

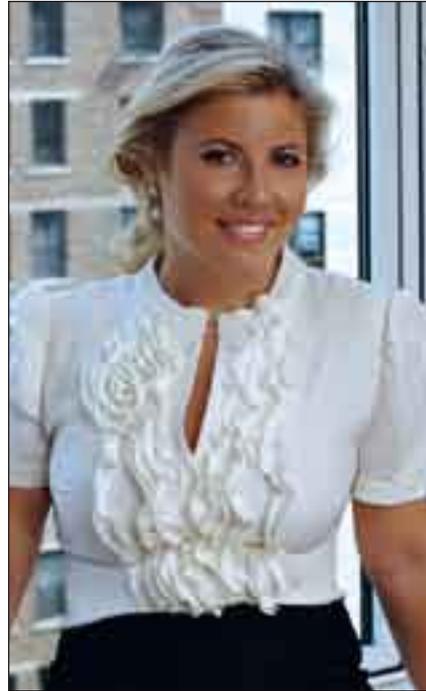
Art Market Strategists

An Interview with Beverly Schreiber Jacoby, Founder and President,
and Elizabeth E. Jacoby, Vice President, BSJ Fine Art

EDITORS' NOTE Beverly Schreiber Jacoby is recognized as one of the foremost authorities on fine arts, from old Masters to contemporary and is well known for her depth of knowledge and expertise about the global art market and art industry practices. She has worked with numerous private and institutional clients to help build collections, structure and negotiate successful gifts and donations, and to advise on the technicalities of valuation. She established Beverly Schreiber Jacoby Fine Arts & Appraisal Services Ltd. in 1992 after working in academia, museums, and in the international art business, including as Head of Old Master Drawings at Christie's in New York. She has been featured in Forbes, the Wall Street Journal, Whitewall magazine, and The New York Times. Jacoby earned a doctorate in Fine Arts from Harvard University.



Beverly Schreiber Jacoby



Elizabeth E. Jacoby

Elizabeth Jacoby's expertise is in strategy, polling, and data analysis. She provides art advisory services for select clients and is in charge of strategic partnerships and business development. Jacoby earned her B.B.A. from the Goizueta Business School of Emory University.

COMPANY BRIEF BSJ Fine Art (<http://bsjfineart.com>) is an independent strategic art consulting and valuation company specializing in serving the needs of clients requiring expert, confidential, and timely advice on sensitive and valuable fine and decorative arts matters. Utilizing its client specific business model, BSJ Fine Art makes the art world work for its clients.

What made you feel there was a need for a company like BSJ Fine Art and how has it evolved from the beginning?

Beverly: When I left Christie's in New York in the early '90s, I felt that I had a rather unique background. I was trained at Harvard as a connoisseur – connoisseurship is all about good, better, best, right, wrong, seeing things that others don't see or are missing. So I applied that training to the art market and found that what was lacking was a company that could use specialized expertise that was research-oriented and analytical,

but that was combined with an intimate understanding of the mechanics of the art industry, in terms of valuation as well as aesthetics. We apply that combination to provide an opportunity for clients to understand that the art world – being opaque, arcane, and mysterious – can be interpreted to work for them. The result is that we provide options for clients when they need to make a decision. I founded BSJ Fine Art with a client-focused business model.

Elizabeth: The goal of every engagement is to maximize profit, minimize loss, and reduce risk for the client. Our company focus was specific to the artwork within the context of the client's needs, wishes, and goals, not only those of the dealer, the museum, or the auction house.

How would you characterize the art market over the past few years, and what is your perspective on the art market today?

Beverly: In any market, there is opportunity as well as risk. We have been navigating through recent months with old and new clients. We see this as a dream market for serious collectors who are both buyers and sellers. As early as the end of 2006, it was apparent that we were in an art bubble. The trajectory was the same as we had seen in the late '80s; it was very déjà vu but without the Japanese buyers.

What's different about now and then is that a fair number of experienced collectors had been sitting on the sidelines to avoid the froth; now they are active because the buying opportunity for exceptional works of art is so enticing. People are clearing out works that were in storage to redeploy the funds into new purchases. We are also working with clients who missed the top as sellers but who are finding that where quality and reason intersect, very good deals are being made.

Have you expanded the services you offer in today's market?

Beverly: One new thing we've created is the BSJ Fine Art Second Opinion Service (SOS), an idea in tune with the times we're in now. This is a time of great uncertainty across all financial markets. SOS establishes a new benchmark and opportunity for clients to under-

stand their financial position with respect to their artwork. This service enables clients to make new decisions with better and more current information. SOS is a cost-effective and time-efficient process that gives the client actionable information and access to our services and expertise to help them move forward.

How has the economic downturn impacted your business, and is this a time of opportunity for BSJ Fine Art?

Elizabeth: The downturn has impacted our business positively. When other assets have been negatively impacted by the global economic crisis, one's art collection may have, by default, become more significant as a contributor to overall net worth. One may be inspired to think of it more in a financial sense either as a cushion to help you get over the hump or as an asset that you need to attend to because better protection means better risk management.

Beverly: We are strategists. The best strategy is to sell your art when there is demand and before you need the money. As a result of the global financial crisis, even if people were thinking about their art in one way, they have now been forced, if they are fortunate enough to have been collecting, to consider thinking about it in a different way. ●