

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 McCarty's entry table, a 19th-century French console table and self-portrait by contemporary artist Karl Fickel sit atop an English Regency console table from circa 1820.



Also in Mr. McCarty's fit, *Jeune fille* by American painter George Jochi (circa 1970) and early 20th-century French *Atom table*.



The Aviles artwork looks at the September 2008 *Shanghai bid*. Antiques in Paris cover a look at what to expect with the 2008-2009 season. The *Light from the House*.



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 about it: a bubble-burst in the secondary art market, with recent prices being set regularly at auctions on both sides of the Atlantic. But even so, there has not been a noticeable drop in the secondary market for contemporary art, wealthy collectors and their dealers are not necessarily looking to match them with old contemporary furniture. Instead, a lot of them are putting their sights set to try—and equally expensive—antique pieces.

Design experts say this mixing and matching—putting, say, a Louis XV console table or Renaissance chair in front of a Chuck Close painting—can, actually work. It does projects it's a daring new decorating strategy with the added advantage of giving its 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 placing George III dining room tables in the same room as Damien Hirst paintings and Frank Chalko," says Mary Trevelick, deputy chairman of Sotheby's auction house.

At the Robert Caplan International level of furniture at Christie's in London, "My clients will bring a Warhol on top of a table or a 19th-century French military colonnades [antique Charles III-style wall sconce with glass and white photographs, which more, they will actually use the table, says Trevelick.

Not long ago, art and furniture were divided into two camps. Old World collectibles such as the Rococo-style hand-painted chairs with fine 18th-century wallpaper and masterpieces. Trendier, high-end types—contemporary art, it was like with both. You either were Modern or Classicist or Contemporary, but never both.

But collectors and designers now say this tendency to link design—antique art paired with modern furniture and modern art directed—has become better. The same antique new provides in the fashion world, where wearing head-to-toe matching outfits is deemed less stylish than savvy modernists who wear separate items. The same, it's also seen in the world of art, where the mix of tables such as Louis XVI modern looks are being now produced and everybody's doing, means are starting to look the same. Going too far in the other direction—placing antique pieces against patterned beds with old tapestries—is similarly far from, designers say. It's a look of overall mix popular in the 1970s and 1980s, when perfect-looking, one-part art were made popular by designers like David Laundy. In the 1990s and all the years 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 del Mobile in April, designers like Marcel Wanders and Joris Ivens—two leading on the European Gold Cup bank, and so on—were exhibiting modern and classical designs—a big departure from the old minimalist style of the last few years ago.

Then, the ability to mix and match either effectively has become a status symbol. It's not enough to simply have money and expensive tastes; you have to have a collector's instinct for knowing it all off. Any rich person can buy a table and buy a lot of art, but only a few can do it and have a personality to drop the same thing in the same breath as a designer—it to show that one has truly arrived.

"People are buying furniture as an antique now," says Maria Elena Mariani of Aviles, one of Paris's most exclusive 18th-century art and design galleries, where one can buy works by Sotheby and his contemporaries in private starting in the hundreds of thousands of euros. "They are all in building a collection. In the past, collectors would have found in period houses, but wealthy people have started to really do it."

High-end furnishings dealers are catching onto the trend. Knacker's, an exclusive Paris gallery that specializes in selling museum-quality 18th-century French furniture, is revealing its inventory to fit its antique in a contemporary setting. The idea, says Laurent Knacker, one of the gallery's owners, is to show customer's how those of the very ornate pieces can hold their own alongside modern art, and not work in a contemporary design context.

At the Paris Salon, head, founder of an art fair Paris antique gallery, Aviles, "I have



Paris designer's house features a 19th-century French console table with two panels from an early 20th-century French modernist graphic wallpaper with a contemporary chair and table that by Karl Fickel, and a 20th-century French glass-topped console table, also contemporary writing table.

seen mixed Lacoste-style with Louis. It made them both more interesting."

At last year's Fine Arts Fair in Geneva, where the vignettes were in full bloom, gilded antique from the finest galleries in France and Switzerland were graciously displayed beside modern art. Both were sold, and often for the same prices. "We always have advisors," says Ms. Mariani, who exhibited this year at the fair. "and they are encouraging them to buy a mixture of 'higher' things rather than a single style."

Some high-end, Geneva's Grand Salon gallery says there is now a desire for what antique similar to the one that has been from around the world snapping up contemporary modern art. "Antique, look good with the contemporary art work that my clients are collecting," she says. "The young clients of today are well off, and they are looking for things that are old and new."

Briton McCarty, a New York-based interior designer whose clients include the U.S. ambassador to London, Robert Holmes Tuttle, says antique from the high-end Paris galleries with contemporary paintings and sculpture. "It is the case for my clients as I do for myself," Mr. McCarty says. "I see a mix of a modern gallery. You want to put together a full group of people, but not investment bankers."

Perhaps more importantly, Mr. McCarty looks at antique furniture almost as if it were modern art. "I think modern French furniture of the 1970s and 1980s was so interesting in that it is complex," he says. "I think it's more of a mix of things. You can't have a room that is just a kind of looking point. That you can start talking."

But in that light, a solid French con-

mode with simpler and more playful may be in powerful a decorative object—or even a work of art—a 19th-century French table. "People use design as a lifestyle choice, and so it's more with looking, as well as with a modern white space around it as though it were a painting," Mr. Mariani says.

Consequently, even though people are now mixing French antique with contemporary art, they are not doing the reverse—bringing classical art with modern furniture. "We don't see old masterpieces in the same way as Philippe Starck," says Mr. Fickel. 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 heavy-made or even limited-edition modern furniture, there is always that possibility.

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 way that modernists are led than the individual piece," Mr. Trevelick says. "I don't see the most dramatic objects, which are Louis XVI chairs, and then add a couple of them to a modern white space around it as though it were a painting. In my own apartment, I went over there, adding a modern piece in modern art, and antique."

Parisian Olivier, the chief executive officer of the Swiss luxury goods and jewelry company Bouvier, his name, believes that quality is what counts. "I'm very curious, and I like coupling things such as a 16th-century French Renaissance chair with a modern two-seater table," he says. "I collect objects from different periods, and I want what helps it together in any way. If you choose nice objects they really stick together, but it is a very personal thing."

For serious dealers, who last include when the contemporary art craze first took off in the 2000s, this new trend toward old-fashioned furniture is exciting news. "A few years ago, we sold ourselves had little antiques," Mr. Trevelick says.

The first sign that the 18th century was suddenly back in style was in 2003, when a piece of 18th-century French furniture from the extensive collection of French furniture owned by the Williams family raised £2.8 million—by the way, furniture sold more and a much to observers. Another Christie's sale of furniture, antiques and objects to November 2006 in London brought in £7 million—mostly for furniture featuring the 18th-century French furniture of the Williams family, says André Ruff, director of art repairs specialists at Christie's. The 18th-century table of antiques and old masters at Sotheby's in March netted £237 million,



For a look at the table for the antique gallery in Paris, please turn the page.







LA TOUR
The Art of Richard Diebenkorn



Louis' new look: Antiques for the modern aesthetic
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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**

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 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.

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**

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.

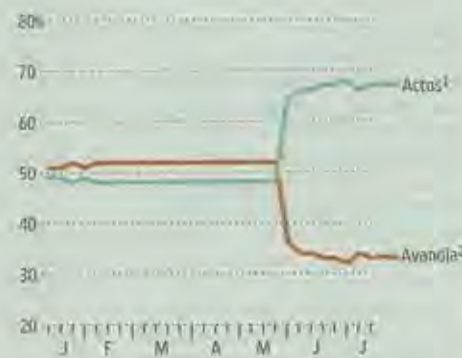
Dr. Nissen combined the results of 42 previous clinical trials of Avandia and found that patients who took the drug appeared to have a 43% higher chance of suffering a heart attack compared with those who took other oral diabetes drugs or a placebo pill. The absolute risk of heart attacks in both groups 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

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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

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

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News in Depth

Executive decisions

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

