

Developing a Working Definition of Rarity

The advent of the digital world has changed perceptions of distance, altered notions of social support and networking, revolutionised learning, transformed our understanding of markets and of supply and demand and has impacted on our perceptions of what is unusual, rare or extraordinary.

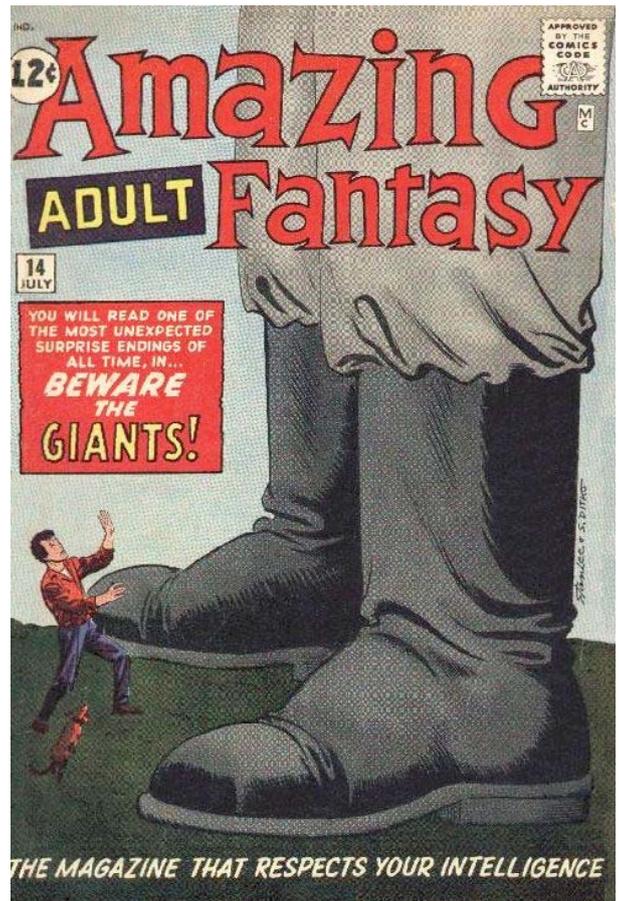
In most fields of collecting, the pre-internet experience of researching, tracking, uncovering and procuring objects of rarity involved a lifetime of knowledge acquisition, passion, dogged detective work, networking and the occasional intercession of pure luck. But today, as the sun rises on Web Version 2, on-line information networks have taken the legwork out of learning about and sourcing desired pieces. Electronic on-line bidding sites and sales forums have, but for the most scarce or important objects, overtaken the auction room. The globalisation of markets has opened up a world of supply that, hitherto, would have been only the stuff of dreams.

In many strands of collecting, the breadth of supply has increased significantly with the emergence of an on-line and globalised marketplace. These developments have had the effect of altering our insights into what is scarce and what is not. Collectibles hitherto viewed as rare now emerge in numbers sufficient to challenge our understanding of rarity. The reverse may also be true, where the sheer depth and breadth of the globalised on-line market may distort perceptions of rarity or downgrade that which is arguably rare.

Dictionary definitions of rarity offer similes such as 'uncommon', 'infrequent', 'scarce', 'extraordinary', 'unusual' and the like. The interchangeability of these terms renders it difficult to burst the semantic bubble and arrive at a 'God's Eye' definition of rarity as it applies to collectibles such as watches. The attribution of 'rarity' is often the corollary of perceptions about scarcity. But, perceptions of scarcity can be tainted by demand, market manipulation and 'spin', market access, the vagaries of human desire, fashion and fad and the expansion of marketplaces.

Trends and the Numbers Game

Rarity, in the first instance, may not relate exclusively to production volumes. For example, the Marvel comic book *Amazing Fantasy* number 15 produced in 1962 is one of the priciest comic books on the planet. Mint copies regularly fetch in excess of \$50,000 USD for this edition which features the first-ever appearance of Spiderman. Now, for the princely sum of \$50,000 one would expect that number 15 is a very limited commodity, but not so! It had roughly the same print run as *Amazing Adult Fantasy* number 14 and *Amazing Fantasy* 16, which today would fetch around \$750 USD for mint copies.



So, conventional ideas about the few attracting the attention of the many aren't a factor at all in this instance, because interest in Spiderman has created demand-induced price inflation. Often collectibles produced in their many thousands can be viewed as rare or scarce simply because demand has outstripped supply. This type of scarcity is on occasions associated with fad or fashion, and, in the case of Amazing Fantasy number 15, perceptions of rarity are subject to the importance that collectors place on Spiderman's first outing. Those perceptions may change over time, particularly if Spiderman movies exhaust the theme to the point of boredom, encouraging the more frivolous or casual collectors to move on to something else. This can be seen as akin to a bubble in the market, which may or may not burst.

Fad may also influence perceptions of scarcity and rarity in respect to watches. In the cycle of watch case design, we are currently going through the 'big is best' phase that last occurred in the 1970s. For nearly a decade, the style and culture of the 1970s have been dominant threads in fashion, design and music, and this has influenced preferences in vintage watch collecting. A good example is the Omega Seamaster 600 'Ploprof', the epitome of 1970s 'brutalism' in watch design and the watch men love but women love to hate. These watches fit into the Marvel comics example in-so-far as they are not comparatively scarce in numbers but current prices reflect a perception of scarcity. Not only are they un-scarce, but also they are powered by an un-scarce movement (calibre 1002) that in its early days had experienced serious design faults before some of its basic architecture was redesigned. So, horologically, this is not an important watch, although it is significant because of its patented monocoque case and the history of its development.



Epitome of 1970s brutalism, the Omega 600 Ploprof

It may come as no surprise to those interested in socio-cultural trends that the coming zeitgeist may well be a contemporary rendition of the minimalism of the late 1970s and early 1980s. Understatement, elegance and simplicity may become the buzzwords. We are already witnessing the emergence of this trend in muted colour preferences for home furnishings and design: watch out for a revival in New Romantic 1980s style music. It is conceivable that the highly conservative Swiss watch industry, which, in terms of design is usually one of the later horses out of the starting gates, will eventually respond to these trends.

With exciting new materials and most uncomplicated contemporary mechanical movements thin enough to power new and more streamlined cases, it will be then that the demand-scarcity-price nexus of the mighty Ploprof will be put to the test. Ultrathin 1980s watches and earlier vintage dress watches may well make a comeback.

The Scarcity Principle

According to the *Scarcity Principle*, popularised by social psychologist, Professor Robert Cialdini, people apportion more 'value' to opportunities when they are less available. The scarcity principle is built around notions of 'freedom' or what could be described as 'the freedom to have'. This includes the freedom to have certain experiences, services, objects and probably, people.

As well being a mediator in the value of objects, the Scarcity Principle also influences the way people treat information. Research has shown that if access to specific information is deliberately restricted, then in many instances people will not only desire it more but will be more amenable to it as well. The history of modern censorship is littered with examples of book, movie and music bans increasing both the status of those commodities and the desire to have them.



Professor Robert Cialdini

In essence, the Scarcity Principle holds that:

1. Things that are perceived to be difficult to obtain are typically more valuable;
2. People often equate the scarcity of an object, service, or experience with higher quality;
3. Scarce objects often attract higher values when they are newly perceived to be scarce as opposed to things that have been scarce all along.
4. People are most attracted to what they perceive are scarce resources when they compete with others for them.

The Horror Logical Aspects of Scarcity

Words that conjure up rarity make the collector's heart beat faster – literally! And, it is difficult to immunise oneself against the allure of scarcity because it has a strong emotional quality that goes beyond conscious awareness. Cialdini and others have found that the scarcity principle works essentially at the unconscious level, and, if hijacked by powerful feelings of the risk of 'missing out' or losing 'the freedom to have', we may find rational thinking extremely difficult. This phenomenon is at the root of almost all bidding wars in auctions.

Remember, we are reflecting on **perceptions** of scarcity, often made all the more compelling because we know others are competing for the same article. But, one man's 'rare' could be another's 'also-ran', and this is why collectors need to be armed with their own working definitions of rarity that, through sheer repetition, become an habitual part of their behaviour when collecting on the open market.

Having a working definition of rarity can act as an antidote to the primal urges to engage in bidding wars, irrational compulsions to 'have' at all costs and falling for the 'spin' of dealers and sellers who add claims of rarity to the watches they sell. Without a working definition of rarity in your particular field of collecting, you're fair game to those linear descendants of horse thieves who make false claims of scarcity, exclusivity and rarity. A working definition encourages you to create your own map of rarity so as to match against it claims of scarcity or rarity. In other words, it's a way of developing an 'evidence procedure' that assists you to make a rational judgement about a watch and its importance, rather than relying on the hyperbole of others.

Rarity – Scarcer than Scarce?

Using the analogy of books, many rare books cannot be considered scarce and most scarce books cannot be considered rare. In the world of the bibliophile there are other 'constituents' informing rarity that propel it to an order of magnitude beyond scarce or uncommon. In watch collecting we would call those constituents brand, reputation, condition, finish, design, horological importance, production processes (hand-made, mass-produced, quality assurance), originality, provenance, history, production volume, demand and so on. So scarcity in and of itself, as we have discovered with the Marvel comics example, doesn't necessarily mean 'rarity', or vice versa, as the word is interpreted in serious collecting.

For example, a 1950s Paul Buhre blue dialled 6 o'clock calendar watch powered by a Felsa Bidynator is undeniably scarce, but the market does not recognise it as rare and prices it accordingly. Conversely, an 18K gold Omega Constellation in good condition, as factory specified, case



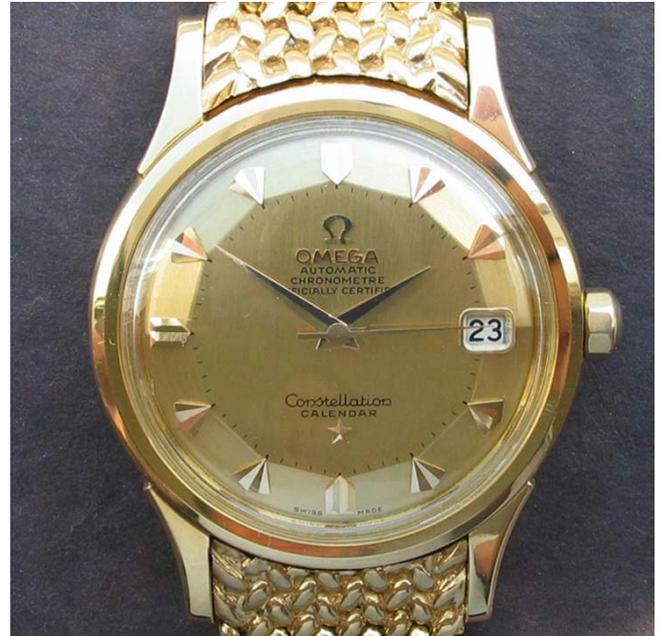
Rare 1952 Calibre 352 RG Constellation model 2648 with original blue steel second sweep. Courtesy Jeff Chiang

number 2648, powered by a calibre 352 bumper automatic with Rg regulator, original domed guilloche dial with a serial number dating it to 1952 and retaining its original blue steel centre second sweep is considered by the market to be rare. From a production volume of 8000 pieces in 1952, of which only some were calibre 352, a confluence of factors, such as original condition, relative scarcity, demand, horological importance, history, original parts, condition and brand make this watch 'rare' in the minds of higher-end collectors and the marketplace. Therefore, it is a combination of scarcity and other 'constituents' considered important by the informed market that determines rarity.

Low production numbers do not necessarily denote rarity in the watch collecting field. But, in applying the 'scarcer than scarce' test, the passage of time also intervenes. For example, take the calibre 504 Constellation, the first calendar model in the Constellation range. 25,000 pieces were originally produced. A variety of dials were offered: the dial with onyx inlay markers perhaps being the most common example. Over time, neglected examples of this model have fallen by the wayside, movements have worn out, dials have degraded, 18k models have often been separated from their cases to be melted down and many other circumstances have contributed to natural attrition.

Combine the above with the collecting community's general view that production numbers minus attrition, first calendar status and other 'constituents' have rendered this model comparatively scarce, we see a premium of about 15 – 20 per cent being attracted to a sharp exemplar of this less common Constellation. The 'scarcer than scarce' principle may apply further to solid gold calibre 504 calendar models, particularly the Grand Luxe and deluxe models 2988 and 16995 that feature solid gold dials or the deluxe model 2954 with solid gold dial and arrowhead markers, whereby a considerable premium may be attracted to sharp and factory consistent pieces. A similar attribution of 'rarity' may apply to rose gold plaque versions of calibre 504 with arrowhead marker dials in model 2943.

On occasions, an important part of the constituency of rarity is provenance. Provenance comes under many guises, from a one-owner calibre 551 with original papers and box to a watch that has been confirmed as belonging to a famous or infamous person. The watch opposite, a modest 18 karat gold calibre 540, model 3980 that retailed in 1960 for 250.00 USD sold for a staggering 350,000 USD in December 2005. Belonging to the Robert White Collection, the world's largest privately owned collection of JFK life and career memorabilia, the watch was purchased by the Swatch Group for the Omega Museum. The 'scarcer than' quotient for this unpretentious and unimportant model ran off the scale because of its unquestionable and important connection to John F Kennedy. The watch is made even more valuable by Kennedy having worn it on his inauguration day.



Solid Gold Calibre 504 Calendar, model 2954, arrowhead markers
Courtesy Phil Cooper



John F Kennedy's 18K Calibre 540, model OT 3980
was sold for 350,000 USD in 2005

Perceptions of Rarity or Non-Rarity

The worldwide web has certainly fed into both perceptions of rarity and non-rarity. Some people equate rarity with not having seen many, if any, examples of a particular model over time, or discount rarity if indeed a number of examples surface at the same time. *"They can't be all that rare because I've seen four examples of this watch appear over the last two years"* was one comment posted to a discussion board by an experienced and astute collector recently when referring to the solid gold versions of the Seamaster model number 168.023. Yet, my own exhaustive researches using 'scarcer than scarce' filters would indicate the opposite. And so, there is always a risk that we may fall victim to the common human frailty of generalising personal experience across the universe. Personal experience, hearsay and opinion, while useful as first pointers to determining if an object fits the 'scarcer than scarce' category, must ultimately be matched against facts that emerge from research.

Rarity is also comparative. For example, no-one would deny that a one-off grand complication created by Patek Philippe for the King of Jordan is 'rare', but many collectors would argue that so is the Cal 352 Rg case 2648 Constellation, or the cal 354 'No-name' Constellation with case 2648 imported into the USA in the early 1950s. Rare is not so much defined along a scale of one to infinity, but is based on relativity. The King of Jordan Patek is a hand-made one-off and is indeed scarcer than scarce. Many other Patek vintage models are hand-finished examples made in quite small batches, but that doesn't make them 'rare', nor does it make all Patek Philippe watches rare just because the annual production volume of vintage Pateks was small compared to production brands like Omega and Rolex.

While most vintage Pateks, although not all, will command higher prices than mass-produced vintage Omega Constellations or Rolexes, apples need to be compared with apples so that principles of relativity can be applied to production numbers. So, rare is relative and there are degrees of scarcer than scarce that run along the rarity continuum.

In summary, it's the 'scarcer than scarce' quality that informs rarity, the 'scarcer' part having many dimensions other than quantity. When all is said and done, 'rarity', 'scarcity', 'uncommonness', and other terms that press our 'must have' buttons are simply words that conjure up a range of associations: powerful words, non-the-less, that may influence the behaviours of those who assume that universal and definitive meanings apply to such terms – they don't!



Comparitivel rare calibre 354 'No-Name' Constellation, case 2648. Courtesy Norman Garbaccio

Scarcer Than: As it Applies to Omega Constellations

The Omega Constellation was a mass-produced watch that in its heyday commanded the engagement of twenty five per cent of the Omega workforce in hands-on quality control. It was then, as it is now, considered a 'high value' watch, sitting just below the doyens of Haute Horlogerie. The 300, 500 and 700 series movements have proven over time to be some of the best production movements ever made, and this is the starting point for any set of filters used to determine the 'scarcer than' quotient of specific vintage Constellations.

For a watch such as the Omega Constellation, relativity is one yardstick when determining 'scarcer than' and degree of rarity. For example the production of one thousand pieces of a specific model, say, out of a 750 -752 movement family production total of 510,000 movements, may fit 'scarcer than' criteria and be considered rare.

Below are some criteria that may assist you in measuring the 'scarcer than' quotient of vintage mechanical Constellations:

Constituent	Examples
Provenance	documented ownership by important person; documented presentation watches to sporting personalities etc.; one owner with papers and box, etc
Prototypes	Occasionally filter on to the open market
Production volumes	Numbers produced against total production numbers for calibre series - available through Omega database and some publications; Case styles in small batches.
Special movements	Idiosyncratic use of movements (e.g. calibre 352 Rg in early Constellations)
Uniqueness of case	Rare dog leg case OT 14311 in No-Name US Constellations; case OT 273
Dial design and finish	Rare dial with Omega name on a cartouche in model 2648; special two-tone dial with bevelled onyx inlays in case 168.025; stepped pie pan dial in some models; low production numbers of some dials; last known pie pan dial in case 168.0065
Market specific	Model 168.001 produced for Singapore, Indonesia, Thailand and Japan
Metal content	Some solid rose gold models; solid platinum models; some solid yellow gold models produced in limited editions
Historical connection	Official watches at sporting events or other commemorative pieces
Special jewellery versions	White gold, 84 diamond case BC 168.7190 from 1966
Limited editions	Hand wind calibre 700 in editions of 10,000
Demand	Longer term trend of demand pushing up both perceptions of collectibility and price as opposed to 'spin-induced' demand such as the Omegamania auction in 2007. Omega Constellations are a relatively high demand vintage watch compared with other brands from the period
Condition	Fully documented New Old Stock; palpably mint condition
Documented originality	Original parts, full factory specification
Documented Original accessories	Bracelets and buckles

The above criteria are major elements in determining scarcity and rarity of Omega Constellations. Some constituents have more impact on collectibility and market price than others.