Neil Brodie 2006

“The effect of an artefact’s provenance on its saleability”

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student at the Institute of Archaeology organized an evening seminar to consider the history and possible future of the so-called Sevso treasure.

Comprising 14 pieces of Roman silver, the Sevso treasure had been displayed in October at an exhibition held at Bonham’s auction house for an invite-only audience. At first, Bonhams announced that the Marquess of Northampton, the present owner of the silver, had no plans to sell it, but then during the exhibition it was reported that ‘The Marquis of Northampton has made it clear that it is his intention to sell the treasure’ (M. Bailey, ‘Bonhams U-turn on Sevso silver’, Art Newspaper, November, 5).

Hoping for a balanced debate, the UCL student twice asked Bonhams if they would like to send someone to represent the owner’s interest. The reply, when it came, was in the form of a letter from Lane and Partners, lawyers to the Marquess of Northampton, threatening a legal claim for damages if certain ‘extremist academics’ chose to discuss a possible Hungarian provenance. This rather clumsy attempt to stifle discussion backfired spectacularly as it only went to ensure that every authority on the subject turned up on the night to offer their support in a packed room, and there was a full and frank discussion of what evidence there is for a Hungarian origin. The robust response shown by UCL staff and students to legal sabre-rattling was commendable, and Lane and Partners’ representatives at the meeting must have left feeling suitably chastised.

The Marquess of Northampton has good title to the Sevso treasure, but the problem for any potential purchaser is that his title looks vulnerable. His cause was not helped when in March 2007 the Art Newspaper showed that even now new evidence about the treasure’s provenance might appear. It claimed to have seen documents dating from the 1980s suggesting that 187 spoons, 37 cups and 5 bowls that had originally been part of the treasure had been separated off before the Northampton purchase. The likelihood that there are previously undisclosed documents relating to the provenance of the silver still in circulation will do nothing to allay the fears of potential purchasers.

The effect of an artefact’s provenance on its saleability

NEIL BRODIE

It is a welcome development that in recent ‘Antiquities’ sales the major auction houses have started to offer more information about provenance than was previously the case. Sometimes this provenance comprises a named previous owner, sometimes a publication, sometimes simply a previous auction sale. These provenance data can contribute towards a fuller understanding of the market and aid the investigation of individual market histories. In this short paper they are used to examine the effect of provenance on saleability.

Cannon-Brookes (1994) has suggested that in a climate disapproving of the sale of unprovenanced antiquities the market might start to discriminate against them without any imposed regulation by awarding higher prices to well-documented pieces. Higher prices would in turn encourage the release into the public domain of more provenance-related information, and the market would gradually become more transparent, allowing the customer to be more selective about acquisitions. The idea that the market may act to regulate itself in this way is clearly an attractive one to the trade community as it weakens the case for statutory regulation, and it has often been suggested since Cannon-Brookes first floated the idea that, in fact, it is exactly what is happening. Unfortunately, it is difficult to obtain empirical verification of the positive effect of provenance on price because the variable quality of material offered for sale makes it hard to make direct price comparisons between provenanced and unprovenanced pieces. To do so, it would be necessary to collect price information on a large series of near-identical objects, which is not readily available.

One possible method of investigating the effect of provenance on price is to compare the estimated prices of auction lots with their realized prices. If the realized prices of lots with good provenances
consistently exceed their estimates by a greater amount than those with no provenances, then it would seem to confirm Cannon-Brookes’s hypothesis. Silver (2005) analysed 1773 lots sold at Sotheby’s New York through the period December 2000 to June 2005 and showed that lots documented before 1971 sold on average for 122 per cent of their median estimated price, while those that were not documented before 1971 sold on average for only 58 per cent of their median estimate. There is an element of subjectivity about price estimates, however, and if the auction house staff responsible for estimating prices think that provenance adds value, they would be expected to set the estimates higher to take that possibility into account. If that is the case, then it would strengthen Silver’s results still further.

Another test of the Cannon-Brookes conjecture might be that the provenance of an artefact will effect its saleability, and it is attempted here. Provenance information has been collated for two October 2005 ‘Antiquities’ sales in London — one at Christie’s and one at Bonhams. Auction lots have been classified according to the date of their earliest verifiable provenance. Verifiable provenance is defined here as a name and a date, which can, in principle, be corroborated through independent means. It might consist of a previous sale or owner with both name and date provided, or a publication reference. Entries such as ‘with European private collector in 1950’, or ‘bought at Sotheby’s’ are not considered to be verifiable provenance because they cannot be verified. The chronological classification is as follows:

1. before 1914;
2. 1915–1945;
3. 1946–1969;
5. other.

With the exception of the 1970 distinction, these classes are arbitrary. 1970 is the date of the UNESCO Convention on the Means of Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, and increasingly it is being adopted by museums as a date threshold to separate acceptable from unacceptable provenance. In other words, objects with a legitimate provenance that can be documented back to before 1970 are considered acceptable purchases. The final class ‘other’ includes lots with no provenance and lots with provenances not considered to be verifiable by the criteria adopted here.

The data are presented in Tables 1 and 2, and suggest that provenance does improve the saleability of a lot, particularly a pre-1970 provenance, although the effect is only marginal (Figs. 1 & 2). However, from this data set at least, it is hard to say whether the improved saleability of lots with long provenance is due to customer concern over origin, or because objects coming onto the

| Table 1. Christie’s London October 2005: earliest verifiable date of provenance. |
|---------------------------------|-------------------------------|-------------------|-----------------|-------------------|
| <1914 | 1915-45 | 1946-69 | 1970-2005 | Other |
| Number of lots offered | 18 | 65 | 25 | 76 | 89 |
| Number of lots sold | 16 | 47 | 22 | 37 | 66 |

| Table 2. Bonhams London October 2005: earliest verifiable date of provenance. |
|---------------------------------|-------------------------------|-------------------|-----------------|-------------------|
| <1914 | 1915-45 | 1946-69 | 1970-2005 | Other |
| Number of lots offered | 5 | 18 | 107 | 103 | 263 |
| Number of lots sold | 5 | 18 | 95 | 62 | 177 |

Figure 1. Christie’s October 2005: percentage of offered lots sold according to provenance classes.

Figure 2. Bonhams October 2005: percentage of offered lots sold according to provenance classes.
market from long-established private collections are of higher quality than objects coming onto the market from other sources. The problem arises because lots in the earlier provenance classes are comprised mainly of material from old private collections, while the later classes are comprised more of material provenanced by a previous sale date. So, in the two auctions under consideration here, three old private collections were sold. First there were the 11 Capesthome Hall antiquities sold at Christies with a provenance stretching back to the early nineteenth century. The second collection, also sold at Christie’s, comprised 27 lots acquired by Wilhelm Horn in the 1930s. Finally, at Bonhams, there were 78 lots from the collection of Hugh Stanley Russell that were acquired in the 1950s, 60s and 70s. Perhaps a larger data set including more lots with a sale provenance from before 1970 will allow a better understanding of the reasons for the positive effect on saleability exerted by provenance.

It is interesting to note that the positive effect of provenance on saleability only really becomes apparent for lots with a provenance that stretches back to before 1970. 1970 has been promoted in Britain as a provenance threshold for many years now, by the Museums Association since at least 2002, the British Museum since 1998, and the Department of Culture, Media and Sport since 2005. In the United States, the 1970 threshold is adhered to by the Archaeological Institute of America and, since October 2006, the J. Paul Getty Museum. Figure 3 shows that less than 40 per cent of antiquities offered for sale at Christie’s and Bonhams in October 2005 have a verifiable provenance stretching back to before 1970 that would have rendered them acceptable for purchase by the British Museum or the Getty. The provenances of more than 50 per cent of the lots offered for auction remain resolutely unaccounted for. Previous owners seem more likely to be named by Christie’s than by Bonhams, and so perhaps the percentage would have been higher if Bonhams had been more forthcoming about the names of previous owners, and perhaps this observation might encourage them to be so in the future.

References