

# Bloomberg

## Rich U.S. Collectors Look to Cuba as Next Hot Art Market

By Mary Romano and James Tarmy | Dec 21, 2014 9:00 PM PT

Ohio real estate developer Ron Pizzuti might not wait until May for his next trip to Cuba for an [art biennial](#). A quick visit in January may be in order “to get the lay of the land” before the hungry crowd swoops in, he said.

Pizzuti, 74, owns about 100 Cuban artworks and last year opened a [private museum](#) in Columbus with an inaugural exhibit devoted to artists from the Communist country. He has paid \$5,000 to \$200,000 in the past six years for works by artists including [Enrique Martinez Celaya](#).

“I see prices rising as artists get more exposure,” said Pizzuti, who, with his wife, Ann, has built a collection of 2,000 contemporary works over 40 years. “That’s good for them, but not good for me. But that’s inevitable when a new market opens up.”

With news that the U.S. will establish diplomatic ties and ease economic barriers with Cuba, the art world is looking at the nation about 90 miles (145 kilometers) off the coast of [Florida](#) as the next hot market. The expansion of private wealth has boosted the number of collectors, who in turn have fueled art prices. In two weeks of auctions in New York last month, a record \$2.3 billion of art was sold.

Thawed relations “will have a huge impact because Cuba was a limited market in terms of who got to see the art from the Chelsea and Miami scene,” said Alberto Magnan, the Cuba-born founder and co-owner of [Magnan Metz](#), a gallery in Manhattan’s Chelsea neighborhood. “That number now will become huge.”

### Easier Travel

With President [Barack Obama](#)’s surprise policy shift allowing U.S. companies to do business in Cuba after a more than 50-year embargo, travel restrictions will be eased and U.S. financial institutions can open accounts with Cuban banks. American visitors will be allowed to bring back as much as \$100 of Cuban cigars.



Americans have been able to get around the U.S. embargo and bring artworks back legally because those items are classified as cultural assets. U.S. collectors had traveled to the country on educational or humanitarian trips. They also joined curators or gallery dealers who received travel licenses from the U.S. Treasury Department's Office of Foreign Assets Control.

Cuba should brace for a rush of collectors, said Magnan, who has taken Americans to [Havana](#) for years to look at and buy paintings and sculptures. Magnan said he fielded at least 25 calls from collectors within 24 hours of Obama's Dec. 17 announcement. Their goal is to acquire works by emerging artists before they are discovered and their prices rise.

"They want to go to Cuba before things change further," said Magnan, who represents Cuban artists including [Alexandre Arrechea](#), [Roberto Diago](#) and [Glenda Leon](#). "So I'm basically in Havana for the coming year."

### **Havana Biennial**

The Havana Biennial, which is more than 30 years old, will draw collectors and other visitors when it opens on May 22. Pizzuti said he plans to be there. On his first trip to Cuba six years ago, he bought an artwork made out of fish hooks by [Yoan Capote](#) within an hour of arriving.

"There's a tremendous amount of talent," said Pizzuti, whose museum is planning another Cuban show next July. "If Castro didn't do anything else, he protected the artists, the athletes and the dancers. They live better than others there."

Cuban art is perceived as undervalued, said Kaeli Deane, a specialist in Latin American art at Phillips auction house in [New York](#). A November 2013 sale of Latin American art at Phillips included a special section dedicated to living Cuban artists. Valued between \$2,300 to \$25,000, all the lots sold.

"Those prices are quite low in the context of contemporary art," she said. "There's a lot of room for growth."

### **Lam, Gonzalez-Torres**

Prices are already rising. Sotheby's sold a 1944 abstract by [Wifredo Lam](#), who died in 1982, for \$4.6 million in 2012, an auction record for the artist, according to New York-based researcher [Artnet](#). Lam is the top-selling Cuban artist at auction in the past 10 years, with six of his works among the category's top 10, according to Artnet.

Another top-priced artist is [Felix Gonzalez-Torres](#), whose 1992 "Untitled (Portrait of Marcel Brient)," a heap of candies individually wrapped in light blue cellophane, was [sold](#) by Phillips in 2010 in New York for the same amount.

“You’re not going to Cuba to spend \$300 for an undiscovered artist,” Magnan said. “Artists are trained. They know the American market. They’ve worked in the Cuban and international markets.”

Arrechea’s work is owned by New York’s Whitney Museum of American Art and the [Museum of Modern Art](#). In 2013, 10 of his steel sculptures -- his interpretation of iconic New York buildings -- lined Park Avenue in [Manhattan](#). His work fetches prices as high as \$300,000, Magnan said.

### **Abstract Pieces**

Diago’s recent abstract works included various textures and colors, and his prices range from \$10,000 to \$100,000, Magnan said. Prices for works by Leon, who represented Cuba in the Venice Biennale in 2013, are \$5,000 to \$50,000.

“I would love to see a Cuba where I can produce my work,” Leon said in an e-mail. “If this happens I think many artists living abroad will come back. Here there’s no professional framing house, no professional photo laboratory, no machines for working with wood, for printing high-quality photographs, for working with plexiglass.”

“Cuban artists producing today are going to have an easier time promoting their work,” said Virgilio Garza, head of Christie’s Latin American art department. “They’re going to have a bigger stage.”

Artists based in Cuba are legally allowed to sell their work internationally, and market specialists said it will take time to implement improved services such as payment methods and shipment of the works.

### **‘Enormous’ Attention**

“Collectors will be able to buy with more confidence and much more information,” Garza said. “Galleries are going to be more willing to represent Cuban artists if they have access to them more easily.”

Cuba will gain an important spot in the increasingly popular Latin American art market, executives said.

“There’s an enormous amount of attention to the Latin American contribution to art,” said Noah Horowitz, executive director of the [Armory Show](#) in New York, an annual art fair that attracts 65,000 people and includes galleries from [Latin America](#). “Within Latin America as a whole, Cuba could play an interesting part of that story in the next five to 10 years.”

Holly Block, executive director of the [Bronx Museum of the Arts](#) in New York, was on a plane to Cuba when the U.S. announcement was made. The Bronx Museum is in talks to organize an exhibition at the fine arts museum in Havana during the Biennial, and for a team of Cuban curators to work with the Bronx Museum on a show in 2016.

“People were so emotional and crying,” Block said about the diplomatic news in a phone interview from the museum, where she was attending an organizational meeting. “When I first came here in ’94, many artists had never shown in the U.S. So we’re hopeful that things will change. Everybody here is excited.”

### **Spain, Germany**

Even with an initial rush, the Cuban art market is unlikely to explode overnight.

European and South American collectors have been free to visit galleries and artists’ studios in Cuba for decades. Some artists don’t live full time in Cuba.

“A lot of these artists are in [Spain](#), [Germany](#) or other countries,” Garza said. “It was limiting to live in Cuba.”

Liz Klein, an art adviser at Reiss Klein Partners in New York who toured Havana and met artists for five days in 2012 with collectors and trustees of Boston’s [Museum of Fine Arts](#), said anyone interested in Cuba should visit soon.

“Once it really opens up and the landscape changes and Western dollars fix things up, you worry a little about how quickly the charm will be lost,” she said.

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