

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 for greater cultural patronage and the freedom to collect artworks. The artworks were no longer housed in private residencies but were shown publicly as a symbol of success further enhancing the family's influence. 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 art collecting. He started his acquisitions of artworks in 1959 for the family associated Chase Manhattan Bank. Today, the JPMorgan Chase Art Collection is one of the world's oldest and largest with over thirty thousand works situated within 450 corporate locations worldwide.

"Our collection continues to function as a 'working asset' to enhance our workplace for the enjoyment of employees, clients and guests, as well as to demonstrate key values of the firm: human creativity, innovation and diversity – first-class quality in everything we do" - Lisa K Erf, Director of the JPMorgan Chase Art Collection

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 is a plethora of benefits for a corporation in building an art collection.

A corporate art programme is there for a reason, and that reason is always business. There would be no art collection if it did not do something for the company, either by projecting a particular image, or by being an important networking tool, or by stimulating the company's employees. Such positives will be explored using certain case studies from successful corporations who have thriving collections.

One of the most obvious benefits is that the artworks can be displayed in the workplace. It can fill the blank monochrome walls and spaces. The works can boost staff morale and can be argued to foster every chance of an increase in productivity (a study by Dr Craig Knight from Exeter University School of Psychology found that people working in enriched spaces were 17% more productive than those in lean spaces) as well as creativity (see 'How to Ride a Black Swan').

Staff can enjoy thought-provoking works, which are intellectually challenging and discuss different viewpoints. This can bring people together through discussions and events for instance. A company that pays particular attention to art 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 artworks 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, "humanises and energises the work environment". Microsoft also commissions 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 art reflects the diversity of the workers and customers the company works with. The work can aid to: "Broaden employee appreciation of diversity".

Furthermore, Microsoft has a programme 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 promoting and maintaining business relationships, not least cultural learning activities. As Laura Matzer, Programme Manager and Curator of the Collection, posits the corporate art programme: "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". Matzer wants to at least: "Demystify contemporary art for our audience".

One of the overarching benefits of developing an art collection is that it has the potential to be used as an important marketing tool. What and how a company collects, and its subsequent approach can portray the company in a positive light, such as a corporation which looks after its employees and clients, is open to debate, promotes artistic development and creativity and so on. One can thus deduce that a key facet is *image*. A collection 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' works. 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, 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 can reflect the model and culture of a company as being very much alive and in the moment.

Meanwhile, for corporations who buy and own blockbuster artworks the symbol is clear. The company Sompo Holdings, the Japanese insurance group, for example, acquired the works ‘*Sunflowers*’ by Vincent van Gogh and Paul Cézanne’s ‘*Pommes et Serviette*’ in 1988 and 1990 respectively. The former is believed to have been purchased 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.

“As a corporate group that supports security, health, and wellbeing, Sompo Holdings will strive to create a society where everyone can lead a vibrant and fulfilling life through art and culture” – Sompo Holdings’ Mission Statement

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. Nonetheless, corporate art collections can show success boosting and communicating prestige.

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, so the collection is an attractive entity and point of connection. 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 its same technologies and systems in the managing of its 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 has 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 to get 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 (or at least they must live in Switzerland), 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 [Swiss] artists”. A shining example of success spurred on by the company’s patronage, 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 and thus company.

As many companies pride themselves in supporting emerging and often young artists they are shaping the cultural landscape through their supportive platform for success. This is part of leaving a legacy. Thus, promoting the company as a place that inspires, promotes, cultivates 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 working in the cities in which they have offices. The shift started in 1993, around a decade after the Collection was started by a former partner, Stuart Evans, in London. He 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 as Stuart Evans points out: “Many lawyers have fixed views on what pictures should look like...however, good art is neither tame nor tameable”. In a firm with some of the brightest minds in the world one would expect that the artworks they collect would fit the same exigent and questioning academic standards (see ‘How to Ride a Black Swan’) - again, this is all part of a company’s positive image.

Additionally, a company can foster long-term relationships with the artists they collect, which 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 require the company’s services in the future as their career develops. Again, taking Simmons & Simmons as an example, many artists have become clients who request their legal services. They have acted for 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 new business opportunities through their loyalty to the company. In some cases, artists also pay for the services with more artworks and so the collection continues to grow, organically, for example the artist Abigail Lane gave the firm her photograph ‘For His Own Good’ in exchange for legal work the firm conducted during her studio move. Thus, this is mutually beneficial 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

beyond the realm of simply selling for profit. Naturally, every acquisition like every business decision is carefully thought out. Liz Christensen, Curator at the Deutsche Bank Collection, explains: “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”. Like the personal collector, investment is likely a part of the corporation’s overall buying decision, but it is by no means the main concern as there is a plethora of other more immediate benefits to utilise first. Art collecting becomes intertwined with a company’s identity reflecting its corporate culture, uniqueness and values.

The Modern Art London Series: Corporate Art Collections

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