignors, it was the Art Department's responsibility to research and catalogue the work. Since I have a background in visual arts, and a particular interest in contemporary art and art of the American South, I would be assigned these categories to research and learn how to catalogue. If we had multiple works by one particular artist, or one significant artwork, I would be tasked with writing brief, concise artist bios highlighting why the work and artist are important. During my time at New Orleans Auction Galleries, I wrote artist bios that were featured in the auction catalogue for artists such as John Thomas Biggers, Douglas Bourgeois, Stephen Scott Young, and Yigal Ozeri. Also, since I have experience working for Rodrigue Studio, I was in charge of cataloguing and gathering information on the artworks of George Rodrigue that were brought in for auction.

When cataloguing work by a less famous or unknown artist, we would need to decipher the signature and research the work. Many times it's hard to find information on the artist or work, so I learned to catalogue unknown work "to the best of my abilities". In today's art and auction market, there are dangers of fraud when authenticating work. Many appraisers and art specialist will not authenticate an artwork because of the liability it entails if the work turns out to be a fake. New Orleans Auction Galleries protects itself by stating in its Terms of Sale that all works are catalogued to the best of the ability of the specialties, so the company will not be held liable for the authentication of works.

In the two weeks leading up to the potential auction, bidders interested in a featured artwork would request condition reports. I had never had any experience in reporting the condition of an artwork, but was eager to learn because of an interest in art appraisals. I was

assigned artworks to examine and practice condition reports on. I examined artwork and recorded what I saw with the naked eye, such as dirt, accretions, loss of paint, any patches or dents to canvas. Then the works were examined under UV light. Newer contemporary works were usually in fine condition, but works that I examined from the 18th and 19th century often had fascinating histories readable under UV light. Older paintings usually showed signs of past repairs, inpainting were often covered with a varnish that was hard for UV light to penetrate. I learned about the varying states of conditions and what to look for in preparing a condition report.

The biggest difference in the selling of artwork in a gallery versus at auction is the level of privacy. In a gallery setting, gallerists work one on one with a client, and the price that the work is sold for is private information. Art auction is a public market, one where values are released to the public and even advertised as ways to attract potential consignors. Another difference is that at auction, one doesn't work with a single client. Instead, one works one-on-one with the actual artwork as it is prepared it to be shown.

Office Administration

Throughout the auction cycle, Denis Haik required regular help with office administration tasks. Every morning, I would file whatever paperwork was received in the Department or re-file paperwork that was taken out of its existing folder for reference by the specialists. All consignment deals had a number that matched the owner's items to their contract, and it was important that any paperwork associated with a consignor's contract was filed in the correct place. Many times, during preparation for the sale and post-sale, those files were pulled to review contract terms and any decisions that were made about the consignor's items.

Once contracts listing all the items, their estimated auction value, and the reserve price were written, this information was then entered in the auction house's software program, Droge. Droge is a database operating system specifically designed for New Orleans Auction Galleries. The system is used to organize sales, consignor's contracts, and register and produce invoices for bidders. While being entered into Droge, the consignor and their contract were also given a specific consignment number. Usually we received multiple contracts during the day, and it was my responsibility to check for any discrepancies after the contract was entered into Droge, and then create a folder with the consignor's name and consignment number.

Post-auction, the consignor's folders were pulled, and I aided in producing mailings for the consignor's post sale payout. During the first-week post auction, consignors were mailed reports itemizing the hammer price received for each item. These reports were overviews that detailed the amount consignors should expect to be paid, even though the auction house was not authorized to pay out consignors until payment was received from the bidders. During the post auction week, bidders mailed checks, paid over the internet, or called to pay for their winning bids by phone. Many times, I entered credit card numbers or completed sales for customers that called to pay by phone. By two weeks post sale, the majority of items purchased were paid for by the bidders, and the first round of consignor checks were cut and prepared for mailing.

Auction Assistant

Part of my internship also required that I serve as an Auction Assistant with duties that included helping register clients, assisting customers who visited the gallery during preview, building the auction slideshow, and working the auction weekends.

The the two weeks leading up to the auction, during which New Orleans Auction Galleries was in exhibition/preview, potential bidders would frequently visit the gallery to examine the lots featured in the upcoming auction. If needed, I would aid clients in locating the lots they were interested in looking at, while also registering those who wished to bid on items in the auction either by phone or by leaving an absentee bid. Registering bidders were required to complete a form that included contact information, credit card information, and the lots the client wished to leave a phone bid or reserve amount on. Once this form was filled out, I assigned them a paddle number and that number was entered into Droge.

For each day of the auction, PowerPoint slideshows were created of the lots for the auctioneer and the bidders to follow along during the auction. Each slide included the lot number and an image of the item being auctioned. Before PowerPoint slideshows were used, the operations employees carried each item across the stage as it was being auctioned off. I was meticulous in making sure the slideshow item was displayed as best as possible since items were no longer displayed in person.

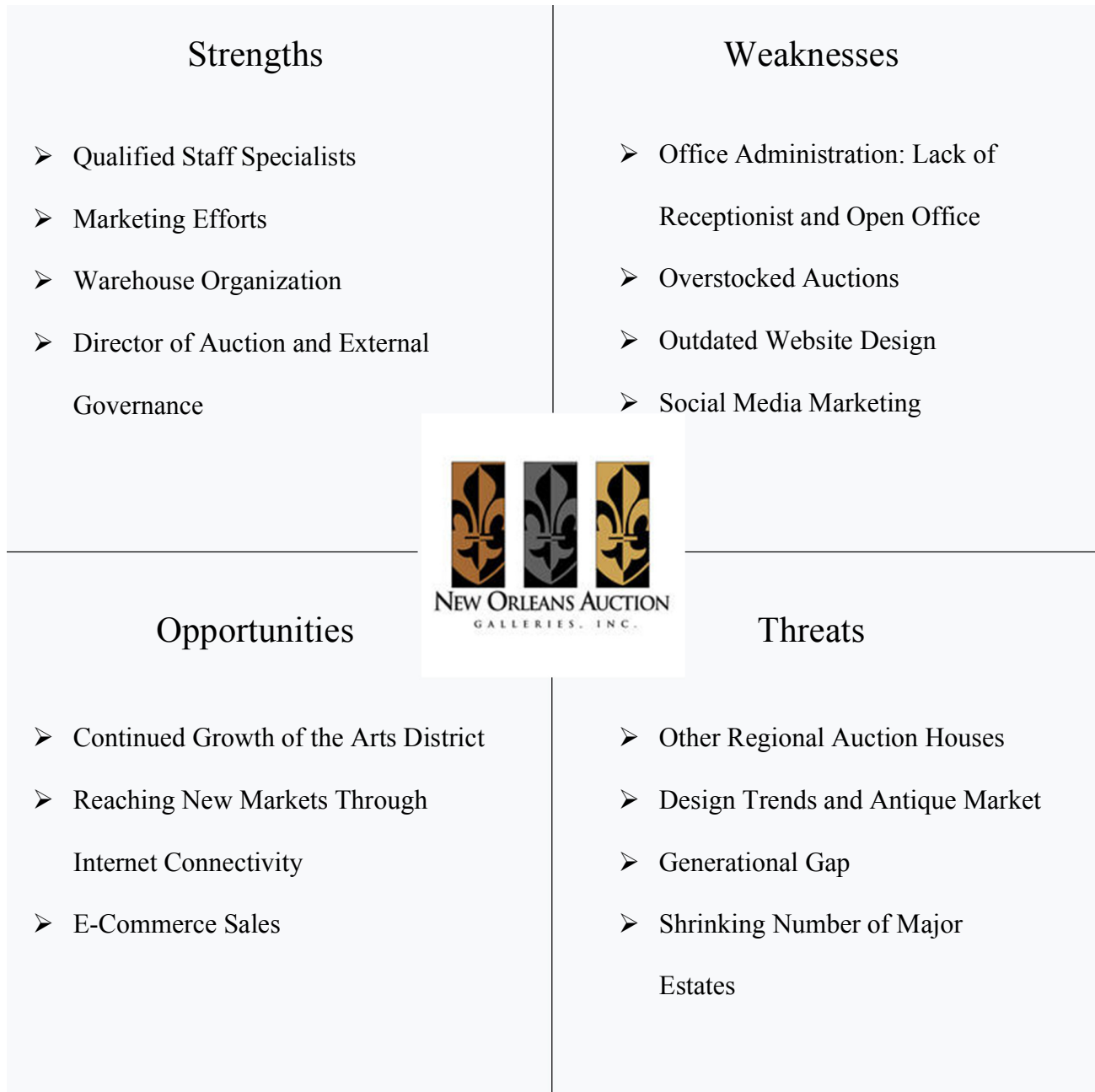
When auction weekend arrived, I would be tasked with helping auction attendees register for their paddle and assisting Denis Haik in entering hammer prices. The auctioneer recorded the hammer price and winning paddle number as they called the auction, and the sheets with that information were passed along to the office after every 100 lots were auctioned. I would enter the information into Droge, then Denis Haik would review my work to make sure all information was entered correctly. Invoices would then be created by matching items won to a person's paddle number. As the auction day came to a close, I helped successful bidders collect and pay their invoices.

Through the tasks given to me as an intern at New Orleans Auction Galleries, I gained valuable insight into the inner workings of an auction house and the auction cycle. This exposure to the auction house setting has contributed to my growing knowledge of the art business. I have acquired new skills in relation to cataloguing artwork, office organization and administration, and customer service. I better understand how artwork is handled in an auction setting and believe this experience will be useful to my future as an Arts Administrator.

Chapter 3

SWOT Analysis

Figure 1:



Strengths

Qualified Staff Specialist

New Orleans Auction Galleries has nine specialists on staff whose expertise falls into various categories including silver, jewelry, American, regional, Continental furniture, fine art paintings and works on paper, and decorative arts. Each of these specialists is adept at identifying important items when out on consignment calls. Therefore, New Orleans Auction Galleries is able to find unique and interesting items that can potentially attract high bids with which to stock auctions. Because of the expertise of its specialists, the company has been able to position itself in the market as a competitive option for major estate auctions.

Marketing Efforts

Leading up to each sale, through carefully placed magazine advertisements and email blasts, items from an upcoming auction are highlighted to different areas of the market. Taylor Eichenwald with the Marketing and Public Relations Department, works with the Director of Auction and staff specialists to create magazine advertisements and auction brochures that highlight significant items in hopes of attracting high bidding attendees. E-blasts reach 24,733 people, and pamphlets are printed in color and mailed to the auction house's extensive mailing list of 15,605 people.¹⁰

New Orleans Auction Galleries places ads in local publications including *The Advocate*, *Time Picayune*, *Art + Design New Orleans*, and *Cultural Vistas*. Other marketing ads are placed throughout the country in magazines such as *Main Antiques Digest* and *Antiques and Fine Art Magazine*. A weekly newspaper call for consignments ad is run in Memphis, TN, Houston, TX,

¹⁰ Eichenwald, Taylor. "Marketing New Orleans Auction Galleries." Personal interview. 21 Oct. 2015.

Lafayette, LA, Natchez, MS, and Hattiesburg, MS. New Orleans Auction Galleries also regularly places ads in *Antique Trade Gazette*, a London, England publication.¹¹ Through the marketing efforts of New Orleans Auction Galleries, the company attracts bidders for upcoming sales from around the world, as well as consignors from throughout the Southern Region.

Warehouse Organization

The second floor of the company's warehouse building is used for the storage of consignment items and is broken down into areas such as the art room, rug room, brick-a-brack, lighting, and furniture. A select few of the operation staff members oversee individual rooms and are the go-to people when looking for a certain item in a particular department. Effectively organizing the warehouse and having easy access to all items is a strong point in the the company's success because it allows the staff to act fast when needed and easily locate auction items.

Director of Auction and External Governance

After the bankruptcy of New Orleans Auction Galleries, Tessa Steinkamp from Crescent City Auction, another smaller New Orleans auction house, was hired to run auctions at New Orleans Auction Galleries.¹² Tessa Steinkamp has been in the auction business for over 30 years, having worked with consignors and buyers from all over the world. Stienkamp has continued her success as Director of Auction at New Orleans Auction Galleries. Alongside her job at the auction house, she also serves as the Chair of the Louisiana Auctioneers Licensing Board, further securing her notoriety and recognition as an auction specialist.

¹¹ Eichenwald, Taylor. "Marketing New Orleans Auction Galleries." Personal interview. 21 Oct. 2015.

¹² Steinkamp, Tessa. "Director of Auction." Personal interview. 3 Nov. 2015.

Under the direction of Steinkamp, New Orleans Auction Galleries continuously functions up to the standards of the Louisiana Auctioneers Licensing Board. This strength to the company allows it to consistently act in a professional manner and operate in a manner to best avoid legal and liability issues. Because of Steinkamp's position in both organizations, she is able to make executive decisions in regards to the public, her staff, and New Orleans Auction Galleries as a whole, based on the knowledge she has acquired from her thirty years of experience in the auction business and her tenure with the Louisiana Auctioneers Licensing Board.

Weaknesses

Office Administration: Receptionist and Open Office Format

The phones at New Orleans Auction Galleries regularly ring extensively, especially during weeks leading up to auction weekends. The office has a front desk worker, whose job is to help with office administration, as well as act as receptionist. However, with the amount of call volume, the responsibility of answering phones spills over to everyone in the office. This issue is distracting to the staff, which has to interrupt tasks to help callers. Often it leaves workers sidetracked from preparing for upcoming auctions. These distractions hinder the overall productivity of the staff.

Also, the office functions in an open format, lacking separate offices for each department. When someone calls to speak with a particular department or specialist, the message is yelled across the office. The open format for the office does allow easy access to everyone and gives a sense of unity and equality to the entire staff, but is highly distracting and chaotic.

The open nature of the office amplifies the stress of all staff members when days are busy. If one staffer is overwhelmed, anxiety is projected onto co-workers. By day's end the

whole staff is frazzled and exhausted. If the staff was broken down into departments, with at least some sort of division between offices, the anxiety of one department would be contained and possibly not infect other staff members.

Overstocked Auctions

Before my internship, auctions were traditionally held over two days and made up of about 1,000 consignment items. During my internship, there were changes made to the auctions that initially resulted in overstocked auctions, but that later created a shortage of consignment items for future auctions. These changes also created customer services issues for bidders in some circumstances.

Beginning in October 2015, the two Major Estate Sales were expanded to include 1,300 items and the auctions would now be held over a three day period. In the past, once sales reached 1,000 lots, the auction would be closed, and the specialists would no longer be able to slate additional items for that sale. The remainder lots would then be pushed to the following sale. Since New Orleans Auction Galleries had now expanded the number of consignment items offered in the October and December auctions, they did not have the usual roll over of lots for future auctions. As a result, an issue the auction house was dealing with, as my internship ended, was not having enough items for their upcoming March sale because too many items had been slated and sold in previous auctions.

There are a limited amount of items in the market. Major estates often offer a large amount of consigned items that could easily be split into two parts and slated for multiple sales. If the number of items offered in the two previous auctions had not been increased to 1,300, roughly 600 lots would be available to be slated for the March sale. The shortage of items for the

March sale could have been avoided if the two previous sales had not been overstocked and traditional sales of 1,000 lots had been hosted. Additionally, New Orleans Auction Galleries would also still be able to call the sale an estate sale because all those lots would have come from major estates.

Another issue surrounding the expanded sales is that the auctions start on Friday afternoon instead of Saturday morning, as had previously been done. Many bidders do not realize sales are now three days long and that the first 300 lots are auctioned on Friday afternoon. Several times, I had to relay the unfortunate news to bidders that they had missed their desired lot because it was auctioned Friday afternoon, not Saturday morning as per usual.

Outdated Website Design

New Orleans Auction Galleries' current operating website is out of date, difficult to navigate, and overall visually unattractive. Though seemingly not a significant part of its auction business, this is New Orleans Auction Galleries' most significant weakness. During my internship, I regularly dealt with issues surrounding potential bidders and confusion in browsing our website. The Office Manager requests that all bid forms come through the website or via fax, so the staff spends more time explaining how to fill out the form to online bidders than would take just to write down the information over the phone. The templates for clients to fill out bid forms and request condition reports are established on the website, but they are difficult to find on the poorly designed website.

Also, New Orleans Auction Galleries hosts Cakebread Auctions, but Cakebread has a separate website of its own. Many times bidders looking through the online catalogue listed on

New Orleans Auction Gallerie's main website instead of the Cake Bread online catalogue would cause confusion in matching lot numbers and items.

An updated, better functioning website could save staff time and stress allowing the company to conduct business more effectively. All of the forms and information a potential buyer or seller request is already available; clients are just having a hard time navigating the website to find the information they need. A simple redesign of the website could fix most of the internet-based problems. A user-friendly website would also boost the general public's interaction with New Orleans Auction Galleries as they would better be able to view items in upcoming sales and register for auctions. As for now, New Orleans Auction Galleries' current website is a poor representation of a successful company.

Sparse Social Media Marketing

New Orleans Auction Galleries has strong traditional marketing skills, but the company's social media presence is lacking. The auction house has accounts for Facebook, Instagram, Twitter, and Pinterest, but these accounts are not updated regularly. Social Media is a reliable tool to maintain contact with potential bidders or consignors, and could also aid in attracting new bidders, but is entirely under utilized. Social media marketing will further be addressed in the Recommendations chapter.

Opportunities

Continued Growth of Arts District

The Arts District, located in New Orleans's Warehouse District, is a prime location for Art and Design businesses. It consistently attracts new residents and visitors as the district

continues to transform, expanding it's gallery presence and hosting more and more art events. Today, the district is a unique, eclectic neighborhood where for-profit galleries and non-profit museums not only coexist, but collaborate to create a thriving art scene, expanding the art market.

New Orleans Auction Galleries is fortunate to be located in the heart of the Warehouse District, offering the company a prime location from which to embrace the district's continual expansion. In collaboration between the major arts institutions and the galleries, the district hosts neighborhood-wide art events such as Art for Art Sake, White Linen Nights, and gallery openings on the first Saturday of each month. Both locals and tourist alike attend the monthly art walks. Last season White Linen Night alone attracted an estimated 45,000 visitors.¹³

New Orleans Auction Galleries needs to integrate itself into the district's perennial events. A stronger neighborhood presence, and making contact with New Orleans's growing artist community, would make visitors, who are unaware of art auctions, aware of the company, as well as potentially attract a new generation of bidders.

New Markets Through Internet Connectivity

Through its marketing efforts, New Orleans Auction Galleries continues to expand its customer base. New Orleans Auction Galleries recognizes the value in going digital, connecting with an audience more than comfortable with purchasing online. All company sales are already featured on online bidding platforms such as LiveAuctioneers and Invaluable.

In addition to comfortably connecting with current bidders, the online bidding platforms attract bidders from around the world, allowing the company to continue to reach national and

¹³ MacCash, Doug, NOLA.com | The Times-Picayune. "Whitney White Linen Night, the Mega Art Party, Hits Julia Street on Aug. 1." 16 July 2015. Web. 29 Mar. 2016.

international markets. As the distance shrinks between countries through the expanding connectivity, the markets that New Orleans Auction Galleries could reach with online bidding will continue to grow.

E-Commerce Sales

The auction business has been transformed with the expansion of the internet. Buying art based on a digital image has become the norm rather than the exception, and consumers are becoming more confident in buying art online. Currently online art sales account for 5% of the art market (\$3.4 billion), but are said to be growing at a rate of 25% annually.¹⁴

Today, a growing number of auction houses host E-Commerce sales, a method of selling auction items through the internet in online only sales. This method differs from using online bidding platforms such as Live Auctioneers and Invaluable. These sales currently run for scheduled period lasting over a few hours or days, and during that time bidders can bid on desired lots. Websites such as Art Net and Paddle 8, are solely dedicated to these internet based auctioning trends, host multiple of these online auctions and attract bidders from around the globe.

If New Orleans Auction Galleries follows this auction trend and taps into this easily accessible growing market, the organization could cultivate an expansive online bidding presence while adding revenues streams to its business. Hosting these auctions still requires the regular pre-auction work but eliminates the expenses and man-hours of physical sale set up spent on in-person auction weekends. Once they are live, these auctions would run on autopilot. If desired, New Orleans Auction Galleries could still continue to produce and host live auction

¹⁴ Duva, Traci. "The Art World's Next Generation of Collectors: Meet the Millennials with a Fresh Eye." *Accent*. Chubb Personal Risk Services, 21 Nov. 2014. Web. 16 Mar. 2016.

weekends, but Internet-based sales would now allow the company to host multiple auctions at one time, increasing the company's overall revenue stream.

Threats

Other Regional Auction Houses

There are three auction houses located in New Orleans, along with many other regional auction houses located throughout the United States. They are all competing against each other in the market. New Orleans Auction Galleries' primary local competitor is Neal Auction Company, located uptown on Magazine Street. The art and antique market of New Orleans and Louisiana offers a limited amount of consignments, bidders, and money in the area, so the two auction houses are continually competing against each other in trying to attract the attention of local and regional clients.

Many times during my internship, auction attendees would mention an artwork or item they saw at a Neal Auction Company sale. It was usually in reference to an item won at New Orleans Auction Galleries, so this demonstrated the bidder chose to bid at New Orleans Auction Galleries. Still, competition is a constant presence with both companies trying to be recognized as New Orleans's premiere auction house. Should bidders "feel" that Neal Auction Company is the better business, New Orleans Auction Galleries would immediately notice it in sales. Therefore, New Orleans Auction Galleries must continually demonstrate that it is the stronger company by obtaining high-quality items to auction, maintaining strong relationships with consignors, and demonstrating good business etiquette.

Antiques Market and Design Trends

Design trends shift continuously and with each change comes a difference in the type of artwork or furniture desired by buyers. Today's current design trend is contemporary or Midcentury modern, two design styles that New Orleans Auction Galleries rarely acquires from local estates. The effects of the patterns of design trends can be observed in the hammer prices of items sold, especially furniture sales.

For example, an American Classical 1830s mahogany drop leaf table was offered in the three auctions during my internship. The table went unsold, and the reserve price was lowered and reoffered in each subsequent sale. Ten years ago, this type of table sold at a significantly higher auction price. In 2003, this same styled table sold for hammer price of \$2,300.¹⁵ Thirteen years later, the same style table went unsold in the January Cakebread Sale at New Orleans Auction Galleries, even though the reserve was low, set at \$325.

The deflation in value is the result of this style of antiques having fallen out of favor by designers and consumers. As trends and styles continue to evolve, so will the antique market. The nature of trends is cyclical, where design trends come and go and then come again. Therefore, businesses related to the art and design field must be fluid, able to adapt, evolve, and endure challenges presented as the market changes.

Generational Gaps

The auction business as a whole is threatened by graying audiences and a possible decrease in clientele. Generational gaps have caused an uncertain future for the auction business, as today's younger generation is more interested in spending money on things like traveling and education rather than antiques and art. The biggest threat to the antique market is an upcoming

¹⁵ "Sales Results: Houmas House Auction." Neal Auction Company Archived Auctions. Neal Auction Company, 18 Mar. 2003. Web. 03 Mar. 2016.

generation that does not invest in antique furniture. Also, recent college graduates are earning lower incomes than their parents did at their age. The Progressive Policy Institute reported in 2013 that real earning for recent college grads had declined by \$10,000 since 2000.¹⁶ Millennials do not have the income to invest in antique furniture, so they instead decorate their homes with furniture from West Elm, Crate and Barrel, and Pottery Barn. However, some studies suggest this generation is beginning to recognize the value of owning an antique versus mass produced furniture. This generation lives differently than the last generation or the one before that. There are no more formal living rooms, and they don't want to recreate "period" rooms.¹⁷

Still, the buying strategy of millennials is very different than that of their parents and grandparents. When it comes to purchasing antiques, millennials need more education on this type of collecting, as well as the right motivation. More socially conscious, this generation has grown up appreciating green-minded initiatives like recycling and "upcycling". Connecting to these principles, this generation's desire to buy previously owned items might prove to be beneficial to New Orleans Auction Galleries.

Shrinking number of Major Estates

New Orleans Auction Galleries' main sales are made up of estate consignments. These sales are marketed as Major Estate Sales, but the number of large estates left to auction off is continually shrinking. People collect or invest less and less in antiques, and the social class of individuals who own these grand estates is a dying breed. I don't believe the shrinking number of

¹⁶ Henderson, J. Maureen. "Millennials Earn Less Than Their Parents and The Recession Isn't To Blame." *Forbes*. Forbes Magazine, 30 Nov. 2013. Web. 16 Mar. 2016.

¹⁷ Duva, Traci. "The Art World's Next Generation of Collectors: Meet the Millennials with a Fresh Eye." *Accent*. Chubb Personal Risk Services, 21 Nov. 2014. Web. 16 Mar. 2016.

estates is an immediate threat to New Orleans Auction Galleries' business model, but certainly it is an issue to be mindful of for years to come.

Chapter 4

Best Practices

The high-end auction market continuously hammers out record-breaking sales that attracts buyers and sellers alike, but with dazzling sales comes greater responsibility to uphold a tradition-based market. New Orleans Auction Galleries, as well as many other auction houses, are for-profit, privately owned companies. Therefore, their financial and business practices are private information available to only select individuals within the company.

Some important practices in upholding an ethical market for auction businesses are detailed in the following pages, including comparisons of New Orleans Auction Galleries' practices to those of two major auction houses, Sotheby's and Christie's. By comparing a successful regional house to international houses that seem to set the bar for success, one can attempt to glimpse the auction market as a whole.

New Orleans Auction Galleries, Sotheby's, and Christies are all companies that utilize similar auction cycle structures, each doing their part to push their specific segment of the art market forward. New Orleans Auction Galleries is a premier regional auction house, smaller than those of the high-end auction market, but still must conduct business in a way that supports an ethical art and auction market. The best business practices are ethical business practices. To continue the company's future success, New Orleans Auction Galleries must be mindful of shifting industry trends and ethical best practices to aid in upholding a fair market.

Governance and Transparency in Sales

In recent years, especially with companies like Sotheby's and Christies producing high-profile and record hammer prices in their sales, onlookers to the auction business have questioned if practices are ethical and if the overall auction business allows for enough transparency in its sales. American economist Nouriel Roubini told *The Financial Times* in January 2015, that "the art auction market needed more regulation because it had become routinely susceptible to trading on insider information, money laundering, price manipulation and tax evasion."¹⁸

New Orleans Auction Galleries is licensed by the Louisiana Auctioneers Licensing Board, a governance board that monitors auction practices throughout Louisiana to ensure companies and auctioneers are operating in a way that protects consumers and that is fair for the public community members. The mission of the Louisiana Auctioneers Licensing Board reads as follows:

"The Legislature of Louisiana declares that requiring the licensure of qualified auctioneers and auction houses is in the best interest of the citizens of this state. The purpose of this Chapter is to require qualifying criteria in a presently unregulated occupational field in which unqualified, irresponsible, or unscrupulous individuals may injure the public. The requirements of this Chapter shall contribute to the safety, health, and property of the people of Louisiana in the transfer of property by auction."¹⁹

As mentioned in previous chapters, Tessa Steinkamp, Director of Auctions at New Orleans Auction Galleries, is chair of the Licensing Board and is concerned with New Orleans Auction Galleries always operating to code and supporting an ethical auction market. If a member of the public feels that New Orleans Auction Galleries is practicing unethically, they

¹⁸ Reyburn, Scott. "A Tug of War Over Art-Sales Transparency." *The New York Times*. The New York Times, 25 Sept. 2015. Web. 03 Mar. 2016.

¹⁹"Mission." *Louisiana Auctioneers Licensing Board*. Web. 03 Mar. 2016.

can present their grievance to the Louisiana Auctioneers Licensing Board during their monthly meeting and the board will review it.

From an examination of the overall art and auction market in relation to best practices that uphold an ethical market, I believe New Orleans Auction Galleries operates more justly than those major auction houses associated with the high-end auction market. Auction companies are in constant competition against each other to acquire estates, items, or art to host in their upcoming sales. It's reported that the practice of offering excessive guarantees to consignors to secure estates, and then securing bidders or third parties who will bid up prices guaranteeing the items sell for the desired price, is a regular practice of both Sotheby's and Christies.²⁰ This is not a practice that is used at New Orleans Auction Galleries.

At the end of 2015, Sotheby's guaranteed the estate of A. Alfred Taubman \$500 million to be the company to auction off the family's prolific art collection.²¹ Offering guarantees effectively drives up a minimum price for which consigned lots will sell for, which is great for the seller but not the buyer. It becomes a manner of price manipulation when the fair market value of an item is distorted in this manner. Transparency in the auction and art market is not upheld when back room deals influence market value

To the best of my knowledge, New Orleans Auction Galleries has not engaged in market manipulating practices. They compete for consignors and make deals with major estates in an ethical manner. The company does not seek third party bidders to make guarantees or run up the bidding prices of high profile items. Tessa Steinkamp, Director of New Orleans Auction Galleries, says that "auction estimates are based on several factors. An object's rarity, condition,

²⁰ Tully, Kathryn. "Art Auctions Are Transparent Markets, In Theory." *Forbes*. Forbes Magazine, 27 Nov. 2013. Web. 03 Mar. 2016.

²¹ Kinsella, Eileen. "Sotheby's Explains Why It Had to Give \$500 Million to Taubman Heirs-and Lose Money." *Artnet News*. Artnet, 09 Nov. 2015. Web. 03 Mar. 2016

authenticity, provenance and historical significance can all add to its value. Specialists work with consignors to research and appraise each item based on current market values, which can fluctuate over time.”²² The price for items that go up for auction at New Orleans Auction Galleries are based on a comparison of similar auction market appraisals and are a fair representation of actual fair market value.

Art Authentication

In today's art market, there is a significant issue with stolen works and fakes being sold, and with those sales come liability issues to the companies selling the works. A current example of art fraud is the art-forgery lawsuit surrounding Knoedler & Co. The basis for the trial revolved around whether an established art gallery knowingly sold a forged Mark Rothko painting. The case has prompted an even bigger question for the art market: Whether experts are capable of determining whether the works sold are genuine.²³

Expert opinions regarding authenticity are vital to the business of buying and selling art. Art experts are vulnerable to lawsuits, though, because they are asked to provide yes or no opinions, not whether the piece is “most likely” by whichever artist. The art expert is “legally exposed” by the positive or negative judgment. For example, if the expert's opinion is positive and the buyer purchases based on that expert advice, but that opinion later turns out to be incorrect, an unsatisfied buyer will most likely seek to hold the expert accountable for the initial authentication. On the opposite side, if an expert's opinion is opposed, the current owner might claim that the expert has wrongly depreciated the property or obstructed a potential sale. Art

²² Roux, Margaret Zainey. “Auction Bidding: A Newcomer’s Guide to Placing the Winning Bid.” *NOLA.com*. The Time-Picayune, 04 Feb. 2014. Web. 16 Mar. 2016.

²³ Moynihan, Colin. “In Knoedler Art Fraud Trial, Expert Testimony on Fakes Weighs Heavily.” *The New York Times*. The New York Times, 01 Feb. 2016. Web. 03 Mar. 2016.

experts have been faced with proving that their opinions are correct, and not merely following standard industry practices in their evaluation of the artwork.²⁴

Because of liabilities associated with the selling of art, research becomes an increasingly important practice of art departments of auction companies. Research on a particular piece of art includes identifying the provenance of a work and determining its fair market value.

Documented evidence of provenance for an object can help establish whether it has been altered or is a forgery, a reproduction, stolen, or looted art. Provenance also helps assign the work to a known artist, and a documented history can be of use in proving ownership of work.

Even though auction companies' art departments heavily research the artwork being sold in upcoming sales, companies will still take further steps to protect themselves from potential lawsuits. In today's art market, the majority of auction houses' art departments will defer responsibility of authenticating work and will use the term "As Is" in their condition of sale. For example, Sotheby's states in the "As Is" section of its condition of sale:

"...We and the Consignor are not responsible for errors and omissions in the catalogue, glossary, or any supplemental material..."²⁵

By inserting this in their condition of sale, Sotheby's states that if a work is cataloged incorrectly, or if misrepresented unknowingly, they cannot be held legally responsible for such as discrepancy. For their reputation's sake, Sotheby's does their due diligence to ensure the works being auctioned are not fraud. But no person or company is perfect, and there have been multi-million dollars lawsuits surrounding the sale of stolen or reproduced works.

²⁴ Sigety, Todd. "Art Authentication and Law." *Appraiser Workshops*. 14 Feb. 2016. Web. 03 Mar. 2016.

²⁵ Appendix B: Sotheby's Condition of Sale

In addition to the Art Department cataloging an item to the best of the Department's ability, New Orleans Auction Galleries' uses similar language in their Condition of Sale to protect against liability. New Orleans Auction Galleries' catalog reads "attributed to" of "after", identifying work that might be a copy of an old master's work. The New Orleans Auction Galleries condition of sale states:

"(a). ALL SALES ARE "AS IS, WHERE IS" WITH NO EXPRESS OR IMPLIED WARRANTIES WHATSOEVER.

...

(iv) No warranty as to authorship. NOAG does not make any express or implied warranty as to authorship of works of art and fine art. No statement in the Catalogue or elsewhere, orally or in writing, shall be construed as an express or implied warranty, representation or limitation of liability as to authorship. Any such warranty is WAIVED."²⁶

When speaking with Jelena James, the head of the Art Department at New Orleans Auction Galleries, she stated that potential buyers are more than welcome to request as much information as the house is able and permitted to give them. Potential customers can additionally seek experts to examine the work and attempt to verify its authenticity, but the auction house will have no hand in guaranteeing the authenticity of work.

An example of the challenges of authenticating works at New Orleans Auction Galleries was seen during the October Major Estates Sale when a Clementine Hunter work was sold. The estimated auction price was far lower than any of the works that had sold previously at other auctions, including Sotheby's and local New Orleans competitor Neal Auction Company. When asked, James explained it was difficult to tell whether it was a fake or real; it was therefore cataloged at a lower fair market value knowing there was a chance it was fake.

Target Marketing and Cultivating a New Generation of Collectors

²⁶ Appendix C: New Orleans Auction Galleries Condition of Sale

Traditionally, auction houses have been more focused on selling to dealers and have taken notice of buyers only after a new collector has proven his or her purchasing consistency. But in today's auction market, cultivating new collectors is vital for sale success and future growth of the auction house. The concept of courting potential bidders is no new idea to the auction business, but what has changed is that instead of orienting a few dozen new buyers every auction season, specialists today are collecting names and wish-lists for hundreds of new buyers. The next generation of collectors, known as the Millennials, account for 25% of the US population and about 50% of the spending in today's economy.²⁷ The Millennial generation is also the largest generation to be college educated and therefore have a higher earning potential than previous generations.

Christies and Sotheby's are constantly on the search for new collectors as a way to continue interest in the auction market for years to come. In 2014, a quarter of sales produced between the two companies' auctions were to first-time art buyers.²⁸ Auction specialists are exhausting all options to find bidders. Some monitor collectors' Instagram accounts in hopes of identifying wealthy friends who don't yet collect; the specialists then seek an introduction. Behind the scenes, auction houses will also hunt for collectors by teaming up with insurers to offer art appraisals. Whatever strategy is used, auction houses are working hard to expand their clientele list and cultivate a new generation of collectors.

Online-based antique auction site, The Highboy, infuses an element of "cool" into the stuffy antiques world by rebranding items towards younger groups. For example labeling Gustavian-style furniture as the "boho chic cousin" of Louis XVI: "Same great bone structure,

²⁷ Duva, Traci. "The Art World's Next Generation of Collectors: Meet the Millennials with a Fresh Eye." *Accent*. Chubb Personal Risk Services, 21 Nov. 2014. Web. 16 Mar. 2016.

²⁸ Crow, Kelly. "The Race to Find New Art Collectors." *WSJ*. Wall Street Journal, 7 Aug. 2014. Web. 03 Mar. 2016.

but a lot less fuss.”²⁹ The Highboy shows buyers that they can integrate antique pieces into their everyday lives. The site also includes a blog that educates buyers on styles, design trends, tips on how to build a collection, and suggestions for solid initial investments.¹³

As consumers have become more comfortable with purchasing art online, companies have also become focused on user friendliness, also known as “usability” when designing their websites. Typically with any online buying site, if a customer is forced to think about how to use or navigate around an online shop, the company most likely has already lost them as a customer.³⁰ As auction companies and antique dealing sites work to cultivate collectors around the world, their websites and online presences become quintessential to their success because most of their clients will never actually step foot in their physical location. In 2011, Christie’s created its own online-only auctions appealing to the new collectors with works at more affordable price points, while Sotheby’s has partnered with eBay to take advantage of their 145 million active buyers.³¹ Both Christie’s and Sotheby’s have made the bidding process simple for Internet bidders and in return have cultivated new audiences. Sotheby’s in particular has a webpage featuring a simplified three-step process on how to register for an online sale and enter the online salesrooms.³²

New Orleans Auction Galleries is facing a serious issue surrounding a generational gap with the people participating in the company’s auction both in person and online. The company does an adequate job at target marketing their items through various publications throughout the United States and overseas, while also maintaining relations with longtime bidders, but the future

²⁹ Duva, Traci. “The Art World’s Next Generation of Collectors: Meet the Millennials with a Fresh Eye.” *Accent*. Chubb Personal Risk Services, 21 Nov. 2014. Web. 16 Mar. 2016.

³⁰ Tinker, Jessica. “Why Web Design is Important for Your Online Shop.” *Epages Blog*. Epages.com, 03 Dec. 2014. Web. 23 Apr. 2016.

³¹ Rainey, Sarah. “Is the Auction House Going, Going, Gone?” *The Telegraph*. Telegraph Media Group Limited, 10 Oct. 2012. Web. 16 Mar. 2016.

³² “Bid Now | Watch Live Auctions.” *Sotheby’s*. Sotheby’s 2016. Web. 23 Apr. 2016.

lies with the next generation. New Orleans Auction Galleries would be wise to strategize a marketing or rebranding plan in order to attract the next wave of collectors.

The company goes after large estates filled with exceptional items to stock a sale with, but New Orleans Auction Galleries is not attracting Millennials who they can sell to and someday buy estates from. New Orleans is not New York or London, and the auction houses are not offering items on the level of Christies or Sotheby's, but New Orleans Auction Galleries still offers items that could easily attract young local and regional buyers. The company just needs to create partnerships and seek ways to identify and research potential new bidders.

Our future economy will be shaped by this educated, socially minded, and tech-savvy generation. Their integration of technology and the ability to process volumes of information at the click of a button creates a new breed of collector with eclectic tastes and the capability to create uniquely personal collections with ease. The art and antiques world is engaged in finding ways to keep up. New Orleans Auction Galleries need to be part of this practice.

Chapter 5

Recommendations

As an intern at New Orleans Auction Galleries, I had the opportunity to gain firsthand experience in the auction market. After examining New Orleans Auction Galleries through my SWOT analysis, investigating industry practices, and applying what I learned in coursework as part of the Art Administration program at UNO, I offer the following recommendations as ways for New Orleans Auction Galleries to secure stability and longevity in the auction market's future years.

Cultivating the Next Generation of Collectors

As mentioned in previous sections, New Orleans Auction Galleries' audiences are aging and "in the room" auction attendance is dwindling. Baby boomers are swiftly approaching retirement and will begin to phase out of the auction market as a buyer, hopefully passing the torch to a next generation of collectors. In Chapter 4, Best Practices, I examined other auction companies' strategies in attracting young collectors. Now is the time for New Orleans Auction Galleries to implement these business practices and lay foundations in order to cultivate the next wave of collectors and ensure their future in the auction market.

New Orleans Auction Galleries' Cakebread sales especially have the potential to attract a new generation of buyers, since Cakebread sales offers lower priced items and features contemporary styled furniture. In order to tap into the market of young buyers, though, the

auction house needs to create a marketing plan for the Cakebread sales to target younger crowds. The easiest way to do this, which I will outline in greater detail later in this chapter, is through a strong social media marketing plan.

Another way to cultivate a local younger generation could be through partnerships with organizations around town, or with various young business professional groups. A majority of the big arts organizations in New Orleans have membership groups dedicated to young people as a way to cultivate future donors. Examples in the New Orleans community are the Ogden Museum of Southern Art's Kholmeyer Circle and New Orleans Museum of Art's Young Fellows Membership. The Ogden's Kholmeyer Circle holds monthly get-togethers that grant members "exclusive behind-the-scenes tours of Museum exhibitions, artist studios, and private collections, giving them the opportunity to engage with Southern art, get to know artists, learn about collecting, and network with one another." ³³

New Orleans Auction Galleries could tap into these organizations' young members by offering to host these groups at the auction house when Cakebread sales are in preview. This would introduce potential collectors to the Company, allow them to browse through items that are up for upcoming sale, and to learn about how auctions work. Hosting the get together would nurture the art of collecting, and imprint New Orleans Auction Galleries' brand on young professionals.

Update Social Media Marketing

Internet and social media have changed how collectors interact with the world around them. Being that online shopping and connectivity is favored by Millennials, Christies and

³³ "Kholmeyer Circle." *Ogden Museum of Southern Art*. University of New Orleans, n.d. Web. 29 Mar. 2016.

Sotheby's have started to incorporate this tech-savvy, emerging collector base into their business model by developing increased social media and technology-based outlets.

New Orleans Auction Galleries' online and social media presence is weak. Over the five month period of my internship, the company hosted three sales featuring a total of 3,743 lots, but only posted to their Instagram profile a total of 12 times and to Facebook 15 times. Creating a strong social media marketing program would reach new buyers, as well as new markets around the United States and world. Often social media profiles connect individuals with a common interest, offering community amongst those following a company or products page. I will discuss reaching new markets and collectors around the world later in this chapter, but New Orleans Auction Galleries' social media pages could create and promote community, as well as reach those interested in art and design of the American South.

A social media marketing plan for the auction house should incorporate daily posts to both Facebook and Instagram highlighting different departments and their items, such as: Monday - Art Department, Tuesday - Furniture, - Jewelry, Thursday – Recent Hammer Prices, and Friday – Trends in the Market. In the weeks leading up to the auction all, items are set out on the floor for preview, so images of the preview would attract buyers to stop in or view the online catalog. Also, separate staged groupings of items could be put together and photographed to highlight lots. This could show potential buyers how they could incorporate these antiques into their everyday lives.

Further still, to attract online bidders who interact with New Orleans Auctions Galleries' social media accounts, a discount code could offer buyer premium discounts. The auction house

already offers a 3% buyers premium discount to those who pay by cash or check within a certain time frame, this could be extended to followers of the company's social media pages.

During auction sales, companies like Sotheby's and Christie's post hammer prices of items as they sell on Twitter, allowing the public to follow along with sales as they are happening. New Orleans Auction Galleries live streams the auctions through Live Actioneers, but posting updates on Twitter, or highlighting when an item sells for a record price on all the companies social media platforms, would promote interaction with the sales without having to stream it.

A successfully implemented social media marketing plan would allow New Orleans Auction Galleries to reach broader and younger audiences, as well as audiences outside of New Orleans through connectivity and community building. New Orleans Auction Galleries' goal is not just to sell a few items, but to build the loyalty of another generation of collectors. Social media promotes such brand loyalty.

Website

Mentioned as a weakness in Chapter 3, New Orleans Auction Galleries' current website is outdated, unattractive, and highly difficult to navigate. The base of any company's successful online presence is their website, and New Orleans Auction Galleries' current website is a poor presentation for a successful company. All of the information potential bidders would need is already uploaded to the website. The forms are there for clients to fill out to register online for upcoming auctions, but the website is so disorganized that clients have trouble finding information or forms needed. Often, instead the clients end up calling the auction house.

Updating the company's website would not only aid in establishing a stronger web presence, but could also help in eliminating the chaos that often exists in the office. If the website operated in an efficient and effective way, the office would not receive as many calls and the staff would be able to remain focused on the work that needs to be done for the upcoming sales, making the overall office more productive.

The best recommendation I can make to New Orleans Auction Galleries is to get rid of their website and start fresh. Prime examples of highly functioning auction company's websites include Sotheby's, and even smaller regional auction houses such as Skinner, located in Boston, MA. Both of these companies' websites are simple, easy to navigate, and visually stimulating, all things New Orleans Auction Galleries' website is not.

New Orleans Auction Galleries' current website already has online forms, auction information for both buyers and sellers, and an online catalogue. The website should be redesigned in a manner to become more user friendly, for both the tech savvy client and for those that are "internet challenged".

Creating Niche Market and Cultivating International Collectors

At the end of 2015, *Art+Auction* magazine compiled its annual list of the top 250 auction houses, varying in size, from around the world. Common among the smaller auction houses that made the list were those that focused their efforts on cultivating their regional art markets, as well as those that sought niches to exploit in the international art market³⁴. Smaller auction

³⁴ Muhlfield, Liza. "Power Essay: Auction Houses Think Strategically." *Art+Auction*. Blouin Art Info. 26 Dec. 2015. Web. 29 Mar. 2016.

houses have also implemented the use of new technologies in order to expand their offerings and attract bidders around the globe.

According to the Tefaf Art Market Report by art-market researcher Clare McAndrew, only 2% of the world's 32 million millionaires currently collect art.³⁵ That means 98% of the world's wealthy individuals are potential clients for any auction house; therefore, it's a matter of reaching and attracting those individuals on a worldwide spectrum.

New Orleans Auction Galleries' sales currently attract select bidders from around the world through its use of online bidding platforms LiveAuctioneers and Invaluable. The auction house could better cultivate bidders from around the globe by developing and expanding its niche market. Collectors, national and international alike have a fascination with the history and traditions of the American South, as well as the mystique and style that New Orleans offers. Operating from the heart of New Orleans, New Orleans Auction Galleries has the ability to create a niche market as an international dealer of American South and New Orleans styles.

Strengthening an online presence is the first step in cultivating international buyers. Many of these clients will never step foot in New Orleans Auction Galleries' physical location, so website and social media will be how these individuals interact with the company.

Once New Orleans Auction Galleries' online presence is improved through my previous recommendation of a new website and stronger social media marketing, strategies to establish and expand a Southern art niche market could include using strategic hash tags to connect to already existing communities of similar interest. Examples of hash tags the company could use to engage with individuals interested in Southern art and design include: Southern art, Southern design, New Orleans, art auction, antiques, collecting, Southern style, etc.

³⁵ Crow, Kelly. "The Race to Find New Art Collectors." *The Wall Street Journal*. 7 Aug. 2014. Web. 29 Mar. 2016

As individuals become more comfortable with purchasing art online, easy accessibility becomes the key to capture collectors and ultimately have them purchase an item with the auction company. With each social media post that New Orleans Auction Galleries features, links could be included that forward the viewer to either New Orleans Auction Galleries' website to view the item and catalog for the sale, or to a page where they can register to bid in the upcoming sale. This is also where E-commerce sales, the industry trending online-based sales, could be leveraged. If New Orleans Auction Galleries has online sales live on their website, links could be connected to social media posts that would connect users directly to the website page where a bid could be left for an item.

A niche market focused on art and antiques of the Southern region is a viable market and with the internet ever expanding through social media, New Orleans Auction Galleries will have the ability to better reach and cultivate international bidders interested in the American South and the New Orleans style. Expanding their markets to reach international clientele, while remaining intent on expanding regional and national clientele, will aid in ensuring sustainability in the shifting future of the auction market.

Conclusion

Through my internship, I gained valuable insight and experience in the art and antiques market of the American South. As an intern, I believe I made positive contributions to the New Orleans Auction Galleries' Art Department. Although I am not planning on continuing a career in the auction world, this experience has aided in my overall understanding of the art market and many practices have carried over into my work in the gallery setting.

Now as I continue my career working for Rodrigue Gallery, I understand how an artwork's fair market value is decided on and what influences the price of work in the market. Because of this, I am better able to assist clients who are interested in investing in the work of an artist and able to justify the asking prices of the Gallery.

New Orleans Auctions Galleries has created a reputable name, overcome adversity, and seen many successful auctions in its twenty-five years of business. New Orleans Auction Galleries is a premier regional auction house, expanding its success in recent years and increasing staff and business plans in anticipation of continued successful years. However, this does not mean there is not room for changes to ensure the stability and sustainability of the company. In order to continue its upward growth, the company must expand its markets, cultivate new collectors, create a stronger online presence and forge standards and practices within Louisiana and the Southern Region.

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Appendices

Appendix A : New Orleans Auction Galleries Consignor Agreement

 NEW ORLEANS AUCTION GALLERIES	<p>333 Saint Joseph Street New Orleans, LA 70130 Main: (504) 566-1849 Fax: (504) 566-1851 NewOrleansAuction.com</p>
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1. CONSIGNMENT

a) The undersigned Consignor ("Consignor") hereby consigns to Cakebread Art Antiques Collectables, Inc. d/b/a New Orleans Auction Galleries ("NOAG") the property identified on the attached Schedule ("Schedule"), as amended from time to time (the "Property"), which NOAG, as the exclusive agent for Consignor, will offer for sale at auction in one or more Lots (defined below), subject to the provisions set forth below and subject to NOAG's standard Conditions of Sale ("Conditions of Sale") in effect at the time of the Auction (as defined below). In the event of any conflict between the Conditions of Sale and this Agreement, the terms of this Agreement shall control.

b) Under this Agreement, the following terms are defined as follows (in addition to other capitalized terms defined herein):

- An "Auction" is a public auction conducted by NOAG, at which bidders may place bids to purchase one or more Lots offered for sale by NOAG. An Auction takes place over one or more days and includes separate auctions of one or more Lots within an event conducted by NOAG.
- The "Auctioneer" is the auctioneer calling the Auction conducted by NOAG.
- A "Buyer" is the party that commits to purchase a Lot by submitting the Winning Bid at Auction or commits to purchase at a Post-Auction Sale.
- "Buyer's Premium" is defined in Section 2 below.
- "Cancelled Sale" is defined in Section 8 below.
- "Catalogue" is the Auction catalogue utilized by NOAG to list the Lots offered at Auction.
- "Commission" is defined in Section 2 below.
- The "Estimates" are the high and low estimates of value for each Lot set forth on the Schedule or as otherwise agreed to between NOAG and Consignor. In the event that no estimates are set forth on the Schedule for a particular Lot, NOAG shall set the Estimates for that Lot in NOAG's sole discretion.
- "Expenses" is defined in Section 3 below.
- The "Hammer Price" for a Lot is the amount of the Winning Bid at the Auction, as announced by the Auctioneer, exclusive of commissions, Buyer's Premium, expenses, and any taxes or other charges.
- A "Lot" is specific item of property offered for sale at Auction.
- "Pickup Date" is defined in Section 8 below.
- The "Reserve" is defined in Section 7 below.
- A "Sale" of a Lot occurs when either: (i) a winning bid is declared at Auction for the Lot; or (ii) a Buyer agrees to purchase the Lot through a Post-Auction Sale (defined below).
- The "Sale Price" is either (i) the final Hammer Price or (ii) the sale price at a Post-Auction Sale; in either case, exclusive of Commission, Buyer's Premium, Expenses, and any taxes or other charges.
- The "Winning Bid" is, as to a particular Lot, the Bid recognized by the Auctioneer as the highest and best Bid for that Lot.

2. COMMISSION / BUYER'S PREMIUM

a) For its services, NOAG will receive and retain from the proceeds of the Sale of the Property a commission ("Commission") from Consignor as follows:

- 10% of the Sale Price of \$2,501 and above;
- 15% of the Sale Price of \$1,501 to \$2,500.00;
- 20% of the Sale Price of \$501 to \$1,500.00;
- 25% of the Sale Price less than \$500.00; but at no time will the minimum Commission per Lot be less than \$25.00.

b) In addition to the Commission, NOAG shall also receive a premium ("Buyer's Premium") to be paid by, and collected from, the Buyer at the Auction. The amount and terms of the Buyer's Premium is set forth in the Conditions of Sale.

3. EXPENSES

Except as set forth in the attached Schedule, Consignor agrees to pay the following expenses ("Expenses"): All costs and expenses relating to (i) packing and shipping the Property to NOAG; (ii) insurance, as provided in Section 4 below; (iii) all applicable customs duties and customs user fees; (iv) catalogue illustration up to a maximum of \$75.00 per color illustration, website illustration up to a maximum of \$25.00 per color illustration, and color brochure/postcard illustration up to a maximum of \$250.00 per illustration; (v) storage charges for storage of the Property, including in a third-party warehouse, as provided in Section 8(e) below; (vi) costs of necessary restoration and/or framing; (vii) costs and fees for tests or procedures that NOAG deems necessary or desirable to verify authenticity, authorship, ownership, attribution or quality of any Lot; and (viii) the Unsold Property Charge (as defined in Section 8 below) in the event that any lot fails to sell, as provided in Section 8(e) below.

Appendix B: Sotheby's Condition of Sale

CONDITIONS OF SALE

The following Conditions of Sale and Terms of Guarantee are Sotheby's, Inc. and the Consignor's entire agreement with the purchaser and any bidders relative to the property listed in this catalogue.

The Conditions of Sale, Terms of Guarantee, the glossary, if any, and all other contents of this catalogue are subject to amendment by us by the posting of notices or by oral announcements made during the sale. The property will be offered by us as agent for the Consignor, unless the catalogue indicates otherwise.

By participating in any sale, you acknowledge that you are bound by these terms and conditions.

1. As Is. Goods auctioned are often of some age. The authenticity of the Authorship (as defined below) of property listed in the catalogue is guaranteed as stated in the Terms of Guarantee and except for the Limited Warranty contained therein, all property is sold "AS IS" without any representations or warranties by us or the Consignor as to merchantability, fitness for a particular purpose, the correctness of the catalogue or other description of the physical condition, size, quality, rarity, importance, medium, frame, provenance, exhibitions, literature or historical relevance of any property and no statement anywhere, whether oral or written, whether made in the catalogue, an advertisement, a bill of sale, a salesroom posting or announcement, or elsewhere, shall be deemed such a warranty, representation or assumption of liability. We and the Consignor make no representations and warranties, express or implied, as to whether the purchaser acquires any copyrights, including but not limited to, any reproduction rights in any property. We and the Consignor are not responsible for errors and omissions in the catalogue, glossary, or any supplemental material. Sotheby's will not be responsible or liable for damage to frames and glass coverings, regardless of the cause.

2. Inspection. Prospective bidders should inspect the property before bidding to determine its condition, size, and whether or not it has been repaired or restored.

3. Buyer's Premium. A buyer's premium will be added to the hammer price and is payable by the purchaser as part of the total purchase price. The buyer's premium is 25% of the hammer price up to and including \$200,000, 20% of any amount in excess of \$200,000 up to and including \$3,000,000, and 12% of any amount in excess of \$3,000,000.

4. Withdrawal. We reserve the right to withdraw any property before the sale and shall have no liability whatsoever for such withdrawal.

5. Per Lot. Unless otherwise announced by the auctioneer, all bids are per lot as numbered in the catalogue.

6. Bidding. We reserve the right to reject any bid. The highest bidder acknowledged by the auctioneer will be the purchaser. The auctioneer has absolute and sole discretion in the case of error or dispute with respect to bidding, and whether during or after the sale, to determine the successful bidder, to re-open the bidding, to cancel the sale or to re-offer and re-sell the item in dispute. If any dispute arises after the sale, our sale record is conclusive. In our discretion we will execute order or absentee bids and accept telephone bids and online bids via BIDnow, eBay or other online platforms as a convenience to clients who are not present at auctions; Sotheby's is not responsible for any errors or omissions in connection therewith. Prospective bidders should also consult sothebys.com for the most up to date cataloguing of the property in this catalogue.

By participating in the sale, you represent and warrant that any bids placed by you, or on your behalf, are not the product of any collusive or other anti-competitive agreement and are otherwise consistent with federal and state antitrust law.

In order to bid on "Premium Lots" you must complete the required Premium Lot pre-registration application. Sotheby's decision whether to accept any pre-registration application shall be final. You must arrange for Sotheby's to receive your pre-registration application at least three working days before the sale. Please bear in mind that we are unable to obtain financial references over weekends or public holidays.

Sotheby's may require such necessary financial references, guarantees, deposits and/or such other security, in its absolute discretion, as security for your bid(s).

7. Online Bids via BIDnow or other Online Platforms: Sotheby's may offer clients the opportunity to bid online via BIDnow, eBay or other Online Platforms for selected sales. By participating in a sale via any of these Online Platforms, you acknowledge that you are bound by these Conditions of Sale as well as the Additional Terms and Conditions for Live Online Bidding ("Online Terms"). By participating in a sale via any Online Platform, Bidders accept the Online Terms, as well as the relevant Conditions of Sale. Online bidding may not be available for Premium Lots.

8. Bids Below Reserve. If the auctioneer determines that any opening bid is below the reserve of the article offered, he may reject the same and withdraw the article from sale, and if, having acknowledged an opening bid, he determines that any advance thereafter is insufficient, he may reject the advance.

9. Purchaser's Responsibility. Subject to fulfillment of all of the conditions set forth herein, on the fall of the auctioneer's hammer, the contract between the consignor and the purchaser is concluded, and the winning bidder thereupon will immediately pay the full purchase price or such part as we may require. Title in a purchased lot will not pass until Sotheby's has received the full purchase price in cleared funds. The purchaser's obligation

to immediately pay the full purchase price or such part as we may require is absolute and unconditional and is not subject to any defenses, setoffs or counterclaims of any kind whatsoever. Sotheby's is not obligated to release a lot to the purchaser until title to the lot has passed and any earlier release does not affect the passing of title or the Purchaser's unconditional obligation to pay the full purchase price. In addition to other remedies available to us by law, we reserve the right to impose from the date of sale a late charge of the annual percentage rate of Prime + 6% of the total purchase price if payment is not made in accordance with the conditions set forth herein. Please note Sotheby's reserves the right to refuse to accept payment from a source other than the buyer of record.

Unless otherwise agreed by Sotheby's, all property must be removed from our premises by the purchaser at his expense not later than 30 calendar days following its sale. Buyers are reminded that Sotheby's liability for loss or damage to sold property shall cease no later than 30 calendar days after the date of the auction. If any applicable conditions herein are not complied with by the purchaser, the purchaser will be in default and in addition to any and all other remedies available to us and the Consignor by law, including, without limitation, the right to hold the purchaser liable for the total purchase price, including all fees, charges and expenses more fully set forth herein, we, at our option, may (x) cancel the sale of that, or any other lot or lots sold to the defaulting purchaser at the same or any other auction, retaining as liquidated damages all payments made by the purchaser, or (y) resell the purchased property, whether at public auction or by private sale, or (z) effect any combination thereof. In any case, the purchaser will be liable for any deficiency, any and all costs, handling charges, late charges, expenses of both sales, our commissions on both sales at our regular rates, legal fees and expenses, collection fees and incidental damages. We may, in our sole discretion, apply any proceeds of sale then due or thereafter becoming due to the purchaser from us or any affiliated company, or any payment made by the purchaser to us or any affiliated company, whether or not intended to reduce the purchaser's obligations with respect to the unpaid lot or lots, to the deficiency and any other amounts due to us or any affiliated companies. In addition, a defaulting purchaser will be deemed to have granted and assigned to us and our affiliated companies, a continuing security interest of first priority in any property or money of or owing to such purchaser in our possession, custody or control or in the possession, custody or control of any of our affiliated companies, in each case whether at the time of the auction, the default or if acquired at any time thereafter, and we may retain and apply such property or money as collateral security for the obligations due to us or to any affiliated company of ours. We shall have all of the rights accorded a secured party under the New York Uniform Commercial Code. You hereby agree that Sotheby's may file financing statements under the New York

Uniform Commercial Code without your signature. Payment will not be deemed to have been made in full until we have collected good funds. Any claims relating to any purchase, including any claims under the Conditions of Sale or Terms of Guarantee, must be presented directly to Sotheby's. In the event the purchaser fails to pay any or all of the total purchase price for any lot and Sotheby's nonetheless elects to pay the Consignor any portion of the sale proceeds, the purchaser acknowledges that Sotheby's shall have all of the rights of the Consignor to pursue the purchaser for any amounts paid to the Consignor, whether at law, in equity, or under these Conditions of Sale.

10. Reserve. All lots in this catalogue are offered subject to a reserve, which is the confidential minimum hammer price at which a lot will be sold. No reserve will exceed the low presale estimate stated in the catalogue, or as amended by oral or posted notices. We may implement such reserve by opening the bidding on behalf of the Consignor and may bid up to the amount of the reserve, by placing successive or consecutive bids for a lot, or bids in response to other bidders. In instances where we have an interest in the lot other than our commission, we may bid up to the reserve to protect such interest. In certain instances, the Consignor may pay us less than the standard commission rate where a lot is "bought-in" to protect its reserve.

11. Tax. Unless exempted by law, the purchaser will be required to pay the combined New York State and local sales tax, any applicable compensating use tax of another state, and if applicable, any federal luxury or other tax, on the total purchase price. The rate of such combined tax is 8.875% in New York City and ranges from 7% to 8.625% elsewhere in New York.

12. Export and Permits. It is the purchaser's sole responsibility to identify and obtain any necessary export, import, firearm, endangered species or other permit for the lot. Any symbols or notices in the sale catalogue reflect Sotheby's reasonable opinion at the time of cataloguing and are for bidders' general guidance only. Sotheby's and the Consignor make no representations or warranties as to whether any lot is or is not subject to export or import restrictions or any embargoes.

13. Governing Law and Jurisdiction. These Conditions of Sale and Terms of Guarantee, as well as bidders', the purchaser's and our respective rights and obligations hereunder, shall be governed by and construed and enforced in accordance with the laws of the State of New York. By bidding at an auction, whether present in person or by agent, order bid, telephone, online or other means, all bidders including the purchaser, shall be deemed to have consented to the exclusive jurisdiction of the state courts of, and the federal courts sitting in, the State of New York. All parties agree, however, that Sotheby's shall retain the right to bring proceedings in a court other than the state and federal courts sitting in the State of New York.

Appendix B (cont.)

14. Packing and Shipping We are not responsible for the acts or omissions in our packing or shipping of purchased lots or of other carriers or packers of purchased lots, whether or not recommended by us. Packing and handling of purchased lots is at the entire risk of the purchaser.

15. Limitation of Liability In no event will our liability to a purchaser exceed the purchase price actually paid.

16. Data Protection Sotheby's will use information provided by its clients (or which Sotheby's otherwise obtains from eBay or other sources relating to its clients) for the provision of auction and other art-related services, loan services, client administration, marketing and otherwise to manage and operate its business, or as required by law, in accordance with Sotheby's Privacy Policy. This will include information such as the client's name and contact details, proof of identity, financial information, records of the client's transactions, and preferences. Some gathering of information about Sotheby's clients will take place using technical means to identify their preferences in order to provide a higher quality of service to them. Sotheby's may also disclose the client information to other Sotheby's Companies and/or third parties acting on their behalf to provide services for these purposes.

Sometimes, Sotheby's may also disclose this information to carefully selected third parties for their own marketing purposes. If you do not wish your details to be used for this purpose, please email enquiries@sothebys.com.

If the client provides Sotheby's with information that is defined by European data protection laws as "sensitive", the client agrees that it may be used for the purposes set out above.

In the course of these disclosures, personal data collected in the European Economic Area may be disclosed to countries outside the European Economic Area. Although such countries may not have legislation that protects a client's personal information, Sotheby's shall take great care to keep such information secure and in accordance with European data protection principles. By agreeing to these Conditions of Business, the client is agreeing to such disclosure.

Please be aware that Sotheby's may film auctions or other activities on Sotheby's premises and that such recordings may be transmitted over the Internet via Sotheby's website, the eBay website and other Online Platforms. Telephone bids may be recorded.

Under European data protection laws, a client may object, by request and free of charge, to the processing of their information for certain purposes, including direct marketing, and may access and rectify personal data relating to them and may obtain more information about Sotheby's data protection policies by writing to Sotheby's, 34-35 New Bond Street, London W1A 2AA, or 1334 York Avenue, New York, NY 10021. Attn: Compliance, or emailing enquiries@sothebys.com. Sotheby's use of information collected about eBay users may differ and is governed by the terms of

the eBay Privacy Policy and Sotheby's on eBay Live Auction Platform Privacy Policy, which can be found on the Sotheby's on eBay Live Auction Website.

TERMS OF GUARANTEE

As set forth below and in the Conditions of Sale, for all lots Sotheby's guarantees that the authorship, period, culture or origin (collectively, "Authorship") of each lot in this catalogue is as set out in the BOLD or CAPITALIZED type heading in the catalogue description of the lot, as amended by oral or written salesroom notes or announcements. Purchasers should refer to the Glossary of Terms, if any, for an explanation of the terminology used in the Bold or Capitalized type heading and the extent of the Guarantee. Sotheby's makes no warranties whatsoever, whether express or implied, with respect to any material in the catalogue other than that appearing in the Bold or Capitalized heading and subject to the exclusions below.

In the event Sotheby's in its reasonable opinion deems that the conditions of the Guarantee have been satisfied, it shall refund to the original purchaser of record the hammer price and applicable Buyer's Premium paid for the lot by the original purchaser of record.

This Guarantee does not apply if: (i) the catalogue description was in accordance with the opinion(s) of generally accepted scholar(s) and expert(s) at the date of the sale, or the catalogue description indicated that there was a conflict of such opinions; or (ii) the only method of establishing that the Authorship was not as described in the Bold or Capitalized heading at the date of the sale would have been by means or processes not then generally available or accepted; unreasonably expensive or impractical to use; or likely (in Sotheby's reasonable opinion) to have caused damage to the lot or likely to have caused loss of value to the lot; or (iii) there has been no material loss in value of the lot from its value had it been in accordance with its description in the Bold or Capitalized type heading.

This Guarantee is provided for a period of five (5) years from the date of the relevant auction, is solely for the benefit of the original purchaser of record at the auction and may not be transferred to any third party. To be able to claim under this Guarantee of Authorship, the original purchaser of record must: (i) notify Sotheby's in writing within three (3) months of receiving any information that causes the original purchaser of record to question the accuracy of the Bold or Capitalized type heading, specifying the lot number, date of the auction at which it was purchased and the reasons for such question; and (ii) return the Lot to Sotheby's at the original selling location in the same condition as at the date of sale to the original purchaser of record and be able to transfer good title to the Lot, free from any third party claims arising after the date of such sale.

Sotheby's has discretion to waive any of the above requirements. Sotheby's may

require the original purchaser of record to obtain at the original purchaser of record's cost the reports of two independent and recognized experts in the field, mutually acceptable to Sotheby's and the original purchaser of record. Sotheby's shall not be bound by any reports produced by the original purchaser of record, and reserves the right to seek additional expert advice at its own expense. It is specifically understood and agreed that the rescission of a sale and the refund of the original purchase price paid (the successful hammer price, plus the buyer's premium) is exclusive and in lieu of any other remedy which might otherwise be available as a matter of law, or in equity. Sotheby's and the Consignor shall not be liable for any incidental or consequential damages incurred or claimed, including without limitation, loss of profits or interest.

ADDITIONAL TERMS AND CONDITIONS FOR LIVE ONLINE BIDDING

The following terms and conditions (the "Conditions") provide important information related to live online bidding via BiNow, eBay, and any other Online Platform through which bidding is made available ("Online Platforms").

These Conditions are in addition to and subject to the same law and our standard terms and conditions of sale, including the authenticity guarantee and any other terms and are not intended in any way to replace them. By participating in this sale via any Online Platform, you acknowledge that you are bound by the Conditions of Sale applicable in the relevant sale and by these additional Conditions.

1. The procedure for placing bids via Online Platforms is a one-step process; as soon as the "Bid Now" button is clicked, a bid is submitted. By placing a bid via any Online Platform, you accept and agree that bids submitted in this way are final and that you will not under any circumstances be permitted to amend or retract your bid. If a successful bid is sent to Sotheby's from your computer, phone, tablet, or any other device, you irrevocably agree to pay the full purchase price, including buyer's premium and all applicable taxes and other applicable charges.

2. If you have the leading bid, it will be indicated on the screen with the statement "Bid with you" (on BiNow) or "You're the highest bidder" (on eBay). If a bid is placed online simultaneously with a bid placed by a bidder in the room or on the telephone (a "floor" bid), the "floor" bid generally will take precedence; the auctioneer will have the final discretion to determine the successful bidder or to reopen bidding. The auctioneer's decision is final.

3. The next bidding increment is shown on the screen for your convenience. The auctioneer has discretion to vary bidding increments for bidders in the auction room and on the telephones, but bidders using Online Platforms may not be able to place a bid in an amount other than a whole bidding increment. All bidding for this sale will be in the domestic currency of the sale

location, and online bidders will not be able to see the currency conversion board that may be displayed in the auction room.

4. The record of sale kept by Sotheby's will be taken as absolute and final in all disputes. In the event of a discrepancy between any online records or messages provided to you and the record of sale kept by Sotheby's, the record of sale will govern.

5. Online bidders are responsible for making themselves aware of all salesroom notices and announcements. All salesroom notices will be read by the auctioneer at the beginning, where appropriate, or during the sale prior to a relevant lot being offered for sale. Sotheby's recommends that online bidders log on at least ten minutes before the scheduled start of the auction to ensure that you have heard all announcements made by the auctioneer at the beginning of the sale.

6. Sotheby's reserves the right to refuse or revoke permission to bid via Online Platforms and to remove bidding privileges during a sale.

7. Purchase information shown in the "Account Activity" section of BiNow and the "Purchase History" section of the "My eBay" page on eBay is provided for your convenience only. Successful bidders will be notified and invoiced by Sotheby's after the sale. In the event of any discrepancy between any online purchase information and the invoice sent to you by Sotheby's following the respective sale, the invoice prevails. Terms and conditions for payment and collection of property remain the same regardless of how the winning bid was submitted.

8. Sotheby's offers online bidding as a convenience to our clients. Sotheby's will not be responsible for any errors or failures to execute bids placed via Online Platforms, including, without limitation, errors or failures caused by (i) a loss of connection to the Internet or to the BiNow, eBay or other Online Platform software by either Sotheby's or the client; (ii) a breakdown or problem with the BiNow, eBay or other Online Platform software; or (iii) a breakdown or problem with a client's internet connection, mobile network or computer. Sotheby's is not responsible for any failure to execute an online bid or for any errors or omissions in connection therewith.

9. Live online bidding via all Online Platforms will be recorded.

10. In the event of any conflict between these Additional Terms and Conditions for Live Online Bidding and Sotheby's Conditions of Sale and Terms of Guarantee, Sotheby's Conditions of Sale and Terms of Guarantee will control.

11. In the event of any conflict between these Additional Terms and Conditions for Live Online Bidding and any term in any agreement between the User and eBay, these Additional Terms and Conditions for Live Online Bidding will control for purposes of all Sotheby's auctions.

Appendix B (cont.)

BUYING AT AUCTION

The following will help in understanding the auction buying process as well as some of the terms and symbols commonly used in an auction catalogue. All bidders should read the Conditions of Sale and Terms of Guarantee in this catalogue, as well as the Glossary or any other notices. By bidding at auction, bidders are bound by the Conditions of Sale and Terms of Guarantee, as amended by any oral announcement or posted notices, which together form the sale contract among Sotheby's, the seller (consignor) of the lot and any bidders, including the successful bidder (purchaser).

L. SYMBOL KEY

□ Reserves

Unless indicated by a box (□), all lots in this catalogue are offered subject to a reserve. A reserve is the confidential minimum hammer price at which a lot will be sold. The reserve is generally set at a percentage of the low estimate and will not exceed the low estimate of the lot. If any lots in the catalogue are offered without reserve, such lots will be designated by a box (□). If every lot in a catalogue is offered without a reserve, the Conditions of Sale will so state and this symbol will not be used for each lot.

○ Guaranteed Property

The seller of lots with this symbol has been guaranteed a minimum price from one auction or a series of auctions. This guarantee may be provided by Sotheby's or jointly by Sotheby's and a third party. Sotheby's and any third parties providing a guarantee jointly with Sotheby's benefit financially if a guaranteed lot is sold successfully and may incur a loss if the sale is not successful.

△ Property in which Sotheby's has an Ownership Interest

Lots with this symbol indicate that Sotheby's owns the lot in whole or in part or has an economic interest in the lot equivalent to an ownership interest.

■ Irrevocable Bids

Lots with this symbol indicate that a party has provided Sotheby's with an irrevocable bid on the lot that will be executed during the sale at a value that ensures that the lot will sell. The irrevocable bidder, who may bid in excess of the irrevocable bid, will be compensated based on the final hammer price in the event he or she is not the successful bidder. If the irrevocable bidder is the successful bidder, he or she will be required to pay the full Buyer's Premium and will not be otherwise compensated. If the irrevocable bid is not secured until after the printing of the auction catalogue, a pre-lot announcement will be made indicating that there is an irrevocable bid on the lot.

▽ Interested Parties

Lots with this symbol indicate that parties with a direct or indirect interest in the lot may be bidding on the lot, including (i) the beneficiary of an estate selling the lot, or (ii) the joint owner of a lot. If the interested

party is the successful bidder, they will be required to pay the full Buyer's Premium. In certain instances, interested parties may have knowledge of the reserve. In the event the interested party's possible participation in the sale is not known until after the printing of the auction catalogue, a pre-lot announcement will be made indicating that interested parties may be bidding on the lot.

Ⓢ Restricted Materials

Lots with this symbol have been identified at the time of cataloguing as containing organic material which may be subject to restrictions regarding import or export. The information is made available for the convenience of bidders and the absence of the symbol is not a warranty that there are no restrictions regarding import or export of the Lot; bidders should refer to Condition 12 of the Conditions of Sale. Please also refer to the section on Endangered Species in the information on Buying at Auction.

Ⓜ Monumental

Lots with this symbol may, in our opinion, require special handling or shipping services due to size or other physical considerations. Bidders are advised to inspect the lot and to contact Sotheby's prior to the sale to discuss any specific shipping requirements.

Ⓟ Premium Lot

In order to bid on "Premium Lots" (Ⓟ in print catalogue or Ⓟ in eCatalogue) you must complete the required Premium Lot pre-registration application. You must arrange for Sotheby's to receive your pre-registration application at least three working days before the sale. Please bear in mind that we are unable to obtain financial references over weekends or public holidays. Sotheby's decision whether to accept any pre-registration application shall be final. If your application is accepted, you will be provided with a special paddle number. If all lots in the catalogue are "Premium Lots", a Special Notice will be included to this effect and this symbol will not be used.

2. BEFORE THE AUCTION

The Catalogue A catalogue prepared by Sotheby's is published for every scheduled live auction and is available prior to the sale date. The catalogue will help familiarize you with property being offered at the designated auction. Catalogues may be purchased at Sotheby's or by subscription in any categories. For information, please call +1 212 606 7000 or visit sothebys.com. Prospective bidders should also consult sothebys.com for the most up to date cataloguing of the property in this catalogue.

Estimates Each lot in the catalogue is given a low and high estimate, indicating to a prospective buyer a range in which the lot might sell at auction. When possible, the estimate is based on previous auction records of comparable pieces. The estimates are determined several months before a sale and are therefore subject to change upon further research of the property, or to reflect market conditions or currency fluctuations. Estimates should

not be relied upon as a representation or prediction of actual selling prices.

Provenance In certain circumstances, Sotheby's may print in the catalogue the history of ownership of a work of art if such information contributes to scholarship or is otherwise well known and assists in distinguishing the work of art. However, the identity of the seller or previous owners may not be disclosed for a variety of reasons. For example, such information may be excluded to accommodate a seller's request for confidentiality or because the identity of prior owners is unknown given the age of the work of art.

Specialist Advice Prospective bidders may be interested in specific information not included in the catalogue description of a lot. For additional information, please contact either a Sotheby's specialist in charge of the sale (all of whom are listed in the front of the catalogue), or Sotheby's Client Services Department. You may also request a condition report from the specialist in charge.

The Exhibition An exhibition of the auction property will be held the week prior to the auction on the days listed in the front of the catalogue. There you will have the opportunity to view, inspect and evaluate the property yourself, or with the help of a Sotheby's specialist.

Salesroom Notices Salesroom notices amend the catalogue description of a lot after our catalogue has gone to press. They are posted in the viewing galleries and salesroom or are announced by the auctioneer. Please take note of them.

Registration Sotheby's may require such necessary financial references, guarantees, deposits and/or such other security, in its absolute discretion, as security for your bid. If you are not successful on any lot, Sotheby's will arrange for a refund (subject to any right of set off) of the deposit amount paid by you without interest within 14 working days of the date of the sale. Any exchange losses or fees associated with the refund shall be borne by you. Registration to bid on Premium Lots must be done at least 3 business days prior to the sale.

3. DURING THE AUCTION

The Auction Auctions are open to the public without any admission fee or obligation to bid. The auctioneer introduces the objects for sale — known as "lots" — in numerical order as listed in the catalogue. Unless otherwise noted in the catalogue or by an announcement at the auction, Sotheby's acts as agent on behalf of the seller and does not permit the seller to bid on his or her own property. It is important for all bidders to know that the auctioneer may open the bidding on any lot by placing a bid on behalf of the seller. The auctioneer may further bid on behalf of the seller, up to the amount of the reserve, by placing responsive or consecutive bids for a lot. The auctioneer will not place consecutive bids on behalf of the seller above the reserve.

Bidding in Person If you would like to bid, you must register for a paddle upon entering the salesroom. The paddle is numbered so as to identify you to the auctioneer. To register, you will need a form of identification such as a driver's license, a passport or some other type of government issued identification. If you are a first-time bidder, you will also be asked for your address, phone number and signature in order to create your account. If you are bidding for someone else, you will need to provide a letter from that person authorizing you to bid on that person's behalf. Issuance of a bid paddle is in Sotheby's sole discretion.

Once the first bid has been placed, the auctioneer asks for higher bids, in increments determined by the auctioneer. To place your bid, simply raise your paddle until the auctioneer acknowledges you. You will know when your bid has been acknowledged; the auctioneer will not mistake a random gesture for a bid.

If you wish to register to bid on a Premium Lot, please see the paragraph above.

All lots sold will be invoiced to the name and address in which the paddle has been registered and cannot be transferred to other names and addresses. Sotheby's reserves the right to refuse to accept payment from a source other than the buyer of record.

Absentee Bidding If it is not possible for you to attend the auction in person, you may place your bid ahead of time. In the back of every catalogue there is an absentee bid form, which you can use to indicate the item you wish to bid on and the maximum bid you are willing to make. Return the completed absentee bid form to Sotheby's either by mail or fax. When the lot that you are interested in comes up for sale, a Sotheby's representative will execute the bid on your behalf, making every effort to purchase the item for as little as possible and never exceeding your limit. This service is free and confidential. For detailed instructions and information, please see the Absentee Bid Form and Guide for Absentee Bidders instructions at the back of this catalogue.

Telephone Bidding In some circumstances, we offer the ability to place bids by telephone live to a Sotheby's representative on the auction floor. Please contact the Bid Department prior to the sale to make arrangements or to answer any questions you may have. Telephone bids are accepted only at Sotheby's discretion and at the caller's risk. Calls may also be recorded at Sotheby's discretion. By bidding on the telephone, prospective buyers consent thereto.

Online Bidding If you cannot attend the auction, it may be possible to bid online via BidNow, eBay or other Online Platforms for selected sales. This service is free and confidential. For information about registering to bid via BidNow, please see www.sothebys.com. For information about registering to bid on eBay, please see www.ebay.com/sothebys. Bidders utilizing any online platform are subject to the Additional Terms and Conditions for Live Online Bidding as well as the relevant

Appendix B (cont.)

Conditions of Sale. Online bidding may not be available for Premium Lots.

Employee Bidding Sotheby's employees may bid in a Sotheby's auction only if the employee does not know the reserve and if the employee fully complies with Sotheby's internal rules governing employee bidding.

US Economic Sanctions The United States maintains economic and trade sanctions against targeted foreign countries, groups and organizations. There may be restrictions on the import into the United States of certain items originating in sanctioned countries, including Burma, Cuba, Iran, North Korea and Sudan. The purchaser's inability to import any item into the US or any other country as a result of these or other restrictions shall not justify cancellation or rescission of the sale or any delay in payment. Please check with the specialist department if you are uncertain as to whether a lot is subject to these import restrictions, or any other restrictions on importation or exportation.

Hammer Price and the Buyer's Premium For lots which are sold, the last price for a lot as announced by the auctioneer is the hammer price. A buyer's premium will be added to the hammer price and is payable by the purchaser as part of the total purchase price. The buyer's premium will be the amount stated in the Conditions of Sale.

Currency Board As a courtesy to bidders, a currency board is operated in many salesrooms. It displays the lot number and current bid in both U.S. dollars and foreign currencies. Exchange rates are approximations based on recent exchange rate information and should not be relied upon as a precise invoice amount. Sotheby's assumes no responsibility for any error or omission in foreign or United States currency amounts shown.

Results Successful absentee bidders will be notified after the sale. Absentee bidders will receive a list of sale results if they enclose a stamped self-addressed envelope with their absentee bid form. Printed lists of auction prices are available at our galleries approximately three weeks following each auction and are sent on request to catalogue purchasers and subscribers. Results may also be obtained online at sothebys.com.

International Auctions If you need assistance placing bids, obtaining condition reports or receiving auction results for a Sotheby's sale outside the United States, please contact our International Client Services Department.

4. AFTER THE AUCTION

Payment If your bid is successful, you can go directly to Post Sale Services to make payment arrangements. Otherwise, your invoice will be mailed to you. The final price is determined by adding the buyer's premium to the hammer price on a per-lot basis. Sales tax, where applicable, will be charged on the entire amount. Payment is due in full immediately after the sale.

However, under certain circumstances, Sotheby's may, in its sole discretion, offer bidders an extended payment plan. Such a payment plan may provide an economic benefit to the bidder. Credit terms should be requested at least one business day before the sale. However, there is no assurance that an extended payment plan will be offered. Please contact Post Sale Services or the specialist in charge of the sale for information on credit arrangements for a particular lot. Please note that Sotheby's will not accept payments for purchased lots from any party other than the purchaser, unless otherwise agreed between the purchaser and Sotheby's prior to the sale.

Payment by Cash It is against Sotheby's general policy to accept single or multiple related payments in the form of cash or cash equivalents in excess of the local currency equivalent of US \$20,000. It is Sotheby's policy to request any new clients or purchasers preferring to make a cash payment to provide verification of identity (by providing some form of government issued identification containing a photograph, such as a passport, identity card or driver's license), confirmation of permanent address and identification of the source of the funds.

Payment by Credit Cards Sotheby's accepts payment by credit card for Visa, MasterCard, and American Express only. Credit card payments may not exceed \$50,000 per sale, and a convenience fee of \$250 will apply for payment of \$5,000 and more when the card is not present for the transaction. Payment by credit card may be made (a) online at <https://www.sothebys.com/en/invoice-payment.html> (subject to the convenience fee previously described) or (b) in person at Sotheby's premises at the address noted in the catalogue.

Payment by Check To pay for a purchase by check, please see our cashier and fill out a Check Acceptance Account form. Until approved, you will not be permitted to remove purchases before the check has cleared. Check acceptance privileges are reviewed from time to time by Sotheby's and may be granted or withdrawn at our sole discretion. Checks should be made payable to Sotheby's. Certified checks, banker's drafts and cashier's checks are accepted at Sotheby's discretion and provided they are issued by a reputable financial institution governed by anti-money laundering laws. Instruments not meeting these requirements will be treated as "cash equivalents" and subject to the constraints noted in the prior paragraph titled "Payment By Cash".

Payment by Wire Transfer To pay for a purchase by wire transfer, please refer to the payment instructions on the invoice provided by Sotheby's or contact Post Sale Services to request instructions.

Sales and Use Tax New York sales tax is charged on the hammer price, buyer's premium and any other applicable charges on any property picked up or delivered in New York State, regardless of the state or country in which the purchaser resides or

does business. Please refer to "Information on Sales and Use Tax Related to Purchases at Auction" in the back of the catalogue.

Collection and Delivery

Post Sale Services
+ 1 212 606 7444
FAX: + 1 212 606 7043
uspostsaleservices@sothebys.com

Once your payment has been received and cleared, property may be released. Unless otherwise agreed by Sotheby's, all purchases must be removed by the 30th calendar day following a sale.

Shipping Services Sotheby's offers a comprehensive shipping service to meet all of your requirements. If you received a shipping quotation or have any questions about the services we offer please contact us.

Collecting your Property As a courtesy to purchasers who come to Sotheby's to collect property, Sotheby's will assist in the packing of lots, although Sotheby's may, in the case of fragile articles, choose not to pack or otherwise handle a purchase.

If you are using your own shipper to collect property from Sotheby's, please provide a letter of authorization and kindly instruct your shipper that they must provide a Bill of Lading prior to collection. Both documents must be sent to Post Sale Services prior to collection.

The Bill of Lading must include: the purchaser's full name, the full delivery address including the street name and number, city and state or city and country, the sale and lot number.

Sotheby's will contact your shipper within 24 hours of receipt of the Bill of Lading to confirm the date and time that your property can be collected. Property will not be released without this confirmation and your shipper must bring the same Bill of Lading that was faxed to Sotheby's when collecting. All property releases are subject to the receipt of cleared funds.

Please see the Conditions of Sale for further details.

Endangered Species Certain property sold at auction, for example, items made of or incorporating plant or animal materials such as coral, crocodile, ivory, whalebone, tortoiseshell, rhinoceros horn etc., irrespective of age or value, may require a license or certificate prior to exportation and additional licenses or certificates upon importation to another country. Sotheby's suggests that buyers check on their government wildlife import requirements prior to placing a bid. Please note that the ability to obtain an export license or certificate does not ensure the ability to obtain an import license or certificate in another country, and vice versa. It is the purchaser's responsibility to obtain any export or import licenses and/or certificates as well as any other required documentation. In the case of denial of any export or import license or of delay in the obtaining of such licenses, the purchaser is still responsible for making on-time payment of the total purchase price for the lot.

Although licenses can be obtained to export some types of endangered species, other types may not be exported at all, and other types may not be resold in the United States. Upon request, Sotheby's is willing to assist the purchaser in attempting to obtain the appropriate licenses and/or certificates. However, there is no assurance that an export license or certificate can be obtained. Please check with the specialist department or the Shipping Department if you are uncertain as to whether a lot is subject to these export/import license and certificate requirements, or any other restrictions on exportation.

The Art Loss Register As part of Sotheby's efforts to support only the legitimate art market and to combat the illegitimate market in stolen property, Sotheby's has retained the Art Loss Register to check all uniquely identifiable items offered for sale in this catalogue that are estimated at more than the equivalent of US\$1,500 against the Art Loss Register's computerized database of objects reported as stolen or lost. The Art Loss Register is pleased to provide purchasers with a certificate confirming that a search has been made. All inquiries regarding search certificates should be directed to The Art Loss Register, First Floor, 63-66 Hatten Garden, London EC2N 8LE or by email at artloss@artloss.com. The Art Loss Register does not guarantee the provenance or title of any catalogued item against which they search, and will not be liable for any direct or consequential losses of any nature whatsoever arising. This statement and the ALR's service do not affect your rights and obligations under the Conditions of Sale applicable to the sale.

SELLING AT AUCTION

If you have property you wish to sell, Sotheby's team of specialists and client services representatives will assist you through the entire process. Simply contact the appropriate specialist (specialist departments are listed in the back of this catalogue), General Inquiries Department or a Sotheby's regional office representative for suggestions on how best to arrange for evaluation of your property.

Property Evaluation There are three general ways evaluation of property can be conducted:

(1) In our galleries. You may bring your property directly to our galleries where our specialists will give you auction estimates and advice. There is no charge for this service, but we request that you telephone ahead for an appointment. Inspection hours are 9:30 am to 5 pm, Monday through Friday.

(2) By photograph. If your property is not portable, or if you are not able to visit our galleries, you may bring in or send a clear photograph of each item. If you have a large collection, a representative selection of photographs will do. Please be sure to include the dimensions, artist's signature or maker's mark, medium, physical condition and any other relevant information. Our specialists

Appendix B (cont.)

will provide a free preliminary auction estimate subject to a final estimate upon first-hand inspection.

(3) *in your home*
Evaluations of property can also be made in your home. The fees for such visits are based on the scope and diversity of property, with travel expenses additional. These fees may be rebated if you consign your property for sale at Sotheby's. If there is considerable property in question, we can arrange for an informal "walkthrough."

Once your property has been evaluated, Sotheby's representatives can then help you determine how to proceed should you wish to continue with the auction process. They will provide information regarding sellers' commission rates and other charges, auction venue, shipping and any further services you may require.

SOTHEBY'S SERVICES

Sotheby's also offers a range of other services to our clients beyond buying and selling at auction. These services are summarized below. Further information on any of the services described below can be found at sothebys.com.

Valuations and Appraisals Sotheby's Valuations and Appraisals Services offers advice regarding personal property assets to trusts, estates, and private clients in order to help fiduciaries, executors, advisors, and collectors meet their goals. We provide efficient and confidential advice and assistance for all appraisal and auction services. Sotheby's can prepare appraisals to suit a variety of needs, including estate tax and planning, insurance, charitable contribution and collateral loan. Our appraisals are widely accepted by the Internal Revenue Service, tax and estate planning professionals, and insurance firms. In the event that a sale is considered, we are pleased to provide auction estimates, sales proposals and marketing plans. When sales are underway, the group works closely with the appropriate specialist departments to ensure that clients' needs are met promptly and efficiently.

Financial Services Sotheby's offers a wide range of financial services including advances on consignments, as well as loans secured by art collections not intended for sale.

Museum Services Tailored to meet the unique needs of museums and nonprofits in the marketplace, Museum Services offers personal, professional assistance and advice in areas including appraisals, deaccessions, acquisitions and special events.

Corporate Art Services Devoted to servicing corporations, Sotheby's Corporate Art Services Department can prepare appraisal reports, advise on acquisitions and deaccessions, manage all aspects of consignment, assist in developing arts-management strategies and create events catering to a corporation's needs.

INFORMATION ON SALES AND USE TAX RELATED TO PURCHASES AT AUCTION

To better assist our clients, we have prepared the following information on Sales and Use Tax related to property purchased at auction.

Why Sotheby's Collects Sales Tax

Virtually all State Sales Tax Laws require a corporation to register with the State's Tax Authorities and collect and remit sales tax if the corporation maintains a presence within the state, such as offices. In the states that impose sales tax, Tax Laws require an auction house, with a presence in the state, to register as a sales tax collector, and remit sales tax collected to the state. New York sales tax is charged on the hammer price, buyer's premium and any other applicable charges on any property picked up or delivered in New York, regardless of the state or country in which the purchaser resides or does business.

Where Sotheby's Collects Sales Tax

Sotheby's is currently registered to collect sales tax in the following states: California, Connecticut, Florida, Illinois, Maryland, Massachusetts, Minnesota, Missouri, New Jersey, New York, Pennsylvania, and Texas. For any property collected or received by the purchaser in New York City, such property is subject to sales tax at the existing New York State and City rate of 8.875%.

If the property is delivered into any of the states in which Sotheby's is registered, Sotheby's is required by law to collect and remit the appropriate sales tax in effect in the state where the property is delivered. Property collected from Sotheby's New York premises by common carriers on behalf of the purchaser for delivery to the purchaser at his address outside of New York is not subject to New York Sales Tax. If it is delivered by the common carrier to any of the states where Sotheby's is required to collect sales tax, applicable tax will be added to the purchase price.

Where Sotheby's is Not Required

to Collect Sales Tax Sotheby's is not required to collect sales tax on property delivered to states other than those listed above. If the property is delivered to a state where Sotheby's is not required to collect sales tax, it is the responsibility of the purchaser to self-assess any sales or use tax and remit it to taxing authorities in that state.

Sotheby's is not required to collect sales tax for property delivered to the purchaser outside of the United States.

Restoration and Other Services

Regardless of where the property is subsequently transported, if any framing or restoration services are performed on the property in New York, it is considered to be a delivery of the property to the purchaser in New York, and Sotheby's will be required to collect the 8.875% New York sales tax.

Certain Exemptions Most states that impose sales taxes allow for specified exemptions to the tax. For example, a registered re-seller such as a registered art dealer may purchase without incurring a tax liability, and Sotheby's is not required to collect sales tax from such re-seller. The art dealer, when re-selling the property, may be required to charge sales tax to its client, or the client may be required to self-assess sales or use tax upon acquiring the property.

Local Tax Advisors As sales tax laws vary from state to state, Sotheby's recommends that clients with questions regarding the application of sales or use taxes to property purchased at auction seek tax advice from their local tax advisors.

GLOSSARY OF TERMS

The following are examples of the terminology used in this catalogue. Please note that all statements made in this catalogue are made subject to the provisions of the Conditions of Sale and Terms of Guarantee printed in this catalogue.

GLOSSARY FOR PHOTOGRAPHS

NAME OF ARTIST Subject to the Conditions of Sale and Terms of Guarantee, each lot is guaranteed to be the work of the photographer or author whose name appears in Bold Type Heading. This heading may precede a single lot or a series of lots by the same photographer or author. While every reasonable effort has been made to provide accurate descriptions or dates, the Terms of Guarantee do not extend to any descriptive information.

TITLES Generally accepted titles for photographs have been put in quotation marks; in other cases, descriptive titles have been used.

PRINTS An early print is one made at roughly the same time as the negative by the photographer himself or by a person or procedure satisfactory to the photographer. Specific dates of positive prints are rarely known. The distinction between an early print and a print done considerably later would be expressed as follows, with the date referring to the production of the negative: 1901 (for an early print); 1901, printed later (for a later print).

The approximate date, year, or decade of a positive print is given when possible, based on Sotheby's knowledge of the history of the photograph, its provenance, and our visual assessment of the photograph's physical characteristics. However, in accordance with the Conditions of Sale, Sotheby's does not guarantee the printing date of a photograph. Sotheby's also does not undertake scientific testing in order to formulate our opinions on the dating of a positive print.

Measurements are given height preceding width rounded to the nearest eighth of an inch, and unless otherwise indicated, refer to the images only.

FRAMING Photographs described as framed are sold in the frames in which they have been offered. Sotheby's does not take responsibility for the appearance of the frames or for their conformity to proper standards of conservation.

CONDITION The general practice is not to indicate condition or defects. Exceptions are on a strictly ad hoc basis and have no implication for the balance of the lots. Prospective bidders are urged to inspect lots or view condition reports on sothebys.com. Notwithstanding any condition reports or catalogue descriptions provided, all lots are offered and sold "AS IS" in accordance with paragraph 1 of the Conditions of Sale.

ACKNOWLEDGEMENTS

For their generous assistance, Sotheby's would like to thank the following:

Emily Una Weirich of the Center for Creative Photography; Jay Fisher of the Baltimore Museum of Art; Steven Manford; Timothy Baum; George Daisheimer; Stuart Alexander; Christopher Mahoney; Beth Iskander; Peter Mustardo of The Better Image; Laurence Miller; Tom Haman of Metro Pictures; Peter MacGill and Kim Jones of Pace/MacGill Gallery; Meghan Boyle of Marlborough Gallery; Leslie Hammons of Weinstein Gallery; Frish Brandt of Fraenkel Gallery; and Spencer Throckmorton.

If we have inadvertently omitted any names from this page, we sincerely apologize and thank you for your help nonetheless.

Photography:

Bonnie Morrison
Jesse Meredith
Charles Saatchi

Appendix C: New Orleans Auction Galleries Condition of Sale

Conditions of Sale:

ALL SALES ARE "AS IS, WHERE IS" WITHOUT ANY WARRANTIES WHATSOEVER. PLEASE SEE SECTION 2(a) BELOW IN WHICH ANY AND ALL EXPRESS AND IMPLIED WARRANTIES (INCLUDING WITHOUT LIMITATION ANY WARRANTY AGAINST REDHIBITORY DEFECTS) ARE WAIVED.

1. Introduction

(a). These Conditions of Sale ("Conditions of Sale") contain all the terms governing Auctions (defined below) conducted by Cakebread Art Antiques Collectables, Inc. d/b/a New Orleans Auction Galleries ("NOAG"), and all the terms under which NOAG and the Seller (defined below) of a Lot (defined below) contract with the Buyer (defined below). These Conditions of Sale may be amended by posted notices or oral announcements made during the Auction.

(b). Under these Conditions of Sale, the following capitalized terms are defined as follows:

- An "Auction" is a public auction conducted by NOAG, at which Bidders may place Bids to purchase one or more Lots offered for sale by NOAG. An Auction takes place over one or more days and includes separate auctions of one or more Lots within an event conducted by NOAG;
- The "Auctioneer" is the auctioneer calling the Auction conducted by NOAG; A "Bid" is a bid made by a party at the Auction to purchase a Lot;
- A "Bidder" is (i) a person making a Bid at the Auction (whether in person, through an absentee bid, through electronic or internet means, or through telephone bidding); and/or (ii) a person who attends the Auction and registers to make a Bid (whether in person, through an absentee bid, through electronic or internet means, or through telephone bidding);
- A "Buyer" is the party that commits to purchase a Lot by submitting the Winning Bid at Auction;
- "Buyer's Premium" is defined in Section 4 below;
- "Catalogue" is the Auction catalogue utilized by NOAG to list the Lots offered at Auction;
- The "Estimates" are the high and low estimates of value for each Lot set forth in the Catalogue presented by NOAG in connection with the Auction or otherwise set forth and/or announced at the Auction;
- The "Hammer Price" for a Lot is the amount of the Winning Bid at the Auction, as announced by the Auctioneer, exclusive of commissions, Buyer's Premium, expenses, and any taxes or other charges;
- A "Lot" is specific item of property offered for sale at Auction; The "Reserve" is defined in Section 3 below;
- The "Purchase Price" is defined in Section 4 below; A "Sale" of a Lot occurs when a Winning Bid is declared at Auction for the Lot;
- The "Seller" of a Lot is the party who consigned the Lot with NOAG for purposes of selling the Lot, or is otherwise the seller of the Lot;
- The "Winning Bid" is, as to a particular Lot, the Bid recognized by the Auctioneer as the highest and best Bid for that Lot.

(c). Except as otherwise stated, NOAG acts as consignment agent for the Seller. The contract for the sale of the Lot is therefore made between the Seller and the Buyer.

(d). By bidding at the Auction as a Bidder or Buyer, and/or by your signature below, you agree to be bound by these terms.

2. Before the Auction

(a). ALL SALES ARE "AS IS, WHERE IS" WITH NO EXPRESS OR IMPLIED WARRANTIES WHATSOEVER.

(i) NEITHER NOAG NOR THE SELLER PROVIDES ANY GUARANTEE OR WARRANTY AS TO THE NATURE, DESCRIPTION, GENUINENESS, PROVENANCE, IMPORTANCE, OR CONDITION OF THE LOT. All Sales and Auctions are without any representation or warranty of any kind by NOAG or the Seller. Bidders and Buyers are responsible for satisfying themselves concerning the condition of the Lots and the matters referred to in the catalogue entry, the Condition Report, or in any other statement or writing provided. **All Sales are final and are "AS IS WHERE IS."**

(ii) No warranty of redhibition. ANY WARRANTY AGAINST REDHIBITORY DEFECTS IS WAIVED AND EXCLUDED. NOAG and Seller provide absolutely no warranty against redhibitory defects, including without limitation: (x) any defects rendering a Lot useless or its use inconvenient; and (y) any defects diminishing the usefulness of a Lot; and any such warranties are waived and excluded. In addition, NOAG and Seller provide no warranties, guarantees, or representations as to whether a Lot is fit for its ordinary use, fit for Buyer's intended use or for Buyer's particular purpose.

(iii) No warranty against eviction. ANY WARRANTY AGAINST EVICTION IS WAIVED AND EXCLUDED. In the event that Buyer is evicted from possession of whole or part of the Lot, neither NOAG nor Seller have any duty whatsoever to return any part of the Purchase Price to Buyer. Buyer is buying at Buyer's sole risk and peril as to third parties who may claim rights in the Lot after the Sale.

(iv) No warranty as to authorship. NOAG does not make any express or implied warranty as to authorship of works of art and fine art. No statement in the Catalogue or elsewhere, orally or in writing, shall be construed as an express or implied warranty, representation or limitation of liability as to authorship. Any such warranty is WAIVED.

(v) No warranty of peaceful possession, etc. The following warranties are waived and excluded: the absence of hidden defects, peaceful possession, and ownership. NOAG and Seller provide absolutely no warranty that the Lot is free from hidden defects, or for peaceful possession, or for ownership.

(vi) No other warranties. None of the Seller, NOAG, or any of NOAG's officers, employees or agents, give any representation, warranty or guarantee or assume any liability of any kind in respect of any Lot with regard to merchantability, fitness for a particular purpose, description, size, quality, condition, attribution, authenticity, rarity, importance, medium, provenance, exhibition history, literature or historical relevance. Except as required by local law, any express or implied warranty of any kind whatsoever is excluded by this Section 2(a).

(b). Examination of property / Condition Reports. Prospective Buyers and Bidders are strongly advised to examine personally any property in which they are interested, before the Auction takes place. As a convenience, Bidders may request that NOAG produce a Condition Report ("Condition Report") for a Lot, which, if produced, will provide additional detail concerning the condition of the Lot as observed by NOAG's staff. NOAG reserves the right to decline to produce a Condition Report for any specific Lot, for any reason and in NOAG's sole discretion.

Appendix C (cont.)

(c). Catalogue and other descriptions.

(i) All statements made by NOAG as to condition, authorship, period, culture, source, origin, measurement, quality, rarity, provenance, importance, or historical relevance, whether in the Catalogue entry for the Lot, in the Condition Report, and/or in a bill of sale, or made orally or in writing elsewhere, are qualified statements of opinion only and are not to be relied on as statements of fact. Such statements do not constitute a representation, warranty or assumption of liability by NOAG of any kind. References in the Catalogue entry or the Condition Report to damage or restoration are for guidance only and should be evaluated by personal inspection by the Bidder or a knowledgeable representative. The absence of such a reference does not imply that an item is free from defects or restoration, nor does a reference to particular defects imply the absence of any others.

(ii) Without limiting the foregoing, none of the Seller, NOAG, or any of NOAG's officers, employees or agents, are responsible for the correctness of any statement of whatever kind concerning any Lot, whether written or oral, nor for any other errors or omissions in description or for any faults or defects in any Lot.

(iii) Any Estimates provided should not be relied on as a statement that this is the price at which the item will sell or its value for any other purpose. Any written or oral appraisal, Estimate or other statement of NOAG or our representatives with respect to the estimated or expected selling price of any Lot of Property is a statement of opinion only and shall not be relied upon by Bidders or prospective Bidders as a prediction or guarantee of the actual selling price.

(iv) NOAG shall not be liable for any errors or omissions in catalogue or other descriptions of the Property. Neither NOAG nor the Seller is responsible in any way for errors and omissions in the catalogue, or any supplemental material.

(d). Further acknowledgement. As a Bidder and prospective Buyer, you further agree and acknowledge that:

(i) You are not relying on NOAG's skill or judgment in selecting to purchase any Lot;

(ii) No oral or written statements in the Auction Catalogue, Condition Report, or elsewhere are the cause of or reason behind your purchase of any Lot; and you would have incurred such purchase regardless of any oral or written statements about condition, attribution, kind, quality, value, or authorship made in the catalogue or elsewhere;

(iii) NOAG did not and could not have known that condition, attribution, kind, quality, expressed value, or authorship is the cause or reason why you decide to purchase any Lot;

(iv) Your purchase of any Lot is not intended to gratify a nonpecuniary interest; and

(v) NOAG did not know, nor should it have known, that any oral or written statement about a Lot in the catalogue, Condition Report or elsewhere would cause a nonpecuniary loss to a Buyer.

3. At the Auction

(a). Registration before bidding / Bidding requirements. In order to be accepted as a Bidder and allowed to place a Bid, all Bidders must meet all of the following requirements:

(i) A Bidder must complete and sign the attached registration form and provide identification to NOAG;

(ii) NOAG may require the production of bank or other financial references or any other additional information;

(iii) When making a Bid, a Bidder is accepting personal liability to pay the Purchase Price in full in the event that the Bidder submits the Winning Bid, unless it has been explicitly agreed in writing with NOAG before the auction of the Lot that the Bidder is acting as agent on behalf of an identified third party acceptable to NOAG, and that NOAG will only look to that principal for payment

(iv) All Bids are to be made in U.S. currency unless agreed upon between NOAG and the Bidder; and

(v) At NOAG's sole discretion, NOAG may require any Bidder to post a cash deposit in an amount set by NOAG at its sole discretion. Such deposit may include, without limitation, a deposit of 25% of the Maximum Bid (or another amount set in NOAG's sole discretion) in the case of Absentee Bids (defined below).

(b). Refusal of admission / Rejection of Bidders. NOAG has the right, at its complete discretion, to refuse admission to the premises or participation in any Auction. NOAG reserves the right to reject any Bidder for any reason whatsoever and in NOAG's sole discretion.

(c). Absentee bids / Telephone bids.

(i) As a convenience to Bidders, NOAG may allow a Bidder to submit an absentee bid ("Absentee Bid") or telephone bid ("Telephone Bid") by filling out (in full) the section of the attached registration form marked "Absentee Bids / Telephone Bids." In order to submit an Absentee Bid or Telephone Bid for an Auction, that registration form must be filled out and submitted to NOAG no later than 5:00 p.m. central time on the last business day before the commencement of the Auction. (NOAG reserves the right to accept late Absentee Bid or Telephone Bid submissions in NOAG's sole discretion.) All Absentee Bid submissions must include a maximum bid amount ("Maximum Bid").

(ii) If an Absentee Bid is submitted and accepted, at the time of the auction of the affected Lot, the Auctioneer or other NOAG staff will place the Absentee Bid at the amount of the opening bid amount, and will increase the amount as necessary until the earlier of (x) the Absentee Bid is the Winning Bid; or (y) the amount reaches the Maximum Bid. All such actions in this paragraph are at the sole discretion of the Auctioneer and/or NOAG. If NOAG receives Absentee Bids on a particular Lot with identical Maximum Bid amounts, and at the Auction these are the highest bids on the Lot, the Lot will be sold to the person whose Absentee Bid was received and accepted first. In the event of a tie bid between an Absentee Bid and a Bid submitted by a Bidder physically present at the Auction (or a Telephone Bid), the Lot will be sold to physically present Bidder (or bidder submitting the Telephone Bid).

Appendix C (cont.)

(iii) If a Telephone Bid is submitted and accepted, at the time of the auction of the affected Lot, NOAG staff shall attempt to contact the Bidder using the telephone number provided. If successfully contacted, the Bidder shall then be afforded the opportunity to place a Bid on the Lot by telephone. Telephone Bids may be recorded. By submitting a Telephone Bid, the Bidder consents to the recording of the conversation and the placing of the Bid.

(iv) Execution of Absentee Bids and Telephone Bids is a free service undertaken subject to other commitments at the time of the Auction and neither NOAG nor the Auctioneer shall have any liability for failing to execute an Absentee Bid or Telephone Bid or for errors and omissions in connection therewith.

(d). Video or digital images. At some Auctions there may be a video or digital screen. Errors may occur in its operation and in the quality of the image and we do not accept liability for such errors. NOAG reserves the right to video tape and record proceedings at any Auctions. Any personal information obtained will be held in confidence by NOAG but may be used or shared with our affiliates and marketing partners for customer analysis purposes and to help us to tailor our services to buyer requirements. Any Bidder attending an Auction in person who does not wish to be video-taped may make arrangements to make a Telephone Bid in accordance with Section 3(c) above.

(e). Reserves. All Lots are offered subject to a reserve, which is the confidential minimum price below which the Lot will not be sold (the "Reserve"). The Reserve for a Lot will not exceed the low Estimate for that Lot. The Auctioneer may open the bidding on any Lot below the Reserve by placing a bid on behalf of the Seller. The Auctioneer may continue to bid on behalf of the Seller up to the amount of the Reserve, either by placing consecutive bids or by placing bids in response to other bidders. Notwithstanding the foregoing, a Lot may be sold at a Hammer Price below the Reserve, at the discretion of the Auctioneer and NOAG, in a manner consistent with the agreement between NOAG and the Seller.

(f). No bidding by Seller. Under no circumstances shall Seller (as agent or principal), whether by itself or through its representatives, employees or agents (except as through the Auctioneer as set forth in Section 3(e) above), enter or cause to be entered a Bid on Seller's Lot.

(g). Auctioneer's discretion. The Auctioneer has the right at his or her absolute and sole discretion to refuse any Bid, to advance the bidding in such a manner as he or she may decide, to withdraw or divide any Lot, to combine any two or more Lots, and in the event of any error or dispute, to determine the Winning Bid, to continue the bidding, to cancel the Sale or to reoffer and resell the Lot or item in dispute. If any dispute arises after the Sale, NOAG's sale record is conclusive. Unless otherwise announced by the Auctioneer at the time of Sale, all Bids are per Lot as numbered in the Catalogue and no Lot shall be divided for Sale. NOAG and/or the Auctioneer may withdraw any Lot at any time before such Lot is offered at Auction, for any reason and in their sole and absolute discretion. (h). Successful bid and passing of risk. The Auctioneer shall have absolute discretion in determining the Winning Bid and the striking of the Auctioneer's hammer marks the acceptance of the highest and best bid as the Winning Bid and the conclusion of a contract for sale between the Seller and the Buyer. Risk and responsibility for the Lot but not its title passes to the Buyer immediately upon announcement of the Winning Bid at the Auction. (i). Post-auction sale. In the event that there is no Winning Bid at Auction for a Lot, or the Lot is withdrawn from the Auction, or the Sale is cancelled for non-payment pursuant to Section 4(g) below, NOAG may sell the Lot at public or private sale at any time thereafter, in a manner consistent with the agreement between Seller and NOAG. (j). NOAG assumes no responsibility for failure to execute Bids for any reason whatsoever.

4. After the Auction

(a). In order to consummate and complete the Sale, the Buyer must tender payment in full of all of the following amounts (all such amounts together being the "Purchase Price") to NOAG:

(i) the Hammer Price; and

(ii) the "Buyer's Premium" consisting of a premium of 23% of the Hammer Price (discounted to 20% if the method of payment is by check, cash, or wire transfer by the end of the day on the fifteenth calendar day following the conclusion of the Auction) up to and including a Hammer Price of \$200,000 and 10% of the amount by which the Lot's Hammer Price exceeds \$200,000; and

(iii) Any applicable Louisiana, state, local, and federal or other taxes, calculated as required by law. Any documentation of tax exemption must be provided by the Bidder contemporaneously with the execution of the attached registration form.

(b). Payment and passing of title. The Buyer and any other Bidders are responsible for contacting NOAG for Auction results during the week after the conclusion of the Auction. **Subject to the provisions of Section 4(i) below which may require earlier payment, the Buyer must pay the full Purchase Price no later than 4:30 pm central time on the fifteenth calendar day following the conclusion of the Auction.** Payments may be submitted during business hours to: New Orleans Auction Galleries, 333 St. Joseph Street, New Orleans, Louisiana 70130, Telephone number: 504-566-1849. Payments may be made by certified check, cash, wire transfer, or credit card (Visa, Mastercard, and American Express). Payments will be accepted by non-certified check only in NOAG's sole discretion, from Buyers that have been qualified by NOAG in NOAG's sole discretion. Title to the Lot does not pass to the Buyer until the full amount of the Purchase Price has been tendered and received by NOAG in good cleared funds, even in circumstances where the Lot has been released to the Buyer.

(c). Credit Cards. Your signature on this form constitutes permission to charge the full amount of the Purchase Price on your credit card, if you are the Buyer on a Lot and payment is not received within five business days of the close of the Auction. Your signature on this form also constitutes permission to charge the full amount of Storage Charges (defined below), if and when accrued, on a periodic basis on your credit card.

(d). Release of Lot to Buyer. No Lot will be released to the Buyer unless and until NOAG receives full payment of the Purchase Price, and such payment has cleared and NOAG has received confirmation of all funds owed. At its sole discretion, NOAG may release a specific Lot at any time, notwithstanding the foregoing provision. In addition, NOAG may require that Lots not be released until the Buyer has cleared additional checks in NOAG's sole discretion, including without limitation, any anti-money laundering or anti-terrorism financing checks to NOAG's satisfaction. In the event that a Buyer fails to complete any anti-money laundering or anti-terrorism financing checks to NOAG's satisfaction, NOAG shall be entitled to cancel the Sale and take any other action permitted or required under applicable law. In addition, notwithstanding the foregoing, Lots cannot be released until after the conclusion of the Auction.

(e). Export/Import license and Dealers. It is the Buyer's sole responsibility to obtain any relevant export or import license. The denial of any license or any delay in obtaining licenses shall not justify the rescission of any sale nor any delay in making bill payment for the Lot; and shall not limit or alter any of the obligations of the Buyer herein. Dealers purchasing for resale must enter appropriate their Dealer Resale Number on the attached registration form and provide NOAG with proper documentation.

Appendix C (cont.)

(iii) If a Telephone Bid is submitted and accepted, at the time of the auction of the affected Lot, NOAG staff shall attempt to contact the Bidder using the telephone number provided. If successfully contacted, the Bidder shall then be afforded the opportunity to place a Bid on the Lot by telephone. Telephone Bids may be recorded. By submitting a Telephone Bid, the Bidder consents to the recording of the conversation and the placing of the Bid.

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(g). Auctioneer's discretion. The Auctioneer has the right at his or her absolute and sole discretion to refuse any Bid, to advance the bidding in such a manner as he or she may decide, to withdraw or divide any Lot, to combine any two or more Lots, and in the event of any error or dispute, to determine the Winning Bid, to continue the bidding, to cancel the Sale or to reoffer and resell the Lot or item in dispute. If any dispute arises after the Sale, NOAG's sale record is conclusive. Unless otherwise announced by the Auctioneer at the time of Sale, all Bids are per Lot as numbered in the Catalogue and no Lot shall be divided for Sale. NOAG and/or the Auctioneer may withdraw any Lot at any time before such Lot is offered at Auction, for any reason and in their sole and absolute discretion. (h). Successful bid and passing of risk. The Auctioneer shall have absolute discretion in determining the Winning Bid and the striking of the Auctioneer's hammer marks the acceptance of the highest and best bid as the Winning Bid and the conclusion of a contract for sale between the Seller and the Buyer. Risk and responsibility for the Lot but not its title passes to the Buyer immediately upon announcement of the Winning Bid at the Auction.

(i). Post-auction sale. In the event that there is no Winning Bid at Auction for a Lot, or the Lot is withdrawn from the Auction, or the Sale is cancelled for non-payment pursuant to Section 4(g) below, NOAG may sell the Lot at public or private sale at any time thereafter, in a manner consistent with the agreement between Seller and NOAG. (j). NOAG assumes no responsibility for failure to execute Bids for any reason whatsoever.

4. After the Auction

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(i) the Hammer Price; and

(ii) the "Buyer's Premium" consisting of a premium of 23% of the Hammer Price (discounted to 20% if the method of payment is by check, cash, or wire transfer by the end of the day on the fifteenth calendar day following the conclusion of the Auction) up to and including a Hammer Price of \$200,000 and 10% of the amount by which the Lot's Hammer Price exceeds \$200,000; and

(iii) Any applicable Louisiana, state, local, and federal or other taxes, calculated as required by law. Any documentation of tax exemption must be provided by the Bidder contemporaneously with the execution of the attached registration form.

(b). Payment and passing of title. The Buyer and any other Bidders are responsible for contacting NOAG for Auction results during the week after the conclusion of the Auction. **Subject to the provisions of Section 4(i) below which may require earlier payment, the Buyer must pay the full Purchase Price no later than 4:30 pm central time on the fifteenth calendar day following the conclusion of the Auction.** Payments may be submitted during business hours to: New Orleans Auction Galleries, 333 St. Joseph Street, New Orleans, Louisiana 70130, Telephone number: 504-566-1849. Payments may be made by certified check, cash, wire transfer, or credit card (Visa, Mastercard, and American Express). Payments will be accepted by non-certified check only in NOAG's sole discretion, from Buyers that have been qualified by NOAG in NOAG's sole discretion. Title to the Lot does not pass to the Buyer until the full amount of the Purchase Price has been tendered and received by NOAG in good cleared funds, even in circumstances where the Lot has been released to the Buyer.

(c). Credit Cards. Your signature on this form constitutes permission to charge the full amount of the Purchase Price on your credit card, if you are the Buyer on a Lot and payment is not received within five business days of the close of the Auction. Your signature on this form also constitutes permission to charge the full amount of Storage Charges (defined below), if and when accrued, on a periodic basis on your credit card.

(d). Release of Lot to Buyer. No Lot will be released to the Buyer unless and until NOAG receives full payment of the Purchase Price, and such payment has cleared and NOAG has received confirmation of all funds owed. At its sole discretion, NOAG may release a specific Lot at any time, notwithstanding the foregoing provision. In addition, NOAG may require that Lots not be released until the Buyer has cleared additional checks in NOAG's sole discretion, including without limitation, any anti-money laundering or anti-terrorism financing checks to NOAG's satisfaction. In the event that a Buyer fails to complete any anti-money laundering or anti-terrorism financing checks to NOAG's satisfaction, NOAG shall be entitled to cancel the Sale and take any other action permitted or required under applicable law. In addition, notwithstanding the foregoing, Lots cannot be released until after the conclusion of the Auction.

(e). Export/Import license and Dealers. It is the Buyer's sole responsibility to obtain any relevant export or import license. The denial of any license or any delay in obtaining licenses shall not justify the rescission of any sale nor any delay in making bill payment for the Lot; and shall not limit or alter any of the obligations of the Buyer herein. Dealers purchasing for resale must enter appropriate their Dealer Resale Number on the attached registration form and provide NOAG with proper documentation.

Appendix C (cont.)

(f). Storage charge. Subject to the foregoing provisions, any Lot that is not picked up by the end of the day on the fifteenth calendar day following the conclusion of the Auction is subject to an additional storage charge of \$5.00 per Lot per day ("Storage Charge") for as long as the Lot is stored at NOAG's facilities. The outstanding amount of this Storage Charge must be paid in full (in addition to the Purchase Price) before such Lot will be released to the Buyer. Such Storage Charge accrues on a daily basis and is billed monthly. All items handled or stored will be at the Buyer's risk. NOAG is not liable for any damage to Lots after the conclusion of the Auction.

(g). Remedies for non-payment. If the Buyer fails to make payment in full of the Purchase Price in good cleared funds within the time required by Section 4(b) above, or payment in full of any applicable Storage Charge when incurred, NOAG shall be entitled in its absolute discretion to exercise one or more of the following rights or remedies (in addition to asserting any other rights or remedies available by law):

(i) to charge outstanding amounts to the Buyer's credit card;

(ii) to charge interest at the rate of one and one-half percent (1.5%) per month (but not to exceed the highest amount chargeable under applicable law);

(iii) to hold the Buyer liable for the total amount due and to commence legal proceedings for its recovery together with interest, legal fees and costs to the fullest extent permitted under applicable law;

(iv) to exercise any other remedy or remedies available under the law, including but not limited to a second sale of said item in accordance with the provisions of applicable law, including the subsequent enforcement of any deficiency against the initial buyer;

(v) to cancel the sale;

(vi) to resell the property publicly or privately on such terms as we shall think fit;

(vii) to pay the Seller an amount up to the net proceeds payable in respect of the amount bid by the defaulting Buyer;

(viii) to set off against any amounts which NOAG may owe the Buyer in any other transactions, the outstanding amount remaining unpaid by the Buyer;

(ix) where several amounts are owed by the Buyer to NOAG, in respect of different transactions, to apply any amount paid to discharge any amount owed in respect of any particular transaction, whether or not the Buyer so directs;

(x) to reject at any future Auction any Bids made by or on behalf of the Buyer or to obtain a deposit from the Buyer before accepting any Bids;

(xi) to exercise all the rights and remedies of a person holding security and/or privilege over any property in our possession owned by the Buyer, whether by way of pledge, security interest or in any other way, to the fullest extent permitted under Louisiana law (including without limitation under La. Civil Code art. 3247, La. R.S. 10:7-209 and 10:7-210 and other applicable law), or (xii) to take such other action as NOAG deems necessary or appropriate. In connection with the item (xi) above, the Buyer will be deemed to have granted such security to NOAG and NOAG may retain the affected Lot and any property of the Buyer as collateral security for such Buyer's obligations to NOAG and to the Seller

If we resell the property under Section 4(g)(vi) above, the Buyer shall be liable for payment of any deficiency between the total amount originally due to us and the price obtained upon resale as well as for all costs, expenses, damages, legal fees and commissions and premiums of whatever kind associated with both sales or otherwise arising from the default. If we pay any amount to the Seller under paragraph (vii) above, the Buyer acknowledges that NOAG shall have all of the rights of the Seller, however arising, to pursue the Buyer for such amount.

(h). Shipping and packing. All shipping, packing, and transportation of Lots from NOAG's facilities is the responsibility of Buyer. NOAG may, as a courtesy, assist Buyer with necessary arrangements, but by doing so, NOAG assumes no responsibility or liability for shipping, packing, moving, or transportation, including without limitation damage to Lots, damage to Buyer's vehicle, or any personal injury of any persons involved.

(i). Earlier payment may be required. For any specific Lot, and notwithstanding the provisions of Section 4(b) above, NOAG may require, in its sole discretion, that the Hammer Price for the Lot be paid immediately upon the striking of the Auctioneer's hammer and announcement of the Winning Bid, with the balance of the Purchase Price being due by the close of the Auction.

5. Copyright

The copyright in all images, illustrations and written material produced by or for NOAG relating to a Lot including without limitation the contents of the Catalogue, is and shall remain at all times the property of NOAG and shall not be used by the Buyer or Bidder, nor by anyone else, without our prior written consent. NOAG and the Seller make no representation or warranty that the Buyer of a Lot will acquire any copyright or other reproduction rights in it.

6. Severability

If any part of these Conditions of Sale is found by any court to be invalid, illegal or unenforceable, that part shall be discounted and the rest of the conditions shall continue to be valid to the fullest extent permitted by law.

7. Data Collection

In connection with the operation of our auction business, NOAG may need to seek personal information from Bidders or obtain information about Bidders from third parties (e.g., credit checks from banks). Such information will be processed and kept by us in confidence. Some of Bidders' personal data may also need to be shared with third party service providers (e.g., shipping or storage companies) for Bidders' benefit. By participating in an Auction, you agree to all previously stated disclosure.

8. Law and Jurisdiction

The rights and obligations of the parties with respect to these Conditions of Sale, the conduct of the Auction and any matters connected with any of the foregoing shall be governed and interpreted under the laws of the State of Louisiana. By bidding at the Auction and/or through execution of the attached registration form, the Bidder consents to the exclusive jurisdiction of the courts of the State of Louisiana and the Federal courts of the United States of America located in the Eastern District of Louisiana.

Vita

Natalie Domingue was born in Lafayette, Louisiana. She graduated from Louisiana State University in 2013 with a B.F.A. in Studio Arts with a concentration in painting and drawing and a Minor in Business. During her time at Louisiana State University, Ms. Domingue interned one summer at the Ogden Museum of Southern Art in the Development Department, where she figured out her calling as not just an Artist, but an Arts Administrator as well. After graduating, she moved to New Orleans to enroll in the Arts Administration Masters Program at the University of New Orleans. Throughout her graduate studies, she has also worked for Rodrigue Gallery as a Art Consultant. Upon receiving her M.A. from the University of New Orleans in 2016, Ms. Domingue plans to continue pursuing a career in the arts and is happy to call the culturally rich city of New Orleans home.