

# AVENUE

JANUARY 2007

CULTURE  
CLUB:  
ART ADVISOR  
KIM HEIRSTON  
AND AN INSIDE  
LOOK AT THE  
MULTIBILLION-  
DOLLAR  
ART WORLD

AVENUE'S 2007  
PALM BEACH  
A-LIST

*Art advisor Kim Heirston*

AN ICAHN SPEAKS:  
CARL ICAHN TALKS ABOUT POWER, POLITICS  
AND POKER



# ART WORLD FEVER

Now a multibillion-dollar industry, art—and especially contemporary art—is the topic *du jour* among New York's wealthy and prominent. Everyone, it seems, is chasing what Warhol called “money on the wall.”

by JANET ALLON

*Kim Heirston portrait by GRAY SCOTT ■ Kim Heirston styled by JACKIE ASTIER*

**I**n the mid-'90s, early in her career as an art advisor, Kim Heirston says she counseled her client, Italian collector Massimo Lauro, to buy a sheep preserved in formaldehyde for about \$45,000. Few people at the time had the prescience to know that Damien Hirst, the young British sculptor who once told the press he envisioned creating an entire zoo of dead animals, would become one of the hottest artists of his generation. Last spring, Hirst's sheep in formaldehyde—or “Away from the Flock”—sold for \$3.4 million at Christie's postwar and contemporary art auction.

And so it goes for the right piece in today's contemporary art market, which rages hotter than ever. With so much money chasing today's and tomorrow's art stars, the services of advisors like Heirston—who has clients ranging from Hollywood moguls to Wall Street highfliers, from designers like Kate and Andy Spade to literary figures like Salman Rushdie—have never been more valuable. She has advised them to buy everything from Hirst's dot paintings to Cindy Sherman photographs to paintings by Bacon, Rothko and Rauschenberg, and watched as the values of works of their ilk have climbed. The best among these advisors, like Sanford Heller, Thea Westreich and Heirston, have a knowledge of art history that verges on the curatorial. They are not just telling their well-heeled clients to buy the latest sensation; they are providing both access and scholarship. “I have a strong sense of what's important, or potentially important, versus what is trendy,” says the tall, elegant, Yale-educated, gallery-trained Heirston. “When I see a piece, I want to feel like it changed the language of art history. That is my core, no matter what kind of money is involved. If you want pure decoration, don't hire me.”

The role of a good art advisor, says Sanford Heller, who advises supercollectors like hedge fund billionaire Steven Cohen, as well as David and Danielle Ganek, is to “provide access, both to material

*Hair by*  
MARA SCHIAVETTI of  
FORD ARTISTS, NYC

*Makeup by* RENEE of ART  
HOUSE MANAGEMENT

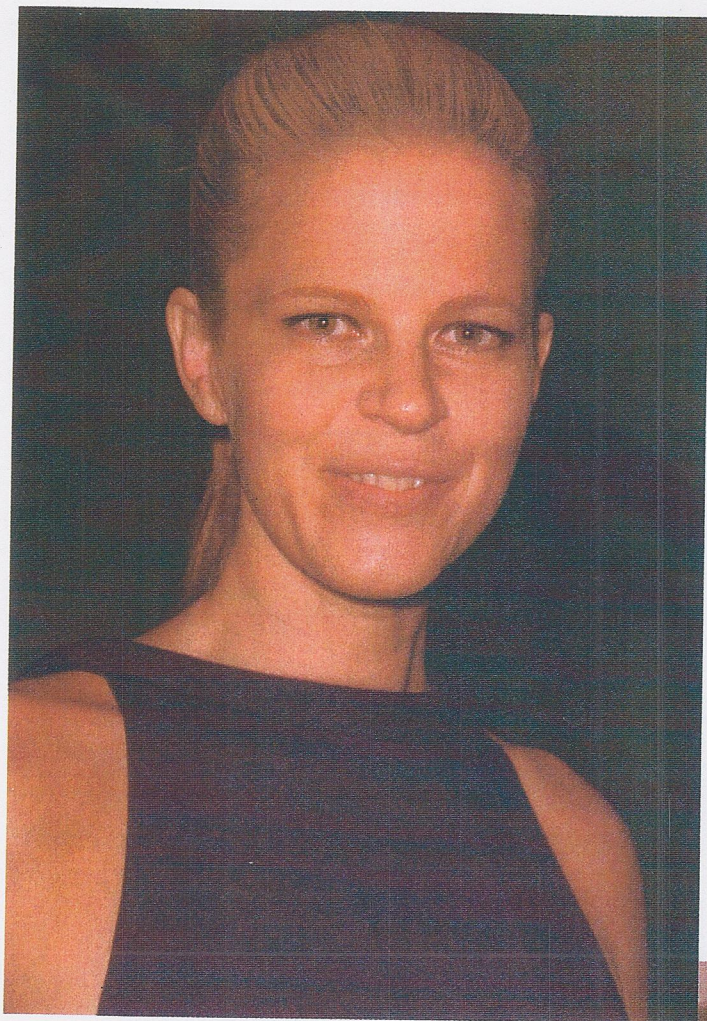
*Fashion Assistant*  
LINDSEY BROMLEY



*J. Mendel nude hand-pleated silk tulle  
mousseline gown. Jacob & Co. antique  
style rose-cut diamond earrings.*







**Above:** Yvonne Force Villareal, co-founder of the Art Production Fund, is a tastemaker and collector of cutting-edge contemporary pieces.

and to information.” For the Ganeks, who have been collecting for 20 years, and who have a deep interest in the art of Richard Prince, as well as that of Damien Hirst, Ed Ruscha and the less well-known Piotr Uklanski, Heller is an invaluable sounding board. “He’s so well-educated,” says Danielle Ganek, who has an upcoming novel set in the art world. “So much of art references things that came before, and he knows everything about what came before. That’s the criticism of some of the new contemporary collectors: They don’t know anything about art history.”

Knowledgeable or not, it seems everyone—or everyone who can afford the ever-increasing ante—is collecting art these days. While many of New York’s billionaires—including Leon and Debra Black, Henry and Marie-Josée Kravis, Ronald Lauder, and S.I. and Victoria Newhouse—have been collectors of long-standing, a new generation of wealthy collectors is setting tastes and driving the market. Steven Cohen, Adam Lindemann, Adam Sender, Aby Rosen, and many more who have made their money in hedge funds, real estate and media, are busy collecting the art of their day, from Warhol forward. Their passion and ability to pay big bucks for high quality work is fueling an unprecedented art boom that has yet to show signs of slowing. And theirs is not the only money around. Newly minted millionaires from

China, India and Russia are jumping into the fray. “Art is exploding because there is a lot of money around and not much supply,” says Alberto Mugarri, an art dealer, collector and art partner with Rosen. “Right now, artists like Andy Warhol, Willem de Kooning, Damien Hirst, Jean-Michel Basquiat, Francis Bacon and Richard Prince are very hot. What’s hot is quality.”

News of art being a great investment doesn’t hurt either. “People may love their Richard Prince photograph,” says Kadee Robbins, the London director of the Michael Werner Gallery of New York, London and Cologne. “But they love it even more when it’s worth five times what they paid for it.”

Heirston says the upsides reaped by her clients and other art collectors transcend the financial. “There are so many benefits to collecting art,” she says. “It involves less upkeep than real estate. It’s more tangible than stocks. Jets and cars depreciate. It’s philanthropic, at least when you buy on the primary market and help support a young artist, plus there can be PR value. It also satisfies your intellectual curiosity. I would say it can even fulfill your soul.”

By some accounts, the current art boom dates from 1998, when S.I. Newhouse bought Warhol’s “Orange Marilyn” for \$17 million. The Warhol market and the market in general have been gaining momentum ever since and,

**Below:** Art dealer and collector Alberto Mugarri is a major player in the Warhol market.





in the past two years, both have been positively turbocharged. Sotheby's fall and spring contemporary art sales brought new price records for 25 artists, including \$15 million for a Francis Bacon masterpiece, about \$5 million over expectations. Christie's broke the \$200 million barrier with its postwar and contemporary art sale just 18 months after it crossed the \$100 million mark. Works by Warhol, de Kooning, Rothko, Pollock, Sill, Lichtenstein and others are consistently commanding sums previously reserved for the Impressionists and Old Masters. Mugrabi, a major player in the Warhol market,

has gone mainstream. A generation has come of age that has grown up looking at and living with art as never before. "Before the '60s, only very rich people collected art, and art and culture were mostly the province of women," Colacello says. "But pop art really popularized art. Jasper Johns' flags, Warhol's Marilyn and Roy Lichtenstein's comic book paintings ushered in art that a lot more people can relate to."

Contemporary art and the robust art market are enjoying full-throttle coverage in the popular media, from *Vanity Fair's* entire December cover package, to ongoing coverage in *Vogue*, *W*,

**"When I see a piece, I want to feel like it changed the language of art history. That is my core, no matter what kind of money is involved. If you want pure decoration, don't hire me." —art advisor Kim Heirston**

puts the surge of interest in the artist like this: "He represents the most powerful country in the world in the best possible way."

The prices that Warhol art is commanding are a far cry from the days when *Vanity Fair* writer Bob Colacello hung out in Warhol's Factory, as the editor of *Interview* magazine. Art, Colacello says,

*BusinessWeek*, *Forbes*, the *New York Times* and others. "More and more, to be considered a person of culture and sophistication, you have to be at least conversant in postwar and contemporary art," says real estate broker and keen social observer Serena Boardman. "That means you not only have to know your Jasper Johns from your Jackson Pollocks, but

**Below:** Works by Jean-Michel Basquiat, friend and collaborator with Andy Warhol, are much sought after at auctions and art fairs. A Basquiat reportedly sold at Art Basel Miami this year for \$5.5 million. (Pictured: Jean-Michel Basquiat, "Profit I," 1982)







CHRISTIE'S IMAGES LTD. 2006

“It’s crazy. Before, rich people set their travel rhythms with horse races, thoroughbred sales, or fashion and couture shows. Now it’s art fairs and auctions.”

—writer Bob Colacello

your distorted portraits by John Currin from your disturbing nudes by Lisa Yuskavage, your kitschy Jeff Koons sculptures from your taxidermic Damien Hirsts, your Richard Prince rephotographs from your Cindy Sherman self-portraits. It helps to know that some consider Zhang Xiaogang to be the Chinese Andy Warhol, although he lives in Queens. The Japanese version is Takashi Murakami, who even works out of a place in Tokyo he has dubbed “The Factory.”

Along with the escalating prices, the art world has simply expanded far beyond what was once a fairly elite and somewhat closed group, or, in the '50s, '60s and '70s, a sort of countercultural ghetto. In New York, and everywhere else, there are more collectors, more dealers, more advisors, and more and bigger galleries. In Chelsea, the mecca of the New York contemporary art scene, a few galleries—Gagosian, Pace, David Zwirner and Marianne Boesky—have taken on museum-like proportions. It is no longer anywhere near possible to count the number of serious collectors on two hands. “It used to be you

and more art than any one person can take in. “It is incredibly busy, active and energetic,” says Yvonne Force Villareal, co-founder of the Art Production Fund and a huge supporter of contemporary art. “There is something new to do every hour.”

Business at the fair, says art advisor Lorinda Ash Ezersky, was unbelievable. “At the main fair, the dealers told me they couldn’t keep up. They kept restocking their booths.” Ezersky says she bought seven or eight items, including something for her client, the London mega-collector, art impresario Charles Saatchi. In one of the bigger deals, the New York gallerist Jeffrey Deitch sold a Basquiat painting, a gift the artist made to Andy Warhol, for \$5.5 million, reportedly to the Acquavella Gallery.

The deal illustrates one of the main truisms of the art world today, Mugrabi explains: “The art dealers themselves are the biggest collectors in the world. They are always replacing and upgrading.” The ultimate art-world insiders, the dealers, are always on the lookout for the best picture. And when it becomes available, they pounce.



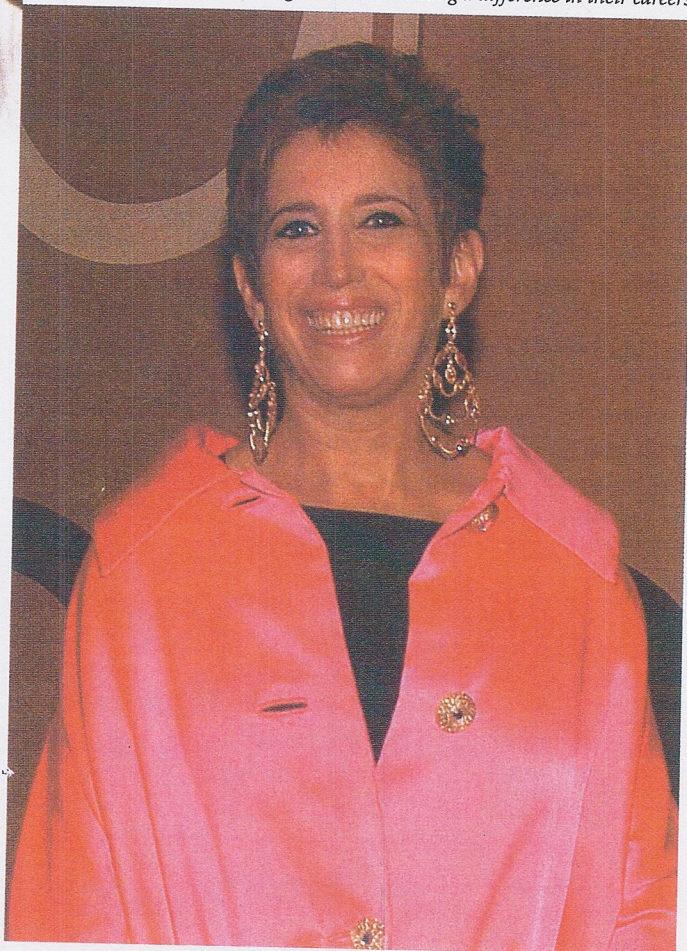


**Above:** Real estate magnate Aby Rosen (shown with Samantha Boardman Rosen) collects avidly and exhibits art at Lever House.



CHRISTIE'S IMAGES LTD. 2006

**Below:** Beth Rudin DeWoody, a passionate patron of the arts and collector of edgy contemporary work, loves finding talented young artists and making a difference in their careers.



Works by three of the most sought-after artists: (top) "Orange Marilyn" by Andy Warhol, 1962; (bottom) "Untitled (Cowboy)" by Richard Prince, 2002; (previous page) "Untitled XXV" by Willem de Kooning, 1977.



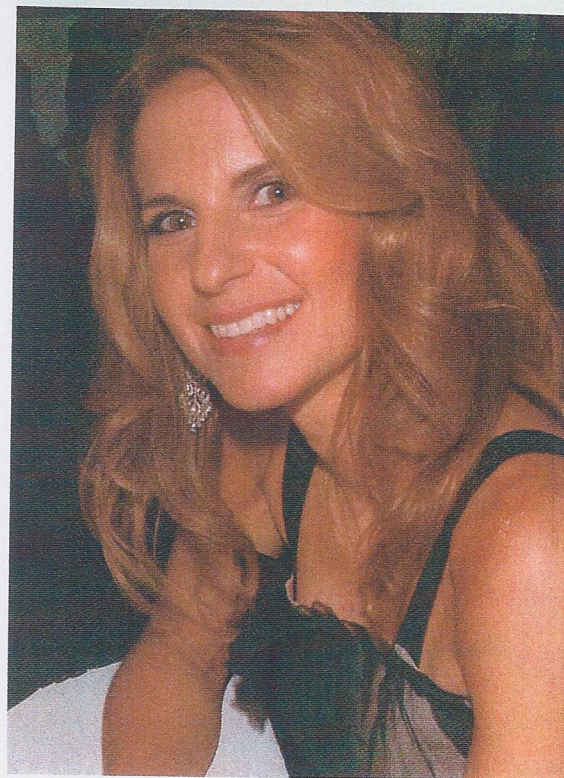
COURTESY OF THE ARTIST AND GLADSTONE GALLERY, NEW YORK



Villareal was taken by a few pieces that, she says, meet the standard she personally sets for art, reflecting on the troubling times we live in and providing a new perspective. One piece, by Aaron Young, was an installation at The Container Show, which cleverly and poignantly commented on illegal immigration. Another, by artist Nate Lowman, is one that collectors can have personalized. "It's a gravestone," she explains. "You commission your own names and fictitious date of your death, and underneath it says, 'The Victim of Identity Theft.'"

Wilbur and Hilary Geary Ross scoured the fair to add to their growing collection of contemporary Chinese, Japanese and Vietnamese art. They picked up a piece by a young Chinese expatriate painter, Sue-En Wong—a fanciful work that combines traditional techniques with a contemporary sensibility. Like a lot of art collectors, the Midas-touched billionaire is hoping he has picked another winner. Last year, at one of Art Basel Miami's satellite fairs, Ross bought a lightbox by a then-little-known artist named Kota Ezawa, and since that purchase, the Whitney, the Met and the Guggenheim have all bought work by the artist. And you can't argue with his rationale for investing in art from Asia, and especially China. "The market for those pieces will only become stronger," Ross says. "With China becoming a major world power, why shouldn't major Chinese artists sell for as much as major American and European artists? It's all part of the globalization of art and culture."

The practically nonstop parties of Art Basel Miami, with their glamour, outrageousness and spiraling celebrity quotient, are beginning



**Above:** Danielle Ganek has collected contemporary photos and paintings with her husband David for 20 years.

**"The art dealers themselves are the biggest collectors in the world. They are always replacing and upgrading."  
—art collector/dealer Alberto Mugarib**

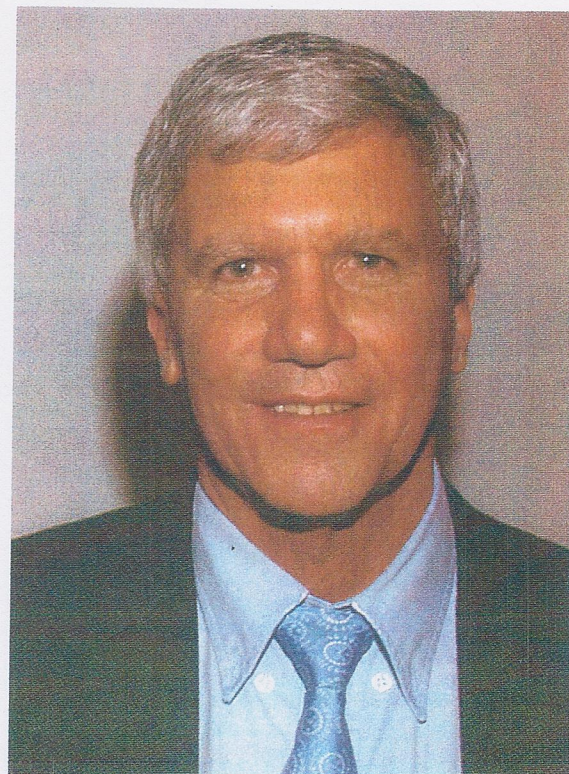
to rival those of Oscar week or the Cannes Film Festival. All the museums and all the major dealers throw parties. *Vanity Fair* threw a party, Diane von Furstenberg and son Alex hosted a bash aboard their yacht, André Balazs hosted one at his ultra-chic Raleigh hotel. Yoko Ono, Russell Simmons and Dennis Hopper had events. The larger gatherings are packed with people; UBS, another fair sponsor, held a dinner where Ezersky estimates that 1,000 people must have shown up. Heirston's clients got a reprieve from the madding crowd at a small private dinner she co-hosted with Audemars Piguet on a private terrace at the Ritz Carlton.

The snowballing event and surrounding festivities are drawing more than just art people to Miami. "A lot of people who have nothing to do with the making and marketing of art are showing up at these things," says Colacello, who was among those who hosted parties this year. "I mean, Fabian Basabe comes to Basel. I guess if Paris Hilton shows up, then we'll know we've really hit a saturation point."

The art fair mania and the fevered pace of art consumption are causing some to wonder if the art market is in a bubble that soon could pop. As mega-dealer Larry Gagosian reminded Adam Lindemann in Lindemann's new book, *Collecting Contemporary*: "Art can be an investment. It can also be a bad investment."

And while no one knows if, let alone when, the bubble will burst, Heirston says she's not too worried. She started her career in a weak market. "If the market softens," she figures, "it just means I can get better work for a better price." ♦

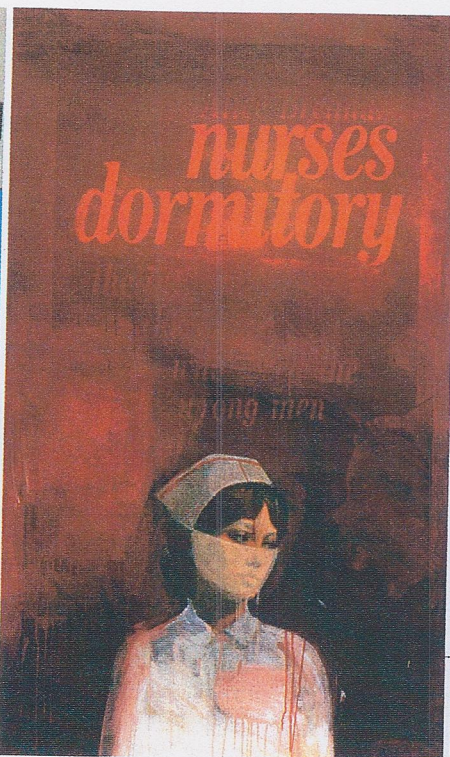
**Below:** Über-art dealer Larry Gagosian has shows of Warhol paintings in Chelsea and John Currin paintings on the Upper East Side.



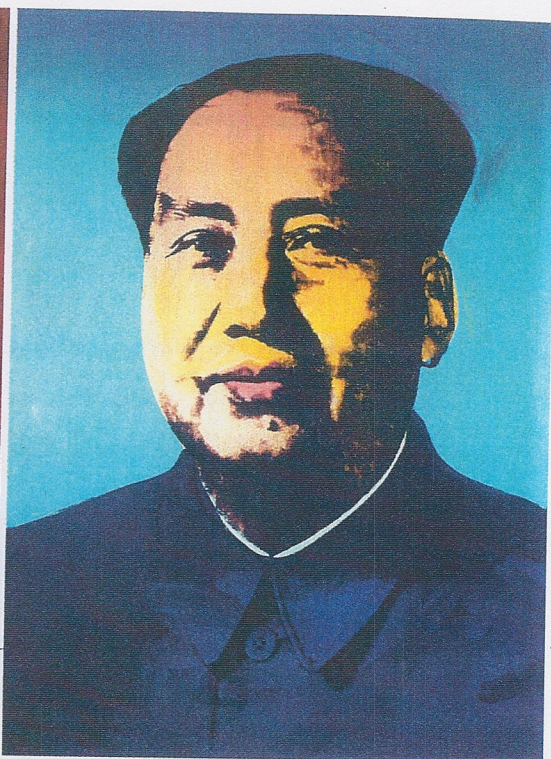




CHRISTIE'S IMAGES LTD. 2006



COURTESY OF THE ARTIST AND GLADSTONE GALLERY, NEW YORK



CHRISTIE'S IMAGES LTD. 2006

(Left to right) "Sixteen Jackies" by Andy Warhol, 1964; "Nurses' Dormitory" by Richard Prince, 2002; "Mao" by Andy Warhol, 1972.

## NEW YORK MEGA-CONTEMPORARY ART COLLECTORS

**DANIELLE AND DAVID GANEK** Contemporary art and photography, including Richard Prince, Diane Arbus, Cindy Sherman, Mike Kelley, Jeff Koons and Maurizio Cattelan. The couple donated more than half of their Diane Arbus photos to the Met. Sanford Heller advises them.

**VICTORIA AND S.I. NEWHOUSE** Modern and contemporary art. The Newhouses were major figures in the '80s art boom, buying Jasper Johns' "False Starts" for \$17 million. They helped set off the current boom when they bought "Orange Marilyn" for \$17 million in 1998, outbidding Steve Wynn. Gagosian is their primary dealer.

**ABY ROSEN** Contemporary art. His collection includes more than 80 Warhols, as well as a number of Warhol-Basquiat collaborations. He also owns work by Jeff Koons, Tom Friedman, Gary Hume, Louise Bourgeois and Christopher Wool.

**BETH RUDIN DEWOODY** Modern and contemporary art. She owns works by Kenneth Noland, Tom Sachs, Alicia Flandaca and Adolph Gottlieb, among others. A

passionate supporter of the many forms of art, she collects old as well as new, and loves to ferret out new talent and support young artists. "I like to find artists before they are discovered, and make a difference for them," she says. Some young artists she is following now: Chris Dorland, Anthony James and Bradley Castellano.

**ADAM LINDEMANN** Contemporary and tribal art. For Lindemann, collecting art is a family tradition. His personal collection started with tribal art and then expanded with Julian Schnabel. He recently wrote *Collecting Contemporary*, published by Taschen.

**ADAM SENDER** This hedge fund star has collected some 800 works in eight years and has a Web site for his collection. This fall, he sold off some works by Richard Prince, Andreas Gursky and Mike Kelley.

**SUSAN AND MICHAEL HORT** Contemporary art. They have more than 1,200 pieces, including John Currin portraits, Jason Rhoads installations and Isaac Julien photos.