

EHRISMANN · KÖNIG · LUCHETTI · MÁTHÉ · MYERS

THE INTERNATIONAL WATCH CO.

FROM 1875 TO 1890

A COMPANY CONFRONTING ITS
TECHNICAL AND COMMERCIAL CHALLENGES

ATHENA | wbv

TABLE OF CONTENTS

PREFACE	7
CHAPTER I - THOMAS KÖNIG: THE HISTORY OF IWC IN THE TRANSITIONAL PERIOD 1875-1890	10
The Seeland Period 1876 to 1879	11
The Rauschenbach Period.....	35
CHAPTER II - ALAN MYERS: THE FULL-PLATE CALIBRES FROM SEELAND THROUGH TO TSCHOPP	70
The Seeland Period.....	71
The Rauschenbach-Vogel Period.....	75
The Pfister-Droz Period	76
The Tschopp Period.....	76
CHAPTER III - ALAN MYERS: THE 1876-1882 THREE-QUARTER & TWO-THIRDS-PLATE À BAS WATCHES	100
Introduction.....	101
The Seeland Period.....	101
The Pfister-Droz Period	108
CHAPTER IV - RALPH EHRISMANN: THE ELGIN CALIBRES	134
Elgin I	135
Elgin II	137
Elgin III.....	138
Decoration of the Elgin Movements.....	139
CHAPTER V - ÁRON MÁTHE AND GIOVANNI LUCHETTI: THE PALLWEBER CALIBRES	156
Pallweber Prototypes & Pallweber I & II (Cal. 40 & 41)	158
Production of Pallweber I & II.....	159
The Pallweber Disc System to Show the Time	160
Pallweber IIIA & IIIB (Cal. 42).....	160
Cylinder Gents Pallwebers (Cal. 45) and ladies Pallweber (Cal. 43 & 44).....	163
Some Examples of the Typical Sources of Faults in Pallweber Movements.....	164
Pallweber Time-Setting Mechanism.....	165
CHAPTER VI - THOMAS KÖNIG: THE NUMBERING OF MOVEMENTS BETWEEN 1869 AND 1890	189





Schaffhausen 1880 (courtesy the Stadtarchiv Schaffhausen)

PREFACE

Hannes Pantli

As a watch collector myself, I have always been fascinated by the pocket watches from Schaffhausen. So a historical publication about IWC and the watches from Schaffhausen is always something very special for me. I still remember when we published the great Tölke/King book in 1986. We were convinced that we had created the ultimate comprehensive work covering all IWC watches and movements created up to that date. But we soon realised that there was a period in our company's history that has been described only sketchily. This was quite simply because many internal and external sources were not available in those pre-digital times, so we were unable to search all over the world for documents and watches. We call this period the "Dark Ages". Although many different and technically very interesting movements were created during this time, it was difficult to qualify them or even understand the history of their creation. Two IWC collectors and authors of the Jones book, Thomas König and Alan Myers, combined forces with three other IWC collectors, Ralph Ehrismann, Giovanni Luchetti and Áron Máthé, and after years of research have now succeeded in tracking down and describing every aspect of the IWC movements from these Dark Ages for the first time. They also describe the environment in which our watch manufactory made its way, in the period

when watchmaking changed from an artisanal craft into an industry, and teething problems with industrial production meant that good ideas became commercial flops. For the first time, this publication delivers a clear and vivid picture of IWC's Dark Ages to readers. After reading this book, some collectors will look at parts of their collection of historical watches in a new way, while others will set out in search of the long unknown *trouvailles* of watchmaking history.

Pocket watches have been out of favour since the 1940s, and have been merely collectors' items for decades. They are nevertheless the roots of IWC. In the early 1980s, we reflected this with an exclusive pocket watch collection for collectors. This may have been an anachronistic niche product, but it greatly raised awareness of our history and increased the fascination with pocket watches from Schaffhausen. In 1993 we merged our pocket and wrist watch histories by relaunching the classic Portugieser watch. It was important to me that we should use a classic IWC pocket watch movement, specifically the calibre 98 that was engineered in the late 1930s and represented the last stage of pocket watch development. What IWC has achieved in 150 years has been built upon the quality and precision of the pocket watch movements of our past.

For generations our watchmakers have been committed to this tradition and so we are able – both then and now – to offer our customers beautiful and high-quality timepieces with our in-house movements from Schaffhausen. This book outlines how this mission became reality in the Dark Ages of IWC.

I hope that all friends of IWC watches and all pocket watch collectors enjoy many pleasant and stimulating hours reading this book.



Hannes A. Pantli
Board of Directors, IWC Schaffhausen





Schaffhausen, late 1870s (courtesy of Stadtarchiv Schaffhausen)

CHAPTER I

THE HISTORY OF IWC IN THE TRANSITIONAL PERIOD 1875-1890

Thomas König

THE SEELAND PERIOD 1876 TO 1879

STARTING OUT IN A COLLAPSING MARKET

F.A. Jones and the “International Watch Co.” headed by him filed for bankruptcy in December 1875. To convert the bankrupt company’s assets into money and pay off the creditors, the administrator called an auction. To achieve a good price for the factory he needed to drum up interest, so advertisements briefly describing the factory for sale were published in several newspapers and journals, including US and UK journals. Despite his efforts, a first auction in February 1876 did not result in a sale as few bids were placed, and those were very low. So a second auction was called. This time several Schaffhausen citizens set up a new “Internationale Uhrenfabrik” of Schaffhausen and campaigned in early April 1876 to find shareholders. The initiators gave three reasons to invest in the new joint stock company: (i) The factory presumably would be sold at a favourable price and therefore would be a good investment, (ii) everybody doing business in Schaffhausen would be better off if the factory were to survive and the jobs could be retained and (iii) those shareholders who already had sub-

scribed to shares in the “old” company under Jones’ stewardship could limit their losses. Many Schaffhausen residents and even the City of Schaffhausen itself took up the offer. But events took an unforeseen course. In their public appeal, the initiators of the new “Internationale Uhrenfabrik” had stated they would not bid more than 400,000 Swiss Francs. Knowing that the only bidder who had declared



Fig. 1 Box with six Jones “H” ébauches, calibre 7N

his interest had this limit, unanticipated by everybody else, the Schaffhauser Handelsbank bid 410,000 Francs and bought the factory at this price. As it was not the highest bidder, the newly formed “Internationale Uhrenfabrik” had to be liquidated. The Schaffhauser Handelsbank had been one of the major creditors of Jones’ “In-

Fig. 2 Notice in the British Horological Journal, announcing the public sale of IWC

MARCH, 1876.] THE HOROLOGICAL JOURNAL. 11

EZRA KELLEY'S
WATCH, CLOCK, AND CHRONOMETER OILS.
 To be had at all the Tool and Material Warehouses in Towns and Country.
The Trade are particularly cautioned against Spurious Imitations.
 WHOLESALE AGENTS: GRIMSHAW & BAXTER, 25, GOSWELL ROAD, LONDON, E.C.
 STEAM LAUNDRY WORKS.

WILLIAM FORD & CO.,
DIAMOND CUTTERS AND POLISHERS, GEM CUTTERS, AND LAPIDARIES IN ALL BRANCHES,
 8 and 9, CLERKENWELL GREEN, LONDON.
All Diamonds and Gems Cut to the Precision.

E. W. OAKES & CO.,
GOLD AND SILVER REFINERS AND GENERAL SMELTERS.
 PURCHASERS OF
 SWEEPS, ORES, LEMELS, POLISHINGS, BARS, AND ALL
 MATERIAL CONTAINING GOLD OR SILVER.
 DEALERS IN FINE GOLD AND SILVER.
WASHFORD SMELTING WORKS, ATTERCLIFFE, SHEFFIELD.
 London Warehouse—9, GREAT SUTTON STREET, CLERKENWELL.
 Birmingham Warehouse—15, NORTHAMPTON STREET.

INTERNATIONAL WATCH COMPANY, SCHAFFHAUSEN (SWITZERLAND),
 Mechanical Watch Manufactory.
WATCHES AFTER AMERICAN SYSTEM.

PUBLIC SALE.
 On FRIDAY, 21st APRIL, 1876: STADTHAUS, in SCHAFFHAUSEN.
 Water and Steam power. Everything in complete working order. Tools, parts of Watches,
 Finished and Half-finished Movements.
 Work can be resumed again at once.
 Description and full particulars can be obtained at the Office of the undersigned,
SCHAFFHAUSEN, 18th February, 1876. DIE CONCURSBANKAMTUNG.

NEW HIGH-POWER
GAS FURNACE.

MEETS a Crucible full of Cast Iron in TEN MINUTES, and STEELS in THIRTY MINUTES from the time the Gas is lighted. Stands the roughest work without injury, and works with large or small gas supply. Details on application. And also of High Temperature Furnaces without Blast, Hot Blast, Blow-pipes, Blowers, &c., &c.

T. FLETCHER, F.C.S., Museum Street, Warrington.

ternational Watch Co.,” but it seemed that it did not have a plan to re-establish IWC in the market. So the factory remained closed. But in early October 1876 another “Internationale Uhrenfabrik”, followed by the additional name “International Watch Comp.,” was founded with a paid-up capital of 500,000 Swiss Francs. The major

shareholders were the Schaffhauser Handelsbank itself and Christian Peyer, an engineer by trade and Schaffhausen-based industrialist, each with shares of 100,000 Swiss Francs. They were joined, with 50,000 Swiss Francs each, by Johannes Rauschenbach-Vogel and Robert Grieshaber, a senior officer of the Canton of Schaffhausen and brother of Emil Grieshaber, and a number of other local investors, mainly businessmen. Nearly all of the subscribers were customers of the Schaffhauser Handelsbank. The only shareholder not originating from Schaffhausen or the neighbouring area was Frederick F. Seeland. The Schaffhauser Handelsbank sold the factory and its entire inventory to the new “Internationale Uhrenfabrik (International Watch Comp.)” for a price of 500,000 Swiss Francs. We have no idea, whether or not the bank made a profit as we have no knowledge of the costs it incurred in the period from May to October 1876 while reactivating IWC. This time the investors bought a company where production had stopped and all but two of its employees had been dismissed. It also had a new Director, who was billed as “an outstanding expert of Swiss origin, who for years had headed similar businesses

in England and America technically and commercial-wise”. This was Frederick Frank Seeland, who identified himself as a “watch manufacturer” of New York.

The elected Board members were Dr Robert Grieshaber, Emil Ringk, Director of the Swiss Gas Comp., Christian Peyer and Emil Weidlich, the latter having headed the Weidlich Commission which investigated the reasons for Jones’ bankruptcy. Johannes Rauschenbach-Vogel was appointed as the Board’s delegate to supervise the Director. Frederick Frank Seeland signed a contract as Director for a term of ten years.

The restart of IWC was anything but simple. Jones started to produce the first watches in around 1872. In that year, some 366,000 watches were exported from Switzerland to the United States. Exports dropped over 187,000 in 1874, falling to 75,000 in 1876 when Seeland was appointed as the new Director.

So Seeland and his investors faced the same problem as Jones had – how to sell all the movements that the factory was able to produce? And in the mean-

time things had taken a turn for the worse. IWC’s production capacity of up to 15,000 movements per year (both Jones and Seeland stated they had achieved this figure), which mathematically equated to 4% of total Swiss exports to the US in 1872. The figure rose to 8% in 1874 when Jones had the factory fully operational, reaching a massive 20% in 1876 when Seeland relaunched the company. Life teaches us that it is near to impossible for a newcomer to rocket from nothing to a market share of 20%, and Seeland turned out to be no exception to this rule.

The drop in Swiss exports was partly a result of the fact that the American watch industry was a fierce competitor in terms of production costs, resulting in steadily falling prices. However, the Americans not only drove prices down. Their lobbying was also very effective, and they succeeded in keeping customs tariffs for imports into the USA high. This made it even more complicated for the Swiss to compete with the domestic watch manufacturers. In addition, the clever and persistent marketing activities of Waltham and Elgin, in particular, shaped the notion in the minds of the US and UK publics

that the American system of watch making was the superior system and resulted in better quality than with the artisanal production methods of the Swiss cottage industry and the English watch trade. Those balancing the advantages of the American system against artisanal production as, for example, the author of a letter to the Editor of the British Horological Journal published in April 1876, remained voices in the wilderness. Artisanal production was believed old-fashioned and – despite all the evidence to the contrary – was thought only able to produce sub-standard quality. To some extent the situation can be compared to the mid-1970s, when the “modern” quartz watches drove mechanical watches out of the volume markets. The demand for watches made by the American system was overwhelming, as demonstrated by adverts placed by watch wholesalers in the British Horological Journal from 1876 onwards, announcing they were once again able to supply Walthams after having previously sold out. At the same time, Swiss watch manufacturers were struggling to stop their sales dropping to below 25% of their previous levels.

In its first management report (for the 1876/77 fiscal year) the Board of the new “Internationale Uhrenfabrik (International Watch Comp.)” refers to sales to the USA, Germany/Austria-Hungary and to the UK/British colonies. It described the strategy of producing different types of watch to suit the prevailing tastes in different countries. This was obviously a marketing story rather than reality. Any avid IWC collector knows that the Seeland calibres, i.e. the Bostons (calibre 24 to 26) and the three-quarter-plates (calibre 18 and 20 to 23 [the 23 was subsequently renamed 21H]), are simply Waltham look-alikes, and so quite the opposite of movements adapted “to suit special regional preferences”. Actually it appears that Seeland knew what he wanted to produce, i.e. Waltham look-alikes, and pursued a trial and error strategy with respect to where to sell them.

But IWC at least succeeded in getting back the patents Jones had sold to IWC in January 1874, but had neglected to have the sale registered with the US Patent Office. Instead, some weeks after IWC had filed for bankruptcy in December 1875, the US Patent Office registered the transfer of these patents to Helena Craig, the

wife of Jones’ uncle, D.H. Craig. We do not know why Jones assigned the patents to Helena Craig. Perhaps he wanted to hamper the auction of IWC. It is more likely, however, that his uncle D.H. Craig (who was responsible for the success of the Associated Press news agency) and his wife had granted a loan to Jones and asked for collaterals after Jones fled from Schaffhausen. But, in January 1877, the US Patent Office accepted IWC’s objections and registered IWC as owner of the patents. This meant that the company could sell Jones calibres in the US once more without infringing third party patents.

F.F. SEELAND AND HIS STRATEGY FOR IWC

What do we know about Frederick Frank Seeland and his strategy?

F.F. Seeland was born on January 24, 1842 in New York. His passport application describes him as 5’ 9½” tall, with auburn hair, greyish eyes and a moustache. Though born in New York, his parents were apparently of Swiss origin; at least

Fig. 3 F.F. Seeland's entry in the Schaffhausen Register of Residents (courtesy of the Stadtarchiv Schaffhausen)

Numero	Geschlechts- & Taufname	Taufname des Vaters	Heimathort	Stand oder Beruf	Geburt Monat Jahr
1485	Seeland Friedrich	Friedrich	Speininger Stadt Waldenburger	Handl. d. Wälden Walden	Walden 1802
Datum des Ankunftschreibens		25. Sept. 1855	Gültig bis	Datum d. nächsten einstufigen Beurlaubung	
Copulationstage		1852. März	Schmied	Straße	Kaution
Tauf- & Geschlechtsname der Frauen		Todesdag	Lohnschlichter 21 Gul.		
Geboren den					
Geboren den					
Der Kinder					
Taufnamen	Geburtstag	Todesdag	Bemerkungen		
Friedrich	1872		Am 25. Sept. 1872. Geb. d. 2. 26. April 1874. Bis zur Vollendung der 14. Lebensjahre mit 2 Gul. Gehalt befristet.		
Julia	1879. April 6		Kriegswehr 14. October 1879. d. 1. 1. 1880. d. 1. 1. 1880.		
Abgereist den		18	auf Befehl d. Oberst		
Numero	Geschlechts- & Taufname	Taufname des Vaters	Heimathort	Stand oder Beruf	Geburt Monat Jahr

he spoke German fluently. It appears he was a trained watchmaker, but we do not have documentary evidence for this fact. It is reported that Seeland worked with Waltham in the US before he moved to the Waltham UK office, but no evidence actually remains that Seeland was em-

ployed by Waltham in the US. However, it is well documented that Waltham had an office in London right from the early days. This office was headed by Nelson Pitkin Stratton who had joined the company in 1852 and been appointed Assistant Superintendent in 1857 before he set off for

Europe. For nearly 20 years the only task of Stratton and the London office was to source parts, materials and watchmakers in Europe. In 1874, Waltham transformed this purchasing office into a purchasing and sales office by adding a sales department. Waltham's new London sales department was headed by Alfred Bedford, with Frederick F. Seeland as one of his assistants right from the start. Entering the UK market proved to be a huge success for Waltham, and sales figures were very soon booming.

Interestingly, one of Seeland's colleagues in the sales department was a son of Aaron L. Dennison (the well-known co-founder of Waltham, who left Waltham in 1861 and in around 1871 founded the Dennison Watch Case Co., the renowned Birmingham watch case factory).

Some years previously, Waltham had started to sell both movements and complete watches already cased in the US. The London office adopted the same strategy for the European markets. However, initially Waltham only sent movements to the UK, and sourced the cases in Europe, especially the UK. Many of these

cases seen nowadays bear the maker's mark A.B., registered for Alfred Bedford. But, despite bearing this maker's mark, the cases were not made by Bedford or Waltham, but were sourced from third parties. English-made watch cases are believed to have been produced by the Dennison Watch Case Co., but apparently Dennison and the other British case makers were unable to produce them in sufficient quantity. In 1878 a Committee of the House of Commons was set up to look into gold and silver hallmarking in the UK. When interviewed by this Committee, Alfred Bedford stated that Waltham was having difficulties in sourcing enough cases at that time, which forced Waltham's London branch to import 5,000 cases from the US and 18,000 from Switzerland. On January 31, 1875 F.F. Seeland was registered with the Chester Assay Office with the maker's mark F.F.S. This was obviously used for hallmarking cases bought by Waltham. So Seeland knew a lot about how Waltham marketed its watches, how they sourced materials and parts and about the UK watch trade.

In October 1876 we see F.F. Seeland as one of the founders of the new "Internationale Uhrenfabrik (International Watch

Comp.)" of Schaffhausen, his contract as Director of the new company dated October 24, 1876. His decision to leave Waltham and to go to Schaffhausen was presumably made some months earlier; at least his boss at Waltham UK, Alfred Bedford, in August 1876 had registered a maker's mark in his name, indicating that Bedford knew Waltham would not be able to use Seeland's maker's mark for long. Seeland was married to Fanny Seeland and had three children. He fled from Schaffhausen in 1879 just before his "creative accounting" became apparent and returned to the US, living in Orchard Street, Newark, and working in New York. There he made a living by repairing watches. It is reported that Christian Peyer, his fellow founder of the October 1876 "Internationale Uhrenfabrik (International Watch Comp.);" visited him in 1880, after the bankruptcy of the Internationale Uhrenfabrik headed by Seeland, and they made plans for a take-over of IWC.

One evening in November 1881 F.F. Seeland left the family home and never returned, leaving his wife and his small children behind. An administrator appointed

to take care of his property handed over a considerable amount of money to the Treasurer of Orange County. His wife Fanny and oldest daughter Irene made several attempts to have this money returned to them and to have him declared dead as they were in desperate need of funds to bring up the young children. But all of these attempts were rejected as the judge decided there was no proof of death and there were records of cases where men had returned after an absence of twenty or even forty years. In 1895, when Fanny had been dead for three years, the general guardian of the two younger children successfully applied to have F.F. Seeland declared legally dead since nothing had been heard of him for 14 years.

Given the relative paucity of hard facts, we cannot really make a judgement about F.F. Seeland's abilities and his strategy for IWC. So we have to rely on the actions he took in Schaffhausen. Numerous documents regarding the older "International Watch Comp." headed by F.A. Jones survived, including the minutes of Board meetings. These provide vivid evidence of the discussions of the company's strategy, some of which were very controver-