

Worth

Passion Investments -- Antiques

Masterpieces Underfoot

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According to legend, the mighty King Solomon owned a green silk flying carpet large enough to hold his throne and coterie. While none of today's Oriental rug collectors, merchants or experts claim to have encountered a carpet with magical powers, they have found that finely made antique rugs can be enchanting investments.



THIS 19TH-century Sultanabad carpet, created in the western area of Persia, is unusual for its color hues.

In the world of rugs, there are two types of buyers: The first purchases rugs to complete a decor. The second considers them investments in fine art. Jon is a collector of the latter sort, who asked us not to use his full name. His love affair with rugs began during his years as a medical student in Jerusalem, where he encountered them during a visit to the Modern Museum of Islamic Art. Since then, Jon has invested \$3 million in a collection of nearly 150 carpets, many of which bedeck the floors and walls of his California home. Jon acquired the vast majority of his pieces from Claremont Rug Company. He swaps out rugs from those he keeps in Claremont's warehouse from time to time, as their appeal to him ebbs and flows.

The rugs inspire his wife, who is an artist, and inform the sensibilities of their two young children. "It's wonderful art for children," he explains. "The rugs are the highest art form on the planet. If you take a very great painting, there are still a few

thousand people who could do a knockoff, and only people with skill can tell the difference,” Jon says. “But a rug you can’t copy. It’s like a Stradivarius violin.”

Jon is clearly not alone in his enthusiasm. Jan David Winitz, founder and president of Claremont Rug in Oakland and Berkeley, Calif., and an avid collector himself, boasts a clientele that includes approximately 45 aficionados who have spent between \$1.2 million and \$7.5 million each on Oriental carpets. “We have about 350 rugs in our vault that people have purchased for investment purposes and left there to appreciate,” he says. The individual prices vary from \$40,000 to \$250,000. “In a 20-year period—with all economic cycles—a rare antique rug can bring in 8 to 12 percent per year,” Winitz notes. “As far as good antique rugs—not rare—appreciation is 5 to 8 percent per year for a quality rug that is 100 years old or more.”

Woven History

When classifying rugs, the broad term “Oriental” refers to those made in a region stretching from present-day Iran to western China, and south into India. The Persian rug, made in what is modern-day Iran and the best known of the Orientals, proffers heavily embellished and deeply colored designs. A Caucasian rug (woven by the inhabitants of the Caucasus Mountain region), by contrast, appears coarser, with geometric patterns. “In Persia the eye was for silky and soft, ostentatious and a reflection of success,” explains Raymond Benardout, a Los Angeles-based dealer who has traded in rugs for nearly half a century. “Entertaining was a major part of social life, and a carpet reflected its owner’s success.”

Experts refer to pieces larger than 35 square feet as carpets; smaller sections are rugs. The best examples can take years of hand-racking work to complete; a family might labor for 10 years on a single large carpet. The coarser rugs have about 80 knots per square inch, while the most intricate Oriental rugs, made for the Mughal rulers of India in the 16th and 17th centuries, are comprised of more than 2,000 knots per inch. Patterns and colors vary by region, and even by tribe or town. Typically, an artist fashioned the design, which workers then labored to bring to fruition.



TOP: A 19th-century Serapi was made in the northwestern area of Persia. Bottom: The Caucasian Lori Pambak Kazak is from the private collection of Jan David Winitz. (Photographs courtesy Claremont Rug Company.)

Although rugs produced in a particular region may be similar in appearance, each has its own idiosyncracies—notably, in design or colors. Even within a particular rug, colors may vary slightly from one line of knots to the next. This variation, or abrash, is a natural result of the dyeing process. Wool at the top of the lot may have dried more quickly than wool at the bottom. Abrash is perfectly normal and acceptable. “The saying is that only Allah is perfect,” muses Benardout.

Oriental carpets began making their way into Europe as early as the 14th century, but most of the oldest pieces are now only fragments, often behind museum glass. When trade between Europe and the Ottoman Empire became commonplace in the 1870s—and when Oriental rugs became de rigueur in Victorian homes—the rug industry began to shift. Artisans began to create carpets to suit European tastes, utilizing lighter colors and often an overall pattern rather than centered medallions. The rugs were initially sent to London, then shipped around the world.

Among the most sought-after rugs from the late 1800s are those that were made for Ziegler, a German company based in Manchester, England. The company took traditional Persian designs and altered them for less-flamboyant Western predilections. A Ziegler Mahal rug sold at Sotheby’s

in April for \$275,185, well above the estimate of \$73,000 to \$92,000.

Polonaise pieces have also paid off handsomely for their owners. These rugs, standouts because of their gold threads, were so-named because Western Europeans thought they were made in Poland, where they first saw them, not realizing they had been imported from Persia as far back as the 1600s. The King Umberto Long Polonaise Carpet sold at Christie's in 1993 for \$691,390; nine years earlier it had sold for \$210,950. The Battilossi Esfahan Long Polonaise carpet sold for \$679,590 in 1994, over 150 percent more than its last sale in 1988. The hammer came down on the Rothschild Esfahan Polonaise rug at \$688,740 at Christie's in 1999.

Value Judgment

Over the course of the last century, the value of Oriental carpets has cycled through periods of soaring highs and crashing lows. But knowledgeable collectors who focus on fine antique rugs find that both the visual and financial appreciation of their investment climbs steadily.

Such spectacular valuations are not common, however. Rosalie Rudnick, a collector from Boston, became enamored with the textiles when a water pipe broke in her home. The flooding ruined her carpet, and her search for new flooring brought her into the world of Oriental rugs. "The intellectual part of the rug world is intriguing," she says. "There is so much history that goes into the rug, and generations of design." Although she has profited from her collection, she cautions that this field is not for someone seeking spectacular returns. "If you're lucky, you make money, but nobody gets rich. Rare, unusual rugs are where you make the money, and even then it does not always work out. Many times you overpay for the product."

Used Rug Salesmen

While finely wrought antique rugs have appreciated in value, a flood of rugs—some made by hand, others machine-fashioned—in the early 20th century marred the field and reduced values overall. Carpet dealers became infamous for dubious sales tactics: staging continuous going-out-of-business sales, or vanishing as quickly as

a flying carpet after the deal was done. In some respects, the last two decades of the 20th century were even harder on Oriental rugs, contends Danny Shaffer, editor of *Hali*, a London-based magazine on rugs and Islamic textiles. “The middle market of the ’80s and ’90s was quite heavily overhyped. People paid a lot of money for things, and a lot of people were left sitting on equity. It did little to improve the perception of what terrible people rug dealers are.” Reputable dealers of antique and new rugs now adhere to a set of guidelines that attempt to weed out questionable practices.

As for new Oriental rugs, authentic, handmade pieces are expensive, and they can prove sound investments. But fashion comes and goes, Shaffer warns. “Rugs can be good investments depending on designers’ whims. Styles change. At the moment, light of color and empty of design is in fashion. But when colors return, big, pale rugs will sell for less than what was paid.”

Even in the realm of rare antiques, however, there is no guarantee of appreciation. “If you are going to become a collector,” says Elizabeth Poole, vice president and the head of the rugs department at Christie’s, “it is because you love the object, not because you are going to make money. There is appreciation, but it’s picky; collectors don’t want second-rate things. Condition is a big issue.” While wear is expected—a rug is walked on, after all—excessive damage or poor repairs hurt the value.

Jon, however, holds fast to the belief that as an *objet d’art*, as well as an investment, Oriental carpets hold great potential. “Rugs are largely unknown and tremendously undervalued when you see what goes into their making and the impossibility of reproducing them,” he waxes.

Of course, their true value resides in the eyes of their beholder. “People who are successful collectors have to trust their eyes,” Jon says. “They should go with their heart and what they love. With my first rugs, I just bought what I loved, and I’ve never regretted it. Place your faith in your own aesthetic. There are no guidelines, just the spark.”

Resources

Claremont Rug, www.claremontrug.com

Hali Magazine, www.hali.com