What is artistscrip?

Definition
Artist + scrip, the joining of an artist’s will to produce scrip. Artistic will initiates making, the same will which initiates a painting, sculpture or pottery-making. Where there is a will, there is a way an artist, crafts person or designer will make something.

Where there is a will, there may be an invention, discovery, creation or imagined product or process.

My name is Bill H. Ritchie and I think I am the inventor of artistscrip.

This human propensity to explore and make things is not only artistic, as the sciences, technology, literature, engineering and mathematics are also initiated by similar will or inspiration.

My invention is mothered by necessity as I face two challenges - how can I:

One, how can I finance the development of an International Print Center and Incubators - IPCI?

Two, how can I convert sixty years’ accumulation - thousands of hand-made works of art, craft and design into the invention I call artistscrip?

The first – financing – amounts to hundreds of thousands or millions. The second amounts to a thousand or two thousand physical pieces.

Precedents
Artistscrip is preceded by several kinds of artistic creations: artistamps, artist’s cards, mail art - usually in the form of postcards, and artist’s books. All four are variants of government and commercial enterprise: postage, games, and a blend of literature and craft. All contribute to the invention of artistscrip.

Artistscrip borrows from those metaphors. In the same way that artistamps found its validation in philatelists’ term Cinderella, artistscrip finds its validation in scripophily, the hobby of collecting stock certificates for their design and novelty but not value as ownership in companies.

In the old days, stock certificates were common and they were decorated with elaborate designs and difficult to make counterfeit copies of. They were hand-signed by the principals of the corporation. They were physical evidence of ownership of a share of the company. Stock certificates could be exchanged for cash - sometimes for more than was paid for it, sometimes less, and sometimes nothing if the company failed.

Old stock certificates are now collectible the same as stamps, coins, and other rare documents. Once they were worth real cash and a share in an enterprise; but now they are only valued for their visual and tactile look-and-feel.

Besides scripophily, artistscrip borrows its meaning from another financing method: crowd-funding. Crowd-funding has become popular in the past twenty years as an alternative to stock offerings and big-money backing. Thanks to the Internet, artists can raise money for projects by casting a wide net on platforms like GoFundMe, KickStarter, Hatchfund and others to get money in small amounts that add up to what he or she needs.

Financing the development of the International Print Center and Incubators can be achieved by crowd-funding. But what about the second challenge – emptying our gallery of thousands of art objects?

By declaring each object to be a certificate like a share in IPCI, each object is given scrip form. By prompting the same responses that make scripophily a popular pursuit, artistscrip becomes more attractive, even, than the work of art itself!

Valuation of works of art is a complicated process, and valuation of my works of art is not possible because I have not striven to make my art collectible in the commercial and collecting community. By choice I did not make art to participate in the conventions of art galleries, showings and collecting.

Those works that sold did so simply on their visual appeal. The most recent sale – a ceramic – sold for $150. The one before that, $90. The one before that, about six months ago, $3,750. Valuation by conventional means, however, is still impossible because the professional valuator charges hundreds per hour for her work, not to mention attorney’s fees associated with dispensation of artists’ family inheritance.

Entering the conventions of the issues arising from over-production of artworks is a swamp of quicksand and in it is usually advisable to destroy the works or give all away (if any depository can be found).

Artistscrip is the happy joining of a purpose – IPCI – and a means to the end. One might call artistscrip a “work of art” in and of itself insofar it results from a creative mind, a solution to a problem. There is no International Print Center & Incubators in Seattle – that is the problem. The solution is to develop it with artistscrip whose basis is my lifetime’s work.

My lifetime’s work has been both in making
works of art, craft and design, and in striving for a center for printmaking, prints, and printmakers jointly with incubators linked to 21st Century needs.

Art-by-the-inch?

Seattle, April 23, 2015. Absurd but true

At a talk given by two experts in art valuation, I listened to interesting anecdotes about lawsuits that involved valuable private art collections. One story was published in the Seattle Times on July 28, 2012. Christopher Larson, a retired Microsoft executive and minority owner of the Seattle Mariners got divorced and the couple's art collection had to be divided between them.

It was hard to do, since this “illiquid, non-income producing asset” worth $102 million. It wasn’t as simple as figuring out two $51 million dollar collections, but in the end the story tells us how people value art—pragmatically or emotionally. There were 43 paintings and four sculptures. If the collection had been sold, there would be 28% gains tax. Dealers and auction houses would take a big bite—not to mention the glut it would create on the art market.

They tried to make the decision analytically, the wife writing a seven page description as to how the paintings made her feel, and how soothing certain ones were for her. The husband explained how he needed them to cover the walls of the house he would be getting, and to secure a line of credit. In the end, the judge acted on the basis of square-inch value blended with the couples’ individual choices.

The total square inches of the paintings was added up, and divided into the total appraised value, so the bigger the art, the less the value per square inch, and vice-versa. With these figures, then the couple got down to choices based on personal taste. The average value for the wife’s was $3,082.00 per square inch; his was $1,942.00 per square inch because he wanted to cover a lot of wall space and so he got more square feet—about 177 square feet that is.

Many years ago, a similar lawsuit happened in Washington State when two artists were commissioned by the Art Commission to produce huge paintings to hang in the Capitol Rotunda. They were Mike Spafford and Alden Mason – renowned northwest artists. After a few years of complaints that the art was lewd and ugly, the state curtained them. The artists sued.

In the proceedings, the notion of art by the square inch arose. I remember someone pointed out that fingernail painting was worth more than what the paintings by these two famous artists was worth by the square inch. A nail “artist” made higher wages considering the square inches of nails – false or real - on ten fingers. The art community was insulted.

Recent art sale

Curious about these and how to relate the anecdotes to my idea of using a square-inch method of my own to apply to the preferred stock option to finance the International Print Center Incubators (known in 2015 proposal as the Seattle Printmakers Center startup) I took the total square inches of art I sold this month and divided into the total amount of the purchase.

Three works on paper totaled 413 square inches, not counting the blank paper on the borders—the image size. The total price for all three, under glass or acrylic and in frames (not included in the retail price as they are of small worth) was $775.00, or $1.88 per square inch.

I could point out that one of my artistamps (perhaps with a stamp of authenticity) is $1.78, and is about 1 X 1.125 inches. If I “upped” my price to $2.00/square foot, then I might have a number to calculate the stock basis for an artwork as a preferred stock.

Then I could calculate how many square inches I would need. This might make writing the budget for the International Printmakers Center and Incubators, IPCI, more engaging. Three years later, recent sales came out at $2.43/sq. in.

Or, turning this calculation on its head, start with a “dream budget” and then divide the total number of square inches into that. Whatever way, we have the beginnings of metrics for starting IPCI, and then it is possible to calculate sweat equity into the founders’ plans for financing IPCI.

Referring back to the lawyer’s talk about valuation, I raised my hand and asked about back story. He brightened up and told how, in his family, they had a 19th Century painting. It was mediocre, but it had a back story and that back story added to its value within his family circle.

In the same way, by giving the back story (also known as the provenance) to artistscrip design, the value of the physical work is enhanced. It is a kind of dividend for owning the artwork.

The art of valuing Bill Ritchie art

Seattle, July 3, 2018. Beginning of the end

Begin with the end in mind: The International Print Center Incubators, Inc., A combine for creative experiences in art, craft and design of printmaking.

Begin with the state of art—the Internet is a factor in valuation today. The digital age means not only do appraisers work from computer data and images, the inherent nature of asset management is compatible with interaction.

Collectors interact with appraisers. Interaction may lead to social interaction similar to those enjoyed by the old times of art openings and social
status, home decoration and art as investments based on politics and economics.

A new factor enters, thanks to digital media and the Internet. Now it is not only the visual appearance of an art object, is also the data attached to the object, including the provenance of the object, who or what institution owns it or parts of the edition, and how they are part of a web of owners as described in Stephen Hazel's *The Print is in 4-space*.

Today a work of art stands not only for how it appears to the eye, it stands for how it appears to other people's eyes, the old "eyeballs" factor that drives the web-based economy and politics of the developed countries. Such virtual reality drives the world economy. Art exchange and art valuation is a minuscule part of this, but the interaction is huge—as shown by the social media phenomenon.

Thus, however a work of art by Bill Ritchie may look to a potential investor in IPCI, its place in scripophily means more, including even such inventive factors as the image of the work being part of an interactive game or collectible artists cards, stamps or artwork reproductions online, in eBooks, YouTube videos, etc.

This comes to file sizes. For example, a work's image may be the size of a postage stamp at 300 dpi or 72 dpi, which makes a difference in storage space and display on a screen. It also matters for visual quality, such as high or low resolution images.

Whether it is to be a hard-copy print or only a digital display also matters. Thus, the way a work is perceived matters more online that it does as the real thing, and the way it is perceived, and if it can be perceived, as well as how it is cataloged in a database—are all factors in valuation.

**Nothing is as it used to be.**

Time factors in, also. Time translates into contract fees, such as paid to an appraiser. She or he has invested their time in education, for example, tuition, time as an intern (lost wages) and future needs (living expenses, rent, retirement). To correctly curate a single work of art may take hours.

Research is necessary, defining terms, deciphering the artist's notes, interviews—the cumulative time spent by people adds value to the work. In the minds of the people doing this, the work is worth doing. Time is money. It must be true, as they are paid a salary.

Valuing the art of Bill Ritchie—estimated to be $1.3m—proceeds first (Number 1) by reading available valuation literature, such as the JUNE 22, 2018 article in ArtTactic, *The Art of Appraisal: What Drives Value?* by Mary Ahearn.

(See Direct quote article, below)

Consider while reading the article that it

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“The online magazine, ArtTactic, and ValueMyStuff partnered to publish the inaugural Valuations and Appraisals Market Report, which provides insider data on 49 different collector categories.

“Behind every art work on the market is an individual, or perhaps several individuals, that has been tasked with valuing and appraising it.

“Valuation is an absolutely crucial aspect of the art market, yet the process of determining a financial value for works that are often referred to as ‘priceless’ is a bit of a mystery for art world first-timers and industry experts alike.

“Knowing and understanding value is crucial in a market in which the financial credibility of an art object can be gained or lost in a single day.

“And the appraisals market is not only important – it's also gigantic: twice as many artworks are appraised than are sold.

“ArtTactic, in collaboration with ValueMyStuff, sheds light on one of the most important and least discussed aspects of the art market by launching the inaugural 2018 Valuations & Appraisals Market Report.

“With more than 1 million valuations completed through their website in the past 6 years, ValueMyStuff has brought the process of appraisals into the digital age. ArtTactic and ValueMyStuff have studied trends in the valuations sector in order to create a report that looks at the art and collectibles market through the eyes of an appraiser.
“The report offers a new perspective on a diverse number of sectors in the industry that often receive much less media attention than fine art, such as design, decorative furniture, carpets and rugs, clocks, tapestries, books, wine, and comic books, just to name a few.

“One may associate appraisals with establishing the price of an object in order to sell it, but there more to appraisals than just sales. In addition to selling, valuations are necessary for insurance purposes, asset management purposes, and even for loaning against arts and collectible items.

“And while the valuation process has always been crucial for determining the worth of art and collectibles, new developments in the constantly evolving relationship between High Net Worth Individuals (HNWI) and the art market show that valuation practices are becoming more important than ever.

“It is becoming increasingly important for HNWIs to take art and collectibles into consideration when reporting their wealth. After all, it seems morally ambiguous to exclude extremely expensive works of art when reporting your wealth to the government (see: Ivanka Trump’s $25 million art collection).

“Claiming that a collection is for ‘decorative and not investment purposes’ may help collectors avoid this, but the truth is that more wealth managers than ever before cite a growing interest from their clients in including collectible assets in their wealth reports.

“Another factor to take into consideration is how appraisals are used to quantify risk. The amount that HNWIs spend on art and collectibles is increasing, which means that wealth managers are attempting to quantify the risk associated with these assets.

“Establishing the value of an item, of course, rests at the center of the process of understanding the financial risk associated with it, making appraisals more relevant than ever for the top collectors.

“Finally, there is a growing demand for standardization in the industry. Anders Petterson, CEO of ArtTactic explains, ‘Valuation of art and collectibles is often considered to be subjective – an art rather than a science’.

“While appraising art will always keep the air of mystery that its subjectivity brings, advancements in how the financial industry views art as an asset may require a more standardized approach for activities such as art-secured lending, art investment funds, and guarantees at auction.

“Petterson concludes: ‘…this does not mean that one would move to an Artificial Intelligence (AI) or purely data-driven approach, but that a combination of independent expert opinions alongside Big Data analytics would become the new standard for valuation in the art and finance industry.’
In the board game, Monopoly, a “deed” may look like this, but it would be a hybrid of a deed and an artist’s collectible trading card. This may be a clue in an Escape the room game. Look at the boxed game, *The Secret of Dr. Gravelly’s Retreat* ETR game. Escape the walled-in, tired old values of the art world of the 20th Century. The young are not interested in those arts. The young will play, however, if the game is good enough. Can a press be part of the game? Can you put a press in a box and all that it takes to make a print?