

# Private Collectors and the Public Institution: In Conversation with Philip Hoffman

Ollie Gerlach

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*Philip Hoffman is Founder and CEO of the Fine Art Group, which focusses on art advisory, investment, and philanthropy. At 33 he became the youngest member of KPMG's Management Board and later served as its Deputy CEO of Europe. He also worked for Christie's for 12 years. He regularly comments on the art market in the international press.*

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The Frick Collection is widely regarded as one of New York's finest galleries. From the interiors of Vermeer to the forests of Fragonard, any enthusiast, collector or museumgoer would envy its collection. Around 300,000 people visit the collection each year, and in 2019 they saw shows on Giambattista Tiepolo's Milanese frescoes and on French faience masterpieces.<sup>1</sup> It is easy to forget, though, that the Frick has depended on private collectors since its inception. There would be no Frick Museum without Mr and Mrs Frick, just as there would be no Courtauld Gallery without Samuel Courtauld, and no Kettle's Yard without Jim and Helen Ede. Museums should remember that private collectors will facilitate their survival in times of trial and tribulation.

In conversation with Philip Hoffman, founder and CEO of the Fine Art Group, this article explores the ways in which the private collector supports the public institution.<sup>2</sup> Hoffman recalls how his clients work *with* public institutions: they send art around the globe, fund exhibitions, and make gifts to their beloved galleries. Although the idea is counterintuitive, public museums must continue to connect, engage, and communicate with private collectors. Loaning and philanthropy have never been more imperative for ensuring the permanency of our institutions. Collectors and museums are not 'Romulus and Remus', as the art world has come to believe. There are, it appears, two spaces on the Capitoline Hill. *Our* culture benefits from the presence of both collector and institution.

The Fine Art Group manages 140 different collections in 28 countries. From 'Australia to Chile' and from 'New York to London' its collectors invest in, assemble and donate art. Naturally, some

motivations and ambitions are unique to the collector. Personal collections are a store of both monetary and social capital. Moreover, for many, buying art is an investment strategy, since art assets generally rise in value. It is tempting to believe that these objectives go against the public interest. The collector's ambition to *own* seems at odds with the institution's ambition to *exhibit, display, and educate*. Private collections seem *covert* rather than *overt, isolated* rather than *accessible*. Private is consistently considered 'versus' the public.

The social life of private collections, however, generally extends into the public realm, since their artworks are loaned and exhibited to the public. 'We have lent major paintings from our own collections or art investments to museums', Hoffman notes. Recently, they lent a Canaletto and a Cindy Sherman to shows about their respective artists. Collectors furnish exhibitions with artworks that museums could not afford, and the works they loan are integral to retrospective exhibitions. Collectors, then, participate with and enable public intentions—they facilitate in *educating* and *exhibiting*.

'We've had a Francis Bacon work that went to a show at Oxford and a Bellotto sent to Germany, Hoffman remarks. 'If people ask, we facilitate...we've moved exhibitions to China, Paris, Versailles, the UK'. Though this is often overlooked, collectors mostly want to be 'as helpful as [they] can'. Hoffman stresses that 90% of The Fine Art Group's clients remain interested and engaged in working with public galleries.

We discuss the remarkable collections of François Pinault, Leonard Lauder, and Steven Cohen. Hoffman mentions how willing his clients are to develop museum exhibitions. 'Any show where museums need artworks from these private clients, they get lent, sometimes given ... and museums are using collectors for their own aims to say, "we're doing a show of Bridget Riley, Frank Auerbach. Would you lend it to me?"

In 2018, the Fine Art Group facilitated the lending of the Al Thani Collection to the Palace Museum in Beijing's Forbidden City. Mughal jewels, ancient Egyptian relics, 54 Fabergé pieces, and hundreds of other artefacts were displayed to the Chinese public

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1 The Frick Collection, 'The Frick Collection: Annual Report July 2018–2019' <<https://www.frick.org/sites/default/files/2020/2018-2019-frick-annual-report.pdf>> accessed 1 March 2021. Mr Henry Clay Frick also left an endowment of £15 million for the preservation of the collection. The collection has continued to receive donations. In the fiscal year July 2018–July 2019, donations surpassed £1 million.

2 I am very grateful to Philip Hoffman for his time and expertise. I also thank The Fine Art Group (<<https://www.fineartgroup.com/en/>>), along with Sophie Jefford and Cynthia Zabel for their help in setting up the interview.

for the first time.<sup>3</sup> Previously, the family's collection had travelled to institutions in Venice, London and New York. In autumn 2021, the collection will arrive at the Hôtel de la Marine, Paris, where it will remain for 20 years. Collectors' intentions, then, far from conflicting with public objectives, facilitate, provide and enable institutions and their exhibitions.

Collectors are also making their art accessible to the public by setting up 'private museums'. Independent institutions let collectors display their collections as they choose. Many of these collections are pivotal for the display and production of contemporary art. They are appearing all over the world, from the pioneering Saatchi Gallery in London's Chelsea to the Museo Soumaya in Mexico City. Miami remains an influential city in the field of private museums. The 'Miami model' sees local collectors exhibit their work permanently to the public. Hoffman draws particular attention to Don and Mera Rubell, who have a museum in Miami. 'Having built a huge personal collection, and then started museum number one, they've moved onto a new museum "number two" ... an incredible collection'. The Rubells have been 'extremely philanthropic in sharing all their artworks'. They have also consistently supported the development of young contemporary artists. Their foundation displays over 7,200 works by over 1,000 artists. It works with the schools of Miami-Dade County, funds curatorial training internships and sponsors travelling exhibitions.<sup>4</sup> Private museums support their communities and benefit young contemporary artists.

By displaying the collections of living collectors, private museums serve as competition and counterpoint to public museums. They put pressure on public galleries to keep up with trends in collecting, curating and exhibiting. Some would argue that giving wealthy collectors the agency to influence the curation and exhibition of art collections risks shifting the preservation and construction of art history into the hands of an elite. Lovers of art worry that artistic movements, favoured artists, and popular narratives will be determined by private museums and their patrons. However, public museums are subject to these same influences. Public museums have collected a history, determined by a pre-written museological canon. They are as susceptible to 'selection' as are private museums. Judgments of aesthetic value must not be cartelised by public institutions. After all, the Frick Collection presents the taste of Henry Clay Frick and such galleries offer interesting perspectives of the 'palate of the past'. Public museums should not retain complete authority over art history, and private galleries capture the tastes that exist *outside* public institutions. Public display by private collectors provides an alternative space for viewing art, untouched by the strictures of the institutions.

Collectors provide vital financial support to public institutions. The Fine Art Group itself supports the National Portrait Gallery, and recently raised over half a million pounds for it through a charity dinner. Hoffman himself helps oversee the diverse collection of young artists' work owned by the Chelsea and Westminster Hospital, where funds have been raised to support the hospital's baby intensive care unit. Hoffman suggests that UK institutions could benefit from a change in charitable tax deduction. 'I would argue that it would be in the interest of museums to introduce an

American style philanthropic tax subsidy for wealthy donors to gift to these ailing museums'. In the US, individual giving as a proportion of GDP is 1.45% compared to 0.4% in the UK.<sup>5</sup> The US culture of philanthropy incentivises individuals to donate to museums as they can straightforwardly claim their donations against taxable income. Changing the UK tax deduction system would result in lower tax revenue, but 'the net gains to culture versus the taxman would be massively weighted towards the helping of public institutions'. Museums are struggling with declining visitors due to the pandemic. Revising the tax system to encourage donations could significantly help UK museums and culture survive. Wealthy collectors are more inclined to give when the agency of philanthropy is in their hands. Nonetheless, collectors have made significant donations for these causes. 'Wealthy individuals are critical to the success of funding some of these institutions'. Hoffman gives the example of David Ross, chairman of the Royal Opera House (ROH). The ROH suffered when the COVID-19 pandemic forced it to close. The Royal Opera House Covent Garden Foundation auctioned off its David Hockney portrait of Sir David Webster, the late chief executive of the ROH. However, David Ross bought it and returned it on long-term loan to the ROH to ensure its public display.<sup>6</sup> Ultimately, the ROH received £11 million to help it recover, and the painting remained on the wall. Hoffman asks, 'What better philanthropy could you imagine?'

Private collectors are not necessarily at odds with public institutions and the public interest. Public museums need to engage with private collectors. Suspicion over conflicting aims must be replaced with communication and collaboration. Loaning artworks, setting up private museums, and supplying funds are integral to the survival of museums and culture, especially in times of hardship. The collectors represented by The Fine Art Group are supportive and valuable to institutions. The private collector works *with* the public, not, as is so often perceived, 'versus' it.

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Ollie Gerlach is a second-year undergraduate in History of Art at Churchill College, Cambridge, interested in pursuing graduate studies on the social life and semiotic capabilities of decorative art. He has previously been an intern at Christie's, the *Financial Times*, and AVM, a virtual gallery firm based in Somerset House. He will work at Evercore in summer 2021. He is proud to be the digital curator of the Queens' Arts Festival, the Visual Arts Sizar for his college, and a bass in Pembroke College Chapel Choir.

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3 The Al Thani Collection, 'Exhibitions' <<https://www.thealthanicollection.com/exhibitions>> accessed 3 March 2021.

4 Rubell Museum, 'Travelling Exhibitions' <<https://rubellmuseum.org/exhibitions/traveling-exhibitions>> accessed 1 March 2021; Mary Rozell, *The Art Collector's Handbook: The Definitive Guide to Acquiring and Owning Art* (Lund Humphries 2020) 151.

5 Charities Aid Foundation, 'Charitable Giving in the US vs. the UK' <<https://www.cafonline.org/docs/default-source/about-us-publications/caf-us-vs-uk-giving-infographic.pdf>> accessed 1 March 2021.

6 Taylor Dafoe, 'The Secret Buyer of the Royal Opera House's £13 Million David Hockney Is Its Own Board Chair—and He's Lending It Back' (*Artnet: News*, 20 November 2020) <<https://news.artnet.com/market/royal-opera-house-david-hockney-1925471>> accessed 4 March 2021. David Ross bought the painting for £12.8 million with buyer's fees.