

SENATE INQUIRY INTO AUSTRALIA'S INDIGENOUS VISUAL ARTS AND CRAFTS SECTOR

IDENTEART SUBMISSION UPDATE

For over two years some of Australia's finest scientists (CSIRO), legal and business groups and Indigenous Community Development teams have been researching and developing suitable technologies and models to bring Australia to the forefront of Art & Craft authentication/provenance, protection and security. Recently due to awareness of issues raised by the Senate Inquiry there has been discussion and speculation as to the merits of a national certification scheme and as Australia's leading experts into such matters and due to significant development of the IdenteArt System we felt that there are a number of issues and recommendations to Senate Inquiry members that can be addressed in an updated IdenteArt submission summary.

National Certification Scheme

- Our studies of past and present first nation certificate of authenticity models demonstrate that it must remain a voluntary process for artists, art centres and dealers. There is no point in creating a system for protection of artists and Industry that needs to be monitored and enforced by state and federal authorities for compliance and takes away freedom of choice from those it seeks to protect.
- Compliance for a certificate of authenticity needs to be mandated and regulated by the industry against codes of conduct and national membership groups with motivation for membership to such groups driven by artists and consumers. At the end of the day unless all parties have something to gain by such a process it will fail regardless of how much money is spent. Consumer and artist awareness and education is the single most effective means of creating and sustaining a voluntary national certification system.
- A single dollar spent on consumer and artist awareness campaigns promoting ethical and sustainable authentication systems is far more effective and of consequence than a thousand dollars spent on enforcement within a mandatory system.

- Thought any introduced system should be voluntary, it must contain elements within the system that are unique and protected by enforceable Intellectual Property (IP). This will ensure that access to such a system remains advantageous and unique to those seeking membership and at the same time creates an element of distinction for consumers which will allow the market to be driven toward compliance.
- A national certificate of authenticity/provenance system must include embedded unique technologies that exist within the physical environment i.e., on the art and craft as well as on a secure database. A paper based certificate alone is literally not worth the paper it is printed on as even holograms are able to be replicated by the millions overseas. It is worth noting that the diamond certificate for instance works because each diamond contains a unique verifiable serial number laser etched into each diamond, so you have the physical embedded evidence and a secure database to go with the paper certificate of authenticity issued to consumers.
- Consequently, any group seeking to deliver a national certificate of authenticity/provenance system utilising embedded unique technology, must have Australian manufactured technology, created by a Federal Government agency and have all its technical IP including the secure database held by the Federal Government. This is the only constant we have found in the successful certificate of authenticity systems to date where the government holds the IP and thus it is able to enforce it against all threats at home and abroad. The Canadian government for example holds the trademark for its certificate of authenticity which has worked well for them in the past however they have experienced problems in that they had no technology solution embedded within their labels and thus they have been open to replication. We have learned from the Canadian model and so in Australia we are using a mixture of technology, trademarks and a secure database either owned or held in trust by the federal Government.
- Any national certificate of authenticity/provenance and its embedded protective technologies must be capable of being field read to enable consumer affairs, police, customs, govt officials etc the ability to generate real-time investigations and reports against those seeking to harm the Industry. There are already a number of legal/legislative processes in place to ensure consumer protection but due to the nature of the industry and the time and resources required to prove unethical/illegal conduct, little has been done to enforce these processes.

- A national certificate of authenticity/provenance system should hold technical and process provisions for an Indigenous resale royalty, which would be voluntary until/unless it becomes policy. A system must therefore be capable of functioning as an art/craft tracking e-commerce facility and must be administered by an organisational partner such as the Australian group Viscopy. In essence though a resale royalty scheme may be for the future, a national system must make provision and allocation for it today.
- A national certificate of authenticity/provenance system should be self-funding and self-sustaining driven and supported by the industry and not Federal and State governments. If such a system is government funded it merely becomes a white elephant hand-out, unwieldy and unresponsive with no real motivation for support apart from those who benefit from it financially in the first instance. The cost of the system should be supported by Industry and via consumers themselves whereby they pay a small additional cost to ensure the provenance and authenticity of the product. Our research to date with stakeholders, including consumers and investors indicates that a small levy attached to the sale of an authentic Indigenous art/craft piece borne by the retailer and the consumer would be welcome if the provenance of the piece is being guaranteed and the long-term sustainability and viability of the Indigenous Visual Art & Craft sector is being addressed.
- A national certificate of authenticity/provenance system should be administered by an advisory council made up of indigenous and non-indigenous stakeholders from across state and Federal government, Industry, artist, and artist advocacy groups. The technology agreements, database and assets of the system are held in Federal trust but it is this group that is responsible for administering the system and day-to-day operations
- Finally a national certificate of authentication/provenance must/should include indigenous employment and training opportunities/outcomes. There should be the provision for remote Indigenous community members to be able to source employment, business and wealth creation opportunities from the creation of an art/craft authentication/provenance scheme. For revenue generation within such a national authentication/provenance system, not to be directly benefiting indigenous remote Australians is contrary to everything such a system is designed for in the first place.

In essence research has shown that a successful national certificate of authenticity/provenance should include the above structures in order for it to operate in an ethical, cost-effective sustainable manner. If there are groups in the market who purport to have solutions that cannot meet these requirements or if there are groups out there who are not partnered with artists, leading industry and technology organisations which cannot make full, honest and transparent disclosure as to what they have, what they are doing, who they are employing and why they are doing it then their time has come and gone.

IdenteArt Systems Update

On April 19th 2007 the IdenteArt system will be launched worldwide by the Honourable Marion Scrymgour MLA, NT Minister for Arts, as part of a wider NT Government Initiative supporting tools and systems aimed at combating unethical practices in the Australian Indigenous Art market and creating awareness of the need to provide protection for this vital and vibrant first nation industry.

Upon launch the IdenteArt will represent the most technically advanced and yet easily administered First Nation Art/Craft Provenance Protection system in the world with links to over 130 galleries in 14 Countries. At launch IdenteArt will already be protecting/authenticating over 10,000 fine art and craft items from hundreds of Australia's leading Indigenous artists and have the support and endorsement of other leading Industry groups such as those outlined below

Given the synergies between IdenteArt, with its world leading technologies and processes, and Viscopy, Australia's premier/peak Indigenous and non-indigenous visual artist advocacy and IP & Copyright licensing group, a long-term mutually beneficial agreement/alliance is being negotiated which will see the strengths of the two organisations combined to ensure the future protection of the Indigenous artists in particular and the visual arts and crafts sector as a whole.

With pre-sales orders and membership enquiries we believe that within the next 24 months we will exceed our target of having over 125 trained and full-time locally employed Indigenous IdenteArt Art & Craft certifiers working with their local artists and art centres to register art and craft pieces prior to leaving communities. IdenteArt Australia will be majority held by Indigenous shareholders with at least 75-90% Indigenous representation. We are on track to have IdenteArt Australia to become a public listed company and one of the most significant Indigenous owned ASX companies within the next 18 months.

There are currently far more remote, rural and urban Indigenous artists not represented by Art Centres than are and until this situation is changed for many remote indigenous artists IdenteArt represents and enables them to showcase their skills and work to the world via the IdenteArt e-commerce portal. Indigenous artists will be able to work directly with wholesalers/and or retail galleries around the globe ensuring that they receive a competitive and equitable price for their work as opposed to in some circumstances having to sell their work a fraction of their worth because of lack of market access.

IdenteArt has, and is continuing to refine the technology and processes within the system and are now able to mark and protect low volume high end products (fine art and craft) through to high volume low end products (beadwork, fabrics, pottery etc) and the IdenteArt product in its various forms now ranges from “cents” for large quantity goods through to a maximum of \$25.00 for art and craft valued at over \$250.00, i.e. a \$5000 piece is still only \$25.00 to register with half of that going back to the local Indigenous art/craft certification officer/council business.

In a little over two years IdenteArt has done what many have failed to do in over a decade of representing Indigenous artists. We have pulled together the majority of the major stakeholders in the Indigenous visual arts and craft industry into a cohesive group and within the next few months we will consolidate this position to ensure that where possible recommendations from the Senate Inquiry can be implemented quickly and efficiently into the IdenteArt system for its members.

The IdenteArt System does not claim it is an end solution in itself by providing a silver bullet to counter some of the negative issues and situations which exist in the industry to date. It is however, an extraordinary example of success of real people finding real solutions to problems without passing the buck to government. IdenteArt is industry funded, consumer driven and owned and administered by Indigenous stakeholder groups with an emphasis on community engagement and development. It is a model aimed not just at curbing the activities of a few bringing the industry into disrepute today but aimed at protecting the Indigenous visual art and craft Industry for generations to come.