

● AUSTRALIAN COMMERCIAL GALLERIES ASSOCIATION

ACGA Code of Practice Guidelines for Prizes, Competitions, Awards and Fundraising Exhibitions

The Australian Commercial Galleries Association generally endorses Part 4 of the National Association for the Visual Arts' *Code of Practice for the Australian Visual Arts and Craft Sector* on 'Competitions, Awards, Prizes and Fundraising Exhibitions'. There are, however, some areas of divergence between the ACGA's views and those put forward in this first edition of the Code of Practice. These guidelines aim to cover those and to re-state areas of particular significance to the primary market.

Identity of the Organiser

Organisers should clearly indicate the governance structure and objects of the event. Is it, for instance, a not-for-profit incorporated association, a foundation, a trading name of a larger organization or a profit-making company? Where the event is not-for-profit, a clear statement to this effect is critical for artists and galleries alike, as these events often rely on the cooperation and financial contribution of commercial galleries.

Commission on works for sale in competitions

As competitions are usually discrete events that charge entry fees and offer only short-term support for represented and unrepresented artists alike, the ACGA fully endorses organisers who refer sales on to artists or representing galleries. This allows artists to benefit directly from any sales without undermining the artist/gallery relationship.

Where organisers do choose to levy commission it should be limited and calculated relative to the amount and duration of the support offered to artists participating in the event. It should not be considered as a means of funding the event, of generating prize money or as return for the work of staging the exhibition itself. More properly, in the context of a discrete event, commission should be regarded as return for the work of promoting and achieving sales.

Commercial galleries earning a standard 40% on primary sales and providing full representation would usually provide artists with the following *ongoing* services:

- Staging regular in-house exhibitions, producing catalogues and invitations
- Archive and CV maintenance
- Maintaining visual material for promotional purposes
- Media archive maintenance/records of promotional activities/post-show summaries of media outcomes and promotional material
- Pursuing ongoing sales and exhibition opportunities outside the gallery
- Pursuing commissioning opportunities and advocating for the artist's interests
- Cultivating collectors and corporate clients
- Monitoring the artist's interests and legal rights
- Collaborating with the artist on competition, grant and commission submissions
- Pursuing critical writing and publishing opportunities for the artist
- Recording location of all sold works

The ACGA's position is that commercial gallery rates of commission are the outcome of the artist/gallery relationship and its intensive ongoing development of career, reputation and livelihood. The ACGA recommends in this comparative context that 10% is an appropriate amount of commission for simple one-off sales as this equates with the percentage that art consultants who facilitate one-off gallery sales may receive. However, where the cause is deserving (in the eyes of the participant rather than the organiser) or the artist/gallery benefits are significant, higher commission may be appropriate.

Competition organisers often ask artists to cover many other costs, for example, two-way freight, documentation costs, public liability and other insurances on top of an entry fee. Organisers should not seek to cover the cost of the event by out-sourcing expenses to participating artists

Splitting Commission

As ACGA members' commission is on the basis of detailed ongoing services provided to the artists they represent, splitting commission with a one-off event offering limited and short-term benefits to artists (and consequently their representing galleries) can be problematic, depending on the rate of

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commission being charged by the competition organisers, other costs payable and the organisational status of the event.

Organisers should recognise that asking commercial galleries to split or waive commission, is in effect a request for sponsorship whereby galleries would forgo a percentage of what they might otherwise earn. Where a commercial gallery chooses to split or waive commission, organisers should acknowledge the gallery as a sponsor on a par with other organisations providing similar levels of sponsorship value.

As some competitions offer only a slight chance of winning and few long-term benefits to the artist or the artist/gallery relationship, organisers should not expect an automatic willingness to sponsor a percentage of commission. However, many galleries remain willing and able to do this when a) the event is not-for-profit and for a good cause, b) where proper recognition is made of the gallery support this support represents (which allows some galleries to claim this as a deductible expense against their marketing budgets) and c) where event organisers are charging appropriate rates of commission.

Event organisers wishing to harness the support of commercial galleries are encouraged to contact the ACGA in the early planning stages for advice or feedback on their terms and conditions.

Acknowledgment

Where commercial galleries decide to contribute all or some of their commission, the ACGA recommends that public acknowledgment of the support of individual galleries is made by a) labels that indicate the name and city of the representing gallery b) a listing of acknowledgments in any catalogue or published material and c) in verbal form at the opening.

Organisers should also be informed about and should acknowledge the role commercial galleries have in the whole-of-career development of artists' reputations and livelihoods.

Commercial galleries:

- generate primary income for artists and as such are vital to a healthy visual arts infrastructure
- play a key role in facilitating the creation of new art works
- act as agents for commissioning new public and private works of art
- have long-term relationships with artists and act as ongoing cultivators of individual artists' careers
- are key players in the creative promotion of Australian art and Australian artists nationally and internationally
- support a broader spectrum of artists than is possible in the public sphere
- work cooperatively with the public and private sector in a wide variety of roles

Compulsory sales

To avoid the perception that commission on sales of work is generating event income, organisers should not insist that all works must be for sale. Organisers should allow for the situation in which artists and their representing galleries choose to hold works back from sale and should ensure that any such work is treated without prejudice in any exhibition or tour.