



National Association of
WATCH&CLOCK
Collectors, Inc.

NAWCC Chapter 52 - Los Padres

What's it Worth?

I think as collectors or dealers, this is a consideration for all of us. Every buyer enjoys a bargain and all rational sellers want a profit! In many cases, valuation is pretty straightforward. You can go to a price guide and get a general idea of the value of your item. Or you can go to an auction site and see what comparable items are going for. Judging and rating the condition of your item is pretty straightforward also. That is the easiest way of appraising the retail value. I have heard it estimated that valuations for insurance purposes are approximately 30 percent higher.

Now, what about the rare items? One might think that the price guides and auction houses prices adequately reflect rarity. What better way to determine market values than finding the intersection of supply and demand? That would be true if the sellers and buyers were fully informed but in many cases that is not how it is. It wouldn't matter how rare something was if there were little or no interest in the item. Of course you have to define what you mean by rare! Serial number 1 would be unique and highly desirable from any company! Variations in different models can be exceedingly rare and still create little excitement from collectors. I remember some of the old price guides used to label items with NESR to indicate that seldom seen items were hard to evaluate.

Shugart uses a star system to gauge rarity. Without getting into the accuracy and consistency of the guide, I am intrigued by the fact that it applies to watches "known to exist"! Information over the years has been improving and we do know a lot about production numbers of various companies, models and grades. Most of that type of information is readily available to the collector/dealer. It is only recently that different researchers have been compiling data bases of "known to exist" or reported sightings of different items. That information is not always easily available to all. Very little has been done to track known examples of the more esoteric variations within each model or grade. Thus the supply side of the equation is very vague.

I have concentrated on 18 sz pre 20th century Ball watches. Using my observations as a random sample, it seems there is a high probability that between 3 and 10 percent of watches from that era have been observed. That is a pretty wide range, but still a good tool for estimating how many watches of a given production number are likely to have survived. To state it simply, if production of a certain model of that era was 1000, you would expect between 30 to 100 to be "known to exist" and of course if only 100 were produced, you would expect 3 to 10 to be "known to exist".

This has been my long winded way of getting back to the statement in the second paragraph concerning buyers and sellers being fully informed.

Often this is not the case, and the party who is armed with the information has a considerable advantage over the other party. Knowledge has always been power! Of course one of the goals of the NAWCC has been dissemination of knowledge and to some extent leveling the playing field. On the other hand some information is more public than other information. I can speculate on a few different reasons for that being the case.

To personalize the issue, I have mostly waited till making my own acquisitions before revealing some pertinent data. Not only does that give me an advantage when I purchase, but by touting the facts after purchase, quite possibly I influence future purchases, thereby enhancing the value of my collection!

Calling attention to the lack of supply can have an impact on increasing demand, thereby impacting both sides of the equation. I don't see it as an ethical issue, just another example of human nature! A lot of the fun of collecting is showing off and one upsmanship! Its more than just greed, its no fun to have something if you can't promote a little envy amongst your peers! Its reciprocal, there are a lot of you that I am jealous of too!

Happy hunting,

Bill Kapp

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