

\$5.8 Million Flask-shaped Bottle

By Cecil Munsey

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When the credit bubble popped during the summer of 2007, many believed that the collector bubble inevitably would burst as well. My stock in Sotheby's, a premier auction house, which had more than doubled its revenues from \$317.3 million in 2003 to \$664.8 million in 2006, seemed poised to fall.

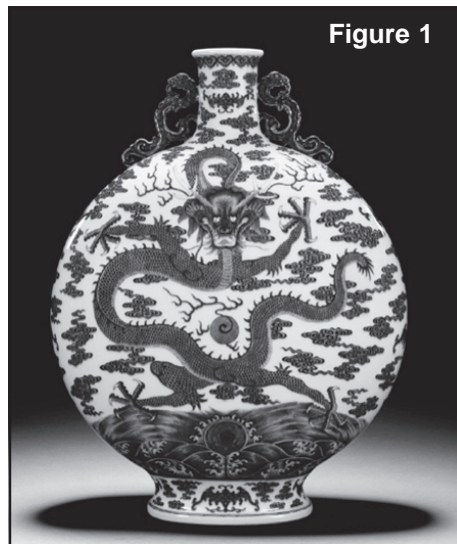
But a funny thing happened on the way to catastrophe: prosperity! Since mid-August of 2007, Sotheby's stock climbed 45% to around \$55 a share. (Privately held archrival Christie's International, the other globally dominant player in the auction market, does not report earnings.)

Whatever revenues auctions may have lost from American collectors have been more than offset by sales to international buyers. Collectors in Europe, Asia and elsewhere provided the lift. The collector market is increasingly global and recent financial tremors seem to have not had a meaningful influence on Russian wealth, Chinese wealth, or most of Sotheby's principal customers.

Worrying about hedge funds' effect on the auction market in August (of 2007), as fears escalated about how the credit crunch would affect the collector market, Sotheby's polled its top 500 buyers over the past five years. The results showed that less than 10% were collectors with financial-services [hedge funds and the like] wealth.

The increasingly global profile of the collecting community was visible during Sotheby's October 2007 auction in London which had been nervously anticipated by auction house executives, collectors and others involved in the auction market. It was a success: 84% of the items sold, and overall sales were three times higher than in 2006. Only 17% of the buyers were Americans, compared with 33% or more in previous years. 38% of purchasers came from Continental Europe, 22% from Britain, 6% from the Middle East, 6% from Asia and 11% from elsewhere. (While there's a weakness in the mortgage market, there seems to be almost an infinite amount of demand from other wealth.)

As if to emphasize the unexpected strength in the auction market, Sotheby's of London, recently sold a newly discovered



flask-shaped vase/bottle (**Figure 1**) for \$5.8m – a record price. The container is from China's Qing Dynasty (1736-1795). The related story is as good as any bottle digger could imaginatively recount.

The Chinese blue-and-white ceramic flagon sat on the floor of a closet virtually forgotten for about three decades after being dismissed, in the 1970s, by an appraiser as a reproduction (copy). The extraordinarily rare 18th century vessel came to light again after a chance conversation with a collector at a recent exhibition at the Royal Academy in London. Much like an experience many of us have had at bottle shows, the collector remarked, upon seeing the flask in the exhibit, that she thought she had one at home that resembled the one in the exhibit.

The Swiss owner of the flask-shaped bottle took a Sotheby's representative home to see the vessel her family had casually used to hold flowers and he agreed that it looked authentic. Further research confirmed that the piece was, indeed, authentic and closely related to the piece in the London exhibition.

At that record-breaking auction no fewer than seven bidders fought to secure the unique container. The international market for Chinese antiquities is booming, fueled in part by an increasing appetite on behalf of wealthy Chinese collectors for relics of their country's imperial past.

To appreciate the age and significance of the auctioned bottle one has only to make

a quick trip on the Internet. Here is what I found at <http://chinaknowledge.de/history/quing/qing.html>:

The age of Qing Dynasty is - not only in the eyes of Westerners, but also in the mind of Chinese - a period of prosperity, of decay, of stagnation, of revolution, of laziness and of challenges that came upon a population that seemed to sleep a beauty's sleep of Confucian social ethics in a paradise where a wise ruler governed over a satisfied and happy population, and on the other side a society that was bound by rules of a backward social thinking. The period of early and middle Qing Dynasty is the culmination of two thousand years of bureaucratic administration, two thousand years of literature, thinking and art, and therewith seems to be the conservation of traditional thinking structures - especially in the shape of the Neo-Confucian wise and paternal ruler - that were unable to cope with the sudden challenges that occurred in the 19th century. The Qing rulers were the second dynastical family that were not of Chinese origin and nonetheless were able to govern the largest territory China had ever occupied. Their rule over the majority of "cultured" and highly sophisticated Chinese population was only possible by a mixture of authoritarianism - or force - and paternalism - or benevolence. The second and third generation emperors of the Qing learned that it was only possible to rule China if the Manchu became Chinese themselves, not racial, but culturally and mentally. Therefore, the three great emperors with the reign mottos Kangxi, Yongzheng and Qianlong, saw themselves as protectors of Chinese literature and art. China was the largest, richest and most effectively governed state of the world - at least during the 18th century. Internal problems and external conflicts lead to the decay of a glorious empire from the beginning of 19th century, focusing in the Opium war and the following unequal treaties.

People who know me as a bottle collector are often surprised to learn that I have a very broad interest in collecting in general – in fact, I have an earned doctorate in the subject. The title of my 1973 dissertation title is, *“The Personality Characteristics of Collectors”* [University Microfilm 1973]. The point I am aiming at is that casually tracking the who, what, when, where and why of items being collected is a subtle passion. It was during just such a tracking adventure that I discovered the sale of the Qing Dynasty flask-shaped bottle/vase.

Other recent auction sales reveal numerous interesting and sometimes recording-breaking sales of a variety of items. Knowing of the casualness of bottle collectors’ interest in such things, only a few will be quickly listed.

Of the 22 paintings that have fetched more than \$50m, half were sold in 2006 or 2007. \$140m was paid for *“Number 5, 1948,”* by Jackson Pollock. The fine price of \$137.5m was paid for *“Woman III,”* painted by artist Willem De Kooning. A cool \$135m was given for *“Adele Bloch-Bauer I,”* painted by Gustav Klimt. It wouldn’t seem like auction news if artist Pablo Picasso were not represented. Two of his paintings were sold: \$104.1m for *“Garçon a la Pipe”* and \$95.2m for *“Dora Maar au Chat.”*

The centerpiece of Christie’s recent “post-war” and contemporary art auction was Jeff Koon’s *“Diamond”* (blue) sculpture. Made of stainless steel and standing at seven-foot high, the sculpture sold for \$11.8m.

British actor Hugh Grant, at the same auction, sold his 1963 Andy Warhol painting of Elizabeth Taylor for \$27.7m. Grant bought the portrait for \$15m in 2001. Warhol created 12 portraits of the actress as she recovered from an illness. He then later put bright colors on her lips and eyes in all of the paintings. He produced similar works of Marilyn Monroe and Jackie Kennedy.

Art is not all that did well at recent auctions. In Trenton, New Jersey a coin collector paid more than \$30m for a collection of rare U.S. prototype coins, from 1792 to 1942, that never went into circulation. Coin collectors refer to such coins as “pattern coins” – trial designs that never went into production because other designs were chosen. The collection consisted of about 1,000 coins.

Hitler’s globe sold for \$100,000 recently

at a San Francisco auction. John Barsamian, an American soldier found the globe among the ruins of Hitler’s “Eagle’s Nest” in the Bavarian Alps in May of 1945. Barsamian is 91-years-old and decided to sell it before he died.

Sotheby’s, Geneva auctioned an 84.37-carat white diamond recently to Guess clothing company founder Georges Marciano for just under \$16.2m. The jewel is the largest top-quality, brilliant-cut white diamond ever to appear at auction. The winning bid was just short of the 1995 auction record for a stone or piece of jewelry that is \$16.5m for a 100.1-carat diamond.

A Springfield rifle owned by the famed Apache warrior Geronimo fetched \$100,000 at the Bonhams & Butterfield auction recently. Also at the 800-item auction, a buyer spent \$4,183 for a 32-caliber pistol carried by frontier scout Martha Jane (Calamity Jane) Cannary-Burke. Many of the items were from a private collector who spent a lifetime accumulating firearms once carried by some of the most famous and infamous figures in American history.

My files bulge with other auctions and other items but before readers begin to nod-off, do read this item similar to the \$5.8m Qing dynasty flask-shaped bottle discussed at the beginning of this article.

Not long ago a British art dealer bought a Ming dynasty porcelain dish (Figure 2), used as a serving dish for decades by a family unaware of its value, at auction for \$4.7m (the record before the aforementioned Qing dynasty flask). The piece is one of the few large dishes to have survived and its pink coloring is extremely rare. The dish is decorated with three blossoming chrysanthemums with leafy stalks, within a band of peonies.

The Carlisle family, whose forbears founded the Pony Express freight business



Figure 2

in America, regularly served crab in the almost-500-year-old Chinese dish at their home in San Francisco.

The dish was at first said to have been in the family since around the time of the Express that operated from April 1860 to October 1861 carrying mail from St. Joseph, Missouri to Sacramento, California. Records of the dish’s owner, however, indicate that it was brought to California early in the 20th century by Elinor Majors Carlisle, daughter of the Pony Express founder Alexander Majors, who made three trips to China between 1900 and 1925. Mrs. Carlisle, an active suffragette, was interested in travel and collecting Chinese art but there is no indication that she realized the dish was such a rarity.

The dish dates from the Hongu period form 1368 and 1398 when Zhu Yuanzhang, the first Ming dynasty emperor, reigned in China.

Dessa Goddard, the director of Asian at Bonhams and Butterfields in San Francisco, said:

“We discovered the dish on an appraisal visit to the family and I could not believe my eyes when I saw it.

“It had remained in such wonderful condition after centuries of use and the color was so brilliant. This pigment was very difficult to fire successfully and most surviving dishes have a grey to black color.

“We knew that we had found something very special. We were able to complete our research quickly and the owners decided to offer it for sale while the market for important Chinese art remain remains at an unprecedented height.”

The rediscovered dish, lost to scholars for a century, is a dramatic illustration of all that is best at this exciting moment – boldness in design, accomplished potting skills and a mastery in kiln control.

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