

Rolex

Business



**ASSIGN
BUSTER**

Task Rolex Brief History In the year 1908 the first office for the Rolex Company was opened in La Chaux-de-Fonds with the “ Rolex” being registered in the year 1915 on the 15th of November (Fernande, 2011). The company was began by Hans Wilsdorf whose work involved the importation of the Swiss Aegler’s movements into England and fixing them on watch cases that were high quality creations of Dennison and other artisans. In the year 1919, the company’s founder left his homeland, England and moved his offices to Switzerland, in Geneva. This was because the charges that were being charged on products like gold along with silver utilized for the cases he specialized in was making the costs rise beyond what he could afford. The company was then registered as the Rolex Watch Company which has remained its name since then. However, after the death of Hans’s wife in the year 1944, the founder created a foundation that would handle the entire shares his company owned. He made sure that all the company’s’ income would from then on be going to charity thereby making the company the private trust it still is today. This implies that the company’s shares are not also traded on the stock exchange (Fernande, 2011).

Revenues

According to Fernande, the company has recently been witnessing a decline in its sales along with profitability. The company currently has a debt expenditure of over 2. 28 billion dollars but has attracted private capital investments to the tune of 1. 5 billion dollars. The company in collaboration with the individual investors aims at producing motor vehicle parts like gearboxes, wheel hubs for the purpose of diversifying their revenue collection efforts. In the year 2010, the company reported a loss of 73. 48 million dollars from their net sales that were worth 1530. 0 million dollars.

<https://assignbuster.com/rolex/>

This again showed a loss of over 9 million dollars from their previous year's net sales worth 2593. 0 million dollars (2011).

Ethics of the Company and Their International Business

The company is currently battling the sale of fake Rolex watches which have adversely affected their sales along with profitability. The company has opened up branches across many nations in the world to help in the distribution of their products. The revenue collected is directed to charity work across many parts of the world (Fernande, 2011).

Reference

Fernande, A. (2011). Rolex. Geneva: Spir.