

GAGOSIAN

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Larry Gagosian, World's Most Powerful Art Dealer, Takes Steps Toward Succession Plan with New Board

Art galleries are usually family-run boutiques, but one powerhouse art dealer wants to take his empire where no gallery has been before

Kelly Crow



Larry Gagosian formed an advisory board of directors for his gallery. GETTY IMAGES

Powerhouse gallery Gagosian has formed an advisory board of directors from the ranks of the art world's elite, a move that signals long-term planning in an industry where galleries rarely outlive their impresario founders.

The gallery's 77-year-old founder, Larry Gagosian, said Wednesday that he's not retiring anytime soon, but he wants to do whatever he can to give his company a fighting chance in the long run—and creating a board could help, he said. The 20-member board he formed earlier this year will advise him on strategic and financial decisions. He said he retains ultimate say.

Mr. Gagosian acknowledged for the first time that the board is part of his broader thinking about the gallery, though he winced at naming it succession.

“I’m still working hard and not stepping back, but I’d like for my gallery to continue indefinitely,” he said, “and this board gives the gallery a broader reach and another dimension, professionally.”

In art corridors, talk has also swirled for weeks over a potential buyout or partnership between the gallery and luxury goods behemoth LVMH Moët Hennessy Louis Vuitton and its chief executive, Bernard Arnault. Mr. Gagosian denied any such arrangement and said the board’s emergence has nothing to do with snuffing out such chatter. “I own 100% of my company,” he said.

Messages left with LVMH were not immediately returned.



Gagosian’s new board includes 12 longtime collectors from the luxury, finance and technology sectors. PHOTO: ALAMY

The board’s makeup suggests he is seeking feedback from some of his best customers. Besides top gallery staff, the board includes 12 longtime collectors from the luxury, finance and technology sectors.

These include Evan Spiegel, Snap Inc.’s chief executive officer, and Mr. Arnault’s daughter Delphine Arnault, who is an executive vice president of Louis Vuitton. Also on the board are filmmaker Sofia Coppola, technology investor Laurent Asscher and hedge-fund manager J. Tomilson Hill.

A few members of the new board have long socialized with Mr. Gagosian and acted informally as his brain trust, including investor Glenn Fuhrman, soap-opera producer William Bell Jr., former Whitney Biennial curator Francesco Bonami and Dasha Zhukova Niarchos, co-founder of Moscow's Garage Museum of Contemporary Art.

Artist Jenny Saville, lawyer Matthew Dontzin and Brown Brothers Harriman investment adviser Valentino Carlotti round out the group. Mr. Carlotti was previously Sotheby's former chief business development officer.

Mr. Gagosian said he first met with the board in May and then again last week over a long lunch in his Manhattan townhouse, after which he decided it was time to divulge their formalized role within his gallery's leadership. The group intends to meet twice annually.

The added infrastructure comes three years after he elevated one of his top salesmen, Andrew Fabricant, to be his chief operating officer. At the time, Mr. Gagosian also created an internal board comprising his top-selling directors. That internal board remains in place.

Every move Gagosian makes tends to get dissected by the broader art market due to the outsize role the gallery and its artists play. What started in 1979 as a poster-selling business has since swelled to a multinational outfit with 300 employees who manage the careers of some 100 of the world's priciest artists. This roster includes Richard Serra, Cy Twombly, Brice Marden, Sarah Sze and Jadé Fadojutimi, who are shown and sold in 19 galleries spanning seven countries.



Snap Inc.'s chief executive officer Evan Spiegel is part of Gagosian's new board of directors. PHOTO: SHUTTERSTOCK

Lately, Mr. Gagosian said he's realized he needs to better position his art empire to survive him. At the most recent board meeting, he said Mr. Spiegel gave a presentation on technology, and the group debated the possibilities for nonfungible tokens, or NFTs. In the past, Mr. Gagosian has looked warily at NFTs.

Mr. Spiegel, in an email, said, "The intersection of art and technology has always inspired me, and I am eager to learn more from Larry and the team he has assembled."

Unlike the board of a public company, the board at the privately held Gagosian won't have any power to hire or fire gallery management and won't need to advocate for any shareholders. Mr. Gagosian said he is paying each an undisclosed fee for their advice, in keeping with typical protocol.

Charles Elson, founding director of the Weinberg Center for Corporate Governance at the University of Delaware, said the move appears unprecedented for a commercial gallery but could offer "good oversight in the long run." Mr. Elson said adding a board can help a small company grow and evolve, citing jeweler Tiffany's gradual evolution from a private boutique to a publicly traded company.

The only potential snag for Gagosian board members will lie in sidestepping any conflicts of interest that could arise by aligning with a commercial gallery, Mr. Elson said.

Mr. Hill, managing director of hedge fund Two Sigma, said he's addressed the transparency issue. Before he joined Gagosian's board, Mr. Hill was already chairman of the Solomon R. Guggenheim Museum. He also sits on the board of the Metropolitan Museum of Art and the investment committee of the Smithsonian Institution.

Because of these ties, Mr. Hill said he agreed to submit disclosure forms to each museum explaining his new role at Gagosian. He also agreed to recuse himself anytime these institutions mull acquisitions or gifts of works by Gagosian artists. "I've signed my life away," Mr. Hill joked.

Mr. Hill said he joined partly out of loyalty to Mr. Gagosian, who over the years sold the collector his first pieces by Francis Bacon and Pablo Picasso, as well as pieces by younger artists. Mr. Hill, who also runs a namesake art foundation, said he also admired the way the gallery morphed into a global franchise that may benefit from an additional layer of leadership.

Ms. Arnault said she joined because the realms of fashion and art already dovetail, and she was intrigued to get an inside look at Gagosian's operations. She said she serves on the boards of LVMH and Ferrari but no art museums, so she said she had fewer conflicts of interest to navigate. She declined to discuss rumors that LVMH or her father were interested in buying or joining financially with the gallery and said her commitment is personal.

"Years ago when Larry opened in Paris, he gave me my first informal job offer, and I didn't take it," she said. "Now, I've accepted this offer because I'm interested in Larry's vision. He thinks differently, and he wants to know what we think about art."