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Scott Rothstein timepiece auction: a chance to accessorize like a Ponzi schemer

By ADAM H. BEASLEY

The Miami Herald

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Two years before Scott Rothstein's epic fall from legal heavyweight to federal inmate, the wheeler-dealer attorney's free-spending ways had become legendary.

Among Rothstein's nouveau riche trappings was an eye-popping watch collection, the best of which he proudly flashed for a Miami Herald photographer at a Plantation jeweler in June 2007. The seven prized pieces, he claimed at the time, alone were worth well over \$1 million.

It wasn't until late 2009 that the truth emerged: The 87-foot boat, the million-dollar sports cars, the cigars, the restaurants, the houses, and yes, the scores of Rolex and Patek Philippe timepieces were all the fruits of a massive \$1.2 billion Ponzi scheme. Rothstein went to jail for 50 years, and the federal government went about scooping up the accoutrements of his wealth.

And now, thanks to the feds, you too can flash wristwear like a fast-talking swindler. On Wednesday, Rothstein's collection will be made available to the highest bidder in a Treasury Department auction of his estate, held at the Broward County Convention Center, with the proceeds going to the people he bilked. The auction follows last year's sell-off of Rothstein's cars and boats that raised \$5.6 million. There is also an ongoing effort to sell his various homes.

But like a lot of things Rothstein-related, the watch collection may not be all that it seemed. Those seven watches he boasted were worth a million bucks? Not really.

Nathaniel Borgelt, a watch specialist with Antiquorum Auctioneers, said it might take Rothstein's entire stash of 203 wristwatches to fetch that sum. Bad news for his victims: That would be just one-third of one percent of what prosecutors say he stole.

"The collection tells me he was a person who was very much about appearances, very much about trying to impress people, and not at all worried about frivolous spending," said Borgelt, who combed through the catalogue at the request of The Miami Herald.

In the world of high-end watches, it turns out that less is more, at least when it comes to gaudy ostentatiousness.

"If you see someone wearing a giant watch full of diamonds, the common layperson would probably say, 'Wow, pretty crazy,'" Borgelt added. "But when it comes down to it, the watch is not really worth that much."

Among the more impressive items in his trove is a Rolex Daytona, said to be one of the most sought-after watches in the world. It is the type of timepiece worn by Paul Newman from 1972 until his death in 2008; the last such model sold by Antiquorum went for \$70,000.

A similar sum could be commanded by Rothstein's Patek Philippe 5070, a discontinued rarity, Borgelt said.

The array of wristwear also includes an Audemars Piguet model made "especially" for Arnold Schwarzenegger, and a diamond-studded Chopard, apparently one of 200 crafted for the Elton John AIDS Foundation.

But the man whose Fort Lauderdale home had his and hers gold toilet seats also had a thing for the garish, including watches that resembled a wrist-born disco ball. There is a Corum watch whose face is adorned by a flaming skull, and a stainless steel Azimuth designed to look like its namesake, Mr. Roboto.

"He spent money like a drunken sailor," said William Scherer, a lawyer who represents the victims. "And didn't make any good investments."

Also up for grabs at Wednesday's auction: two Corvettes, a Mercedes and miscellaneous baubles.

Whether the watches ever graced Rothstein's wrist or were simply hoarded for the heck of it is not certain. Some of the people who knew him best are now facing criminal charges in connection with his Ponzi scheme and in no position to reminisce.

"He wore a watch every day" said one associate who is not facing charges, Joe "Meatballs" Alu, beefy, tattooed former bodyguard for Rothstein's wife, Kim. "That's all I can tell you."