

A GUIDE TO  
ART INVESTMENT

Gorrieys.

# Explore art, experience Gormleys.

Gormleys believe investing in art is an opportunity for everyone. We offer our knowledge and support with no pressure or hard sell; the artworks speak for themselves. Our integrity is of the upmost importance, and we pride ourselves on trusted relationships with our customers and selling desirable artwork at a fair price. We have built a valuable network allowing us to source fantastic investment pieces.



# Art as an investment

Gormleys offer a specialist art investment advisory service and deal in works by leading contemporary blue chip artists including Andy Warhol, Banksy, Keith Haring, Patrick O'Reilly, Damien Hirst, Francis Bacon, Robert Indiana and Roy Lichtenstein. We have a strong track record in identifying and sourcing works by established and blue-chip artists whose value has significantly increased over time and provided excellent returns for our clients.

When it comes to financial investment, Gormleys are confident that with our advice and a suitable time period of time between purchase and sale you will see a healthy return on investment.



Left:  
Andy Warhol Campbell's Soup Cans 1: Green Pea (FS II.50) 1968  
76.2 x 55.9 cm  
Screenprint edition of 250 signed in ball-point pen and numbered with a rubber stamp on verso.

Right:  
Jean-Michel Basquiat Rome Pays Off, 2004  
112 x 101 cm  
Screenprint in colors, 2004, Signed and numbered in pencil on the verso by Gerard Basquiat, the administrator of the artist's estate. From the edition of 85.



# Before you buy an artwork

## Consider what you want to achieve

Knowing why you want to purchase is a good place to start. Gormleys can help you on your art journey by getting to know you and the relationship you want to have with art. Are you buying solely for a financial return, looking for something aesthetically pleasing or starting a dedicated collection? It is important to think about long term goals and what you hope to achieve.

## Understand what you are buying

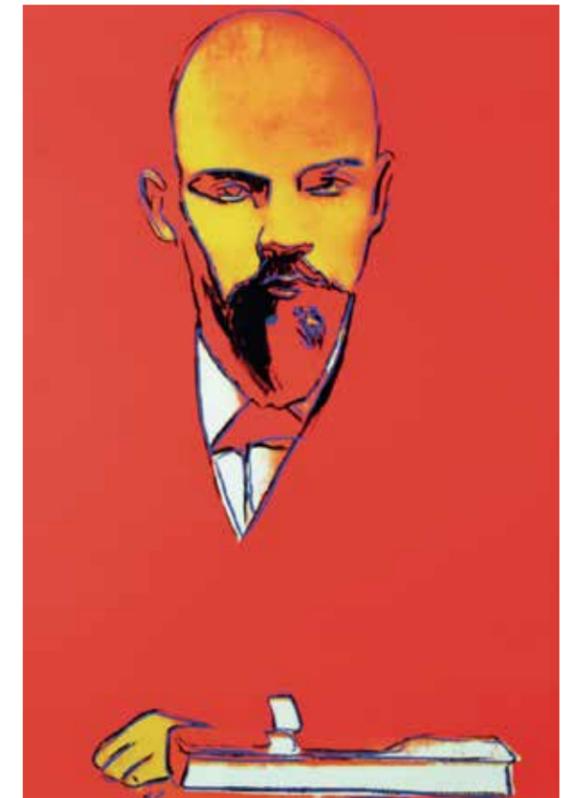
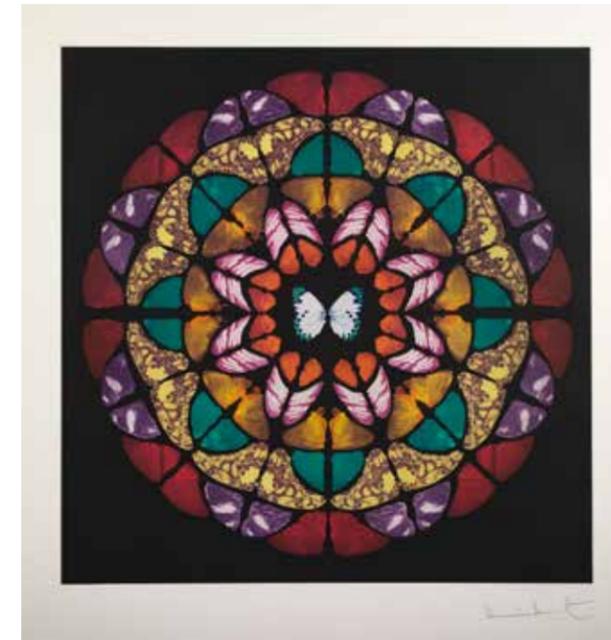
At Gormleys, we strongly advise you to research exactly what it is you are buying. Look into the artist, check pricing and sales history and speak to respected sources for information. Our gallery team will be happy to advise you.

## Not all art will increase in value

Not all art is a good investment financially and beware the salesperson who tells you otherwise. Over time any artwork can increase in value, but this is not always the case. It is important to ask questions and get honest advice about the art you are buying.

However, there is no substitute for having a passion for an artist's work or an artistic interest, this alone can be much more rewarding than any financial gain.

Damien Hirst Altar  
119.4 x 114.3 cm  
Etching  
Signed and numbered on the reverse,  
from the edition of 59.



Andy Warhol Red Lenin (FS II.403)  
100 x 75 cm  
Screenprint on Arches 88 paper from  
the edition of 120.

Patrick O'Reilly Larger than Life  
400 x 436 x 151 cm  
Bronze



# Artist classifications

Artists can generally be categorised into four stages based on their career. These categories will have a bearing on how much risk is involved with the investment.

## Emerging

Buying artwork from an emerging artist can prove to be profitable over time but be wary. This category carries the highest risk as the artist will have a limited collector base and little recognition. There will be no secondary market for the artist's work and should you wish to sell, it may prove difficult.

However, collecting works by new artists can be hugely rewarding as you will be supporting the career of a potential star of the future, and you can often pick up quality works at an affordable price. From this point of view it is a fantastic investment to enjoy, but not necessarily a financial guarantee.

## Mid-career

A mid-career artist will likely have a reasonable collector base and the backing of a reputable gallery. Purchasing their work will offer less risk than that of an emerging artist but, at this stage in their career, they may not yet have a strong secondary market. For emerging or mid-career artists it would be reasonable to retain the artwork for around 15 years before you see a real appreciation in value.

## Established

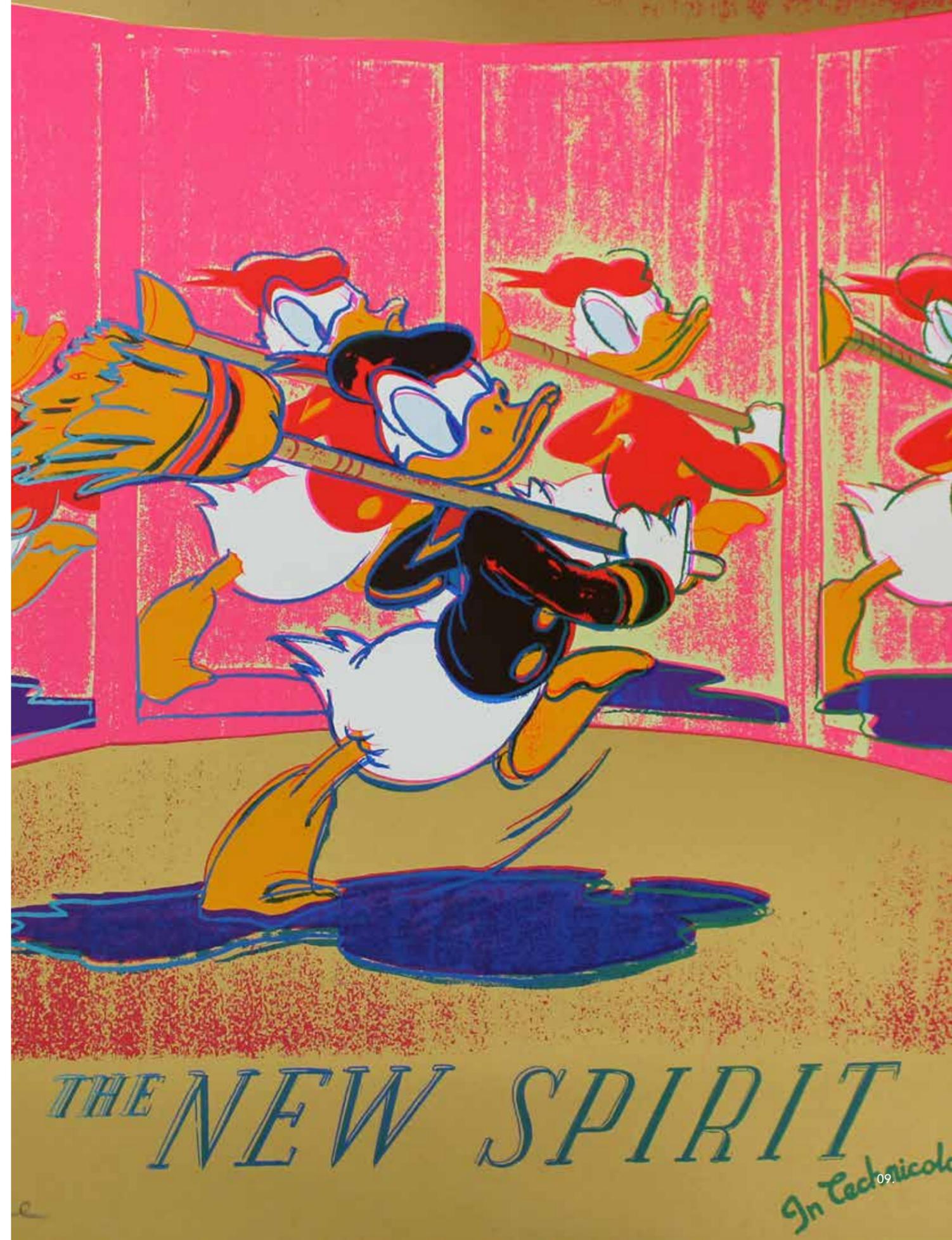
An established artist will have a loyal collector base and have the backing of one or more reputable galleries. Their work will have featured in regional or possibly international museums. A well-developed secondary market for their work will exist, although this may be limited to their home country. Purchasing artwork from established artists involves less risk as the artist will have a strong collector base who actively purchase their work.

## Blue chip

Within the art world, 'blue chip' refers to widely recognised art that is reliably profitable and expected to hold or increase its economic value, regardless of the market ups and downs. Blue chip artists will have an exceptional record of their work appreciating in value and will have a well developed international secondary market and strong global gallery and museum representation.

It is very likely that they will be listed in the top 500 grossing artists at auction and in most cases be at the upper end of the scale. Blue chip art offers the least risk and some of the best returns in the shortest time period. As a guide, in order to realise a healthy profit for works by established or blue-chip artists, you will need to keep the work for between 5 and 10 years. Unlike artists in the other categories their work will be reasonably liquid with various opportunities to sell.

Right:  
Andy Warhol The New Spirit (Donald Duck), 1985  
96.5 x 96.5 cm  
Signed and Inscribed AP 9/30  
Screenprint on Lenox Museum Board



# The benefits of investing in art

## Tangible Asset

Art is a great tangible investment as it will always be a physical asset with the capacity to preserve value. In times of uncertainty or financial distress, other more liquid assets tend to fall more quickly and recover slower, evidenced in the financial crash of 2008. The art market also showed great resilience under continuing uncertainty in 2021. (Source: Art Basel & UBS).

## Pleasure

Unlike other forms of investment art can give immeasurable long-term joy alongside the potential of financial return if you decide to sell in the future.

Collecting can be a lifelong passion and in a dynamic market there are many opportunities to discover new artists or attain a sought after artwork.

## Diversification

Many wealth managers see the benefits of having a mixed investment portfolio and agree on the wisdom of art as an investment. Deloitte's Art & Finance Report 2019 revealed that, "86 percent of wealth managers believed that art should be part of a wealth management offering."

Since the art market is not correlated to the performance of major stock markets it can be a useful way to diversify your investment portfolio. The art market has been known to grow even during times of economic uncertainty, making it an ideal choice for investment in the good times and the bad.

## Financial Return

Art has the potential to deliver a very good financial return, but it must also be said, as with any investment it can result in a loss.

Between 2000 and 2018 Artnet's Index for the Top 100 Artists produced an 8% present Compound Annual Growth Rate, compared with 3% for the S&P500.

In The Contemporary Art market Report in 2019 by artmarket.com they found that, "driven by growing demand, the total volume of auction turnover, generated by the Contemporary Art auction segment worldwide, has doubled over the past decade."



# Examples



**Andy Mouse, 1986.**  
Screenprint from an edition of 30: Sold by Gormleys for £159,000 in 2017. Most recent auction result for the same piece: £215,000 including fees. 17 July 2020, Ketterer Kunst GmbH, Munich, Germany. This piece increased in value by 36% in this time period.



**Mick Jagger, 1975.**  
Screenprint from an edition of 250. Sold by Gormleys for £59,000 in 2018. Most recent auction result for a similar piece: £116,000 including fees. 15 March 2023, Sotheby's, US. This piece increased in value by 98% in this time period.

**Love, From The Book Of Love, 1996.**  
Screen from the deluxe edition of 50 prints. Sold by Gormleys for £5,800 in 2017. Most recent auction result for a similar piece: £7,560 including fees. 21 January 2021 Phillips, London, United Kingdom. This piece increased in value by 31% in this time period.



**Mickey Mouse, 1981**  
Screenprint on Lenox Museum Board. Signed and numbered from an edition of 200. Sold by Gormleys for £150,000 in 2021. Most recent auction result for a similar piece: £215,000 including fees. 15 July 2023, SBI Art Auction Co, Ltd, Tokyo, Japan. This piece increased in value by 43% in this time period.

**Nola (Orange Rain), 2008.**  
Signed screenprint from the edition of 32. Sold by Gormleys for €86,000 in 2018. Most recent auction result for a similar piece: £137,000 including fees. 22 February 2023, Forum Auctions, London, UK. This piece increased in value by over 87% in this time period.

**Flying Copper, 2004.**  
Unsigned screen from the edition of 600. Sold by Gormleys for £7,500 in 2017. Most recent auction result for the same piece: £47,250 including fees. 17 August 2022, Sotheby's, London. This piece increased in value by 525% in this time period.



# Gormleys expertise

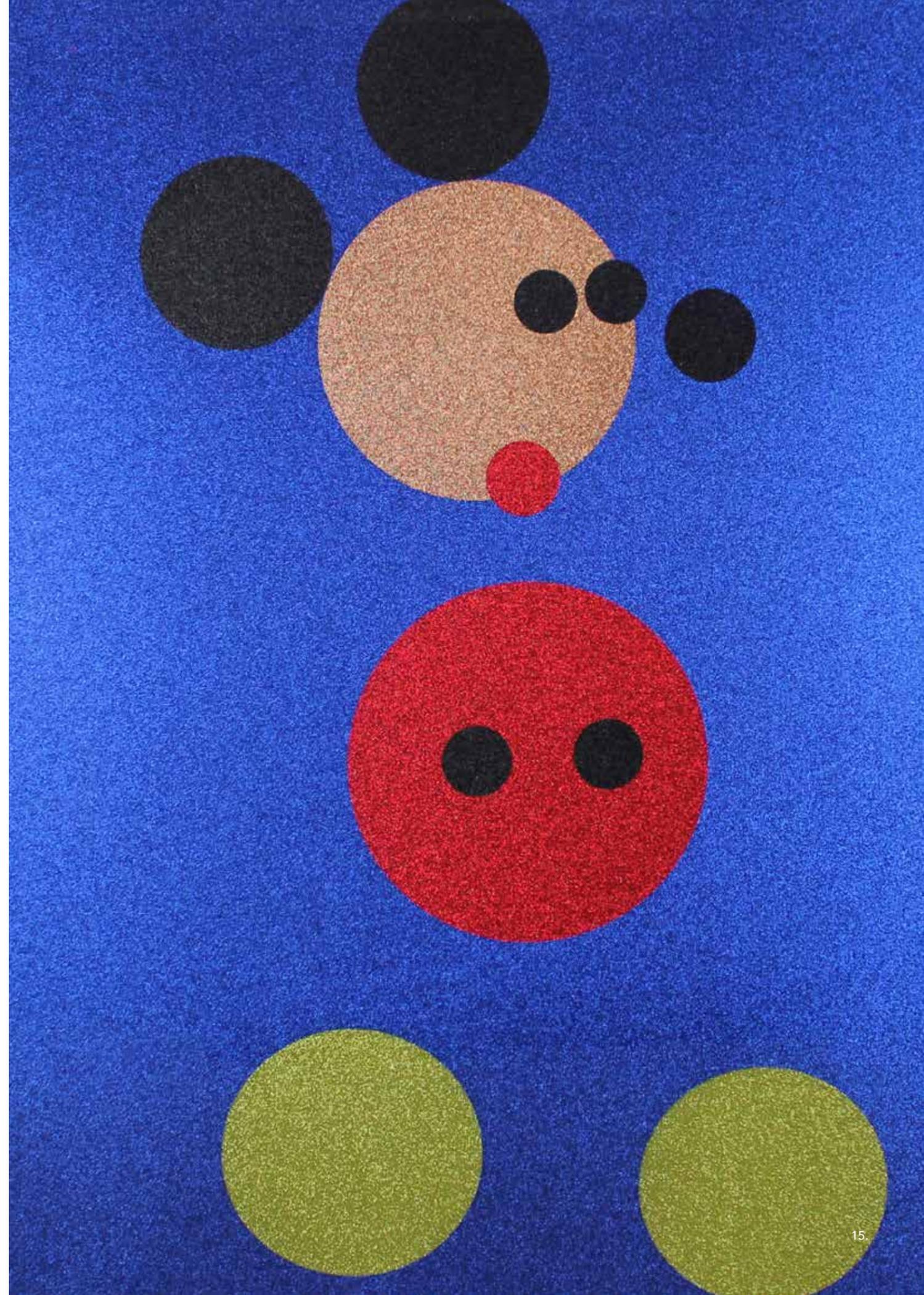
When it comes to financial investment, we recommend considering safer investment works by blue chip artists and well-established artists as their work offers the best risk to reward ratio.

We are confident that should you buy works of art by these artists and keep them for a suitable time period we will be able to sell them on for you at a profit. You will also have the advantage of the widest option of selling them via auction houses worldwide or a suitable dealer or gallery.

Gormleys will help you navigate the art market and buy quality artworks that have strong investment potential with the upmost discretion.

**Please get in touch with our Belfast or Dublin galleries for advice and guidance.**

Right:  
Damien Hirst Mickey - Glitter (Large), 2016  
152.4 x 121.9 cm.  
Signed and numbered on verso  
Screenprint with glitter  
Edition of 50.



471 Lisburn Road  
Belfast, BT9 7EZ  
+44 (0)28 9066 3313

27 Frederick St. South  
Dublin, D02 EP03  
+353 (0)1 6729031

[info@gormleys.ie](mailto:info@gormleys.ie)  
[gormleys.ie](http://gormleys.ie)