

Time and Again

Sales of pre-owned watches are booming—and now some watchmakers are getting in on the action.

by Victoria Gomelsky. Illustration by Andrée-Anne Guay



A YEAR AGO, when the pandemic forced much of the world into lockdown, Aurel Bacs, the celebrated auctioneer, faced an existential crisis. “I thought it was the end of the auction industry, the end of collecting as we know it,” he says. His fears were spectacularly unfounded. “Once our catalog was published in June, we were overwhelmed by phone calls,” says Bacs, who is a senior consultant for Phillips’s watch department through his Geneva-based firm, Bacs & Russo. In fact, insatiable demand for pre-owned timepieces is causing the secondhand watch market—valued at around \$15 billion worldwide—to explode.

Compare some recent prices for the elusive Nautilus, or Patek Philippe 5711/1A, a steel sport watch introduced in 1976 and widely considered one of the most sought-after wristwatches in the world (retail price: \$33,710). At WatchBox, a pre-owned retailer based in Philadelphia, Nautiluses were selling for \$65,000 in November 2019, \$55,000 in March 2020, and up to \$78,000 by that November.

Why these eyebrow-raising valuations now? Theories run the gamut. Collectors, stuck at home, have more time to indulge their passion for watches. Economic uncertainty increases the appeal of hard assets. The rise of online marketplaces has created buying opportunities that simply don’t exist at retail. And some watchmakers, long resistant to the pre-owned category, have started to promote resale, acknowledging that strong pricing on the secondary market both demonstrates and stokes desirability, ultimately burnishing their brands. In the more traditional world of auctions, the dynamics are easier to comprehend. “People realize that anything average, if they don’t buy today, they can buy next month,” Bacs says. “The rarest, best preserved, most original watches have benefited.”

Take, for example, the Panerai Luminor from the collection of Sylvester Stallone, which was auctioned at Phillips New

York in December. Panerai had not historically taken much interest in the secondary market, but when Stallone’s Luminor surfaced, the brand proudly exhibited it at its Hudson Yards boutique in Manhattan. The auction estimate was \$40,000 to \$80,000; the watch sold for \$214,200. And at the same sale, a Heuer Monaco worn by Steve McQueen in the 1971 film *Le Mans* sold for \$2.2 million, setting a record for the brand.

Veterans of the secondhand category say the market has been on a steady climb for a solid decade. In 2010, Paul Altieri acquired the online watch-resale business Bob’s Watches, relaunching it a few months later. “It took us two weeks to make our first sale,” Altieri recalls. A decade on, the company does 75 to 100 transactions a day, with Rolexes making up 85 percent of the business. Altieri points to Rolex ref. 116500LN, the new Daytona, introduced in 2016. “As soon as it launched, prices almost doubled,” he says. “I kept thinking, Wait a little and prices will subside. But here we are five years later, and we’re selling them at \$27,000. The retail is \$13,150. It sells almost immediately—sometimes within 15 minutes.”

In addition to eBay and European sites Chrono24 and Watchfinder & Co., Bob’s Watches now also competes with the likes of Crown & Caliber, the RealReal, and WatchBox. The size of the opportunity is not lost on Richemont, the luxury conglomerate that owns Cartier, Vacheron Constantin, and Panerai, among others. It bought Watchfinder in 2018 to capitalize on the pre-owned market, which its chief executive Johann Rupert calls “a growing and still relatively unstructured segment of the industry.”

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Justin Reis, cofounder and CEO of WatchBox, says the boom in pre-owned timepieces owes much to social media. “That’s where people talk about the Paul Newman Daytona that sells for \$18 million or the Patek Philippe 5711, which trades at two and a half times its retail value, making it easy for someone to learn from afar, make the purchase, and stay within the community,” he says.

And it’s not just Rolex and Patek they’re talking about. Pre-owned pieces by independent, artisan watchmakers such as MB&F, Urwerk, Greubel Forsey, and F. P. Journe are also in great demand. “Watches are a really unique thing in that they’re not hugely different from new to pre-owned—they’re not like cars,” says Steve Hallock, owner of TickTocking, a Los Angeles watch dealer. “You don’t really put miles on them.”

A handful of brands have experimented with resale on their own terms. In 2016, F. P. Journe debuted Patrimoine, a certified pre-owned program that invited clients to purchase out-of-production watches directly from the brand. An application to buy a pre-owned timepiece has to be made through its boutique. “That is why it is not a click-and-buy deal,” says Pierre Halimi, general manager of F. P. Journe in the Americas. “We still privilege the relationship.” And in December, Panerai announced that it was partnering with Watchfinder & Co. on a watch part exchange service. Its statement explained that participating in the thriving pre-owned market is a strategy “to support long-term sustainability goals, watch durability, and preservation of the brand’s heritage.”