



## 2017 ART TAIPEI FORUM | Starting A Corporate Collection

Press Release

Oct. 22, 2017

**Date:** 21 October (Sat.), 2017

**Venue:** Taipei World Trade Center Exhibition Hall 1, 2F, Conference Room 5

### **2017 ART TAIPEI FORUM**

#### **Realizing the Art of the Spirit - Asia-Pacific Corporate Collecting**

Artworks have become an option for asset allocation for corporations, which also benefits the establishment of company brand image, achieving the mission of protecting and passing down the legacy of culture while implementing Corporate Social Responsibility (CSR). According to investigations carried out by Taipei Art Economy Research Centre, throughout the Asia-Pacific area, corporate collections are most prevalent in Japan. 60% of Japanese corporations have personal museums while 27% gift artworks to museums. Taiwan started systems to allow collaboration between the art and the corporate world, but supporting measures are still incomplete, resulting in the lack of art collecting among corporations.

The annual 2017 Art Taipei Forum is themed around “Starting a Corporate Collection,” introducing the latest international trends and cases of art collecting in Asia-Pacific corporations and exploring its current status and prospects through aspects such as tax management and accounting, appraisal, and Corporate Social Responsibility.

#### **Session One: Art of the Spirit - Asia-Pacific Corporate Collecting**

The first session for 2017 Art Taipei Forum discusses the art and spirit of Asia-Pacific corporate collecting. Speakers Mun-Lee Lin, Chairman of the National Culture and Arts Foundation, Jye-Cherng Lyu, Chairman of Taiwan Financial Holdings and Bank of Taiwan, and Ryuta Nakajima, director of Sompo Japan Nipponkoa Museum of Art, shared the strategies and goals of Asia-Pacific corporate collecting.

#### **Session Two: The Trend of Corporate Collecting**

Sponsoring and collecting art is beneficial to building company culture and brand image. However, most collectors today are individuals. Although the value of artworks usually increases after extensive time periods, the increments cannot be reflected on the balance sheet of corporations at fair value of the time, making it

impossible to recognize the nominal difference between cost and fair value and to display the market value of artworks. These accounting principles lead to an underestimation of corporate asset values. The accounting standards in Taiwan, both the International Financial Reporting Standards (IFRS) adopted by public companies, and the Enterprise Accounting Standard (EAS) adopted by SMEs, lack guidelines for the accounting treatment in artworks, leaving corporations with no choice but to measure the value of artworks by their acquisition costs while the market value of artworks are taken into account.

The moderator for this panel, Howard Kuo, deputy chairman of PricewaterhouseCoopers Taiwan, and three panelists, Hsiu-Chih Chien, president of ART & COLLECTION GROUP, and Steven GO, deputy chairman of PricewaterhouseCoopers Taiwan, and Tina Lee, Senior Vice President, Cathy United Bank presented the relation between corporations and art collections, as well as deep inspection towards the influence of taxing and accounting practices of artworks in corporate art collecting. Ms. Chien also used the “Goodwill, Networking, Investment Purposes, Branding” to illustrate the evolution and trend of corporate art collections, as well as CSR in Arts event model with positive influence by the cases of Fuban Art Foundation, CTBC Bank, Yuanta Financial Holdings, and ART & COLLECTION GROUP.

### **Session Three: CSR in Arts**

The management of corporations is not only targeted towards maximizing the benefit of shareholders, but also to take care of the interest of various stakeholders in society on the foundation of sustainable development. The CSR of corporate art collecting is widespread, including tasks such as supporting local artists, contextualizing the history of art, preserving works and repairing cultural relics, and promoting public art education. However, although the beneficial result of art is understood from the corporate perspective, the value of these artworks is usually neglected in traditional financial pricing models, leading to the current situation where no company is able to quantify the benefit of artworks. Panelists Eliza Li, partner of PricewaterhouseCoopers Taiwan, Shun-kit Wong, consultant of Shanghai Himalayas Museum, and Ryuta Nakajima, Director of Sompo Japan Nipponkoa Museum of Art, explored methods how corporate art collecting can assist the implementation of CSR and evaluate the benefit and influence that art can bring to corporations.

**Session Four: Appraisals & Science of Art Asset Management**

Whether the fair value of artworks can be reflected through Taiwan taxation and accounting treatments relies on the establishment of art appraisal systems and supporting measures. However, the industry in Taiwan lacks consensus concerning appraisal systems and regulations towards appraisers. Although art archives and exchange indices provide reference and increase market transparency in the art market and price estimation, most information listed within archives are incomplete, since public auction prices usually exclude gallery transaction and information on private biddings of auction companies. Panelists Khadinn Khan, claims specialist and risk surveyor at AXA ART Asian Limited, and Dr. Bruno Yue Cai, president of Spectro Technology Limited, shared their experiences and offering their suggestions regarding art appraisal and appraisal practices. Mr. Khan specially pointed out the process of appraisal would begin by obtaining from the client how the appraisal is to be used (Intended Use) and what information the appraiser needs to provide (Objective). These two important factors determine the direction of the report, the basis for the appraiser to plan the “Scope of work” and decide the choice of markets as well as values to explore. The appraisal can also assess the amount and type of information to be researched and the analysis applied to the assignment, so as to estimate the necessary steps to provide an appropriate and accurate opinion.

**【About Art Taipei Forum】**

Art Taipei Forum is one of the few international art conferences that cover both business and academia in Taiwan. Joined with elites and industry representatives from both Taiwan and abroad, there will be a systematic introduction of Asian art and culture. Asian art boasts great uniqueness and heterogeneity as well as diverse perspectives and distinct discourses such as the cross-market discipline. It is our hope that this year’s Art Taipei Forum will serve as a communication platform that bridges Asia and the global art scene.

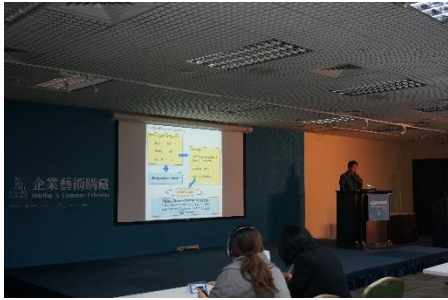
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## Agenda

Saturday, October 21, 2017	
09:00	Registration
09:30-10:00	<b>Opening Speech   Art &amp; Business, What's Next ?</b> <b>Speaker   Mun-Lee LIN</b> Chairman, The National Culture and Arts Foundation
10:00-10:30	<b>Keynote Speech   Art of the Spirit - Asia-Pacific Corporate Collecting</b> <b>Speaker   Mr. Jye-Cherng LYU</b> Chairman, Taiwan Financial Holdings & Bank of Taiwan
10:30	Break
10:40-11:00	<b>Keynote Speech   Running The Museum From CSR View Point</b> <b>Speaker   Mr. Ryuta NAKAJIMA</b> Director, Sompo Japan Nipponkoa Museum of Art
11:00	Break
11:10-12:00	<b>Dialogue   The Trend of Corporate Collecting</b> <b>Moderator   Howard KUO</b> Deputy Chairman, PricewaterhouseCoopers Taiwan <b>Panelist   Hsiu-Chih CHIEN</b> President, ART & COLLECTION GROUP <b>Panelist   Steven GO</b> Deputy Chairman, PricewaterhouseCoopers Taiwan <b>Panelist   Tina LEE</b> Senior Vice President, Cathy United Bank
12:00	Lunch
13:30-14:30	<b>Dialogue   CSR in Arts</b> <b>Moderator   Ms. Joyce KE</b> Executive Director, TAGA Taipei Art Economy Research Centre <b>Panelist   Eliza LI</b> Partner, PricewaterhouseCoopers Taiwan CSR Service <b>Panelist   Shun-kit WONG</b> Consultant, Shanghai Himalayas Museum <b>Panelist   Mr. Ryuta NAKAJIMA</b> Director, Sompo Japan Nipponkoa Museum of Art
14:30	Coffee & Tea
15:00-17:00	<b>Dialogue   Appraisals &amp; Science of Art Asset Management</b> <b>Panelist   Dr. Bruno Yue CAI</b> President, Spectro Technology Limited <b>Panelist   Khadinn KHAN</b> Claims Specialist and Risk Surveyor, AXA ART Asia <b>Moderator   Dr. Han-Chung WU</b> Director, Cheng Shiu University Arts Restoration and Conservation Scientific Research Laboratory



**1. Running The Museum From CSR View**

**Point:** Mr. Ryuta NAKAJIMA, Director of Sampo Japan Nipponkoa Museum of Art

**2. The Trend of Corporate Collecting:** Hsiu-Chih CHIEN, President of ART & COLLECTION GROUP

Hsiu-Chih CHIEN, President of ART & COLLECTION GROUP



**3. The Trend of Corporate Collecting:**

Moderator Howard KUO, Deputy Chairman of PricewaterhouseCoopers Taiwan ( the far right), and panelists Hsiu-Chih CHIEN, President of ART & COLLECTION GROUP, Steven GO, Deputy Chairman of PricewaterhouseCoopers Taiwan, and Tina LEE, Senior Vice President of Cathy United Bank. (from the far left to right)

**4. The Trend of Corporate Collecting:** Hsiu-Chih CHIEN, President of ART & COLLECTION GROUP

Hsiu-Chih CHIEN, President of ART & COLLECTION GROUP



**5. CSR in Arts:** Moderator Joyce KE, Executive Director of TAGA Taipei Art Economy Research Centre ( the far right), and panelist Shun-kit WONG, Consultant of Shanghai Himalayas Museum, Eliza LI, Partner of PricewaterhouseCoopers Taiwan CSR Service, Mr. Ryuta NAKAJIMA, Director of Sompō Japan Nipponkoa Museum of Art (from the far left to right)



**6. Appraisals & Science of Art Asset Management:** Moderator Dr. Han-Chung WU, Director of Cheng Shiu University Arts Restoration and Conservation Scientific Research Laboratory and panelists Khadinn KHAN, Claims Specialist and Risk Surveyor of AXA ART Asia, and Dr. Bruno Yue CAI, President of Spectro Technology Limited ( from right to left)