

## Treasures you purchase to hold on to

Print

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David Eckles and Allene Wong were interested in tribal and folk art, and initially thought about buying antique oriental rugs as an investment. But the more they learned, the more they fell in love with the art form.

“Tribal rugs are very personal, something that speaks to you from a distant culture and tells you what life was like more than a century ago,” says Wong. “They’re so alive, and they tell a story.”

The couple, who are retired, rotate 61 rugs, collectively worth \$2.5m, throughout their three homes in Piedmont, California, and Hawaii, and have built a cedar-lined storage closet to protect the pieces not on display. Each of their rugs, including many museum-level specimens, is one-of-a-kind, woven in an isolated village using materials and techniques that cannot be replicated today. “I don’t just roll them up and place them in a vault,” Wong says. “They’re not purely an investment. We put our rugs on the floor and treat them as part of the family.”

In many ways, the coterie of antique rug collectors is the antithesis of those in the contemporary art market; they shun the press and conduct transactions behind closed doors. A handful of high-end dealers act as private consultants helping curate their clients’ collections. “Serious collectors are typically very private,” says Jan David Winitz, founder and president of Claremont Rug Company in Oakland, California, with whom Eckles and Wong have built their collection. “They enjoy the personal satisfaction of living with this timeless art stemming before the age of commercialism. It’s not like buying a Picasso, where you want the world to know about it.”

Most existing antique carpets date from the 19th century, but some dealers carry selections from the 15th to 17th centuries. “Oriental” refers to rugs handwoven in the East, from the Balkans into China, which are the product of a carpetmaking tradition dating back at least 700 years. Most were produced in Persia, or modern-day Iran, the Caucasus, Central Asia, Afghanistan, Turkey and China.

### Some handy hints for would-be rug collectors

Because fine distinctions in antique rugs are difficult to recognise, new collectors should work with established, reputable dealers and request second opinions before purchasing.

Novices should also familiarise themselves with certain basic criteria to ensure their chosen rugs will appreciate in value over time. Make sure the rug you are considering:

- is at least 100 years old, a true antique, handwoven before the beginning of the commercial period, when workshops began producing rugs for export.
- features traditional designs and colours

Oriental rugs are divided into three categories – tribal, city and village.

Tribal rugs were woven by nomads or tribal people living in small encampments using motifs and methods particular to their ethnic groups. They were produced for personal use and are marked by abstract, totemic, spontaneous designs. City rugs, however, were often commissioned by aristocratic patrons and created by groups of weavers working from meticulous blueprints, or “cartoons”, conceived by a master craftsman. Weavers convened in workshops, primarily in Persia or Turkey, to create rugs known for their intricate, floral images. Village rugs form a bridge between tribal and city, blending geometric elements with rhythmic, regular patterns.

Winitz says that for the past year, many of his patrons – a list that includes more than two dozen members of the Forbes 500 wealthiest list – have talked about diversifying their assets. “Our clients, especially investment bankers and venture capitalists, are looking for a quiet, non-volatile way to invest their money. Rugs are a lifestyle investment with a different form of appreciation.”

While financial returns may not be buyers’ dominant motivation, all tout the enduring investment value of antique rugs. “Historically, an oriental rug’s appreciation is realised over a generation, not two, five, or 10 years,” says

designs and colours combined in original or unexpected ways to reveal the weaver's unique sensibility. City rugs are prized as the "art of absolute perfection" because of their balance and replication of patterns throughout, while tribal rugs are valued for their asymmetry and improvisational aspect.

- contains only pure natural dyes, which provide a greater variety of hues. Abrash, a colour technique with striation, creates tremendous depth, and some colours are prized above others; Tyrian purple, for instance, came from molluscs gathered along the Caspian Sea that were extinct by the late 19th century.

- is crafted using the highest-quality fibres. "Mountain oily wool is renowned for strength, elasticity, and high lanolin content, which creates a luminous patina enhanced over time," says Jan David Winitz, founder and president of Claremont Rug Company.

- is well-preserved for its age, and any restoration has been executed flawlessly using original materials. "As antique rugs become a dwindling resource, restoration workshops have become better. You can refurbish a rug in poor condition to look exceptional, but there should be a discount in value. There should be full disclosure," says Peter Pap, a San Francisco-based dealer. The rarer the rug, the more acceptable restoration is, and black light can reveal restoration with new wool. Pap says: "Serious collectors are learning this, as restoration becomes for deception rather than just conservation when needed."

Peter Pap, a San Francisco-based dealer. "So if you're in your 40s and you buy a great rug for \$50,000 there's a good chance when you're in your 70s, it may have doubled or tripled in value. Antique rugs are excellent repositories of wealth long-term, like blue-chip stocks; you buy them to hold. This is a hard hurdle to mentally get over in this day and age, when the whole world is here-and-now."

Dedicated rug collectors number only in the hundreds worldwide. They tend to be aged between 40 and 80, and have "old" money. Many pieces remain in families for generations and come to market only when heirs, perhaps focused on sexier markets, decide to sell their antiques. Last month, Claremont Rug Company began selling a diverse 225-piece collection from a patrician family based in New York's Hudson Valley.

Because truly rare rugs emerge so infrequently on the international market it is hard to track their re-sale value. And because the rugs were produced anonymously, collectors are unable to monitor comparable works by the same artists. But Winitz considers 7-10 per cent annual appreciation a conservative estimate, and market insiders believe antique oriental rugs to be universally undervalued. "These rugs are phenomenal art, but they're not priced anything like what they're really worth. They're not recognised yet," says Jon Schreiber, a collector. For the past two decades he has specialised in world-class Caucasian tribal rugs, which he says have appreciated 15-20 per cent annually. "Someday, not that far in the future, they'll take off the way paintings have."

Yet these "drought-like conditions" have caused prices to rise in recent years. "High-collectible and museum-level rugs are only a minute percentage of all rugs," Winitz says. "The majority went into private collections between 25 and 75 years ago. We're talking about a market where demand is much greater than supply." Winitz says that during the past five years, 30 clients have become voracious about collecting, purchasing between 50 and 200 rugs each.

But for now, antique rugs are generally priced lower than other art forms. "In certain categories, you can buy the best-of-type for high five figures," says Pap. "So people who buy great antique furniture for hundreds of thousands of dollars per piece, or pay millions for a piece of artwork, recognise this as an opportunity."

Not every buyer is devoted specifically to rugs. Many are wealthy people adorning their multiple homes with the help of status designers. Elisabeth Parker, department head of rugs and carpets at Christie's, says her auction house often sees bidders "decorating their homes in a high-end way, willing to spend \$20,000 or more. \$15,000 is the starting point for a really good carpet."

Pap agrees. "A wonderful Kazak rug from the 19th century worth \$20,000 to \$30,000 should go to a collector, but more than likely it will sell to someone who's collecting fine art or fine American furniture and wants to have floor coverings of equal importance and beauty." As a result, rug styles go in and out of fashion, and he advises collectors to buy against the curve. "For the past several years, decorators have been pushing a pale colour palette achieved in a small segment of rugs in the late 19th century. They have more naturalistic designs and larger-scale patterns that give maximum flexibility in furniture placement and work well with

contemporary art." So today's bargains include rugs in strong, jewel tones with dense, bold designs or central medallions.

Experts cite an opportunity for younger collectors to jump into the antique rug market before it heats up.

“We’re also seeing younger collectors, which is why our selection ranges from €2,000 (\$3,166) to €5m,” says Moshe Tabibnia, a Milan-based dealer whose showroom features a library with more than 5,000 volumes on rugs and textiles. “You can start with a beautiful piece for €5,000.”

Tabibnia is assembling a collection for the Matam Museum, a private institution dedicated to antique rugs, scheduled to open in 2011 in the Brera, Milan’s artistic central district. “I am organising everything and preparing staff, but once the museum opens it will be independent,” he says. The museum will house a comprehensive research centre and host lectures, conferences, and exhibitions.

Antique rug dealers and collectors often wax lyrical about their esoteric pursuit, calling rugs time capsules, or a window into history. As opposed to contemporary artists’ desire to stimulate and shock, weavers once strove to express the harmony and grace they found in nature; they believed that art was a process in which each step – from raising sheep and sheering wool, to brewing dyes and tying each knot – must be perfected for the final product to reach its “ultimate state”. To modern acolytes, such rugs represent a return to the balance and simplicity of a lost civilisation.

“These rugs represent artistic striving over a period of months or years, and the techniques are unchanged since biblical times,” Winitz says. “Our world has become so impersonal and highly technological. People are looking for items that are original, elemental ... and are a part of the heritage of man. This is art of the heart, rather than art of the ego.”

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