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Fireman's Fund Insurance Companies  
777 San Marin Drive  
Novato, California 94998  
T. 415.899.2000  
[www.firemansfund.com](http://www.firemansfund.com)

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## Press Release

### **Fireman's Fund Insurance Company Offers Advice for Art Collectors Following Tumultuous Auction Season**

NOVATO, Calif. (Dec. 13, 2007) – Economic turmoil fueled by sub prime mortgage issues had financiers and collectors alike speculating whether the 2007 art auction season would signal a downturn in the art market. There were some highly publicized, surprising results which may have collectors wondering about the strength of the art market.

Theresa Lawless, director of fine art and collectibles at Fireman's Fund Insurance Company, says that it's smart for collectors to take note of the results. As art values climb, it is important to reassess personal collections to ensure they are properly appraised and adequately protected.

"The astronomical rise in values won't continue indefinitely, but this auction season indicated that the art market remains strong," said Lawless, who notes that timing can be everything. The day of Sotheby's Impressionist sale, the stock market took a sizeable plunge which may have made some bidders nervous. Yet, both auction houses' sold over 90 percent of their contemporary art lots. Records were broken, surpassing estimates. The highest price ever paid for work by a living artist went to Jeff Koons whose "Hanging Heart" was won for \$23.5 million.

The latest testament to the strength of the contemporary art market is Art Basel Miami, which closed on Sunday, Dec. 9. This fair, the largest international contemporary art exposition in the U.S., reported record attendance, with 43,000 visitors from around the world. Sales were brisk, sounding another bell for a strong contemporary art market.

Lawless offers the following tips to collectors:

- Educate yourself about the art and the artist and check market values before you buy. Appraisers can advise on the value of art you're interested in as well as assessing condition and helping you understand the importance of the piece in the artist's oeuvre.

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- Online sources such as artprice.com, artnet.com or Beautiful Asset Advisors can give you a sense of auction and market values and how they're changing, though the values from these sources do not reflect retail pricing.
- Protect your art. Condition affects value. Proper environmental conditions and thoughtfulness around placement can help prevent deterioration and accidental damage.
- Appraise your art to assure it's properly valued and insured. Every three to five years is generally recommended. But stellar pieces in a hot collecting category, such as contemporary art, postwar or Chinese contemporary, may need annual updating.
- Buying and collecting art is and should be a passion – collectors should follow their hearts and buy what they love.

### **About Fireman's Fund**

Fireman's Fund Insurance Company is a premier property and casualty insurance company providing personal, commercial and specialty insurance products nationwide. Fireman's Fund is a member of the Allianz Group (NYSE: AZ), one of the world's largest providers of property and casualty insurance and other financial services. For additional information, visit [www.firemansfund.com](http://www.firemansfund.com).

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Media Contacts: Janet Ruiz, Fireman's Fund, (415) 899-5381, [jruiz@ffic.com](mailto:jruiz@ffic.com)  
Ellen Snook, Peppercom, (415) 438-9821, [esnook@peppercom.com](mailto:esnook@peppercom.com)

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