

Art transport by sea Niche for  
professionals  
or cultural nuisance

1st Cologne Art Insurance Talk  
18 April 2012

## Humans - and other means of transport



## A look back



## A pharaoh in New York



## Takashi Murakami in Doha



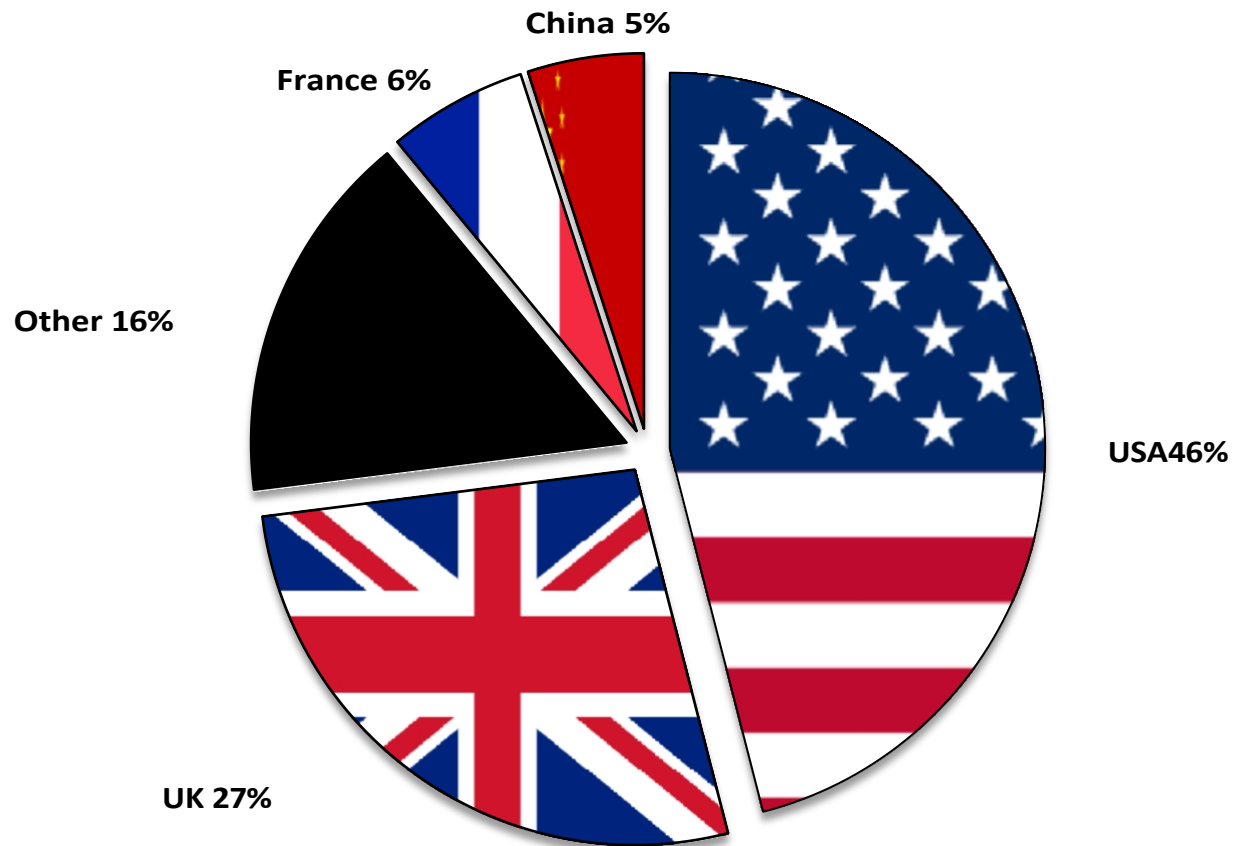
## The most visited museums in the world in 2009

<b>Louvre Paris*</b>	<b>8,500,000</b>
<b>British Museum London</b>	<b>5,569,981</b>
<b>Metropolitan Museum of Art New York</b>	<b>4,891,450</b>
<b>National Gallery London</b>	<b>4,780,030</b>
<b>Tate Modern London</b>	<b>4,747,537</b>
<b>National Gallery of Art Washington</b>	<b>4,605,606</b>
<b>Centre Pompidou Paris</b>	<b>3,530,000</b>
<b>Musée d'Orsay Paris</b>	<b>3,022,012</b>
<b>Museo Nacional del Prado Madrid</b>	<b>2,763,094</b>
<b>National Museum of Korea Seoul</b>	<b>2,730,204</b>
<b>Museum of Modern Art New York</b>	<b>2,672,761</b>

## Art and costs

- Design costs
  - Only rarely considered
- Exhibition costs
  - Less and less money for higher demands
- Transport costs
  - Air freight costs up to 7 times as much as sea freight
- Insurance costs
  - Proportionally decreasing
- Performance of the art markets in recent years
  - Cyclical - trend stable to exponential rising

## Art market 2006 approx. 55 billion US \$ turnover

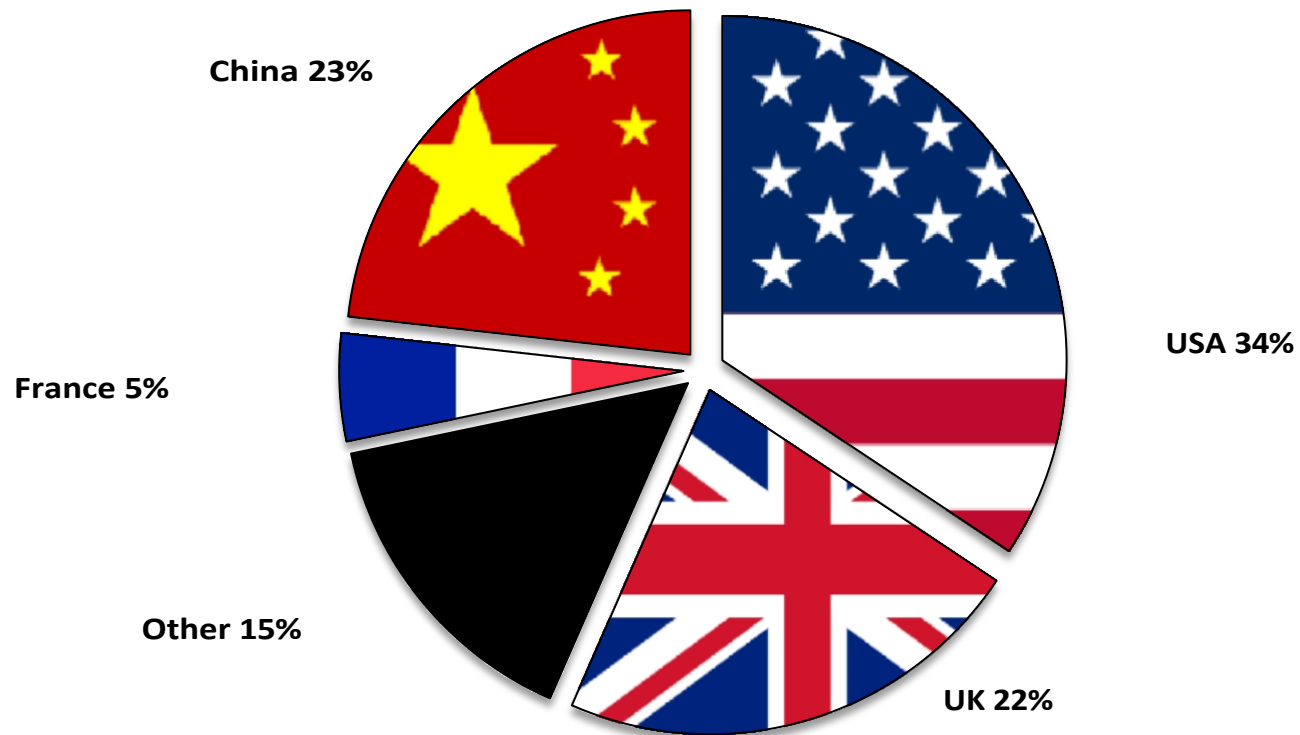




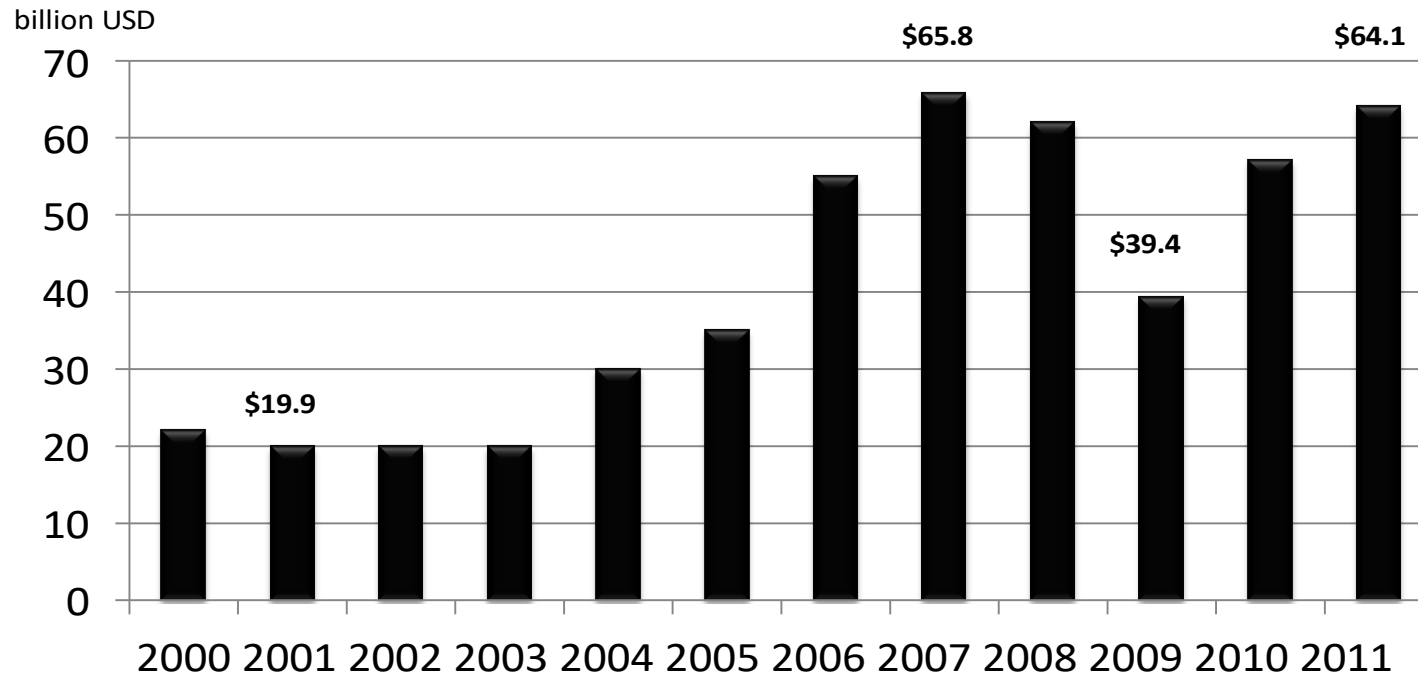
## Artists with the highest auction sales in 2010

		<b>Volume of transactions</b>	<b>Maximum price</b>	<b>Number of transactions</b>
<b>1</b>	<b>PICASSO Pablo (1881-1973)</b>	<b>361.493.772</b>	<b>95.000.000</b>	<b>2.022</b>
<b>2</b>	<b>QI Baishi (1864 - 1957)</b>	<b>339.231.302</b>	<b>9.535.500</b>	<b>914</b>
<b>3</b>	<b>WARHOL Andy (1928-1987)</b>	<b>313.535.564</b>	<b>56.500.000</b>	<b>1.120</b>
<b>4</b>	<b>ZHANG Daqian (1899 - 1983)</b>	<b>304.303.005</b>	<b>13.203.000</b>	<b>795</b>
<b>5</b>	<b>GIACOMETTI Alberto (1901-1966)</b>	<b>213.618.702</b>	<b>92.521.600</b>	<b>132</b>
<b>6</b>	<b>XU Beihong (1895 - 1953)</b>	<b>176.249.208</b>	<b>23.026.500</b>	<b>248</b>
<b>7</b>	<b>MATISSE Henri (1869 - 1954)</b>	<b>174.029.764</b>	<b>43.500.000</b>	<b>343</b>
<b>8</b>	<b>MODIGLIANI Amadeo (1884 - 1920)</b>	<b>139.795.698</b>	<b>61.500.000</b>	<b>36</b>
<b>9</b>	<b>FU Baoshi (1904 - 1965)</b>	<b>125.214.666</b>	<b>7.985.600</b>	<b>203</b>
<b>10</b>	<b>LICHTENSTEIN Roy (1923 - 1997)</b>	<b>112.531.769</b>	<b>38.000.000</b>	<b>380</b>
	<b>Total:</b>	<b>2.260.803.150</b>	<b>440.771.200</b>	<b>6.193</b>

## Art market 2010 approx. 58 billion US \$ turnover



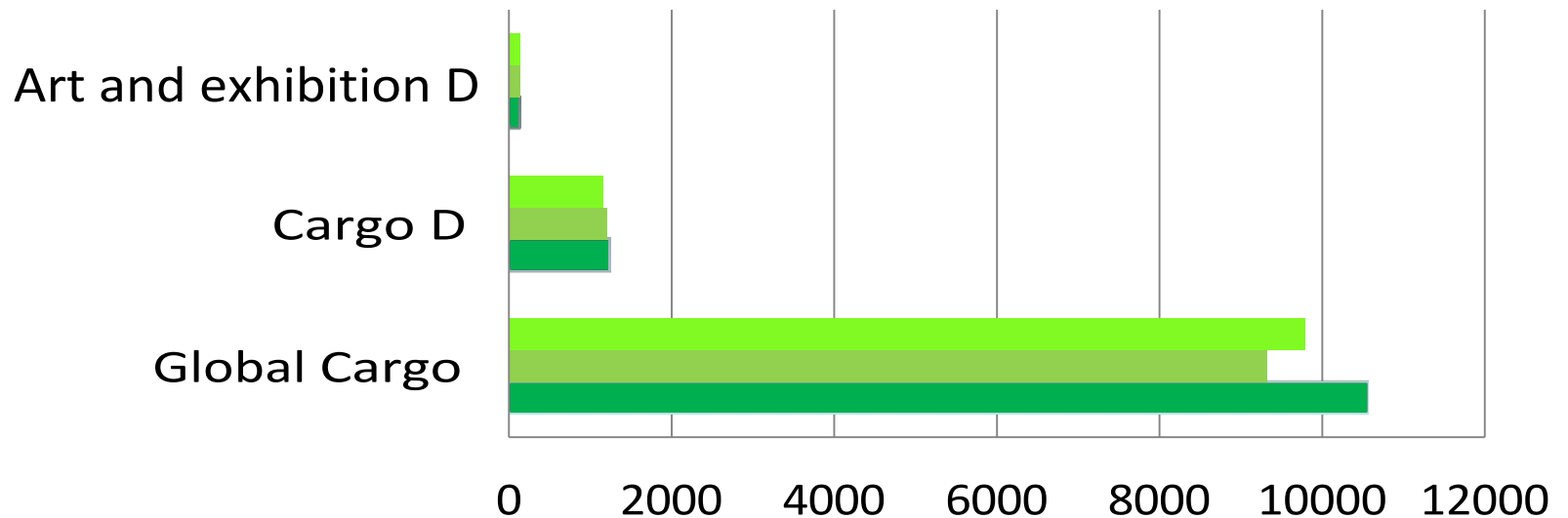
## Turnover on the art market 2000 - 2011



## Underwriting capacity art insurance worldwide

- Approx. € 3 billion worldwide
  - AXA Art approx. € 300 million mandatory
  - Uniqa Versicherung approx. € 300 million mandatory
  - Allianz approx. € 50 million mandatory
  - Gothaer approx. € 20 million mandatory
  - Lloyd's approx. € 500 million optional
  - Facultative reinsurance
- Only a few insurers can afford their own Art experts

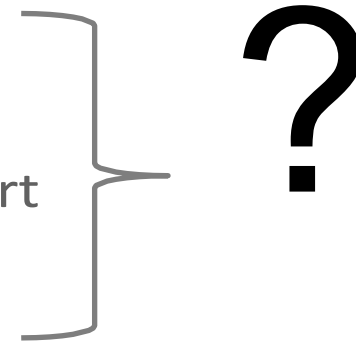
## Premium income from marine and art insurance in € million in Germany



	Global Cargo	Cargo D	Art and exhibition D
2010	9791	1162	133
2009	9325	1200	133
2008	10560	1239	135

## Statistical statements on art insurance worldwide

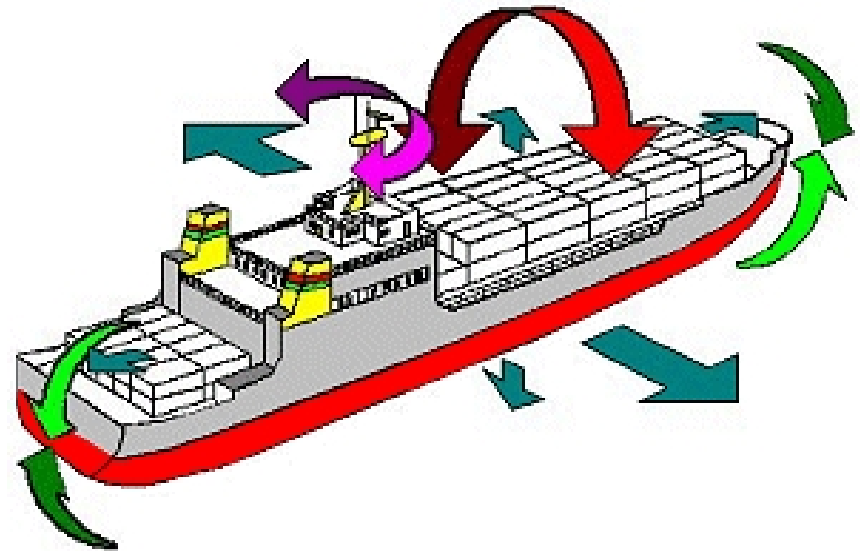
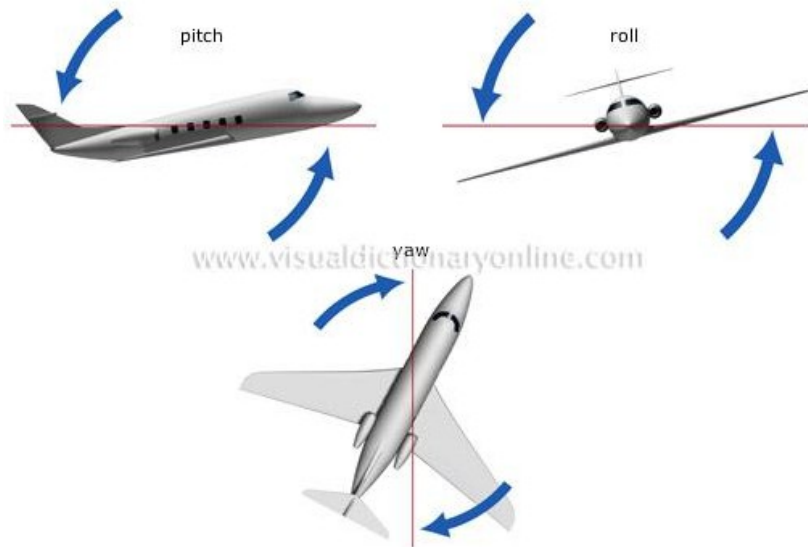
- There are no meaningful statistics!
  - Annual premium volume > EUR 1 billion estimated
  - Claims volume fluctuates strongly (volatile)
    - Theft with spectacular returns (last Example: Cezanne boy with the red waistcoat)
    - Damage / depreciation
  - Allocation of risks to
    - Private
    - Trade/Gallery
    - Exhibition
    - Transport and means of transport
    - Warehouse



## The magic of the unexpected

- Tut Anch Amun Hamburg 1980
  - 15 million € insurance sum
  - 42,000 € Contribution
- Tut Anch Amun Bonn 2004/2005
  - 540 million € sum insured
  - 400,000 € contribution
- This corresponds to a 75 % reduction in instalments!

## Movement of aircraft and ships





## What distinguishes the means of transport

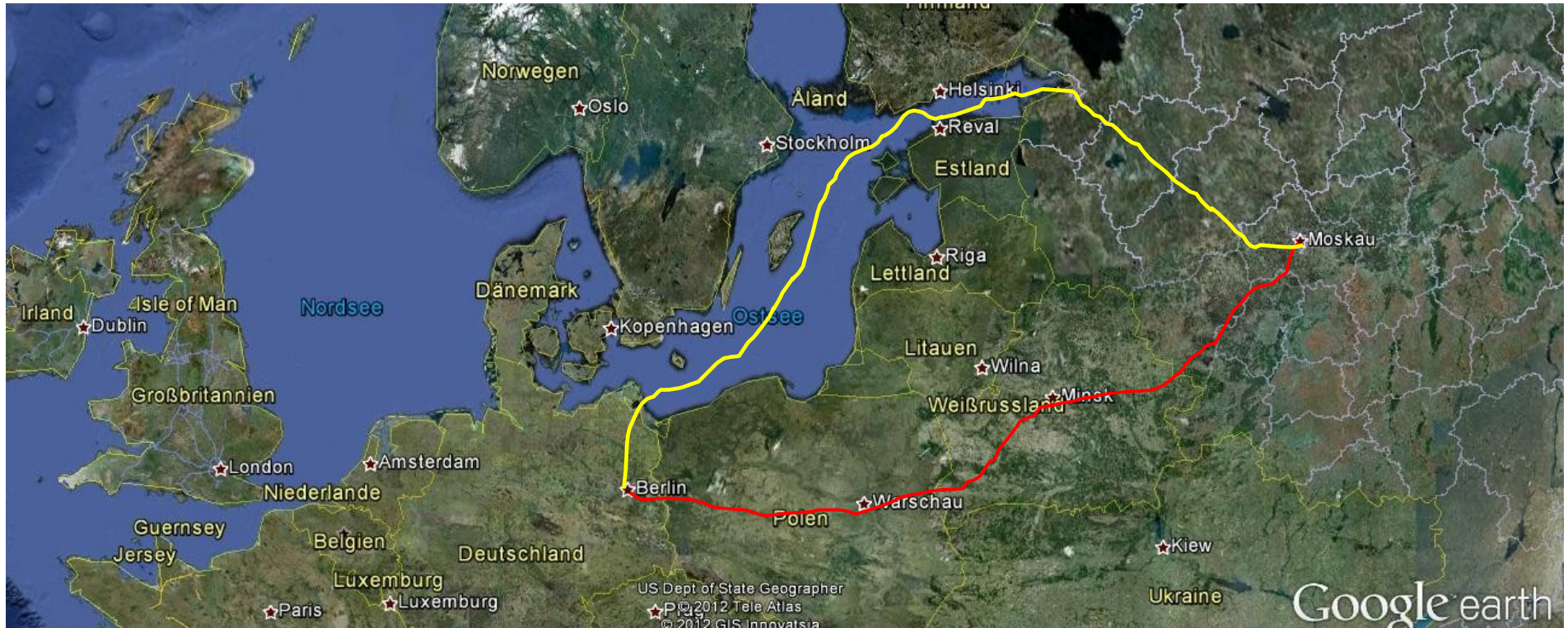
### Ship

- 65 Total losses 2010
- 42 Total losses 2011
- General average
- Liability of shipowners
- Pre-carriage in the harbour
- Transport time
- Seaworthy packaging

### Aeroplane

- 29 Total losses 2010
- 28 Total losses 2011
- Warsaw Agreement
- Liability of the Airlines
- Pre-run at the airport
- Cargo volume

## An example : Berlin - Moscow



## More questions than answers

- What experience of damage do museums and retailers have with the individual means of transport?
- Is cultural heritage jeopardised by maritime transport?
- When is packaging suitable for transport?
- Are tight budgets leading to increased sea transport?
- Is there an ideal means of transport?
- Does art / the artist have to adapt to the changing world of transport and risk?
- Under what conditions is art at sea insurable?