

# WHAT MAKES HIS BUSINESS TICK?



*For some it is considered an obsession, for some a symbol of status. SA Millionaire sipped an espresso, in the interest of getting to the bottom of fine watch collecting with Peter Machlup - the 'Rolex Man' of Johannesburg.*

**T**he most intriguing part of fine watch collecting, is the actual history behind the big brands and the watch industry throughout the years, and let's not forget the mystique of a watch's intricate mechanical workings.

**PM:** *The watches that I deal in will hold a value new, second hand, or antique. So between 80 – 100% of your money is protected. I encourage my clients to return to change the watches. Proven over the years, there are clients that have bought 50 or 60 watches from me, but some of them still only own one watch. The key point about my business is about building relationships. A client is going to write out a cheque of hard-earned money on my recommendation. This trust is often put to the test when they want a new toy in six months time, what is the value now?*

*So by virtue of this guaranteed buy back, it is very exciting for guys who are not going to buy a beautiful piece and throw it in the back of the cupboard. The worst scenario is that they will trade it back to me and buy a new one. The incredible thing is that over the years, as these watches have increased in value, instead of my normal 80% buy back value, there have been some instances where I have bought watches back for 150 or even 200%. In other words, they have in Rand terms made great profits on the watch.*

*My clients aren't all necessarily wealthy and it is not always the domain of the rich. There are some guys who collect beautiful and interesting watches that do not run into eight figures - this pastime can be started quite reasonably. The watches are tradable not just to me but can be sold in London, New York, Bombay or Baghdad.*

**SAM:** *How would someone educate themselves about fine watches?*

**PM:** *Come and have a cup of coffee with me. There are magazines, there are books but basically it is a very tactile business. You can crawl around on the Internet all day and look at pictures of watches but there is nothing like feeling the quality of a watch.*

*It is subject to fashion like everything else. The watches are recognisable by the era in which they were produced. From the thin watch trend in the '70s watches until today, where they have turned around completely and are big, thick and chunky. The next exciting trend that has currently being picked up by Rolex, is the use of rose gold, which is very special.*

**ROLEX:** The most well-known Swiss watch brand worldwide. Manufactured and designed to the highest quality. Desired by one and all. The brand was created in 1908. Rolex is undoubtedly a market leader. The Rolex Oyster was voted "The Watch of the Century".

**Cartier:** The Cartier Company is 250 years old. Based in jewellery manufacture, Cartier only started making watches in the 20th Century. Cartier changes its style constantly, but keeps the bold black roman numerals, sapphire winders and off white dial as the identity of the Cartier brand.

**Patek Philippe:** A high pedigree package - not just a wristwatch. Very few of the royal in the last century haven't owned a Patek Philippe wristwatch. Complicated and beautiful, one sold for a mere four Dollars a few years ago.

**IWC:** A German Swiss watch manufacturer that prides itself on being different. They have also supplied their timepieces to the military and Air Forces, including South Africa's. The flagship of IWC is the Da Vinci, a perpetual calendar chronograph. A unique point about this watch is that the date will only reach 2199.

**For more information please contact Peter on**

**Tel: +27 11 684 1222;**

**Fax: +27 11 684 1221**

**e-mail: [watches@mweb.co.za](mailto:watches@mweb.co.za)**

**www: [investmentwatches.com](http://investmentwatches.com)**

**1st Floor, 10 Melrose Boulevard, Melrose Arch, Melrose North.**

