IVORY CONCERNS

HOW CAN SOMETHING SO BEAUTIFUL CREATE SUCH CONTROVERSY AND CONFUSION IN THE ANTIQUES INDUSTRY? UNTIL RECENTLY THE RULES WERE NOT STRONGLY ENFORCED BUT THEY ARE NOW BEING INCREASINGLY SCRUTINIZED. IVORY IMPORTED LEGALLY, PRIOR TO 1989 WITH A CITES (CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES) CERTIFICATION THAT INTERNATIONAL STANDARDS WERE MET, COULD BE SOLD. THAT MAY HAVE NOW CHANGED.

Very few pieces have full proper import documentation and enforcement of regulations by the U.S. Fish and Wildlife Service will affect virtually every collector, dealer and auctioneer who handles ivory and other objects linked to endangered species. New guidelines put forth from the Advisory Council on Wildlife Trafficking include efforts to ban all imports into the United States, limiting exports to items confirmed as antique (100 years old), and prohibiting the sale of all ivory nationally and internationally. The goal of the ivory ban is to make sure that U.S. markets don’t contribute further to the declining population of elephants and other species clinging to existence in the wild.

Questions and concerns regarding enforcement of the laws have arisen given that small amounts of ivory can be found in objects such as piano keys, sculptures, silver tableware, antique furniture, musical instruments, jewelry, guns, walking canes, and a myriad of other decorative articles. While not wholly an “ivory” object, to what content limits of the law? And by removing the keys, is the owner destroying the value and appeal of the piano – thus affecting its sale? Indeed, these issues will greatly affect the antiques trade market including formal appraisal valuations.

While there was an “antiques exception” allowed by the Endangered Species Act of 1973 if the owner could attest to the object in question being over 100 years old, the guidelines require owners...
to provide extensive documentation relating to proof of age, provenance, date of import, use of the item and whether it is composed in whole or in part of the endangered species material. However, very few people have proper documents, making the guideline nearly impossible. It has even been suggested that carbon dating and DNA testing be enough to allow a sale in the near future of an item containing ivory but a thorough exploration of its provenance and history is an important start. Major auction houses and dealers already have passed on handling some vintage, ivory rather than risk violating the bans against the antiques industry and the valuation of ivory long term is not yet certain. By intent of the laws, if the transport or sale of ivory becomes so difficult and restricted, it should reduce the demand for ivory enough to end the poaching and illegal trafficking. Will this drive up the price of ivory on the black market? Will that make legally saleable ivory much more valuable — or will ivory across the board be completely devalued?

For advisors of clients with collections of antiques, collectibles and art containing ivory, be forewarned - the long held family heirlooms that your client believes to be valuable (and a major part of their assets) may in fact be worthless. Consulting with a certified and knowledgeable appraiser or auction house for updated valuations and guidance will be crucial for the financial and estate planning of such assets.

Museums are also concerned about the regulations, which will eliminate charitable tax deductions for all donated ivory pieces and works that are partially composed of ivory, regardless of the item’s age.

How will the current guidelines and bans affect the antiques industry and the valuation of ivory long term is not yet certain. By intent of the laws, if the transport or sale of ivory becomes so difficult and restricted, it should reduce the demand for ivory enough to end the poaching and illegal trafficking. Will this drive up the price of ivory on the black market? Will that make legally saleable ivory much more valuable — or will ivory across the board be completely devalued?

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For now, it is important for appraisers and estate planners to advise their clients to begin identifying the pieces in their collection they believe may contain ivory. Once the items are identified, the next step is to gather family documents, letters, receipts, shipping invoices, property inventories, or photographs to help solidify the provenance and help safeguard the value of their family heirlooms. The documents may not be enough to allow a sale in the near future of an item containing ivory but a thorough exploration of its provenance and history is an important start. Major auction houses and dealers already have passed on handling some vintage, ivory rather than risk violating the ban. Another issue among the antique dealers is whether it is composed in whole or in part of a musical instrument.

THIRD ISSUE  // 2014
CORPORATE ART COLLECTION CONTINUES TO SUPPORT REGIONAL INTERESTS

HERITAGE AUCTIONS WILL PRESENT FOR AUCTION WORKS OF ART FROM THE BELO COLLECTION ON OCTOBER 18TH IN DALLAS, TEXAS.

The Belo family began in the newspaper publishing business in the mid-19th century and exists as the longest surviving business enterprise in Texas. As publisher of the Dallas Morning News, the company became a corporation consisting of printing and publishing enterprises, broadcasting stations and an online publishing company.

The curated Belo Collection of 300 lots represents some of the best contemporary art produced in Texas over the last 60 years as well as works by well-known national artists. The Belo family was a strong patron of the arts, particularly works by women and minority artists. Under the stewardship of Judith Segura starting in 1986, the Belo Collection became the perfect platform for young and seasoned collectors to observe and learn about the thriving Texas contemporary art scene. The auction proceeds will be donated to The Belo Foundation’s charitable causes, including the support of college-level journalism education and the development of urban parks.

RARE MICKEY MOUSE ANIMATION CEL FROM 1935 BRINGS $98,000+ AT AUCTION

An incredibly rare piece of animation history, an all-original, unrestored production cel and master background from Walt Disney’s 1935 classic “Mickey’s Service Station,” featuring Mickey Mouse and Goofy, realized more than $98,000 at Heritage Auctions in New York on July 1, as part of the annual $1.28+ million Animation Art Signature® Auction, at the Fletcher-Sinclair Mansion (2 E. 79th Street, at 5th Ave.) in New York.

“It’s an extraordinary price for an extra ordinary piece,” said Jim Lentz, Director of Animation Art at Heritage. “This is really a Holy Grail piece of animation and one of the best I’ve ever seen, from one of the best early Mickey cartoons and one of the very last black and white Mickey cartoons before Disney changed everything by going to color.”

Besides the rarity of the cel and the background, it is also believed that this is the only known black and white production cel featuring Goofy in private hands. In the classic cartoon Mickey (voiced by Disney himself), along with Goofy and Donald, do their best to find a squeaking sound in Pete’s roadster. Naturally, they take the car apart looking for the source of the annoying sound, which turns out to be a cricket.

One of the great surprises of the auction came in the form of a set of 1961 storyboards from The Bullwinkle Show (Jay Ward Studios), three extremely rare trimmed storyboards by Roy Morita for the episode “Buried Treasure,” on Ward Inc. storyboard paper, which crushed its $750+ pre-auction estimate to finish, amidst very spirited bidding, at $33,460. One panel features Rocky and Bullwinkle, one has a close up of Bullwinkle, and one is an amazing drawing of Frostbite Falls, Minnesota, with the handwritten notation “B+R House” and an arrow pointing out the specific abode.

Treasures from Disney offered in $1.28+ million Heritage auction, July 1-2, including cel and background from “Mickey’s Service Station,” 1935, from Mickey’s last black and white cartoon, which shattered estimates to finish at $98,588.

Heritage’s next auction of Animation Art is not until the Fall of 2015, but offerings of pop culture original works of art will be available in Fall and Spring auctions of Comics & Comic Art and Illustration Art.
NEW PRIVATE SALE AND EXHIBITION SPACE IN NEW YORK

HERITAGE AUCTIONS HAS OPENED ITS EXCLUSIVE PRIVATE TREATY SALES AND GALLERY DIVISION AT 445 PARK AVENUE, LOCATED ON THE 15th FLOOR AT THE NORTHWEST CORNER OF PARK AVENUE AND 57th STREET. GALLERY AT 445 PARK WILL SHOWCASE EXEMPLARY WORKS OF ART, ESTATES AND PRIVATE COLLECTIONS THAT ARE AVAILABLE FOR DIRECT PURCHASE.

PAINTING THE TOWN: The Art of Max Ferguson

The current exhibition at GALLERY AT 445 PARK features works by artist Max Ferguson (b. 1959). His depictions of the New York landscape and its inhabitants in a semi-realist form celebrate the urban experience with the artistic skill and technical finesse of the old masters but with a fresh and contemporary feel. The exhibition catalog introduction is written by Village Voice Art Critic Christian Viveros-Fauné.

THE MABEL ALVAREZ ESTATE

Certain works of art or distinct collections are better served by being promoted through a gallery setting or being offered for private sale. One such collection was the inaugural exhibition in GALLERY AT 445 PARK this summer, which featured a retrospective of works from the Mabel Alvarez Estate. This incredible group of paintings, drawings and watercolors selected from the Glenn Bassett collection further validates Mabel Alvarez as one of California’s most important artists and hidden treasures.

Mabel Alvarez (1919-1995) in her studio, n.d., was the focus of GALLERY AT 445 PARK’s inaugural exhibition.

The gallery and private sales division is overseen by Heritage’s Director of American and European Art, Brian Roughton. After several years assisting Heritage Auctions on retainer, Mr. Roughton joined the fine art team as Director of American & European Paintings in January 2012. With 45 years of experience as the owner and president of Roughton Galleries, Inc., he has brought to Heritage a highly respected international reputation as an expert in both 19th & early 20th century important American and European paintings.

Extending her role as Director of American Art, Aviva Lehmann will manage New York area exhibitions and private sales for GALLERY AT 445 PARK. Ms. Lehmann joined Heritage in January 2013 after fourteen years in the auction industry. With over ten years of in-depth knowledge and experience in American Art, she holds a broad interest in all aspects of the field. She previously served as Vice President, Specialist in the American Art department at Christie’s, where she was instrumental in establishing dozens of auction records in virtually every category of American Art.

For more information about GALLERY AT 445 PARK, please contact Aviva Lehman (AvivaL@HA.com) or Brian Roughton (BrianR@HA.com).

www.GALLERY445PARK.com

HIGHEST APPRAISAL HONORS

Meredith Meuwly, Director of Heritage Auctions Appraisal Services, Inc., has earned the highest membership designation of the International Society of Appraisers (ISA) as a Certified Appraiser of Personal Property (CAPP). The CAPP title is bestowed to only ethical appraisers who are recognized authorities in personal property appraising. Under Ms. Meuwly’s management, Heritage Auctions Appraisal Services, Inc. offers the highest caliber of experts and appraisal reports available in almost every area of art, jewelry and collectibles. At competitive rates, Heritage appraisals are always IRS, USPAP and Insurance company compliant and should be considered for all Estate Tax, Charitable Donation, Insurance, Estate or Financial Planning situations.

ALL ABOUT APPRAISALS: EXPECT THE UNEXPECTED

BY MEREDITH MEUWLY

I used to think that being an appraiser is like being a Boy Scout, and we should always “Be Prepared”. My colleagues often tease me, but I constantly carry a large tote bag with extra notepads, pencils, pens, measuring tapes, magnifying glasses, cameras, batteries, etc. I even have backups for my backups — because you just never know when you might need something extra. When I walk into a home or a bank vault, I need to be prepared for anything — more property than anticipated, less property than expected, and even entirely different property than previously discussed. After several months of extensive travel and appraisal work, I think my new appraiser’s motto should be tweaked to “Expect the Unexpected.”

On a recent appraisal assignment, my colleague and I arrived to a mountain of material that was five times more than what we were expecting to appraise. We each took a deep breath and devised a plan on how we needed to accomplish our task. Keeping a rigorous schedule and working together, we appraised over 1000 items of jewelry, watches, and decorative arts in five short days.

Appraisals are all about teamwork. Colleagues working together to identify, describe, and value property for a client in the most accurate and cost effective ways. It’s about a specialist in glass and ceramics lending a hand to a jewelry specialist in a pinch. Although I am not a graduate gemologist, I measured, weighed, noted marks, and took a plethora of photographs of jewelry items — all things that I was accustomed to doing with decorative arts that could be easily transferred to other items. With assistance on the “simple” work, my colleague was able to concentrate on identifying and grading the stones. Teamwork and can-do attitudes allowed us to finish the job well and even on time.

Why did I share this story? Because Heritage Auctions Appraisal Services approaches all appraisals like the assignment above. We expect the unexpected, come prepared, and find a solution to every problem.

Contact the Appraisal Services department today at MeredithM@HA.com or 214.409.1631 to discuss your appraisal needs and how Heritage will be the best team for you.
Heritage Auctions has announced that Michelle Castro, with more than a decade of experience appraising and auctioning fine and decorative arts, has joined its growing Trusts & Estates Division. Michelle will be responsible for assisting attorneys, executors, advisors and fiduciary professionals with their clients’ needs for estate evaluations, appraisals and asset divestiture. She will represent Heritage Auctions throughout Texas and the Southern Region of the United States.

“Michelle’s experience in doing what’s best for her clients makes her an ideal person to help grow Heritage’s full service Trusts & Estates group,” said Greg Rohan, President of Heritage. “Her impressive knowledge spans three hundred years of fine arts and she has an impressive track record working with large estates and bringing important works to auction.”

A Southern native, Michelle spent her early career working with European and American paintings at a private gallery in New Orleans before launching a successful career in the auction industry, where she successfully curated and directed the sales of prominent Southern estates. Her work for the estate of a noted New Orleans art collector achieved record prices for several Southern artists with prices realized of more than $4.6 million. Soon after, Michelle sourced and managed a significant collection of American art in rural Texas with sales exceeding $3.9 million.

Michelle also brings extensive experience protecting clients’ long-term estate concerns and providing customized services for high net-worth private individuals and their fiduciaries. She can assist clients with estate tax, family division and insurance appraisals; the development of sale and marketing plans for auction or private treaty sales; and consignment management, all treated with the utmost discretion. She is also an accredited member of the International Society of Appraisers, specializing in fine arts.

“It feels as though my entire career has culminated in this very unique role at Heritage,” Michelle said. “I’m truly excited to blend my passion for helping families prosper with Heritage’s extensive global resources. Whether it is a single item, a small collection in differing categories or the contents of an entire estate, Heritage provides a seamless and technologically harmonious auction and appraisal experience from the initial consultation through settlement.”

We encourage all trust officers, estate professionals and wealth managers to take the opportunity to review with your clients their complete asset portfolio, including the tangible assets that may, at first glance, not appear to have value. This gives you the opportunity to discuss new products on the market and include any “hidden” assets that may be visible sources of liquidity or secured investment. Many clients fail to consider items that are languishing in safety deposit boxes, such as coins and jewelry, for their investments or estate plans. This is often due to outdated appraisals and misconceptions of true market value. With this in mind, Heritage Auctions offers a unique concierge-style service called “Valuations in the Vault,” providing one-on-one private verbal appraisals, free of charge to your clients.

Heritage will produce a professional invitation for you to mail to your clients for free verbal appraisals right in their own bank vault. During appointments over the course of a day or two, Heritage’s knowledgeable experts will meet with your clients to discuss an accurate and current valuation for their coins, currency, jewelry, timespieces and other related items. Should written appraisals for insurance or tax purposes be requested, we will provide the costs and timeline for delivering the necessary USPAP and IRS compliant documents.

All valuations can be done in a private, confidential manner at the bank so that property does not need to be transferred or ever taken out of the security of their own trusted bank. This unique service will assist your clients in their financial and estate planning and be a great benefit that you can offer with minimal expense. Heritage is willing to provide our expert appraisers for appointments in major cities throughout the United States and we will also produce the stylish mailing with the specific details of your personalized event. The only expense for you will be the postage for the confidential mailing of the invitation to your clients.

For more information on offering a “Valuations in the Vault” event or to schedule a private appointment for one of your clients with our experts, please contact Mark Prendergast 713.899.8364 or Carolyn Mani 310.492.6614.
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Luxury Accessories – Tuesdays

For more information, please visit our website at HERITAGEAUCTIONS.net or contact us at info@HERITAGEAUCTIONS.net.

Heritage is pleased to provide speakers for all types of client or professional seminars, estate planning councils, CLE credit or patron events. Mark Prendergast, Director of Trusts & Estates, regularly presents illustrated talks on topics ranging from IRS regulations in proper appraisal practices to fascinating stories of how treasures make their way from attics to the auction block. Please contact our Trusts & Estates Department to discuss having an appropriate expert present to your next function or meeting, nationwide.

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FREE subscription card
Trusts & Estates
A Newsletter Published by Heritage Auctions

HERITAGE SPONSORED EVENTS
FALL/WINTER 2014

SEPTEMBER 23
CALVARY HOSPITAL ANNUAL ATTORNEY CLE CONFERENCE
The Roosevelt Hotel
New York, New York

SEPTEMBER 30 – OCTOBER 2
NEW YORK BANKERS ASSOCIATION TRUST AND INVESTMENT CONFERENCE
The Otesaga Hotel
Cooperstown, New York
NYBA.com

OCTOBER 16 – 19
AMERICAN COLLEGE OF TRUST AND ESTATE COUNSEL (ACTEC) FALL MEETING
The Roosevelt Hotel
New Orleans, Louisiana
ACTEC.org

OCTOBER 23
ESTATE PLANNING COUNCIL OF BERGEN COUNTY ESTATE PLANNERS DAY
Saddle Brook Marriott
Saddle Brook, New Jersey
BERGENEPC.org

OCTOBER 29
UJA-FEDERATION 34TH ANNUAL LONG ISLAND ESTATE, TAX & FINANCIAL PLANNING CONFERENCE
Crest Hollow Country Club
Woodbury, New York
UJAFEDNY.org

NOVEMBER 5 – 7
NATIONAL ASSOCIATION OF ESTATE PLANNERS & COUNCILS (NAEPC) 51ST ANNUAL CONFERENCE
Marrriot Rivercenter
San Antonio, Texas
NAEPC.org

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