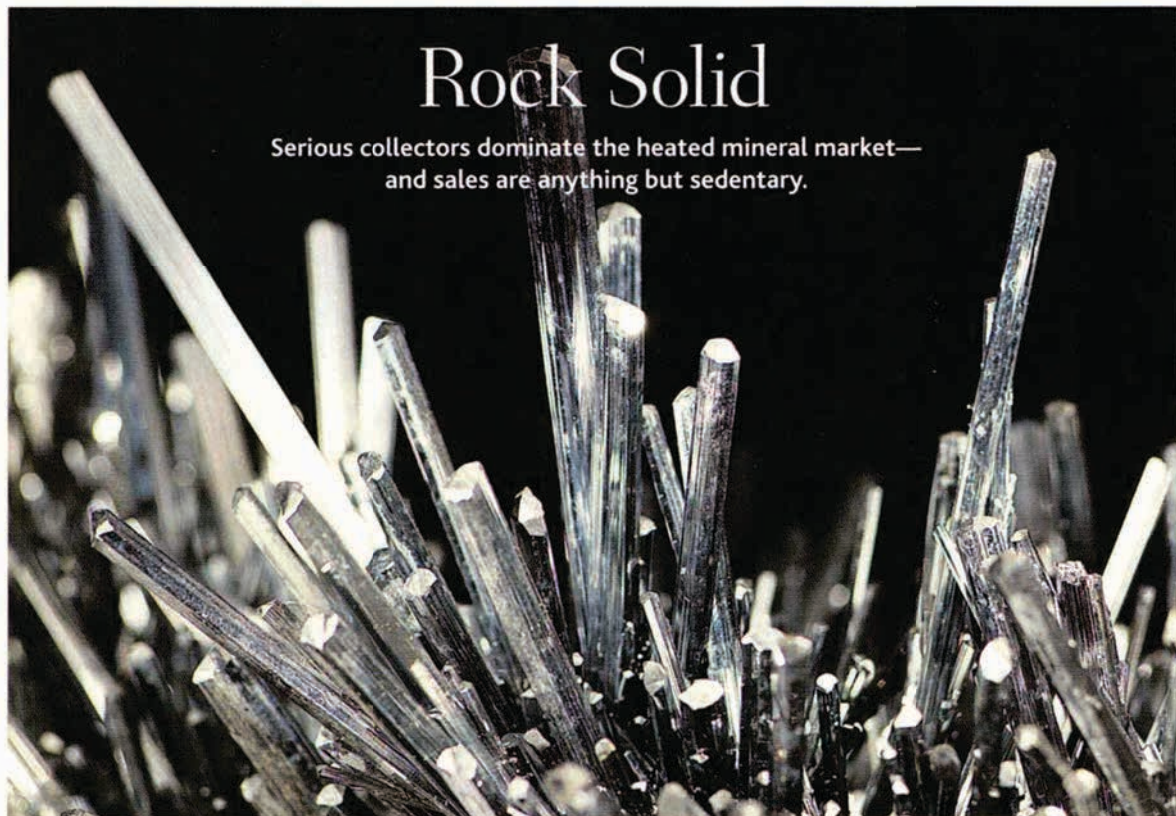




Rock Solid

Serious collectors dominate the heated mineral market—and sales are anything but sedentary.



IN THE DEPTHS of the bear market six years ago, Marc Weill began hunting for alternative investments that would perform well in a downturn. Weill, now 51 and founder and CEO of City Light Capital, a venture capital firm in New York, considered moving into traditionally defensive holdings like gold and gems. Rather than purchasing mining stocks, he focused on the actual rocks and stones. He started buying cut gems and mineral samples on eBay. But when he flew to Arizona to investigate the annual Tucson Gem and Mineral Show that February—the nexus for mineral aficionados—he learned more about the rarest and best specimens and began acquiring the unusual aquamarine and tourmaline pieces that now make up his collection.

When Weill, son of former Citigroup CEO Sandy Weill, first started collecting minerals, he bought indiscriminately and

spent several thousand dollars online. After meeting dealers such as Dennis Tanjeloff, owner of Astro Gallery of Gems in New York, however, he began to ascertain the difference

between the common pieces he acquired and extraordinary mineral specimens that might appreciate. Thus began his focus on top-quality, six-figure minerals.

Weill admits that his first purchases were “junk,” but still keeps them in pasteboard boxes in an unfinished basement room at his Greenwich, Conn., home. A lifelong passion for rocks and minerals propelled his becoming a serious collector over the past few years, gaining right of first refusal on important new discoveries and regularly adding valuable specimens to his personal collection. Today he employs a systematic method for acquiring new finds and displays hundreds of minerals in six large custom-made cabinets surrounding his pool table. Earlier this year,



Top: Part of the 1,000-pound stibnite that Marc Weill donated to the American Museum of Natural History. Bottom: A collector paid \$60,000 for a 600-pound smoky quartz specimen from the Governador Valadares, Minas Gerais in Brazil.

VALUE JUDGMENT

AS COMPETITION GROWS, the amateur mineral collector is giving way to a breed of more serious, professional mineralogist who enjoys the challenge of studying the chemical and geological elements and processes that create rare, beautiful rocks. While there is an appeal in acquiring your own pieces, it is difficult to keep up with this heated market where the collectors are steadfast and sophisticated and the sales are anything but sedentary.

Weill received a collecting accolade, the Desautels award for "best mineral case" at the Tucson fair.

"No one can duplicate this collection for any amount of money right now; the rocks just don't exist," Weill says of his 30 to 40 prizewinning minerals. "A lot of these things were found anywhere from between 30 and 100 years ago and they don't mine them anymore. A lot of the mines are closed."

In the past 10 years, collectors, dealers and auction specialists report greater demand for the best minerals—and prices for the finest pieces have doubled and tripled. Collectors appreciate the aesthetics of acquiring crystals in many hues, but newcomers face a learning curve when it comes to understanding what characteristics make a specimen rare and valuable. Serious mineralogists, however, enjoy the challenge in studying the chemical and geological elements and processes responsible for creating the minerals.

Most high-end mineral sales take place through dealers and at shows. Collectors like Weill spend days at the Tucson show, examining new specimens. Some auction houses, such as Bonhams & Butterfields, have carved out minerals and other natural history objects as a niche. Bonhams & Butterfields presents spring and winter sales focused on fossils and minerals. The most recent sale, in June, generated more than \$1 million. And with the best minerals fetching prices well over \$100,000, only rarely do museums and institutions buy important new pieces. Rather, demand from Weill and his ilk sustains today's high prices.

IN THE BEGINNING

Collecting minerals first gained popularity among scholars in the 18th and 19th centuries and coincided with a rising interest in the natural world. Benjamin Franklin was a mineral enthusiast, and the number of collectors increased after the Civil War, during a period of growing wealth in the United States. Andrew Carnegie was a noted collector, and Washington Roebling, who designed the Brooklyn Bridge, is famous for amassing a group of thousands of minerals, including at least one of nearly every known type. His son, John Roebling, donated the specimens to the Smithsonian Institution in 1926. Clarence Sweet Bement, a successful Philadelphia businessman, also assembled a well-known private collection, reportedly investing more than \$100,000 in the late 1880s. J.P. Morgan eventually bought it in 1900 and donated it to the American Museum of Natural History in New York.

Many collectors develop an interest through their personal collecting in the field. In 1953, Arthur Sexauer found a large gold nugget in the McClaren River in Alaska. His discovery of the 2.4-ounce nugget led to a lifelong hobby.

He purchased many other gold nuggets from prospector friends in his hometown of Fairbanks over the next three decades and eventually displayed them. (Many prospectors began carrying nuggets as a kind of expensive worry stone or good luck talisman).

In 1979, Sexauer arranged to display his collection at the Golden Nugget in Las Vegas, after becoming friendly with owner Steve Wynn. Sexauer, now 80, consigned the 31 nuggets to Bonhams & Butterfields' sale in December; the pieces fetched \$227,250. While they might have garnered more if sold individually, Sexauer wanted the collection to stay intact, according to Claudia Florian, a consultant with Bonhams & Butterfields' natural history department. "He would hang out at all the watering holes and somebody would come down from one of the rivers," Florian says. "It kind of became part of the lore of that city; there were known characters who carried gold in their pockets."

But in today's market, the amateur mineral collector is giving way to a more serious, professional approach. While collecting on one's own retains appeal, newcomers will find it difficult, if not impossible, to compete. Also, many working professionals, like Weill, lack sufficient time to study the market and track new opportunities. The Tucson show, for example, has expanded to about 40 separate venues and requires some three weeks to cover more than 3,000 dealers. Many new finds come from expanding commercial mining operations in emerging countries. When local miners discover a lode they think mineral collectors might want, collectors or, more often, their experts often fly in to make firsthand assessments and advise miners on how to extract the pieces without damage. Expanded digging in China, India, Africa and the Middle East adds to the logistical difficulties associated with appraising a new find.

George Harlow, the curator of minerals and gems at the American Museum of Natural History's Department of Earth and Planetary Sciences, fields queries from international mineral hunters. Recently, he received a request from a Pakistani gem company asking if locals had unearthed a new variety of jade. They shipped Harlow a sample and, upon preliminary examination, he assured them it was nothing new. He admits that he is not in the hunt to acquire the best new finds because he has a limited budget. Acquisitive

private collectors employ mineral scouts to analyze new finds on-site and buy them on their behalf. Since 2001 and the beginning of the war in Iraq, this has become an increasingly risky assignment—particularly in the Middle East, Afghanistan and Pakistan. “The danger is to Westerners,” Harlow says. “The dealers go to Peshawar, some go up to the Khyber Pass, but the lunatic ones try to get to the mines.”

CRYSTAL BLUE PERSUASION

For Weill, gaining access to new discoveries has been vital to creating a high-quality collection in a short period of time. To accomplish this, he partners with Tanjeloff and mineral scout Daniel Trinchillo, who travels the world to investigate new finds. With their help, Weill acquired a rare stibnite, a metallic gray mineral, from Jiangxi Province in southeastern China; it is the largest specimen of its kind outside China. Last spring, Weill donated the mineral, which began forming 130 million years ago, to the American Museum of Natural History. Weighing nearly 1,000 pounds and measuring almost 4-feet long, with hundreds of swordlike crystals more than 10 inches in length, the piece is both rare and arresting. “Part of the goal is to have objects that tell a story and inform about the natural world, and this is kind of an eye-candy hook—once you see it from a distance, you’re drawn to it,” Harlow says.

Weill is particularly drawn to beautiful crystals—like the huge aquamarine, valued at approximately \$150,000, that he bought from a Pakistani mine. Most hexagonal aquamarine crystals range from 1 to 2 inches in length, but Weill’s specimen stretches to more than 5 inches, enhancing its rarity and value. He also bought one of the largest known blue tourmalines directly from a Brazilian mine four years ago for about \$450,000. It is unusual not only because of its quality, color and clarity, but also for the striking 12-inch-long crystals (they commonly grow to just 2 to 3 inches). Today the tourmaline, on an unusual base of quartz, lepidolite and albite, is worth more than \$750,000.

Like all serious mineral collectors, Weill focuses on rare and unusual examples, which tend to remain in demand and hold their value. But he admits to an aesthetic prejudice, too. “They’re prettier to look at,” he says. Indeed, showy rocks have better resale value and have also found a market among noncollectors. There is new appeal among interior designers looking for signature and natural art pieces to place in clients’ homes.

“What we excel at in particular is selling specimens with high aesthetics,” Florian says. “And I’ve tried a little bit of everything. We have tried selling minerals that are not that beautiful, but are rare and mineralogically interesting. But at the end of the day, it is just a big black lump for certain things, and it just doesn’t sell that well.”

The rarest pieces show the greatest appreciation. These tend to be pieces from well-known mines that were completely worked out and are no longer available. The bright-red rhodochrosite in Weill’s collection, for example, found in the Sweet Home Mine in Alma, Colo., boasts classic, strawberry-colored crystals and is prized by collectors in part because the mine is closed. Exceptional size, clarity and condition enhance value as well, while white dings, or chips in the crystal, will detract. Minerals in situ, or attached to the rock matrix they formed in, also demand higher prices. Both semiprecious and precious minerals are valued in part for their appeal as cut rocks, but when the crystals show the same properties in their natural state, their prices can increase 10 to 20 times.

Focusing on the best examples he can find, Weill has helped raise the value of his collection. He estimates the value of his assemblage has risen between 10 and 20 percent per year, but he clearly enjoys more than the financial gain. He excitedly points to an enormous, smoky quartz crystal that he picked out during a trip to inspect a Brazilian mine two years ago. “That was found in this huge cavern in Brazil in a mine where they have 20-foot crystals like that,” he says. □

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When considering a new piece, collector Marc Weill asks himself four questions:

1. Is it in his collection already?
2. Does it complete a suite in his collection? (For example, he gathers tourmalines from all over the world and has examples from Pakistan, Afghanistan and Brazil.)
3. How perfect is it?
4. And is the price cheap or expensive for that particular piece?

But when weighing the final decision, Weill says, “You’ve got to collect what you like.” —EH

A morganite specimen offered at Bonhams & Butterfields’ Natural History sale in June sold for \$72,000.