

The ardent art marketer

Sotheby's Quek Chin Yeow has achieved major milestones building the Asian market for the auction house

BY GENEVIEVE CUA

QUEK Chin Yeow has loved art from a young age, but he tempered his passion in his school years "like all good Singaporean boys of that era (in the 1970s and 1980s)", he says with a laugh. For his postgraduate studies, he married economics with art, choosing the topic of the marketing of art for his master's degree dissertation. Fortuitously, that has turned out to be his life's work.

Today, Hong Kong-based Mr Quek is deputy chairman of Sotheby's Asia and chairman of international jewellery, Asia. The Asian market for art and jewellery is now one of the main pillars of Sotheby's business, a far cry from 1987 when he joined the firm as head of Sotheby's Singapore. At that time he was 29 and among the firm's youngest regional representatives. "We'd be lucky then to have five phone calls a day. It was such a new field," he recalls.

In the Business School of City University London where he completed his master's degree in marketing, it was the first time anyone had picked art marketing as a dissertation subject. "It took

a long time for them to approve the topic, partly because it was unusual, and they had to find a tutor who could advise me."

In that era when franchise businesses were popular, students were more likely to research issues relating to McDonalds or the Japanese car industry. "I wanted to see how the art market fit into marketing in terms of theory and practice, and what made the art market different."

"I went to interview galleries that were harnessing marketing in a different and contemporary way." One of his interviews was with a firm that sold Picasso and Hockney prints by mail order.

That was what he did when he returned to Singapore in 1984. His first job was in the public relations department for charge card firm Diner's Club, where he scored a first here by selling Miro, Hockney and Picasso prints by mail order. "We actually made money for the company," he says.

Today, the art market in Asia is fuelled by the robust growth in wealth, particularly in China. In 2013 the *World Wealth Report* published by Capgemini and RBC Wealth Management noted that the art market, particularly the upper end was expected to remain strong. "Demand far outstrips supply at this high end, not just because of

the rarity of the masterpieces but also because their owners are often unwilling to sell, given the difficulty of finding assets with comparable return characteristics."

In 2014 the report found that jewellery, gems and watches were the most favoured "investments of passion" (IoP) among the wealthy in the Asia-Pacific including Japan. This segment had an allocation of 32 per cent of the wealthy's IoP. This was followed by the segment of wine, antiques, coins and memorabilia, with a share of 20 per cent. The allocation to art was around 15 per cent, and the Chinese notably had the highest allocation to art at 17 per cent. For Sotheby's, jewellery auction sales in Asia account for a third of global sales.

Mr Quek built the Asian market for Sotheby's. He recalls 1987, the year he joined the firm, as a landmark year. That year marked the sale of a stunning collection of jewellery that belonged to the Duchess of Windsor by Sotheby's in Geneva. The jewels fetched an equally stunning price of a total of around US\$50 million – more than six times the expected proceeds of over US\$7 million. The funds went to the Institut Pasteur, a private non-profit foundation in Paris known for its medical research. "It was very different (in Singapore) when I first



PHOTO: YEN MENG JIIN



PHOTO: SOTHEBY'S

came to Sotheby's. I knew art auctions as I used to attend them in London, and there were some things I bought that turned out to be good investments," he recalls.

"I bought a Warhol painting with my pocket money in university. It cost me just over £1,000 which was a lot of money then – half the school fees for the year. And I sold it years later for a lot more money. If I had kept it to today, I would have made a lot more money. But it's one of those things..."

"In the early days, the auction business was very unknown. It was very much about explaining it to people, rather than acting on what it is. Many older (Singapore) collectors were already buying in London and Hong Kong. That's why our chairman then, Julian Thompson, a great Chinese collector, thought Singapore was a natural place to open a branch."

Mr Thompson, who was the former Sotheby's chairman, became the first chairman of Sotheby's Asia from 1992 to 2003. He is credited with having created the Asian art market, holding the first Sotheby's auction in Hong Kong in 1973.

Mr Quek reckons that the turning point for the Singapore art auction scene occurred in 1993 in two developments. One was the auction of the famed *William Farquhar Collection of Natural History Drawings* by Sotheby's in London. The drawings were acquired by Goh Geok Khim, founder of brokerage firm GK Goh, for S\$3 million through Sotheby's Singapore. Mr Goh donated the drawings to the National Museum of Singapore in 1995.

Mr Quek helped to broker the sale. "It was a tremendous gift to the museum and quite a pivotal point in my career to have had that."

A second development was the acquisition of Chinese artist Xu Beihong's *Five Galloping Horses* by a Singapore collector. The painting fetched HK\$3 million (S\$531,000) in an auction in Hong Kong – a record price then for Xu's work. "It became quite an important thing. It made people sit up and say – it's a Singapore collector. A lot of scholars who wanted to examine the painting had to come to Singapore."

Sales of South-east Asian paintings began in the Singapore office in 1996 as Singapore was to be the hub for the region. But in 2008, auction sales were moved to Hong Kong to give South-east Asian art a more international platform.

Mr Quek, who is also principal auctioneer in Hong Kong, says he became an auctioneer "quite by accident". In the 1990s the late Mr Thompson was the only auctioneer for Sotheby's in Singapore where jewellery and South-east Asian painting sales took place. But as there were times when he could not be in Singapore, "we needed someone else, so it was only me". "So I said I would train for it. Thirty years ago when I used to go to auctions in London I used to be so impressed with auction-

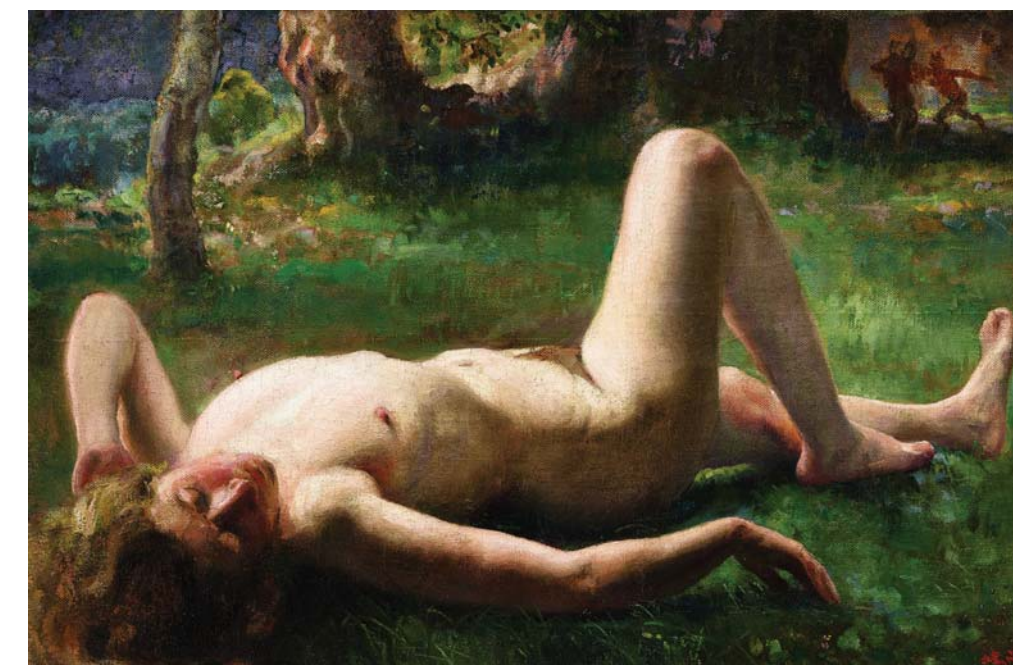


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MASTER STROKES

(Above) Xu Beihong (1895–1953)'s *The Sleeping Venus*; (top right) Hendra Gunawan (1918–1983) *Ali Sadikin Pada Masa Perang Kemerdekaan* (Ali Sadikin during the Independence Struggle) 1978



PHOTOS: SOTHEBY'S

TRUE GEMS

(Above) Jane Lee's *Fetish Beige*; the 10.10 carat De Beers Millennium Jewel 4 is expected to fetch up to US\$35 million at Sotheby's auction in Hong Kong

eers. In the end to be one myself is quite a fulfilling aspiration."

A good auctioneer, he says, has to know the works that are on the block and to have good rapport with bidders who are physically in the room or on the phone. "When I go to the room, I know where the top lots will come from and who has a \$10 million bid... There will be familiar faces and new clients and surprise bids. If you planned it well you know more or less where things will come from."

Among his proudest moments was the sale of The Lee Kuan Yew Family Collection in 2003, comprising jewellery, watches,

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pens, seals and other memorabilia.

Some of the more recent transactions under his hammer hit record prices. He counts three sales as milestones in his career: The MeiYingTang Chenghua "chicken cup" fetched a record for porcelain at US\$36 million in April 2014. The Hutton-Mdivani Jadeite Necklace by Cartier sold for US\$27.4 million in 2014 which remains a record for jadeite.

And, there was the sale of the largest white flawless diamond of 118.28 carat at US\$30.5 million in October 2013, which remains a record for white diamonds.

Mr Quek, who has weathered four economic cycles and major crises, says the current economic uncertainty has dampened activity. "Recent sales have been more difficult. But sometimes it has to do with sourcing. It's like everything else – supply and demand. If the market is good, you can get good things from collectors. As always, if you buy the best it will give you a good return."

On jewellery, he says: "Top diamonds over time will always have an investment return. You can buy white diamonds with great provenance, or something new, mined according to all the rules and regulations."

Sotheby's is a signatory to the Kimberly Process. The latter was established in 2003 to stem the flow of "conflict diamonds". The latter refers to rough diamonds used by rebel movements to finance wars against legitimate governments.

Mr Quek says would-be collectors of art or jewellery should plan to set aside an amount for pieces they wish to purchase.

"Read as much as you can. The Internet is a great source of information... Examine what your requirements are. Is the purchase a one-off, or part of a short or medium-term programme? Do you have children who are interested? We have second-generation collectors who are very interested."

Some banks offer art advisory. Zurich-based head of UBS Art Competence Center Patricia Amberg says advisory to collectors typically starts with conversations on the type of art the client is interested in, and a discussion on what motivates the client. Her team comprises four experts, including herself, trained in art history and economics. They undertake research on the works that interest clients. This includes checking on provenance, the condition of the art piece and authenticity. They may also bid for pieces on clients' behalf, always by phone for privacy reasons.

"We don't give art-related investment advice. We don't treat art like a share because the art market is untransparent and unregulated.

"The fungibility of art is different. You can buy a share today and sell it tomorrow but it's very difficult to find a buyer for art immediately."

Interest among Asian clients is "definitely" on the rise, especially among younger clients, she adds. **W**



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