



Crowd at Art Central Hong Kong in 2017. This year, the fair had its highest ever attendance, welcoming over 39,000 visitors.

Hong Kong art scene's new golden age

The Hong Kong art scene is consolidating its premier position as the commercial art hub of Asia.

Great ideas are often borne out of necessity and Hong Kong's latest commercial art jewel, H Queen's, is no exception having been conceived from architect **William Lim**'s frustration with the inconvenience of having to trek around the city to seek out various contemporary art galleries.

"The galleries used to be on Hollywood Road and I would walk from one end to the other and visit around 10 galleries in one go. But around six years ago, some of these spaces started to be replaced by restaurants and other retailers, and galleries started to move into office buildings," explained Lim, adding that having to pass through these buildings' security checks could add to the frustration. "So after awhile, I just stopped going to these galleries, and only really visited the Pedder Building regularly—because it has a good concentration of art galleries—and a few galleries in the Soho area," recalled Lim, who is also a well-known collector of Hong Kong contemporary art.

Though Hong Kong's art sector has been expanding, contemporary artworks generally need a large exhibition space with high ceilings, so with few suitable buildings and the high rents commanded in the city, galleries had been moving from the Central district to several older industrial areas like Wong Chuk Hang and Chai Wan. These locations tend to be harder to access, so when Lim, who is the founder of CL3 Architects, was approached by property developer Henderson Leasing Agency Company

Looking at 2017 sales data from Christie's, Sotheby's, and Phillips, the three auction houses raised \$11.21b in art sales globally with Hong Kong bringing in 15.6% of the sales.



Ltd. to develop an office building at the intersection of Pottinger Street and the bustling Queen's Road in 2013, he suggested a purpose-built, art-centred building.

At the time, Hong Kong was becoming more firmly established on the international art circuit: auction houses like Sotheby's and Christie's had consolidated their Asian sales there and were starting to open exhibition spaces, international galleries (Ben Brown Fine Arts, Sundaram Tagore Gallery, Gagosian Gallery, White Cube, Lehmann Maupin) had set up operations in Hong Kong to court a new generation of Chinese collectors who were flexing their financial power, and Art HK had been acquired by the parent of Art Basel, giving it an enhanced international dimension.

The art hub of Asia

Hong Kong has long been synonymous with the worlds of international finance and commerce, but in recent years, its art market has become big business too, ranked as the world's third-largest art market for auction sales. According to a recent report by ArtTactic, looking at 2017 sales data from Christie's, Sotheby's, and Phillips, the three auction houses raised \$11.21b in art sales globally with Hong Kong bringing in 15.6% of the sales (compared with 48.7% of transactions taking place in New York and 24.2% in London). Christie's reported ongoing growth in its Asian client base, which now represents 31% of global spend. Importantly, Asian client spending increased for

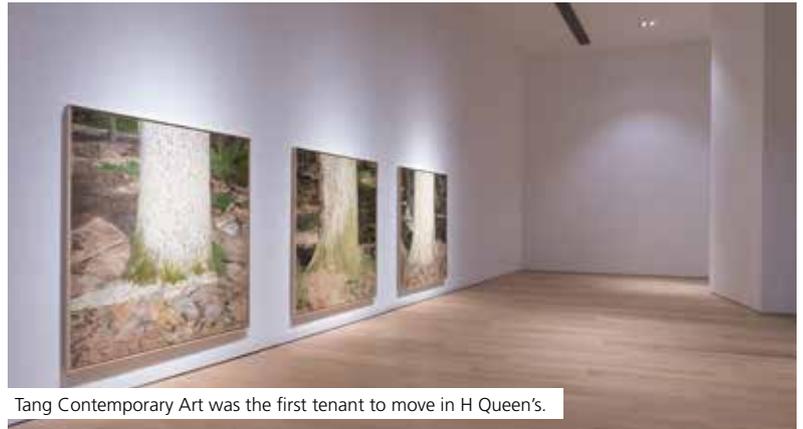
artwork at a higher price point (over £1m), rising 63%, whilst Asian collectors' interest continued to diversify with 52% of the Asian client base's spending outside the Asian Art sales category.

Meanwhile, Sotheby's Hong Kong raised a total of \$6.6b (US\$840m), representing nearly 20% of Sotheby's worldwide auction total. "Hong Kong's strategic location at the heart of Asia, together with mainland China's phenomenal growth in recent years, has contributed to its position as the art hub of Asia. Hong Kong also ranks top in terms of its artistic freedom, logistics, as well as legal and taxation infrastructure," said **Kevin Ching**, CEO of Sotheby's Asia, adding that "Hong Kong boasts a number of unique strengths which allows it to remain as Asia's art hub, and the international identity will continue to allow Hong Kong to stay ahead of its other rival cities."

Whilst Hong Kong's position as a gateway to China and its low-tax environment have played a key role in appealing to international art players, the importance of the authority's attitude towards freedom of speech should not be underestimated. Though this has come under greater pressure recently, freedom of expression particularly appealed to Uli Sigg, the former Swiss Ambassador to China and well-known collector of Chinese contemporary artworks and was reported to have been a key factor in 2012 when he made the decision to donate more than 1,500 works to the soon-to-be open M+, including photographs from the 1989 Tiananmen Square crackdown.

Art in the sky/A new art mall

Whilst there was clearly a demand for bespoke art spaces, the developers of H Queen's were still taking a calculated risk in focussing on this sector. To understand and meet the needs of the target tenants at H Queen's, Lim met with numerous art galleries and identified three main concerns: the ability to easily install large artworks, the need for a high floor loading, and good ceiling height. To address these requirements, the purpose-designed 24-storey building offers floors spaces ranging from 4,000 to 6,000 square feet (approx. 370-560 sq. m), has 3.5 to 4-metre-high ceilings, and a floor loading rate more than three times higher than typical office buildings. A glass elevator connects each floor whilst a curtain wall system allows artworks to be moved into each floor directly from the



exterior whilst also allowing for natural ventilation that is environmentally responsive.

Lim said the property developer's bold decision is paying off. "We were always thinking in commercial terms and the worst fall-back would have been to let the building as an office building, which are already "over provided" in the area. As it stands, our product is so unique that it commands about 10% to 15% higher rental than a similar office building in the same area. My belief is, if you have a unique idea with few competitors then people will be knocking at your door," he said.

Long term potential

Vivian Har, Executive Director of Tang Contemporary Art, which was the first gallery to sign in for the project, said the move to H Queen's was an "investment" as the rent is double of previous location reflecting the much larger space it now has, but added that the gallery feels "very positive on the location and the art of market."

"This is an extremely convenient location. Collectors can visit 6-7 galleries in an hour, and just make the 5 minute walk to Pedder Building to visit another 4-5 galleries there. In one afternoon you can visit all the major galleries in Hong Kong," she said.

Whilst Henderson initially expected to break up each floor into three spaces, only one floor has been divided to be shared by two tenants, with most galleries taking either a full floor or even two floors. Tang Contemporary Art, moved in last December, followed in January by the first Asian outpost of New York gallerist David Zwirner (over two floors) with several other tenants (Pearl Lam Galleries, Hauser & Wirth, Pace Gallery, and Whitestone Gallery) choosing to open around Art Basel Hong Kong in March to maximise the impact in front of the crowd of international art lovers in town for the big fair.

"We have had an amazing opening and we continue to draw visitors at a steady pace," said **Jennifer Yum**, the co-director of David Zwirner gallery in Hong Kong. "We believe with more galleries due to open in March, we will see an expansion in the flow of visitors. Because Hong Kong attracts people from all over the world, we have had collectors come from the U.S., Israel, and Europe as well as from the mainland."

"We particularly like the fact that we're in a building with a number of our esteemed peers—it's good to feel



Wong Ping, 'Who's the Daddy', installation view at Edouard Malingue Gallery, Hong Kong, 2017

like we're in an art hub," adds gallerist David Zwirner.

Laura Zhou, White Cube's gallery director in Hong Kong, which was part of an earlier wave of international galleries that opened in Hong Kong around 2010 - 2012, said the arrival of more galleries on the local art scene is a "positive indication of the market's robustness" and will raise more awareness leading to more visitors.

A need for non-commercial validation

Art market players said that beyond commercial galleries, museums and other not-for-profit art institutions have a key role to play to support the development of the local art scene. Zhou believes Hong Kong is "entering a new period in its cultural landscape" with the opening later this year of Tai Kwun, a new centre for heritage and arts three blocks away from H Queen's that will house the Old Bailey Galleries, a new non-profit art centre dedicated to presenting contemporary art exhibitions and other public programmes. Added to this will be the long awaited opening next year of M+ in West Kowloon District, the \$220m "museum of visual culture" that is pitched as being on the same scale as the Tate Modern in London, and the reopening of the Hong Kong Museum of Art after a \$120m makeover.

"M+ is the last major missing piece in the cultural ecology. It has the potential to be transformative," said **Magnus Renfrew**, who co-founded Art HK in 2008, shepherding its successful transformation into Art Basel Hong Kong, and he is currently the managing director, and founder of art advisory firm ARTHQ / Group. "There is a huge need for a non-commercial structure of validation for art in Asia in general. This has the potential

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to set the foundations for a more stable approach to market valuations and interest, and to underscore the importance of curatorial, critical, and institutional acclaim in building the careers of artists. It will also help to develop an audience for the art that commercial galleries display. Lastly and importantly, it will provide a year-round draw for the international art and collector community from around Asia and beyond," Renfrew remarked.

Ching of Sotheby's also believes that as the market becomes more mature and competitive, there is a need to develop further high-calibre exhibition venues and to nurture art-industry professionals.

"What is also important is to encourage awareness of art and how it can improve the quality of life amongst our population, especially the young people. With the development of the Hong Kong Palace Museum due for completion in 2020 in the West Kowloon project, it is hoped that we will be able to promote the appreciation of culture that is not limited to paintings, but also works of art or antiques," Ching said. **Sonia Kolesnikov-Jessop**



Kwan Sheung Chi, 'Blue is the New Black', installation view at Edouard Malingue Gallery, Hong Kong 2017



LOVE Long: Robert Indiana & Asia ("LOVE Long") Exhibition