SECTORIAL STUDY

latitude

THE CONTEMPORARY ART MARKET IN BRAZIL

4TH EDITION, AUGUST 2015

PRINCIPAIS RESULTADOS

MAIN RESULTS:

Dr. Ana Letícia Fialho

THEMATIC LINES

- PROFILE AND SCALE
- *MODUS OPERANDI*
- RECENT GROWTH AND DYNAMICS
- INTERNATIONALIZATION
- HIGHLIGHTS AND TENDENCIES

PERIODICITY

ANNUAL SURVEY

1st EDITION
DATA COLLECTION: 11/2011 TO 03/2012
PRESENTATION OF DATA: 09/2012
1ST EDITION UPDATE: 11/2012
PRESENTATION OF DATA: 12/2012

2nd EDITION
DATA COLLECTION: 01 TO 03/2013
PUBLICATION OF REPORT: 07/2013

3nd EDITION
DATA COLLECTION: 01/2014
PUBLICATION OF REPORT: 04/2014

4ª EDIÇÃO

DATA COLLECTION:
MAY AND JUNE/2015

PUBLICATION
OF REPORT: 09/2015

OBJETIVES

PROVIDE THE latitude
PROJECT AND ABACT
INFORMATION ON THE SECTOR
THAT CAN SUPPORT THE
PLANNING AND DEVELOPMENT
OF THEIR ACTIVITIES.

OBJETIVES

FOSTER THE CREATION OF MANAGEMENT AND COMMERCIAL PROMOTION TOOLS BY latitude, ABACT AND GALLERIES INVOLVED, AIMED AT IMPROVING AND EXPANDING BUSINESS IN THE SECTOR.

OBJETIVES

BE A SOURCE OF **OBJECTIVE,** ORGANIZED AND **TRUSTWORTHY** DATA ON THE SECTOR FOR AGENTS OF THE ART SYSTEM, AS WELL AS PUBLIC MANAGERS, PARTNERS, SPECIALIZED MEDIA AND OTHER INTERESTED PARTIES.

UNIVERSE OF STUDY

GALLERIES THE PRIMARY MARKET
OF CONTEMPORARY ART
LINKED TO THE latitude PROJECT.

UNIVERSE OF STUDY

1st EDITION
40 GALLERIES CONTACTED,
32 RESPONDING GALLERIES,

2nd EDITION
52 GALLERIES CONTACTED,
44 RESPONDING GALLERIES.

3rd EDITION
49 GALLERIES CONTACTED,
45 RESPONDING GALLERIES.

UNIVERSE OF STUDY

4th EDITION

45 GALLERIES **CONTACTED**

41 **RESPONDING** GALLERIES

METHODOLOGY

1st EDITION

QUESTIONNAIRE WITH **65 QUESTIONS** SENT BY **EMAIL**, CONTACT WITH GALLERIES, DATA ANALYSIS BY APEX-BRASIL

2nd and 3rd EDITION

ELECTRONIC FORM WITH MORE THAN **150 QUESTIONS,** DIRECT CONTACT WITH THE GALLERIES AND ANALYSIS OF OTHER DATA FROM THE LATITUDE PROJECT AND APEX-BRASIL

METHODOLOGY

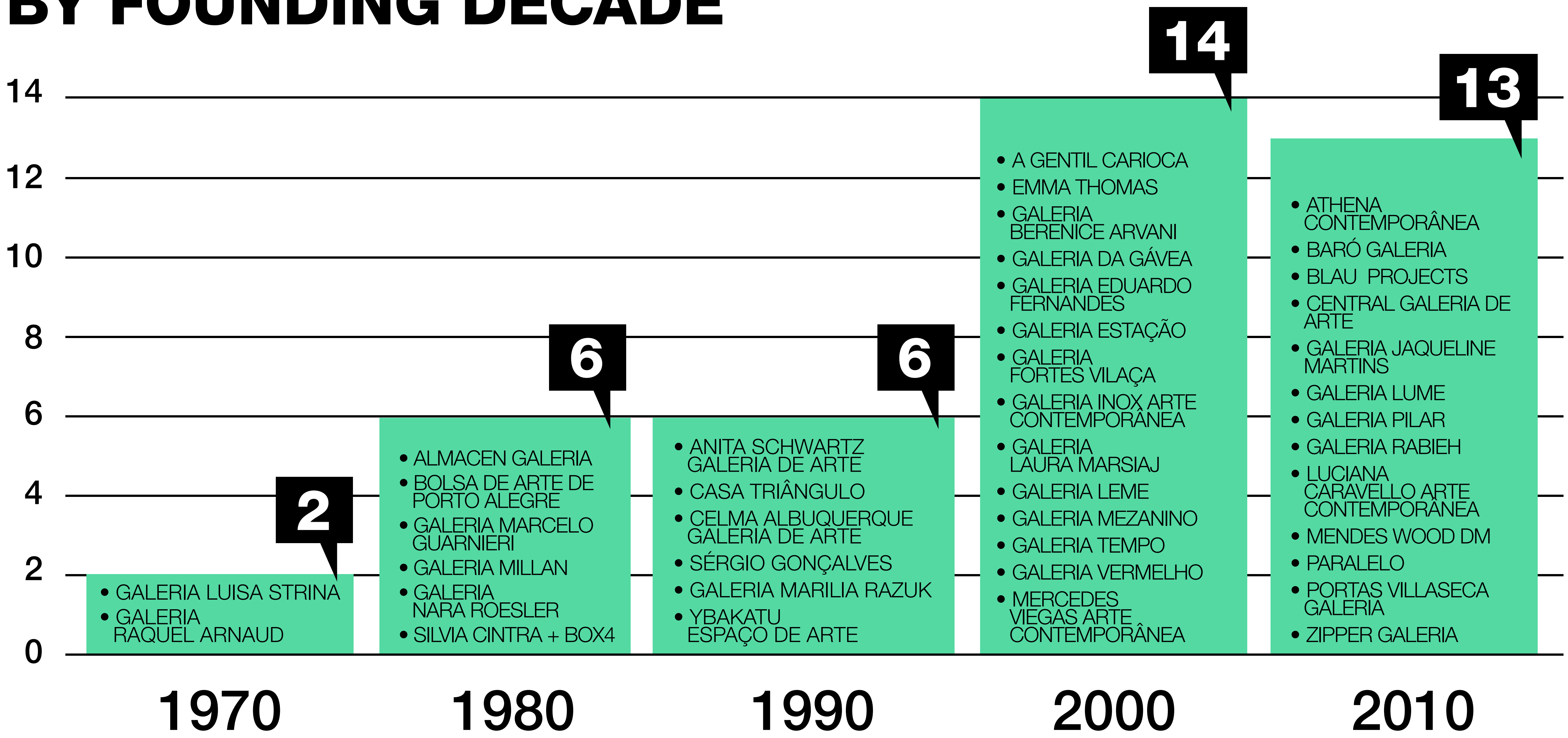
4th EDITION

ELECTRONIC FORM WITH **50 QUESTIONS,**
QUALITATIVE RESEARCH, ANALYZING DATA ON EXPORTS AND COMPILED BY APEX-BRASIL AND ANALYSIS OF STATISTICAL DATA BROUGHT BY EXTERNAL CONSULTANT.

profile and scale of galleries

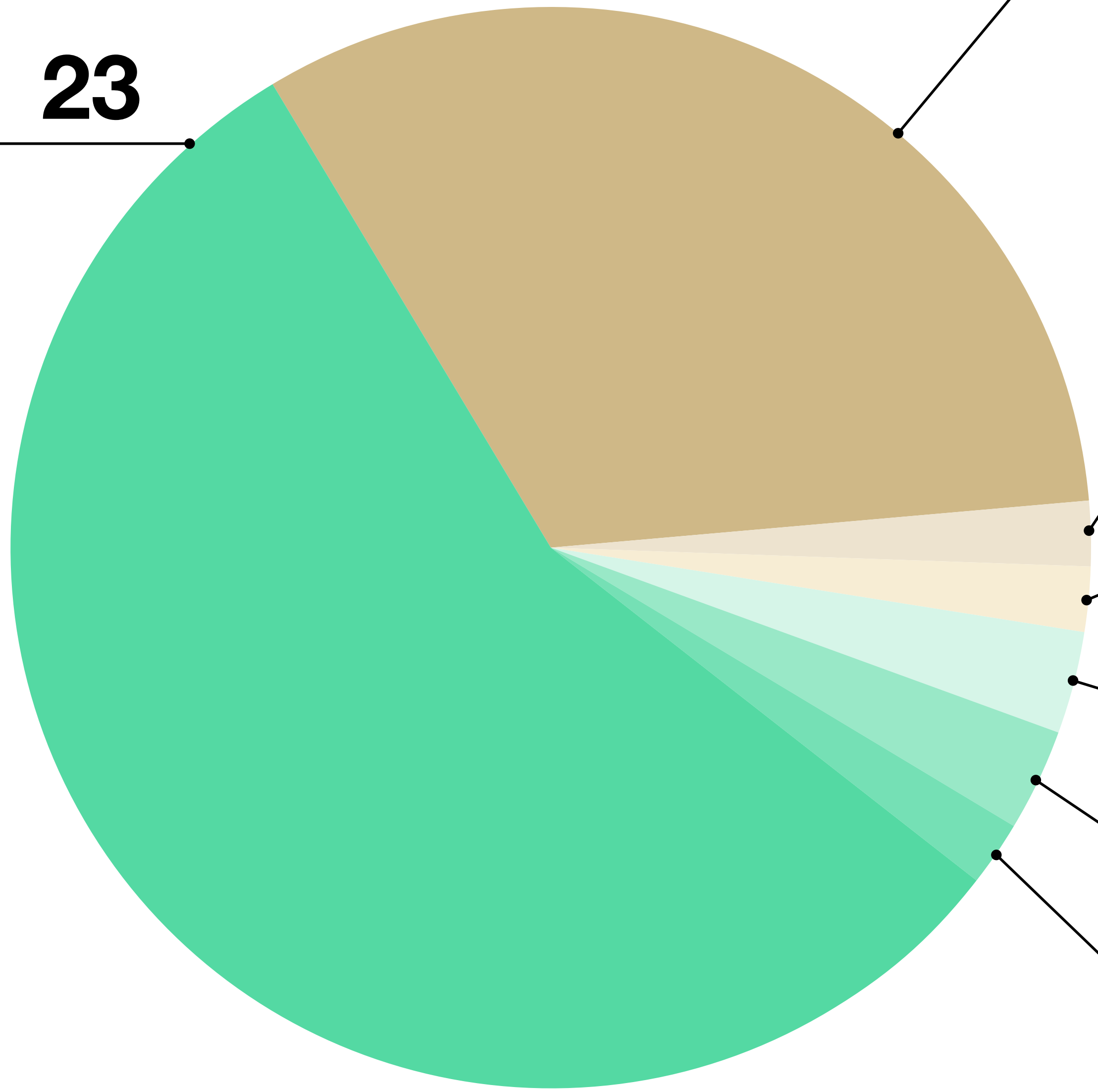
GENERATIONAL CROSS SECTION

NUMBER OF GALLERIES BY FOUNDING DECADE



REGIONAL DISTRIBUTION

NUMBERS OF GALLERIES BY CITY



SÃO PAULO 23

- BARÓ GALERIA
- BLAU PROJECTS
- CASA TRIÂNGULO
- CENTRAL GALERIA DE ARTE
- EMMA THOMAS
- GALERIA BERENICE ARVANI
- GALERIA EDUARDO FERNANDES
- GALERIA ESTAÇÃO
- GALERIA FORTES VILAÇA
- GALERIA JAQUELINE MARTINS
- GALERIA LEME
- GALERIA LUISA STRINA
- GALERIA LUME
- GALERIA MARILIA RAZUK
- GALERIA MEZANINO
- GALERIA MILLAN
- GALERIA PILAR
- GALERIA RABIEH
- GALERIA RAQUEL ARNAUD
- MENDES WOOD DM
- PARALELO ART GALLERY
- ZIPPER GALERIA
- VERMELHO

13 RIO DE JANEIRO

- A GENTIL CARIOCA
- ALMACEN
- ANITA SCHWARTZ GALERIA DE ARTE
- ATHENA CONTEMPORÂNEA
- GALERIA DA GÁVEA
- GALERIA INOX
- GALERIA LAURA MARSIAJ
- GALERIA SILVIA CINTRA +BOX4
- GALERIA TEMPO
- LUCIANA CARAVELLO ARTE CONTEMPORÂNEA
- MERCEDES VIEGAS ARTE CONTEMPORÂNEA
- PORTAS VILASECA GALERIA
- SERGIO GONÇALVES GALERIA

1 SÃO PAULO AND RIO DE JANEIRO

- GALERIA NARA ROESLER

1 RIBEIRÃO PRETO AND SÃO PAULO

- GALERIA MARCELO GUARNIERI

1 CURITIBA

- YBAKATU ESPAÇO DE ARTE

1 BELO HORIZONTE

- CELMA ALBUQUERQUE GALERIA DE ARTE

1 PORTO ALEGRE E SÃO PAULO

- BOLSA DE ARTE DE PORTO ALEGRE

NUMBERS/ YEAR
EXHIBITIONS AND **FAIRS**

7

INDIVIDUAL
EXHIBITIONS

1.5

GROUP
EXHIBITIONS

THE GALLERIES **HELD, ON AVERAGE**,

5

FAIRS/ GALLERY, JUST ABOVE THE 2013 NUMBER, WHICH WAS 4.5.

ALL THE SURVEYED GALLERIES **PARTICIPATED IN FAIRS IN 2014,** RANGING FROM

2–12

FAIRS PER **GALLERY** WHILE IN 2013 THE RANGE WAS 0-14.

REPRESENTED ARTISTS

THE AVERAGE NUMBER OF REPRESENTED ARTISTS DECREASED SLIGHTLY:

21.5

ARTISTS PER **GALLERY**
(IN 2014 IT WAS 22.5 PER GALLERY),
VARYING FROM 3 TO **21.**

THE UNIVERSE OF **ARTISTS REPRESENTED** CONSEQUENTLY DECREASED FROM 1000 TO ABOUT

880 **ARTISTS**

MOST OF THE GALLERIES **HAVE** BETWEEN

19 **and** 25

ARTISTS

ONLY 3.7% **OF THE REPRESENTED ARTISTS**

FIRST ENTERED THE MARKET IN 2014, **THE LOWEST RATE SINCE THE SURVEY BEGAN**

EMPLOYMENT AND **WAGES**

9.3

PEOPLE
WORKING IN GALLERIES IN **2014,** COMPARED TO **8.4** IN **2013**

(EMPLOYEES AND PROVIDED SERVICES RES)

RANGING FROM
3 TO 29
PEOPLE PER **FRAME**

MOST GALLERIES **PAY**
2 – 5 **TIMES**
THE MINIMUM WAGE

AVERAGE **WAGE**

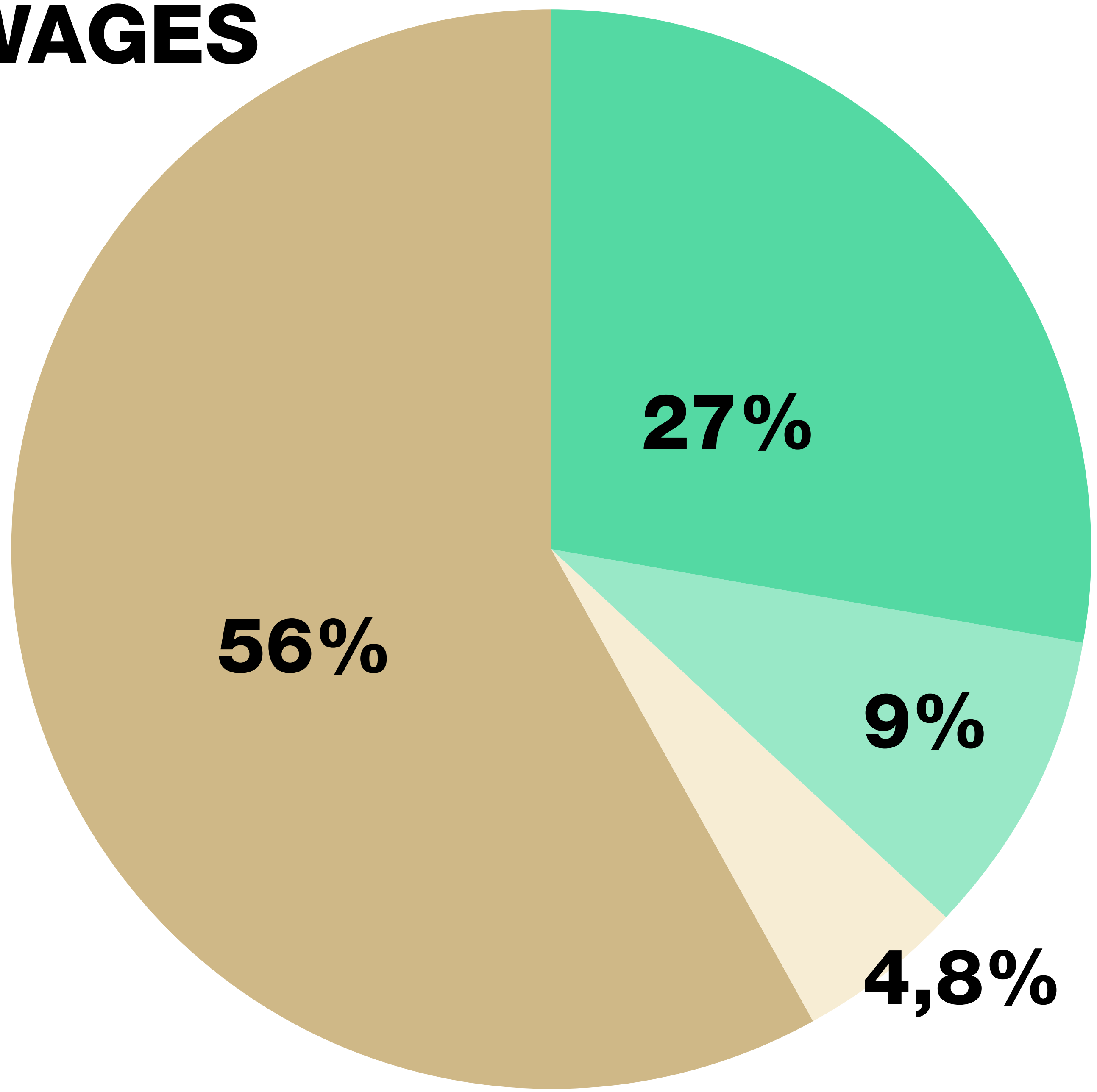
DISTRIBUTION OF GALLERIES
ACCORDING TO **AVERAGE WAGES**

1-2 MINIMUM SALARIES
(US$220-440/ month)

2-5 MINIMUM SALARIES
(US$440-1,100/ month)

5-10 MINIMUM SALARIES
(US$1,100-2,200/ month)

10-20 MINIMUM WAGES
(US$2,200-4,400/ month)



NUMBER OF **CLIENTS**

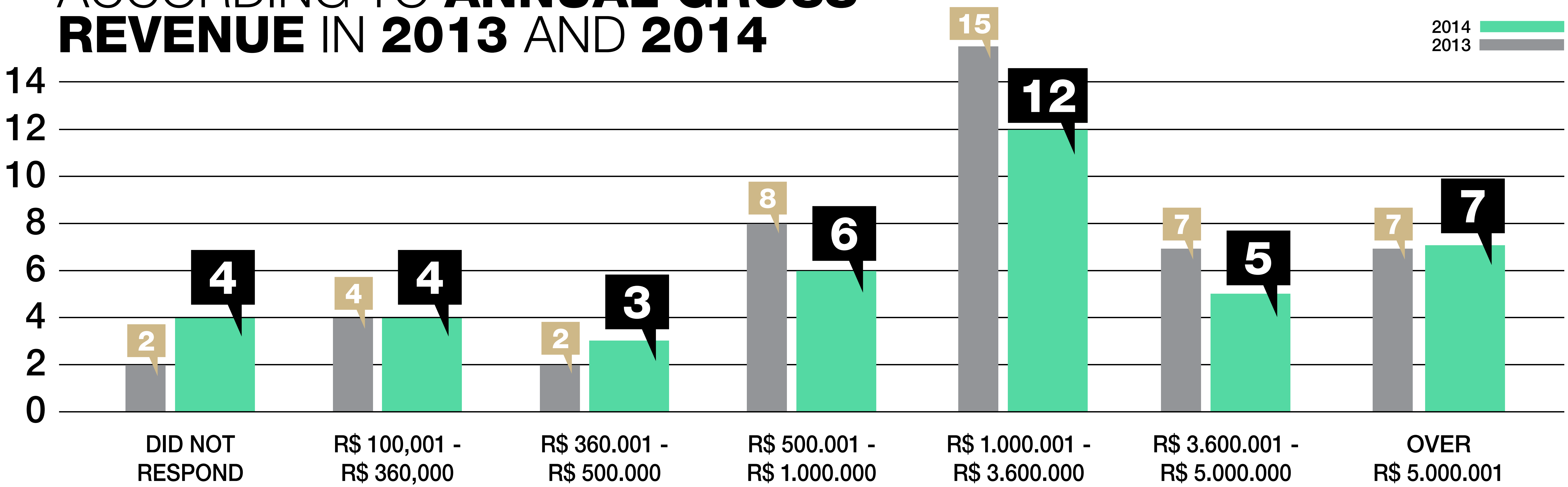
GALLERIES RANGED FROM

15 TO **393**

CLIENTS WHO **PURCHASED**
WORKS IN 2014

REVENUE DISTRIBUTION

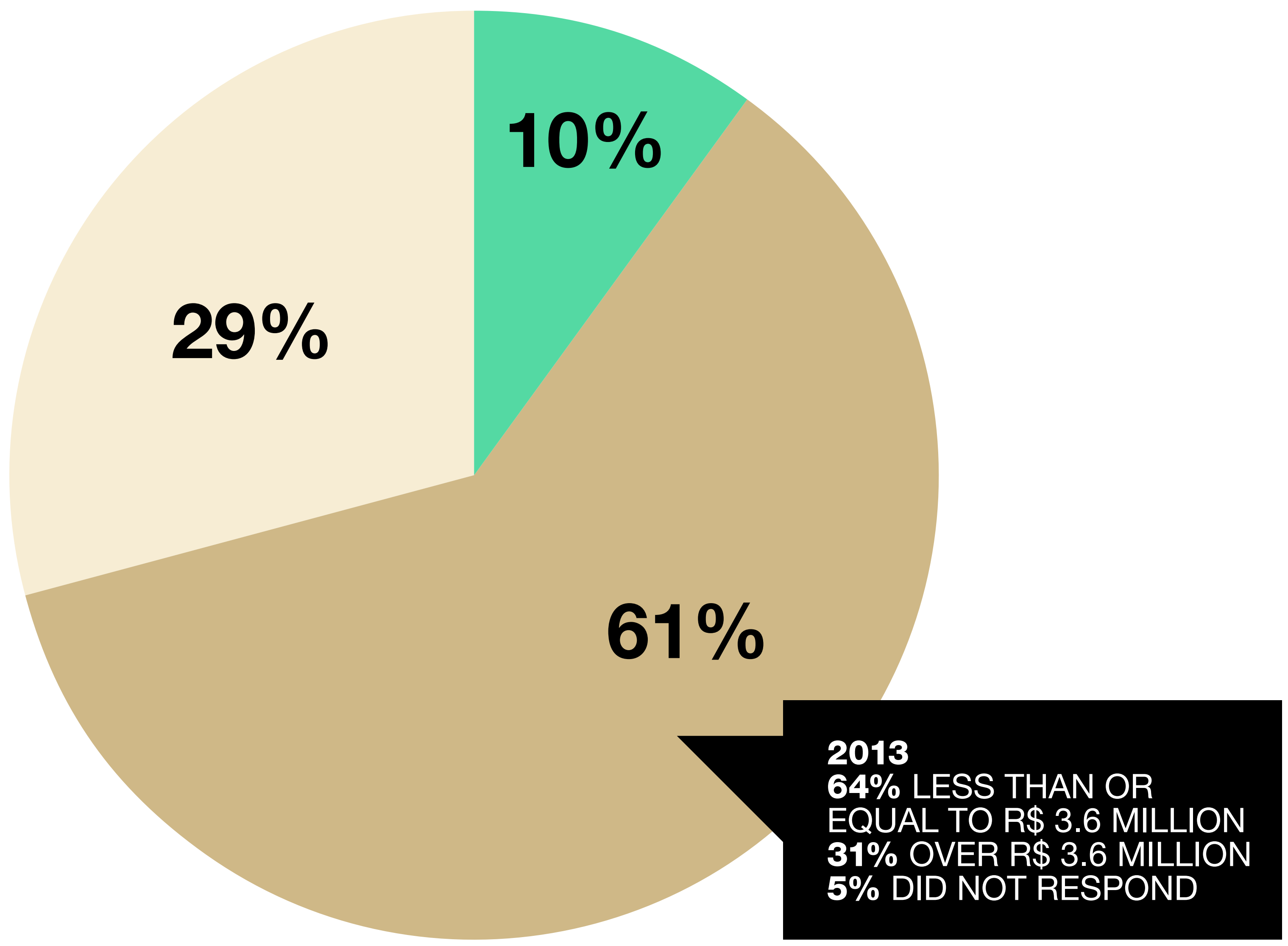
NUMBER OF GALLERIES ACCORDING TO **ANNUAL GROSS REVENUE** IN **2013** AND **2014**



REVENUE DISTRIBUTION

PERCENTAGE OF THE GALLERIES ACCORDING TO THE **ANNUAL GROSS REVENUE IN 2014**

- LESS THAN OR EQUAL TO R$ 3.6 MILLION
- OVER R$ 3.6 MILLION
- DID NOT RESPOND



modus
operandi

RELATIONSHIP WITH **ARTISTS**

- **21.8% OF THE REPRESENTED ARTISTS** HAVE SIGNED **CONTRACTS** WITH THE GALLERY, VERSUS 26.6% IN 2013.
- **26%** OF ARTISTS HAVE THEIR **OWN COMPANY** AND ARE PAID AS SUCH – SAME AS IN 2013.

RELATIONSHIP WITH **ARTISTS**

- **80%** OF THE ARTISTS REPRESENTED ARE **BRAZILIANS, 20%** ARE **FOREIGNERS,** THE SAME AS IN 2013.
- **37.5% OF GALLERIES** OFFERED LOGISTIC AND FINANCIAL SUPPORT FOR ARTIST **PARTICIPATION IN INSTITUTIONAL EXHIBITIONS**

PARTNERSHIPS

48%

OF THE GALLERIES MADE **NEW PARTNERSHIPS** WITH OTHER GALLERIES IN 2014.

29%

MADE **NEW PARTNERSHIPS** WITH **GALLERIES ABROAD.**

SECONDARY MARKET

31.7%

OF THE GALLERIES **ALSO ACTED IN THE SECONDARY MARKET** IN 2014, COMPARED WITH **24% IN 2013.**

OBSTACLES TO THE **DEVELOPMENT** OF THE **SECTOR**

- **ECONOMIC INSTABILITY – 22%**
- **HIGH TAXES – 19.5%**
- **DIFFICULTY IN ACCESSING INSTITUTIONAL COLLECTORS – 17.1%**
- DIFFICULTY IN MANAGEMENT – 7.3%
- DIFFICULTY IN PLANNING – 7.3%
- BUREAUCRACY – 7.3%
- LIMITED NETWORK OF CONTACTS – 7%
- DIFFICULTY IN ACCESSING PRIVATE COLLECTORS – 2.4%

MAIN
EXPENSES

- **PARTICIPATION IN FAIRS**
- **INFRASTRUCTURE SPENDING**
- PAYROLL
- HOLDING EXHIBITIONS

Recent growth and dynamics

DEVELOPMENT

51.2%

OF THE GALLERIES **INCREASED REVENUE** IN 2014

26.9%

SHOWED NO CHANGE

14.6%

HAD **NEGATIVE GROWTH**

7.3% DID **NOT** ANSWER

DEVELOPMENT

47%

OF SURVEYED GALLERIES **INCREASED THEIR WORKFORCE**

53%

OF THE GALLERIES **MAINTAINED THE SAME NUMBER** OF EMPLOYEES

DEVELOPMENT

THE **GALLERIES** THAT RECORDED **REVENUE GROWTH** IN 2014 ATTRIBUTED THEIR **SUCCESS** TO:

- **GOOD WORK**
- **RECOGNITION AND CONSOLIDATION OF GALLERY SCHEDULE**
- **RECOGNITION AND THE QUALITY OF REPRESENTED ARTISTS**
- PARTICIPATION IN **FAIRS**
- INCREASE IN THE **NUMBER OF COLLECTORS**
- MORE FAVORABLE **INTERNATIONAL SCENARIO**
- GREATER **RECOGNITION** OF CONTEMPORARY **ART**
- **ESTABLISHING PARTNERSHIPS**
- **WORKING RELATIONSHIP** WITH CLIENTS AND CURATORS
- **STAFF** EXPERIENCE

DEVELOPMENT

THE GALLERIES THAT HAD **NEGATIVE GROWT**H IN 2014 ATTRIBUTED THIS PERFORMANCE TO **THREE FACTORS**

- **ECONOMIC CRISIS**
- **ELECTION** YEAR
- WORLD **CUP**

SALES, WORKS AND PRICES

5,758
OBJECTS NEGOTIATED IN 2014

IN 2014, THE GALLERIES INDICATED A **PRICE RANGE FOR OBJECTS** OF

R$ 300 TO

R$ 1.4million

SALES, WORKS AND PRICES

56.1%

OF THE GALLERIES **RAISED THE PRICES OF THE WORKS IN 2014**

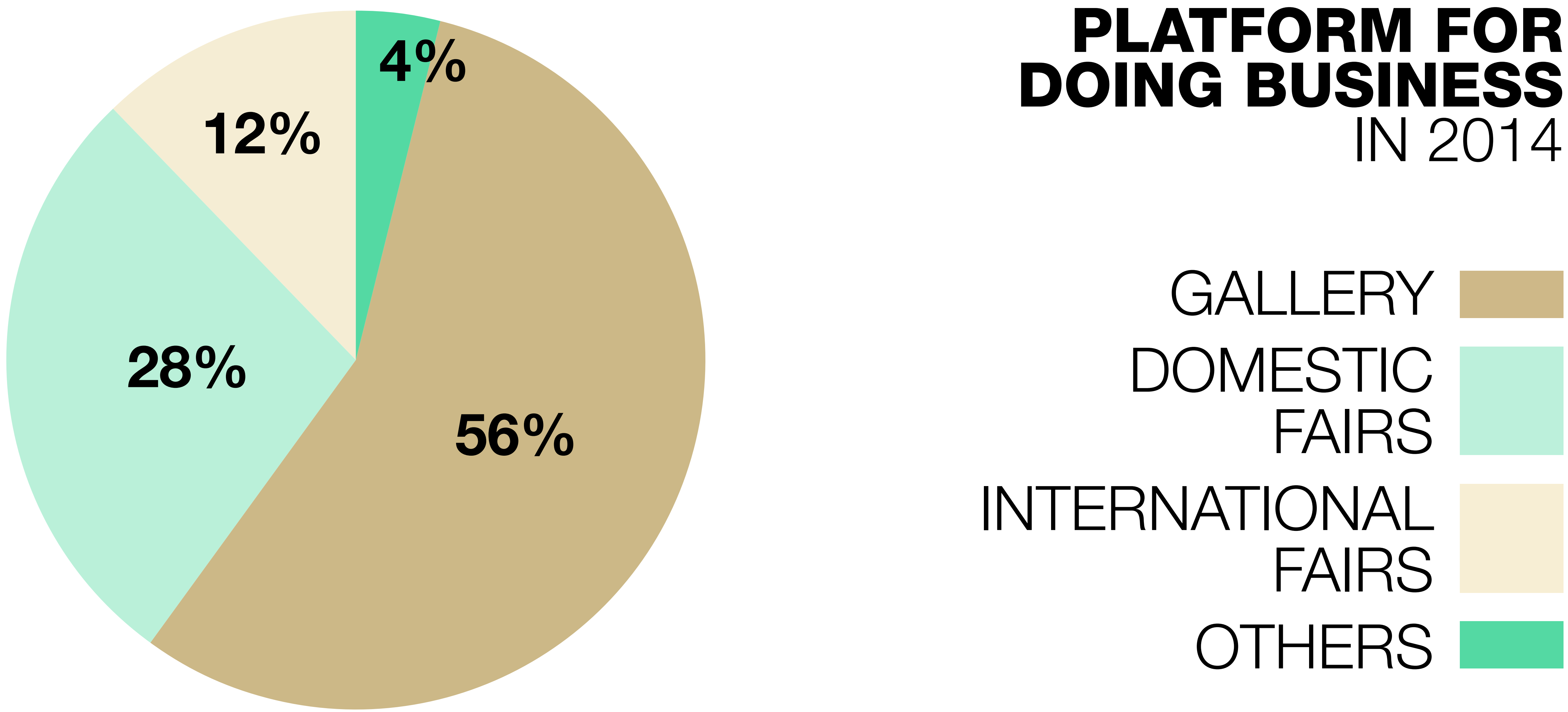
8.4%

THE AVERAGE INCREASE WAS OF

THE **AVERAGE SALES** PRICE OF **WORKS** IN 2014 WAS

R$ 30,800

BUSINESS PLATFORMS

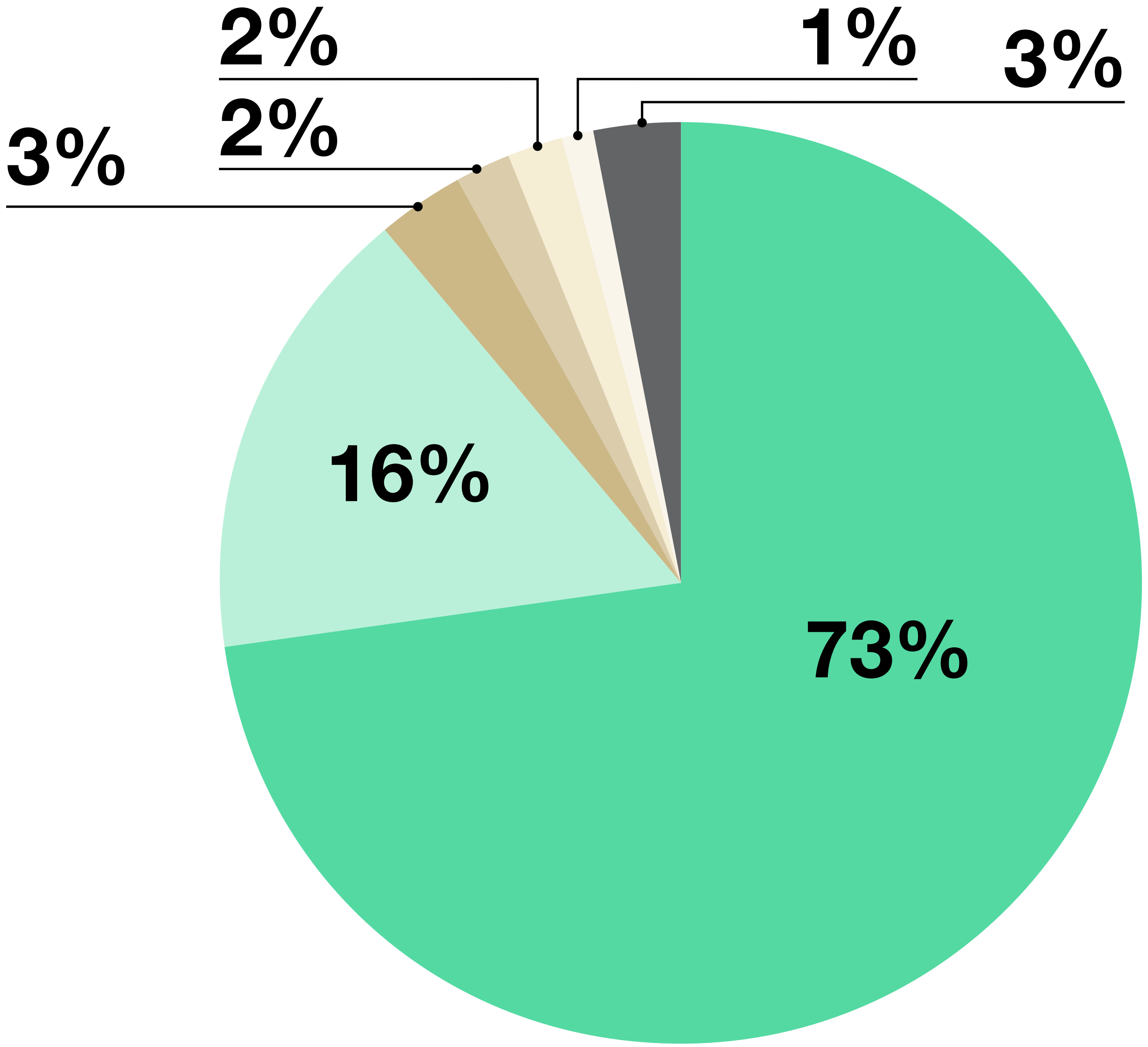


CENTRALIZATION OF **FAIRS**

- **40% OF THE REVENUE OF THE GALLERIES** ARE GENERATED AT **NATIONAL AND INTERNATIONAL FAIRS**.

- **SP-ARTE**, **ARTRIO** AND **ART BASEL MIAMI BEACH** TAND OUT AS THE MOST IMPORTANT FAIRS FOR DOING BUSINESS.

COLLECTORS **PROFILE**

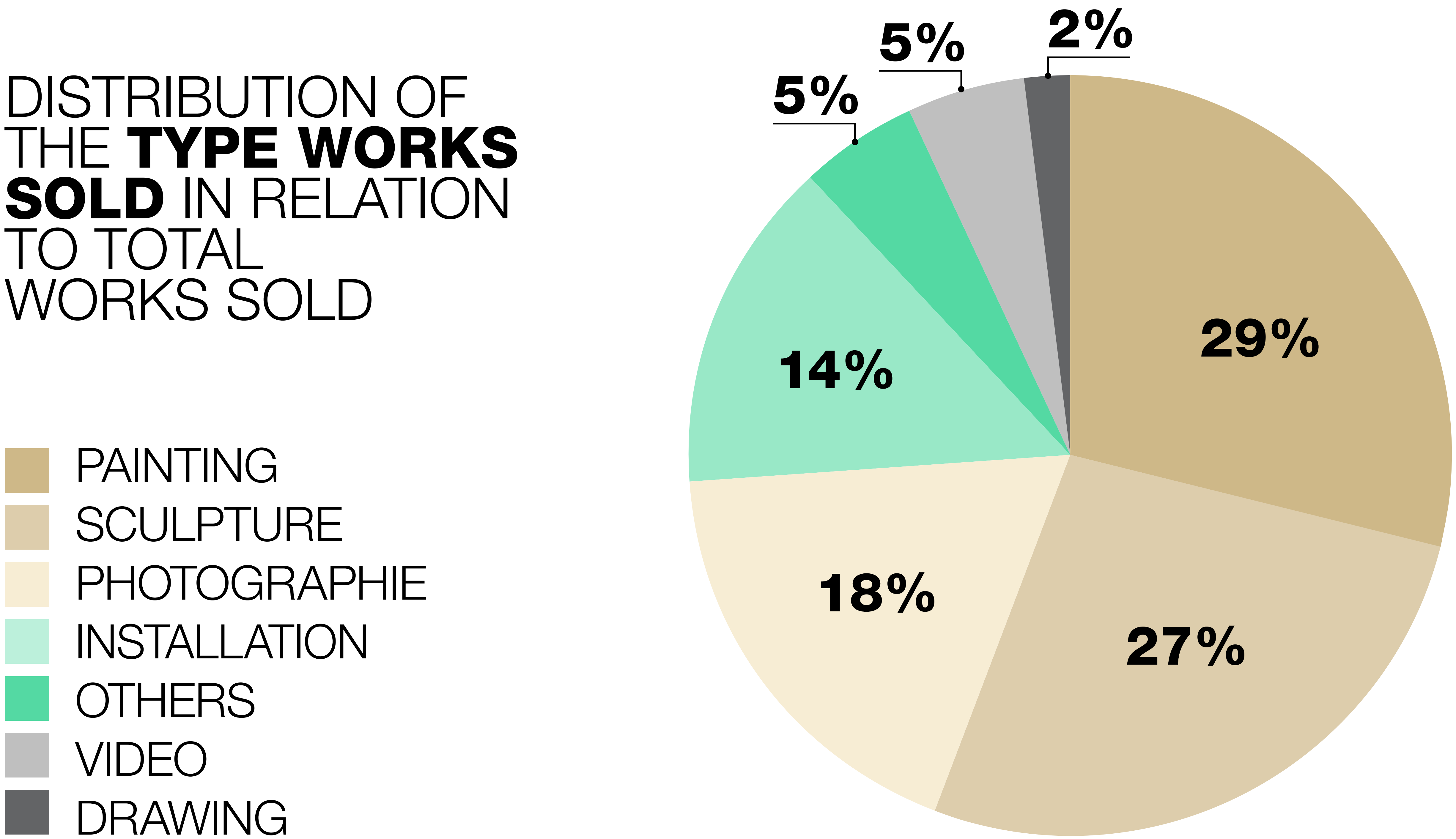


PARTICIPATION OF DIFFERENT COLLECTORS ACCORDING TO **SALES REVENUE IN 2014**

- PRIVATE BRAZILIAN COLLECTORS
- PRIVATE FOREIGN COLLECTORS
- BRAZILIAN INSTITUTIONS
- FOREIGN INSTITUTIONS
- BRAZILIAN CORPORATE COLLECTIONS
- FOREIGN CORPORATE COLLECTIONS
- OTHERS

WORKS **SOLD**

DISTRIBUTION OF THE **TYPE WORKS SOLD** IN RELATION TO TOTAL WORKS SOLD



DOMESTIC MARKET X **INTERNATIONAL** MARKET

SALES ON THE **DOMESTIC MARKET ACCOUNT** FOR

85%

OF **REVENUE**

EQUAL TO
2012 AND **2013**

AND **SALES** FOR THE **INTERNATIONAL MARKET** REPRESENT

15%

OF REVENUE

International Insertion

INTERNATIONAL **INSERTION**

THE INTERNATIONALIZATION OF THE BRAZILIAN MARKET CAN BE **ASSESSED** FROM SEVERAL FACTORS BEYOND THE SALES REVENUE IN **THE INTERNATIONAL MARKET,** INCLUDING THE PRESENCE OF **FOREIGN ARTISTS** REPRESENTED BY GALLERIES AND ESTABLISHING **INTERNATIONAL PARTNERSHIPS**.

INTERNATIONAL **INSERTION**

INTERNATIONALIZATION OF TEAM OF ARTISTS:

- OF THE **GALLERIES** ARE WORKING WITH **FOREIGN ARTISTS;** THE SAME PERCENTAGE AS IN THE 3RD EDITION OF THE STUDY.
- THE GALLERIES HAVE, ON AVERAGE, **20% OF THEIR TEAM OF ARTISTS MADE UP OF FOREIGNERS,** THE SAME PERCENTAGE OBSERVED IN 2013.

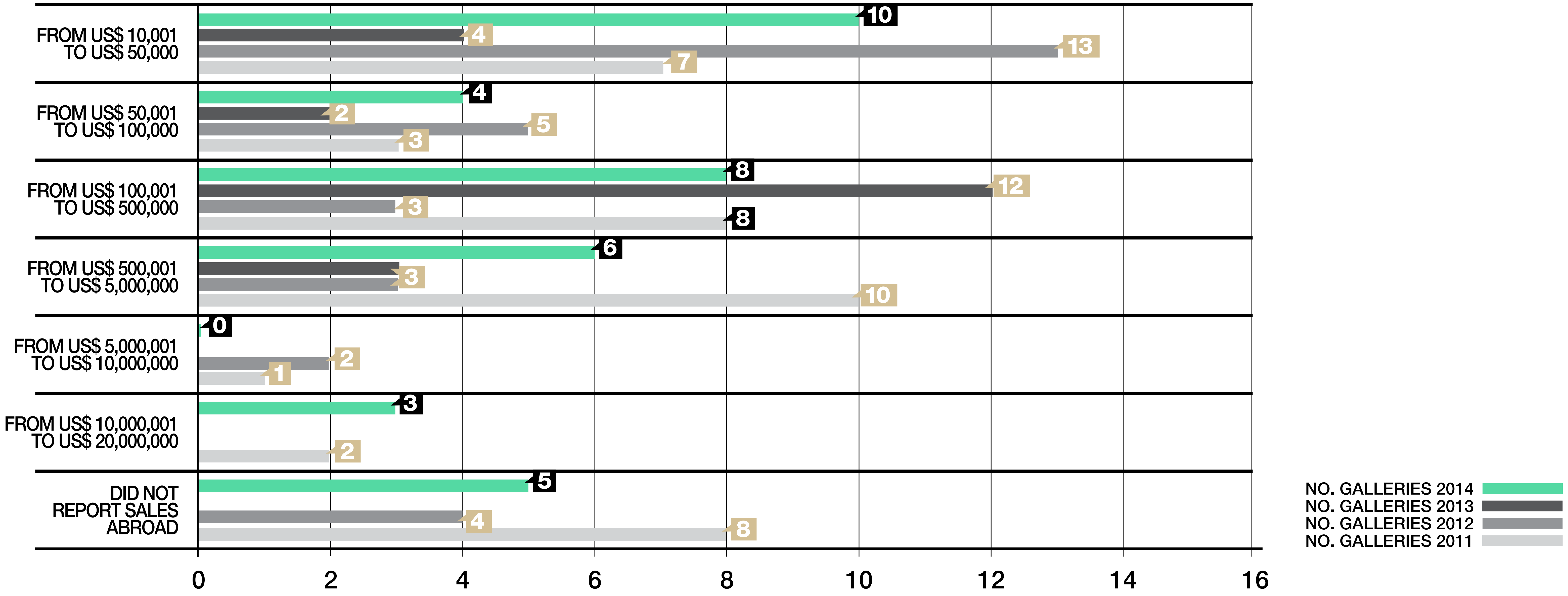
INTERNATIONAL **INSERTION**

INTERNATIONALIZATION OF GALLERIES:

- **29%** OF THE **GALLERIES** MADE NEW **PARTNERSHIPS** WITH **GALLERIES ABROAD IN 2014**
- **80.5%** PARTICIPATED IN **INTERNATIONAL FAIRS** IN 2014, VERSUS 75% IN 2013
- **75%** OF THE **GALLERIES** REPORTED **SALES IN THE INTERNATIONAL MARKET** IN 2014

THE INTERNATIONAL MARKET
REPRESENTS ABOUT
DE **15% OF REVENUE**

PROGRESSION OF SALES TO **INTERNATIONAL MARKETS**



PROFILE OF INTERNATIONAL COLLECTORS

16% **INTERNATIONAL** COLLECTORS

THE PARTICIPATION OF INTERNATIONAL PRIVATE COLLECTORS IN REVENUE IN 2013 WAS 12%.

2% **FOREIGN** INSTITUTIONS

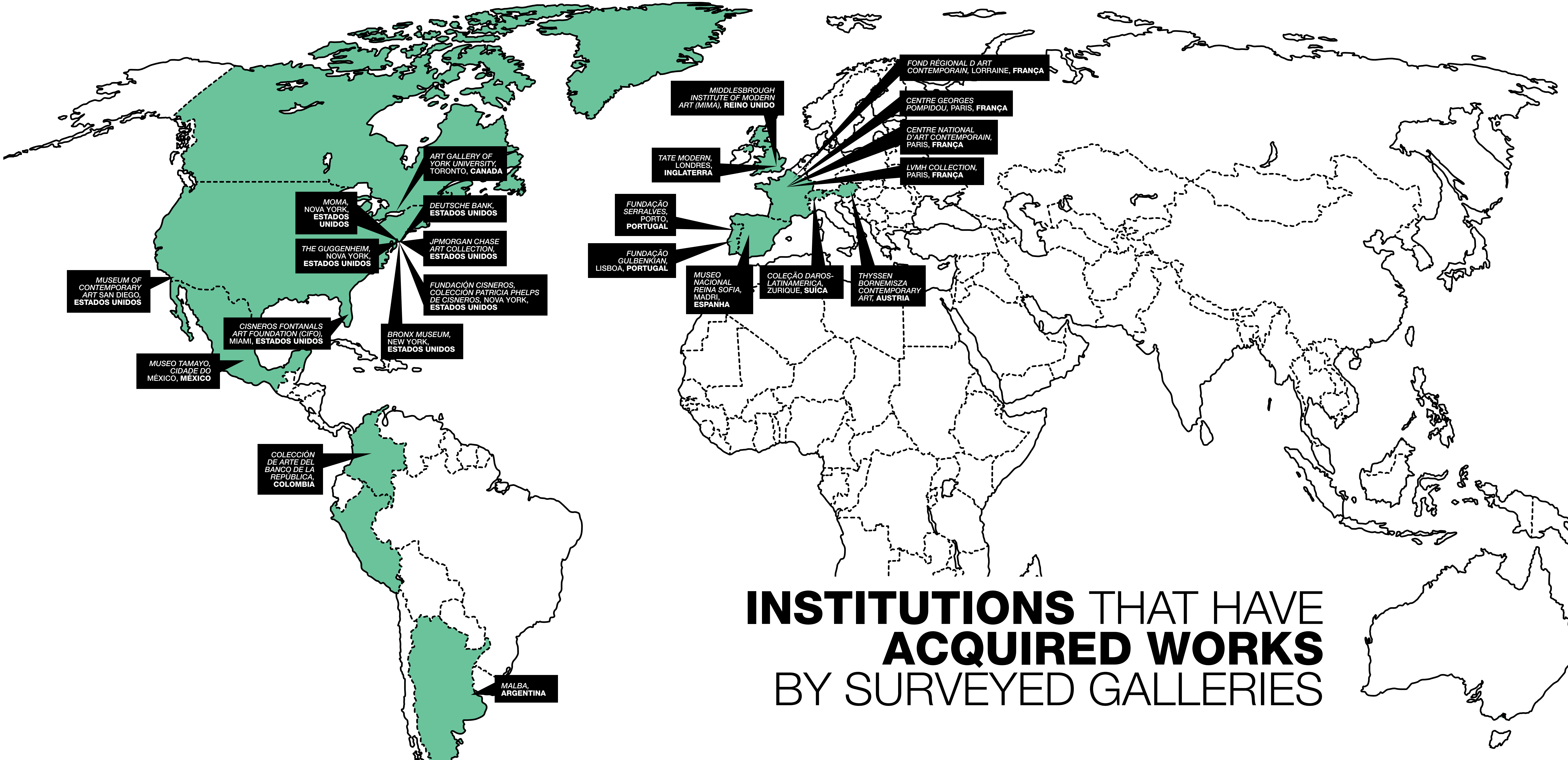
1% **INTERNATIONAL CORPORATE** COLLECTIONS

INSTITUTIONAL **INSERTION**

IN 2014, GALLERIES REPORTED SELLING 114 WORKS TO **24 INTERNATIONAL INSTITUTIONS.**

THESE SALES WERE **MADE BY 21%** OF THE **SURVEYED GALLERIES.**

GROWING INSTITUTIONAL INSERTION

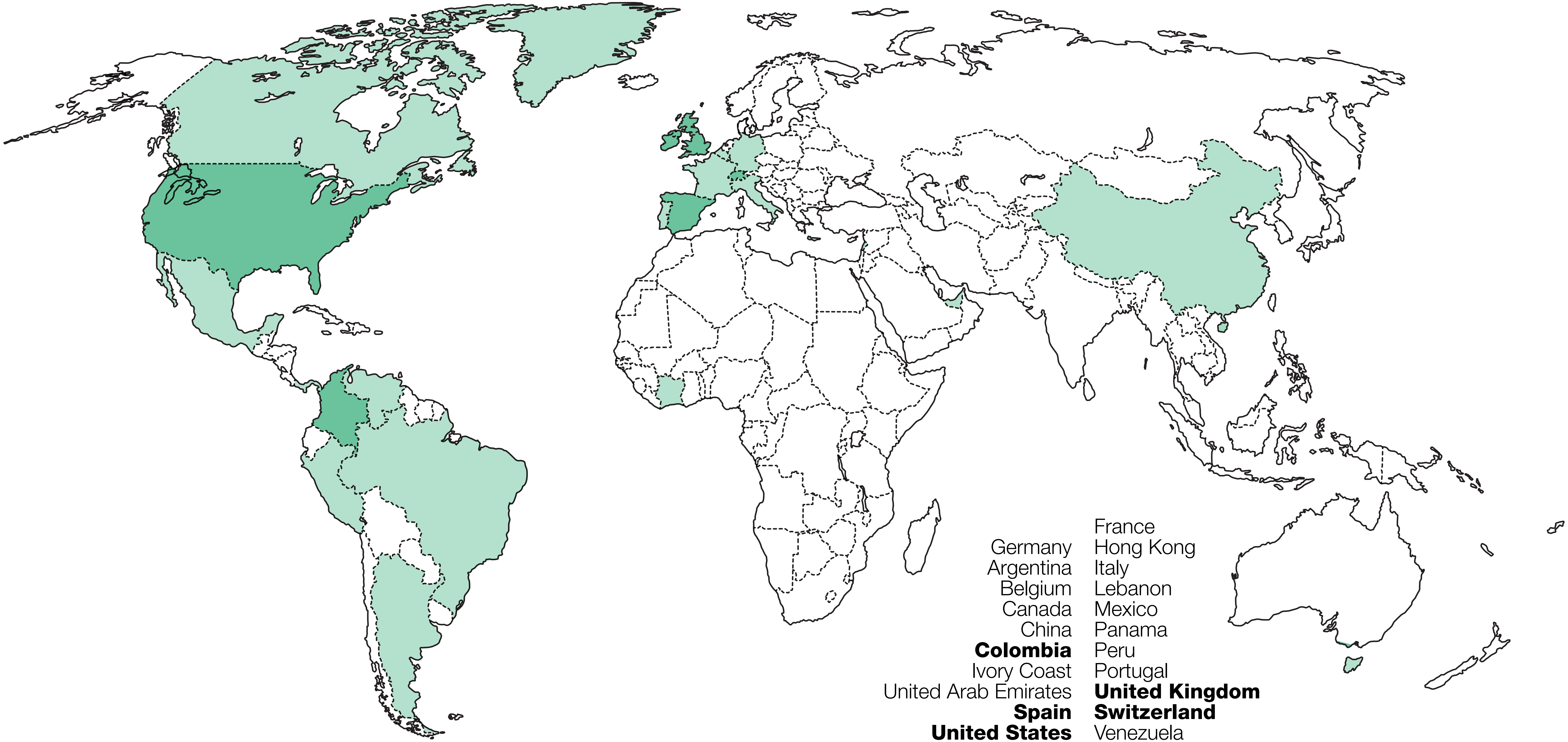


INSTITUTIONS THAT HAVE ACQUIRED WORKS BY SURVEYED GALLERIES

DESTINATION OF **INTERNATIONAL SALES**

HIGHLIGHTS:
UNITED STATES, **COLOMBIA**, **UNITED KINGDOM**, **FRANCE**, **SWITZERLAND** AND **SPAIN**.

ALL REPORTED DESTINATIONS



EXPORTS

PROGRESSION OF EXPORTS FOR THE ART MARKET AND LATITUDE PROJECT FROM 2011 TO 2014*

YEAR	AMOUNT EXPORTED ART MARKET (total)	NUMBER OF EXPORTING COMPANIES (total)	AMOUNT EXPORTED LATITUDE PROJECT	NUMBER OF EXPORTING COMPANIES LATITUDE PROJECT
2011	$ 60,144,054	**198**	$ 18,609,624	**22**
2012	$ 51,170,357	**160**	$ 27,130,165	**19**
2013	$ 127,439,480	**192**	$ 51,314,577	**23**
2014	$ 82,215,808		$ 33,921,564	**26**

*Latitude Project Commercial Intelligence/ Apex-Brasil Planning and Budget Unit. All amounts in U.S. dollars FOB

EXPORT **DESTINATIONS** FROM **2011** TO **2014***

2011 RANKING BY COUNTRY	AMOUNT EXPORTED LATITUDE PROJECT	MARKET SHARE	NO
1 U.S.	$ 7,035,014	37.8%	19
2 FRANCE	$ 5,424,671	29%	6
3 SWITZERLAND	$ 3,153,642	17%	5
4 U.K.	$ 1,952,387	10.5%	8
5 UNITED ARAB EMIRATES	$ 318,000	1.7%	1
OTHERS	$ 759,910	4%	

2012 RANKING POR PAÍS	AMOUNT EXPORTED LATITUDE PROJECT	MARKET SHARE	NO
1 U.S.	$ 10,036,044	36.91%	13
2 U.K.	$ 6,383,607	23.50%	8
3 SWITZERLAND	$ 5,635,888	20.80%	4
4 FRANCE	$ 1,392,207	5.14%	5
5 HONG KONG	$ 988,500	3.65%	3
OTHERS	$ 2,693,919	10 %	

NUMBER OF EXPORTING COMPANIES LATITUDE PROJECT

2013 RANKING BY COUNTRY	AMOUNT EXPORTED LATITUDE PROJECT	MARKET SHARE	NUMBER OF EXPORTING COMPANIES LATITUDE PROJECT
1 U.S.	$ 30,703,244	60%	19
2 U.K.	$ 7,370,009	14%	12
3 SWITZERLAND	$ 5,115,053	10%	6
4 FRANCE	$ 2,073,128	4%	10
5 SPAIN	$ 1,293,185	2.5%	6
OTHERS	$ 4,759,958	9.5%	

*Data refer only to the Latitude Project galleries, based on total exports in 2014.
Source: Latitude Project Commercial Intelligence/ Apex-Brasil Planning and Budget Unit. All amounts in U.S. dollars FOB

EXPORT **DESTINATIONS** FROM **2011** TO **2014***

2014 RANKING BY COUNTRY	AMOUNT EXPORTED LATITUDE PROJECT	MARKET SHARE	NUMBER OF EXPORTING COMPANIES LATITUDE PROJECT
1 U.S.	$ 21,432,529	63.2%	21
2 SWITZERLAND	$ 4,839,961	14.3%	10
3 U.K.	$ 4,531,743	13.4%	9
4 SPAIN	$ 547,379	1.6%	5
5 FRANCE	$ 496,207	1.5%	4
OTHERS	$ 2,073,745	6%	

*Dados referentes somente às galerias do Projeto Latitude, tendo como base o total de exportações em 2014.
Fonte: Inteligência Comercial Projeto Latitude/ Unidade de Planejamento e Orçamento Apex-Brasil. Todos os valores estão em dólares FOB.

conclusions, highlights and trends

CONCLUSIONS, HIGHLIGHTS AND TRENDS

- THE SAMPLE UNIVERSE OF GALLERIES MAINTAINS APPROXIMATELY THE **SAME SIZE** AND **HETEROGENEITY** FROM THE **PREVIOUS SURVEY**.

CONCLUSIONS, HIGHLIGHTS AND TRENDS

- THE **AVERAGE NUMBER OF ARTISTS** REPRESENTED PER GALLERY **FELL SLIGHTLY**.
- THE **NUMBER OF EMPLOYEES INCREASED** FROM 2013.
- THE DISTRIBUTION OF THE GALLERIES, ACCORDING TO **THE ANNUAL GROSS REVENUE CHANGED**. IN 2012, 78% OF THE GALLERIES HAD UP TO R$ 3.6 MILLION IN REVENUES, WHILE IN 2013 IT WAS 64%, AND IN 2014, THE NUMBER WAS 61%.
- **THE AVERAGE NUMBER OF FAIRS HELD ANNUALLY INCREASED** FROM 4.5 IN 2013 TO 5 IN 2014.
- THE **PERCENTAGE OF ARTISTS WHO ENTERED THE MARKET IN 2014 DECLINED FROM** 15% TO 3.7%.

CONCLUSIONS, HIGHLIGHTS AND TRENDS

modus operandi

- A SIGNIFICANT NUMBER OF GALLERIES HAVE MADE **NEW PARTNERSHIPS WITH OTHER GALLERIES IN BRAZIL AND ABROAD,** WHICH CONFIRMS A **TREND OF COLLABORATIVE PRACTICES** AS A DEVELOPMENT AND INTERNATIONALIZATION STRATEGY FOR THE SECTOR.
- **OBSTACLES TO THE DEVELOPMENT OF THE CONTEMPORARY ART MARKET** REMAIN ESSENTIALLY THE SAME, BUT **IN 2014 ECONOMIC INSTABILITY WAS THE MOST RECURRENT RESPONSE.**

CONCLUSIONS, HIGHLIGHTS AND TRENDS

- A SIGNIFICANT PORTION OF THE SECTOR HAS **CONTINUED TO GROW** DESPITE THE ADVERSE ECONOMIC SCENARIO.
- ALMOST HALF OF THE **GALLERIES HAVE INCREASED** THEIR **WORKFORCE** IN 2014.
- **BRAZILIAN PRIVATE COLLECTING** MAINTAIN A **LEADING ROLE.**
- THE **RATIO** OF **DOMESTIC** TO **INTERNATIONAL SALES HAVE BEEN THE SAME** SINCE 2012.

CONCLUSIONS, HIGHLIGHTS AND TRENDS

- WE SAW A **GREATER PARTICIPATION OF BRAZILIAN GALLERIES AT INTERNATIONAL FAIRS** AND A LARGER NUMBER OF EXPORTING GALLERIES IN 2014.
- THE **TREND TOWARDS DIVERSIFICATION OF SALES DESTINATIONS, IN GENERAL, REMAINS THE SAME;** IVORY COAST, LEBANON AND PANAMA APPEAR FOR THE FIRST TIME AS SALES DESTINATIONS.
- THE MAIN DESTINATIONS WERE **UNITED STATES, COLOMBIA, UNITED KINGDOM, SWITZERLAND, FRANCE** AND **SPAIN.**

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ABACT

associação brasileira de arte contemporânea

ApexBrasil

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DE EXPORTAÇÕES E INVESTIMENTOS