

FOR THE LOVE OF ART

The evolution of niche gallery Puerta Roja captures the energy, diversity and ambition of Hong Kong's art market, and is a place where the key players are swayed not by headlines but by deep Latin passion for creativity.



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The past few weeks have been filled with big multi-billion dollar headlines that fuel the boom-and-bust mentality so common of our times. Anxieties escalate, guesses about the future abound and, of course, heated debates at the dinner table arise.

It was indeed over dinner that I was recently asked if I believed the potential weakening in China's growth prospects would stifle Hong Kong's art market. After all, the city's art scene developed because of the seemingly unquenchable thirst for contemporary art by new Chinese collectors. If China slowed down, did I think my gallery would still succeed? As an art dealer – and also as a former economist and an entrepreneur – I pondered the question at both the micro and the macro levels.

Puerta Roja's evolution since its birth in 2010 sheds some light. I came here after evaluating the gallery's potential in at least five cities in Europe, North America and Asia. Why Hong Kong? First, its art market was growing faster than anywhere else and serious players were considering a move to the city. Second, no one else focused on Latin American and Spanish art, so I would be the first to develop a niche in Asia. Third, the city provided a friendly tax, logistics and economic environment for doing business, not just in the city but globally. Finally, the lure of exhibiting in Asia was a great incentive for artists to want to work with a young and ambitious gallery.

DIVERSITY AND RANGE

Since 2010, our client base has grown dramatically – prominent collectors, first-time buyers, local patrons from both the Chinese and expat communities. Our client base spans almost every continent, and every month we add new collectors from countries such as South Korea, Indonesia, the Philippines and Australia. They have all come to Hong Kong or we have met them at one of the top regional fairs in which we participate. Yes, we do have very important mainland Chinese clients – we have closed our largest transactions with them and we will continue

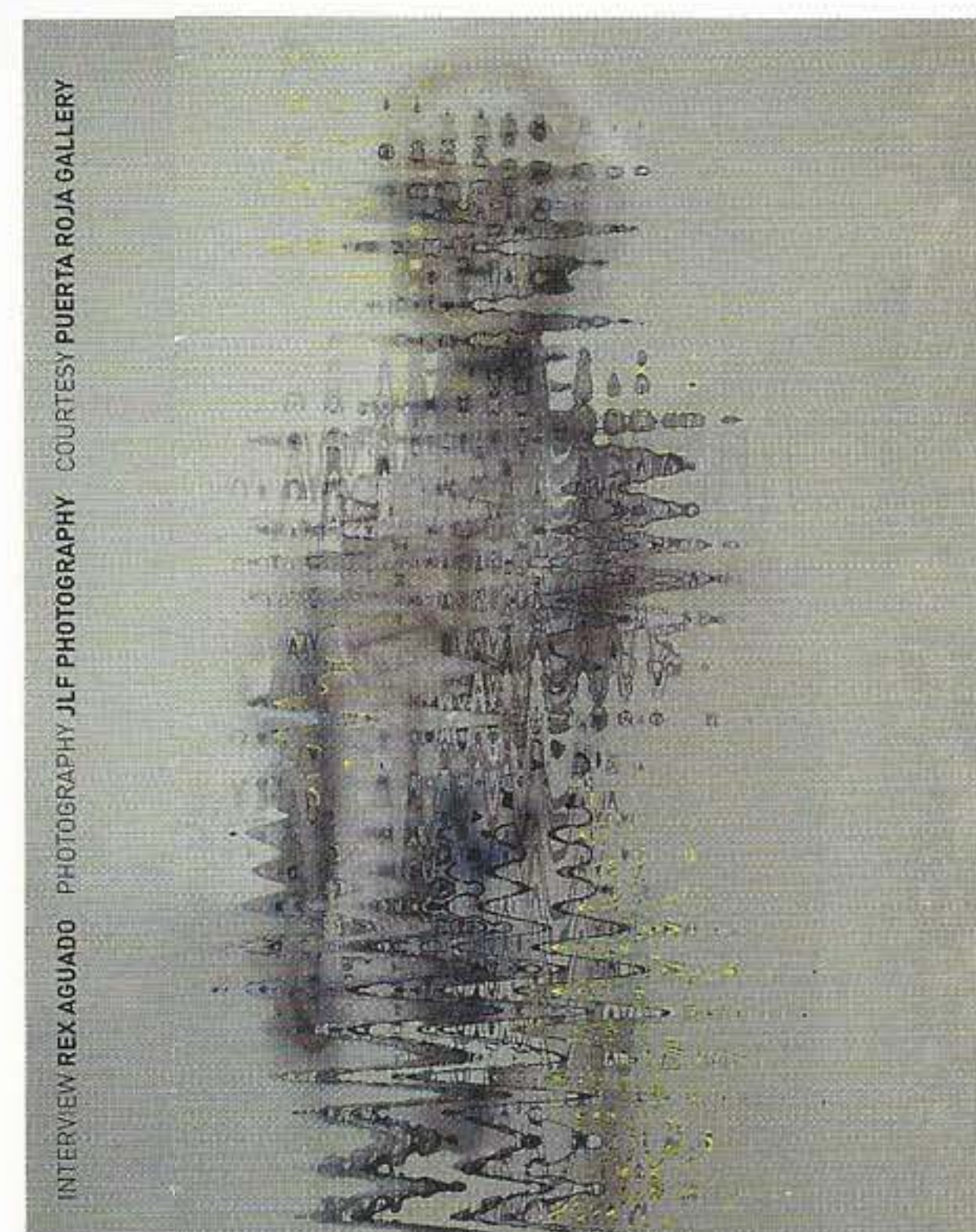
to see them as a key growth area. But, no, we don't see a slowdown in the Chinese market as the end of our growth prospects.

At the macro level, the Hong Kong art scene is what it is today due to the influence of Chinese collectors. According to the *TEFAF Art Market Report 2015*, China represents 22 per cent of the US\$54 billion all-time-high global art sales in 2014. It was thanks to the "big names" in the art world pursuing such collectors that helped create the environment that fostered further growth and diversity. It put Hong Kong – its galleries, its artists, its collectors – in the global spotlight. Between 2011 and 2015, Sotheby's, Christie's and Bonhams, as well as international powerhouses such as Gagosian and White Cube set up shop in Hong Kong, while Art Basel acquired ArtHK, and Art Central was launched. China-bred top galleries such as Peking Fine Arts, Leo Gallery and Platform China also opened in Hong Kong. These events took place despite the volatility in the Chinese art market.

The market has grown in both size and depth. As in mature markets, the trend in Hong Kong has been for higher values for fewer transactions. However, it is also true that the number of art buyers, transactions and the spread in their value have significantly increased in Hong Kong. The big art fair and auction results for trophy works certainly grab the headlines, but the local art scene has grown tremendously in terms of the diversity and range of the work exhibited and sold.

SUSTAINABLE FUTURE

The number of galleries in the city has grown by almost tenfold in 15 years. Art Walk, one of Hong Kong's best-known art events, had 15 participating galleries in its 2001 inaugural edition; last year, it exceeded 70. The Hong Kong Art Gallery Association, with strict joining rules focused on serious galleries with a solid exhibition programme, has boasted over 50 members since its foundation in 2012. My estimate is that there are over 120 galleries or venues selling



FROM TOP
Puerta Roja gallery in Sheung Wan. *Standing Male Figure* by Mexican artist Roberto Cortázar

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contemporary and modern art across the city today. The Affordable Art Fair and the Asia Contemporary Art Show also opened the doors to many who might have thought buying art was beyond their means.

Beyond growth in numbers of players and sales, galleries now exhibit a hugely diverse selection of works, and display a much higher degree of specialisation and knowledge. Some, like our own Puerta Roja, have a regional focus. Others, such as Blindspot, have developed expertise on a specific medium like photography, while Galerie Ora-Ora has fuelled interest in contemporary ink painting. Puerta Roja, along with Edouard Malingue, Sundaram Tagore and Pearl Lam, already use the city as a springboard to access collectors across Asia-Pacific's growing art markets through Hong Kong's own fairs or those held,

for example, in Jakarta, Seoul and Taipei.

In short, China's economic prowess has been the crucial driver for the establishment of the big names of the art world in Hong Kong. They, in turn, have ignited interest in the enjoyment and acquisition of contemporary art. However, I believe the ability to reach even more collectors across the region and to deepen local interest in art will provide Hong Kong's top galleries with a more sustainable future.

I am a gallerist for the love of art. Every day, when we open our doors, I hope to meet someone who has either seen a lot of or very little art, someone who is eager to discover something new, to be moved, to be teased by art, to engage. So long as that happens, I will feel positive about our future – regardless of the dreary headlines on the Chinese economy. 