

Corporate Art Collections

What kind of benefits can a corporation expect from building an art collection?

One might assume that the main benefit of building up, maintaining and expanding a corporate art collection would be the yield of profit. In other words, a way to diversify and perhaps safe guard one's assets. This conjures up imagery of precious artworks being kept in storage in warehouses and vaults and when the time is right sold at a profit perhaps fuelling future acquisitions. Alas, this is a very narrow minded way of thinking. In fact, in many cases the escalating value is often a by-product or an added bonus attached to a corporation's art collection but this is certainly by no means a given. Why should a company start a collection?

It is thought that the first corporate art collection was formed during the Renaissance in around 1472. The boom in industry and thus wealth conjured by the Monte dei Paschi bank in Siena, regarded as the oldest bank in the world, allowed it to freely collect artworks. With the rapid growth of the bank came the growth of its art collection. The artworks were no longer items to be housed in private residencies but were shown publically as a symbol of success. Indeed, it granted such a base that the collection still exists and even more so thrives to this day. In fact, one of the most important developments came as late as 1980 whereby a space for the artworks was set aside for a museum inside the bank's palace. David Rockefeller is attributed as the pioneer of modern corporate collecting, he started his acquisitions of artworks in 1959 for the family associated Chase Manhattan Bank. Today, the JP Morgan art collection is one of the world's oldest and largest with over thirty thousand works. Today, the total number of artworks in corporate collections is in the millions, almost the same number shown in museums, with the value in the

billions. According to the International Directory of Corporate Art Collections, “the most important patrons of the arts during the past fifty years have been...not governments, or private collections, or religions, or even museums...but *corporations*”. There are a plethora of benefits for a corporation in building an art collection. Corporate art consultant Susan Abbot sums up the main advantages, “a corporate art program is there for a purpose, and the purpose is always business. There would be no art on the walls if it did not do something for the company, either by projecting a particular image, or by improving relations between the company and the community, or by refreshing and stimulating the company’s employees”. Such positives will be explored using certain case studies of successful corporations who have thriving collections.

One of the most obvious benefits is that the artwork can be displayed in the workplace. It can fill the blank monochrome walls and spaces. The works can boost staff morale and induce productivity and even creativity. Staff can enjoy thought-provoking works, which are intellectually challenging, contest different viewpoints and even bring people together. A company that pays particular attention to artwork in the workplace itself, rather than in special museums or travelling exhibitions is Microsoft. In the collection, over five thousand works are displayed in their one hundred and eighty buildings. Their approach to the placements of the works is populist whereby priority is set to placing works in visible open spaces and not in executive offices. Their mission is to, “create an inspiring work environment that fosters creativity and innovation”, which, “humanizes and energizes the work environment”. Microsoft also commission works directly on site, for example the artist Yunhee Min’s *Invisible Cities (Difference and Repetition)*’ from 2003 located in Building 36. Another key mission statement regards variety as the artwork reflects the diversity of the workers and customers the company works with, the work can aid to, “broaden employee appreciation of diversity”. The artworks also encourage discussion and expressions of opinion between staff

members and with clients promoting and maintaining business relationships. To promote such actions Microsoft has a program of lectures, which started in 1999, from artists, curators and auction specialists open to employees, clients and the general public. They are based around the collection and on the notion of collecting art itself. These lectures and talks can become important corporate networking events not least cultural learning activities. As Laura Matzer, Program Manager and Curator of the collection, posits the corporate art program, “consists of more than just hanging art on the walls. My ongoing goal is to give employees, customers and visitors a variety of ‘entry points’ to help them better understand the art on display”, she continues she wants to at least, “demystify contemporary art for our audience”.

One of the overarching benefits to developing a collection is that it can be used as a kind of marketing tool. What and how a company collects and its subsequent approach can portray the company in a positive light. As a corporation which looks after its employees and clients, challenges them, is open to debate, promotes artistic development and creativity and so on. One could deduce a key facet is *image*. The artwork is not necessarily used to sell a particular product or service but more powerfully the company’s philosophy as a whole, values and how it conducts its business; its corporate culture and what makes it a progressive dynamic organisation. According to Sandra Walters, a Hong Kong art consultant, a company’s collection can provide, “a connection to the outside world” and how it is perceived by it. The Microsoft Corporation offers another example due to its ethos of collecting mostly emerging artists work. What does this mean? Michael Klein, the former curator of the collection, alludes, “the decision was made to align the collecting activity with the profile of the company, which is that Microsoft is a young company, and that the median age of the employees is youthful. So, the focus of the collection is on collecting contemporary art by living artists”. Emily Nixon, a former curator who works as a consultant with private and corporate art

collections, sums up this thinking and puts it into context, “earlier collections were based more on the museum model, but corporations have moved away from the concept of unrelated collections and now would rather reach targeted groups of people, and want their art to be something that speaks about their corporate culture”. Thus, the artworks reflect the model and culture of the company as being very much alive and in the moment. Meanwhile, for corporations who buy and own gargantuan artworks the symbol is clear. The company Sompo Japan Nipponkoa Insurance group, for example, bought the blockbuster works ‘*Sunflower*’ by Vincent Van Gogh and Paul Cezanne’s ‘*Pommes et Serviette*’ in 1987 and 1990 respectively, the former is believed to have been bought for over thirty million pounds. These works along with an artwork by Paul Gauguin are on permanent display at their Museum of Art, which opened in 1976. It is open to members of the company and the public. Such colossal works demonstrate the success and power the company has built up since its founding in 1888 (the same year in fact Van Gogh created his masterpiece), which allows it to vie for such pieces. Comparatively, the same model would be unbecoming for a company like Microsoft, which is a much younger company founded in 1975 with a different set of ideals and way of conducting itself.

Silke Kastien, Head of Group Marketing at AXA, the French multinational insurance group, describes their company’s collection as a manifestation of its identity and even as part of its DNA, she explains, “we live the art. It’s not about investment. It’s about collecting, living and loving the art...this differentiates us from other companies, and it makes us closer to our customers and understanding their needs”. Indeed, she explains that many of the customers are passionate art collectors themselves. The collection connects and is an attractive entity for people. In addition, the day-to-day challenging logistics of running and managing a collection may actually utilise and even show off services the corporation offers, for example Microsoft uses the same technologies and systems they try to sell in the managing of the collection. At

AXA, Kastien explains in a similar way that their collection, “improves [their] products and services and it also attracts staff who work within the art industry.” The private bank, Julius Bär, also have a unique way of displaying their collection to the masses via an online virtual museum. Barbara Staubli, one of the curators, states that the collection, which was established in 1981 is, “a trademark of the company” and like with AXA’s collection offers a platform in getting closer to its clients, “I believe that after guiding a client through the collection that they will connect very differently with the company thereafter”. True to the company’s origins most of the works are by Swiss artists, emerging ones at that. The primary goal of the collection is to find new talent, Staubli summarises, “at its core, this aim is not about making a good investment, let alone about speculating, for it is a philanthropic approach to supporting artists”, and nurturing the talent representing their homeland. This is such a goal, that an artist cannot be put onto the watch list if they are not Swiss, or at least they must live in the country. A shining example of success, spurred on by the company’s faith and nurturing over time, is the artist Pipilotti Rist who has represented Switzerland at the Venice Biennale in 1993, 1997, 1999 and 2011. The artist also offers a unique connection to the company as in 1995 the acquisitions committee purchased its first audio and video installation piece, ‘Edna’ by the artist. Such an early move is a clear example of a challenging and dynamic collection. As many companies pride themselves in supporting emerging and young artists one could say that this is part of leaving a legacy, promoting the company as a place that inspires, promotes and gives chances to the artists, and therefore the same approach can be manifest in its employees. One example where this has paid remarkable dividends is within the law firm Simmons & Simmons, who focus on collecting artworks by early career artists. The shift occurred in 1993, around a decade after the collection was started. As Stuart Evans, a top lawyer for the company and the chief mastermind and curator for the collection, explains that he wanted the collection to encompass, “some of the energy, commitment and diversity of the emerging young British artists I had begun to see in various venues in and around London”. This approach does not come without its challenges, Stuart

Evans points out, “many lawyers have fixed views on what pictures should look like...however, good art is neither tame or tameable”. The artwork is thus challenging, but in a firm with some of the brightest minds in the world one would expect the artwork they collect to fit the same exigent and questioning academic standards; again, this is all part of a company’s positive image. Some companies may benefit more than they perhaps expect from this approach. Firstly, through the collecting of art, a company can foster long-term relationships with the artists they collect. Furthermore, this is even more likely if the artists are emerging and continue to be successful. This can be of added benefit to the company as the artist may feel a sense of loyalty and partake in the company’s services in the future as their career and subsequent needs increase. Again, taking Simmons & Simmons as an example, many artists have become clients who request their legal services. They have acted for the huge artist names Damien Hirst and Tracey Emin, who were no doubt attracted to their art friendly image and most importantly due to the fact that they were first collected by the firm many years previously. This yields obvious financial but also new business opportunities through their well deserved loyalty to the company. Artists often also pay for the services with more artwork and so the collection continues to grow, almost organically, for example the artist Abigail Lane gave the firm her photograph, *‘For His Own Good’*, from 1996 in exchange for legal work the firm conducted during her studio move. Thus, there is mutual beneficence for both parties.

There is no doubt that art enriches lives, if a company is in the privileged position to be able to afford starting an art collection the benefits can spiral and develop into something spectacular and may even return the initial investment multiple times over. However, as explained this should not be the priority. Perceptibly, every acquisition like every business decision is carefully thought-out, Liz Christensen, curator at the Deutsche Bank Collection, says, “we’re not buying for investment. But we’re not buying for not investment”. Richard Rush also candidly explains such a notion, “it is doubtful, however,

whether collectors have ever been unmindful of the investment value of art’’. In most instances, the collection may not be primarily concerned with the future resale potential value of the artworks but they are obviously going to make smart purchases, which demonstrate excellent market value, so that the works increase in value *culturally* and financially. If one chooses a work by a young artist who shows artistic ambition and whose work is engaging why should it not go up in value as the artist is appreciated by more of the world? The aforementioned artists, Damien Hirst and Tracey Emin, are testament to this line of enquiry. If one can train the eye then one can find such prospects even with a limited budget. Most companies do not and will not spend gigantic sums on works of art, for them it is about growth. Furthermore, for many, art collecting has also become intertwined with the company’s identity reflecting its corporate culture, uniqueness and values, whether they intend it to or not.

The Modern Art London Series: Corporate Art Collections

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