

Fine Art Insurance

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Specialty fine art insurance addresses the concerns of private collectors as well as museums, galleries, corporations and artists.

High-profile news stories like those about the Paris Museum of Modern Art theft or the London Momart warehouse fire serve as reminders of the vulnerability of valuable artwork. And as the public becomes more aware of the art market in terms of investment, the importance of guarding artwork against damage or theft is highlighted.

Who Needs Art Insurance?

Typical art insurance clients are most likely to include larger organisations, like museums and companies with extensive corporate art collections; and art business firms like galleries and specialised transport and storage companies.

However, it can also be extremely important for artists, who need to protect their work in studio, in transit, in storage or on display — especially in venues like cafes, which are unlikely to carry exhibit insurance; and for certain individual collectors, particularly those who lend out pieces from their private collections for public exhibition.

While most casual collectors will find their general homeowners policy sufficient to cover their artwork, collectors of more valuable or extensive works should have separate private collections coverage. Any collection valued at over \$50,000 should certainly be covered, as should works of lesser value that are loaned out or moved around frequently. Plus, because art insurance is relatively inexpensive, it is definitely worth getting a quote for anyone with a collection — or even singular piece — they particularly value.

How Does Art Insurance Work?

When the iconic Edvard Munch painting *The Scream* was stolen from Oslo's Munch Museum in 2004, many were shocked to learn the modern masterpiece was not insured against theft. John Oeyaas, managing director of Oslo Forsikring, the company that insured the painting against damage, explained to The Associated Press at the time of the theft: "It was a conscious decision. [The painting is] irreplaceable, and insurance would mean nothing. The total loss of an irreplaceable item cannot be compensated."

But this idea of irreplaceable works being uninsurable is increasingly being dismissed. Typically, art insurance now covers both theft and damage. An important component of most specialty art insurers is sophisticated services to trace and recover stolen artwork. Most firms collaborate with the [Art Loss Register](#), an organisation dedicated to tracking stolen artworks internationally, which has proven instrumental in recovery; and with the International Foundation for Art Research (IFAR), which publishes a Stolen Art Alert.

More frequently, artwork may be damaged in fire, flood, transit, or any number of accidents — or simply due to conditions. Depending on the extent of damage, the insurer may pay out the replacement cost, or pay for restoration. One great advantage of specialty art insurers is their access to tremendous resources in the fields of restoration and conservation. Specialty art insurers will also provide invaluable advice on how best to prevent such damage.

How to Get Art Insurance

The first step in insuring artwork is to get a [professional art appraisal](#). This will help decide whether to insure, for how much, and whether to use an art insurance specialist, or simply extra coverage from an existing provider. (Appraisals will also need to be updated periodically, as values can escalate.)

Insurers will also want a detailed inventory, individual photographs of works, and any available documentation such as invoices or provenance papers, as well as information on how the collection is stored, and whether pieces are moved around. The insurer can then advise on appropriate coverage. Most collectors insure only a partial value of the total collection, particularly if it is housed in more than one location.

Most large insurance companies now include fine art divisions. AXA Art is the worldwide leader in fine arts insurance; HUB International, Chubb, Chartis and DeWitt Stern all have excellent fine art divisions. There are also many good local specialist art insurers, which can be found in local business directories.

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