

JPMorgan's Schrader Joins Sotheby's to Help Lead Private Sales

By Katya Kazakina

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JPMorgan Chase & Co. managing director David Schrader will become Sotheby's head of contemporary-art private sales in New York in an unconventional career move that places a Wall Street executive and avid collector in a role traditionally filled by industry insiders.

Schrader will begin in the near future, the auction house said Wednesday. He spent almost two decades in investment banking, including five years at JPMorgan, where he works in the equities division and specializes in hedge funds. A collector of contemporary art, Schrader, 41, regularly goes

to galleries and travels to art fairs. He's also known as a savvy trader who uses market data and connections to spot undervalued artists poised for price spikes.

"Some of the most active buyers and sellers of art work in finance," said Dan Desmond, executive director of wealth advisory Blue Rider Group at Morgan Stanley. "It's a smart move to hire someone who has a keen interest in art and already has close relationships with top fund managers."

As an equities broker covering hedge funds, Schrader has worked with companies such as Citadel, Viking Global Investors and the former hedge fund SAC Capital Advisors. Leaders at those firms -- Ken Griffin, Dan Sundheim and Steve Cohen -- are prominent art collectors.



David Schrader Photographer: Julian C Manuszewski via Sotheby's

‘Out of the Box’

“All the people he was selling stocks to, he can now sell art to. It was smart of them to look outside the box,” said collector and gallerist Adam Lindemann. “Sotheby’s can benefit a lot from someone like him. He will use their brand name and client contact list to develop a substantial private sales department.”

Schrader declined to comment before officially starting his post.

Sotheby’s private sales tallied \$673.1 million in 2015, a 43 percent drop from the peak two years earlier. The sales perked up the third quarter of 2016, almost doubling from a year earlier to \$167.9 million.

Schrader started buying art soon after getting a job at Bear Stearns in 1998 and built a collection that includes works by Josef Albers, Mark Grotjahn, Yayoi Kusama, Sol Lewitt, Gerhard Richter, Ed Ruscha, Rudolf Stingel, Andy Warhol and Christopher Wool.

“He spends all of his free time looking at art,” said Lindemann, who’s known Schrader for years. “He is obsessed by art and collecting and the art world.”

One of Schrader’s big wins was the Richard Prince painting “Settlement Nurse.” He bought it for \$60,000 from a 2003 exhibition at a New York gallery. In the next three years, prices for this series of works surged into the millions of dollars. In February 2008, Schrader consigned his nurse to Christie’s auction, where it fetched \$4.2 million.

He used the proceeds to buy works by several artists, including Richter and Kusama. Richter auction sales increased 35 percent since then and Kusama’s almost quadrupled from 2008 to 2016, according to Artprice.com, an art market research firm.

“David successfully combined a passion for art and business to build an enviable collection,” said Amy Cappellazzo, chairman of Sotheby’s Fine Art Division, said in a statement. “Over a 20-year period, he systematically refined his collection through thoughtful acquisitions and sales, gaining the respect of prominent dealers and collectors.”

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