



Christie's Chief Executive Steven Murphy is leaving the company. *BLOOMBERG NEWS*

# Christie's CEO Murphy Steps Down

Surprise Exit Comes Just Weeks After Rival Sotheby's Votes to Oust Leader

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Steven Murphy is stepping down as chief executive of auction house Christie's, sending shock waves through the art world just weeks after rival [Sotheby's](#) said it would oust its own boss.

The move comes amid surging sales in the global art market. Last month, Christie's set a record for the biggest auction in history, selling \$853 million of contemporary art in just two hours. Between Christie's and Sotheby's, November auction sales this year totaled \$2.2 billion.

Simultaneous turnover at the world's two largest art auction houses is nearly unheard of in recent times and could portend a fundamental shift in the way the art world works, as the character of the auction industry evolves from clubby to corporate.

Not since the two houses were caught up in a price-fixing scandal around the turn of the millennium have the top jobs at both Sotheby's and Christie's changed at the same time. Market watchers will be closely monitoring the situation to see whether it hints at a market downturn and more belt-tightening, or simply marks the latest maneuvering in an industry seeking to professionalize and capitalize on an increasingly global market.

Mr. Murphy, a former publishing and music executive who took the helm of London-based Christie's in 2010, called the decision to step down "mutual and amenable."

"Christie's is at the top of its game, and I'm proud of what we've accomplished," he said.

Mr. Murphy will be succeeded by Patricia Barbizet, Christie's chairwoman and a longtime lieutenant of the auction house's owner, François Pinault. Ms. Barbizet, who is French, has worked for Mr. Pinault since 1989, first as chief financial officer, and later as chief executive, at Groupe Artemis, the Pinault family's investment firm.

While Mr. Murphy said he was stepping down immediately, Ms. Barbizet is expected to take over at the end of the year, according to Christie's spokeswoman Jennifer Ferguson, who added that Ms. Barbizet's appointment is permanent.

Ms. Barbizet wasn't available for comment.

A native New Yorker, Mr. Murphy said for now he plans to stay in London, where his family lives, but didn't elaborate on what his next move might be. He did say, however, that he wasn't headed for Sotheby's, which is searching for a successor to CEO William Ruprecht.

Under Mr. Murphy, Christie's surged ahead of Sotheby's in emerging areas of the global art market, pushing broadly into Asia, expanding online sales and developing relationships with the new art collectors driving the white-hot market for contemporary art.

Christie's advances drew the ire of activist hedge-fund manager and Sotheby's shareholder [Daniel Loeb](#). Mr. Loeb, a contemporary-art collector, claimed Sotheby's was leaving profits on the table and that its management, namely Mr. Ruprecht, wasn't nimble enough to adapt.

Art insiders said the strength of Christie's contemporary-art specialists has given it the edge in winning coveted consignments, whereas Sotheby's has suffered from the departure last year of its world-wide head of contemporary art, Tobias Meyer, who as principal auctioneer was also widely considered the public face of the company.

Some insiders also said that while Mr. Murphy was lauded for his sales successes, others working within Christie's had been frustrated by his focus on taking market share from Sotheby's, often at the expense of profits. Since it is privately held, the auction house doesn't release profit figures but financial analysts say its costs have risen as it has expanded online, pushed into mainland China and established a presence in Mumbai.

"There is a strong sense that with the kinds of [high-price sales] deals taking place, that Christie's was being very aggressive. They have been very generous with clients, and sometimes that doesn't lead to the best bottom-line results," said Michael Plummer, a co-founder and principal with Artvest Partners LLC, and a former chief operating officer of Christie's Financial Services.

Less than two weeks ago, Sotheby's said that Mr. Ruprecht, its CEO, would step down from his post after 14 years.

Sotheby's had faced mounting criticism from Mr. Loeb, the activist investor, who lobbied for cost cutting. Mr. Loeb won a seat this spring on the publicly traded auction house's

board, which has since voted for Mr. Ruprecht's departure. Sotheby's also announced a small round of layoffs this summer.

In a realm largely dominated by European aristocrats and American billionaires who hold sway via school ties and deep pockets, Mr. Murphy stood apart—an art-world novice who climbed the ranks of music and publishing houses before taking on the auction industry.

Before taking over at Christie's, Mr. Murphy was CEO of Rodale Inc., a publishing group known for magazines like "Men's Health," "Runner's World," and "Prevention." Before that, he managed [Walt Disney](#) Co.'s publishing arm and had spent nearly eight years as the president of British record label EMI Music/Angel Records.

By most accounts, he held his own. Mr. Murphy cultivated friendships with major Chinese dealers like Pearl Lam, as well as the maharajah of Jodhpur, India. But he was rarely mentioned in the inner circles of deal making that Sotheby's former CEO Mr. Ruprecht navigated easily.

Ms. Barbizet is described a shrewd businesswoman with an eye for finance. She is vice chairwoman of [Kering](#) SA, the luxury company led by Mr. Pinault's son, François-Henri Pinault, and is on the board of several of the company's brands, including Gucci and Yves Saint Laurent.

The timing of Mr. Murphy's departure was a surprise to many. Mr. Murphy said the decision followed "several months of discussions" with Mr. Pinault and Ms. Barbizet.

But on Tuesday, Christie's 2,000-plus employees weren't all informed of the plan until after the news became public. When asked about the chief-executive resignation Tuesday afternoon, one Christie's staffer said, "surely you mean the Sotheby's CEO?"

The announcement came on the eve of Art Basel Miami Beach, the U.S.'s pre-eminent contemporary art fair, which is known for attracting—and distracting—the art world establishment.

Despite the auction houses' shake-ups, art advisers say the person at the helm of the company largely doesn't influence sales decisions, which are mostly handled by specialists.

"I don't think it's going to hurt either auction house, as long as they're offering consignments to people," said Wendy Cromwell, an adviser and president of Cromwell Art LLC.

—Jason Chow contributed to this article.