



NATURAL LE COULTRE NETWORK NEWS

IN THIS ISSUE

IN FOCUS

SGS ART SERVICES, OR THE ART OF
CONDITION REPORTING

GENEVA

ENHANCED VERIFICATION
PROTOCOL AT GENEVA FREE PORTS

SINGAPORE

RELAX, SIT BACK AND CHEERS !

LUXEMBOURG

GERMANY STRENGTHENS THE
PROTECTION OF ITS CULTURAL
GOODS

EDITORIAL

ENCOURAGING PROGRESS IN THE PROTECTION OF CULTURAL HERITAGE

Following Germany's enactment in August of a new law protecting cultural property, Geneva Free Ports and Warehouses has implemented measures this month to strengthen the fight against the illegal trade among archaeological artefacts.

Meanwhile, SGS – the world's leading inspection, verification, testing and certification group – is marketing a new standard for condition reporting. It furthermore offers scientific analysis services focusing on works of art.

Strong progress is being made in standardisation and regulation. We are pleased to see that artwork is being analysed more thoroughly and more frequently – the noose is tightening around the illegal art trade. The future

promises greater transparency, and that is truly a cause for celebration.

It is therefore only fitting that our September issue highlights the new measures implemented by Geneva Free Ports and Warehouses. This newsletter also features an interview with Yan Walther, the Managing Director of SGS Art Services, who tells us about its recently launched offering. And finally, Christian Pauli, the General Manager of our Singapore office, gives us a taste of an entirely different topic as he describes the specifics of storing fine wines, which is important in countries with sweltering temperatures year-round.

NoWe hope this edition of our newsletter finds you enjoying a pleasant autumn season.

F. Momente, *Managing Director*
Fine Art Transports Natural Le Coultre,
Geneva



**NATURAL
LE COULTRE**

SGS ART SERVICES, OR THE ART OF CONDITION REPORTING

We sat down with Yan Walther, who specialises in condition reporting and scientific art analysis – a service recommended by the Natural Le Coultre group.



YAN WALTHER

Managing Director of the Art Services division of SGS, the Geneva-based world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. With more than 85,000 employees, SGS operates a network of more than 1,800 offices and laboratories around the world.



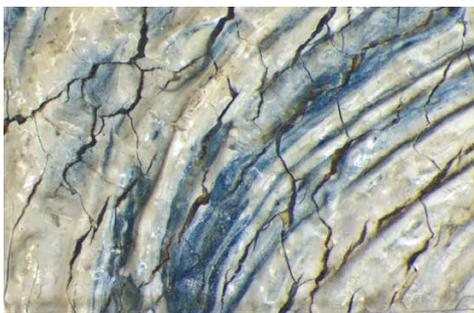
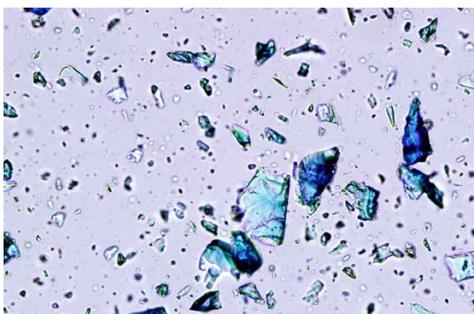
What services does SGS Art Services offer ?

Y. Walther: We primarily prepare condition reports and provide scientific analysis of artworks. As the term suggests, these reports describe an artwork's condition at a specific point in time, at a specific location. They are performed by conservators, who visually inspect the artwork, examine the work under UV light and document findings photographically. Condition reports are used during logistics operations such as transporting, warehousing and exhibitions. They may also be required in connection with insurance policies or an art sale. The purpose of condition reports is to uncover damage, reveal any previous restoration work and determine possible fragility. We offer several types of reports depending on whether a work of art is being sold or merely moved. It also depends on the type of artwork itself, which may be a three-dimensional object, painting, paper-based work or exhibit incorporating audio or video.

Scientific analysis is performed in a laboratory using state-of-the-art technology, such as stereomicroscopy, infrared reflectography, X-ray radiography and X-ray fluorescence. These techniques help determine an artwork's authenticity or age, uncovering possible forgeries.

Your division opened its doors as recently as 2015. Where and how do you offer your services ?

Y. Walther: Yes, the Art Services division was founded in April 2015, but our team already had several years of collective experience under its belt. We have not wasted any time developing our global condition-reporting business, which we already offer in key art hubs such as New York, London and Geneva. We are also working on expanding to Paris and Brussels by the end of the year. Next stop will be major cities in Asia. Our Geneva-based scientific-analysis laboratory is also up and running. .../...



Because the equipment is mobile, this unit can travel anywhere. It is currently working outside Switzerland. Additionally, we plan to launch scientific analysis services in New York and London this autumn in cooperation with local experts.

How do your services fit into the big picture at SGS ?

Y. Walther: What we do lies at the heart of SGS's line of business, which is to provide independent inspection, analysis and certification on a broad range of products, from several different industries, all over the world. It is quite a profitable niche, because – as I'm sure you know – the art market is really taking off. The volume and overall value of art transactions have skyrocketed in the past 15 years. Unfortunately, it is also a market that sorely lacks industry standards. But it just so happens that SGS boasts an excellent track record in improving information and encouraging self-regulation in many business segments. Our stringent procedures and renowned "SGS reports" have become de facto standards in several industries and areas of activity. We are convinced that the art world is ready to step up to this

new level of professionalism. Last but not least, the SGS group stands firmly behind us, and there is a lot of interest and support for these new and – let's admit it – rather remarkable services.

Are you worried about drawing the ire of art conservators, whose job it is to report on the condition of artworks ?

Y. Walther: Not at all! We made sure that we surveyed the market thoroughly before launching our services. Today we have a growing network of carefully selected conservators with whom we partner in the key art capitals I mentioned before. And we are actively working on keeping this momentum going. It is a win-win situation: clients have access to a top-notch global network and standardised reports all from the same source, while conservators benefit from SGS-developed software to prepare condition reports more efficiently. Our network attracts quite a lot of business, so most of the experts we reach out to sooner or later join us. Forging ties with us allows them to offer their client base a new service. And let's not forget that a conservator's core business is restoring artwork, which we are not involved in at all, leaving the market wide open. .../...



Who can use SGS Art Services, and how are services priced ?

Y. Walther: SGS Art Services are aimed at anyone with an involvement in the art market. We work with collectors, art galleries and auction houses as well as insurance firms, museums and logistics companies. Our prices are very competitive, especially when you take into account the added value that SGS offers. A basic condition report in Geneva costs CHF 250 per work of art. This is a reasonable price for any valuable item. And it is worth remembering that a meticulous condition report can, for example, help a collector and their insurance firm identify damage that occurred during transportation or while a work of art was on loan. Hence they can determine when the damage occurred and under whose watch. Alternatively, condition reports can give a prospective buyer an independent assessment of the condition of artwork on sale, with potentially substantial price implications.

What can clients expect from a condition report ? What techniques do you use ?

Y. Walther: Basically, a condition report is a visual inspection supplemented by systematic photographic documentation. The only "scientific" instrument used is a UV lamp, where appropriate. This differs from laboratory analysis, which is much more sophisticated and

uses several methods combined. The true added value of an SGS Art Services condition report lies in our rigorous, standardised methodology, thanks to which reports can be compared throughout an artwork's lifetime. We commission licensed conservators who have received training from us and who use our proprietary software to manage operations effectively. The entire process is digital – no more papers getting lost during a move. We also offer our network partners and clients a dedicated access platform to ensure the traceability of all documents while maintaining full confidentiality.

Have you received any feedback on your Art Services ? Are clients satisfied ?

Y. Walther: We have received excellent feedback from our initial clients, who claim that our reports were produced faster, cost less and were better quality than previous reports they'd received. They also like that our reports are traceable and delivered in a secure, electronic format. Because our reports are standardised, many clients applaud how easy it is to compare them before and after transportation, for example. But instead of resting on our laurels, we are constantly adapting our software to the experience we garner. Our laboratory analyses have also been well-received on the market, which has been keen to welcome a global group with an outstanding reputation in this, at times, sensitive field.

ENHANCED VERIFICATION PROTOCOL AT GENEVA FREE PORTS

F. Momente, *Managing Director*
Fine Art Transports Natural Le Coultre,
Geneva



Geneva Free Ports and Warehouses has introduced an additional verification procedure for archaeological artefacts en route from excavation sites to free ports for storage in bonded warehouses. This new measure, which came into effect on 19 September 2016, aims at bolstering efforts to fight the illegal trade in cultural heirlooms.

Henceforth documents accompanying archaeological artefacts must be examined by an independent, specially commissioned company before the artefacts can be shipped to free ports. It should be noted that this procedure is performed in addition to the usual inspections of the Swiss Federal Customs Administration.

Only once the inspecting company has given its stamp of approval can the artefacts begin their journey to Geneva. In other words, excavated treasures cannot be accepted or stored without the inspection company's authorisation.

This is already the second new requirement introduced this year. It follows action by the Federal Council on 1 January to reinforce regulations on customs warehouses, giving the Customs Administration better control over export timeframes, the exporting process and inventory.

Natural Le Coultre embraces these new measures, which not only enable more thorough due diligence on the origins of artefacts, but also enhance the overall protection of the assets entrusted to us.

RELAX, SIT BACK AND CHEERS !

C. Pauli, *Managing Director*
Fine Art Logistics Natural Le Coultre,
Singapore



“Noble crus” such as Petrus, Chateau Latour or Romanee Conti and other “grand crus” from prestigious wineries or vineyards let the wine enthusiasts’ heart beat stronger. Some of them find a temporary home with Fine Art Logistics Natural Le Coultre Pte Ltd located at LE FREEPORT Singapore. Whether it is waiting for the best time to open a bottle or simply to make advantage of the tax free storage, FALNLC has the optimal and high secure cellarage for wine collectors, traders or restaurants.

Wine is “a living thing” or let’s call it rather also a perishable product. Specialized handling from the production to consumption, e.g. the vineyard or another cellar to the final consumer is consequently necessary. Wines are highly

susceptible to temperature fluctuations. Also, light and oxygen are prematurely accelerating the aging process and its detriment. The right humidity levels for storage are a must: having insufficient humidity would dry out the cork causing it to shrink that would provoke an absorption of oxygen and creating a premature oxidation, which would lead to spoil your treasure.

Wine storage in peak conditions is a specialist job. Our quality knowhow encompasses all the various critical parameters for an optimal conservation: temperature stability, the correct humidity levels, good ventilation, darkness as well as the safety and security of each case or single bottle entrusted to us.



GERMANY STRENGTHENS THE PROTECTION OF ITS CULTURAL GOODS

C. Herrmann, *Executive Manager
Fine Art Logistics Natural Le Coultre,
Luxembourg*
*In collaboration with Dr. Astrid Lilja
(art+economy, Berlin)*

DR. ASTRID LILJA

is both an engineer and a fashion designer by education and holds a PhD in Economics.

In 1997 she launched her own company art+economy in Berlin. Working at the intersection of Economics and Culture, she consults with companies and cultural institutions in the areas of Public Relations, strategic partnerships, CSR and Compliance.

Between 1996 and 2014 she taught at various universities, on the subject of Finance in companies and culture. During her studies between 1985 and 1996 she also participated in several TV and radio productions.

She inherited her passion for cultural matters, so it was only logical for her to work in the fields of Economics and culture. Dr. Astrid Lilja lives in Berlin and works internationally.

Germany adopts a new law on the protection of cultural goods, joining its main European neighbors.

The German government has officially adopted the amendment to its law on the protection of cultural goods ("Kulturgutschutzgesetz" - KGSG) on 5 August 2016. The new law took effect one day later on 6 August 2016. Germany put forward two main reasons to enact new rules for the protection of cultural goods. The first is to strengthen the controls of imports of cultural goods to "stop the illegal trafficking of antiquities, especially those coming from countries plagued by war or internal conflict". The second reason is to improve the control of exports of cultural goods, with the aim of keeping „national treasures“ and other goods with a defining value for the German cultural identity from leaving the country. The amended law enables Germany to strengthen the protection of cultural goods, joining its main European neighbors that already enacted similar laws. Of the 28 EU member states, 27 states including Germany now have rules governing the exchange of cultural goods with other member states, much like the United Kingdom and France who own the biggest share of the European market for cultural goods.

Since 6 August 2016, any work of art that is considered a „national treasure“, independent of its age or value, can only leave Germany temporarily and requires an authorization for export. The exporter needs to request this authorization from the authorities in the "Bundesland" (federal state) where the artwork is stored or on display. If a "national treasure" has to be exported permanently, the export authorization can only be delivered by the "Bundeskulturministerium"

(Federal Ministry of Culture) in exceptional cases. The artwork then loses its quality as "national treasure". A potential buyer should therefore check before any purchase in Germany if the desired artwork qualifies as "national treasure". If this is not the case, the potential buyer can further request a "Negativattest" as written negative proof. Further to the restrictions for the export of cultural goods to third countries according to Council Regulation (EC) No 116/2009, the new German law now also specifies age and value thresholds for the export of cultural goods to other EU member states. For example a painting that is older than 75 years and worth more than 300.000 Euro now requires an export license to send it to another member state. (see §24 paragraph 2 KGSG).

Before shipping artworks to Germany, for example as a loan to a museum, to have it restored or analysed, the lender should make sure that the artwork can be re-exported from Germany. The competent authorities can issue a "Negativtest" for this purpose, a written confirmation that the loan will not be qualified as "national treasure" and therefore will not be subject to export restrictions, as well as a legally binding return guarantee.

In Luxemburg, article 6 of the law of 21 March 1966 on the protection of the movable cultural heritage states that any export of objects that are older than 100 years and whose creator died more than 50 years ago requires an export license. Excluded are all works of art not produced in Luxemburg whose creator is not of Luxemburgish origin or that were brought to Luxemburg less than 100 years ago, unless they come from territories that were part of the former Duchy of Luxemburg.

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ART FAIRS

ABC ART BERLIN CONTEMPORARY

2016, 17-20 September

EXPO CHICAGO

2016, 22-25 September

ARTRIO

2016, 28 September – 2 October

FINE ART ASIA

2016, 2-6 October

PAD LONDON ART + DESIGN

2016, 3-9 October

FRIEZE MASTERS

2016, 5-9 October

FRIEZE ART FAIR

2016, 6-9 October

FIAC

2016, 20-23 October

ARTISSIMA

2016, 4-6 November

CONTEMPORARY ISTANBUL

2016, 3-6 November

SHANGHAI ART FAIR

2016, 3-6 November

ART021 SHANGHAI CONTEMPORARY ART FAIR

2016, 11-13 November

ART TAIPEI

2016, 12-15 November

ABU DHABI ART

2016, 16-19 November

COLOGNE FINE ART

2016, 17-20 November

ART BASEL MIAMI

2016, 1-4 December

ART THESSALONIKI

2016, 1-4 December



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Leader mondial suisse pour le stockage, la prise en charge et l'expédition des œuvres d'art, nous vous apportons un niveau de sécurité inégalé pour toutes vos collections.

Expositions Natural Le Coultre à Genève est le partenaire reconnu des musées, des galeries et des collectionneurs pour la présentation, l'emballage, le transport et l'entreposage de toutes vos pièces de valeur.

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EXPOSITIONS
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