

WEEKEND JOURNAL.

EUROPE

Louis' new look

How to give
French antiques
a modern edge



Scotland's golf crisis | Where to find art bargains



In Brian McCarthy's entry table, a 19th-century bronze working and self-portrait by contemporary artist Karl Heck sit atop an English Regency console table from circa 1825.



Also in Mr. McCarthy's lot, *Jacqueline Hamphrey's* seating from Paris (2006), with a Louis XVI chair by Georges Jacob (circa 1780) and early 19th-century French *à la carte* table.



The Aviles author's booth at the September 2008 *Salon de l'Antiquaire* in Paris carried a Louis XV table by Joseph van den Driessche, 1760, titled "The Light from the Bonnet."



Interior view of Bonnet Maison's restaurant across French Avenue, featuring a Louis XV writing table (left) with contemporary art, built in the 2008 Bonnet Maison restaurant, and the 19th-century chair.



The entry hall of a house designed by French architect Jean-François Thibaut, featuring a 19th-century French console table with early 19th-century French chair, built in the entry hall of a house designed by French architect Jean-François Thibaut, featuring a 19th-century French console table with early 19th-century French chair.



Flora Bazzani's home features a 19th-century French console table and a 19th-century French chair, built in the entry hall of a house designed by French architect Jean-François Thibaut, featuring a 19th-century French console table with early 19th-century French chair.

Louis' new look: making French antiques modern

by Helen Kirwan-Taylor
Special to The Wall Street Journal

Designers now pair contemporary art with masterpieces of rare old furniture

There seems to be no doubt that a bubble has burst in the antiques art market, with recent prices being set to crashingly edge pieces of art, wealthy collectors and their dealers are not necessarily looking to match them with sleek contemporary furniture. Instead, a lot of them are putting them right next to rare—and equally expensive—antique pieces.

Design experts say this mixing and matching—putting, say, a Louis XVI console table or a modernist chair in front of a Chippendale painting—can, actually work, if done properly. It's a daring new decorating strategy with the added advantage of giving the wealthy owner something more than just a bunch of expensive objects in the living room. It adds a measure of arty sophistication.

"People are now playing George III dining room tables in the same room as Damien Hirst paintings and Frank Chalks," says Mark Twiss, deputy chairman of Sotheby's, auction house.

Adds Robert Copley, international head of furniture at Christie's in London, "My clients will have a Warhol on top of a console by 18th-century French master cabinetmaker André-Charles Boulle and mix it with other antique and black-and-white photographs. What's more, they will actually use the furniture."

Not long ago, art and furniture were divided into two camps. Old-World collectors such as the Rothschilds defended their chateaux with fine 18th-century antiques and masterpieces. Trendier hedge fund types contemplated ocean-front homes and filled them with Italian chairs, lamps and edgy contemporary art. It was like with technology: you either were *Herbert* or *Conan* in *Garage*, but never both.

But collectors and designers now see this consistency in home design—modern art coupled with modern furniture and modern architecture—has become broader. It's now attainable new prestige in the fashion world, where wearing head-to-toe matching outfits is deemed less stylish than savvy coordination among several labels. The same, it's being done in the art world, with the rise of tables such as Ikea's sleek modern looks, or more modern and sleek modern's living rooms are starting to look the same. Going too far in the other direction—placing antique pieces against painted walls leads to old-fashioned—is similarly in vogue, designers say. "That kind of world was popular in the 1970s and 1980s, when people bought one or two art pieces and made popular by decorators like David Laundy. In the 1990s and at the turn of the century the look was slick and modern."

But now "it's fashionable again, even with those, like Philippe Starck, who are in the business of 'new.' At the Milan Salone fair in April designers like Marcel Wanders and Joris Ivens—two heavily on the verge of *Gold* was back, and so were other extreme and colorful styles—a big departure from the slick minimalist style of just five years ago.

Takes the ability to mix and match style effectively has become a status symbol. It's not enough to simply have money and expensive tastes; you have to have a curator's instinct for knowing it all off. Any rich person can buy a table and buy a ball of yarn. But to be rich and have a personality—let's say the same thing in the same breath or hang it in the show that one has truly arrived.

"People are buying furniture on an impulse now," says Marilla Boud Misset of *Artline*, one of Paris's most exclusive 18th-century antiques galleries, where one can buy works by Boulle and his contemporaries at prices starting in the hundreds of thousands of euros. "They see it as including a collection. In the past, collectors would have found in period houses, but recently people have started to really mix."

Right-end furnishings dealers are catching onto the trend. Kramers', an exclusive Paris gallery that specializes in selling museum-quality 18th-century French furniture, is revealing its showrooms to fit its antique pieces against painted walls leads to old-fashioned—is similarly in vogue, designers say. "That kind of world was popular in the 1970s and 1980s, when people bought one or two art pieces and made popular by decorators like David Laundy. In the 1990s and at the turn of the century the look was slick and modern."

always mixed Lichtenstein with Basch. It made them both more interesting."

At last May's Fine Arts Fair in Geneva, where the objects were in full bloom, gilded antiques from the forest galleries in France and Switzerland were gradually displaced by sleeker, artier, both were thought that, and so were other extreme and colorful styles—a big departure from the slick minimalist style of just five years ago.

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mode with rampant and colorful way has been so powerful a decorative object—or even a work of art—a 19th-century modernist cabinet. "People now display an 18th-century console on its own with nothing on top and with as much white space around it as though it were a painting," Mr. Misset says.

Gratefully, even though people are now mixing French antiques with contemporary art, they are not doing the reverse—adding classical art with modern furniture. "We don't see old masterpieces in the same room as Philippe Starck," says Mr. Twiss. Antiques attract young buyers because they are a talking point and because it is unlikely the person next door will have the same piece. With luxury modern or even limited-edition modern furnishings, there is always that sense of exclusivity.

But spending money to have the finest pieces of art and most exclusive antiques is one thing. Making it all go together is another. "It's the rest that matters more in fact than the individual pieces," Mr. Wamersy says. "I start with the most dramatic object, such as a Louis XV chair, and then add a large piece of art. It's a modern coffee table. I feel my style is classic, and it only works if all the pieces are equally strong in my own opinion. I went even further, adding Rococo pieces to modern art and antiques."

Paris Master, the chief creative officer of the Italian luxury house and its company bearing his name, believes that quality is what counts. "I'm very curious, and I like coupling things such as a 16th-century Baroque chair with a 20th-century modernist table. It's a very personal choice," he says. "I collect objects from different periods, and I guess what brings it together is my taste. If you choose nice objects they usually stick together, but it is a very personal choice."

Three years above the estimate, and earlier this month, Sotheby's surprised itself when a low-profile antique furniture sale in London fetched \$1.1 million, double last year's figure.

What accounts for the turnaround? "There's something," says London-based dealer Edmund De Biddulph of the Dover Street Gallery, describing the hole in the market for contemporary items created. "Old masters and fine art were not so much to the fore. My guess is one can afford to say the antique market is depressed but has been the case."

An Old Master dealer himself, Mr. De Biddulph recently posted a sale of Roger Federer photographs for adults to being purchased an 18th-century French Baroque painting for \$200,000 he called it "a bargain"—already anticipating a mood change among elite art aficionados. "Contemporary art is easy," Mr. De Biddulph says. "It's not based on any previous understanding. People feel comfortable walking into a stall at the Basel art fair and buying one of everything. Old Master and antiques are different. You have to know about provenance, provenance, authenticity and discernment."

"In other words, the contemporary art is lower. It's not that it's become better. Now is a good time to invest in other people because modernism is another circle," Mr. Copley says. He adds that wealthy home-owning contemporary art clients of Christie's and Sotheby's are now looking for a new investment in the art market. "And they're bringing more than just their checkbooks with them. My guess is that they're new clients—who see they a lot of art—more often more educated about antiques than he is. They know where they piece of furniture comes from," he says.











Louis' new look: Antiques for the modern aesthetic
WEEKEND JOURNAL | PAGES W6-W7

Hurling struggles in U.S. with shortage of Irishmen
ON OTHER FRONTS | PAGES 14-15

What's News—

Business & Finance

World-Wide

U.S. stocks tumbled Thursday, with the Dow industrials falling 311.5 points to 13473.57, as global fears about the credit markets spilled over into equities markets. The U.S. downdraft followed steep losses in European markets and generally weak shares in Asia. **Pages 1, 17, 18, 21**

Exxon reported its second-quarter net fell 1% to \$10.26 billion, while Shell's earnings rose 18% to \$8.67 billion. **Page 3**

Ford posted its first profit in two years and said it is "exploring in greater detail" the sale of Jaguar and Land Rover with interested parties. **Pages 4, 17**

AstraZeneca said profit fell 11% and announced job cuts. Bristol-Myers's net rose 5.8%; it also plans to cut staff. **Page 6**

Roche said its anemia drug Mircera received EU approval for the treatment of patients with kidney disease. **Page 6**

Borrowing of Fortis shares has surged, a sign investors are seeking to influence the vote on a bid for ABN. **Pages 17, 18**

LVMH said first-half net inched up 2.1%, with growth in the luxury-goods sector hampered by the strong euro. **Page 5**

EADS's net fell 85%, hit by charges related to new-aircraft programs, but the Airbus parent forecast robust cash flow. **Page 6**

WestLB dismissed Thomas Fischer as CEO, who will be succeeded by Alexander Stuhlmann, following trading losses. **Page 20**

Spanish bank Santander's net jumped 54%, helped by gains and strong lending in Europe and Latin America. **Page 20**

Pearl Assurance said it doesn't think Resolution's deal with Friends Provident will maximize shareholder value. **Page 20**

Sony's net doubled but its TV business posted a wider operating loss, while its PS3 videogame console lags behind rivals. **Page 5**

The U.S. says a handful of Chinese companies have boosted shipments of sensitive military technologies to Iran, part of a surge in China-Iran trade that is complicating efforts to apply pressure on Tehran to rein in its nuclear program. **Page 9**

The U.S. military linked an improvement in the aim of attackers firing into Baghdad's Green Zone to training in Iran. Attacks in a Shiite area of the capital killed at least 28 people.

Jordan, Syria and Iraq complained that the West has left them to deal with the plight of more than two million Iraqi refugees, saying a U.S. offer to take in 7,000 wasn't enough.

The Taliban set a new deadline of noon Friday for the Afghan government to release militants in exchange for Korean hostages. Seoul said it believed 22 remained in captivity.

U.S.-led forces battled militants in the south, leaving over 60 suspected Taliban dead.

The EU welcomed a debate in Germany that could lead to the bloc's largest economy lifting restrictions on migrant workers from Eastern Europe.

Senate Democrats called for a perjury investigation against the U.S. attorney general and subpoenaed Bush aide Rove.

Abbas said he hopes to reach a peace deal with Israel within a year, while an Israeli airstrike killed the top commander of the Islamic Jihad group in Gaza.

Tour de France leader Rasmussen was removed from the race by his Rabobank team for rule violations, the biggest blow yet in the doping-tainted race.

Pakistan said it test-fired a cruise missile that can send nuclear warheads deep into India.

Wildfires raged out of control across Greece, killing three people in the south.

The discovery in Greece of massive prehistoric tusks could provide clues into Europe's past.

Diabetes drugs await fate

U.S. panel's opinion on Glaxo's Avandia may benefit Takeda

By JEANNE WHALEN
And ANNA WILDE MATHEWS

On Monday, a panel of experts advising the U.S. Food and Drug Administration will vote on the high-profile question of whether GlaxoSmithKline PLC's diabetes drug Avandia should remain on the U.S. market. But another drug that isn't the focus of discussion has a lot riding on the review: Actos.

Actos is the only other drug that treats type 2 diabetes in the same way as Avandia. The FDA said it would review Avandia, after an analysis published in May in a medical journal suggested the medication might be tied to a heart-attack risk. Since then, Actos prescriptions have soared. Avandia prescriptions have plummeted.

If the FDA decides Avandia does indeed increase a person's risk for heart attacks versus other diabetes drugs, it could be a permanent boost for Actos, made by Takeda Pharmaceutical Co. of Osaka, Japan.

Both Avandia and Actos are designed to decrease blood-sugar levels, but the drugs may differ in a key way: A heart-attack risk hasn't been alleged about Actos.

"In making a decision about what to do with Avandia, it will be important to also assess whether the same problem exists for Actos or not," Steven Nissen, the Cleveland Clinic cardiologist who set off the debate over Avandia's safety with an analysis published in May in the New England Journal of Medicine, said in an interview.

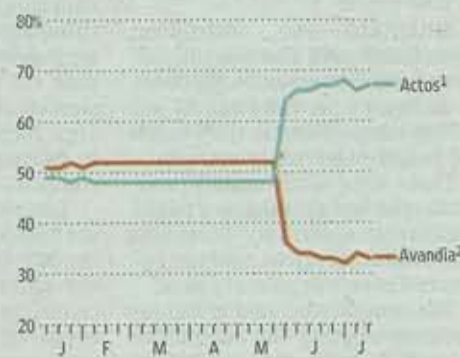
Dr. Nissen combined the results of 42 previous clinical trials of Avandia and found that patients who took the drug appeared to have a 43% higher chance of suffering a heart attack compared with those who took other oral diabetes drugs or a placebo pill. The absolute risk of heart attacks in both groups was still low—between 0.43% and 1.85% of patients taking Avandia had heart attacks, versus 0.34% to 1.44% in the other group.

Avandia and Actos are part of the class of medications known as PPAR drugs, a group that has been tied to several known side effects, including bone thinning and heart failure. (PPAR is an acronym for the type of cell receptors the drugs affect.)

The two drugs—both launched in

Switching lines

Actos's share of the U.S. market has grown as Avandia's has shrunk since a New England Journal of Medicine article, published in May, questioned Avandia's safety. Share of the U.S. market for PPAR drugs, a kind of diabetes drug



¹Includes Actos and Actoplus Met
²Includes Avandia, Avandamet and Avandaryl
Sources: Morgan Stanley; IMS Health

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The two drugs—both launched in

the U.S. in 1999—were selling neck and neck in the U.S. before Dr. Nissen's study was published. In January, Avandia had 51% and Actos 49% of the U.S. market for PPAR drugs, according to a Morgan Stanley research report that cites data from IMS Health.

By July 13, Avandia had dropped to 33% and Actos had soared to 67% of the market. Avandia was GlaxoSmithKline's second-biggest selling drug with global sales of \$1.65 billion (\$3.39 billion) last year, making up 7% of the drug company's total sales of \$23.23 billion.

FDA documents made public Thursday in advance of the meeting signal that GlaxoSmithKline may face a challenging session. The expert panel could recommend the FDA add stricter warning labels to Avandia or even take it off the market.

In a summary memo, the FDA said it views Avandia's potential heart-attack risk with "considerable

Please turn to back page

Credit jitters hit European stocks

By ALISTAIR MACDONALD
And MARK BROWN

LONDON—European stocks plunged Thursday, suffering their second-worst one-day loss of the year, as global fears about the credit markets spilled over into equities.

U.S. stock markets fell sharply, too, with the Dow Jones Industrial Average closing down 2.3%, or 311.5 points, at 13473.57. Stocks also declined in several Asian markets, including Hong Kong and Tokyo. (Articles on pages 17 and 18.)

The steep losses came despite a raft of good earnings announcements from European companies Thursday, underlining how investors

are looking beyond the robust health of Europe to the weak credit markets, strong euro and rising interest rates that will shape these companies' progression going forward.

"In this sort of climate it is all about sentiment, not about the numbers at all, and sentiment at present is all about fear and nervousness," said Kevin Gardiner, head of global equity strategy at HSBC.

The Dow Jones Stoxx 600 Index, which tracks Europe's 600 largest listed companies, closed 2.8% lower at 374.56, sending markets to their worst levels since the end of March on Europe's third straight day of losses.

The German DAX Index fell 2.4% to 7508.96, the U.K.'s FTSE 100 index dropped 3.2% to 6251.20 and the French CAC 40 Index declined 2.8% to 5675.05. The FTSE 100's fall was the worst single-day percentage drop since March 12, 2003.

Stocks in part are taking their lead from credit markets, which continued to take a battering. Spreads on a key European credit-derivatives index soared past the important four-percentage-point level Thursday as fears grew that the U.S. housing downturn will lead to a global credit crunch that could jolt financial markets. The iTraxx Crossover index, which tracks the cost of insuring against defaults in

Down, down, down

Thursday's trading closes around the globe, as a percentage from Wednesday

Market	Index	Change
London	FTSE 100	▼ 3.2%
Europe	DJ Stoxx 600	▼ 2.8
Paris	CAC-40	▼ 2.8
Zurich	Swiss market	▼ 2.4
Frankfurt	DAX	▼ 2.4
U.S.	DJIA	▼ 2.3
Milan	All-share Mibtel	▼ 2.0
Johannesburg	All-share	▼ 1.8
Sydney	S&P/ASX 200	▼ 1.3
Tokyo	Nikkei Stock Avg.	▼ 0.9
Hong Kong	Hang Seng	▼ 0.6

Source: Reuters

a portfolio of 50 mostly subinvestment-grade debt issuers blew out to an extent not seen since May 2005, after the downgrades of the credit ratings of Ford Motor Co. and General Motors Corp.

The immediate trigger for the widening in that index was the delay in fully syndicating loans financing Kohlberg Kravis Roberts & Co.'s buyout of U.K. pharmacy chain Alliance Boots PLC and Cerberus Capital Management LP's acquisition of DaimlerChrysler AG's Chrysler Group, coupled with fur

Please turn to back page

Markets 4 p.m. ET

MARKET	CLOSE	NET CHG	PCT CHG
DJIA	13473.57	-311.50	-2.26
Nasdaq	2599.34	-48.83	-1.84
DJ Stoxx 600	374.56	-10.94	-2.84
FTSE 100	6251.2	-203.1	-3.15
DAX	7508.96	-183.59	-2.39
CAC 40	5675.05	-162.06	-2.78
Euro	\$1.3717	+0.0011	+0.08
Nymex crude	\$74.95	-0.93	-1.23

Money & Investing > Page 17

The Washington Post

The U.S. says an airport-security report was meant to raise awareness, not alarm. **Page 9**

EDITORIAL & OPINION

Protecting civil liberties
By jailing Islamists for shouting terror slogans, a U.K. judge defends free speech. **Page 11**

News in Depth

Executive decisions

CEOs, seeking advice of peers, gather to swap tips > **Pages 12-13**

