



The Marriage of Art and Luxury

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Investments of passion make up the luxury market as we know it today. Since the economic crisis of 2008, more and more investors have turned to these types of investments as an alternative to the conventional assets that have made up traditional investment portfolios previously. Within the luxury market, fine art is not only the most popular investment of passion for HNWI's but also the one that saw spending activity increase the most last year, according to the recently published Knight Frank Wealth Report. Moreover, it is predicted to remain the most popular sector in this ever-growing asset class.

The happy union of art and luxury however, dates back to long before the recent global financial crisis. For centuries wealthy men and women have had their portraits painted, in which they gladly showed off their most lavish possessions as loud statements of their high, and often newly acquired, social status. Today this can perhaps be translated to the rapidly increasing population of Chinese millionaires, 64% of whom are said to be building their own art collections. China holds the largest share of the luxury market and shows signs that it will continue to boost this market going forward. The fact that the Chinese

art market has been the fastest growing over the last five years and today holds a 25% market share of the global art market only confirms the strong links between art and luxury.

Part of art and luxury's long courtship is down to the fact that they are often described as one and the same. Many of the sectors within the luxury market, such as jewellery, watches, and even classic cars are, understandably, seen as a form of art themselves. A touring exhibition by luxury brand Hermes, most recently at London's Saatchi Gallery, presented craftsmen in the process of creating many of the brand's signature pieces, from silk scarves to leather handbags. The creativity and skill displayed by these craftsmen means it would be difficult to describe them as anything other than artists.

The dynamic between art and luxury is more complex than simply saying that they are the same thing however. Today we often see art incorporated into luxury items as opposed to art merely being used as a means to show off luxury. This concept is best exemplified by a luxury brand such as Louis Vuitton, who actively involves art and artists into its creative programs, whilst supporting them is a fundamental part of the brand's ethos. Last summer, the brand's creative director Marc Jacobs collaborated with Japanese artist Yoyoi Kusama, creating a hugely popular collection, which not only achieved the high fashion status that the LV brand demands but also was a uniquely individual expression from the artist. Other artists who have worked with Louis Vuitton include Takashi Murakami, Richard Prince and Stephen Sprouse. Yves Carcelle who was President and CEO of the brand until last year said, "Luxury and art are both expressions of emotion and passion; therefore, the idea of integrating artwork in a store environment is a question of affinity."

Beyond these direct collaborations however, many luxury



brands today support artists. Aside from Kusama's collaboration on a collection, Louis Vuitton sponsored a major retrospective of her work which was exhibited at London's Tate Modern, and in New York's Whitney Museum. As for Carcelle, he is now Vice President of the brand's newly established foundation, which will be housed in a Frank Gehry commissioned building outside of Paris, and filled with the company's own art collection. Prada and Cartier are two additional luxury brands with their own contemporary art foundations, whilst Francois Pinault, founder of the world's third largest luxury group PPR, which owns brands such as Gucci, Yves Saint Laurent and Alexander McQueen, has one of the largest and most impressive collections of contemporary art around today.

Aside from these collaborations and shows of support within the art and luxury sectors, their affinities are such that the marriage of art and luxury is constantly evolving. From an increasing number of art hotels, where guests can enjoy the luxury of hotel living alongside exposure to art collections, to Virgin Atlantic's recently launched "Gallery in the Air" project which gives business and first class passengers the opportunity to take in-flight shopping one step further by adding artworks to their offerings, the ties between art and luxury will only become stronger and more inventive as both these markets excel, and come to rely on each other for inspiration, collaboration and, it must be said, clients. Most importantly of all however, is that investing into treasure assets, and more specifically into art, is no longer merely a luxury, but also a viable alternative to other investment types.

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