

★ Art.com's bold strokes paint \$100M business

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Art.com is an e-commerce Old Master, having survived the first dot-com bust and the Great Recession.

Now the Emeryville company is developing cutting-edge web, social and mobile technology as fast as it can to stay ahead of the e-commerce curve.

The privately-held company, which will tally revenue of more than \$100 million in 2011 after a drop in sales in 2009, is back in growth mode. Sales are growing by double digits this year,

and CEO [Geoffroy Martin](#) believes his company has only begun to tap the potential of the multibillion-dollar global online art market. It just signed a 48,000-square-foot lease at 2100 Powell St.

"The art industry is under-penetrated online because a lot of people don't think of going online to experience art," Martin said. "It's like the shoe category. Before **Zappos**, people did not want to buy shoes online because they felt they had to see the shoe, try it on, and if it did not fit, it's hard to return."

Martin believes that the right technology and customer service will make Art.com the Zappos of the middle-brow art world.

Many customers come to Art.com looking for a framed copy of Vincent Van Gogh's "Starry Night." Art.com also wants to be the go-to resource for window shoppers and browsers who don't know what, exactly, they want to hang on their walls. For them, it has developed a suite of mobile and web-based tools.

There's a **Pandora**-like discovery tool that has users identify an art genre and images they like. Based on their taste, Art.com suggests other similar works.

Then there's the Shazam-like smart phone app, only instead of identifying unfamiliar songs, the Art.com app identifies images. Customers can snap a poster they see on a wall and the app tells them what that image is, and then allows them to buy it from their phone.

Finally, Art.com has a visualization tool so prospective customers can see what a framed piece of art will look like in their home. Users simply take a photo of a room and upload it to the Art.com site. There they can "try on" millions of images to see which fits their decor. Users can also share the piece on Facebook to solicit input from friends and family.

"More and more, we have the opportunity to take the value proposition of buying and discovering art online to the offline world," Martin said. "Buying art offline is actually a pretty bad experience, even if you are lucky enough to live in San Francisco, New York or Paris."

To make the process even easier, Art.com has decided to offer a curated point-of-view to help users navigate the millions of images on its website. Earlier this year, it hired [Ivy Ross](#), a former **Gap Inc.** executive, to lead branding and merchandising, a new role at Art.com.

"Offering a curated point of view is going in and really understanding what customers are looking for and being seen not only as a destination where you find what you are looking for, but a place that people go to be inspired," Martin said.

Art.com is also trying to boost its credibility by offering more original works of art, such as a current exhibition of Iraqi art that Martin bought. It's selling reprints of the images as well as the originals.

The company is not trying to sell high art, and its prices are decidedly accessible. Prices depend on size, and range from \$10 for a poster to \$35 and up for a basic giclée print to \$250 for a large stretched canvas to \$150 for a framed giclée print. It also offers original works that can cost a few hundred dollars to thousands of dollars, such as a Le Corbusier drawing currently being sold for \$7,500.

"Art.com is a first mover. It has a great name. From that point of view, they could have a strategic advantage," said [Helen Bulwik](#), a retail consultant with **New Market Solutions**. "There's a lot of opportunity there, but you have to be able to do it in the right way."



Photo: Spencer Brown

"The art industry is under-penetrated online," says Art.com CEO Geoffroy Martin.

Bulwik said the U.S. home decor art market is at least a \$12 billion market that is highly fragmented without a major global player like a **Wal-Mart** or Macy's.

Art.com is trying to change that.

The current company was formed by the 2005 merger of Art.com and AllPosters.com. It has served more than 10 million customers over the years, and it has 25 localized websites in 17 different languages for international markets. Over 40 percent of its revenue comes from international sales.

So far, most of Art.com's competition is from smaller players, though San Mateo-based **CafePress** has a significant wall art and poster business. CafePress reported revenue over \$106 million for the first nine months of 2011 and filed for an IPO in June with hopes of raising \$80 million.

Art.com raised \$30 million in 2005 from **Benchmark Capital** and **Polaris Venture Partners**. Rumors of an IPO floated back in 2007, but never happened, thanks in part to the down economy.

The Emeryville company has about 600 employees globally. Some 180 of those are in the Bay Area, primarily in finance, human resources, marketing, engineering and the like. Depending on the season, between 200 and 500 workers work at an Ohio facility that does fulfillment and custom framing. More than 60 people work at a Raleigh, N.C., call center, and 200 to 300 employees staff a facility in Holland.

In addition to art sales and framing through Art.com and AllPosters.com, the company also gains industry credibility, not to mention a "meaningful" amount of revenue, by being the partner of choice for framed and giclée prints of at least a dozen museums, including the **de Young**, **SFMOMA**, MOMA in New York and the British Museum.

"Being seen as a friend of the art world and a friend of the artists is very important to our mission," Martin said.

The company also runs Artistrising.com, a site that displays the work of over 45,000 emerging artists looking for a place to post their work and perhaps attract customers. Art.com will print and fulfill any order, and takes no commission should an artist sell an original work through the site.

"It's not aimed to be a big part of our business," Martin said. "It's aimed to be a great service to emerging artists and allow them to have a fulfilling and printing engine, and for us to spot emerging talent we like, to look at trends on Artist Rising, and then to 'graduate' them to Art.com."

Sarah Duxbury covers hospitality, restaurants, retail and nonprofits for the San Francisco Business Times.