

# James Kahllo

Fine Art

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Evaluating fine art is much like evaluating real estate; comparable sales are the most accurate means of establishing value. Artists with established secondary market sales results (usually published auction prices) can reliably be appraised by using an established set of criteria to compare the work in question with previously sold examples.

For example, the Charles Burchfield owned by P & U should be evaluated for sale looking at the following factors:

1. **Artist:** It is often said that the signature on a work of art determines 80% of the value. People want to buy art much like they buy a house, they want to know they are in a desirable neighborhood. In the art world a desirable neighborhood is a stable long term secondary market that provides willing buyers. An artist's reputation and fame contribute to that desirability. Burchfield is an internationally known artist with a solidly established secondary market. The problem in determining the potential value of any individual work in Burchfield's case is that he has sales records that range from a few thousand to hundreds of thousands of dollars. Is one of his works worth \$2,000. or 250,000? Once it has been determined that a work is authentic (a whole other set of problems not complicating P& U's painting because of its provenance) it is then necessary to look at the other variables affecting value.
2. **The Work Itself:** Is the painting of a desirable style, subject, and period? Or is it atypical? Is it a poorly conceived or executed example? Is it a desirable size?  
The P&U Burchfield is a desirable large size executed in the 1950's. This is late in Burchfield's career. And while it contains elements of his sought after 'transcendental style' it is not a fully realized example of his prized earlier period. The P&U Burchfield is an example of his 'American Scene' work and not the wildly imaginative breakthrough style that characterized his painting done in the first quarter of the century.  
So any expectation of value must consider where this painting's style and subject falls in relation to market demand.  
In short, this is a desirably sized painting from a later period where interest, and consequently price, is somewhat diminished.
3. **Condition:** Watercolors (which of course this painting is) are particularly fragile and subject to deterioration by exposure to light. The P&U example is in fine original condition except for minor toning (fading). Condition is solid enough to present few problems for a sale.
4. **Market Conditions:** Again, just like real estate, over all economic conditions can really affect sales potential of any painting. At present, along with the boom

in the general economy, we are experiencing very good times in the art market. It is a good time to offer the Burchfield or any works of art where there is real demand.

Attached is two examples of Burchfield's work being offered in an upcoming Sotheby's sale. One of them is close in date and style to the P&U example and I believe makes for a valid comparison.

**Sales Venue:** There are two real choices in selling art of this caliber: auction or consignment to a dealer or gallery. Both options have pluses and minuses.

Auctions allow you to work with a fixed sale date. After which it is either sold or returned. Gallery consignment is typically a more lengthy process although not necessarily so.

Auction houses would offer this Burchfield with a confidential reserve which means that the painting would not be sold below an agreed upon price.

Auction houses usually try to encourage a reserve that allow the painting to be expected to sell (a bargain in other words) but hope that interest in the work would propel the price far higher. Gallery consignment fixes a price and eliminates the chance of a downside disappointment.

Auction houses publicize the property they are offering and this only becomes a potential negative if the painting doesn't sell and is seen as 'burned' or rejected by the market. Gallery consignment is more discreet and is less likely to 'burn' a work of art.

Fees for auctions are usually less. But the buyer's premium (10 or 15% of sale price added to buyer's total and kept by the auction house) can suppress the final sales price and lower the seller's net.

In short, auctions offer a fixed date of sale, usually lower commissions and the potential for a wild card upward spike in sales price. Galleries reduce 'burning', provide a more predictable price expectation, but often take more time to complete a transaction.

**Conclusion:** I believe the P&U Burchfield should fetch \$50,000 to \$70,000. in the current market.





154

**154 Charles Burchfield  
(1893-1967)**

LANDSCAPE WITH TREES

signed with the artist's  
monogrammed initials *CEB* and  
dated 1956, l.l.

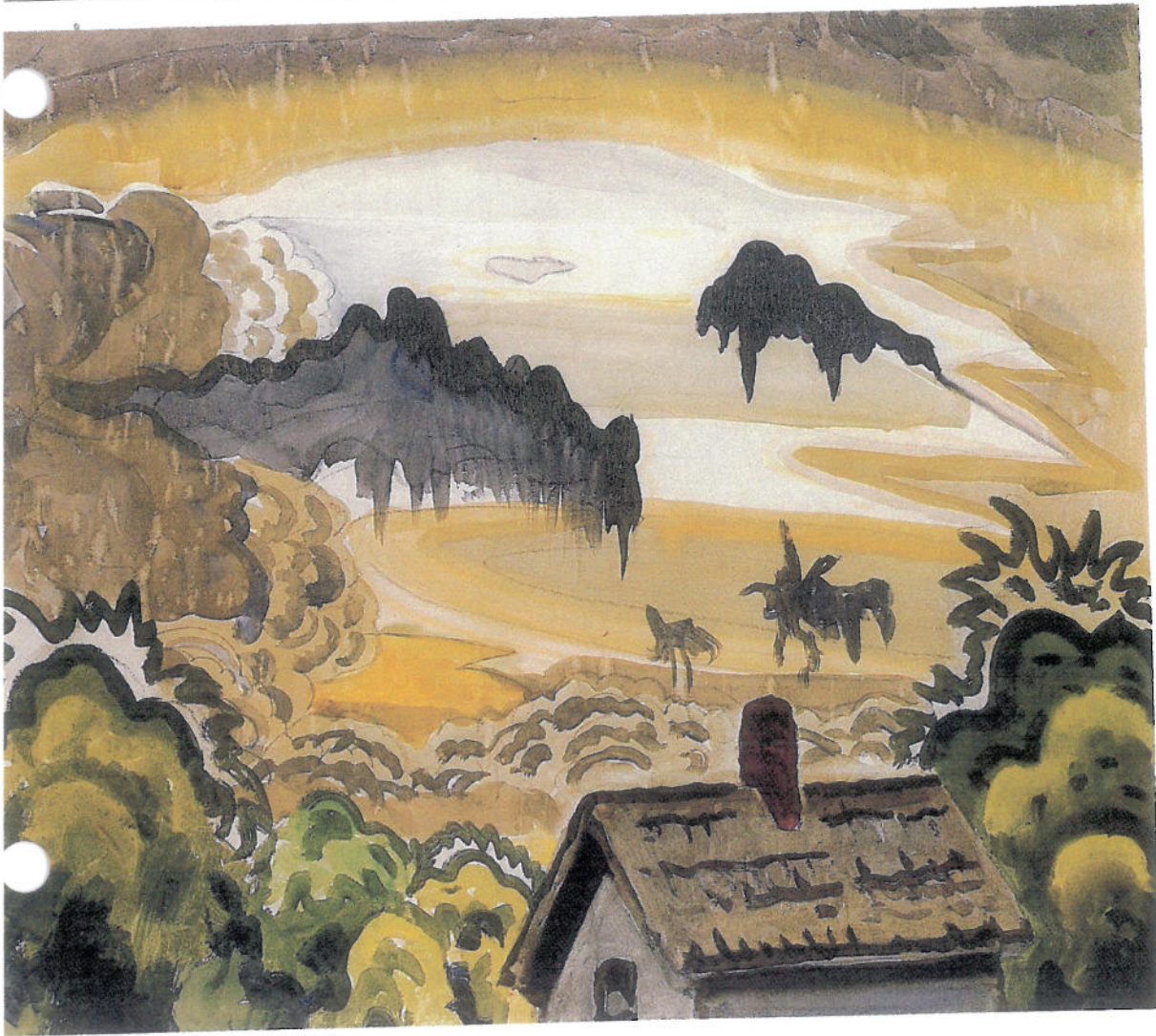
watercolor on paper  
22½ by 30½ in. (57.1 by  
77.5 cm.)

*Provenance:*

Acquired by the present owner's  
father directly from the artist

\$60,000–80,000





**155 Charles Burchfield**  
**(1893-1967)**  
 DREAM HOUSE  
 numbered B-87 with the C.E.  
*Burchfield Foundation* stamp, l.l.  
 also numbered 87, l.r.  
 watercolor and pencil on paper  
 17½ by 21¾ in. (44.4 by  
 55.2cm.)

*Provenance:*  
 Charles E. Burchfield  
 Foundation  
 Kennedy Galleries, New York  
 Acquired by the present owner  
 from the above *circa* 1994

*Exhibited:*  
 New York, Kennedy Galleries,  
*Charles Burchfield Watercolors*  
 1915-1920, October 30-  
 November 17, 1990, no. 17,  
 illustrated in color in the  
 accompanying catalogue  
 \$30,000-50,000





Pharmacia & Upjohn Painting