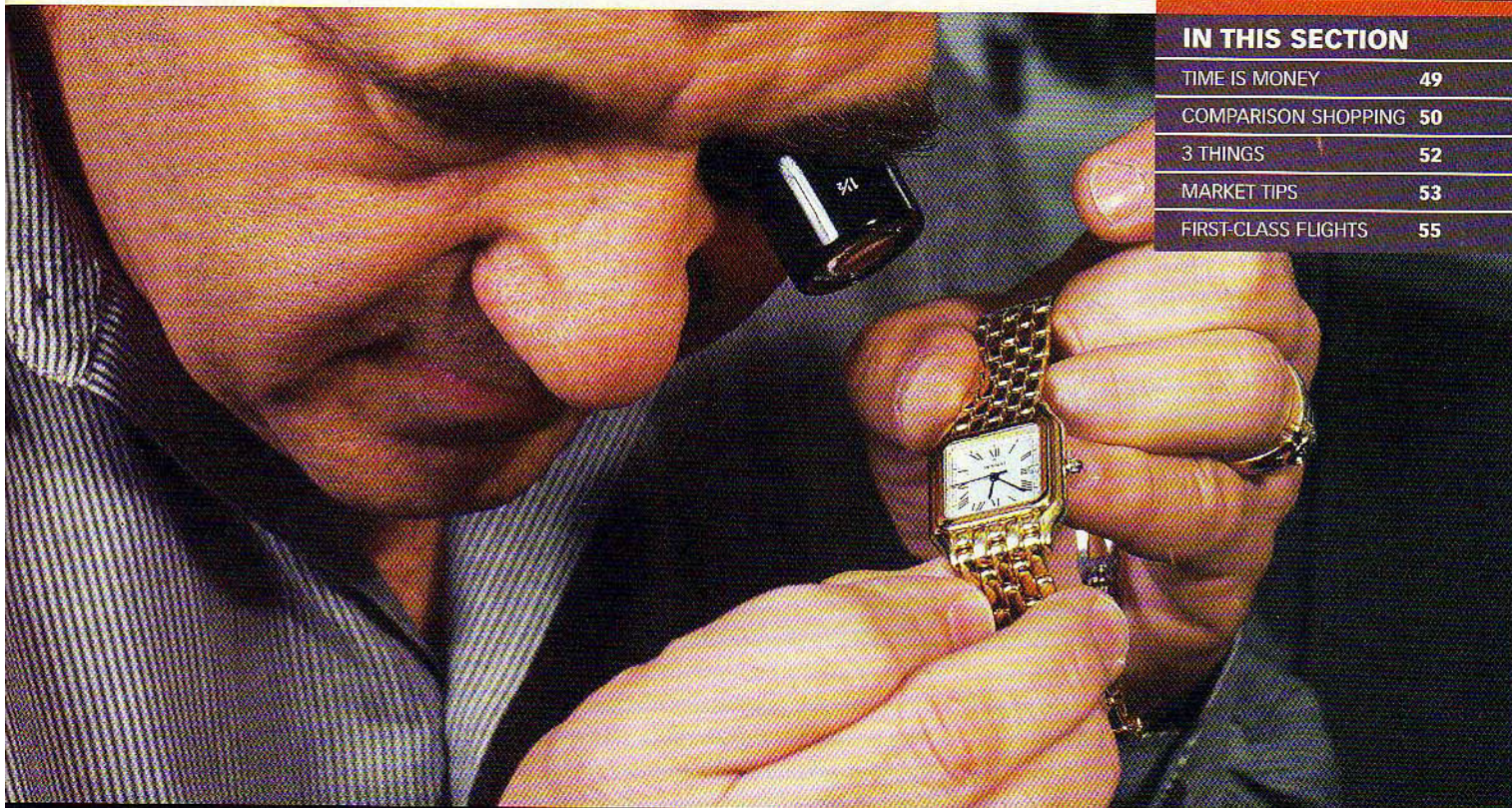


Rewards

THE MOST FOR
YOUR MONEY

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TIME IS MONEY

Even if it doesn't tell time anymore, your grandfather's pocket watch is an heirloom. Today's fine wristwatches may become heirlooms, too, but how do you know which ones will retain their value for generations? Not only the maker but also the model of the watch you choose can have a surprising effect on its worth over time | **BY KATE BARKER**

IF YOU WANT TO INDULGE, an exquisite watch can afford the pleasure of knowing you're wearing the best and that you have bought something worth passing down, long after the Jet Ski dies and the Mercedes' odometer hits 500,000

km. A great wristwatch has been the luxury item of choice for men since overtaking the pocket watch in popularity as the essential male accessory some 100 years ago.

Buying a timepiece with a starting price of four grand, however, is not for the faint of heart. If you decide to shop retail, you face a confusing array of impressive European names to choose from. And if you are dreaming of picking up a Rolex at half the retail price from an estate jeweler or at auction, the preponderance of fakes out there should give you pause.

At Royal de Versailles, an exclusive purveyor of luxury jewelry on Toronto's Bloor Street West, Tyler Markoff is the man to

talk to when it comes to classy timepieces. At entry-level prices, you can pick up a waterproof Rolex Air King for about U.S.\$4,000, which will tell you the time via an automatic movement with a sapphire crystal but does little else. If that's still a little steep for your taste, Markoff will show you an entry-level Tag Heuer, which you can get for about U.S.\$1,000. If you want to branch out beyond the basics in top watches, however, it's a whole other world.

The makers

AUDEMARS PIGUET HAS CRAFTED SWISS WATCHES since 1875. Markoff coolly hands over an unbelievably heavy piece with several dials, impressive-looking buttons and a magical glass window in the case that reveals the whirrings of perfection. "A tourbillon," Markoff says reverently. Invented in 1795 by Swiss watchmaking wunderkind Abraham-Louis Breguet, the tourbillon's entire escapement revolves precisely once a

minute, counteracting the negative effects of gravity on accurate timekeeping. Napoleon sported a Breguet tourbillon on his Egyptian campaign, but all that tromping around the pyramids clogged the mechanism with sand. He demanded a free replacement—and got one. The brilliant workmanship of today's tourbillon chronograph works on the same principle and is still the benchmark in mechanical watches. This Audemars specimen's case is yellow gold—heavier than stainless. The mechanical masterpiece costs \$215,000.

The more complications to the watch, such as a chronograph (stopwatch), minute repeater (chimes), date display or perpetual calendar, the higher the price. Audemars and Vacheron make a perpetual calendar, programmed to the year 2100, which recognizes 30-day months and leap years mechanically. There are no computer components: You are paying for genius. They start at \$65,000.

Other specialty watches include the Rolex professional series such as the "Submariner" collection; the first adorned James Bond's wrist in *Live and Let Die*. Submariners are designed to be waterproof to 300 metres, and they cost between \$5,930 for the stainless steel model and \$29,560 for the 18-carat yellow

gold piece. The Rolex GMT Master, from the professional series, sports rotating bezels with a 24-hour hand and an independently adjustable 12-hour hand, so you know when to serve cocktails in two time zones simultaneously. GMT Masters run from \$5,930 for stainless steel to \$27,180 for 18-carat gold. Perhaps the most famous sporting watch is the Rolex Daytona. The one Paul Newman wore in the '60s had a distinctive dial and came to be known by the star's name, says Steven Oltuski, who has been buying and selling estate watches since 1981 and now sells them online at www.northerntime.com. The Paul Newman now comes in at \$15,000—in steel.

Make an impression

MARKOFF SEES A DIFFERENCE between luxury watches (think jewel encrusted) and art pieces like the tourbillon or the perpetual calendar, where "the beauty is on the inside." He escorts me to a private room to view Royal de Versailles's crown jewel in luxury—a \$1.3-million Piaget with so many interlocking pavé diamonds you can't actually tell the time. Many of the luxury models, however, have quartz movements. "You can't beat quartz for both accuracy and reliability," explains Oltuski. "You buy

a mechanical watch for the romance."

Audemars crafts its little love children 18,000 times a year. That represents its total worldwide production. In other words, if you want to buy the latest tourbillon model, get in line. "Audemars has customers who wait more than a year for certain pieces," Markoff says. This is typical of all the top watchmaking houses. Most watches come with a one-year warranty, but repair can be as high as \$5,000. Audemars' baseline model is \$8,000.

The Audemars watches are elegance personified, but chances are you have never even heard of them. That's why the exclusive time pieces that best retain their value are those made by the top three sellers: Cartier, Rolex and Patek Philippe, according to Marla Rae Katz, the jewellery specialist at Ritchie's Auctioneers in Toronto: "The other lovely names—Girard-Perregaux, Vacheron Constantin, Audemars—they don't hold as much cachet in the secondary marketplace. They are wonderful watches, but they are not what people ask for."

Joel Spillman, owner of H. Williams & Co. of Toronto, says 95 per cent of his work is the sale of estate watches. He is very specific about the one name that retains its value best. "R O L E X," he spells out emphatically. "If you say Cartier, someone

might think it's a pen or a lighter, but everyone knows what a Rolex is. Gotta have a Rolex. I would say half the people who buy a Rolex only buy it because it's a Rolex. Nine out of 10 people wouldn't know what an Audemars is, and the reality is it's probably five times the watch any Rolex is. And the king of them all is Patek. There is no other—by far the best," Spillman insists.

The value of style

EVERY EXPERT AGREES ON ONE thing—don't buy a watch as an investment; buy it because you love it. Think of a new watch as you would a new car: Walking out of the store is akin to driving off the lot when it comes to value. Donald McLean, co-owner of Waddington's, a Toronto-based auction house, explains: "Let's say you went to a store in New York and bought a Cartier or a Patek, then three months later you tire of it and want to sell. If you do well, you will get half retail." Katz also has some horror stories to tell. Ritchie's sold a rare Girard-Perregaux platinum skeleton watch with a three-tourbillon movement that sold for \$150,000 at Royal de Versailles a few years ago. The lot went for \$30,000, less than its original reserve bid.

If you hold onto that tourbillon, perpetual calendar or even a run-of-the-mill Rolex Oyster for 50 years, however, you may start to see appreciation. Just ensure the watch has classic lines. "A lot of fantastic Patek Philippes retailed for more than \$18,000 in the '60s and '70s and their resale today is in the \$3,000 to \$4,000 range," Katz says. Why? Call it a fashion faux pas. "You don't tend to have a desire now for gold-mesh flexible straps in men's watches," McLean explains.

Other victims of '60s fashion include perfectly lovely classic men's rectangular gold watches that had their lugs cut off



Patek Philippe World Time watch
This U.S.\$16,900-U.S.\$24,100 watch indicates the time in all 24 time zones and includes 33 jewels



Rolex Oyster Perpetual Submariner
Rolex watches are very desirable in the resale market; they are among the few that may increase in value over time



TAG Heuer Monza 36
The Tag Heuer Classics collection reflects their own 1930s designs and measures time down to tenths of a second



Jules Audemars Tourbillon Chronograph
This watch prevents variations in the movement caused by gravitational attraction: It keeps perfect time

and a gold monstrosity of a strap soldered on. "You see that a lot," McLean laments. The popular look now is retro elegance, to the point that watchmakers are relaunching some of their big sellers from the 1920s and 1930s. Style is everything when it comes to value. "If you have a man's watch in white gold on a leather strap, good. If you have a man's watch in white gold with a white-gold strap, bad," McLean says. Rectangular faces are desirable. "Round watches just haven't done nearly as well as rectangular for some reason, and I think it's purely fashion," says Ron Fraleigh of Toronto's Fraleigh Jewellers.

If you want to maintain the value of your high-end watch, keep everything it came in—right down to the box, the guarantees and warranty card and the

extra links. Katz insists this is crucial and helps to authenticate the piece.

The vagaries of fashion are certainly reflected in the secondary market. According to Oltuski, white gold, platinum and stainless steel are back in, reawakening that '30s look. Chronographs are also popular. People are always on the lookout for a Rolex Prince, he says, which, in good condition and in 14-carat gold, would fetch between U.S.\$6,000 and U.S.\$7,000. Rolex's first automatic 14-carat piece from the '30s, called the "bubbleback," is valued at U.S.\$3,800. Patek Philippe's 18-carat rectangular hourglass model rings in at U.S.\$15,000. Katz says the Rolex Oyster series are always good sellers, whereas the more specialized models, like the Yacht-Master, are more difficult to sell at auction.

Watchmakers are relaunching some of their big sellers from the 1920s and 1930s. Style is everything when it comes to value

Too good to be true?

IF ALL THIS TALK OF PERPETUAL calendars and tourbillon movements makes you take notice of the auction previews, Spillman has a piece of timeless advice: "Caveat emptor." The fakes are sometimes art themselves, however. Waddington's McLean once had an exquisite fraud cross his desk. The supposed Rolex was a solid 18-carat gold piece with a 26-jewel movement, triple-stamped with the company's name. The only giveaway was the crown, Rolex's emblem, on the dial. It had come loose and was rattling around under the face. On the authentic watch, the crown is a stamped part of the dial. Spillman says he sees three or four fakes a week.

This is why you should have an expert authenticate a piece before you buy or bid. Credible estate jewellers will stand by their sales—if the timepiece turns out to be a fake, they will return your money. Similarly, auction houses like Waddington's and Ritchie's do everything they can to authenticate pieces before they go to lots. A high-end watch should not have its back removed by just anyone, however. Any time a Brietling is opened, for example, the gasket should be replaced to guarantee that the piece is still waterproof. Experts will note their findings and that information will be entered into the catalogue.

McLean says one thing to look for is a "triple-signed" watch, particularly with




Rolexes, because the company stamps the movement, dial and case. Not all authentic Rolexes, however, were triple signed. Rolex produced a line for the Canadian military during WWII with imported components that weren't stamped.

Under the hood

A WELL-MADE REPAIR SHOULD not devalue the watch, but a poor repair will have dire effects. If a dial has been repainted, McLean says, you can drop 10 to 50 per cent of the value, depending on how well the touch-up was done. Oltuski points out that even many accredited technicians may not know their way around a vintage piece, because they aren't familiar with the old mechanisms. When it comes to repair, "A good watchmaker—and there are very few of them—is very important," he says.

You shouldn't necessarily be put off by an engraved watch, either, as McLean says many watch backs are thick enough that they can be buffed down, and if not, the engraving can be gold filled and then polished so you would never know the difference. You should certainly ensure that serial numbers are intact. Rolex puts a serial number on each piece, which can be used to track it back to the original owner, and can come in handy in the event of theft. In one famous case, a Rolex serial number even solved a murder. In 1996, the Rolex Oyster found on a John Doe revealed his identity and led to the capture of his killer.

If you are looking for that perfect anniversary present, special considerations apply. Women's estate watches don't carry the same value as men's, although by rights, they should cost more, according to Katz, because you have to fit the movement into a smaller case. I just have to glance at my own wrist to know why. I wear a utilitarian men's Swiss Army watch, and I'm not alone. "In the '30s, '40s and '50s, ladies had these rinky-dinky little watches. Women don't want little things now. They want Cartier, they want Rolex, they want something with a bit of size and a bit of oomph," says McLean. So you could opt for that unreadable \$1.3-million Piaget if you must, but what she may really lust for is that understated Audemars. ■

THREE SCREENS <i>Which movie player makes sense for you?</i>		3 THINGS	
 The movies	 Streaming video	 DVD	
GEAR Just buy a ticket	Computer, Internet connection, software	DVD player and TV, movies on disc	
BRAGABILITY You saw the movie first; adds to your culture-vulture status	The format for recent news, film shorts and other digital video content, including movie trailers	You'll get the inside track, with access to director's notes and footage not included in the big-screen version	
PROS Good theatres have incredible sound systems and gourmet food	Easy, searchable access to an amazing array of information	Most players support PCM stereo and Dolby digital sound. No need to "rewind" before returning DVD	
CONS Line up early to get a ticket on opening night; sticky floors	Video dimensions are fairly small. Sound and image quality depend on your computer	European PAL DVD format cannot be read by North American players	
KEY FEATURE Superior audio and visual impact; floors may be sticky	When the newscast gets confusing, back it up and play it again	Two hours of superior video and sound quality	
COST Tickets run about \$12 each, except at second-run theatres and on Tuesdays	Free software; upgrades on PC video and sound cards are available from \$150	Basic players from \$200. Most new computers offer DVD drives and free software; not bad if you have a large monitor	
UPGRADES Sneak in a snack and a hip flask to avoid astronomical food prices	Get a fast Internet connection	Plug into speakers and a receiver to create a home theatre with 360° sound	