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How to improve market position in the Finnish art market: A case study of Brande Arts Oy

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<p>The purpose of this study is to advise the client, Brande Arts Oy, and determine how it can improve its market position in the Finnish art markets.</p> <p>The outcomes from this study show that the client can improve its market position through differentiation, and specifically by improving its services concerning investigation methods of art works' authenticity. Furthermore this study reveals that since the investigation methods are usually out of reach for others than art experts and museums, it would be very feasible for Brande Arts Oy to make them available and reachable for regular customers, such as private owners of art and art collectors.</p> <p>Furthermore this study provides additional information on why it is important to investigate authenticity, and what are the main problems and impacts that can result from these investigations.</p>	
Keywords	Customer service, forged art, art dealing, investigation of authenticity, Finnish art market, SWOT

Contents

List of Figures and Tables	iii
1 Introduction	1
1.1 Preface	1
1.2 Background	2
1.3 Client	3
1.4 Statement of the problem	4
1.5 Research questions	5
1.6 Significance of the study	5
2 Literature review	7
2.1 Problem of authenticity in art dealing	7
2.1.1 Art dealers perspective	8
2.1.2 Investors	9
2.1.3 Art owners	10
2.1.4 Typical art forgeries	11
2.2 How to investigate authenticity	12
2.2.1 Using the knowledge of art experts	14
2.2.2 Certificates of authenticity	15
2.2.3 Technical investigation	16
2.3 Summary	19
3 Methods	20
3.1 Instrumentation	20
3.2 Research methods	22
3.2.1 Secondary research	22
3.2.2 Primary research	23
3.3 Validity and reliability	23
3.4 Assumptions	24
3.5 Scope and limitations	25
4 Results	27
4.1 Analyses	27
5 Conclusions	32

5.1 Discussion	32
5.2 Recommendations	32
6 References	34
Appendices	

List of Figures and Tables

Table 1: Number of art crime offences 2007 – 2010 in 20 European Union Member States.	12
Figure 1: Fine Art Registry's high-tech patented ID tag.	14
Figure 2: SWOT analysis for Brande Arts Oy.	25

1 Introduction

1.1 Preface

This Bachelor's thesis has been written for Metropolia University of Applied Sciences, and it embodies the student's capability to carry out an independent and thorough research project within the EBA studies at the Bachelor level. Moreover the international business and management aspects, together with essential EBA-related competencies, play a key role in this individual study, which showcases the researcher's ability to manage these various professional qualities attained during the past years of studies.

The main objective of this research is to find solutions to a business client's problem. In addition it further assesses the student's abilities in terms of collecting and analysing relevant data, processing them, and applying the results to the overall research project. At the end of the four years of studies, the student should be able to manage these various abilities and other challenges that the international business markets reveal, and be able to manage them in a professional and efficient manner.

This specific report has been created in collaboration with Brande Arts Oy, and the company CEO Marjo Seppälä. Brande Arts Oy is an importer and wholesale company for framing- and art supplies, which has additionally a framing shop and spacious art gallery in the Helsinki-city centre. The main objective of this report is to examine the problems that the client company is facing, and to collect relevant data for further research on the issues. After carefully examining these various resources, the student has to give valid recommendations and conclusions from the findings to the client. While performing this, the student will become an expert of the subject matter, and deliver all the resulting analysis and recommendations to the client. Furthermore the student herself will go through an essential learning process to meet the EBA graduation requirements at Bachelor-level.

Moreover this Bachelor's thesis has been compiled with the assistance of different literature sources which can be found in the References section. Acknowledgements go to Brande Arts Oy, and especially to CEO Marjo Seppälä who gave all her support

while compiling this report. Also a special thanks to my Instructor, Michael Keane, and to everyone who participated in the completion of this Bachelor's thesis.

1.2 Background

Art galleries and art selling, as we know them today, were stabilized in the mid- 19th century. At that time art dealing was a way for the artist to sell new and more deviant artwork, while the art academies still focused more on traditional art (Rumpunen, 2004). Art galleries functioned as assistants for the misunderstood artists until 1920's. And since then many artists have succeeded in gaining a fortune through art galleries and other famous art centres.

Art dealing involves a transaction founded upon trust. The customer has to be able to rely on the seller's knowledge and expertise. The relationship between the buyer and seller should be confidential, and the origin and authenticity of an art piece can be uncertain in many cases (Laitinen-Laiho, 2011). This can cause a lot of problems for the seller and buyer, and therefore every art work should be investigated by experts before selling them further, even if there would not be any doubt about the origin.

Art dealing is however an unregulated market which lacks profound standardization and guidelines. In addition it is estimated that art crimes and frauds are the third largest grossing crime globally, and that most of the people do not report such crimes. This encourages the art criminals to commit more crimes because they know that little, if anything will be done about it¹.

Since art dealers, such as the client for this study, are facing the problem of insufficient information, and are additionally suffering from ignorance concerning the available investigation tools for authenticity, the aim of this study is to recognize the main problems concerning art dealing, and to set a standard for the various investigation tools available. By recognising standards for the investigation procedures, Brande Arts Oy will be enabled to stand out from its competitors, and to provide efficient customer service to its clients while mastering different vital methods that are used in investigating an art work's authenticity. Moreover this study concentrates on two questions; how the client

¹ See "Fine Art Registry – Art & Collectible Registration System: The Importance of Reporting Art Crime and Art Fraud" <http://www.fineartregistry.com/articles/2010-09/importance-of-reporting-art-crime-and-art-fraud.php>

can standardize the methods of investigating an art work's authenticity, and what benefits standardization will bring for the company. This study will significantly feature the investigation results mainly gathered from European and North-American countries. In addition this research will look into the other vital aspects of the investigation process, such as effects on the various parties involved in an art market transaction and furthermore will give an outlook to the current problems of authenticity in art dealing.

The main questions will be examined thoroughly in Chapter 2 (Literature review), and in Chapter 4 (Results). Furthermore the various research methodologies and their application will be explained and observed comprehensively in Chapter 3 (Methods). In Chapter 5 (Conclusions) the literature review will be further analysed, and the author will additionally give her recommendations and references to her client in a standardized form.

1.3 Client

The client for this study, Marjo Seppälä, is the CEO of Brande Arts Oy which is a privately owned company and was quite recently established in 2008. The company has grown strongly within its almost 5 years of operation. It started as an importer and wholesaler for framing and art supplies. After rapid growth due to increasing demand, Brande Arts Oy moved into bigger premises in Helsinki-city centre and started its own framing shop and spacious art gallery. In addition Brande Arts Oy merged with two other smaller local galleries to enhance its competitive position in the capital city area of Finland.

Brande Arts Oy has been able to enter the Finnish art market due to its innovative and diverse practices. The organization is quite big compared to the other art galleries and framing shops in Finland, and this is shown in customer-oriented operations which enable fast delivery times, moderate pricing, and cost effectiveness. Furthermore these operations have been attained via careful research about the overall markets, and by investing in modern technology. Along with the mergers and acquisitions, Brande Arts Oy has gained a strong knowledge and expertise about art dealing, framing, conservation, and research.

Today Brande Arts Oy is able to provide inclusive and cost effective services to its customers. However due to recurrent misunderstandings with its various customers, and claims received from its cooperative partners Brande Arts Oy is eager to find solutions for the challenging art dealing business and furthermore discover sustainable growth opportunities for the company. Misunderstandings usually arise from situations where information about an art work is limited or investigation about the authenticity has not been made properly due to lack of available tools. Additionally authentication costs are significant since the investigations are made through outsourced service providers. Therefore my client, Marjo Seppälä, has asked me to help in finding solutions to Brande Arts Oy's problems.

1.4 Statement of the problem

There is a vast amount of forged art in the markets and the process of evaluating and investigating the authenticity of an art work is difficult and usually out of reach for private art owners and collectors.

The client company, Brande Arts Oy, wishes to find a way to improve its market position in Finnish art markets. It is eager to use available methods for investigating the authenticity of an art work also from the international aspect, since it is planning to expand its markets beyond the borders of Finland. Furthermore it is unsatisfied with its customer service procedures concerning investigation of authenticity, and therefore needs to find standardized procedures to replace the currently vague processes. This requires examining the different methods that are used to investigate authenticity, and recognizing the most effective and commonly used tools for this by evaluating various available methods. Additionally the core purpose of this study is to gather information for the usage of the client, and further advise it on how to improve its market position in Finnish art markets.

Moreover the company needs to find proper guidelines for the arising authenticity problems in art dealing, since it has started to grow its position as an art dealer in Finland's capital city area and also internationally. This research strives to standardize the investigation methods concerning the authenticity of art works, and to give a clear overlook to the problems of authenticity from various points of view. As Goldstein (2000) notes, to be sure, the art business has its rogues, just as has any other business. The overall

learning targets of this study are achieved by presenting the outcomes of this research successfully to the client.

These learning targets are very much accessible due to the fact that there are several literature sources concerning the issues. Therefore the researcher is highly capable of reaching all learning targets even though it puts the researcher's abilities to the test. In addition this research is significant due to the fact that even though art has been usually identified as a luxury item within the financial reach of only a relatively few prosperous individuals, the increased interest and attendance in museums since the Second World War provides unquestionable evidence that art has entered the consciousness of increasing numbers of ordinary people (Goldstein, 2000).

1.5 Research questions

The research questions for this study will be:

1. How to improve Brande Arts Oy's market position in Finnish art markets?
2. What tools and methods Brande Arts Oy can use for improving services in investigation of authenticity?

1.6 Significance of the study

Besides discussing the importance of authenticity, this study focuses accordingly on which various tools the client can use for implementing an investigation since one of the most important things that an art dealer has to determine is that the art work he or she is selling further is proven authentic.

The aim of this study is to discover the methods of investigating authenticity and to provide standardized guidelines for the client in order to enhance its market position in Finnish art markets. In addition this study provides the client a clear view of the art dealing process together with a short history review and statement of the current situation concerning art dealing and art forgeries. Furthermore this study concentrates on providing the client a satisfactory overview on various research methods and tools for investigating art forgeries, and to further improve their customer service procedures to be suitable in both Finland and internationally.

This study is significantly important for the client, Brande Arts Oy, since it wishes to standardize its customer service procedures concerning authentication and further enhance its ability to serve its clients. In addition the customers of the client will extensively benefit from the findings since the main purpose of this study is to improve the client's ability to provide excellent customer service in the investigation of art works' authenticity, and in doing so, improve Brande Arts' market position.

2 Literature review

This chapter provides a comprehensive review of literature related to art forgeries and investigation methods. The problem of authenticity in art dealing will open the subject together with looking at the problems from the perspectives of the artist, art dealer, investor, and art owner. Furthermore the most typical art forgeries are detailed under the same section. As a follow-up in the second section the various investigation methods for art forgeries are reviewed. This literature review is built on the pre-research activities which started in August 2011.

2.1 Problem of authenticity in art dealing

The forgery of valuable items has taken place since the ancient times. Art theft and forgeries comprise one of the biggest international fields of criminality². Therefore further investigation of authenticity is needed, since it has a large influence not only on art galleries, but also on the whole society and individual art owners, sellers, and investors. Since art forgeries are serious crimes, the investigation of authenticity should take place at all times when completing an art deal between customers. The demand for artworks encourages the forger and dishonest art dealer.

The nineteenth- and twentieth-century critics like to describe the 1800s as one of the “golden” ages of faking art. During this era an exceptional increase in the production and distribution of forgeries occurred. The upswing was primarily caused by the intensified demand for artworks from the past to fill the needs of national museums and the desires of individual collectors (Briefel, 2006). Furthermore she declares that the first artist who has made the art work is the one who might experience horror in seeing a forgery of his own work. What's more, the copy has taken a life of its own and mocks its creator with its absent authorship. Hoving (1996) has offered a frequency estimate that considers this broad perspective. He has stated that during his 16 years at the Metropolitan Museum of Art in New York he examined 50,000 works of art of all categories and found 40 percent of them to be forgeries (Hoving, 1996).

² See “Interpol – Crime areas: Works of art” <http://www.interpol.int/Crime-areas/Works-of-art/Works-of-art>

As an example, Hans van Meegeren, an ambiguous Dutch painter, sold a previously undiscovered painting of Johannes Vermeer to the famous Nazi leader Hermann Göring. After the Second World War he was tracked down by the 'Allied Art Commission' and it was discovered that he had forged a total of six additional 'Vermeers' worth of \$60 million. In addition the art work of German artist Albrecht Dürer was frequently copied during his lifetime (1471 to 1528) and in the years following his death as well. There are assumed to be as many as 5,000 fakes of his work, however it is easy to offset any suspicions about their authenticity since the forged art works were already made in the 1500s or 1600s (Bazley, 2010).

Another problem arises from the fact that there is no comprehensive database maintained for forged artworks. The concern is not only on the modern-day practice of attempts to forge the works of well-known artists, but also on the age-old and widespread practice of copying unattributed objects and then falsely representing them as created in the era and place of their historical origin (Bazley, 2010). Moreover art forgeries can mislead or alter our understanding of the history of art, and give false knowledge of human history in the more general sense (Bazley, 2010).

The overall goal of an art forgery is to acquire money or property to which the offender is not a rightful or lawful owner. Approximations of monetary losses due to forgeries tend to be even less precise, not only because of the lack of a central database but also because of the unique impulses of the art market, especially when antiquities are involved (Bazley, 2010). The art market is overall unpredictable and unstable, and therefore often behaves as in its own rhythm, or in impulses. Trends are also playing a great role in the art market. Furthermore Conklin (1994) describes forged art works as a worldwide problem causing annual losses of tens of millions of dollars. The monetary harm which stands out from the issue of the problem of authenticity in art dealing is inevitable, and therefore has a large impact not only on the artist, but also on the other parties involved. The other perspectives will be looked at more closely in the following sections: art dealer's perspective, investors' perspective, and art owners' perspective.

2.1.1 Art dealers perspective

If we look at art forgeries from the perspective of an art dealer, not one of them would like to admit that they have been victims of an art forgery. According to Laitinen-Laiho (2004) it however it is very likely that the most of them have been selling forgeries without even noticing it themselves. This does not result as a conflict between the art dealer and customer if the art is claimed, or literally assured to be genuine. Unfortunately not only the art, but also the documents about the art can be forged.

Art dealers can make direct acquisitions of art, or sell works on consignment by artists. This forming requires capital outlay to buy works and managing risk, but in this case all capital gains accrue to the dealer. The latter however operates on a commission basis between the dealer and the artist based on the sales price. Such dealers enter into contracts with artists, which the dealer turns into commercial properties (Robertson, 2005). Additionally art dealers have a certain role of a 'gatekeeper', which means that they are central to the success of an artist. Furthermore the art dealer has also the resources to engage in adaptive sales behavior. The distribution network where the dealer operates between the art owner or artist and the collector i.e. customer is quite common. However sometimes art owners and collectors interact and have a one-to-one sales action without any 'exploitative' intermediaries. According to Robertson (2005), this so called direct selling model bypasses intermediaries, and requires a sufficient reputation from the artist or a promotional value achieved without the dealer.

According to Conklin (1994), the high prices of art propelled the incidence of art theft, and encouraged some to engage in art forgery and counterfeiting. However if we look at the selling process from the art dealer's perspective, it is crucial to understand that it is not illegal to merely copy an existing art work or a style associated with a particular era or a group of artists. Moreover it is illegal to misrepresent this particular copy of an art work as genuine with regard to the associated artist or time period it represents (Bazley, 2010). Art dealing remains an unregulated market, and the dealers behave as entrepreneurs. According to Robertson (2005), it is not uncommon to meet dealers from 'privileged' backgrounds. This relates to the fact that usually art owners are also from 'privileged' backgrounds, meaning that they are most often wealthy and probably have inherited their art possessions. Art dealing is therefore mainly done by these certain and privileged groups of people with high status and wealth in the society.

2.1.2 Investors

Above all art forgeries scare the investors. Many art experts might investigate a particular art piece and claim that it is genuine, however sometimes further investigation made with technical tools can reveal the sad truth about the art being a forgery. In addition art experts might disagree on the genuineness of an artwork (Laitinen-Laiho, 2011). It is discovered through various investigations that the art experts cannot agree on a painting's authenticity. Like for example in the case of little-known art dealer from Long Island, Glafira Rosales, who claimed to have an exclusive access to a mystery collector's cache of undiscovered and valuable art work. She sold further several art works to investors over a period of nearly two decades, and now the authenticity of at least 15 of them is questioned by art experts³. In this case, the collectors and investors who purchased the art works might not have any idea that there is any question about their authenticity.

Robertson (2005) explains that the relationship between the art dealer and investor is that the investor is ultimately the customer, who adapts to the overall sales behaviour of an art dealer. The dealer adapts to the wants of the customer, and tries to present his or her products as a solution to the investor's problems. The level of conflict can be low as the dealer expects a continuous relationship with the customer, i.e. investor. Moreover, the investor might seek to forge a special relationship with "in-demand" dealers to gain access to popular artists and possible price cuts (Robertson, 2005).

2.1.3 Art owners

Laitinen-Laiho (2004) states that the revealing of an art forgery can have a huge impact on the owner, since he or she might have a strong emotional bond towards the art. Additionally the owner might have counted on the value of an artwork and therefore have high expectations about the income waiting to be collected if the artwork is sold forward. Those who have purchased a forged art work can be deceived of substantial amounts of money and the combined monetary loss through such schemes is tremendous worldwide (Bazley, 2010).

³ See "Possible forging of modern art is investigated"
<http://www.nytimes.com/2011/12/03/arts/design/federal-inquiry-into-possible-forging-of-modernist-art.html?pagewanted=all>

Furthermore revealing an art forgery can be a very hurtful and sensitive matter. In addition according to the interview with Laitinen-Laiho⁴, she states that there is always more reason to check the authenticity of an art work if it has been in the same family for a longer period of time, and there has not been any actual change of ownership. At this case, the authenticity has usually never been checked, and the name of the owner or a collector is never a valid guarantee.

2.1.4 Typical art forgeries

According to Yli-Lassila (2004) art forgeries are most often not copies of extremely rare valued paintings; more frequently, they are either somewhat clumsy attempts or else they are originals by some unknown painter, which is given the signature of a famous artist. These kinds of paintings are then sold with great fanfare to people who are eager to buy a work by a famous artist. While some forgery schemes attempt to duplicate specific works of art, the more common practice appears to be creating arguably original works, but in the style of a particular era or a specific artist (Bazley, 2010). Laitinen-Laiho (2004) underlines that art forgeries have become truly a problem in the modern era, since before the renaissance art was made in monasteries for centuries. Laitinen-Laiho (2004) also agrees that most of the forgeries today are inept attempts.

However some of the forged arts are impressive works of talented artists who are guilty of being bitter, greedy, attention-seeking, and above all unethical. According to Bazley (2010), some forgers have been successful in simply placing their work in to the art market and after that letting the experts decide whether or not it is real, thus avoiding responsibility for making any affirmative representations about a fake art work's authenticity. Furthermore recent forgery practices rely on careful high-tech copying and duplicating processes to exploit the vulnerabilities of limited edition prints, which are then mass-marketed often through online auctions. Burgeoning wealth in Russia has created a strong demand for art, and art forgers have responded to this market in a unique manner. Landscape paintings by little-known 19th-century Scandinavian, German, Austrian, English and Dutch artists have been bought at auction and in galleries throughout Western Europe by forgers at relatively inexpensive prices. After acquiring

⁴ See "Finnish art forgeries are typically clumsy copies - Art market expert expects increase in forged sculpture and design"
<http://www.hs.fi/english/article/Finnish+art+forgeries+are+typically+clumsy+copies/1076154615782>

these painting the forgers then modified them in ways that resembled the works of valued 19th-century Russian landscape artists (Bazley, 2010). Despite the illegal side of art forgeries, there's certainly a growing acceptance that these shadowy artists who recreate masterpieces into the international art market, are masters of a kind themselves⁵.

2.2 How to investigate authenticity

According to European police experts, as much as half of the art in movement on the international market could be forged, and a large percentage of those forgeries go under the hammer in London. Scotland Yard has now a devoted full-time unit charged with tracking forged and stolen artworks, and declares that arrests are at an all-time high due to the financial situation and resulted peak of forgeries on the art markets⁶. Also while Poland held the Presidency of European Union in the second half of 2011, Art Crime was one of their high priorities in the field of police collaboration. Additionally this resulted as EU Council Conclusions on preventing and fighting crime against cultural goods. It was adopted by the EU Council on 13 December 2011. Furthermore the Polish Presidency coordinated the Law Enforcement Working Group of the EU Council to gather data on Art Crime and the law enforcement responses on Art Crime in various EU member states⁷.

The Interpol and FBI have their own databases for stolen art works, which can be accessed by certain authorities. FBI's National Stolen Art File (NSAF)⁸ and Interpol's International Data⁹ are computerized indexes which provide assistance to investigators in art and cultural artefact theft-cases together with providing law enforcement officials with information concerning art thefts all over the world. According to researcher and

⁵ See "Forgers and the forgiveness of posterity" <http://www.thenational.ae/arts-culture/art/forgers-and-the-forgiveness-of-posterity>

⁶ See "The counterfeiters: Inside the world of art forgery" <http://www.independent.co.uk/arts-entertainment/art/features/the-counterfeiters-inside-the-world-of-art-forgery-764032.html>

⁷ See "ARCA – Association for Research into Crimes Against Art" <http://art-crime.blogspot.com/2012/04/statistics-on-european-art-crime.html>

⁸ See "The FBI – Federal Bureau of Investigation – Art Theft: National Stolen Art Files (NSAF)" http://www.fbi.gov/about-us/investigate/vc_majorthefts/arttheft/national-stolen-art-file

⁹ See "Interpol – Crime areas: Works of art" <http://www.interpol.int/Crime-areas/Works-of-art/Works-of-art>

former Dutch police officer Dr. Ludo Block¹⁰, art forgeries and crimes have had a huge impact also in the European Union Member States.

Table 1 showcases the number of crimes between 2007 and 2010, as documented in 20 of the 27 EU Member States. The precise descriptions of 'Art Crime offences' of course vary between the EU member states, nevertheless the data gives some insight in the trends.

Year EU Member State	2007	2008	2009	2010
Austria	131	125	113	missing data
Belgium	229	223	252	175
Bulgaria	206	164	204	191
Cyprus	8	7	10	14
Czech Republic	370	639	1527	954
Denmark	57	62	50	82
Estonia	8	9	8	7
France	2714	2223	1751	1442
Greece	75	87	72	91
Spain	443	432	489	543
Netherlands	missing data	missing data	missing data	831
Lithuania	15	13	14	12
Latvia	46 (171 items stolen)	94 (222 items stolen)	79 (204 items stolen)	100 (318 items stolen)
Malta	9	8	9	6
Germany	2003	2265	2055	missing data
Poland	1132	776	814	804
Portugal	164	233	200	159
Slovakia	24	25	26	29
Slovenia	28	55	42	66
Italy	1085	1031	882	817
TOTAL	8747	8471	8597	6323

Table 1. Number of art crime offences 2007 – 2010 in 20 European Union Member States¹¹:

¹⁰ See "ARCA – Association for Research into Crimes Against Art" <http://art-crime.blogspot.com/2012/04/statistics-on-european-art-crime.html>

¹¹ See "ARCA – Association for Research into Crimes Against Art" <http://art-crime.blogspot.com/2012/04/statistics-on-european-art-crime.html>

The increasing demand for art works by the ever-growing middle-classes all over the world with too much ready cash and too little discrimination has on the other hand inspired improvement in the investigation methods as a response. According to Craddock (2009), there has been a continuing improvement in the scientific methods of materials examination which has helped in identifying forged art works. There are various existing methods to investigate authenticity of an art work, and fortunately the analytical techniques have been steadily improving over the last century (Craddock, 2009). The ever-refining sensitivity of a variety of techniques is of potential interest for the sourcing and comparison of materials. A growing amount of investigation methods provide the potential not just to give a point analysis but much more resourceful information in the form of a profound profile or a compositional map which can be of a great importance in the examination of surface treatments. According to Craddock (2009), standard techniques are increasingly available in portable and affordable forms, enabling them to be brought to the object. Moreover there are three main methods today which will be investigated more thoroughly in the following sections.

2.2.1 Using the knowledge of art experts

Art experts are typically used in the evaluation process. Their knowledge and practical experience can be valuable while investigating art. These experts are most often working at museums or at some art gallery. Despite their reputation or compatible education, their high knowledge does not guarantee identification of an art forgery. Laitinen-Laiho (2004) therefore states that it is crucial that the experts have additional understanding for example on color-technics and art history.

When examining an object through a simple observation, it would be best to carry out the examination firstly without knowing too much about the background of the art or antique piece, and thus what one is expected to discover (Craddock, 2009). As a tool it is essential to use at least a hand lens or a binocular microscope. According to Craddock (2009), the human eye with informed brains still remain as the most versatile and powerful tool for examining antiquities and paintings. Some simple tools, such as a stereomicroscope, support the findings and give assistance to the restricted humane senses.

2.2.2 Certificates of authenticity

Certificates of authenticity are widely used by artist who wishes to add facts about their artworks and to prove its authenticity. This document is something in which the art collector can hold on to, and which can be applied as an evidence of art works' authenticity. These certificates include essential information about the artist and the art work, such as title, artist, medium, size, year created, photos, documentation and description¹².

According to Laitinen-Laiho (2011), people usually count too much on the authenticity certificates, since they can correspondingly be forged. If more attention would be put on the certificates and technical analyses, art markets would become more practical and clear. Additionally art's position as an investment target would develop. The foremost problem with the certificates is that they can easily be forged, since forged signatures are easily made with modern day technology¹³. However there are reliable organizations which offer registration and certification-services, such as Fine Art Registry, from where you can apply a high-tech patented ID tag for your art work which is similar to a book's ISBN¹⁴. However there lies a risk beneath this kind of a service, since it is extremely easy to forge a certificate through their services. This could simply be done by making up a lie about the specific art work or artist that will be registered.



Figure 1. Fine Art Registry's high-tech patented ID tag.

¹² See "Fine Art Registry – Art & Collectible Registration System" <http://www.fineartregistry.com/>

¹³ See "ArtProMotivate – How to make a Certificate of Authenticity for Artwork" <http://www.artpromotivate.com/2012/03/how-to-make-certificate-of-authenticity.html>

¹⁴ See "Fine Art Registry – Art & Collectible Registration System" <http://www.fineartregistry.com/>

2.2.3 Technical investigation

There exist technical tools for investigating art. Even though art experts can most of the times tell only by looking at the artwork if it is genuine or not, sometimes it is necessary to further investigate the work with various tools. Laitinen-Laiho (2011) underlines that there are specific features which are examined from the artwork, such as; the material or fabric of a painting, colours used, the signature, provenience, the certificate, condition, subject, brush strokes, over paintings or coverings, mannerism, and finally the back of an art piece. In the following sub-headings the author has listed the most common modern and contemporary techniques used in investigations of art works' authenticity all over the world. To support this fact, several sources have been studied and compared before listing these various methods.

Ultraviolet light

Ultraviolet light can be used for detecting art forgeries and it detects the showing evidence of the presence of fluorescent paint. On original paintings the ultraviolet light will not detect any fluorescent paint (Greenberg, 2008). UV light additionally helps to expose past restorations and retouching over the paint or varnish. It allows us to distinguish between various pigments of similar colour which look identical to the naked eye¹⁵. Furthermore it is affordable and portable tool, and provides a quick and non-destructive examination for an object (Craddock, 2009).

Stereomicroscope

Stereomicroscopes are widely used and standard investigation tools for art and cultural objects. They can be used to examine the signs of ageing in the paint layer, like for example the nature of craquelure, the pigments, restoration and other factors¹⁶. Furthermore it can be used for studying a paintings' canvas, fingerprints, brushwork, and

¹⁵ See "Fine Arts Expert Institute – Scientific study of works of art" <http://faei.org/wp-content/uploads/20110718-FAEI-e-brochure.pdf>

¹⁶ See "Paintings Authenticity - Determining the authenticity of antique and modern paintings: A section of the Museo d'Arte e Scienza" <http://www.paintingsauthenticity.com/>

signatures in more detail. It can also be used to study the conservation condition of an art work¹⁷.

Infrared camera and X-ray photographing

The infrared light (IR) passes through most of the paint layers and allows us to investigate the under drawing techniques used by artists. These original under drawings are important elements for authentication of a painting or for identifying it as a copy¹⁸. According to Craddock (2009), infrared light is necessary equipment for examination, and is relatively cheap and portable device. It is also non-destructive and useful for exposing repairs and restorations.

The examination with X-ray photographing is carried out in a purpose-built place, lined with lead to prevent the escape of X-rays. Craddock (2009) outlines that the main problem which arises while using X-ray photographing is that the art objects and antiquities have a wide range of shapes and sizes, conditions and materials, which have to be taken under consideration while examining the objects. E.g. there might be a need for some preliminary research, which allows real-time viewing while altering the position of the object, and the energy settings. X-ray photographing enables an in-depth analysis on the art works and can reveal changes made during the painting process, such as over painting, alterations, and later modifications. In addition it helps to understand the physical condition and structure of a panel or canvas¹⁹.

Pigment- and paint-chip analysis

By using X-ray fluorescence for investigating forgers, it is possible to determine if for example precious metal objects are old or new. For example new silver is highly refined, while old silver retains lead from its minerals. The absence of lead in the elemental profile reveals that a forged "antique" piece of silver is actually made from new

¹⁷ See "Fine Arts Expert Institute – Scientific study of works of art" <http://faei.org/wp-content/uploads/20110718-FAEI-e-brochure.pdf>

¹⁸ See "Fine Arts Expert Institute – Scientific study of works of art" <http://faei.org/wp-content/uploads/20110718-FAEI-e-brochure.pdf>

¹⁹ See "Fine Arts Expert Institute – Scientific study of works of art" <http://faei.org/wp-content/uploads/20110718-FAEI-e-brochure.pdf>

metal. According to Craddock (2009), the technique can also reveal if pigments in a painting are too new for the painting's supposed age. Furthermore it can be used as a tool for investigating glass, ceramics, and building materials, and for research in geochemistry, forensic science, and archaeology²⁰. This investigation method offers an instant non-destructive analysis, and is described as the 'curators dream instrument' (Craddock, 2009).

Polarized light microscopy enables the investigation of the structure of pigment particles of a paint sample. This analytical tool is perhaps the most widely applied analytical technique presently used for the identification of historical pigments. Fibres from the painting support can also be identified with polarized light microscopy²¹.

Electron microscopy

Scanning electron microscopy, or the Energy Dispersive X-ray Spectroscopy (SEM – EDS) is used for studying the structure and morphology of paint samples, and to determine their elemental composition²². In SEM microscopy the electron beam is rapidly scanned in a stepwise manner over the surface of the sample, which can be a flat and polished section or the actual surface of the whole artefact. The electron basically interacts with the sample and produces a range of effects that are detected and used for imaging and analysis. Furthermore there are two forms of electron microscopy; transmission electron microscopy (TEM) and scanning electron microscopy (SEM). In TEM microscopy, the electron beam passes through a thin section of material, and thus it is used mainly for internal structure of materials at very high magnification. This method is relatively little used in the study of art and antique objects. SEM microscopy on the other hand is one of the most used tools for the examination of antiquities with its magnification ranging from low to high resolution (Craddock, 2009). As a negative point, Craddock (2009) outline, that there is a small possibility that the electron beam can damage some materials, such as glass and gems.

²⁰ See "The Free Dictionary by Farlex" <http://www.thefreedictionary.com/>

²¹ See "Fine Arts Expert Institute – Scientific study of works of art" <http://faei.org/wp-content/uploads/20110718-FAEI-e-brochure.pdf>

²² See "Fine Arts Expert Institute – Scientific study of works of art" <http://faei.org/wp-content/uploads/20110718-FAEI-e-brochure.pdf>

Thermoluminescence technique

Thermoluminescence technique, or TL, is a geochronometric technique that is used for sediments. This technique can identify an age range from 1,000 up to 500,000 years. TL technique is used on sediment grains with blemishes and impurities, which function as natural radiation dosimeters when buried. Over time some parts of radioactive decay from Kalium, Uranium, Thorium, and Rubidium in the soil, as well as contributions from cosmic rays, are trapped in the sediments. This basically means that the more absorbed dose is stored in the sediment, the longer the burial has been. The dose is relative to a glow curve of light attained in response, when the example is heated or exposed to light from LEDs. Greater light always indicates an older age²³.

2.3 Summary

Forgeries have taken place since the ancient times and are the fourth biggest field of criminality internationally. There is no database for forged art works, and they mislead our understanding of art history (Bazley, 2010). The goal for forgeries is to acquire money, and they cause huge monetary losses worldwide (Conklin, 1994). Especially art dealers, investors and art owners are greatly affected by forgeries. Forgeries are usually clumsy attempts (Yli-Lassila, 2004), originals by unknown artists which are given the signature of famous artist, copies of valued paintings, or “original” works created by artists (Bazley, 2010). Additionally recent forgeries rely on careful high-tech copying. Techniques for investigating authenticity are increasingly available and affordable (Craddock, 2009), and some databases have also been created to help to investigate art crimes and forgeries. The most common techniques for the study are authenticity certificates, experts and technical tools.

²³ See “USGS – Science for a changing world: Thermoluminescence Technique”
<http://geology.cr.usgs.gov/capabilities/gronemtrac/geochron/thermo/tech.html>

3 Methods

As mentioned earlier in the Section 1.2. Background, the purpose of this study is to consult the client on how to improve their market position in Finnish art markets and to improve their customer service processes accordingly.

As we can undertake from the literature review, there are numerous research methods available for investigating authenticity of an art work. Additionally the problems concerning the investigation of authenticity and their effect on different parties are inevitable, together with the fact that these problems and effects are quite universal and visible internationally. Moreover this research will focus on these following questions which the client for this study, Brande Arts Oy, has given the researcher to take under investigation. As presented earlier in the Section 1.5. Research questions, subjective matters and questions for this study are:

1. How to improve Brande Arts Oy's market position in Finnish art markets?
2. What tools and methods Brande Arts Oy can use for improving services in investigation of authenticity?

3.1 Instrumentation

This research is primarily based on secondary data which has been gathered through various professional sources. These sources include collection of data from library and internet, which consist principally of articles and relevant literature. The researcher has critically evaluated these various sources and observed them together by drawing own conclusions of the data collected. Moreover the results found in this study are synopsis from an extensive collection of resources as displayed in the References and Appendices – section. These results are displayed in Section 2; Literature review.

Due to the nature of this research, collecting data via questionnaire or survey was not really an option. Art forgeries and their investigation procedures are not familiar to most of the people and this makes it uneasy to even start a discussion or collect data from for example citizens of Finland. However this study gives a thorough outlook on the

procedures, and main problems concerning authenticity of an art work, and use two various interviews for gathering all the vital information.

The author has used one interview as a primary data, and one interview as a supplementary instrument for this research. These interviews crack the door to the reality of an art dealer and an art expert, and consider various sides from the authenticity examination. However they are very much comparable with each other, and give a further analysis to the overall research questions and problems besides the essential literature review.

These interviews were chosen for this specific study since they represent different nationalities and perspectives to the overall issue. The first interview with a Finnish art dealer, Henry Seppälä, was entirely designed and executed by the author Kaisa Kerpo, and the second interview with Australian authentication expert Robyn Sloggett was conducted by Tom Cowie who is a local journalist for Crikey electronic magazine. This latter interview is considered as a secondary source for this study together with other literature sources.

The interview with Henry Seppälä was planned according to the overall research questions, since the purpose of this interview is to seek solutions and patterns to the relevant problems from the perspective of an art dealer. The secondary interview with Robyn Sloggett can further be used to evaluate the generalized patterns from a perspective of an authentication expert, and it also represents a sample taken from another culture and circumstances.

These interviews are both informal and conversational, and although in some respects opposing, they provide complementary perspectives. The main objective of these interviews is to find reliable and where possible universal answers to the relevant problems arising in this study, and to provide further analysis to the overall research process of authentication.

Furthermore the aim of studying these interviews is not only to expand the understanding from these two perspectives, but to find repeatedly occurring themes and patterns for the investigation of authenticity that can also be found from the professional literature. Additionally this study looks for exceptions to the critical methods and terms. The-

se interviews are topical, and they are concerned with the facts and sequences of various crucial events.

3.2 Research methods

In order to find solutions to the research questions, the following methods will be used to analyse the answers.

3.2.1 Secondary research

Secondary research analysis and data collection methods in this study include:

- Literature; books and e-books
- Internet sources; news articles
- Interview with an art authentication expert; Robyn Sloggett

A great portion of this study is using secondary research. This is due to the fact that there are relatively extensive amount of relevant professional literature available on the issue of art forgeries and investigation methods. In addition the art industry is huge with a lot of information available concerning the problem of authenticity and especially crime investigations. Also a large portion of news articles are available in the internet since art-related crimes are an immense problem globally. The interview with an authentication expert Robyn Sloggett illustrates a real-life example of a professional investigator, and gives further perspective and support to the secondary research findings.

The secondary research used for this study is mostly from the European and North-American region, and the particular focus has been given to the information from Western cultures which are most suitable for the client Brande Arts Oy. The art dealing and authenticity-analysis industries are evolving quite rapidly due to the ever-improving technologies, which makes it more important to update the knowledge on these various methods and issues.

This secondary data has also been cross-checked with other obtained sources in order to confirm their validity, and all the information has been gathered from reliable academic sources, such as studies, professional sites and literature. However less consid-

eration has been given to individual opinions, since these aspects are covered by the primary research.

3.2.2 Primary research

Primary research analysis and data collection methods in this study include:

- Market research; SWOT analysis
- Interview with an art dealer; Henry Seppälä

To audit the Finnish art markets and the clients' competitive environment a portion of market research have been added to illustrate the rivalry in the current art markets. In order to improve the clients' market position it is essential to firstly understand and evaluate the overall Finnish art markets and competition, and subsequently discover possible opportunities that enable them to improve their market share and gain competitive advantage over their rivals.

Additionally this study uses an interview with a Finnish art dealer Henry Seppälä to gather data on the investigation methods on authenticity and further evaluating art dealing processes and markets. The interview with an art dealer is completely executed by the author, and is made in order to gather data from a real-life example of an art dealer. This interview provides an outlook to art dealers' opinions, and is a valid source for drawing generalized conclusions on the issues. Moreover the findings from this interview are further used for investigating the art markets in Finland.

3.3 Validity and reliability

To ensure the face validity of this study, critical steps have been taken while collecting data through various sources. The literature data has been collected carefully while emphasizing the specific questions concerning this study. In addition the first interview questions for Henry Seppälä were reflected comprehensively from the study questions, and the second interview was carefully picked from a great amount of possible interviews.

This stable study is strongly based upon available literature about the issue, and additionally on two interviews. The content validity and reliability of the relevant literature has been measured by comparing various sources. Overall, the results from different literatures are repeatable and stable, as we can conclude from the literature review. Any dissimilar results have not been received through the literature research. In addition the interviews for this study are made with experts of their own fields. This enables these two interviews to give an adequate coverage for the topics.

The construct validity for this research is strengthened by using several academic and professional sources and authors to support the analysis, and to exclude all the possible deviations and variations. Hypothetically these facts make this study reliable and support the researcher's analyses which recognize all the applicable academic sources.

As the first interviewee, Henry Seppälä, is a well-known gallerist in Finland's capital city-region, the interview is a reliable and valid source for this study. This first interview was carried out in Finnish, but was translated into English. The researcher however relies on her ability to translate the results in a professional manner without leaving or adding any information to the results. The second interviewee, an Australian authentication expert Robyn Sloggett is also a professional of her own field, and therefore the interview with her made by Tom Cowie is a reliable source for this study.

3.4 Assumptions

These following assumptions were made in this study:

- The most significant assumption for this study is that the interviews and literature resources used for this study represent a professional, reliable, and useful data, which give truthful answers to the problems stated.
- Furthermore the author assumes that the interviewees have truthfully answered for all the questions asked during the interviews without adding or leaving any important information from the final answers.

Additionally, it is assumed that the research methods are valid and appropriate instruments for this study and that they achieve a faithful representation of the current situation concerning the methods of detecting art forgeries.

3.5 Scope and limitations

This study, like all research studies, has limitations. The following limitations were considered while executing this research:

- There were only two interviews, one with an art dealer and one with an art authentication expert. This might limit the overall results from both of the perspectives studied, and the limitation could have been avoided by using more interviews to research the issues. Nevertheless it was decided that the two selected interviews were sufficient because they strongly represent both perspectives and give vital information about the art market together with supporting relevant facts that are highlighted in the literature review.
- The time allocated for this study limited the gathering of face to face interview sources, since gallerists and art experts are quite busy people. Therefore the researcher was unable to execute more than one interview herself. However the depth and quality of this interview was such that it is sufficiently representative of Finnish gallerists.
- As the other interview source for this study comes from a news article and the other from one to one interview made by the researcher, the aspect of this study relies strongly in the comparing process of these different sources, and the researcher cannot effect on the reliability of the news article interview, which was conducted by Tom Cowie. Nevertheless both the publication and the interviewer are reputable and therefore represent a reliable source of information for this study. Tom Cowie is a former freelance journalist who has published several articles for e-magazine Crikey²⁴. He now works as a reporter at *The Courier* in Australia.

The poor availability of professional literature on art dealing and forgeries limited the amount of book and e-book sources. Most of these books are only on sale or can

²⁴ See "<http://www.crikey.com.au/author/tmcowie/>"

merely be found from libraries of specialized schools. If the author would have had access to these sources the amount of comparable literature would have been greater. However the literature that was used for this work is of sufficient quality and depth that cover the issue comprehensively.

4 Results

Distil results and findings of various instrumentation methods are presented under this section, and each research question was created separately. Primary and secondary methods jointly describe the results from an international aspect on the issues. These methods used represent primarily findings from European and North-American regions, however one of the interviews represent also personal opinions of Australian authentication expert.

4.1 Analyses

1. How Brande Arts Oy can improve its market position in Finnish art markets?

From the analysis it can be concluded that sustainable competitive advantage is usually gained through differentiation and cost-leadership (Kotler, 1999). Since Brande Arts Oy's biggest competitor in Finland; Bukowski's, remarkably differentiates itself from the other competitors, it has the advantage of currently being the most visible and attractive provider of art-related services in the Finnish art markets. Bukowski's is the Nordic leading art business which offers international hammer auctions, online auctions, and private sales²⁵. However as the findings from the literature and interview sources reveal, it is very difficult to investigate the authenticity for several reasons. Investigation methods are time and money consuming, and there are only few public providers for the research, such as museums.

Therefore Brande Arts Oy should concentrate on differentiation through available and affordable customer service concerning the investigation of art works' authenticity in order to improve their market position. This would also be a sustainable way to improve its competitive advantage and to grow both locally and also internationally. Furthermore Brande Arts Oy could improve its market position by concentrating on the visibility of its services, and by providing them to regular customers, such as private art owners, collectors and investors. To further assess the micro and macro environments of Brande

²⁵ See "Bukowskis" <http://www.bukowskis.com/about?locale=en>

Arts Oy, and to distillate the findings from internal and external audit a SWOT analysis were created and are demonstrated in a table below.

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • Competitive pricing and low costs • Innovative and experienced employees • High quality products and services • Lucrative location 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • Does not function internationally • Limited customer base • Low market share
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Expanding markets • Expanding customer base • Expanding product and service lines • Structural changes in the industry 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Slow growth or decline in the art market • Increased competition locally and overseas • Rising costs

Figure 2. SWOT analysis for Brande Arts Oy.

As from the analysis can be concluded, Brande Arts Oy needs to develop and expand its markets together with product and service lines in order to sustain growth in Finnish art markets. As the company has currently competitive pricing and low costs, it should further maintain this quality even though its services would change, since cost-leadership enhances their opportunity to excel in the Finnish art markets. Altogether by maintaining cost-leadership and competitive pricing, and by developing their services in investigation of authenticity would produce more market share and expand their customer base, which then again would increase Brande Arts Oy's value. Competitive pricing is a vital element of Brande Arts Oy's overall success, as this keeps them in line with their rivals, if not above them. Also by keeping costs lower than their competitors and keeping the cost advantages helps Brande Arts Oy pass on some of the benefits to consumers. Brande Arts Oy's innovation keeps it a front-runner in art dealing as it is regularly turning out new patterns and services to the deep-rooted art markets. Experienced employees are one of the keys to the success of Brande Arts Oy helping to drive them forward with expertise and knowledge. Also the high quality products and services is a vital strength, helping to ensure customers return to Brande Arts Oy. Overall Brande Arts Oy's position in the Finnish art market is relatively high and strong; a major

strength in this industry as they are ahead of many smaller rivals. Additionally the lucrative location in the heart of Helsinki adds to its strengths due to its accessibility.

A serious weakness for Brande Arts Oy is the fact that its products and services are not yet seen as trustworthy, which means people will use substitute services from rivals such as Bukowski's. This is due to Brande Arts' short history in the art market, and the lack of a comprehensive customer base. Additionally Brande Arts Oy does not yet organise art auctions, which are essential for gathering both domestic and international customers. Brande Arts Oy does not function internationally, which has an effect on success, as it does not reach consumers in overseas markets. Also a limited customer base is a major weakness for Brande Arts Oy as it means it has less people to sell or market to. Brande Arts Oy lags behind its biggest competitors and art auction providers, Bukowski's and Hagelstam²⁶, with a low share of the market, which in turn leads to lower turnover. All in all these rivals are internationally functioning companies which have a steady customer base and respectable reputation. However in comparison to other Finnish competitors, such as art galleries and locally operative art auction stores, Brande Arts Oy has a clear advantage since it has developed into a state where it is able to provide low cost and differentiated services. Another weakness and challenge for Brande Arts Oy arises from a claim that the Finnish art market is not properly organised²⁷.

Reaching out into other markets is a possibility for Brande Arts Oy, and a great opportunity. Grasping the opportunity to expand the customer base is something Brande Arts Oy can aim for, either geographically or through new products and services. By expanding the product and service lines Brande Arts Oy could help them raise sales and increase their product portfolio. In addition structural changes in the overall industry could open other doors and opportunities for Brande Arts Oy.

Slow growth and currently faced decline of the art dealing market is a threat to Brande Arts Oy. Increased competition from overseas is another threat to Brande Arts Oy as it could lead to lack of interest in its products and services. Also extra competition and

²⁶ See "Hagelstam" http://www.hagelstam.fi/sumuCMS/sivu/uutiset_listaa/kieli/en

²⁷ See "Helsingin Sanomat - Finland notable for its lack of developed contemporary art market, claims Serbian artist" <http://www.hs.fi/english/article/Finland+notable+for+its+lack+of+developed+contemporary+art+market+claims+Serbian+artist/1135229941777>

new competitors entering the market could unsteady Brande Arts Oy and be a major threat. The actions of a competitor could be a major threat against Brande Arts Oy, for instance, if they bring in new technology or increase their workforce and services to meet demand. Competitors might also begin to provide similar services as Brande Arts Oy offers to its clients, in either lower prices or in other appealing manner. Additionally rising costs could be a major downfall for Brande Arts Oy as it would eat into profit.

2. What tools and methods Brande Arts Oy should use for improving their investigation of authenticity?

For improving their investigation of authenticity Brande Arts Oy could use various tools, such as create their own database for stolen art, and try to get an access to local and internationally shared databases of stolen and forged art, such as FBI's National Stolen Art File and Interpol's International Data. In addition many museums share databases which can help while investigating authenticity.

The increased demand for art works has as well created improvement in the scientific methods of materials examination and analytical techniques, and these techniques are fortunately becoming increasingly available and affordable. Technical apparels and investigation methods are becoming more and more important tools for investigating authenticity. These methods and tools are the most commonly used in the investigation of authenticity:

- ✓ Ultraviolet light
- ✓ Stereomicroscope
- ✓ Infrared camera and X-ray photographing
- ✓ Pigment – and paint – chip analysis
- ✓ Electron microscopy
- ✓ Thermoluminescence technique

Certificates can also be useful if obtained from reliable sources and organisations, such as museums and Fine Art Registry. These organisations offer registration and certification services. However for investigation and verification the human eye still remains as the most versatile and powerful tool for examining antiquities and paintings, since most of the forgeries can be easily revealed only by a glance from an expert. This simple

investigation should however be executed by using simple tools such as stereomicroscope. Experts usually start the investigation by looking at background of the artist and his work, and then continue by going over the body of work and matching the dates. If these studies do not reveal forgery, material techniques and analysis are furthermore used. The process of investigation is most often confidential.

5 Conclusions

The problem of the client has been answered thoroughly in Chapter 4 – Results, as all the questions has been analysed by using primary and secondary research methods. Based on the results it is found that Brande Art Oy can improve its market position in Finnish art markets by differentiating itself from its competitors. As the findings indicate, the best way to differentiate is to offer available and reachable services in investigation of art works' authentication to regular customers.

5.1 Discussion

Through this research and many other literature sources it was discovered that as long as there has been art, there have also been art forgeries. Moreover it is not always easy to separate the forged art from authentic ones. However there are several tools available for investigation, such as knowledge of experts and authentication certificates. Additionally today's modern technology provides various technical tools for further investigation, and makes it easier for the researchers to reveal forgeries. Art forgery is an enormous business, and is recognised as one of the biggest international fields of criminality. Recent scandals involving forged paintings are estimated to have cost £30m (€40m)²⁸. Furthermore demand relates to the level of trade and prices in the market, and increases the possibility of selling forged art works. Therefore art works' should always be studied thoroughly. Building common guidelines and providing tools for further investigation could reduce the amount of criminality in the art markets and reduce monetary losses globally.

5.2 Recommendations

It is highly recommended that at all times when buying art, one should remember to use art dealers and partners with good reputation, and insist at least brief history explanation or a certificate of the artwork. If possible, an art work should be studied thoroughly and with dissimilar tools and methods to support the fact that only one method

²⁸ See "Christie's caught up as £30m forgeries send shock waves through the art world" <http://www.guardian.co.uk/artanddesign/2010/oct/17/christies-forger-art-scam>

will not always reveal the possible forger. By using various technical tools for the investigation of authenticity we can have the most reliable results. Furthermore the importance of authenticity should be outlined at all times, since forged art works can affect strongly on our understanding of history and human culture. Passing along a forged or undiscovered art only postpone the responsibility on to the next owner and further prolong the necessary process of investigation.

Furthermore it is recommended that Brande Arts Oy conduct its own cost analysis based on Kaisa Kerpo`s recommendations. However because a lot of this particular information is proprietary, Kaisa Kerpo is not presently in a position to access it.

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Appendices

Appendix 1- Dealer interview: Henry Seppälä

An interview made by Kaisa Kerpo with a Finnish art dealer and gallerist Henry Seppälä.

Henry Seppälä is a Finnish art dealer who represents Brande Arts Oy, and organizes plentiful collaborations with other art galleries mostly in the Helsinki-city region. Seppälä is one of the founders and creators of Brande Arts Oy, and therefore has been working there since the beginning of its foundation from 2008 to present-day. Seppälä works closely with the Finnish-based Embassies, such as Cuban and Vietnamese Embassies, and is the founder of a famous yearly event called Arte Cubano, which brings the art world into the grasp of Finnish citizens and art collectors. Arte Cubano was first organized in 2010, and it caught a lot of attention due to its well-known guests, like Mariela Castro, attending in the opening ceremony. Furthermore Seppälä is famous for arranging and introducing startling art displays in Brande Arts Oy and other galleries, such as politically precarious and attention-seeking display of a Finnish artist, Johannes Heinonen, who audaciously criticise the Finnish government and the President in his provocative paintings. Seppälä is highly interested in the politics and wants to create a statement through the exhibitions and collaborations.

1. How does art dealing practically occur?

-Artists, art owners, and art buyers come to visit our gallery or contact us by calling, or sending an email. We give them further information about our services and fees, and they usually want to come to see me in person. Some art pieces require enhancing, and we have our own Conservator who can fix most of the damaged art. After I have agreed on the price and other conditions of the customer's art, we put it on display on our web-based gallery or the gallery here in Helsinki. Usually the selling process takes many months, even years. But sometimes an art work can be sold in only couple of days. Art displays and grand openings are events where most of the art works are sold.

2. What kind of people usually buy art and is there a clear similarity or dissimilarity amongst the buyers?

-All kinds of people buy art; the young, the old, the rich, and the non-rich. Art has become accessible to everyone and the price range is from couple of tens of euros to hundreds of thousands so there is a variety from where to choose.

3. Are there some outstanding trends that affect art dealing?

-Well currently we sell mostly modern art works, however there is always an audience for 19th or 20th century landscape-paintings and flower-assemblies. Russian artists are also considered very skilful and valuable here in Finland, and their art work sells quite well. In addition there are few quite young Finnish artists who have passed away while still young, and their art work sells really well, like Ilkka Lammi for example.

4. Has art dealing changed remarkably in recent years/decades?

-I wouldn't say remarkably, however it has changed in such a way that there are more and more people who want to declare themselves as an artist, and hence more "normal people" are asking our premises(the art gallery) for arranging their own or joint display. Unfortunately we have to keep a certain level of standard and many of the "artists" cannot have a display in our gallery because of that, or even because of the expenses that would rise from an art display, like renting our premises and paying the fees.

5. How are the earnings from a deal divided between the gallery and artist?

-It depends on the client, however usually we require that the artist pays a rent for the gallery during the display. And additionally we take approximately 20% of the selling price of an art piece. That is usually added to the price of an art piece so that the artist won't lose any money while we sell his/her work.

6. Has the financial crisis affected art dealing and in which way?

-Surely it has affected on our gallery and selling, and many art galleries in the Helsinki-city region have even bankrupt because of it. All the "normal people", with which I

mean people with average wages or below are holding their money and do not buy art as much as before. On the other hand the expensive art works are selling as usual, and I've even heard and read that they were selling even better due to the crisis in some countries. However the art markets are quite small in Finland, and therefore the financial crisis affected at least our business mainly negatively.

7. What are the major problems in art dealing?

-The major problems probably arise from the fact that it is difficult to ensure the authenticity of an art work. At some cases all the necessary documents etc. are there. However usually during art displays many people, not even art experts, start to question the genuineness and that causes many difficulties for us.

8. How are these problems handled?

-Since it is a serious question of crime if we sell forged art, we have to be open and willing to cooperate with experts and even with the legal authorities sometimes. Our gallery has already been in the local newspapers many times because of accusations of displaying forged art, and our employees and property have been investigated by the Finnish National Bureau of Investigation. I myself have been in interrogation several times, and I have had to even witness in the law court because of art forgeries and other property-related crimes.

9. Can these problems be prevented?

-Well, it is definitely hard to prevent such occasions. I just have to rely on the word of the customer and the experts. In addition I do my own background research on the art work and ask opinions from my colleagues.

10. How art forgeries are usually revealed?

-Art experts are really good at their job, and I trust them to some extent. They can tell quite easily, only just by looking at the art work, that if it is a forged or genuine one. However sometimes the expensive works of a famous artist have to be studied more thoroughly, and in Finland some museums have various methods and expensive tools

which help to conduct more comprehensive study. Also the Finnish National Bureau of Investigation has a laboratory where they can study art works. However we do not wish to give any art works to them, since they enter the situation only when a crime is suspected.

11. Are these methods reliable?

-We have to rely on the methods available. However the end results are typically only opinions and that usually satisfies the customers 'needs. When a customer is satisfied, we have done our job well. On the other hand, you can never be 100% sure if the art work is what it is supposed to be if you do not have done a comprehensive investigation and analysis on it. This thorough investigation however requires time and money.

Appendix 2- Expert interview: Robyn Sloggett

An Interview made by Tom Cowie with an art authentication expert Robyn Sloggett for Crikey electronic magazine²⁹.

This interview is made with an Australian Associate Professor Robyn Sloggett, who is the director of the Centre for Cultural Materials Conservation at the University of Melbourne. Furthermore she is an art authentication expert with 25 years' experience.

1. How often does your department come across art fraud?

-Well for a start we call them problematic paintings, not forgeries. Once you start saying fraud or forgery you start entering into a particular legal territory that can colour our judgement.

2. Ok then, how often does your department come across problematic paintings?

-We have them through pretty regularly, in terms of numbers we probably get around a dozen a year that we are asked to verify.

3. Who asks you to verify a painting?

-Typically it is an art dealer or owner, but they can come from all parts of the art world. Usually questions are asked when a painting can't be attributed to an artist's body of work. Once questions have been raised, we are asked in to verify the authenticity.

4. What kind of techniques do you use to identify problematic paintings?

-There are three methods we use to verify paintings. The first is provenance, such as where the painting is from, what its history is and if that matches up with the artist's history.

²⁹ See "Crikey electronic magazine – How to find a fine art fake" (accessed 19 May 2012)

The second is historical analysis, which involves going over someone's body of work and matching up the dates. For example, if someone paints a scene of France, were they actually in France at that time? It also involves lining up pigments used in the painting and seeing if they were available at that time.

The third technique is material techniques analysis, which is what our department specialises in. Most of this involves paint analysis, to see if the paint layers and techniques match what the artist used. We also use infrared technology to identify any underdrawing and to see if the painting has been changed in anyway. There are a whole raft of scientific techniques that we can employ.

5. Is the original artist ever brought in to confirm a suspected problematic painting?

-We prefer the authentication process to be an objective undertaking, which can then go back to whoever owns the painting. We prefer to keep our investigation separate to any other inquires that are going on about the work.

6. Is it ever easy to spot a fake?

-I am continually amazed by the poor quality of problematic paintings that I come across.

7. How much of the art market do you believe is made up of forgeries?

-There are a lot of figures floating around and it depends on where you look, one number says that 10% of the market is made up of suspicious works. But it's a difficult amount to quantify; if you look at legal proceedings they would suggest the number of problematic paintings is negligible. Our investigations would suggest that the number is not negligible, and that once you get dubious works entering the market, they never leave.

8. What happens when you spot a forgery?

-Everything is completely confidential. Our findings are solely between us and whoever commissions the inquiry, which is usually the owner of the painting.

9. Have forgeries been on the rise in recent years?

-It all relates to the level of trade and price levels in the art market. When you have a hot market you get a lot more problems, as more works are inserted into the market and more works are traded. As soon as you have a commodity that has some value, people want to capitalise as soon as they can. It's what happens in any market.

10. Is this all about buyer education?

-I think so. If you buy a car you want to make sure all the numbers match up. It's the same in the art world. I think there are basic things that everyone should do. It's a lot of money to spend on something that could end up being worthless. People should do their research first. It's all about buyer beware.