

THE ART OF BUSINESS

Art advisor and gallery owner Sundaram Tagore tells **Melissa Hancock** about how regional companies can become bastions of corporate art.

THE FACT THAT DUBAI IS today being tipped as the future home to an Asian art capital is remarkable when one recalls that only a decade ago, the emirate was seen to be no more than an oil-boom town. No one ever imagined that ten years down the line, people would be talking about Dubai as the future regional centre of culture, with an art scene that could potentially rival London and New York.

To gallery owner Sundaram Tagore, however, one of the 40 gallery owners who converged on Dubai to exhibit his work at the recent inaugural Gulf Art

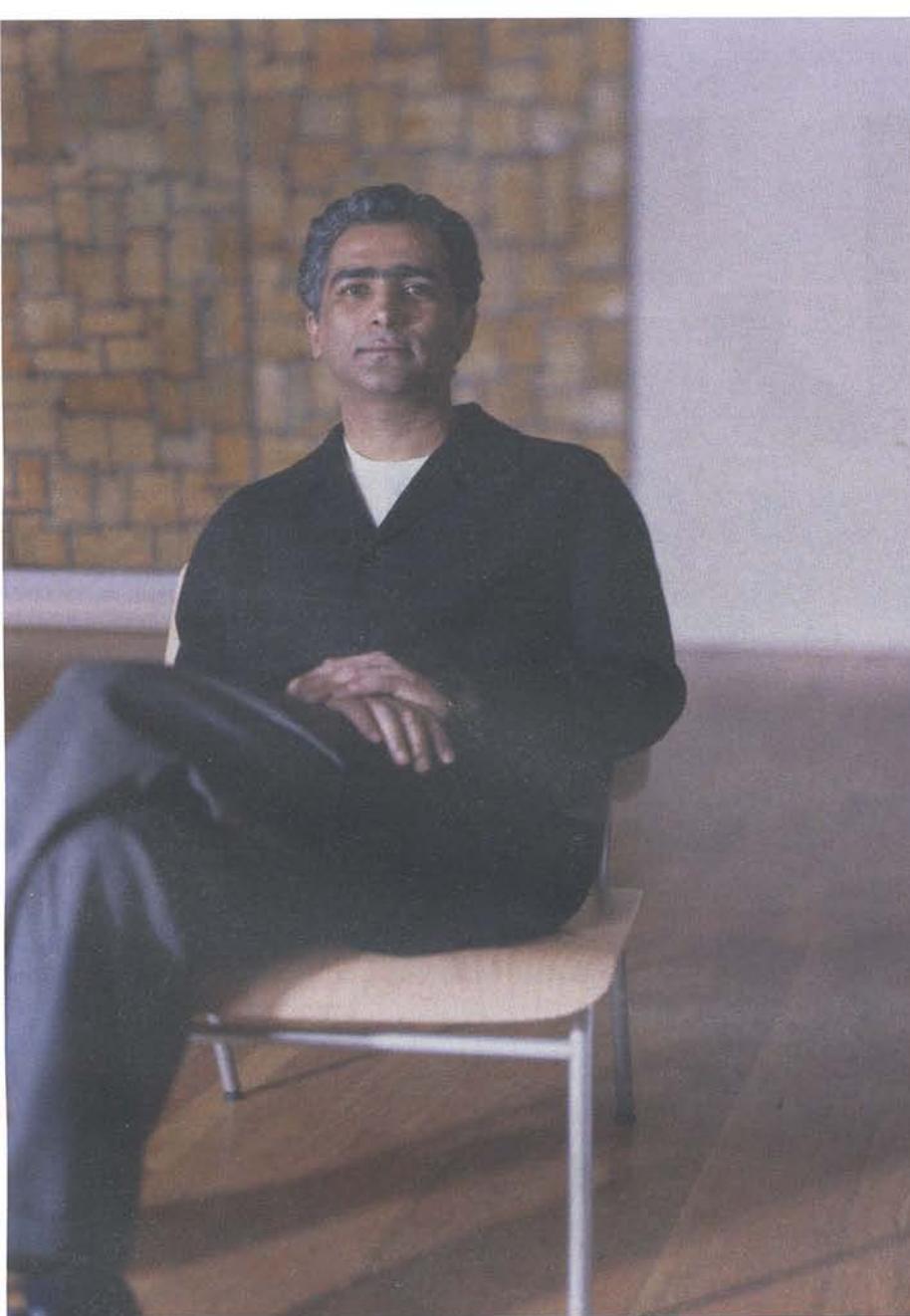
Fair three weeks ago, this is not in the least bit surprising.

"Today, everything is condensed in time. What took 100 years today takes about ten years and that's largely because of the internet revolution. Ideas are disseminated very quickly, plus the advances in telecommunications and travel," says Tagore, whose eponymous gallery in Manhattan's Chelsea District is renowned for being a leader in cross-cultural dialogue. "Today Dubai is considered a crossroads of cultures and my gallery has devoted itself to exploring the dialogue between the east and west, so my gallery is a

microcosm of what Dubai has achieved on a larger scale."

Tagore, who has been accredited with being responsible for the dramatic popularisation of southern Asian contemporary art, believes that Dubai has the potential to become an 'Asian art capital'. And yet while much has been reported on the rising trend of 'art as an investment' on an individual basis, Tagore believes that corporate patronage of the arts "is suddenly going to take off in the region in a big way."

In the few days that he showcased his artworks at the Gulf Art Fair, he had first-hand experience of that.



KEEN EYE: Corporate patronage of the arts will soon spread across the Gulf, says Tagore.

“The chairman of one of the leading banks in the UAE bought some works from us at the fair. I got a call from his art adviser – a Swiss lady – about an hour ago to ask how she could transfer the money,” he candidly admits.

The Dubai International Financial Centre’s (DIFC) decision to buy an undisclosed 50% stake in the Gulf Art Fair heralded a new era of significant corporate patronage of the arts in the Middle East. The joint venture means that the DIFC, a major financial institution, will take an active role in using the platform of art commerce to help construct a cohesive cultural strategy

relevant for Dubai and the wider region. In bringing the international art market to Dubai, the DIFC hopes to lay the necessary foundations for the region’s flourishing art scene to develop at the highest level.

All this makes it clear that the DIFC recognises the increasing significance of the art market as an investment vehicle. In fact, the DIFC was one of the first institutions to begin a corporate art collection, focusing on Middle Eastern artists. Although it has yet to make major international purchases, the DIFC has confirmed it will continue to acquire art which it will prominently display

within its headquarters. The financial institution is also in the process of setting up an art foundation, according to Governor Dr Omar Bin Sulaiman, which will include “international and regional specialists as well as members of the DIFC itself”.

“YOU NEED TO HAVE CULTURE AROUND YOU AND ART IS A GOOD WAY OF DOING THAT”

While the corporate patronage of the arts is still very much in its infancy in Dubai, the Dubai Community Theatre and Arts Centre (DUCTAC) is a further illustration that things are starting to change. Corporate sponsorship has in fact been the backbone of the establishment with companies like Al Futtaim, Bin Dasmal Group, Shell, MAF Investments, ABN AMRO Bank, Emirates and many others contributing funds. Furthermore, Al Futtaim provided DUCTAC with a rent-free lease for 30 years. Meanwhile, EFG-Hermes recently collaborated with The Third Line gallery for the second Dubai solo exhibition of internationally renowned Egyptian photographic artist Youssef Nabil. EFG-Hermes said the partnership was bred out of a desire to support artists originating from or working in the Middle East.

“If you want to be a company with distinction then you need to have culture around you and art is a good way of doing that. We look up to the Medici family largely because they have been great sponsors and patrons of art since the 17th Century. Some of the great corporate leaders throughout the Middle East and the East generally are starting to realise that owning a very big art collection gives you a prominence and stature that you wouldn’t have otherwise,” explains Tagore.

Tagore is keen to stress that while corporate support is useful to boost the public's image of a company, investing in private corporate art collections also makes business sense. As he explains: "It's a common misconception that acquiring a corporate art collection is done by a company as a 'feel good' or philanthropic move. In fact, it's normally more about making sure the money's preserved and art is one of the best forms of investment. Art doesn't have the same liquidity that there is in stocks and bonds and property. But the way that art rises in price – in my mind, there's definitely no comparable form of investment."

Tagore, who is the direct descendant of Nobel laureate Rabindranath Tagore, comes from a large extended family of artists, writers, and poets, began his career as the director of the New York contemporary art gallery Pace Wildenstein. He has since acted as an advisor to many international organisations for many years including the Peggy Guggenheim Collection in Venice, the Metropolitan Museum of Art, the Museum of Modern Art, the United



IN THE BLOOD: Creativity runs in Tagore's family.

you have a gallery but that gallery is devoid of intellectual ideas and without those, you have nothing – you have some walls and some colours. You have to have ideas behind art because you are dealing with a cultural product."

studied, which institutions you have worked with. You need to be affiliated with a good name."

The art advisor's job is to source artworks in line with the mission statement of the company and fulfilling that statement is not easy. "They have to have the right eye and the eye is like a muscle. Everyday you have to look at great works of art to really strengthen the muscle. The art advisor will be asked to read up on the company's profile so that they can source art which conforms to that profile. So for an energy company, an art advisor would look for artworks that visually correspond to that such as those that contain vibrant, exploding colours. So they might look at Jules Olevsky's work because of the colourations."

While Tagore admits that sourcing art in line with many companies can be "a nebulous thing", he points out that generally all companies have a bigger philosophy beyond just making money. "Part of their mission might state that they're interested in education and development."

The other guiding influence for an advisor in sourcing their art is that "corporate art generally tends to be more soothing and less provocative because ultimately it's trying to please. You don't want to create a distraction and nor do you want to challenge anyone at that particular moment," he explains.

"And at the same time, you don't want art that is simply decorative because that's craft – not art. You want artworks that have a power and strength to draw people's attention but at the same time it should remain in the background."

Tagore also admits that there are "exceptions" when it comes to very famous artworks. "There are some beautiful and powerful paintings depicting World War Two which harbour a lot of angst and big corporations love to have these because of their provenance. For example, at the beginning of the century, people considered Picasso's art a slap in the face but today any big corporation would love to have a Picasso."

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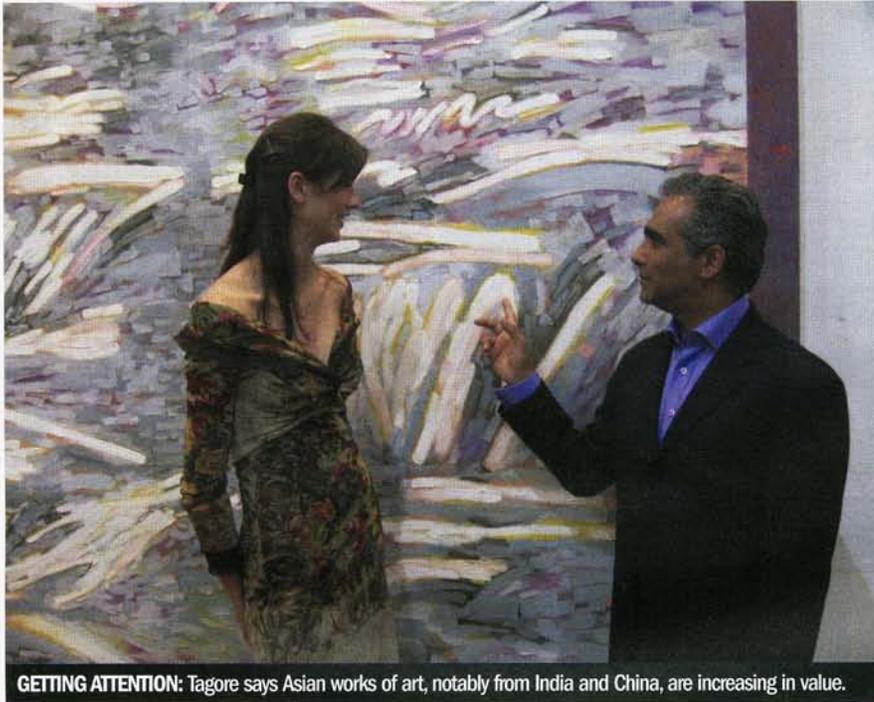
Nations and the National Gallery of Modern Art in New Delhi. "The least expensive piece I've ever bought for a corporate art collection cost US\$10,000 and the most expensive was US\$2.2m."

In order for a company to get the best returns on their investment, Tagore says it needs expert advice. "Art consultants, art advisors, curators – whatever you want to call them – have specialised in the field of art and that's when they come into play.

"They not only know the history of art but they also know the current popular artists and which galleries are serious, intellectual galleries and which are just boutique galleries. People think all you need to do is slap some paintings on the wall and put some lights on and then

"Imagine you didn't know how to speak English and you were sourcing books for your library – you have a Dostoevsky, Shakespeare, Austen and then suddenly in the middle of the collection – you have a Harlequin Romance. What are people going to think? People make the exact same mistake in their art collections. And that's why you need art advisors."

Therefore, with such importance being placed on recruiting a respectable art advisor, a company needs to do its homework. "It's the responsibility of the company to check their credentials. Just because someone claims to be an adviser, it doesn't mean they are suitably qualified. Whether you're a good advisor or artist depends on where you have



GETTING ATTENTION: Tagore says Asian works of art, notably from India and China, are increasing in value.

Aside from sourcing art, the advisor needs to consider scale – most corporate art is very large in size due to many office headquarters taking up vast amounts of space.

The other parameter that the art advisor has to be guided by is budget. “It’s critical with corporate art to create a budget from the beginning. Most US companies that are building corporate art collections set aside about 1% of the cost of constructing the building. So if you have US\$100m, it’s 1% – US\$1m.” However, there are exceptions such as when the Felissimo Corporation (a billion dollar Japanese company) put aside 10% of its resources towards promoting art and culture when opening a new branch in the US.

“The rules vary from country to country and they are rapidly changing within each country. For example, between 2000 and 2006, the price for Indian and Chinese art has increased as much as 1000% for leading artists.

“Therefore the corporate art budget spent on art could be far more than in the US. For example, the average price

of Indian art may have been US\$4000 a few years ago and now that piece costs as much as US\$70,000.”

Tagore says it takes on average between 12 to 18 months to create a solid collection. “Art advisors have to travel considerably and attend all the art fairs, all the Biennials, and they’ll normally go with a couple of assistants. In a new corporate art scene like here, the advisor will probably just be given a command but in an established art market, they are given the command and then once they’ve selected their artwork, they have to go back and present it to the board. They pull the artworks together through a variety of sources, largely through the gallery system,” Tagore explains.

“They’ll make a presentation – either a slide show or present the actual artworks – and they’ll explain why the work is important, for example, ‘he’s a young artist, he’s in this collection, he’s already had an exhibition at the V&A museum and he’s been selected for the Sharjah Biennial.

“The colours relate and his work fulfils your company’s mission.’ They’ll give a pitch. And all the different

aspects have to be integrated, otherwise there will be a dissonance. And it’s hard because most people are guided by their ears rather than their eyes.”

Because globalisation has opened up new art markets, Tagore has noticed that between “15 and 20% of corporate art buyers have shifted to buying art that is not from their own culture or country”. He says that art collectors are now going to India and China “because if you don’t count them, well that’s half the market you’re discounting,” he adds.

The market for southern Asian art will rise beyond US\$1bn globally in 2006, according to a recent report by *Forbes Asia*. Whether Dubai becomes the ‘Asian art capital’ will to an extent depend on corporate patronage.

With Dubai’s business community expanding rapidly, hotels, banks and international corporate offices are beginning to emerge as serious modern art buyers, albeit mostly for decorative purposes. Such corporate patronage, however, is still in its infancy and potential corporate buyers are developing their tastes by attending the prolific number of exhibitions and auctions being staged.

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The DIFC Gulf Art Fair generated an extraordinary response – more than 9000 visitors from a range of nationalities toured the Fair during private patrons’ previews and two public viewing days. 40 new galleries have already applied for next year’s fair, doubling the size of the DIFC Gulf Art Fair for 2008.

“I’m confident Dubai will become the next Asian art capital because if it doesn’t, then it will lose out, and I don’t think Dubai’s in the losing game,” Tagore says with a smile.