

Valuing Your Collection

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Valuing Your Collection

A practical guide for museums,
libraries and archives

Freda Matassa



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*To my beloved brother
Graham William Johnston*

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Preface

Assigning values to items in their collection is one of the many tasks of the curator, whether they work in a gallery, museum, archive or library, yet it is a role for which few have had any training and that many approach with a lack of confidence. Even if there is profound knowledge of the subject matter, there may be insufficient experience in the market for cultural objects. Besides, valuation is not an exact science and it is easy to get it wrong.

Items in public collections are often under-valued or not valued at all. Valuation often takes place only for insurance purposes but there is the dilemma of whether to insure or not, making sure that objects are fully insured while at the same time trying to avoid high premiums and keeping costs low. In the UK, Government Indemnity can remove or reduce the cost of commercial insurance but does not remove the difficulty of determining values.

This book will examine the issues around valuing objects in cultural collections. It will look at the difference between value and worth and at how cultural value can be translated into monetary terms. It will outline the arguments over whether financial values should be assigned at all, since many items will never be for sale and assigning a monetary value may lead to unforeseen consequences.

The book will focus on fine art collections but will draw on a range of examples from high-value fine art to low- or no-value objects such as mass-produced or everyday items. Examples describe current practice in museums, libraries and archives and advice is given on how to assign values.

This book is aimed at the non-specialist who is required to assign values for a variety of reasons. Practical guidance is given on how to approach a valuation by making comparisons and by using a step-by-step process. There are some helpful templates listing the types of question to ask. Overall, the book is designed to give confidence in decision making.

A study (by the author) commissioned by the European Union, placed valuation as one of the key issues in exchanging cultural collections. It is hoped that this book will address the issues and offer some solutions.

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The difficulty of valuation

Introduction

The word 'value' has many meanings: price, worth, cost, significance, desirability, importance, asset, quality or excellence. It applies equally to financial or cultural worth. Curators know their collections in terms of significance. Stakeholders, however, often think of value only in financial terms. There may be times when both meanings coincide, for example if the key item in a collection which attracts the most visitor attention is also the one that would reach the highest sum at auction.

It is relatively easy to explain the cultural significance of an important object such as a rare biological specimen that proved a link between species, or a document drawn up by a famous person from history, perhaps at a crucial time. If one is asked to provide a financial value for the same object, the case is far less clear. The object has great intrinsic value and contributes to cultural history and knowledge but its financial price-tag does not necessarily reflect this. The financial value is what the item is worth in monetary terms at the time of asking or the price that it would be likely to sell for if offered for sale. This marks one of the difficulties: most public organisations would argue that their collections are not for sale, so it is pointless to create a hypothetical price.

If a financial value is estimated, however, it has to be considered when the object might, hypothetically, be sold. The price attached today may not be the price that the item would have been offered for a year ago and may be different from the price of the item in a year's time. Another difficulty is therefore deciding when to pinpoint the estimation. As prices go up as well as down, a value assigned today for a loan that might take place in two years' time is likely to be unrealistic. Given the fast-moving pace of some elements of the market, a year might be too long for a price to be static. It has been

known for the value of a work of art to increase overnight due to publicity, fashion, or association with a famous person. Even museum loans can double or triple in value during the run of an exhibition because of increased exposure. Rises or falls may be sudden or inexplicable and custodians have to try to anticipate these changes. This presents another dilemma: the curator who assigns a value can never really get it right. Even the mere fact of exhibiting the object and exposing it to increased attention may automatically raise its value. The subsequent increase in monetary value of the overall collection could be an unforeseen consequence of the exhibition.

Another difficulty is that no valuation can be objective. Every valuation is undertaken for a reason, e.g. sale, acquisition, loan, deaccession. In each case the value may be different: if it is for probate purposes, the owner would probably prefer the value to be low in order to stay under the inheritance tax threshold. If an item is to be insured for replacement, the value may be high to reflect the cost of reproducing it today.

Publicly held collections may also have different values according to the purpose. They may choose to keep values low when purchasing insurance for the collection in-house. However, it is a commonly held belief that values are increased for an item going on loan just to be sure it is more than covered should anything go wrong.

What do we mean by assigning a value?

When we are asked to produce a valuation, whether for a loan, acquisition or audit, we have to decide on a 'price' for that object or collection. We must estimate what the item would sell for if it was for sale. If you are collecting contemporary items, such as some electronics for the science collection, or if you are purchasing a book for the library, these items may be easily available and the price is obvious. The 'value' of the object is the same as the price.

If, however, the acquisition is of a historic item, or of an item that can't easily be bought, such as a natural history specimen or ethnographic material, there is no current 'price'. If there is a vibrant secondary market where collectors buy and sell at auctions, trade fairs or online, the obvious way to estimate value is to look at similar objects currently offered for sale. If a Chippendale dining room table requires a value before going on loan, it is fairly easy to look at the current sales price of other Chippendale tables. By looking at the current sales price of similar items, we can assign a financial value to the object in question and be reasonably satisfied that this is what sum it would reach if it were for sale.

Why is it so difficult?

Assigning a value is always difficult because a value can never be guaranteed to be correct. If value is seen to be the same as price, only items that are sold can validate the value that was assigned. Even with sales, it can be said that an item is over- or under-priced even although it has been sold for the sum asked.

Determining a value for an item that is not going to be sold, which is the case in most public collections, means that the value attached can never be validated or confirmed. The value assigned can only be a theoretical value and as such, can be challenged or refuted.

If a dealer in antiques or rare books decides on a price, the item will probably be sold for that price (unless the purchaser successfully negotiates). Value and price are the same. If there is no fixed price, such as at auction, it is unlikely that the value assigned will turn out to be the sum the item is sold for. At the lower end of the market, purchasers want to get a bargain; at the higher end, cultural items may change hands for many times the assigned value if the item is particularly desirable or there are rival bids. Because the sales price is indeterminable, items put up for auction are generally given a range with upper and lower limits and assigned a reserve price below which the seller will not part with the object.

For easily available or mass-produced items the 'price' can be based on the cost of the raw materials, craftsmanship, design, manufacturing cost, distribution, sales, marketing and profit. For historic, scientific or aesthetic items, i.e. most of the objects in our collections, value cannot be based on the actual costs of production.

Private sector and public sector

Private sector

Auctioneers and dealers are experienced in assigning values but it is never straightforward, as there is no such thing as a 'correct' price. Auction houses are aware of this and often choose to give a sliding scale of value in case the sales price turns out to be vastly different. There are cases of auction houses or valuers being sued by unhappy clients when an item falls far short of the estimated value. In certain parts of the world, valuers may not be trusted to give an objective and evidence-based valuation, and so a valuer may be sourced from abroad. If the stakes are high, e.g. an anticipated sale of many millions, flying-in an appraiser is a small price to pay for an objective and reasoned opinion.

In the private sector, staff are trained in connoisseurship and get to know the range of items and their financial worth by the numbers of objects that they handle. They gain experience in a way that a museum curator could not, by seeing many of the same type of item pass through the auction house or dealership, and they learn what to look for, develop a feeling for what something is worth and which items are currently most collectable.

Public sector

Assigning values is more difficult for the public sector. Our core business is displaying, caring for and researching our collections and monetary value may not feature at all in day-to-day work. There may be little expertise and no training in valuations (see Appendix 2, p. 208) and yet curators are expected to do this as part of their other responsibilities. They may be left alone to make decisions, do research and make their best guess when assigning a sum.

The whole concept of assigning values to public collections is fraught with difficulty. It is hard for an institution to address financial value instead of focusing on cultural significance. It may be seen as a conflict of interest to attach 'price-tags' to objects when the collection is not for sale; drawing attention to the money may detract from cultural worth. For the commercial sector, the question often comes down to how much money they can get for the item. It is not as simple for the curator, who is responsible for spending public money and liable to Freedom of Information enquiries. They have to find a fair and balanced monetary value after doing the research, weighing all the evidence, and making comparisons.

Assigning values to our public collections is a subject of debate, with some believing that it could be dangerous to reveal values. For example, Professor Janet Ulph, Professor of Commercial Law at the University of Leicester, says: 'I am against any publication of financial valuations of collections . . . because it could encourage theft and looting overseas and it may encourage thefts from museums here.' And moreover, 'If the financial value of items is easily available what are the consequences? Would it alter the public's perception of individual museums?'¹ These are valid concerns and good arguments for being cautious about assigning and revealing values. The suggestion is not to reveal them except on a need-to-know basis.

As with the private sector, public sector organisations are less willing to give values to objects brought in by the public. It used to be quite common for museums to give opinions which included values, but this is no longer the case. The Victoria and Albert Museum offers an Opinions Service one day

per month for art and design objects but states clearly, 'Please note that valuations of objects cannot be provided, neither are opinions given in support of valuations.'² In addition, the Museums Association Code of Ethics states, 'Refuse to place a value on items belonging to the public'.³

In the public sector, reputation is important. We receive public money and must be seen to be spending it wisely. We are providing a service and must do so with an open and transparent attitude. We are also subject to scrutiny from government, our stakeholders and the media and are bound to disclose information when questions are asked by the public and investigations made by journalists. Assigning values should therefore be undertaken with care. We should be clear about why we are doing this and demonstrate that values have been assigned with evidence-based reasoning. It is important to keep records of the process behind any valuation.

Valuation in a library collection: the British Library

The British Library, as a national institution, does not have values for the majority of items and does not routinely insure its collection. Since the Library contains tens of millions of items, the investment in time needed to assess each one individually would not be proportionate to the resulting public benefit. It would even be difficult to justify the resource needed to value only the items accepted as being of national or international heritage importance, given that these are counted in their thousands. In general, financial value is not a main consideration and research value is of greater importance. Values are usually only assigned when something happens to an item, for example, a loan or an acquisition.

The Library relies more on security than on insurance, which is a reflection of the irreplaceability of much of the collection. It is a very security-aware organisation, due to the portability of items and the high-risk aspects of wide public accessibility.

Valuations are required for the following purposes:

- 1 Event If an incident occurs relating to one of the items such as damage, loss, attempted theft or vandalism, a Collections Security Report Form is completed and value is one of several criteria which will be taken into consideration when deciding how to respond to the incident.
- 2 Acquisition Curators are familiar with the major book dealers and book auctioneers and they research upcoming sales. Values are scrutinised and comparisons made.
- 3 Expert opinion This is requested for a variety of reasons such as export licensing, grants and funding applications and for advice given under the Government Indemnity Scheme.

- 4 Conservation If an item is being considered for major conservation, value is one of the criteria under consideration in order to reach a decision as to how much resource to put into the project.
- 5 Loans For loans in, values are usually given by lender but they can be questioned by curators. For loans out, values are assigned by curators.
- 6 Information Values are sometimes required for press and marketing purposes and to inform management decisions.

There is no formal training in valuation but curators build up a good knowledge of values through recent sales. They are familiar with the main booksellers and auction houses. Since there are many curators undertaking this work, an Expert Advisor in each department keeps an eye on values and discusses them with staff. This means that there is an overview of values, comparisons can be made and it ensures consistency and that values are realistic.

**With thanks to Adrian Edwards, Head, Printed Heritage Collections,
The British Library**

The market

‘The market’ usually refers to the market for high-value fine art, since this activity is highly visible and fortunes can be made. The market in cultural goods is generally unregulated, despite many attempts to introduce rules. Auctioneers and dealers do not have the same regulations as other financial sectors such as insurance, and are largely self-regulated, adopting voluntary codes of practice. In banking, for example, there are laws to prevent activities such as insider trading, where individuals can benefit from confidential information. It has been said that similar practices are widespread in the art market where, for example, dealers may have bid on items from their own collection in order to keep prices high. The art and antiques market may be the only one where there are no prices on the items and it is up to the vendor to get the highest price they can. There are also various practices, often confidential – guaranteed price, irrevocable bids, third-party guarantors – which could be seen to be weighted in favour of the auction house.

Primary and secondary markets

The ‘primary market’ represents items purchased direct from the maker or artist, or the gallery representing the artist. This would be the first sale and the first time that a value has been set or tested. Subsequent sales are referred to as the ‘secondary market’. Dealers and collectors often follow the

trajectory of the item after the initial sale. It can be unpredictable. An artist who is selling for high prices immediately after art school may find his or her works unsaleable in a few years, while another artist's work may take many years or decades to find its market and become collectable.

How the art market works

Until the age of the internet, artists had to find a dealer to represent them and to show their work. Most dealers would not take a chance on an unknown artist until it was proved that their work would sell. The path for an artist was therefore more likely to begin with an art school graduation show and perhaps some attention or sales. From there they might take part in group shows with friends, often renting the space themselves. Hopefully over time, the successful artist would be noticed and taken on by a commercial gallery, which would show and promote their work (and usually take 50% of any sale price). The final accolade would be purchase of their work by a public art gallery or museum, recognising them as an established artist. During this progression, the artist's work would increase in value as he or she became more known and collected.

The internet has made this traditional path less common, as many artists go straight to the public by putting their art online and selling direct. There are many websites where artists can display their work and many online dealers with no overheads and consequently lower prices. The art market itself is often in a state of flux depending on confidence, fashion or ways of doing business. In 2016, there were more private sales than sales from public auctions. According to the TEFAF Art Market Report, auction sales were down nearly 19% while commercial galleries and private auction house sales rose 24%. Private sales now represent 70% of all sales worldwide. This may be because buyers prefer anonymity and privacy.⁴

Commercial galleries and dealers

It is often said that the commercial art market strives to keep values high. This may include the financial services supporting the art market, such as insurance companies and investment advisors. The market, however, is unpredictable and subject to change and fluctuation. Even the highest-priced art may lose value if there is a general lack of confidence in the economy.

Public collections find it very difficult to compete with dealers and private collectors, both because of high values and because of having to be cautious

and transparent about the use of public money. They do have to participate in 'the market' for acquisitions and to follow values for purchase, loan or donations. Few public collections can afford to purchase high-value items and there is an increase in shared or co-owned objects to ensure that important items stay in the public domain.

There is a closer relationship between private and public sectors. Art fairs often feature displays of work borrowed from public galleries in a museum-type display. For example, The Lightbox, a non-profit museum, held a display from their collection in the 2017 London Art Fair.⁵ Museums sometimes have works of art for sale, such as a print series by an artist who has a current exhibition. There is more cross-over of staff between the commercial and public sectors, including at director level, and more concern with provenance, record keeping and documentation in the private sector as well as a rise in the profession of registrar.

The art dealer Anthony D'Offay left his extensive collection of 725 works of modern art to the nation where, as *Artist Rooms*, it provides in-focus touring exhibitions which reach smaller institutions.⁶ The Tate press release named the value of the donation in its announcement: 'New £125 million national collection will bring contemporary art to audiences across Britain', thus showing a willingness to talk about value and to reveal the sums involved.

Auctions

A recent auction price should not influence a publicly held object but of course it does. Its financial value will certainly keep pace with auction results and will influence the market value of similar items. It will also affect significance: for example, there may be more visitors, more requests for loans and it may be featured on the website, in publications and reproductions. If public collections are actively collecting, they must keep an eye on recent sales prices. Many public collections receive grants and funding for acquisitions which must be spent wisely. Knowledge of recent market values is part of responsible collections development and good curatorship.

There is no consistency over value. An object sold today might fetch a very different price for the same object sold at the same auction a year ago. Two identical objects, such as two prints from the same edition or two photographs from the same negative, may reach very different prices, depending on the willing buyer and a host of variants affecting price. A value based on experience, knowledge and comparisons could be very rational but the actual price reached could be wildly different because of the circumstances on the

day of the auction. After such a sale, it could be argued that the actual price was too high or too low for an item of this kind. However, the actual price can't be disputed.

The market can sometimes make major mistakes. For example, a Victorian decanter offered at a guide price of around £150 turned out to be a rare rock crystal Egyptian ewer from the Fatimid Dynasty (AD 908–1187) and sold for nearly £120,000.⁷ Areas of the world with increasing wealth seek artefacts relevant to their cultural history. Items from the Middle East, India, China and the Far East are in great demand by wealthy collectors and prices continue to rise. A Chinese vase, offered for sale at £2000, recently fetched £810,000 at an auction in Birmingham when a Chinese telephone bidder was willing to pay 400 times the estimated value.⁸ Some insignificant drawings from a previous century by an unknown artist may attract several buyers and create a bidding war. Museums and archives could find themselves with high-value items which were regarded as unimportant a few years previously.

Two identical prints from the same negative may reach completely different prices when sold at different auctions on different days (see Figure 2.1).



Figure 2.1 David Wilkie Wynfield (1837–1887), *Edouard Manet ca.1868* . Given by William Frederick Yeames, R.A., 1911 © Royal Academy of Arts, London; Photographer: Prudence Cuming Associates Limited

Significance versus price

Although public collections focus on significance instead of price, any financial value attached to an object immediately trumps the cultural worth. Most auctions attract headlines, stating the money made from the sale rather than listing the items sold, and a 'successful' auction is one that has realised high prices and great profits. People can't help looking at a price tag and are always curious about price. Public collections are generally reluctant to reveal prices, or actually don't know them. The price, once revealed, may change the perception of the item and the reaction to it.

Items understood by the general public to have worth as opposed to financial value are usually heirlooms or items of personal or sentimental value. They are seen as significant only to an individual as a gift or a memento of a family member. There is something almost apologetic in these terms, as if the significance of memorabilia has little or no value at all.

Many public collections choose to ignore financial value altogether and to focus on 'research value'. This is often the case with natural history and scientific collections or archives and special library collections, where some of the items exist solely for research purposes. Value has to be considered, however, when an item is acquired, lent, deaccessioned or insured.

High values for publicly held items may be positive in some circumstances. For example, trustees may respond more to items or collections of high financial worth. They may be more likely to take issues seriously, improve security, agree to upgrade display, lighting and conservation and to take pride in the collection. Other stakeholders may respond positively to high values. If a crime is committed, the police, who may be required to respond only to crimes estimated at over a certain value, could take a high-value theft more seriously. Rhino horns stolen from public collections for sales to the illegal East Asian market, when described as taxidermy, did not attract much attention. When the potential black market value was suggested as £57 million, an active police involvement began which resulted in conviction and imprisonment.⁹ Revealing a high value could also attract more press interest, which might in turn help to recover the lost item.

'Difficult' objects

Items can be relatively easy to value if there are many of the same type of object, if they are collectable and if recent sales prices are readily available. These categories may include some geology samples, some printed books, some social history items, memorabilia, prints and reproductions, silver and

furniture. These generally have a fairly stable market with no great fluctuations in sales prices. Comparisons can be made by looking at materials, date, manufacturer, maker's mark, quality and condition.

Unique items

Unique items have no comparisons and can be extremely difficult to value. Said to be the most famous painting in the world, the *Mona Lisa*, is unlikely to travel but may require a value for other purposes such as insurance or inventory. How would an expert go about assigning a value to something so famous and unique? It can of course, be compared to other paintings by Leonardo da Vinci. Another painting by the same artist, *Lady with an Ermine*, travelled from Krakow to London for an exhibition in 2011¹⁰ and an insurance value was established. This painting, however, does not have the fame or recognition of the *Mona Lisa* and so a comparison could only supply information rather than validation.

Other items may have even fewer comparisons. There is no similar item to the *Rosetta Stone*.¹¹ There is no artist to make comparisons with and its importance in providing the key to translating Egyptian hieroglyphics seems impossible to calculate. The best preserved baby woolly mammoth in the world was loaned from the Shemanovsky Museum in Russia to the Natural History Museum, London, in 2014.¹² The lender provided a value and Government Indemnity was obtained for the loan but it is difficult to imagine how a value was determined with no comparisons to act as a guide. The 800th anniversary of the signing of *Magna Carta* was marked by an exhibition in the British Library.¹³ As three copies are in existence they are not actually unique, but each one is a seminal document of vital importance to history. Although this must have posed a considerable challenge, values were assigned by the lenders and checked by the borrower and Government Indemnity was obtained. The *Domesday Book*¹⁴ is another unique item, valuable for many reasons: history, script, information, association and establishing legal rights. The book is still consulted today as a final arbiter in land disputes or searches. Its importance is manifold. There are no other copies. Assigning a value seems an impossible task.

The question arises whether such unique items should be assigned a value at all. If an item is unique and therefore irreplaceable what can be the purpose of valuing it? It can't be replaced and is unlikely ever to be sold. Insurance against damage could have been obtained but this would not entail a full valuation, only an estimate of conservation costs. There is also the question

whether it is a better use of public money to insure or not to insure. Publicly held items are generally well protected with high security and optimum environmental conditions and the risk is low. It may be wiser to save the cost of insurance and invest in other areas of the collection.

Unique objects have been known to travel without insurance. The preparation for a major loan such as the *Parthenon Marble* to the State Hermitage Museum in St Petersburg¹⁵ or the *Cyrus Cylinder* to Tehran¹⁶ is many years in the making and every detail is carefully planned. Since such items are irreplaceable, it may make sense not to insure them at all but to rely on good handling, security and display conditions to ensure their protection and preservation.

Illegally held items

Many items in public collections are restricted, illegal or tightly controlled. These include firearms, explosives, illegal drugs, pharmaceuticals, poisons and botanical and biological materials on the endangered species register. In some cases, confiscated or contraband items such as animal skins, elephant ivory or guns are requisitioned by the authorities and deposited in a museum as a place of safety for illegally held objects.

These types of item are difficult for the receiving collection to value. It is almost impossible to find comparisons that are legal to possess or to sell. The actual value could be said to be the 'street value' or the price that the item would fetch on the illegal market. This bears no relation to the cost of producing, obtaining or capturing the item. How can the curator discover the monetary value and which value are they to assign?

Items of this type are commonly found in social history, medical, military and science and technology collections but even contemporary art collections can contain some surprising materials. For example, small bags of heroin have been exhibited in galleries in New York as art objects¹⁷ and Damian Hirst's *Pharmacy* installation contains phials of pharmaceutical drugs.¹⁸

Modern abstract or conceptual art

Abstract or conceptual contemporary art can be difficult to value if it comprises mass-produced materials or easily available, cheap, everyday items. The work of art will have a market value when it is for sale; the difficulty comes when the insurance value is high yet the material value is very low. A work of art made of plastic household goods, old clothes,

detritus found in the street or old photographs may sell for a considerable sum. If the work was insured for loan or transit, the insurance value would probably be equivalent to the sales price. Loss or damage, however, might be easily remedied as the components could be obtained for a few pounds or even a few pence. This is also the case where the components do have some monetary value: for example, e-media art or games where the monitors, computer screens, software and cabling obviously come at a cost. After damage, however, the actual cost of reconstructing the work or replacing a component could be only a fraction of the sale price.

It has been argued, particularly where public money is involved, that insurance or Indemnity values for this type of contemporary art should be closer to replacement value than to sales price.

No market value

Some items have very little or no market value but considerable significance in the information they reveal. For example, a mundane manuscript, such as a shopping list, may be important for historic research because of the information it contains. Many biology, geology, science and social history collections contain items that would not attract a buyer should they be offered for sale.

A great deal of information was gleaned from a 7000-year-old broken tooth from a dog, discovered in Buckinghamshire in 2016. It revealed that the dog was probably from Yorkshire and indicated its size and shape. It also indicated that Mesolithic people and their animals travelled long distances and suggested the importance of the Stonehenge site before the Henge was built.¹⁹ This small item is of huge significance in the information it has revealed but would probably be unsaleable.

In some cases, if a value is necessary for insurance or acquisition purposes, a sum is arrived at by calculating the financial value of the materials and adding the time taken to acquire a similar object. This could include travel, purchase, conservation, cleaning or mounting. Otherwise, a nominal £50 may be placed on the item if insurance is required, but this could be setting a price of £50 on an item that in fact may have no financial value at all. In this case, the organisation could be said to be establishing a false value. If there is no market at all, it may be difficult for visitors and stakeholders to understand that the object is valuable in its own right.

Valuation in a university collection: University of Glasgow – Hunterian Museum

The collections number about 1.5 million items and range from Dr William Hunter's original collection to Roman artefacts, scientific and medical collections, ethnography, furniture, fine art and architecture, including the Charles Rennie Mackintosh house and archive.

The collections are insured in situ and in transit when they leave the museum. There is a global sum insured with a risk factor for any one loss. Single items over a specific threshold are listed individually. There is no regular audit of values but they are updated when insurance is required for loan. This means that items regularly requested for loan have up-to-date values but there are large parts of the collection that have never had individual assessments and have no individual values. Many items are probably under-valued: for example, the ethnography collection contains some original items from Cook's voyages and this type of material is now intensely collected.

For items that have no obvious market, e.g. entomology and biology specimens, the museum considers the approximate replacement cost should the item be lost or destroyed. This could result in a nominal £50 or £100. Loans from these collections are usually for research or identification purposes. Items from the historic collection present more challenges as, although some items could be replaced, the historic connection and associations with a particular collector may increase value.

Use of the collections

There are two 'living' items in the collection, the University Mace and the Blackstone Chair. These are items that are in the care of the museum but are used regularly for their original purposes. Both are unique and almost impossible to value and are included within the global value of the collection. Their use is generally within the University premises so no additional insurance is taken out, although museum staff, wearing white gloves, accompany the items. The Blackstone Chair is an 18th-century wooden chair. The seat incorporates a stone upon which students used to sit to take their (oral) exams from the University's foundation in 1451 until the middle of the 19th century. It was last used for exams in 1885, when written exams were introduced and is still used for honorary graduations and when awarding some prizes. The University Mace, dating from the 1470s, is used in ceremonial processions and on Commitment Day. When recently sent on loan, it proved extremely difficult to value for insurance. Although other universities possess mediaeval maces, they are not the kind of item which comes to sale. One of the major auction houses was approached to help suggest a value.

The global insurance cover tries to reflect the overall value of the collections and if there was a total loss much of the material could never be replaced. As a University collection, the focus is on research and teaching, so in the event of a total loss, rather than replacing like-for-like, it would be more likely that the

value of the service provided would be the criterion for replacement. The University would be consulted in what materials it would welcome for educational purposes and to fit in with courses.

For all the collections, there is a need to demonstrate their use to the University and how the museum interacts with and complements the various faculties. For example, the natural history collections are widely used by the zoology, geology and biological sciences departments. Much of the collection is extremely valuable in supplementing research and learning, although these are usually the collections with a low, or no, market value. The museum sometimes obtains research materials from a PhD. This may be a requirement of the PhD and there is no purchase and no value is assigned. Other items may be offered which do not fit into any faculty or area of research, for example, furniture, interiors and design. In these cases the offer may be declined or a more suitable recipient suggested.

With thanks to Malcolm Chapman, Head of Collections Management.
See www.gla.ac.uk/hunterian/collections

Low cultural value – high market value

Some items in natural history, ethnographic or zoology collections may attract unwelcome attention because of their value on the black market. Many taxidermy collections were taken off display, as they were considered no longer useful or important. However, fur, feathers or bone may be much sought after for a variety of purposes such as for the fashion industry, or using exotic bird feathers as flies for fishermen. Powdered rhino horn attracts huge amounts of money in some countries, particularly in East Asia, and there are frequent thefts from local authority museums with historic animal collections. A preserved rhino head would be of fairly low significance but the value of the ground horn would be incredibly high. Many preserved rare and endangered animals, such as bears and tigers, are equally at risk from unscrupulous traders.

High market value of the raw materials may attract unwelcome attention. For example, bronze sculptures have been stolen for the value of the metal and melted down. A Henry Moore sculpture, *Sundial*, estimated at being worth £500,000, was stolen and sold to a scrap metal dealer for £46.²⁰ The work was recovered by the police but others, such as *Standing Figure*, were never recovered and were probably melted down for the bronze.²¹ With metal thefts estimated at costing the UK economy over £770 million a year, it is not surprising that works of art are targeted.

Adding and removing value

Although estimated market price can only be an educated guess, there are several factors that might increase or lower the value of a cultural object. Prices usually increase over time but sometimes there is a sudden dramatic jump in value, or a sudden decrease.

Adding value

Treating an object with great care can indicate its worth and add value. For example, a work of art placed on the floor carries a different message from one hung on the wall. The position of the item, such as at the top of a staircase or in the centre of a wall, says something about its importance and may increase value. Placement or positioning can carry a powerful message:

- placing as the centrepiece of a display or exhibition
- creating space around the item
- dramatic lighting
- signage – may draw attention to key items, e.g. ‘this way to the *Mona Lisa*’
- care – the amount of care taken says something about the object, e.g. full-specification packing, professional art technicians
- high security – e.g. an accompanying courier or an armed escort – suggests high value
- negotiations – high-level negotiations for a loan or a purchase suggest high value, e.g. the level at which loans are discussed and decided, either curator-to-curator or government-to-government
- wrapping and packing – high-quality packaging suggests precious objects, e.g. a purchase or a gift from an expensive shop: the amount of packaging indicates the value
- exclusivity – the suggestion that anything exclusive is of high value, e.g. limited-edition watches, cars, works of art, fine wines, fashion and couture.

Removing value

Any of the following may remove value:

- alteration – any change or interference, e.g. repair, repainting, retouching

- repair – conservation or repair of damage, breaks, cracks
- loss – any part missing, faded, torn, bent, flaking
- deterioration – materials have changed and deteriorated, shrunk, rotted, come apart, faded
- fashion – collectables that are no longer fashionable to own
- obsolescence – object ceases to function; replacement parts or equipment required are no longer available
- sales and deaccessions – can give a signal that these items are no longer valuable, e.g. a collection is deaccessioned; a major collector sells their works.

Authenticity

Authenticity can make an item priceless and lack of it can equally render it worthless if it is found not to be by the artist or maker in question. There is an authentication panel, usually made up of some of the artist's family members and various experts, for works by some very high-value artists, such as Picasso or Andy Warhol (now disbanded). Owners seeking confirmation of authorship can request an opinion which will either make or negate their fortune. In some cases, authentication panels or experts have been known to confiscate the object, declaring it a fake and saying it should not be allowed to exist. For example, *Venus* by Lucas Cranach, on loan to an Aix-en-Provence museum, was seized on the grounds that it was not authentic. It was detained until tests could be undertaken.²²

In the case of archives or manuscripts, there are many examples of inauthentic diaries, memoirs or signatures which eventually come to light and render the previously valuable documents worthless.

Establishing the authenticity of the item is more often the result of careful research, cleaning, conservation and analysis, which allows items to be re-dated and reassessed. *Madonna and Child with the Infant St John*, formerly designated as Studio of Van Dyck, was authenticated by a group of experts and reassigned as a work by Van Dyck's own hand. It was displayed at the Masterpiece Art Fair, London, in 2016 with a price tag of £1,200,000. Experts suggested that before the authentication, the price would have been about 10% of the current value.²³

Dulwich Picture Gallery decided to place a 'fake' picture on display and asked the public to identify which one it was. The picture was an exact copy of one already in the collection and had been painted in China, from a photograph, for the cost of £180. Visitor figures doubled as the public

searched for the 'fake' picture among the famous Old Masters. It was finally revealed to be *Young Woman* by Fragonard and the two were placed side by side to allow visitors to make close comparisons. Over 3000 people responded online to say which painting they thought it was. A similar (genuine) Fragonard sold in 2014 for £6 million.²⁴

Forgeries

A value can plummet if an item turns out to be a fake or forgery. Even the suggestion that it is not genuine may make the item unsaleable. Indeterminate authenticity could render it of low or no value, as no one would be willing to take the risk of purchase. If it were discovered to be genuine, however, the value would immediately rise.

Forgery is a crime and forgers if caught can face a jail sentence. Shaun Greenhalgh was sentenced to four years in prison in 2007 for producing a number of forgeries, abetted by his family.²⁵ He created a wide variety of items including pastels, oil paintings, archaeological items and mediaeval reliquaries, some of which were purchased by public collections. Forgery can also lead to litigation if the buyer feels they were tricked or misled. In a recent case, the Knoedler Gallery, New York, was found to have sold almost US\$70 million worth of fake Abstract Expressionist works of art which would of course, have been worthless. They had been acquired without provenance or paperwork.²⁶

Provenance can be easily forged. Examples of labels and sales invoices can be found on the internet and copied. Vendors may appear with an old invoice only to find that the dealer, auction house or museum knows this was not the kind of invoice used by that particular auction house or dealer at that date. What could have been a valuable object is suddenly valueless.

However, some famous forgers gain notoriety and their work takes on a value all of its own. If they have managed to pass off the forgeries as genuine and are later discovered and prosecuted, fame sometimes adds value to the forged works. In the 1930s and 40s, Han van Meegeren produced many forgeries of historic Netherlandish art. The works are now much sought after because of his notoriety and there is even a website in his name.²⁷ These valueless paintings and drawings have now acquired a value.

Celebrity

Cultural items can gain value by association if owned by a famous person, irrespective of the objects themselves. Winston Churchill was better known

as a statesman than as a painter and the sale of some of his paintings in 2014 was not expected to achieve large amounts of money. The celebrity of the painter, however, and the fact that the items had been in his family home since production and were therefore new on the market, led to higher values than anticipated. An estimate of £3.6–5.5million was vastly outrun by the actual sales of £15,441,822. Other items belonging to Churchill, for example, a photograph with President Eisenhower, also gained considerable value by association. It was expected to sell for £2000 but reached £37,000.²⁸ Other sales have demonstrated increased value by association. Sales of the collections of the art critic, Brian Sewell (estimated at £2 million)²⁹ and David Bowie (estimated at £10 million)³⁰ both outstripped estimated values.

Summary

Assigning a financial value to a cultural object is always difficult, as there is no right answer. It is often regarded as the same as market value but this depends entirely on what someone is willing to pay. Items that are plentiful or that come to market can often be used as comparisons to give a reasonable estimate of value. Rare or unique cultural items, however – or those that have no market at all – are extremely difficult to value.

Valuation is fraught with difficulties for public collections. Finance is not their core business. Curators have little or no training and are reluctant to mention money, as it may detract from significance. However, although it is not easy, it still has to be done. Public collections can learn from the market but should keep a distance from it. They should take advice, keep records and learn about valuing, always bearing in mind that public funds are involved and decisions must be justifiable and transparent.

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