



"Beyond the ticking of hours, minutes, and seconds lie deeper cycles that propel our lives and everything around us. Cycles measured by dawn and dusk, the phases of the moon, and the sweep of the seasons among others..." observes **Bjorn Kartomten**, CEO and founder of **Wild Seed** of Bel Marin Keys, California, makers of the new Yes watch that "harmonizes the natural and man-made time-keeping methods."



ABOVE: THE YES WATCH. SOLAR AND LUNAR ACCURACY. BELOW RIGHT: BREGUET. LOOKING FOR A FEW—225—GOOD MEN.

In the ever-narrowing quest to find a new niche business in fine watches, Kartomten, a graphic designer and former art director at Sharper Image, came up with a concept that he says corrects some of the limitations that humankind has imposed on measuring time due to "political and religious issues."

"Our current time measurements are out of sync with natural time cycles," he says. "The solar year begins on December 21, yet we wait 10 days to celebrate a new year. On the average there are 13 full moons every year yet we have a 12-month calendar that doesn't coincide with the lunar cycle at all." In short, it's just not nice to fool with Mother Nature.

Kartomten's answer is the Yes watch, which displays sunrise and sunsets, length of day/night time, solstices and equinoxes, and comes complete with a lunar phase indicator. The watch also adjusts automatically for daylight savings time. Built with a Swiss quartz movement, the watch keeps time for two locations (home and away), is preprogrammed for 500 cities worldwide, has a stop watch function, an alarm, a 24-hour analog hand, and a digital hour/minute/second readout. Retail is \$299 on a stainless steel bracelet. Kartomten admits the Yes watch is likely "to rock a few boats" with his back-to-nature take on time. So far he has sold to mail order catalogs such as Sundance and the Discovery Channel as well as on his own web site, yeswatch.com.

Another man who likes to rock the proverbial watch industry boat, **Nicholas Hayek**, chairman of **Swatch Group**, recently came up with a novel approach to the introduction of a limited edition platinum watch in honor of **Breguet**, one of Swatch Group's crown jewel brands. In an open letter placed as advertising in the *New York Times*, *Financial Times*, *Barron's*,

and the *Wall Street Journal*, Hayek offered 225 numbered, limited editions of a self-winding platinum watch in honor of Breguet's 225th anniversary. However, the offer itself was limited "strictly for current owners of one or more Breguet timepieces" with those who have the earliest models getting priority.

The ad, which appeared worldwide, was the first direct marketing approach taken by Breguet, or any other watch for that matter. According to a company spokesperson, Hayek felt the direct appeal was the fairest way to divvy up the rare watches to "those who have been loyal to the brand and who appreciate its beauty." Owners of Breguet watches who are interested were invited to contact the company headquarters in Switzerland or its Place Vendôme store in Paris. For those who miss out on this year's limited edition, a limited edition tourbillon will be available in 2001.

Hayek's ad is further evidence that fine watches continue to rock not just the boat but the entire luxury goods business, a fact that was noted recently in a cover story on fine watches in *Forbes* magazine. "A cool watch is becoming a hot rod for the wrist," says *Forbes'* **Joshua Levine**. One reason for the boom, the article states, is that newly rich techies are scooping up expensive mechanical watches rather than collecting fancy sports cars. While the U.S. still lags behind the Europeans for high-end watch enthusiasts, business is growing—sales of Swiss mechanical watches have grown 80 percent since 1996, reaching \$377 million at wholesale this year. No wonder luxury conglomerates are snapping up high-end watchmakers left and right.



The article also speculated on the market share for watches retailing for \$1,500 or more. According to UBS Warburg, market share for the watch industry's Big Four are: **Rolex**, 25 percent; **Richemont**, 22 percent; Swatch Group, 15 percent; and **LVMH**, 9 percent. The remaining 29 percent accounts for "other"—dozens of niche players scrambling for brand recognition and sales in a game ruled by Mother Nature's supreme law: survival of the fittest.

Competition also continues to heat up in the fashion watch business. **Fossil** is continuing to expand its market share by adding more than 10 stores to a retail business that already includes 17 stores and 31 outlets. And like **Swiss Army Brands**, Fossil is introducing its own retro-inspired apparel collection.

Meanwhile, **Movado Group**, which plans to introduce **Tommy Hilfiger** watches next spring, announced **Jon Step**, who helped build the **Coach** watch brand, will head the new Tommy watch business as president. ♦