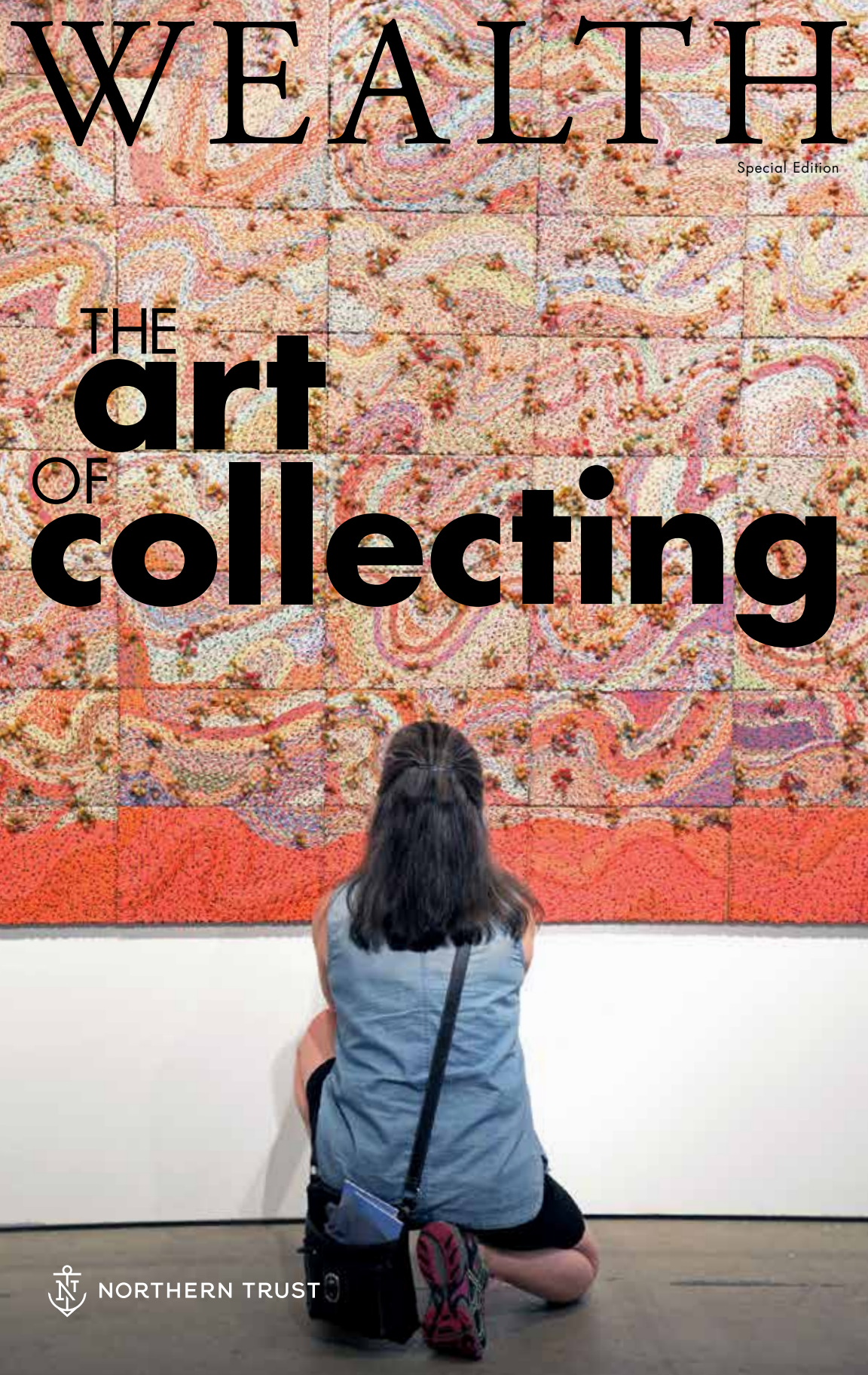


WEALTH

Special Edition

THE **art** OF **collecting**



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The Art of Collecting
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COVER PHOTO: "TIGHTROPE: NON-ESSENTIAL SPEED" BY ELIAS SIME, RECLAIMED ELECTRONIC COMPONENTS AND WIRE ON PANEL, 2017; PHOTO FROM EXPO CHICAGO 2017 COURTESY OF NORTHERN TRUST

Reflections on Art and Life



PHOTO BY PETER MCCULLOUGH, © MUSEUM OF CONTEMPORARY ART CHICAGO

Northern Trust's CEO Michael O'Grady greeted this year's EXPO CHICAGO visitors.

It is my honor and privilege to welcome you to EXPO CHICAGO. Whether this is your first visit to the exposition or an annual custom, it is my hope that your experience leaves you with a deeper appreciation for global modern and contemporary art.

In our sixth year as presenting sponsor, we are encouraged by the increasing interest in

art that leaves us particularly excited for this year's exposition.

I like to think of contemporary art as a reflection of what is happening in the world at any point in time. It gives a broader perspective of people's views on current events and how they are experiencing the world. For many of them, art collections are a cherished asset, and we are proud

to assist clients with not only building their collections but also protecting and transferring them for the benefit of loved ones or charities.

As a member of the board of the Museum of Contemporary Art Chicago (MCA), I see parallels to issues we face every day in the business world. A key theme is the need to constantly evolve, especially in how we



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— Michael O’Grady, Chief Executive Officer and President, Northern Trust Corporation



TOP: AERIAL VIEW OF MCA BUILDING EXTERIOR. PHOTO BY NATHAN KEAY, © MUSEUM OF CONTEMPORARY ART CHICAGO
 BOTTOM, LEFT TO RIGHT: MCA’S INTERIOR STAIRCASE. PHOTO COURTESY OF © MUSEUM OF CONTEMPORARY ART CHICAGO

leverage technology to stay relevant to our audience. During my time with the MCA, the museum has digitized its entire collection. Similarly, at Northern Trust, we constantly think about how to deploy technology to elevate the level of service we provide to our clients and to exceed their expectations.

I welcome you all to take this opportunity to view the impressive artwork on display here at EXPO CHICAGO and take some time to reflect. There is much to see, so I encourage you, if your schedule permits,

to spread your visit over multiple days. We sincerely hope you enjoy the experience.

Sincerely,



Michael O’Grady
 Chief Executive Officer
 and President, Northern
 Trust Corporation; Chairman
 of the Board of Trustees,
 Museum of Contemporary
 Art Chicago

PHOTO COURTESY OF NORTHERN TRUST



TOP, LEFT TO RIGHT: AMANDA WILLIAMS TOUCH TOUR, DECEMBER 16, 2017. PHOTO BY NATHAN KEAY, © MUSEUM OF CONTEMPORARY ART CHICAGO; ACTIVATION OF MICHAEL RAKOWITZ’S ENEMY KITCHEN, 2012-ONGOING, ON THE MCA’S PLAZA, OCTOBER 1, 2017. PHOTO BY NATHAN KEAY, © MUSEUM OF CONTEMPORARY ART CHICAGO; THEASTER GATES, MAY 17, 2013. PHOTO BY NATHAN KEAY, © MUSEUM OF CONTEMPORARY ART CHICAGO
 BOTTOM, LEFT TO RIGHT: MADELEINE GRYSZTEJN, KERRY JAMES MARSHALL, AND DEBORAH ROBERTS. PHOTO BY NATHAN KEAY, © MUSEUM OF CONTEMPORARY ART CHICAGO; TEACHER INSTITUTE SUMMER RESIDENCE 2015, WORKSHOP LED BY FAHEEM MAJEED, AUGUST 4-5, 2015. PHOTO BY GILLIAN FRY, © MUSEUM OF CONTEMPORARY ART CHICAGO

Second (to None) City, World-Class Art

Wealth spoke with Madeleine Grynsztejn, Pritzker director of the MCA, about her experience working with Michael O’Grady and Chicago’s role in the burgeoning art world.

“The MCA has a strong and longstanding relationship with Northern Trust. Northern Trust has long been a supporter of the MCA over the years, as well as a philanthropic supporter of contemporary art in Chicago. Michael O’Grady has been on our board of trustees since 2012, and he is one of my go-to trustees on all manner of wisdom, from management to financial acumen. He is a strong pillar of support for this museum, as a partner to the MCA and to me.

Chicago is a city that truly values and treasures the importance of arts for the mind, soul and body. We have world-class artists living here, like Kerry James Marshall, Theaster Gates, Amanda Williams, Michael Rakowitz and Faheem Majeed. Our mayor, Rahm Emanuel, is a former dancer. All of these aspects – great artists, great galleries, and great support – create an incredibly strong cultural community.”

A woman in a blue patterned outfit is standing in a gallery, reaching up towards a large, vibrant green tree projection on a wall. The tree is the central focus of the image, with its branches and leaves filling most of the frame. The woman is positioned in the lower center, looking up at the tree. The background is a plain, light-colored wall.

Where Culture Meets Commerce

How art in the workplace can positively influence organizations.

As a growing number of employees are able to work from practically anywhere, drawing them into a brick-and-mortar office can be a challenge for business owners. But the physical office is arguably central to a company's culture, so it stands to reason that the more employees can interact with that culture, the more productive, engaged and fulfilled they will be.

Many organizations are designing office spaces to entice remote employees to work on-site, including perks like open-office workspaces, meditation rooms, fitness centers and game areas. Other organizations also see artwork as a way to keep their employees inspired and to convey their ethos. "But art can do more than draw people in," according to Kristin Rogers, art education and communications manager at insurance giant Progressive Corp.

"MIKE KELLEY 1" BY JENNIFER STEINKAMP, VIDEO INSTALLATION, 2007. PHOTO BY STEVE TRAVARCA, CLEVELAND CLINIC CENTER FOR MEDICAL ART & PHOTOGRAPHY



“Our acquisition philosophy is anchored by our passion for what an artist is ‘saying,’ not what they are ‘selling.’ The incredible diversity of our workforce and customer base is mirrored and even accentuated by our equally diverse art collection.”

— Kristin Rogers



TOP: "SCULPTURES" BY CLAUDIA WIESER, GLAZED CERAMIC TILES, 2016. BOTTOM, LEFT TO RIGHT: "PUMPKIN" BY YAYOI KUSAMA, FIBERGLASS-REINFORCED PLASTIC AND URETHANE PAINT, 2016. DONATED TO CLEVELAND CLINIC BY ROBERT M. KAYE; "GOING-TO-THE-SUN MOUNTAIN" BY SPENCER FINCH, SET OF 8 LED LIGHTBOXES, FUJITRANS, 2017. DONATED TO CLEVELAND CLINIC BY THE SOLOMON AND POST FAMILIES. PHOTOS BY STEVE TRAVARCA, CLEVELAND CLINIC CENTER FOR MEDICAL ART & PHOTOGRAPHY

“We look to our collection to be a cultural asset first and foremost,” Rogers says. “The worth of an individual artwork is measured anecdotally by its capacity to incite curiosity and encourage thought.”

Since 1974, Progressive, headquartered in Mayfield Village, Ohio, has collected more than 10,000 pieces of art from about 2,000 contemporary artists around the world. The company’s art education program, which is spearheaded by Rogers and implemented

by a team of five, aims to reach all 34,000 employees across the country.

“Our acquisition philosophy is anchored by our passion for what an artist is ‘saying,’ *not* what they are ‘selling,’” Rogers explains. “The incredible diversity of our workforce and customer base is mirrored and even accentuated by our equally diverse art collection.” In 1998, Progressive also began sponsoring a companywide juried art show every two years where close to 250



LEFT, TOP TO BOTTOM: PROGRESSIVE CORPORATE HEADQUARTERS HALLWAY, MAYFIELD VILLAGE, OH, 2005; "HALL OF BIRDS" BY JON KESSLER, 1995-96. PHOTOS COURTESY OF PROGRESSIVE. RIGHT, TOP TO BOTTOM: "BLUEBERG (R11011)" BY IÑIGO MANGLANO-OVALLE, SUSPENDED ANODIZED ALUMINUM, RAPID-PROTOTYPED ABS, USB DRIVE, 2007. DONATED TO CLEVELAND CLINIC ANONYMOUSLY. PHOTO BY BENJAMIN BENSCHNEIDER, COURTESY OF CLEVELAND CLINIC; "LIVE EDGE" BY EVA ROTHSCHILD, PAINTED ALUMINUM, 2016. PHOTO BY STEVE TRAVARCA, CLEVELAND CLINIC CENTER FOR MEDICAL ART & PHOTOGRAPHY

employees submit over 500 works of art.

Despite their widespread impact at Progressive, art exhibits still are not typically expected at an insurance company – so imagine what a pleasant surprise it would be to see them in a hospital setting. But the Cleveland Clinic in Cleveland, Ohio, is not just any hospital. It is one of the largest not-for-profit medical centers in the country and was recognized as the nation's No. 2 hospital by *U.S. News & World Report* last year. It also has a contemporary art collection that many museums would envy.

"We wanted to change the paradigm of being in a healthcare setting," says Joanne Cohen, executive director and curator for

"It is all about empathy and the patient journey. So anything that will bring a human element really helps and makes sense. People gravitate toward that."

— Joanne Cohen

the Cleveland Clinic Art Program, Arts & Medicine Institute. "It is all about empathy and the patient journey. So anything that will bring a human element really helps and makes sense. People gravitate toward that."

To achieve this mission, Cohen and her team of eight have made art a core aspect of the clinic's identity since 2006. Art is

not just in a few designated spaces, but spread throughout 33 million square feet of the hospital's worldwide facilities, even in patients' rooms.

Cleveland Clinic wants to emphasize its culture and values (like diversity, empathy, innovation and collaboration) to its employees through its 6,500 pieces of contemporary art, but it also aims to help soothe and heal the hospital's 7.6 million annual patients.

After studying this desired effect, the clinic published its research in the *Health Environments Research and Design Journal* in 2014. The clinic was successful in demonstrating that art can enhance patients'

satisfaction with their care: Of the 826 survey respondents who noticed the clinic's artwork, 73 percent said their mood somewhat or significantly improved while 61 percent said the artwork somewhat or significantly reduced their stress levels.

Art helps both Progressive and Cleveland Clinic improve the lives of their employees and the people they serve. By making an impact on thousands of people, the two institutions show that art can serve as a source of culture and identity that puts an organization in a favorable light. And that kind of work, artwork or otherwise, is invaluable. ■

In Good Company

A look at today's most noteworthy institutional art programs.

Nineteenth-century industrialist and Standard Oil founder John D. Rockefeller is credited as the father of modern corporate art collecting.¹ Since then, many other organizations, such as Progressive Corp. and the Cleveland Clinic, have followed suit. For example:

Mayo Clinic: For over 30 years, the not-for-profit hospital has collected and showcased work by artists such as Andy Warhol, Alexander Calder, Joan Miró and Dale Chihuly at its locations in Minnesota, Arizona and Florida.^{2,3}

Microsoft: The technology company launched an art collection in 1987 that now includes nearly 5,000 artworks on display in over 130 buildings throughout North America.⁴

Samsung: The electronics titan opened a museum in 2004 in Seoul, South Korea, that houses traditional Korean art and modern and contemporary art in two exclusively designed buildings.⁵

The Natural Resources Defense Council: Since 2014, the New York City-based environmental group has hosted an artist-in-residence program to spark dialogue between environmental artists, policy experts and the public.⁶

¹ "How and Why You Should Start a Corporate Art Collection," *Forbes*, 2016

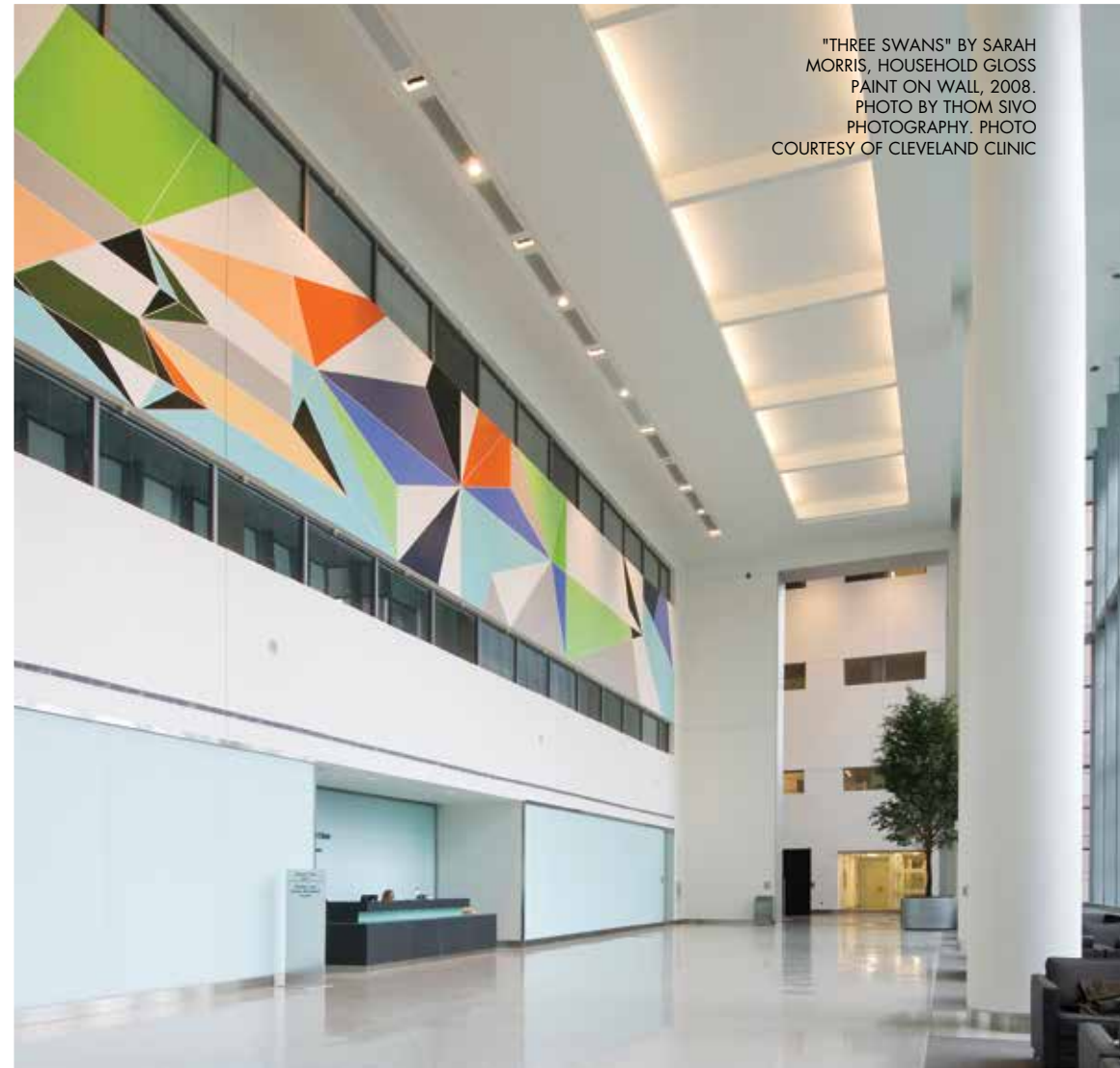
² "Photos: A Walk Through Mayo Clinic's Healing Art," *MPR News*, 2016

³ "Center for Humanities in Medicine," Mayo Clinic

⁴ "About the Art Collection," Microsoft

⁵ "About Leeum," Samsung Foundation

⁶ "Acclaimed Chicago Artist Jenny Kendler is NRDC's First Artist-in-Residence," Natural Resources Defense Council Inc., 2014



"THREE SWANS" BY SARAH MORRIS, HOUSEHOLD GLOSS PAINT ON WALL, 2008. PHOTO BY THOM SIVO PHOTOGRAPHY. PHOTO COURTESY OF CLEVELAND CLINIC



As inauthentic and stolen works of art abound, all that glitters may not actually be gold.

The Art (and Science) of **DECEPTION**

The FBI estimates that art and cultural property crime results in billions of dollars of losses each year. In 2014, global news agency Agence France-Presse (AFP) asserted that half of the world's artworks in circulation were fakes. Understandably, the art world erupted, and debate immediately ensued over the accuracy of the assertion.

In the wake of a series of high-profile forgeries, spanning from Parmigianino to Picasso, *Wealth* asked two experts to share their thoughts about the state of crime in the fine art world.

James Martin is the head of Scientific Research at Sotheby's – the first and only department of its kind in the auction world – and a key researcher in high-profile art fraud investigations, including the discovery of the \$10 million fake Frans Hals' "Portrait of a Man." Jane C.H. Jacob is the managing director of Art Vérité, a multimedia

FRANS HALS' "PORTRAIT OF A MAN" WAS ORIGINALLY PURCHASED BY SOTHEBY'S FOR \$10 MILLION ONLY TO DISCOVER THAT THE OLD MASTER'S PAINTING WAS FRAUDULENT. IMAGE COURTESY OF SOTHEBY'S



production company that develops and produces educational content to subdue the widespread issues of deception in art. Jacob also is presenting the inaugural Professionals Forum, which focuses on the mounting issues surrounding art crime, and strategies to prevent and resolve them, as part of the Exchange by Northern Trust programming at EXPO CHICAGO.

Wealth: How does the current fraud landscape compare with the past?

Jacob: It would be hard to prove an increase with any level of accuracy from a particular point in history. However, the focused ability to confidently identify spurious works of art has definitely increased. Advances in scholarship and forensic science have made major inroads into identifying imitations, which would not have been possible even a hundred years ago.

Martin: Since antiquity, good forgers have been very careful and precise – like the art historians and scientists who now expose them – with the works and the provenance they create. Fortunately, collectors today have powerful research tools, like smartphones, at their fingertips.

Wealth: For current and prospective collectors, what analysis is essential to purchasing an authentic work of art?

Jacob: Collectors need to start by asking questions. While it may not be possible to trace every work from the hand of the artist to the current owner, provenance research can help establish the chain of title and begin the foundational research on authenticity. If there are too many red flags, buyers should beware. Time is the biggest perpetrator in art crime; collectors can be emotional

IMAGE ON PREVIOUS PAGE BY HERO IMAGES, GETTY IMAGES

Nothing false about fraud's lucrative nature



According to Jane C.H. Jacob, the proliferation of art fraud in recent years has reportedly supplanted theft as the leading criminal issue within the fine art world. "With higher art values than ever before, there is also a higher tendency toward crime," she said. Here are four cases involving fraudulent art.

- **Old master, new tricks:** In 2016, an anonymous tip prompted French police to seize Lucas Cranach the Elder's "Venus With a Veil" due to concerns over its authenticity, causing a commotion in the art community – the authenticity of works

credited mainly to the old masters and worth an estimated \$255 million was disputed.¹ Other pieces found to be fake in the investigation included "Portrait of a Man" attributed to Frans Hals² and a painting of St. Jerome attributed to the circle of Parmigianino.³

- **Grand closing:** M. Knoedler & Co., a commercial art dealership in New York's Upper East Side for 165 years⁴, closed in 2011 amid charges that it sold forgeries of artists such as Mark Rothko, Jackson Pollock and Willem de Kooning for \$80 million.⁵
- **Not quite Pablo:** In November 2016, Austrian officials arrested a group trying to sell five fake Picassos for \$55 million. Subsequent searches led to dozens of other counterfeit pieces.⁶
- **Fake it 'til you make it:** Master art forger Wolfgang Beltracchi was sentenced to six years in prison and ordered to repay his victims in 2011 after a German court found him guilty of selling more than a dozen fraudulent paintings worth \$45 million.⁷ He was released in 2015 and now sells paintings with his own signature.⁸

¹ "Suspected \$255 Million Old Master Forgery Scandal Continues to Rock the Art World," Artnet, October 11, 2016

² "A Dubious Old Master Unnerves the Art World," The New York Times, October 26, 2016

³ "16th-Century Masterpiece Sold by Sotheby's for \$840,000 Is Revealed to Be a Modern Fake Because It Uses Types of Paint Which Weren't Invented Until Recently," Daily Mail, January 19, 2017

⁴ "A Gallery That Helped Create the American Art World Closes Shop After 165 Years," The New York Times, November 30, 2011

⁵ "New York Art Dealer Avoids Prison for \$80 Million Counterfeit Scheme," Reuters, January 31, 2017

⁶ "Austrian Authorities Catch Six Dealers Attempting to Sell Fake Picasso Paintings," Artnet, November 9, 2016

⁷ "The Con Artist: A Multimillion Dollar Art Scam," CBS News, February 23, 2014

⁸ "Art Forger Freed and Making Millions," BBC, May 10, 2015



PHOTO OF JAMES MARTIN COURTESY OF SOTHEBY'S

Improving tricks of the authenticity trade

When James Martin's work helped Sotheby's determine that "St. Jerome," originally attributed to the circle of 16th-century Italian artist Parmigianino, and Frans Hals' "Portrait of a Man" were a fake, it was his laboratory analysis that identified materials that did not exist until centuries after the artists' deaths.

"The attribution and provenance fooled Hals scholars," Martin says. "And the incident highlighted the value of integrated, in-house technical and scientific support in the attribution and authentication process."

With the help of science and research, Martin and his museum colleagues use a combination of methods to root out misattributions and fakes, including:

- Noninvasive technical imaging to find otherwise invisible clues such as initial sketches under paint, restoration and intentional alteration.
- Noninvasive X-ray fluorescence spectrometry to detect and map artists' changes and the presence of historically inaccurate elements.
- Noninvasive stereomicroscopy to observe fine detail, to discriminate between real and fake deterioration and to remove samples smaller than the width of a human hair.
- Microscopes and spectrometers that use white light, lasers and invisible infrared radiation to identify materials at the particle and molecular level.
- Direct dating methods to measure lapsed time since a plant or animal died and became a wood panel or parchment (radiocarbon analysis) or a ceramic was last fired in a kiln (thermoluminescence).

"Advances in scholarship and forensic science have made major inroads into identifying imitations, which would not have been possible even a hundred years ago."

— Jane C.H. Jacob

when purchasing, thinking there may not be another opportunity to buy and purchasing without conducting research. The risk they take can be very costly.

Martin: Materials analysis generally is employed to test claimed attributes of provenance and attribution, such as about how a work of art was made, stored and altered, and how it compares to works that we know an artist created.

Wealth: What should collectors do if they suspect they possess stolen or inauthentic art?

Martin: Critically assess what was overlooked, so not to repeat in the future. Then seek wise counsel on next steps that best suit the particular circumstances of the case.

Jacob: If you suspect that you are in possession of a stolen work of art, contact the FBI and possibly an attorney. A stolen work of art never clears title no matter how many individuals purchase it – it has no value under U.S. law. If you suspect that a purchased or inherited work of art might not be authentic, then you should contact a recognized expert in the particular field of study, including museum professionals, scholars and authors of catalogues raisonné, and research firms, such as the International Foundation for Art Research. ■

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