



HOWZAT!



ROTARY CLUB OF NEWLANDS

“The club that appeals”



President: Colin Burke
Secretary: Lucian Pitt



Be a gift to the world

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Rotary District 9350 website: www.rotary9350.co.za

26 October 2015

WEEKLY UPDATE

P O Box 44735
CLAREMONT
7735

MEETINGS: Western Province Cricket Club Sports Centre, Ave De Mist, Rondebosch, every Monday at 18h00 for 18h15 (Except for first Monday of the Month which is a Partner's Meeting, 18h30 for 19h00).

ATTENDANCE: Notice of apologies and guests and/or meal specifics to email Vanessa Rousseau at rousseau@iafrica.com and copy to Melinda Stapleton at mjstapleton@webafrica.org.za before 10h30 on Monday mornings please.

Comment

Tinus de Jongh

THE ART OF BUYING ART

First, decide what role you want to play, whether you want to be an Art Collector or Investor, because each has a different motivation, buying and selling strategy, and outcome objective. The collector buys what he likes, the investor what he needs.

The Collector has a love for art but not a compelling schedule to buy it. He buys only what pleases him, without regard for "what's hot," possibly buying only one painting a year. The collector has no exit strategy or financial objective in mind when he buys art. He well might keep a painting all his life, willing it to his children or a museum. The art he buys, however, should create future wealth for his family. The collector also needs to acquire art knowledge and competent buying skills so he is not taken advantage of. Serious collectors usually have a focus and narrow interest in a particular School. Always studying art they like, collectors often become "subject experts" in their specialty.

The Investor definitely has an exit strategy and outcome objective in mind when he buys art. Developing a financial plan, the Investor buys art strategically, according to the strict criterial listed below, doing extensive research to eliminate risks associated with buying art. The Investor's time frame is five to seven years out. A weak economy will peak again in five to

seven years. Even an unfresh painting (recently bought at public auction, or one "shopped around") will be fresh again in five to seven years. The investor buys what collectors desire, insuring him of a quick sale when it's time to cash in. The Investor expects 25% ROI, but even higher returns can be made with art.

The Dealer's business is buying and selling paintings, and brokering art transactions. Like any business owner, the dealer is on the telephone every day talking with customer and suppliers: collectors, investors, galleries, auction rooms, and other dealers. When an exceptional painting comes to market, the dealer pursues it relentlessly. Because he buys only "investment art," there is always a demand for his paintings. If you're a "seller", selling art to a dealer is advisable, because he'll resell your painting right away, to a collector, investor, or gallery.

THREE KINDS OF ART AVAILABLE TO BUY

Decorative Art is known as "furnishing pictures," and is often used for decorating purposes. This classification of art is generally thematic: "nautical," "country," "sporting" look, etc. Little intrinsic value exists in decorative art, and rarely is it painted by a "listed" artist. But distinctive decorative art can be expensive, especially if it's antique. Decorative art will not increase in value. Therefore, it is not a wise investment choice. If you buy, for example, 100 \$200-paintings, you could have \$20,000 invested in "garage sale" merchandise. Avoid that mistake. Limit your "training paintings" to ten or fewer. Better yet, buy Investment Art.

Collectable Art suggests that someone else also collects the same artworks. Therefore, a market already exists for your painting, albeit small. Collectable art can either be signed or unsigned, "listed" or "unlisted" (recorded in auction price guides). But generally it is of modest quality, not superior work, and not a good investment choice. For example, Florida Highwaymen Art, painted by itinerant Afro-American artists in the 1960s, is "hot" merchandise in Florida, and many local dealers buy and sell this art for a profit. Its appeal, however, is limited to Florida. Therefore it's Regional Art, and would not sell well in the art capitals of the world. The quality of this art generally is "student work," not academic or professional. If a Highwaymen painting is accidentally left on a park bench, for example, in Paris, London, or Cincinnati, it probably will still be there three weeks later. Discerning art collectors and investors would not show interest in this art. Don't hold onto collectable art thinking it will one day grow into "investment art." It won't! Sell it. Move on. If you like the picture, however, and it's affordable, fine, keep it for whatever is charming about it. But it will not be a wise long-term investment.

Investment Art will always increase in value. High caliber, well-listed artists generally create investment quality paintings. Sought by collectors, investors, and dealers, investment art appeals to buyers beyond the state or local region, meeting national and international demand. Connoisseurs, experts, and art historians determine the quality standards for investment art. Therefore, if you own investment art, it can easily be sold for a profit. If investment art is ever lost, the finder essentially holds a bearer instrument—the equivalent of cash. A metropolitan radio station once reported a Picasso artwork was lost—accidentally left on a New York City subway. Can you imagine? The radio station asked the finder of the artwork to call the police. Hello. Leaving a painting by Picasso on a New York City train is like leaving a bag with a million dollars cash in it on a park bench. Forget it!

WHY IS ART VALUABLE?

Investment art is valuable for three reasons: (1) superior quality, (2) rarity, and (3) scarcity. Some people who deem scarcity as prize-worthy, are willing to pay an exorbitant price for

the last anything on earth that someone else wants, needs, or admires. You might have heard, they stopped making 19th century art more than one hundred years ago. It's like waterfront property, it isn't made any more, which is why it cost 10 times more than rural farmland. If you're lucky enough to own a rare painting, say one of a kind, well, that artwork can be near priceless.

There is more money in the world than great paintings, so a competition will always exist for superior artworks. Quality in art has absolute standards. Exceptional art has a master's touch. It's a gift. Few artists possess or develop such extraordinary skill and talent. Hence, the expression, "a stroke of genius," could well refer to the brushwork and technique of a great artist.

Recognizing quality in art takes time. It's best learned with the help of an expert or mentor. Unless you understand "value" in art (or anything else), it's impossible to understand opportunity. And to understand value, you have looked at hundreds, even thousands of paintings. Learning about art is lifelong. When you arrive at the threshold of connoisseurship, and can see art at a gut-level, you're ready to begin buying and selling art for a profit.

WHICH SUBJECTS ARE BEST?

Notwithstanding the exception to every rule: horizontal pictures are better than vertical ones. Paintings of girls are more desirable than pictures of boys. Landscapes are more valuable than seascapes. Life-pictures are more valuable than death scenes. Domestic animals are more appealing than wild animals. Organic still lifes are more valuable than inanimate pictures. More is better than less, with fruit, flowers, and fish etc. Thick paint (impasto) is better than thin paint (dry brush). Bright colors are better than soft tones. Remember, religious pictures are hard to sell, unless an Old Master, or executed by well-known artists. Full size paintings (24" X 36") are better than small or medium size pictures. Experimental themes are not as valuable as paintings from an artist's main body of work (oeuvre). For example, Thomas Moran's paintings of Yellowstone and the Grand Teton Mountains are more valuable than his paintings of India and Venice. A masculine face on a woman dressed in satin and lace will have little chance of fetching a good price at auction. Cheerful subjects, such as kittens pawing a ball of string, goldfish swimming in a bowl, or children chasing fireflies on a summer evening are highly desired subjects, and form a generally safe buying guide.

WHO SUPPLIES ART?

Serious buyers of art develop "relationships" with Knockers, Pickers, Dealers, Galleries, and Auction Rooms. Eventually most art winds up on a collector's wall. To buy and sell art successfully, you must develop contacts and build relationships.

25/25/50 Rule

Remember this rule, because it applies whether you're an engineer, teacher, or art dealer: 25% of your success will come from your knowledge. 25% of your success will come from your skills. And 50% of your success will come from your relationships. Develop these attributes.

BUYING ART STRATEGICALLY

The below buying criteria will help establish standards for buying investment quality art, thereby assuring you of a profitable outcome.

Buy

- only original paintings; signed and dated by the artist.
- only listed artists with multiple auction records.

- paintings by artists who produced a prodigious body of work in their lifetime, e.g., more than 200 paintings.
- works by artists who had major exhibitions and shows in their lifetime, e.g. The British Royal Academy, The Paris Salon, The National Academy of Design.
- artworks by artists whose School of art remains highly collected and in demand, e.g., Hudson River School, Brandywine School, California Impressionist School.
- representative examples of an artist's central theme paintings (oeuvre); for example, Thomas Moran's Grand Canyon scenes, not his Venice or India pictures
- subjects that other people collect and invest in, e.g., children at play, women under parasols, genre pictures, mountain and vista landscapes
- examples that are fresh and new to the market (have not recently been at auction, or "shopped around").
- representative paintings of an artist's highest quality.
- large size paintings, 24" X 36", but generally not larger than 60 inches on any side.
- examples that are in good to excellent condition.
- paintings with an authenticated well-documented provenance.
- art works that come with a free title, bill of sale, and a guarantee.
- unsigned paintings that are outstanding (if reasonably priced), especially if accompanied by firm attribution from a renowned specialty scholar.

Make a Deal, Don't Be Shy

If you've found a painting you like, in good to excellent condition, in a School of art that is appreciating, fairly priced, you've done your research and due diligence, and it's affordable, buy it! Enjoy your painting for its beauty and financially for its profit appreciation for years to come.

Previous Meeting

Minutes of the meeting on 19 October 2015

Scribe: Graham Finlayson

Sergeant Regine opened the meeting and requested **Acting President Wybe** to do the Welcome.

He duly proceeded to welcome all the Members and the Guests: Eric Dinzenza – guest of Menno de Wet

4 Way Test recited Vanessa

Grace and Toast to RI said by Billy Meyer

Stirrer's Spoon remains with Graham F

Wine Swindle was managed electronically by Paul, won by Mike W

Fresh Lettuce, provided by 'green fingers' Christine, auction won by Graham L

Membership Drive Meeting – was postponed by Chris Beech, as only one special guest had arrived. It was proposed the Membership Drive Meeting be rescheduled for 29th February 2016, but this was declined as this is 1 week before the CT Cycle Tour.

My-Job Talk was done by Paul, being interviewed by Bill.

Paul proceeded to give all an insight to his origins in Boksburg, next to Christine in Benoni (remember the first Campari?), and his varied study career before he embarked on studying medicine at Wits. He worked as a GP in Montagu / Ashton area for 20 years before relocating to CT 3 years back. Currently is the COO (Superintendent) of Brooklyn and DP Marais (old Princess Alice) Hospitals which are Specialist TB Treatment Centres. He is married to Julie for 30 years with 3 children. Their son Sam was a STEP Student to Germany a few years back. Paul is a keen golfer and enjoys woodwork, DIY and some bridge (cards).

Paul fielded a number of questions around TB and the associated risks enlightening all, advising it is a disease which will never be countered in SA until all had adequate housing.

ORDINARY SPOTS:

Ian: Mini-Conference is being held near Worcester – Goudini Spa, and was available to lift any fellow Member. Shan and Jenny H took up the offer, insisting they will be the navigators to ensure the correct destination.

Jenny I: advised there will be a Vocation and International Committee Meeting after the Meeting.

Willie: was requested by Brian to attend a ‘Light Matters’ Open Day at a school in Vrygrond, which was very uplifting. Their teaching methods are achieving great success and the donation the Club made is to good effect.

Regine: requested all Members to provide any info on events, such as Willie’s experience, with a short few lines and a photo for publication on social media. Info can be sent to her at email address: rotary@reputationmatters.co.za.

Graham L: reminded all of the vintage aircraft flying from Cape to Cape, arriving at the Stellenbosch Flying Club on Saturday, 24Oct15, at +/- 15:00. All are encouraged to witness this international Rotary event.

Andy: thanked all those who assisted with the Wine Auction Lots assembling and documenting, in record time.

Richard B: reminded those invited to the Wine Auction Thanks ‘Shake-down’ of the event on Thursday evening.

PRESIDENT’S SLOT:

Acting President Wybe

- Announced Billy Meyer has offered to take up the Club Secretary post in Lucian’s absence of leave.
- Reminded Bard Members of the Board Meeting on Wednesday
- Thanked Paul for his My-Job Talk
- President Colin will be back for next week’s meeting
- Happy Birthday to Lyn van der Lith for tomorrow

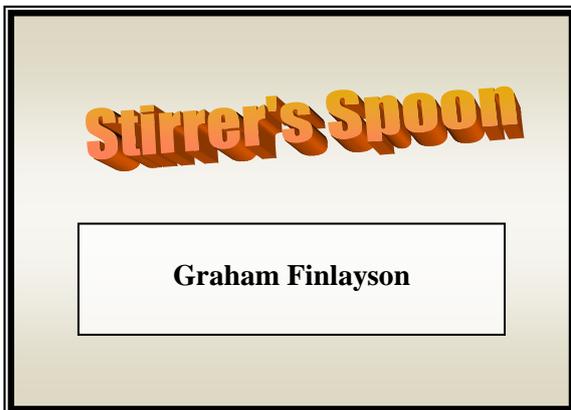
- Thanked Chris B for his efforts towards the Membership Drive
- Advised Jenny H of some young bowling colleagues who could be interested in starting a Newlands Rotaract Club

SERGEANT'S SLOT

Regine advised of next week's duties and proceeded to attract a number of 'Happy Rands' from many 'happy' Members, and then closed the meeting.



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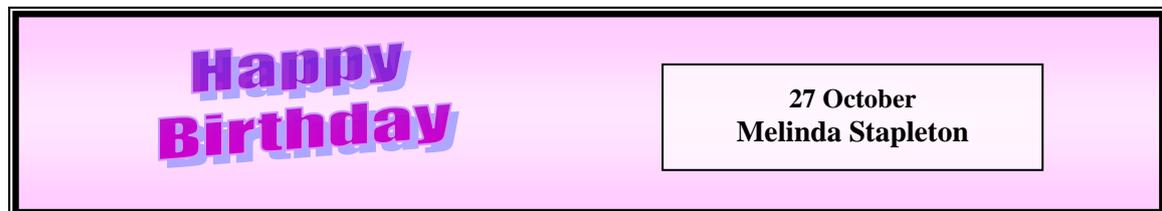
[Newlands Rotary Club Runner Calendar](#)

FUTURE FIXTURES
Year Planner
 Please advise the secretary promptly of any additions or changes

October 2015
 Mon 26 Business

November 2015
Mon 2 Partners
 Mon 9 Meeting moved to 11th →
Wed 11 Meet & greet Oz Raffle Winners
 Mon 16 Ordinary
Mon 23 Business, AGM
Sun 29 Stellenbosch Fietstoer
 Mon 30 Ordinary

December 2015
Mon 7 Partners, Year-end function
 Mon 14 Ordinary



UMPIRES AND SCORERS

DATE	26 October	2 November	9 November	16 November
MEETING	Business	Partners	Meeting moved to 11 November Meet & Greet Aussie Raffle Winners At Royal Cape Yacht Club	Ordinary
SERGEANT	Chris Beech	Michael Walwyn		John Winship
4 WAY TEST/ OBJECT	Glynis Menné	Christine Calothi		Menno de Wet
GRACE & TOAST	Garnet Carr	Terry Lancaster		Willie Wijenberg
ATTENDANCE	Jenna Monk	Jenny Howard		Richard House
FELLOWSHIP	Graham Lowden	Heidi Andersson		Jana Forrester
MINUTES	Corinne Hudson	Johan Beukman		Rochelle Malherbe
COMMENT	Jenny Ibbotson	Mike Young		Andy Ismay
THANK SPEAKER		Ian Pursch		Wybe Meinesz
INTRO SPEAKER		Pieter van Aswegen		Regine le Roux

**Invited
GUEST SPEAKERS**

- 2 Nov **Suzanne Ackerman** – *Small Business Incubators*
- 16 Nov **Eric Tollner** – *Hout Bay Harrier Hero*
- 30 Nov **Hilary Lane** – *Triumphing in a 'normal' world*

If you cannot do your job on the day, please find someone who can do it instead of you, then contact the Sergeant on the day to update the roster. Please don't leave this until the Monday afternoon – let the Sergeant know in advance if you have not been able to arrange a swap. If you are going to be away for particular future meetings let Peter Ennis know.



Rotary Club of Newlands Office Bearers

Colin Burke	President	colinburke@mweb.co.za
Lucian Pitt	Secretary	secretary@newlands.org.za
Peter Ennis	Treasurer	treasurer@newlands.org.za
Chris Beech	President Elect	chris@aaam.co.za
Brian Pickup	Community Service	brianp@automac.co.za
Melinda Stapleton	Club Service	mjstapleton@webafrica.org.za
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Chris Beech	Membership	chris@aaam.co.za
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Regine le Roux	Public Relations	rotary@reputationmatters.co.za
Johan Beukman	Youth Service	jbeukman@netactive.co.za

Books for the World

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age from early education to High school**

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