

HECTOR DIAZ

Héctor Díaz
Opinion for El Economista

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Opinion by Héctor Díaz for **El Economista**

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Mexican art, afraid of international success

By Héctor Díaz

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Article: <https://www.eleconomista.com.mx/opinion/arte-mexicano-miedo-exito-internacional-20260505-812026.html>

Questioning the State's intervention in private artistic production, or whether private property should be shared with the nation, also leads us to consider the downside for Mexican art—and its collectors—in achieving international success.

The 1972 Federal Law on Archaeological, Artistic, and Historic Monuments and Zones establishes that the President of the Republic or the Ministry of Culture (through INBAL) can declare a creator, a part of their work, or their entire production an "Artistic Monument." This is undoubtedly a great cultural honor; however, for a collector, it is a true legal nightmare.

Being declared an Artistic Monument is a ticket to history backed and recognized by the government; however, this laurel comes with a package of State impositions for private collectors:

- The right of ownership ceases to be absolute.
- Registration of the artworks becomes mandatory.
- If a piece is sold, donated, or inherited, authorities must be notified.
- The owner is legally responsible for maintaining the artwork in good condition.
- It is strictly forbidden to alter, modify, or destroy the piece.
- An official permit, guaranteeing its return, is required to take the artwork abroad.
- Pieces declared a "monument" cannot leave the country permanently.
- In the event of a sale, the Mexican State reserves the "right of first refusal" (priority to purchase).

But that is not all. If a collector fails to register the piece or attempts to take the artwork out of the country without the corresponding permits, they face the confiscation of the work, substantial financial fines, and even prison sentences.

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In short, if you own artwork by Mexican artists, you are subject to the creator being declared an Artistic Monument and, overnight, losing absolute freedom over your assets. That is, your pieces become part of the "cultural heritage of the nation," even if the State has not contributed a single penny towards their acquisition. For a collector, this is clearly interpreted as an attack on private property.

The criteria used by the Mexican State to declare an artist an Artistic Monument are:

- **Outstanding aesthetic value:** That the work possesses exceptional technical and creative quality that distinguishes it from the common production of its time.
- **Representativeness:** That it is a key piece for understanding an artistic movement or a stage of national culture.
- **Degree of innovation:** That the artist has contributed new elements or transformed the visual language of their time.
- **Importance in the social context:** The impact that the work or the author has had on Mexico's cultural identity.

In theory and academia, these criteria are noble; in practice, they are highly subjective. The undeniable reality is that artists who achieve international success immediately enter the State's radar.

The fact that artworks reach major auction houses with estimates in the thousands or millions of dollars is thanks to the galleries that represented the artist well; the collectors who, with their patronage, believed in them and acquired their work; museum exhibitions; editorial projects; the media that documented their career; and, above all, the artist's talent and fierce creative will.

Among the artists whose work has been declared an Artistic Monument are: José Clemente Orozco, Diego Rivera, Frida Kahlo, Dr. Atl (Gerardo Murillo), David Alfaró Siqueiros, Remedios Varo, María Izquierdo, Saturnino Herrán, and José María Velasco.

One might ask: How many works did the Mexican government acquire from these artists—during their lifetime—that are today worth fortunes in the international market? Outside of institutional muralism, the vast majority of easel works were discovered and acquired by private collectors.

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It is true that the government offers grants (such as FONCA), museum spaces, and tax facilities (such as the SHCP's Payment in Kind Program), but the State is not the architect of an artist's career, nor the "rightful owner" of the works once worldwide recognition materializes.

Legislation: Mexico vs. United States

For many, this Law of general interest protects the country's artistic assets. However, there is a line the State crosses by imposing control over something that is not its own. This regulation should apply strictly to public collections (works the Nation acquires with its own resources), not to acquisitions made with private capital.

In the United States, the concept of an "Artistic Monument" applied to movable private property (such as a Mark Rothko painting) does not exist. In that country, the right to individual property prevails, and the government has no authority to force you to register your artwork on an official list, prevent you from taking it out of the country, require you to ask for permission to restore it, or prohibit you from selling it to a buyer anywhere in the world.

This freedom is precisely one of the reasons why the United States is the epicenter of the global art market: it offers total legal certainty regarding the ownership of the asset and its free mobility.

Regarding international law, an inevitable question arises: Can the Mexican State force a collector abroad to submit to its heritage laws? Take the case of Edgar Mendoza, considered one of the most prominent surrealist realist painters in contemporary Mexico, who has a considerable portion of his work in Spanish collections, both in museums (like the MEAM) and in private hands. If in the future the State decided to declare his work an Artistic Monument, would the Law apply to these institutions and collectors in Europe? The legal reality is that Mexican law is territorial and lacks jurisdiction to subjugate a foreign museum or individual over an artwork they acquired and imported legally. Ironically, this legal threat exclusively punishes the collector who decides to keep, invest in, and protect their artwork within Mexico.

This Law is, to a large extent, responsible for Mexico lagging in international collecting, with a share of barely 1% of global art sales. The country does not lack artists; it lacks collectors.

This Law is responsible for the fact that only a select few Mexican creators manage to be valued at major auction houses like Sotheby's and Christie's, which is seen from Mexico as an exceptional achievement rather than a natural consequence of the market.

This Law is responsible for the massive gap in initial valuations: while in Mexico the work of an emerging artist hovers around 10,000 MXN, in the United States a similar profile starts at 10,000

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USD. Careers in the neighboring country take off thanks to the capital injection from collectors who invest with the legal certainty that their assets are protected and that no law forces them to share control of their property with the State.

What collector would want to aggressively invest in a Mexican artist if there is a latent risk of them being declared an Artistic Monument and, consequently, losing absolute freedom and ownership over their investment?

Through this Law, the Mexican government is fostering—perhaps inadvertently—the flight of artworks, the black market, and low investment in national art.

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Why art exhibition spaces don't sell

The Jean Lachapelle Effect

By Héctor Díaz

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The essential—and often misunderstood—function of exhibition spaces

Mounting an art show in a gallery is a logistical and conceptual challenge that goes far beyond merely hanging paintings. Transporting pieces from the studio to the exhibition hall requires extreme precision and sharp logistics. Curatorship, museography, and discourse are artistic disciplines in their own right, and operational costs are both high and varied.

Despite executing a perfect corporate-cultural choreography, commercial success is not guaranteed. Art rarely sells simply because of its spectacular nature. What can be ensured—and this is the primary objective—is the generation of a memorable experience for the community and the consolidation of the space's cultural value.

Galleries typically structure their operations along two axes:

- Corporate: The area dedicated to strategic management, sales, and administration.
- Exhibition Spaces: The physical space dedicated to the public presentation of artworks.

The apparent lack of logic in exhibiting art in a room with low sales potential is not a mystery, but rather a reality accepted by the industry. Except in global capitals, local markets are rarely capable of acquiring an entire collection, as both collectors and high-value collections tend to be international in scope.

It is important to note that galleries do place art within their exhibition spaces, but this commercialization is limited. For example: if Javier Arizabalo, one of the world's most prominent hyperrealist painters, presents a solo show of 15 paintings in Zapopan, it is unlikely that the local

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market will absorb the entire production. The preferences and purchasing power of local collectors may not align with an artist of his caliber. Nevertheless, this exhibition immediately becomes a cultural event of great impact and regional significance.

Thus, the primary function of the exhibition is to serve as a cultural offering for the community, much like theater or cinema. The challenge, however, lies in the fact that there is no guarantee the community will visit the show, nor that it will become a social or cultural "must-see" in the city.

Understanding the role of the Public Relations specialist

Cultural enterprises possess the unique power to bring together people of diverse ages, genders, and backgrounds. But how is this attendance achieved?

While the gallerist possesses a vast network of contacts and collectors (many of them international), their main focus is directing the business, not public relations. Therefore, their reach in managing local audiences can be restricted. This is where the role of the Public Relations (PR) Specialist becomes indispensable.

The PR specialist is commonly confused with a salesperson. Their mission is not commercialization; that responsibility—a titanic one in this sector—falls to the gallerist or their specialized sales team.

If the Curator is fundamental to the conceptual dialogue of an exhibition, the PR specialist is fundamental to the social experience. Their vocation lies in charisma: the capacity to attract and influence audiences. It is vital that the PR specialist knows the gallery, the discourse, and the artworks inside out, but it is equally important that their strategy is respected and followed.

The PR specialist is the face of the gallery and the event to the community, charged with invitations, hospitality, and, above all, ensuring a notable and memorable experience for attendees.

The success of PR management in these events is based on dispelling fears and refocusing attention on the cultural and spiritual value of the works, rather than on the commercial transaction.

Jean Lachapelle, a prominent PR specialist in Jalisco, sums up the challenge when inviting people outside the art scene:

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"I often receive a 'no' to invitations because they don't know about it, they are afraid, they think it will be boring, or they even feel obligated to buy a piece of art; I always focus on letting them live an experience with culture, letting themselves be surprised... letting their imagination soar."

An excellent PR specialist does not just influence people; they also manage media relations. What would an event be without press coverage? It is indispensable for the publicist to have solid relationships in digital, print, and television media, and even within the social press.

Common Business Models for galleries and PRs

The public relations specialist can be hired and compensated in various ways, with the most common models being:

- **Fixed fee per event.** The PR specialist commits to summoning and attending to a specific number of people (art lovers, cultural agents, friends, etc.).
- **Fixed fee per person.** The PR specialist focuses on inviting and attending to a select, high-profile group (collectors, business leaders, influencers, etc.).
- **Commission per sold work.** The PR specialist summons a large number of people, among whom are probable collectors. If a work is placed in a collection through one of the PR's guests, they receive a percentage (generally between 5% and 15%) of the paid amount.

Note: It is common for a sales commission to complement the fixed fee per event or per person models.

The Jean Lachapelle effect: a case study

HECTOR DIAZ Gallery began operations in January 2020, inaugurating its first Exhibition Space in Zapopan in the second half of 2021, following the pandemic. Being a gallery with an international vocation featuring global artists and collectors, the main challenge was local positioning—seeking to captivate the Guadalajara community with exhibitions of great resonance.

I had the fortune of meeting Jean Lachapelle, a young architect who stood out for his charisma, background, and profound knowledge of art. In this sector, many pretend to be PRs, but without the necessary vocation and charisma, their management is limited to impersonal invitations. True audience management requires authentic connections.

Jean assumed responsibility for Public Relations for our international gallery in a city with deep roots in local art. He was the architect of a strategy that summoned more than 1,000 people

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across just 10 shows in little over a year, positioning the gallery as one of the most culturally and socially relevant of the moment.

The secret? Understanding that an international gallery needs the backing of a local PR specialist, as they are the direct bridge between the cultural offering and the community.

All invitations bore the legend: "Jean Lachapelle Invites." Although they included the gallery logo, we always gave him his place as "Symbolic Director" of Public Relations.

I witnessed hundreds of people arrive at the gallery and affectionately greet Jean, who would then introduce me. I understood they were there for him; my role was different, and he shined in his.

This respect is vital. The envy some gallerists feel toward the social leadership of their PRs is a catastrophic defect, as the attempt to "bypass" the publicist to achieve a sale is usually motivated by ego.

This young man, under 30 years old, managed to position an international gallery in a complex city like Guadalajara. His secret? His charisma. Ours? Total support for his work.

An outstanding PR specialist is not measured by the size of their contact list, but by the affection and credibility they generate in the community. If the central purpose of the exhibition space is the cultural offering, respect and support for the public relations specialist are indispensable.

Final reflections

Gallery Exhibition Spaces exist to exhibit art, not primarily to sell it.

PR specialists are not salespeople; they are the gallery's ambassadors to the community.

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The secret of art galleries that transcend: The Editorial Department

The art of organizing, understanding, and sharing an artist's trajectory and work

By Héctor Díaz

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Introduction

In the ecosystem of art galleries, the most visible areas are undoubtedly Exhibitions and Collections.

However, there is a less known area, yet one that is fundamental to the success of the others: the Editorial Department.

This department is the most consequential for the gallery, its artists, and its collectors, as it transforms the lives and art of those represented into a legacy.

In this world, "pseudo-artists" are the rule, while true artists are the exception. Let us not forget the essential questions: Is every painter an artist? Is every painting art?

In this industry, exhibitions are ephemeral: they last one or two months in a gallery, and three or four months in a museum.

In this trade, there is only one excellent collector: the next one.

While managing a gallery amidst artists, exhibitions, and collectors is complex, only the editorial aspect guarantees that the ephemeral transforms into the permanent, thus achieving transcendence.

Any "Art Shop" can boast of many exhibitions, and any "pseudo-gallerist broker" can manage sales.

But only institutionalized, international art galleries that represent true artists can assume, sustain, and boast of a serious editorial department.

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Understanding the Editorial Department

The essence of the Editorial Department is research and publishing; therefore, its development demands deep specialization from the gallery on several fronts: Analysis, Copywriting, Editing, Style Correction, Translation, Image Compilation, Editorial Design, and the guidance of experts with excellent taste.

An artist's legacy is supported and organized through publications with a clear hierarchy of importance, ranging from the foundational to the highest editorial honor:

- **Base Documentation.** This is the information that defines the artist's trajectory and conceptual framework. It contains the essential elements for their presentation: the Artist Statement, Biography, Exhibition History, and Bibliography.
- **Essays.** Fundamental writings (internal or third-party) that validate and amplify the artist's discourse within the market and specialized criticism.
- **Media & Communications.** Dissemination tools that articulate the artist's narrative to the press and the public. This includes Articles (opinion pieces for media), Press Releases (formal information on exhibitions, events, or achievements), and Media Compilations (external appearances in the press and communication platforms).
- **Wall Text.** Exhibition and didactic material (captions and curatorial texts) designed for the public visiting the exhibitions.
- **Minor Catalogues.** These publications are operational and specific in nature, designed mainly for the Collections area. Their focus centers on: Exhibitions (solo, duo, or group), Works for Sale (available originals and graphics), or Specific Themes (iconic works, highlighted series, etc.).
- **Major Books.** These are publications that imply significant editorial effort and establish the artist's authority through deep study. They encompass biographical monographs, books dedicated to specific series, collections, or eras, as well as retrospectives or definitive compendiums of their work.
- **Catalogues Raisonnés.** These represent the highest editorial honor for an artist. They document all, or nearly all, of their body of work. Their publication not only consolidates the legacy but serves as the pillar that guarantees the authenticity of the pieces and backs the collector's investment.

A losing business or a barometer of quality

The reasons why most galleries lack an editorial department are many, but they boil down to two: investment and commitment.

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An editorial department demands investment in time and money, as well as the hiring of specialized personnel. It also requires the initiative to undertake, develop, and successfully conclude such editorial projects.

True representation of an artist by a gallery must include this initiative; artists are creators, not editors.

The objective of this investment is the transcendence of the artist and their art, solid positioning in the industry, and providing invaluable documentary backing for collectors.

As Larry Gagosian once noted, the editorial arm of his gallery is a "losing" business. However, artists and collectors love books.

What gallery would invest in a book if they didn't believe in the worth and future of their artist?

The quality of editorial production is, in essence, a barometer of the quality of the represented artists.

Conclusions

It is urgent that galleries become aware of their editorial responsibility. Even on a small scale, without a formal department, it is imperative that they produce minimal documentation, such as writing an essay, a short biography, or a well-organized exhibition history.

Artists do not just need "ephemeral" exhibitions and "sporadic" sales; they need solid editorial backing that constructs their historical narrative.

Galleries must assume a real commitment to their artists to initiate and materialize these initiatives.

The gallery must be that space which ensures that the art of those it represents manages to transcend.

In the end, it is not about simply being a known gallery, but about being a respected gallery; and the Editorial Department is the means to achieve it.

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Present, Future, Past: Artist representation in art galleries

By Héctor Díaz

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Introductory context

Today, any artist and any gallery is international. We are experiencing, like never before, the globalization and digitization of the art industry. Reports on collecting and the art market from Artsy and Art Basel & UBS in recent years indicate that around 80% of art acquisitions occur digitally; those without a presence and strategy in the digital world are effectively out of the industry, competing only locally and regionally.

We are witnessing a massive production of "artists" and "art," but this is not matched by the available galleries. Thousands of students graduate from fine arts schools every year, while at the same time, more galleries close their doors annually.

Galleries are too scarce, and extremely selective with the representations they assume. Financially speaking, an emerging artist represents a cost; this is why galleries tend to incorporate mid-career or established artists, as they are validated brands known in the market that require less investment for their positioning or commercialization.

The main challenge for a contemporary artist is to learn about sales strategies, digital marketing, content creation, and brand positioning.

The operation of a gallery entails enormous challenges worthy of an international organization: work teams, artists, national and international collectors, gallery and museum exhibitions, events, fairs, auctions, alliances, media relations, editorial matters, websites, social media, logistics, financial planning, and so on.

The main challenge for Mexican galleries is entering the international market. According to Magnus Resch, an economist specializing in the art industry and author, Mexico in 2024 holds

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less than 1% market share of global art sales. The Mexican art industry is locked in its own market; it must find channels to the outside world.

Like any business, there are regular galleries, good galleries, and very good galleries.

Present

Regular galleries—or rather, art shops—work with the present of the artists. Their business model consists of selling whatever works are available. Sometimes they hold exhibitions, mainly group shows with many artists and works; their strategy is to sell—it doesn't matter what or to whom. The artists are part of a model that favors the misnamed gallerist—who is truly just a commission broker—but not the artists themselves. If one believes that simply because they sell pieces they are a good option, they are mistaken; yet, this is what abounds in droves. Their commissions tend to be as high as those of a gallery, but without all the benefits. They collaborate.

Present and Future

Good galleries work with the present and the future of the artists. They are characterized by understanding the creator today, and by their projection in the market and industry in the medium term. They usually plan well-curated solo exhibitions with professional teams, either in the gallery or in museums. They focus on the artist's positioning through exhibitions, fairs, auctions, and international markets. They distinguish themselves by supporting their artists in the creation of artistically and financially viable series. They represent.

Present, Future, and Past

Very good galleries work with the present, the future, and the past of the artists. These organizations, or gallerists, understand that the more organized an artist's past is, the more integrally they are presented in the present, and the more their projection into the future is potentialized. They understand the artist not only today but in all their stages. They support them with gallery and museum exhibitions, prominent collections, fairs, auctions, alliances, market openings, catalogues or books, media coverage, curators, work teams, and digital strategies. The artist has worldwide representation.

Reflections

The more artists a gallery has, the more mediocre its representation. Gagosian has around 250 artists, but it has 19 locations—that is, fewer than 15 per gallery. The international standard for a

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medium-sized gallery with a single location is between 20 and 40 artists. How is it possible that in Mexico there are pseudo-galleries with 100, 150, 200, and even 300 artists? Magical Mexico.

The obligatory question is: how many "very good" galleries do we have in Mexico? We are very few.

The great challenge for Mexican galleries is institutionalization and internationalization.

This should not discourage artists, but rather encourage them to professionalize and prepare themselves in areas outside the studio, as Mexican galleries are experiencing a moment of stagnation.

Gagosian only represents artists when they are already successful on their own. True galleries do not seek problems; we seek opportunities.

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Mexican galleries: Lagging behind in global art sales

By Héctor Díaz

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Sadly, Mexico holds less than a 1% market share regarding global art sales. This is not due to a lack of artists or art, for talent and creativity abound—take, for example, Jalisco and Oaxaca, cradles of great artists. It is due to a lack of galleries. In this country, the trade—or perhaps the vocation?—of the "gallerist" has almost gone extinct. There are art dealers, but most are merely brokers presiding over art transactions. The question is: why are there no gallerists if there are so many art galleries?

People tend to think a gallery sells art, but that is as naive as thinking Rolex and Nike sell watches and sneakers; one sells success and the other motivation. So, what do galleries sell?

- **To their artists:** Projection, popularization, and transcendence.
- **To their collectors:** Introduction, expansion, and projection of collections.
- **To their communities:** Access, education, and cultural spaces.

The majority of art galleries in the country are, in reality, art shops. Their purpose is to commercialize pieces; they are unaware that the business lies, firstly, in the representation of collectors, and secondly, in the transcendence of their artists, as well as in the cultural impact on their community and country.

The engine of an art gallery is sales, just like any business, but that is neither its *raison d'être* nor its ultimate goal.

Where are the Mexican gallerists representing collectors and artists, dignifying the trade and holding Mexico high?

Many current and past Mexican art dealers have damaged the Mexican art industry because their business model is limited to lining their own pockets. It must be said: they do not add value to

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their collectors, nor to their artists, nor to their communities; they are oblivious to their cultural and social responsibility, as well as to the contribution they should be making to their industry.

As if this were not enough, formal representations of artists by Mexican galleries are few and far between. It is not solely about selling, but about the projection and transcendence of the creators. How many living Mexican artists are auctioned at the world's best auction houses? There are very few Mexican galleries where artists and collectors feel truly represented. The representation of collectors—not just artists—is also necessary, and urgent.

Most renowned Mexican galleries have disappeared, and current ones face challenges so great that their future is uncertain. Mexican gallerists must raise their game; without their professionalization, Mexico will remain lagging behind in the global art industry. It is not about being the best in the city, the state, or the country, but about competing globally, because this is an industry where all actors are international.

Understanding the business of art is one thing, but understanding the industry of art is another; they are distinct. For example: today, 80% of art sales occur on digital platforms. This represents 20% or less of gallery sales in their local market. The challenge for galleries is presence and strategy in foreign markets with high market quotas, such as the United States, China, and England. A Mexican art gallery that sells only to its local or national market is destined to stagnate or fail, because collecting resides in other markets.

Executive positions at the world-famous—and powerful—Gagosian gallery are held by executives from consulting firms with backgrounds in administration and finance. Who is running Mexican galleries?

Institutionalization and internationalization are words unknown to almost any Mexican gallerist, yet both are essential to compete in this business. This business needs no more dealers or brokers, but gallerists who understand the industry—not just the business—of 21st-century contemporary art.

I propose 5 fundamental pillars for any gallery seeking to start, continue, or make a difference:

1. **Institutionalization** to operate as an international organization, not a local business.
2. **Internationalization** through communication, presence, and strategies in major art markets.
3. **International Standards** regarding artists, collectors, and exhibitions.

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4. **Corporate Practices** that promote the transcendence of the gallery-organization.

5. **Advisory Board** featuring prominent members of the business and cultural worlds.

The romantic side of galleries must be breathed, but the corporate side must be implemented.

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Artists vs. Collectors: Whom do art galleries represent?

By Héctor Díaz

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Art galleries represent artists—this is true—but we never hear that they also represent collectors.

It is believed that an art gallery is merely the means for an artist to sell and a collector to buy... this is true, but galleries are not solely dedicated to commercializing art. Does Rolex sell watches or McDonald's hamburgers? No! Every business needs sales, from a barbershop to a rocket manufacturer, but they do not sell their product as such; they sell the value it generates. As Warren Buffett said: "*Price is what you pay. Value is what you get.*"

What does an art gallery sell? What is the value it offers? Simple:

1. Projection, popularization, and consolidation of artists.
2. Fostering, initiation, and growth of collections.
3. Access, approach, and art education for their communities.

The representation of an artist depends on the stage they are in (and there is competition in all of them): Emerging, Mid-Career, Consolidated, or Established.

The artist is supported with: studio, materials, curators and exhibition designers, solo-duo-group exhibitions, graphic works, museums, fairs, biennials, auctions, articles, catalogues and books, new markets, and collectors (amateur, professional, and high-profile)—in general, building their career in the industry together. To think that the purpose of a gallery is sales is to misunderstand the business. The value a gallery offers its artists is transcendence.

How many artists have impressive CVs, yet low sales or low market values? Trajectory is not synonymous with sales, nor is talent.

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The true success of an artist lies in their collectors; they are not buyers, they are "collectors." So, how do you get collectors? By representing them!

Representing a collector relies more on Dale Carnegie's theories; they are supported in other ways. There are many types, but I will mention three:

- Novices: They don't know about art, so they are involved and taught.
- Knowledgeable: They have predetermined themes and styles, as well as a limited portfolio.
- Open: Open in both proposal and budget.

A true gallerist, just as they know as much as possible about their artists, also knows as much as possible about their collectors. Just as they call an artist to say hello and check on their works and series, they call their collectors to say hello, ask about their businesses and families, and share the latest news from the art industry.

Clients are infinite; collectors are finite. You sell to a client; you represent a collector. Collecting does not simply exist: it is fostered, pursued, created, preserved, and treasured.

Larry Gagosian, the world's best gallerist, is known for representing collectors.

One of the great questions in the industry is: Should collectors meet artists? It depends. In most cases, only superficially, because the artist lives in a universe distinct from that of the collector. Both are part of the ecosystem, but they are extremely fragile together; that is what the gallerist is for—to bridge and contain them.

It is believed that the art business consists of buying low and selling high. This applies to the secondary market, since the owner of a work can sell at whatever price they wish. But in the primary market, what sense would it make to build a career only to pay the artist poorly?

When representing both the artist and the collector, the best value for both must be considered; a fair balance must be prioritized.

What moves the art industry then, the representation of artists or collectors? Many can represent the artist, because the path is "known." Few can represent the collector, because the path is "unknown." A collector does not lack money; they lack trust.

True art deals do not happen in galleries; they happen in trusted environments: homes, restaurants, bars, trips... Details are analyzed in bureaucratic calls or offices, but the deal is the outcome of a friendship.

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A good gallery is not measured by everything it does—publicly—with its artists, but by everything it does—privately—with its collectors.

You cannot represent an artist without representing a collector.

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Painters who call themselves Artists

The disappointing reality of impunity eating away at the art industry

By Héctor Díaz

Published in **El Economista** of Mexico on **February 12, 2024**

Article: <https://www.eleconomista.com.mx/opinion/Pintores-autodenominados-artistas-20240212-0021.html>

Is every painter an artist? Is every painting art?

The artist creates, starting from their own inspiration; they possess talent, they express, they propose, and they transcend.

The painter reproduces, starting from someone else's inspiration; they lack talent, they do not express, they do not propose, and they do not transcend.

Plagiarism. For many painters, it is extremely easy to access the internet, search for images, and take whatever they please by the handful for their paintings. Is this valid?

This article is titled "Painters who call themselves artists," but it could well be titled "The disappointing reality of impunity eating away at the art industry."

Let's dive in.

An image is not on the internet by the work of the Holy Spirit; it was taken by a photographer, or created digitally by an artist. Therefore, it has authorship and copyright belonging to the artist, the models, or the company.

There are websites to buy images—Shutterstock, for example. These platforms have clear public policies specifying the permitted uses for each image, such as promotional use for commercial purposes, but always paying for and crediting the artist.

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Question for the artist: Have you ever read on these sites—which allow downloading or buying images—the authorization to paint and sell a painting for thousands of dollars? Answer: No. Internet images for sale are for promoting products or services, not for making paintings where there is supposedly an "artist" behind them.

Stealing or buying images from the internet to use in a painting is artistic plagiarism. However, it is valid to use internet images—paying and giving credit—as complementary elements of a unique composition.

Artists create; painters reproduce.

Authorship

Any artist or creator holds copyright and is protected by Law. It is an abuse by a third party to use their work—and charge for it!—without prior authorization or license.

When a painter steals or buys, legally they should give credit, but the vast majority omit it. Why? Because they do not want to expose themselves to a lawsuit; they know they are using an image that is not theirs; they are conscious of the plagiarism; they are cynical and shameless. And because they pass themselves off as artists when they are merely painters, hiding their lack of talent and originality by reproducing and recycling the work of others.

Recycling

Regrettably, and with the same cynicism, some painters do not steal or buy from the internet, but rather paint the same work multiple times. Examples:

- Changing elements: Suppose there are five characters arranged in the composition; in another painting, the same five are there, but placed elsewhere.
- Flipping the image: In one painting the character looks to the left; in another, they look to the right.
- Cropping the image: In one painting we see the full face, and in another the same image, but cropped.

This is known as artistic recycling or self-plagiarism.

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Impunity

To call these "bad artistic practices" would be putting it politely. A collector, a gallery, or an auction house would call it fraud.

Painters who steal and recycle do so because of the tremendous impunity they enjoy.

- Who defends the galleries that collaborated with or represented them, that physically or digitally exhibited them, that sold works by pseudo-artists?
- Who defends the auction houses that included reproductive painters in their catalogues and have sold works by pseudo-artists?
- Who defends the media outlets that published articles in good faith, unaware that the images in the works belonged to third parties, or were recycled pieces?
- Who defends the collectors who paid for a work with unknown or recycled authorship?

Solutions

- Galleries and Auction Houses: Upon identifying stolen works, do not return them to the artists; hand them over to the authorities. Make it public.
- Media: Let us not permit this; let us denounce it. Let painters who call themselves artists and who steal and swindle be punished.
- Collectors: Do not acquire works without first verifying on the internet who the original author is and to whom the rights belong. Suggestions: Google Images search, or specialized "reverse search" sites like pimeyes.com.

Reflections

Mexico has unique and universal artistic talent. Let us boost the true artists who give us identity, who exalt our country, and who represent us with their art in the world.

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What gives art its value?

By Héctor Díaz

Published in **El Economista** of Mexico on **December 12, 2023**

Article: <https://www.eleconomista.com.mx/opinion/Que-le-da-valor-al-arte-20231212-0053.html>

We have all heard that art is an investment, but is it really? And what kind?

Frankly, yes, it is an investment, but before it is financial, it is an investment for the soul: it makes us feel, think, reflect, and find daily inspiration.

It can be a financial investment, but it depends on the amount invested—yes, the amount invested! That is to say, will a work priced between \$5,000 or \$15,000 USD, or \$15,000 and \$30,000 USD, see appreciation? The truth is, it's a coin toss.

A high-value work is, in reality, an expensive piece, but not necessarily an investment... it is easier to buy than to sell. Have you ever tried to sell?

I have to say it: the higher the investment, the more likely it is to maintain, and perhaps increase, its value.

A practical guide to understanding everything about a work

1. Artists. There are four categories:

- **Established (or Blue-Chip):** They have a memorable trajectory; they are represented by the best galleries in the world; they have works in museums and notable collections; they enjoy worldwide fame in the industry.
- **Consolidated:** Their trajectory is outstanding; they are represented by good galleries; they have works in important collections; they enjoy a certain fame in the industry (not necessarily international).
- **Mid-Career:** Their trajectory is still forming; galleries give them certain opportunities; they have some works in collections; they are starting to become known.

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- **Emerging:** They are starting out in the industry; they are usually looking for galleries to represent them; they begin selling works to buyers rather than collectors; they are not yet well known.
2. **Artistic Discourse.** These are the deep expressions and narratives of the artist. The discourse exists once the works are made. Only with time can one comprehend and analyze the invisible language and artistic proposal.
 3. **Theme / Subject Matter.** What a work is about: a historical event, a culture, love, heartbreak, war, politics, a portrait... it is infinite. There are works with themes that are more accepted by society, as well as others that are more rejected.
 4. **Technique and Medium Materials:** oil, acrylic, mixed media, watercolor, pastel, pencil, gouache, Chinese ink... Supports: cotton canvas, linen, paper, cardboard, wood, MDF, aluminum...
 5. **Composition.** This is how the elements within a work are organized: size, color, texture, position, space, gravity, meaning, function, and rhythm. Furthermore, the following principles must be considered: Center of Interest, Directionality, Contrast, Symmetry, Law of the Gaze, Law of the Horizon, Rule of Thirds, Rule of Odds, and Simplification.
 6. **Mastery.** Even among artists there are levels; discourse, theme, technique, composition, etc., are not enough... the great artists have mastery in their art.
 7. **Rarity.** There are works with unique characteristics—historical, personal, aesthetic, etc.—making them extremely rare and thus collectible. Example: an artist's self-portrait.
 8. **Condition.** Quality matters, greatly. Attention must be paid to the physical condition of the medium. Varnishes help protect the works, but not all artists use them; some collectors even prefer paintings without these applications.
 9. **Format (Size).** Are large works more expensive? Not necessarily. There are masterpieces that are small, medium, and large in size; the same goes for poor paintings.
 10. **Authenticity.** Fake works exist; this is common, mainly in the secondary market. It is important to note that authenticity also applies to artists who steal ideas or compositions from other creators, claiming them as their own; this is and always will be plagiarism.

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11. **Provenance.** It is worthwhile to know where the work has been, for example: galleries, exhibitions, auctions, fairs, museums, or collections. Sometimes, works increase their value after being exhibited in museums or after belonging to important collections.
12. **Galleries Representation.** is extremely important: gallerists are (to a great extent) the architects of careers and the endorsers of values.
13. **Art Fairs.** There are fairs for artists and for galleries; the latter are an achievement for the artist because the gallery considers that the person and the work are ready for the international market and experienced collectors.
14. **Auctions.** In terms of collecting, auctions help with the public record of works' market values, as well as the artist's sales over time. Who sets the price for art? Galleries and artists, but also international auction houses.
15. **CV (Curriculum Vitae).** This is the artist's exhibition history. Many or few exhibitions—solo or group—are not synonymous with the work being good or its value being high. There are very long CVs with very poor artistic proposals; there are also short ones with spectacular quality of discourse and mastery in the work.
16. **Collections.** Being in the MoMA collection is not the same as being in the Museo Soumaya collection, nor the same as being in an international collection with transcendental works, or in emerging collections or those belonging to trinket buyers and dabblers. Although redundant: not all collectors are collectors. Just because an institution or person has a lot of art, it does not mean they have a collection. Collections are not measured by quantity, but by the knowledge and respect for the artists and the works.
17. **Media / Press Coverage.** Newspapers, magazines, television, radio, social media, podcasts: how do they benefit an artist and their work? As we say in Mexico: "A saint that is not seen is not adored." The role of the press on art helps to back the artist's career. Any collector would feel supported before buying a work if the artist was published, for example, in *El Economista*, due to its prestige.
18. **Value and Price.** Value is intangible; price, besides being tangible, is negotiable.

As Warren Buffett once said: "*Price is what you pay, value is what you get.*"

In art, value is the most important thing.

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In conclusion, knowing so much about art can be overwhelming when buying a work, but doing so without knowledge can result in a disappointment in the long run.

In my opinion, the best investment in art is through works that generate inspiration in your day-to-day life.

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Le Galeriste

By Héctor Díaz

Published in **El Economista** of Mexico on **September 14, 2023**

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Larry Gagosian, founder—and current director—of the international chain of modern and contemporary art galleries, Gagosian, once said: *"I believe in the popularization of art. But when you look closely, it's a somewhat elitist world. Not just economically elitist: how many people read poetry?"*

What does it mean, what does it entail, to be a gallerist?

Art dealers sell art from the primary or secondary market, consigning or buying outright, with or without exhibitions, physically or digitally. They are mainly merchants of paintings and sculptures. They possess a confused vocation, as their vision is often short-term: they focus on the product and not the creator. A gallerist sells two intangibles: their credibility and the projection of their artists. This requires two virtues: good eyes to recognize talent and excellent ears to listen to the market.

The gallerist primarily focuses on the primary market. They are the representative of a select group of creators. Their field of action is the so-called "Art Industry," an ecosystem composed of artists, galleries, collectors, auction houses, art fairs, museums, and media, as well as relevant actors within the sector: curators, critics, etc. Their vision is long-term with artists and collectors; they seek to retain and serve them indefinitely.

The relationship with their artists is elegantly "sui generis": it is born from admiration, grows with sustained passion over time, and is consolidated through a loyalty incomparable in other industries. The best representation does not warrant contracts, only a word of honor. It is naively believed that gallery management lies and flourishes within the gallery itself, but this is not so... No one enters a "serious" or "formal" gallery to buy an artwork—that happens in art shops, not art galleries. Sales are proportional to the gallerist's reliability; they happen in trusted environments, not at crowded Openings with strangers.

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An open gallery is the necessary "space" to follow up on the famous "Exhibition Program" (the artist's exhibition schedule). However, true gallerists place works before exhibiting them, sometimes even before they are created, such that the exhibitions are a Show (hence the common US usage) for the non-buying public, as well as for media promotion.

The gallerist must be redefined: they are not an art merchant, but an art visionary; they are not a hero for artists, but a talent representative; they do not have a specific role, but are an entrepreneur in an industry that constantly transforms and reinvents itself. No one teaches a gallerist to be a "Gallerist." An art merchant constantly deconstructs and builds himself; none know how to foster collecting or create collectors—until they do! The gallerist's personality is key, but the secret lies in credibility; it is the most important, and perhaps the least observed, factor, because collectors do not buy from artists—they buy from gallerists, who are the guarantors of values and trajectories.

True collectors do not lack money; they lack trust. The function of the gallerist is not to sell art; it is to create or expand collections. Gallerists have internal and external clients: artists and collectors. Both trust the gallery and expect results—economic, of course, but also intangible. That is, it is strictly indispensable not just to sell a work at a high value, but to maintain and increase those values in the future.

The art of selling art consists of making someone acquire a work they love but do not need. It is the gallerist's magic that causes a work to be admired, desired, collected, and treasured. In Gagosian's words: *"Nobody really needs a painting. It's something you create value for in a way you don't with a company. It's a collective act of faith that makes an object valuable. Maintaining that value system is part of what a dealer does—not just making a transaction, but making sure important art feels important."*

The gallerist's trade is not to sell art. Their vocation with artists is to consolidate trajectories. Their mission with collectors is to provide them with excellent art and certainty. Their personal purpose is to build a reputation (even more important than that of their artists).

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The Business Model few visual artists undertake (and urgently should)

By Héctor Díaz

Published in **El Economista** of Mexico on **March 30, 2022**

Article: <https://www.eleconomista.com.mx/opinion/El-modelo-de-negocio-que-pocos-artistas-plasticos-emprenden-20220329-0129.html>

An artist should not worry about the price of their works, but the value of their name and art. One way to elevate an artist's value is by creating collections, not independent pieces.

Imagine a talented and hard-working writer who, day after day, writes small stories—exciting, captivating, even dazzling narratives. They write a lot, although some days they face the unknown of what to write; sometimes their work lacks meaning or direction, and without intending to, they manage to get lost before and amidst their own talent. The writer's problem is not a lack of vocation or hours of effort, but the lack of something bigger.

If this writer were working on a novel—a more complex and ambitious endeavor—their vision would be different. Every day would advance with a defined purpose, allowing them to delve deeper without constantly facing small, individual stories. They would gain readers, work with publishing houses, and position themselves in the industry.

The same thing can happen to a visual artist: creating individual works instead of a collection.

Many artists paint without direction, focus, or vision. This does not diminish their talent, but it does not add value in the long term, because their pieces are standalone, not part of something much greater. They generally create whatever comes to mind that day, that week, that month. Themes are varied: a person, a couple, an abstract, a landscape, a nude... Techniques are scattered: oil, acrylic, mixed media, pencil, charcoal...

It is not enough to produce a spectacular, memorable, and transcendental work in a short time... but it can be done over weeks, months, or years.

As Vargas Llosa once said, "the characteristic of a good novel is its length."

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What is a Collection?

A collection is a limited series of artworks (paintings, sculptures, etc.). It allows the artist, the gallerist, the collector, the viewer, the critic, and the media to have clarity of discourse, theme, intention, and consistency regarding the artistic proposal.

A collection is, in itself, a business model that every artist should be familiar with, understand, apply, and adopt.

Because creating art is easy; living from it is complicated. To expect that "someone" (who?) will someday (perhaps never) see the work and discover the next Picasso is almost utopian. Selling independent pieces is, unfortunately, the standard for a vast majority of artists. However, let us pause, reflect, and ask ourselves: is consolidating as an artist achieved piece by piece?

How to develop a Collection

We can group the project into two areas: artistic and administrative.

1. Artistic

- **Discourse.** Define what you want to express; write a draft—this might take a few days or weeks. It is important to reread and rewrite it as many times as necessary. In my opinion, the discourse should not be shared with family or friends, as they do not feel the same way as the artist and it may be misunderstood; it should, in my opinion, be shared with the gallerist, as together they will go out to the market—and the world—to show and offer the collection. In theory, no art dealer should offer and/or sell what they do not like or do not understand.
- **Style.** A consolidated artist has a consolidated style. The collection allows the artist's characteristic style to be defined, accented, and reinforced. It is a very serious mistake to manage multiple styles—imagine a hyperrealist painter attempting abstracts.
- **Technique.** Do not experiment; stick to a defined medium (e.g., oil on canvas and pencil on paper, but not both at once across the series).
- **Palette.** Visual homogeneity and personality.
- **Format.** Small, medium, large, or mixed.
- **Quantity.** Approximate or exact number of works needed to achieve the series. Otherwise, there is a risk of creating without expressing what was intended, or creating too much unnecessarily. Suppose the artist wants to paint 15 people they admire; this obviously determines the quantity of works, making it clear that 5 are not enough and 25 are not needed.

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2. Administrative

To determine the cost of the collection, the following must be specified: quantity of works, production, costs, expenses, and the value of time.

- **Production (Rhythm).** The artist is the only one who knows their work "rhythm"—how much they produce (1 work a day, 1 every 3 days, 1 per week, 1 every 15 days, 1 per month)? Knowing this will determine the required time (with breaks) to conclude. This helps set defined schedules and avoid being creative only in moments of inspiration. A completion date must be established.
- **Costs (Materials).** Brushes, paints, canvases, stretchers, gesso, etc. Suppose the cost of a single painting is \$50 USD, and the series will be 15, the investment in materials will be \$750 USD.
- **Expenses (Overhead).** Meals, electricity, internet, studio space, gas, etc.
- **The value of time.** It is indispensable to assign a value to the artist's time—how much is their work week worth? One must be realistic and not set too high a value; the profit is in the sale of works, not in a salary.

Fictitious example

For a collection of 15 works over a 3-month production time:

- **Material costs:** \$750 USD
- **Expenses (Overhead):** \$1,000 USD
- **Artist's time value:** \$2,700 USD
- **Total collection cost:** \$4,450 USD
- **Unit cost (per piece):** \$297 USD

Note: Typically, materials are the lowest cost, followed by expenses, with the artist's time being the most expensive factor.

Good prices with respective profit percentages would be: \$594 USD (100% markup), \$891 USD (200% markup), and \$1,188 USD (300% markup).

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Cost and Price

In the art industry, prices are not determined based on costs and profit percentages, but through perceived value. Cost is what it takes to produce the collection. Price is the amount of money expected to be paid for a work. Value is the perception of the artist and their art.

The price should not change depending on the market. Anyone who says "a work of art is not worth the same in a small city as in one of the world's major capitals" is mistaken. Markets may change, but values do not. It is important to note that a work of art is not worth the same in the hands of a buyer who wants to decorate as it is in the hands of a collector who values a well-executed collection.

An artist should not worry about the price of their works, but the value of their name and art. One way to elevate an artist's value is by creating collections, not independent pieces.

Let us recap

A collection is a set of pieces produced over a certain time under a defined concept; this production has a value in the market.

It is interesting that, unlike other industries, the generated work does not lose its value in the long term (provided the artist remains active in the market, of course).

Surviving in the industry requires the artist to be an entrepreneur, operating a factory and not—romantically—a studio... ateliers produce pieces; collections demand structure.

A collection allows an artist's value and art to increase because it belongs to a more elaborate and limited project, thereby justifying and backing the prices of their works.

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Corrupted integrity: The open secret of why artists and galleries fail to grow, decline, or disappear

By Héctor Díaz

Published in **El Economista** of Mexico on **August 27, 2021**

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Why do the world's best galleries represent only a few artists? Is there not enough talent or art? What are the main disappointments in the industry?

The trade of the protagonists—creators and art dealers—consists of:

The Artist

Today, the world houses a greater number of artists, due to multiple reasons: family and societal acceptance of artistic careers; material availability; ease and free access to learning on the internet; and tools unthinkable just a decade ago, like social media, among many others.

However, it is truly complicated to stand out. The artist competes not locally, regionally, or nationally, but on an international scale.

Today, it is not enough to produce spectacular art; it is necessary to build a sexy, attractive, and reliable brand to position oneself among thousands of artists.

It should be noted that individualism in art is justified, as the artist is with themselves all the time; thoughts and feelings are intrinsic tools, and they do not work in a team as in most professions.

What does an artist do?

1. **Live.** Art is the harvest of experiences.
2. **Contribute.** They believe they can, and must, give something to this world.

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3. **Experiment and consolidate.** Define a style that characterizes them; some are born with mature artistic proposals, others spend a lifetime searching; and then there are those who copy, steal, and appropriate.
4. **Face misunderstanding.** The artist often suffers; their way of expressing themselves is distinct; family, partner, friends, collaborators, and spectators do not always applaud—they also judge and criticize.
5. **Secure resources.** The studio, materials, shipping, travel, all cost money (not counting personal matters). The best scenario for an artist is to create while their gallery(s) commercialize, but this generally does not happen: the creator works under economic limitations, their expenses and inventory grow, and their space and creativity are compressed.
6. **Exhibit.** After creation, this is perhaps the second most satisfying moment: presenting the work to spectators—looky-loos, freeloaders, judges, prospects, clients, collectors.
7. **Handle rejection.** Sometimes the work is misunderstood and overlooked; galleries, art dealers, exhibitions, and auctions fail to sell; exhibitions are canceled; relationships with galleries end; new galleries do not offer opportunities to join; the press does not interview them. The industry is warm when there is success, but normally very cold, below zero.
8. **Deal with opportunity cost.** Sending works to an exhibition or gallery is not always financially successful. The artist invested in packaging and shipping, the works were exhibited for a determined time but did not sell, requiring them to be returned later. In other words, they invested and, additionally, halted the sale of the work.
9. **Taste ephemeral success.** A sale, an exhibition, an article, an award... momentary "pats on the back."
10. **Return to the start (as a general rule).** Creating a collection from scratch is very difficult: creatively, financially, exhibition-wise, and commercially.

The Gallerist

The visible part of a gallery is the exhibitions; the invisible part—unknown to most—is the most important.

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As a relevant fact, good galleries are characterized by representing few artists; bad ones collaborate with many, as they do not understand the trade, inflate inventory, and act as "Artistic Convenience Stores," believing that many products (works) are synonymous with prestige... it is the opposite.

The main reason for working with a select group is due to the implications of genuine gallery management.

The glamour of the gallerist almost disappears upon learning the true job. Despite the great effort of a gallery to mount an exhibition, there is no guarantee of a sale; that is the reality.

We must remember that the following tasks are multiplied by the number of artists represented; in addition to this, there is the daily operation and general administration.

1. **Artist consideration.** The search for talent involves a lot of time, consisting of pre-visualizing the viability of a collaboration between two people, brands, or organizations. There must be a genuine chemistry; the gallery might like a certain artist or vice versa, but if there is no empathy or shared vision, they will not get very far.
2. **Trajectory study.** One cannot speak about someone without knowing them; an artist is not a product with characteristics, but a person with endless stories... The gallerist's time spent reading statements, biographies, and discourses, analyzing solo and group exhibitions, art fairs, biennials, auctions, and alliances, is necessary and essential.
3. **Comprehension of art.** One cannot sell what one does not know; one must assimilate and know as much as possible about the works, the studio, the creation, the techniques, the messages, the mysteries, even the incomprehensible.
4. **Market study.** Determining the commercial potential of the exhibition; financial projections with different scenarios: costs, expenses, financing, leverage, pricing, gross and net profit; validating and assessing fair prices involves analyzing sales history; detailing the artist's perception in the market.
5. **Curating (Selection) of works.** Which pieces to exhibit, existing ones or a new collection?
6. **Packaging, shipping, and storage.** Getting works out of a studio is very complicated and costly; each piece must be carefully packaged; in international shipments, the artist manages export permits, while the gallery manages import documents; receiving and storing works requires a warehouse.

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7. **Physical space.** Sold or unsold, an open gallery costs money. Anyone can hang pictures on a wall with a nail and a hammer; achieving a captivating scenography for a tour is an art in itself, called museography. Manipulating works without damage requires specific technical knowledge. Drafting a consistent curatorial statement about the exhibition that will group the series of works and why it is important to society.
8. **Art catalogue.** A "good" exhibition will have one available, which involves a photo shoot, writing, style correction, editorial design, etc. Graphic designs like the invitation, for social media, etc., imply customized, non-reusable designs. Videos for digital platforms like websites, social media, and media outlets require pre-production, production, and post-production.
9. **Media.** Drafting a press release; public relations; there are no guarantees of coverage.
10. **Legal.** Agreements and contracts require lawyers.

Corrupted integrity

There are several types of incurable cancer in the industry that artists and galleries unfortunately suffer from: dishonesty, disloyalty, ingratitude.

Honesty, loyalty, and gratitude are essential values in this business.

Temptations are commonplace, especially when dealing with money; when the sin materializes, the relationship corrodes until it collapses, dragging down solid foundations and structures between the creator and the art dealer.

The open secrets are:

Sins of Artists

- **A necessary evil.** Believing that their gallery does not deserve the percentage; this means they do not understand the work of promotion, positioning, and commercialization.
- **Working little.** Artists are factories, galleries are stores; without products (art), there are no sales.
- **Lack of inspiration as a pretext.** The artist depends on their thoughts and feelings to create, but sometimes they do not have enough "inspiration."
- **Disorganized work.** Creating without purpose, using different techniques, inconsistent styles, varied formats, or lacking a discourse.

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- **Broken promises.** Promising an exhibition and failing to deliver the requested works.
- **Too many galleries.** Collaborating with many leads to disappointing more than one.
- **Exorbitant prices.** The price is not decided by the factory (artist), but by the market (collectors) or the distributors (galleries).
- **Underselling.** The price of a work should cost the same in the studio as in the gallery, but it happens that the creator sells cheaper to avoid losing the sale. This is extremely serious because it costs a lot to raise the value only to have it lowered—it is better not to sell. If the collector cannot pay, they are not a client for that work.
- **Stealing collectors.** Taking clients away from the gallery.
- **Disappearing work.** Claiming they sent more works to the gallery than were returned; arguing that less art arrived at the studio.

Sins of Galleries

- **Overselling.** Selling at a price higher than agreed upon and not reporting it to the artist.
- **Underselling/Discounting.** Offering discounts on the works and expecting the creator to also assume the discount.
- **Delayed payment.** Selling but not telling the artist (it is very difficult for the artist to find out because they are in their studio, sometimes in another city), using the money for immediate expenses, and eventually paying later.
- **Inventory bloat.** Managing too much art and neglecting what arrived first.
- **Non-existent promotion.** Failing to promote the artist on the website, social media, or in the media.
- **Lack of commitment.** Not thoroughly knowing the works, collections, discourses, techniques, or styles.
- **Broken promises.** Promising an exhibition and failing to carry it out.
- **Charging the artist.** Making creators cover the gallery's costs and overhead.
- **Stealing collectors.** Taking clients away from the artist.
- **Disappearing work.** Claiming fewer works arrived at the gallery than were sent; sending less art back to the studio.

Injust, undeserved, irreversible... that is corrupted integrity.

Héctor Díaz

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Pseudo-art galleries: Crisis or ruin?

By Héctor Díaz

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Article: <https://www.eleconomista.com.mx/opinion/Pseudogalerias-de-arte-crisis-o-ruina-20210624-0091.html>

An art gallery is not the same as an art shop; they may seem alike, but they are not.

A gallerist is distinguished by their commitment to an artist, while an art seller is distinguished by their focus on a product.

"The house always wins" is a casino maxim; no matter which machine the client plays, the organization keeps the earnings.

Unfortunately, there are art shops that loudly and ostentatiously pretend to be galleries through a business model that consists of accumulating—artists and art—bloating inventory (physical and digital). No matter what work is bought, "the house always wins"; commitment to the creator is irrelevant, non-existent, and even utopian.

An artist who specializes in painting produces no less than 30 and up to 100 works per year. Suppose a pseudo-gallery collaborates with 50 artists, and hypothetically each one produces 30 works in a year; this results in an inventory of 1,500 paintings in 12 months... Sadly, those who offer art do not see this. They opt to have many pieces without comprehending the discourses and collections to which they belong. Their sinister formula is simple: lots of art, many artists. They are "Artistic Convenience Stores."

What is an art gallery?

Leo Castelli was an Italian-American gallerist based in New York who commercialized art for five decades. Despite serving and satisfying international markets and being considered one of the best art dealers in the world during his lifetime, he never opted to bloat inventory. Quite the opposite: he stood out for supporting a select group, even when their works did not sell. Castelli had credibility and clients at his disposal. Why focus on few creators? Because his commitment was to the artists, not the pieces.

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Larry Gagosian, director of Gagosian Gallery—today the most powerful and influential man in the industry, operating a chain with more than 15 establishments in various countries—represents around 250 artists. If we analyze the quantity, we understand that even the most important gallery on the planet represents very few; his commitment is to the artists.

Jean David Malat, founder of JD Malat, one of the most innovative and important gallerists in England, works with a group of approximately 30 artists. Consider that this is one of the world's most important galleries, based in London with a thriving international market. There is a profound commitment to the artist.

- Promoting careers and consolidating trajectories distinguishes a gallerist.
- Commercializing art regardless of who it's from or who it's sold to characterizes an art seller.

It is easy to identify them; one only needs to look at the number of creators.

How many artists naively believe they belong to a gallery? How many fall into the trap of a pseudo-gallery that seeks to bloat inventory? Do art sellers know what gallery management means and entails? Are artists complicit by not finding proper sales channels?

A gallerist is a representative; they assume a commitment of many years, even for life. They understand what the creator expresses, support them along the way, promote them, introduce them to markets, accompany them at auctions, but above all, they believe in the person.

It is wrong to think that a gallerist dedicates themselves to selling; they are not a broker. The director of a gallery is a strategist who is knowledgeable about markets, finance, projections, marketing, legal matters, brand positioning, and commercialization, among many other areas.

Art sellers seek their own benefit—a percentage. They tend to have a local vision, rarely participate internationally, and aim to sell here and now, wherever luck finds them, seldom integrating an artist into the global scene.

It is important to note that these shops operate honorably; the owners have a taste for art, and some provide employment... but they are not an art gallery; they are intermediaries between pieces and buyers (not necessarily collectors).

What are the risks for an artist collaborating with a shop? Many.

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One must always decipher whose business it is: the shop's, the artist's, or both? Just because a percentage is divided does not mean it is both's business.

If the creator sells a piece here and there, thinking they are selling everywhere, they haven't understood that it's not about placing works everywhere, but about building a career.

If the relationship between an artist and a seller is based on certain pieces, the creator should not expect career advancement, despite achieving sales with that "Artistic Convenience Store."

Important galleries afford the luxury of not selling when they consider the collector, museum, or institution is not suitable. Art shops sell to anyone, even with a discount, because they cannot "afford" to lose the sale.

We do not lack art or artists; we lack art galleries. Crisis or ruin?

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Revolution and disruption in the art industry: The path is online

By Héctor Díaz

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The shift to online sales offers several advantages to artists, gallerists, and collectors, from increased exposure to the abatement of costs for storing and transporting works.

The year 2020 marked a before and after in the art industry. The traditional is superseded. The established is questioned. The pandemic did not just impact one season; it definitively changed the commercial system, forcing an exodus to the digital world for its main actors: artists, gallerists, and collectors.

What are the challenges? Who is prepared? How does this global, virtual industry work?

The Artist

Not long ago, the artist created to exhibit their work, individually or collectively, in a gallery, cultural venue, fair, biennale, museum, etc. The success of a physical exhibition relied on attendance. Through the traditional exhibition model, reputation, admirers, and collectors were built slowly; a name and trajectory took years.

Curators, critics, and museum directors gradually supported the work... however, this is starting to become a nostalgic memory.

If the artist cannot exhibit in a physical venue due to the pandemic, they will naturally opt for digital platforms. The major issue is international competition; they are not competing with local, regional, or national talent, but with the world.

Today, works are exhibited digitally moments after being completed, but this phenomenon is only the tip of the iceberg.

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Does the artist require a track record to stand out? Previously, a good curriculum consisted mainly of exhibitions and the endorsement of industry leaders. Today, the creator forms their own digital community; many of their followers do not care about the CV or trajectory, but rather the person, their life, and their artistic proposal. It is no longer necessary to knock on gallery doors, queue up at museums, or save money for fairs... the isolated creator builds trajectory and reputation.

The internet not only allows for showing work but also accessing exhibitions and auctions. Sending work to an exhibition or auction is an expense normally paid by the artist, with no guarantee of sale. Now, the standard is to send photographs; if it doesn't sell, there is no expense; if it does sell, the collector pays for shipping from the studio. Digitalization eliminated expenses and provided the opportunity not to move physical works.

Social media allows the use of hashtags—labels that enable filtering and finding—multiplying exposure.

The artist's main challenge is internationalization and the creation of a personal brand. It is impressive to see artists with great careers lacking digital communities, while newcomers, with little or no track record, have thousands of followers who promote them and buy their work.

The democratization of art is not in the price, but in the global offer. What does an artist seek? Create. Exhibit. Sales. Recognition. Transcendence. The path is online.

The Gallery

Art collecting is a contact sport. Exhibiting physically is not comparable to exhibiting digitally; any artist, gallerist, collector, curator, etc., knows this. But circumstances force the adoption of digital exhibition.

In addition, the benefits of digital exhibition are enormous and tangible:

1. **Physical gallery.** Not indispensable. Expenses are not eliminated, but transferred to digital strategies.
2. **Storage.** Not required; the artist assumes the expense and logistics of safekeeping.
3. **Exposure.** The gallery becomes international.
4. **Global talent.** The portfolio of artists can be constituted by creators from anywhere.

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5. **International commercialization.** Sales in any country; this requires knowledge of export and import permits, taxes, and international shipping.
6. **Market penetration.** Local campaign with habitual collectors or in the world's major markets with new collectors? Obviously the latter.
7. **International alliances.** Synergy with other organizations used to happen close to the gallery; today, art catalogs can be made available to interior designers and architects in any country.
8. **Payments.** PayPal, for example, allows money to be received immediately, protecting the collector, and the platform does not release the money until the work has been received.
9. **Positioning.** How many galleries did we know previously? Probably those in our city, and maybe the most famous ones in the world... Today, positioning is international, not local.
10. **Prestige.** Potential to achieve global brand prestige, to be admired by emerging, mid-career, and consolidated artists, and to captivate collectors from other countries and cultures.

What does a gallery seek? Talent. Promotion. Exhibition. Commercialization. Positioning. The path is online.

The Collector

The most favored in this new reality are the collectors. According to the 2019 sales platform Artsy report, the two main motivators for buying art are decoration and inspiration.

Through an incredible, never-before-seen art offering, anyone can now discover, compare, and buy globally.

What does a collector seek? Discover. Decorate. Inspiration. Collect. Investment. Status. The path is online.

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