

The J Report

THE OFFICIAL NEWSLETTER FOR JEWELERS OF AMERICA MEMBERS

Five Designers Win Top Prizes in JA Contest

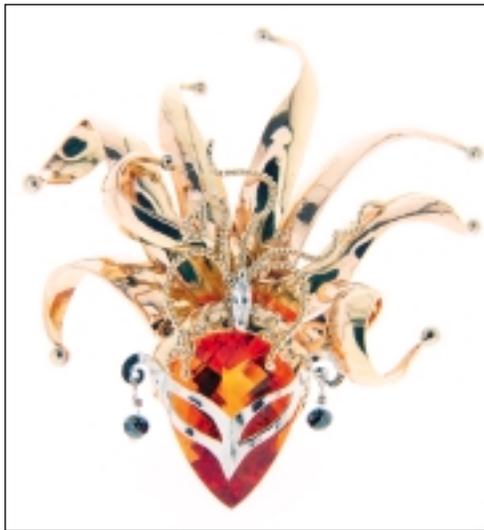
JA members from Arkansas, Connecticut, Georgia, Montana, and Virginia each won an award in the 15th annual Jewelers of America Affiliate Design Competition, held during the JA New York Show, January 23-25, 2005.

The contest featured 28 entries that had won design competitions hosted by JA's state and regional affiliate organizations in 2004.

JA members created all of the jewelry in the competition.

Entries were divided into three competition categories, according to the cost of materials used. A panel of industry experts selected by JA served as judges for these three categories. Each piece

(Continued on page 8)



Jon Philippi (Sissy's Log Cabin, Pine Bluff, AR) won first place in Category I for his brooch.

Photo by Ken Ferdinand

Promoting Your Store Doesn't Need to Be Costly or Complicated

Using creative ideas, you can devise a marketing strategy that is inexpensive, resourceful, and effective.

If you're holding an in-store event or you have a unique jewelry-related story to tell, don't hesitate to contact your local media. Even if the reporter is not interested, they might keep you in mind and come back to you next time they do an item about jewelry. Making yourself available as a local jewelry expert encourages the media to come to you, while gaining free publicity in the process.

Being active in the industry is another way to gain notice. Entering a design contest could result in a publicity-generating win, or joining the board of your local JA affiliate could give you additional credibility in the eyes of your customers and local media.

For other promotional ideas, brainstorm with your staff. Your sales associates speak with customers every day and may have a keen sense of what grabs the public's attention. The few extra minutes you and your staff spend coming up with imaginative promotions could save you time and money later, as well as boost your bottom line.

Sincerely,

Jeff Corey

Jeff Corey is the owner of Days Jewelers in Waterville, ME. He also serves on the JA board of directors.



Mining Practices Gain Attention

The policies and practices of mining companies have increasingly been the subjects of media reports in recent months. Since the 2004 holiday season, negative portrayals of mining companies have had prominent placement in national media, including *The New York Times*. Local media outlets in different parts of the U.S. have also run stories regarding gold mining operations in the U.S., Asia, and elsewhere.

For the most part, this continued focus on mining practices is the result of work by advocacy groups. Two advocacy campaigns in particular—No Dirty Gold and Westerners for Responsible Mining—have kept the spotlight on mining practices. In addition to generating media coverage, their activities have included contacting retail jewelers in an effort to raise awareness of environmental issues.

If you are contacted by advocacy groups, JA strongly recommends responding in a timely and positive fashion, expressing support for responsible mining practices. The worst action by a jewelry retailer

(Continued on next page)

Promotional Tools Inside This Issue

Getting Good Press Retail jewelers can gain publicity by providing local media with interesting stories **Page 7**

Effective Marketing A direct mail campaign allows stores to market directly to their best prospects **Page 9**

Public Relations A handbook from JIC offers ideas for generating positive public relations. **Page 10**

Springtime Advertising JA offers free ad slicks for Mother's Day, Father's Day, and Graduation Day. **Page 12**



About Jewelers of America

Founded in 1906, Jewelers of America is the national association for retail jewelers.

JA represents more than 11,000 jewelers nationwide and serves as a center of knowledge and as an advocate for professionalism and high social, ethical and environmental standards in the jewelry trade. Each regular JA member is also a member of its state or regional association.

The JA Mission

Jewelers of America is the national trade association for the retail jeweler. JA is both a center of knowledge for the jeweler and an advocate for professionalism and high social, ethical and environmental standards in the jewelry trade. The JA mission is to assist all members in improving their business skills and profitability. JA will provide access to meaningful education programs and services, leadership in public and industry affairs, and encourage members with common interests to act in their and the industry's best interests.

JA Code of Ethics

JA and its members value the respect and confidence of the public and the jewelry industry. To attain this respect and confidence, JA members maintain the highest possible ethical standards in their business dealings. All members of JA are required to sign and abide by the JA Code of Ethics.



JEWELERS OF AMERICA

52 Vanderbilt Avenue, 19th Floor
New York, NY 10017
800-223-0673 • 646-658-0246
fax 646-658-0256
info@jewelofam.org
www.jewelers.org

Mining Practices Gain Attention

(Continued from previous page)

would be to not respond at all. In fact, just before Valentine's Day, the No Dirty Gold campaign conducted protests in front of jewelry stores who neglected to respond to their inquiries, generating negative publicity for those retail companies during a key selling season.

As part of its strong commitment to corporate

responsibility, JA supports the responsible mining of minerals and metals. More information on these and other issues related to corporate responsibility and consumer confidence can be found at the JA website, www.jewelers.org. These online materials include talking points that can be used when fielding inquiries from customers, advocacy groups, or the media.

JA Corporate Responsibility Project Receives Grant

JA recently received a grant of \$32,000 from the annual JCK Industry Fund for its project, *Protecting the Reputation of Our Products and Business: Managing Social, Ethical, and Environmental Responsibilities and Risks*. The ambitious endeavor, currently in the planning stages, seeks to provide retail jewelers with the training, tools, and resources needed to integrate corporate responsibility into their overall business strategies.

An independent survey has affirmed that consumers are increasingly demanding good corporate citizenship. The Cone Corporate Citizenship Study (commissioned by strategy and communications agency Cone) found that consumers are willing to punish businesses they believe have behaved unethically.

Of American consumers who responded to the survey, an overwhelming 90% said they would consider penalizing an offending company by

switching to another company's products or services. In addition, 81% indicated they would speak out against the company among their family and friends, spreading negative word-of-mouth. A full boycott of the company's products or services was an option for 73% of those surveyed.

This trend is expected to increase even further. The survey found that young Americans, 18-25 years old, are significantly more likely to factor corporate responsibility into their purchasing decisions.

JA is continuing to work with other industry groups and key stakeholders to map out a strategy for coordinated efforts to address issues of corporate responsibility and consumer confidence. The eventual goal is for all segments of the industry to be able to respond with one voice to consumers' concerns regarding the industry's corporate citizenship.

JA Members Speak

JA invites feedback on its programs, as well as on articles that appear in *The J Report*. If you would like to offer comments, please email JA at info@jewelofam.org, fax JA at 646-658-0256, or write to: Jewelers of America, Attn.: The J Report, 52 Vanderbilt Avenue, 19th Floor, New York, NY 10017. Opinions expressed by members are not necessarily shared by JA.

Appraisals - I disagree with some of the appraisal terminology used in your recent "Counter Points" ["Jewelry Appraisals from a Sales Perspective," Jan./Feb. *The J Report*], and I would like to offer some comments.

Referring to the statement, "the value stated in an insurance appraisal should include enough to pay the appraiser for their services," the value should be independent of any other considerations. If the document was prepared by the seller of the merchandise, typically there would be no charge. If done after the fact by someone else, they would have made a charge for their services. If the item is lost or stolen, the replacement agency will make a profit in the replacement, so all bases have been covered.

The word "appraisal" should never be used by someone issuing a document for a client for the purpose of obtaining insurance for an item they have sold. An appraisal is a reflection of market activity and should be

the modal average of the selling price by retail establishments in the same geographic area that are commonly in the business of selling similar merchandise. Phrases such as "Statement of Replacement," "Estimate to Replace," "Replacement Estimate," or similar verbiage, would be appropriate.

Fair market value must represent the item's value in its current condition (not necessarily "used"). Items in an estate, donation or gift, can be new and unused.

Liquidation may not necessarily require "immediate" attention. Divorce valuations are controlled by the individual state's jurisdiction, which in most cases requires fair market value. Liquidation is one of the markets used in fair market value, not the same as a "forced sale" which dictates an immediate sale, but can take a year or two.

Cos Altobelli, The Altobelli Jewelers
North Hollywood, CA

A Jeweler's Guide to Watch Complications

A few questions and answers designed to make mechanical complications simple. BY JOE THOMPSON

Q: What is a complication?

A: A complication is a term used when discussing mechanical watches only, not quartz ones. It refers to any function other than simple timekeeping. Strictly speaking, complications include calendars and calendar-related features such as moon-phase indicators, along with chronographs, repeaters, alarms and more. In common usage, though, functions such as calendars and chronographs aren't usually called complications. Instead, the term is reserved for more rare, more complex (and more expensive) functions such as minute repeaters and perpetual calendars (more on these below). These are sometimes referred to as "high" complications, or, in French, *hautes complications*, to distinguish them from less exotic ones like calendars.

Q: Don't quartz watches have complications?

A: Quartz watches can do everything a mechanical watch can do and much more. But their extra abilities—chronographs, countdown timers, lap timers, calculators, dive depth meters, and countless others, are called functions rather than complications. A multi-function watch is one that offers two or more functions other than straight timekeeping.

Q: What is a grande complication?

A: A watch that contains a minute

repeater, perpetual calendar and split seconds chronograph. Sometimes you'll hear the term used more loosely, to mean a watch with one or more "high" complications, but watch experts agree that the term should be limited to timepieces that have all three of the complications cited above.

Q: What is a perpetual calendar?

A: A calendar that adjusts automatically for months of different lengths, even in leap years, when February, of course, has 29 days. Most calendar watches do not have this ability, and must be reset at the end of every month with fewer than 31 days. The vast majority of perpetual calendars will not need to be reset until Feb. 28, 2100, when a quirk in the Gregorian calendar will require their owners to move the date ahead to March 1. That's because 2100, despite being divisible by 4, will not be a leap year.

Q: What is a minute repeater?

A: A watch that has a striking mechanism that sounds the hours, quarter-hours, and minutes when activated by a button or lever. The minute repeater literally "tells" the time. It was invented in the pre-electricity era to enable the wearer to tell the time in the dark. Activated by a slide on the side of the case, a hammer in the movement strikes a gong from 1 to 12 times to indicate the hour. After a pause, it strikes two notes from 1 to 3 times to indicate the quarter-hour. After another pause, it strikes from 1 to 14 times to



A perpetual calendar watch from Patek Philippe.

indicate the minutes since the quarter-hour. The most strikes come at 12:59: 12 for the hour, three for quarter-hours (indicating 45 minutes), plus another 14 gongs to make a total of 59 minutes. The least number of strikes come one minute later at 1:00: one gong for the hour, none for the quarter-hours and minutes. The gongs usually have two different tones, one high, one low.

Q: What is a chronograph?

A: A chronograph is a watch that includes a stopwatch mechanism for measuring elapsed time. Chronographs are usually distinguished by two or three subdials on the watch face. On mechanical chronographs, the elapsed seconds are

(Continued on next page)



Blancpain's "1735" grande complication watch contains a minute repeater, perpetual calendar, moon-phase indicator, split seconds chronograph, and tourbillon.



From IWC Schaffhausen, the Portuguese Minute Repeater Squelette (or skeleton) watch.

(Continued from previous page)

usually indicated via a chronograph hand mounted in the center of the dial where the sweep seconds hand is on a non-chronograph watch. To time an event, the wearer pushes the start/stop button on the side of the case at the 2 o'clock position, which activates the chronograph hand. As the hand completes its 60-second rotations, the elapsed minutes are indicated in one subdial (also known as a counter, register or totalizer). A separate subdial tallies elapsed hours. An independent seconds hand is located in a third subdial. The wearer stops the chronograph hand by pushing the start/stop button again. To return the chronograph hand to the zero position, the wearer pushes the button on the side of the case at the 4 o'clock position.

Q: What is a split seconds chronograph?

A: A chronograph watch that is able to time two or more events at the same time (for example, two runners in the same race) or measure consecutive segments of an event (the lap times of a single runner). The name can be misleading. It is called a split seconds chronograph not because it times fractions of a second, but because the watch's chronograph hand "splits" apart when the first timed segment ends. The chrono hand actually consists of two separate hands superimposed on one another. When the one hand is stopped to



A Lange & Söhne's Double Split features two separate split seconds hands, one in the center and one in the 30-minute subdial.

register the time of one segment of an event, the other hand continues timing the ongoing event. The wearer registers the time of the first segment, then pushes a button that causes the stopped hand (or flyback hand) to jump ahead (or fly back) to catch up to the moving hand. The process is repeated for as many segments as need to be timed. A split seconds chronograph is sometimes referred to as a flyback chronograph or chronograph rattrapante (the French word *rattrapante* means "catch up").

Q: Are complicated mechanical watches popular?

A: Very, particularly with men. Their popularity declined during the quartz watch revolution of the 1970s and 1980s, when mechanical watches generally fell out of favor. However, they staged a stunning revival in the 1990s as consumers gained a renewed appreciation of the 500-year-old craft of mechanical watchmaking. Complications, with their small, complex mechanisms, are valued as marvels of mechanical miniaturization. They have been a key factor in the resurgence of interest in the luxury mechanical watch.

Q: Are complicated watches expensive?

A: Watches with high complications are. They generally start at around \$30,000 and can run far into six figures. Why so high? Complicated movements are very labor intensive. They are designed on computers. The parts are manufactured by high-tech machines to tolerances of a thousandth of a millimeter. The movements contain hundreds of parts. A perpetual calendar mechanism, for example, consists of around 100 different parts. An entire complicated watch movement can contain up to 600 parts; some have more. The movements are hand-finished and hand-assembled by master watchmakers. The entire process is, well, complicated as well as time-consuming, and therefore, expensive.

Q: Is a tourbillon a complication?

A: While a tourbillon is an extremely complicated mechanism, technically it is not a complication because it does not perform a time-measuring function. However, it is often referred to as a complication. The tourbillon was invented in the 1790s by the great Abraham-Louis Breguet for use in pocket watches. It is a

Special Offer For JA Members

WatchTime, the Magazine of Fine Watches, is offering JA members a one-year (six issues) subscription to the magazine for \$19.97. That's a 43% savings off the regular price. Members wanting to take advantage of the offer should simply state that they are JA members when contacting *WatchTime's* subscription department. The department is available by toll-free phone (1-888-289-0038), email (custsvc_watch@fulcoinc.com), or regular mail (WatchTime Subscription Service, P.O. Box 3000, Denville, NJ 07834-3000).



Parmigiani's Forma XL Tourbillon watch.

tiny, very delicate metal cage into which balance and escapement are set. The cage rotates constantly, preventing the balance from remaining in a single position for too long. This cancels out timing errors caused by the fact that the balance oscillates in slightly different speeds in different positions.

Q: What is the world's most complicated watch?

A: Patek Philippe holds the record for greatest number of complications in a single watch: Caliber 89, an oversized pocket watch created to mark the firm's 150th anniversary, contains 33 complications.

Joe Thompson is senior writer for WatchTime, the Magazine of Fine Watches (www.watchtime.com). This is the second of three articles for The JReport covering basic information about watches.

Members Encouraged to Adopt, Communicate Privacy Policies

Consumers, annoyed by unsolicited promotions and increasingly anxious over identity theft, are becoming more concerned about their privacy. Today, the average customer has a heightened awareness that their personal information is shared between companies.

JA recommends that its individual members adopt an official privacy policy. Furthermore, it is important for JA members to be able to communicate that policy upon a customer's request, preferably in writing. A privacy policy should be clear and comprehensive, unambiguously informing consumers about all the ways a jeweler gains and shares information.

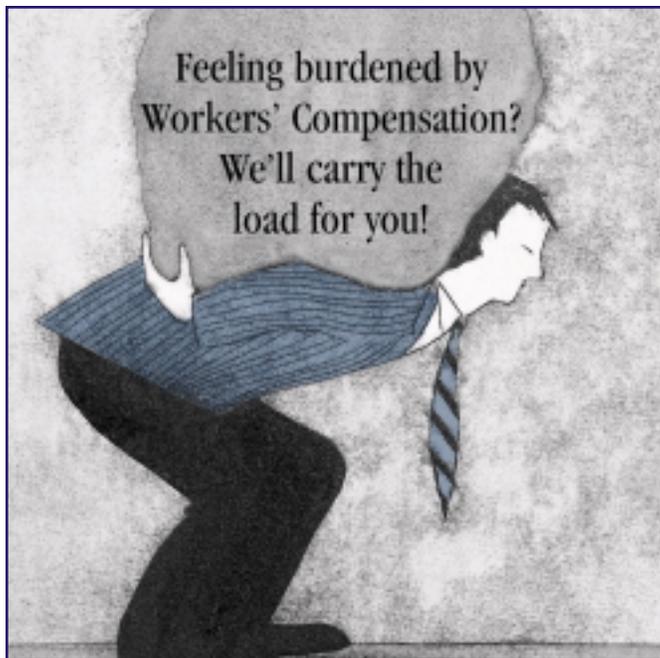
A privacy policy should describe the sources (credit bureaus, credit applications, in-store transactions, etc.) from which a business collects data about customers and potential customers. The policy should also explain what types of personal information are collected and kept. A business should also reveal if their website collects information, such as the visitor's identity or which web pages they access.

The safeguarding of customers' privacy should be addressed in the policy. Personal information can be guarded by different means, including internal store procedures, password

protection, confidentiality agreements, and the physical security of the business. Information stored on computers should be protected against hackers by consistently updated firewalls and other defenses, and those security efforts should be stated in the policy as well.

Sometimes, it is necessary to share customers' information with financial service providers, marketing companies, or other outside parties that provide assistance. This sharing of information should be articulated in the privacy policy. If a store chooses to sell customer information to outside parties, they must disclose this in their privacy policy and give their customers a way of opting out. A store using mailing lists and similar marketing resources should also give customers the opportunity to opt out of such promotions. The privacy policy should explain who customers can contact to remove themselves from the lists.

Even though the federal government's "do not call" list has led to a decrease in telemarketing calls, unsolicited promotions in the form of email "spam" are on the rise. Additionally, identity theft is the fastest growing crime in the U.S., affecting millions of consumers nationwide. A clearly written privacy policy can help allay a customer's concerns about who has their personal information.



800.726.9006

 **EADOWBROOK**[®]
INSURANCE GROUP

www.meadowbrook.com



JEWELERS OF AMERICA, INC.

Jewelers of America, Inc.
proudly endorses
Meadowbrook[®] Insurance
Group for your
insurance needs.

5% WC Dividend* paid to JA members in 2004

- Keep insurance costs down by sharing in group profits

Superior Claims Handling

- Helpful, worry-free claims processing
- Prompt response time, saving you money

Professional & Friendly Customer Service

- Knowledgeable & experienced staff
- Online information at: www.wcpolicy.com

Personalized Loss Control Support

- Risk management consultation available
- Loss Control education & safety literature

*Dividends are paid only to members who meet eligibility requirements.

Frequently Asked Questions About JAPAC

What Is JAPAC?

JAPAC is the Jewelers of America, Inc., Political Action Committee—the PAC for all member retail jewelers in the U.S.



Why a PAC?

As a nonprofit, 501(c)(6) trade association, JA is not permitted by law to make contributions to electoral campaigns. The only way for the influence of the retail jewelry industry to be felt in the electoral process is through contributions from a political action committee, and the only PAC representing retail jewelers today is JAPAC.

What Does JAPAC Do?

Electoral campaigns depend on voluntary support from individuals and PACs. Running for a congressional seat is very expensive, and the need to raise funds is continuous. The purpose of JAPAC is to make contributions to candidates for office at the federal level, without regard to party affiliation, who understand the interests of the jewelry industry.

JA, through legislative counsel in Washington, very actively monitors proposed legislation that would affect the interests of our industry, makes the interests of JA members known to legislators, and works to introduce legislation that benefits our members.

In short, JAPAC allows the voice of the retail jewelry industry to be heard in Washington.

How Can JA Members Help JAPAC?

Federal Election Commission regulations state that a PAC can only accept contributions from individuals. This means:

- No corporate donations can be accepted.
- No business checks can be accepted.

There are also rules for how JAPAC can solicit donations, including securing permission to solicit donations. JAPAC must first receive written authorization before soliciting the restricted class of your company (consisting of you, the main person in our membership database, and anyone else you identify at your store). To grant official authorization, please retype following on your company letterhead, inserting your company name and current year where indicated, sign and date the letter, and send it to JAPAC, care of Jewelers of America, at 52 Vanderbilt Avenue, 19th Floor, New York, NY 10017:

(COMPANY NAME) hereby authorizes the Jewelers of America, Inc., Political Action Committee to solicit contributions to the Jewelers of America, Inc., Political Action Committee from (COMPANY NAME) restricted class during the calendar year (CURRENT YEAR).

Or, authorization letters can be faxed to 646-658-0256. Once your authorization on company letterhead is received, JAPAC will follow up with a request for a contribution.

JAPAC is registered with the Federal Election Commission in Washington, D.C. Our registration number is C00333666. FEC regulations require that all PACs report contributions received and made on a quarterly basis. The reports for JAPAC are on file with the FEC.



Media Eager for Unique Stories

Local media outlets are often keen for human-interest stories in the community. Special events, important milestones, and distinctive personalities frequently draw the attention of local newspapers and broadcast stations.

By contacting a newspaper editor or a TV or radio news director with an interesting story idea, a retail jeweler could potentially generate positive publicity and increase store traffic. Sometimes it only takes a phone call or an email to grab an editor's attention and turn an event into a news item. Other times, it may take more initiative in the form of a follow-up call or email or a press release. The more unique the story, the greater the chances are for media coverage.

The convergence of two unique events proved very successful in creating publicity for JA member Frank Cappiello, owner of Cappiello Jewelers in Danbury, CT. Late last year, Cappiello was celebrating the 40th anniversary of his store, which by itself would have been a newsworthy event. However, Cappiello had also recently played an integral part in a unique, jewelry-related story.

When businessman and longtime Cappiello Jewelers customer Peter Buck was seeking a way to honor his late wife, Carmen Lucia Buck, Cappiello suggested that he purchase a 23.1-carat ruby and donate it to the Smithsonian Institution's National Museum of Natural History. Mrs. Buck had admired the ruby shortly before her passing. Mr. Buck did make the purchase and the donation, and the gemstone was added to the museum's collection and renamed the Carmen Lucia



Thanks, in part, to JA member Frank Cappiello the Carmen Lucia Ruby has a place in the Smithsonian Institution's National Museum of Natural History.

Ruby last year.

The story proved irresistible to Cappiello's local newspaper in Danbury, *The News-Times*, which not only ran his story in print, but also featured him in its online "Holiday Gift Guide." The local media coverage arrived at an ideal time—right after Thanksgiving, just as the busiest selling period of the year was kicking into high gear. Cappiello reports that many customers visiting his store in the weeks that followed commented about the story, proving that the media coverage generated positive word-of-mouth and reminded consumers of his jewelry store during their holiday shopping season.

Cappiello's story also appeared prominently in the national jewelry trade press. However, a jeweler's story need not be of national interest to generate the desired local media coverage and positive publicity. Local media outlets across the country routinely cover in-store events, store anniversaries, and human-interest stories. JA members should not be shy when it comes to promoting themselves through the news media.

(For more ideas on working with the local media, read about the Jewelry Information Center's Public Relations Handbook on page 10.)



The 40th anniversary of Cappiello Jewelers and the store's involvement in a unique human-interest story led to local media coverage, both in print and online.

Task Force Examines Platinum Marks

The Federal Trade Commission's Bureau of Consumer Protection has signaled that the FTC will soon open a comment period on the feasibility of revising the standards for platinum marking currently described in the FTC's *Guides for the Jewelry, Precious Metals, and Pewter Industry*.

In anticipation of this development, an Industry Advisory Task Force, which includes JA, was formed earlier this year to analyze the current FTC guidelines on marking products made wholly or partially of platinum. The issue came to prominence after increased industry and consumer interest in platinum-based jewelry products that have recently been introduced to the market or have been proposed for market development.

Independent Retailing Studied

A free white paper examines the challenges and opportunities facing independent retailers in the marketplace. *Challenges of the Future: The Rebirth of Small Independent Retail in America* was created to help independent retailers identify trends, understand obstacles, and find important resources.

The project was underwritten by the George H. Baum Community Charitable Trust, the Illinois Retail Merchants Association, and the NRF Foundation. The white paper can be downloaded for free at www.retail-revival.com.

Retailers Misjudging Consumer Priorities

Merchants and consumers have differing customer service priorities, according to the NRF Foundation/American Express Customer Service Survey.

While the study showed that both retailers and consumers feel customer service is extremely important, the two groups apparently assign different values to certain elements of customer service. The survey found that retailers are greatly underestimating the value of accurate pricing and adequate staffing.

More information on the survey is available at www.nrf.com.

National Museum of Natural History, ©2005 Smithsonian Institution, Photograph by Chip Clark

Five Designers Win Top Prizes in JA Contest



A cuff bracelet from John F. Codianni (Fine Craft Jewelers, Waterbury, CT) was selected by the judges.

(Continued from page 1)

was evaluated based upon craftsmanship, marketability, practicality/wearability, and overall design.

For Category I (\$1,000 and Under), the judges chose an 18-karat gold and platinum brooch with a spessartite garnet in a mask design by **Jon Philippi** of Sissy's Log Cabin in Pine Bluff, AR.

There was a tie for first place in Category II (\$1,001 to \$3,000). **John F. Codianni** of Fine Craft Jewelers in Waterbury, CT, was recognized for his sterling silver and 14-karat yellow gold cuff bracelet with 68 bead-set diamonds, as was **Mikheil Kautengzhi** of T.K. Anderson Jewelry, Ltd., in Athens, GA, for his two-tone 14-karat gold ring with rubies, sapphires, diamonds, and a rubellite tourmaline.

Elichai J. Fowler of The Gem Gallery in Bozeman, MT, was chosen as the winner for Category III (\$3,000 and Over) for his

platinum and 18-karat yellow gold ring with a tsavorite garnet and yellow diamond accents.

A separate balloting of attendees at the JA New York Show was conducted to determine the recipient of the Buyers' Choice Award. That prize went to **Charlie Kingrea** of C.K. Jewelers in Palmyra, VA, for



Mikheil Kautengzhi (T.K. Anderson Jewelry, Ltd., Athens, GA) was acknowledged for his ring.

his two-tone 18-karat gold pendant with two piggybacked diamonds and a removable slide.

All winners receive an engraved trophy and a framed certificate. The results of the contest have been promoted in the jewelry industry trade press and in the local media markets of the winning designers.

Any JA member interested in participating in next year's competition must first enter the design competition held by their state or regional JA affiliate this year. JA members seeking to enter their



Elichai J. Fowler (The Gem Gallery, Bozeman, MT) designed the Category III-winning ring.

affiliate's state or regional contest should contact JA or their local JA affiliate for more information.



The contest's 28 entries were displayed at the JA New York Show.



Charlie Kingrea (C.K. Jewelers, Palmyra, VA) received the Buyers' Choice Award for his pendant.

The Judges

JA would like to acknowledge those who donated their time and expertise to serve on JA's panel of judges:

Artie Bennos

JA Board Member
Owner, Simms II Jewelers, Winchester, MA

Helena Krodell

Media Liaison,
Jewelry Information Center, New York, NY

Antoinette Matlins

Gemologist & Author (*Jewelry & Gems: The Buying Guide*, *Gem Identification Made Easy*, *The Pearl Book*), Woodstock, VT

Amber Michelle

Editor in Chief,
Rapaport Diamond Report, New York, NY

Teresa Novellino

Managing Editor, *National Jeweler*,
New York, NY

David Rocha

Executive Director, Jewelers for Children,
New York, NY

Robert Weldon

Graduate Gemologist
Senior Writer & Director of Photography,
Professional Jeweler, Philadelphia, PA

Direct Mail Allows for Targeted Marketing

Unlike other forms of advertising, a direct mail campaign allows retail jewelers to promote their businesses to specific individuals. The target of such a campaign is a narrow, but often much more receptive, audience. The money for a well thought out direct mail campaign is spent on genuine prospects, as opposed to other types of promotions that are aimed broader groups of consumers.



JA members are now entitled to 800 free postcards and can order an additional amount if they wish.

A valuable marketing resource is already inside most stores—a list of names and addresses of customers. By working with a list of current or previous customers to conduct a direct mail campaign, retail jewelers can market directly to those they know have (or have had) an interest in their merchandise. These consumers represent a retail jeweler's best prospects. Advertising directly to them, and only them, can be very efficient and cost-effective.

JA has designed postcards, ideal for a direct mail campaign, to help members reach past, present, and potential customers. There are four different designs of postcards, each highlighting a different product category—diamonds, gold, pearls, and fine watches. The postcards help generate interest in these product categories and persuade consumers to ask JA jewelers questions about the products.

Each postcard identifies JA jewelers as members of Jewelers of America's national organization, emphasizes the importance of going to a professional JA jeweler, and encourages consumers to shop with confidence from their local JA jeweler.

JA members are now entitled to a larger number of free postcards than before. The first 800 postcards (200 for each product category) are free to all JA members. Additional postcards can be ordered in multiples of 100 for \$5.00 per 100.

Sometimes, the response rate to direct mail will be higher if it is part of a larger, integrated marketing campaign. Budget permitting, JA members may choose to advertise through direct mail and other venues, such as print and broadcast media, simultaneously in order to reinforce their messages to consumers. JA does offer free ad slicks for members wishing to advertise in print media (see page 12); four of the ad slicks correspond to the four product categories promoted in the direct mail postcards.

Members interested in ordering the direct mail postcards—including the free set of 800—should contact a JA membership representative at 800-223-0673, or visit JA online at www.jewelers.org.

At the Affiliate Level

Local Seminars

Most of JA's state and regional affiliates hold one or more annual events each year. In addition to important networking opportunities, these events offer JA members the chance to attend free educational seminars at the local level. This is especially beneficial for those members who are not able to attend national industry events, such as the JA New York Show.

There are many different seminars available to JA affiliates, allowing them to choose the education programs best suited to the needs of their local association. Among the available programs are seminars covering appraisals, service department operations, bench jeweler techniques, product knowledge, store management, selling skills, marketing and public relations, and gemstone enhancement disclosure.

New seminars for 2005 include "Smooth Selling: The Mechanics and Emotions of Fine Jewelry Sales," "Coaching for Improved Performance," and "Promotions and Marketing for the Independent Jeweler."

Information on which free seminars will be given in a particular state or region can be obtained by contacting the local JA affiliate.

Affiliate Leadership Conference

Representatives from JA and leaders from JA's state and regional affiliates are scheduled to meet March 20-22, 2005, for the JA Affiliate Leadership Conference. The gathering will be held at the Wyndham City Center in Washington, D.C.

The event will give affiliate leaders from different states and regions the opportunity to share ideas on managing local associations. JA and its affiliate leaders will use the meeting to find new ways to better utilize JA's benefits and services at the local level. The conference will also provide affiliate leaders with updates on JA's initiatives, including its corporate responsibility programs.

Midwest Jewelry Expo

Four JA affiliates have again teamed up to organize the Midwest Jewelry Expo, to be held this year at the Alliant Energy Center in Madison, WI, on April 2-3, 2005. The event will be hosted by the Wisconsin Jewelers Association and is also sponsored by the Illinois Jewelers Association, the Iowa Jewelers Association, and the Minnesota/North Dakota Jewelers Association.

The show is scheduled to include hundreds of exhibitors from around the region and beyond. Details are available online at www.midwestjewelryexpo.com. Members of the four participating affiliates can also call 608-257-3541 for information and registration.

Six More Members Join JA 100 Club

Six JA members were recently inducted into the JA 100 Club, which recognizes members who have been in continuous operation for a century or longer and have provided generations of customers with distinguished, professional service. The new inductees are:

Bruce Watters Jewelers

St. Petersburg, FL
Established 1905

Cole & Young Co.

Lansing, IL
Established 1874

Dubes Jewelry

Janesville, WI
Established 1870

Gould's Diamonds and Jewelry

Anoka, MN
Established 1880

Saboe Jewelry

West Union, IA
Established 1854

S.E. Needham Jewelers

Logan, UT
Established 1896

The JA 100 Club was established in 1995. The new inductees bring the total of club members to 90.

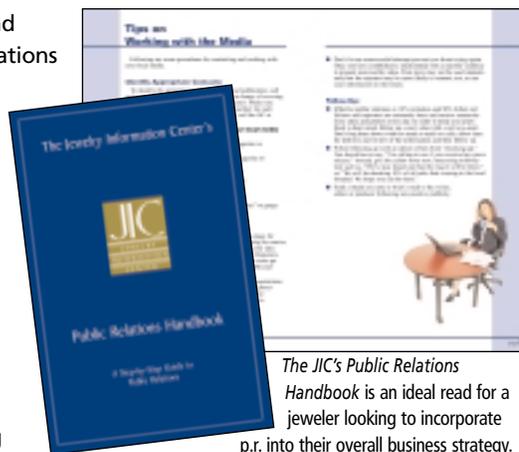
JA members who would like to be considered for induction should contact JA at 800-223-0673. Those seeking to join will be asked to complete an application form and to supply supplemental history materials, such as old photographs or newspaper articles.



JIC Offers Public Relations Handbook

Jewelry Information Center (JIC) has published a step-by-step guide to develop or improve public relations practices for jewelry retailers. *The Jewelry Information Center's Public Relations Handbook* provides tips, suggestions, and guidelines for jewelers looking to develop and incorporate public relations into their overall business plans.

"Public relations is a key element in any successful business," said JIC Chairman John Green of Lux Bond & Green in West Hartford, CT. "It is often less expensive than traditional advertising and is a great way to generate public awareness, establish a positive reputation and differentiate your business from the competition. *The JIC's Public Relations Handbook* is an invaluable tool that teaches everything from the basic concepts of public relations to implementing public relations strategies for your business."



The JIC's Public Relations Handbook is an ideal read for a jeweler looking to incorporate p.r. into their overall business strategy.

Subjects covered in the handbook include working with the media, generating in-store excitement, industry issues, creating a media kit, using a public relations agency, and utilizing the Internet to promote your business.

The handbook has been revised, redesigned, and improved from an earlier version and now covers many more topics containing new and updated information. In addition to providing more in-depth coverage of public relations, the book is laid out in an easy-to-read, short paragraph and bullet point format.

The cost of the handbook is \$25 for JIC members and \$50 for non-members, plus shipping. It can be ordered by contacting JIC at 800-459-0130 or info@jic.org.

JIC is a nonprofit trade association that works with more than 1,000 member supporters and speaks to the consumer public on behalf of the entire fine jewelry and watch industry. Details are available at www.jic.org.

Redesigned JFC Canisters Available

Jewelers for Children (JFC) has unveiled a redesigned collection canister for retail jewelers wishing to support the charity through in-store fundraising. The new canister is a 3-D version of JFC's building block logo.

Since its creation in 1999, JFC has raised over \$14 million to help children whose lives have been affected by illness, abuse, or neglect. Much of that success is because of money raised inside JA member stores with JFC collection canisters. These efforts by JA members have gone a long way toward assisting children in need and generating goodwill for the jewelry industry.

Every JA member is encouraged to place a JFC canister in a prominent location inside his or her store, such as on the jewelry counter or next to the cash register. Members can ask customers for a donation outright, or raise funds as part of a special in-store promotion. Some JA members prefer to offer watch battery replacements,

minor repairs, or ring resizings in exchange for a JFC donation. Other members have donated a percentage of the sales of select items to the charity, thus promoting certain merchandise to customers while raising money for JFC.

If you have collected money in your canister, please be sure to send the funds quarterly to JFC at:

Jewelers for Children
52 Vanderbilt Avenue, 19th Floor
New York, NY 10017

The continued success of JFC is due to the generosity of jewelry retail stores, jewelry trade organizations, jewelry and watch manufacturing companies, individual jewelry professionals, and jewelry consumers. Further information on JFC is available online at www.jewelersforchildren.org.



The new JFC collection canister is in the shape of the charity's logo.

30th
INTERNATIONAL GEMOLOGICAL INSTITUTE
SINCE 1975

*Our Business is Your Reputation!*SM

Since 1975, International Gemological Institute reports have proven to be the internationally recognized benchmark for independent gemstone and fine jewelry evaluation. Renowned for its quality services, extensive experience and reliability in reporting accurate gemstone identification and consistent diamond grading to the internationally accepted system.

IGI - The Standard of Excellence in Gemology and Fine Jewelry Evaluation Worldwide!



INTERNATIONAL GEMOLOGICAL
INSTITUTE



New York

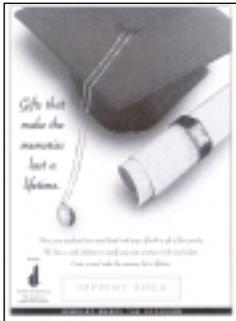
igiworldwide.com

Antwerp

Toronto • Los Angeles • Bangkok • Tokyo • Mumbai • Hong Kong

JA Offers Ad Slicks For Spring Occasions

JA members can now download free, pre-designed advertising slicks from the JA website, www.jewelers.org.



The ad slick designed for graduation season reminds consumers that jewelry can provide a lasting memory.

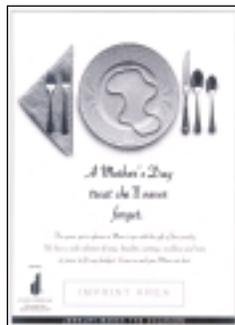
Three of the ad slicks are designed to drive in customer traffic during upcoming gift-giving occasions—Mother's Day, Father's Day, and graduation season. Each suggests that jewelry is the perfect gift and will give the recipient a lasting memory of the event. The ad slicks feature graphics and center on the slogan "Jewelry Makes the Occasion."

The ad slicks identify the advertised store as a member of Jewelers of America. In addition, the slicks tell customers that the advertised JA member has a wide selection of merchandise at prices to suit various budgets.

There is an imprint area on each ad slick where JA members can add their store name, logo, and contact information. After this customization, the slicks will be ready to be used for print advertising.

Using ad slicks saves JA members the expense of designing and producing their own. The only outlay will be the cost of placement in whichever local media the ads run.

There is also another set of four ad slicks that highlight product categories—diamonds, gold, pearls, and fine watches. All of the ad slicks can be downloaded for free in the members' section of the JA website, www.jewelers.org.



The Mother's Day ad slick helps members advertise before a key jewelry-buying holiday. An ad slick for Father's Day is also available.

Reminders

Website Links and Emails

Providing JA with your website URL and email address will encourage customers to visit your website and allow JA to update you faster.

The JA website, www.jewelers.org, has a database consumers can search through to find their nearest JA member. In addition to listing addresses and phone numbers, the database also provides links to members' individual websites. However, if JA doesn't have your website URL, a link can't be included in the database.

JA is also requesting that members provide their email addresses, so JA can communicate with members in a more timely fashion. Please email your URL and email address to info@jewelofam.org.

Annual Dues

If they have not done so already, JA members should pay their 2005 dues so that they may continue to be eligible for JA's member benefits and services. JA membership representatives are available at 800-223-0673 to answer questions about membership status.

JA New York Show

Jewelry retailers braved a blizzard in order to see the latest designs during the winter JA New York Show, held January 23-25, 2005, at Manhattan's Javits Center. The weather promises to be brighter and warmer for the year's upcoming shows:

Summer

July 31 – August 3, 2005

Special Delivery

October 23-25, 2005

To register for either show, contact show organizer VNU Expositions directly at 800-650-1591, or visit www.ja-newyork.com.

