Professional Certificate in Art Law

Artists' Resale Rights

Artists' Resale Right (ARR): a legal right that allows artists to receive a royalty each time their artworks are resold on the open market. Also known as "Droit de Suite" in French and "Künstlerresalee" in German.

Related terms: resale, royalty, open market, copyright, moral rights.

Concept: ARR is a type of intellectual property right that aims to protect the economic interests of artists by ensuring they receive a share of the profits generated from the resale of their artworks. This right is intended to compensate artists for the initial low prices they may have received for their works when they were first sold.

Application: ARR applies to original artworks, such as paintings, sculptures, and drawings, as well as limited edition prints. The right is triggered when a work of art is resold by an art market professional, such as an auction house or a gallery, for a price equal to or greater than a set threshold.

Examples: In the European Union, ARR applies to any resale of an artwork with a price equal to or greater than €1,000. In the United Kingdom, the threshold is £1,000. The royalty rate is calculated as a percentage of the resale price and decreases as the price increases.

Challenges: The implementation of ARR has been challenging due to the difficulty in tracking the resale of artworks and the administrative burden of collecting and distributing royalties. Additionally, some critics argue that ARR disincentivizes collectors from buying and selling art, leading to a decrease in the overall market. However, proponents of ARR argue that it is an important mechanism for supporting and promoting the careers of artists.

Art Market Professional: a person or entity that operates in the art market and is involved in the buying and selling of artworks. This can include auction houses, galleries, dealers, and art advisors.

Related terms: art market, auction house, gallery, dealer, art advisor.

Concept: Art market professionals play a crucial role in the art world, facilitating transactions between buyers and sellers and providing expertise and guidance to collectors. These professionals often have extensive knowledge of the art market, including the value, provenance, and history of artworks.

Application: Art market professionals are involved in various aspects of the art market, from sourcing and selling artworks to providing valuations and advising collectors on their collections. They may also provide services such as storage, transportation, and insurance of artworks.

Examples: Examples of art market professionals include Christie's and Sotheby's, two of the world's largest auction houses, as well as well-known galleries such as Gagosian and Hauser & Wirth.

Challenges: The art market can be opaque and difficult to navigate, making it challenging for collectors to make informed decisions. Additionally, the art market is often subject to market fluctuations and economic downturns, which can impact the value and demand for artworks. Art market professionals must be knowledgeable and experienced in order to provide accurate and reliable advice to their clients.

Artwork: a physical object or creation that is considered to have artistic value. This can include paintings, sculptures, drawings, prints, photographs, and other forms of visual art.

Related terms: original artwork, reproduction, limited edition, provenance, value.

Concept: Artworks are the physical manifestation of an artist's vision and creativity. They can take many different forms and be made from a wide range of materials, including paint, clay, metal, and stone.

Application: Artworks are often bought and sold on the art market, with collectors seeking out unique and valuable pieces to add to their collections. The value of an artwork can be influenced by various factors, including the artist's reputation, the provenance of the work, and the condition of the piece.

Examples: Examples of artworks include Vincent van Gogh's "Starry Night," Pablo Picasso's "Guernica," and Jeff Koons' "Balloon Dog."

Challenges: The art market can be subject to market fluctuations and economic downturns, which can impact the value and demand for artworks. Additionally, the authenticity and provenance of artworks can be difficult to verify, making it challenging for collectors to ensure that they are making informed purchases.

Auction: a public sale of artworks or other items, in which potential buyers bid against each other to purchase the item.

Related terms: auction house, bid, hammer price, reserve price.

Concept: Auctions are a common mechanism for buying and selling artworks on the art market. They provide a platform for buyers to bid on artworks and for sellers to reach a wide audience of potential buyers.

Application: Auctions are typically conducted by auction houses, which act as intermediaries between buyers and sellers. The auction house sets a reserve price, which is the minimum price at which the artwork can be sold, and potential buyers bid against each other to purchase the artwork. The highest bidder is typically the winner and the artwork is sold at the hammer price, which may be higher or lower than the reserve price.

Examples: Examples of auction houses include Christie's and Sotheby's, two of the world's largest and most well-known auction houses.

Challenges: The auction process can be fast-paced and competitive, making it challenging for buyers to make informed decisions. Additionally, the value and authenticity of artworks can be difficult to verify, making it important for buyers to conduct thorough due diligence before participating in an auction.

Auction House: a business that conducts auctions of artworks and other items.

Related terms: auction, bid, hammer price, reserve price.

Concept: Auction houses are intermediaries between buyers and sellers of artworks and other items. They provide a platform for buyers to bid on artworks and for sellers to reach a wide audience of potential buyers.

Application: Auction houses typically employ experts in various fields of the art market, who provide valuations and advice to buyers and sellers. They also provide logistical support, such as transportation and storage of artworks, and handle the administrative aspects of the auction process, including the collection of payments and the distribution of proceeds.

Examples: Examples of auction houses include Christie's and Sotheby's, two of the world's largest and most well-known auction houses.

Challenges: The art market can be subject to market fluctuations and economic downturns, which can impact the value and demand for artworks. Additionally, the authenticity and provenance of artworks can be difficult to verify, making it important for auction houses to conduct thorough due diligence before accepting items for auction.

Authenticity: the genuineness of an artwork, as determined by its provenance, physical characteristics, and other factors.

Related terms: provenance, physical characteristics, due diligence.

Concept: Authenticity is an important consideration in the art market, as it impacts the value and desirability of artworks. An authentic artwork is one that is genuine and has been created by the artist it is attributed to.

Application: Authenticity is typically determined through a combination of factors, including the provenance of the artwork, its physical characteristics, and any documentation or other evidence that supports its authenticity. Buyers should conduct thorough due diligence before purchasing an artwork to ensure that it is authentic.

Examples: Examples of evidence that may support the authenticity of an artwork include a signed certificate of authenticity, a provenance that can be traced back to the artist, and physical characteristics that are consistent with the artist's known style and technique.

Challenges: The authenticity of artworks can be difficult to verify, particularly if they are old or have a complex history. Additionally, the art market is subject to fraud and deception, making it important for buyers to be cautious and to conduct thorough due diligence before purchasing an artwork.

Certificate of Authenticity (COA): a document that verifies the authenticity of an artwork and provides information about its provenance, physical characteristics, and other relevant details.

Related terms: authenticity, provenance, physical characteristics, due diligence.

Concept: A COA is a document that is typically provided by the artist or their representative, such as a gallery or dealer. It serves as evidence of the artwork's authenticity and provides important information about the work to potential buyers.

Application: A COA should include details such as the title, date, and medium of the artwork, as well as information about the artist and their signature. It may also include details about the provenance of the work, such as its exhibition history or previous owners.

Examples: Examples of information that may be included in a CO