# Jeweler

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GEMSTONES



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**Cover photo** of a synthetic moissanite stone provided by Charles & Colvard, www.moissanite.com, the exclusive global source of the synthetic product, which is grown in a laboratory setting using proprietary technology.

#### **Doug Jackson**

#### **Give Us Your Feedback**



**GOOD MORNING,** aftern oon, or evening – whichever applies to you and the time of the day you are reading this. I hope you're having a great day, business has been good, everyone is healthy and the sunshine of life is

beaming in on you. Life is good, to quote a fella I know, namely Brian Dodge.

In each issue of the magazine, I am asked to write something to and for the membership of our association. As you might imagine, it's not always easy for a jeweler to be a creative writer and come up with something interesting, timely and informative for the membership that will help as many as possible in some way. Today, I will be asking something of each of you.

Let's talk about the board of directors

and our executive director. As you know, all members of the board are volunteers. This means we are here serving our membership because we want to help each of you become more successful and, at the same time, help the Texas Jewelers Association. Joe McCullough, our executive director, is here to help the association as a whole, and to guide us through some of the things a non-profit can and must do to fulfill our legal obligations. He is also highly concerned about helping us grow and be all we can be—for you, our general membership.

In order to do that, we need to hear from you. We need you, the retailer and wholesaler, to talk to us anytime you have questions or suggestions and comments, (yes, even the not so positive). Give us the good, the bad and the ugly. There are a lot of bright, experienced jewelers in Texas who have wonderful ideas and lots of

valuable experience. Let us hear from you. Think about donating some of your time and knowledge to improve our association and helping our industry. Ya know, we are a fairly small industry and when each one of us helps it makes a big difference. Along the way we invariably help ourselves when we help others. Don't ask me why; it just happens.

I want you to know we have a great board of directors who truly want to help and are ready, willing and able. To each of these fine folks, I say "thank you." I truly appreciate your help.

My phone number is 903-785-7100. You are welcome to call me with any questions or suggestions and I will do my very best to answer any concerns or questions and help in any way I can.

We truly are here for you. Have a wonderful year and God bless.

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# Texas Jeweler Association Color Col

#### & Much, Much More!

#### **STEP NUMBER 1**

Go to www.texasjewelers.org and find the orange "Click On" button and you will be entering the newest and far reaching family of MEMBERSHIP BENEFITS for 2007 this association has ever seen. This website was designed especially for the association market and it allows for a wide variety of services, benefits and even vacation packages. They are all packaged under one click-on button on your association home page website.

Before you get started... I would highly suggest that you spend your first 15 minutes or so reading the GREEN BUTTON SECTION – PROGRAMS AND OVERVIEWS. This section helps you better understand how the various membership benefits differ and how they can be combined for increased satisfaction. This section is somewhat essential for better navigation and understanding, so please take the time and read this section first.

## ARE THESE NEW BENEFITS ALL ENCOMPASSING?

The benefits for medical and dental are most likely not the answer to all company and or individual needs. Let's face it... total health care coverage today is simply not affordable for most employers and individuals. Okay, the secret is out about

health care. What these individual plans do is offer a variety of medical and dental insurance models. Some models are more comprehensive and some are set up as discount plans that address basic needs. You can pick your model depending on your company and/or individual medical issues.

There are a couple of basic medical plans set up like menus, where you pick and choose benefits according to your needs. You pick your payment and you pick your benefit level. The medical coverage is through A+ rated Champion Life and should be looked at pretty seriously by those without any coverage for their family and or even your office staff as a company benefit plans and retention plan. These plans offer FLEXIBILITY at affordable prices and they offer SECURITY to you and your family and/or those in your company.

The medical and dental plans, while multi-purpose and flexible, also have the added value sections found by clicking on the SILVER, GOLD AND ADDITIONAL ADD-ON BENEFITS IN BLUE, which can be added to your basic plans. By clicking on the blue buttons you will be able to review the numerous benefits that each of these sections brings to the table. Again, you pick and choose any program that fits your business and or lifestyle needs. If you need none of the add-ons now and wish to utilize them later, that is what these plans are about—flexibility and additional services to you as a member of your association!

#### OTHER AREAS OF BENEFITS OFFERED

#### • DISCOUNT MEDICAL ENHANCEMENT OPTIONS

This is a package of discount medical services that provide savings on a variety of medical needs. You will have access to the most extensive network of health care providers for each of the discount medical services available in the marketplace today. The discount medical services available in this package include discount vision, discount hearing, discount dental care, doctor/hospital network discount, and diagnostic imaging and lab discounts.

#### • ID THEFT AND RECOVERY

ID Theft & Recovery Program is a powerful benefit that gives you the help you need when identity theft destroys your good name. You'll have it all taken care of, usually in just a few days. Your good name restored, and your credit record, too!

#### • PERSONAL COUNSELING SERVICE

The counseling service allows members to seek professional clinical assistance in order to resolve numerous personal problems. A professional counselor will work directly and confidentially with the member or family member to help resolve the problem.

#### • HOME ASSISTANCE SERVICES

This service provides our members a personal helper to assist them in getting the



answers and services they need. For pennies a day, your personal helper gives you peace of mind with outstanding saving values and services from health care services to help around your house. You can be secure in the knowledge that we have screened everyone we recommend, saving you the hassle and worry.

#### WALK IN PHARMACY

Visit one of over 35,000 participating pharmacies nationwide, present your membership card and you may save up to 40% on brands and up to 70% on selected generics.

#### MAIL ORDER PHARMACY

You can choose 90-day Mail Order supplies for maintenance medications and receive great savings. Our mail order medication provider utilizes many different suppliers to deliver aggressive value pricing to our subscribers.

#### AD&D / AME INSURANCE

As a member you will receive \$10,000 of Accidental Death and Dismemberment Insurance, and \$5,000 of Accidental Medical Emergency Insurance with a \$250 deductible.

#### • DISCOUNT VITAMINS/MINERAL SUPPLEMENTS

Benefit members can obtain a wide range of vitamins and mineral supplements through our mail order program at savings of 25%-50% below suggested catalog prices.

#### DURABLE MEDICAL EQUIPMENT DISCOUNT

The medical supplies and equipment benefit offers a broad selection of products and has a long-standing relationship with most major manufactures.

#### • DIABETIC SUPPLIES DISCOUNT

Benefit members can receive special discounts from a leading national mail order company, capable of shipping products within 24 hrs.

#### • 24HR NURSE HOTLINE

Registered nurses are on call 24 hours a day, 7 days a week, to provide members with advice on a wide range of issues.

#### • WORLDWIDE CONDO DISCOUNTS

SAVE, SAVE, SAVE, on one, two and three bedroom condos worldwide. You now have access to over 35,000 weeks of surplus condominium inventory worldwide at some of the world's most beautiful resort locations at deep discounts. When searching for a desired destination, start your search on a Saturday or Sunday for best results. You can reserve your selection at NO COST for 24 hours. Please contact member services toll free (877-571-6400) to confirm and complete your reservation. New inventory is added on a regular basis, if a desired location is not available when you search you may wish to check back at a later date.

#### HOTEL DISCOUNTS

Now you can save on rooms at over 6,000 participating hotels worldwide with the Wyndham Hotel Group. You will receive a discount of 10% off the "Best Available Published Rate" at participating locations. You must book online or through our toll free reservation # to receive these savings. Your membership ID number will be provided in your fulfillment

#### CREDIT ENHANCEMENT PROGRAM

This program provides positive reporting to the credit bureaus on a regular basis. Enjoy having your monthly membership dues billed to our Credit Enhancement Program, powered by MasterCard, and then paying your MasterCard bill through

the convenience of automatic withdrawal from your checking account.

#### VEHICLE ASSISTANT

All the pains of your next vehicle purchase are gone. Just submit your detailed request and let our vehicle service representatives take over. We locate your vehicle, new or used and we then use our national buying power to negotiate on your behalf. You test drive the car and write the check, we take care of the rest. Your membership ID number will be provided in your fulfillment packet.

#### • EASY AS 1-2-3:

- 1. Select your purchase
- 2. We locate and negotiate
- 3. You receive what you want at the price you want to pay!

#### • AUTO CARE CENTER

Meineke Auto Centers are pleased to offer a 10% discount on all auto services at the over 900 locations nationwide. A discount of 5% will be given for all purchases of tires and batteries. Please present your membership ID card to be recognized for these discounts.

#### • MOVING AND STORAGE

Atlas Van Lines is proud to offer the very best in moving and storage. You will realize savings of up to 61% bottom line discount regardless of season. You also have a discount of up to 45% on storage in transit. All this comes with up to \$50,000 Value Replacement in Transit Protection.

#### **AND MORE!**

These new "Membership Benefits" are yours for just being a member of this association. We hope you will take the time to explore your new personal and business options and the unique and affordable opportunities offered by these plans. Questions can be answered by qualified plan administrators within each section so please refer to those website numbers should questions arise.

Your association dollars working for you are unmatched by any...association you know.

#### LSGIAAA ELECTS 2007 AND 2008 OFFICERS

The Lone Star Gemological Institute of America Associates and Alumni founded for individuals desiring to further their knowledge in the gem and jewelry industry has just elected a new Board of Directors for 2007 and 2008. Davena Rigel-Liepman, G.G. and resident of The Woodlands has been named President. Jeanie Hord-Bellows resident of Laguna Park will take the roll of Vice President. Ms. Ana Crawford G.G., of Austin and Mr. Bob Hord of Laguna Park will assume the roll of Treasurer.

Board Members include Daniel Banks, G.G. (Banks International - Houston Texas), Ted Resnick, G.G. (Resnick Jewelers - San Antonio), Pamela Welborn, G.G., Colleen Rauschlaung, G.G. F.G.A. (Austin Texas), Janisue Rigel, A.J.P. (Grand Prairie Texas), Joy Aiken G.G. (Member at Large - Objects of Joy - Austin Texas), Frances D. Johnson, G.G. (Member at large). Past Presidents include: Pam Welborn, Ted Resnick, Daniel Banks, Janisue Rigel and Richard T. Hirsh.



2007-2008 Lone Star GIA officers, left to right: Pam Wellborn (founding member); Bob Hord, treasurer; Ana Crawford, secretary; Jeanie Hord Bellows, vice president; and Davena Rigel Liepman, president (founding member).

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#### JA LAUNCHES J-BIZ WEBSITE, ONLINE DISCUSSION BLOG

Jewelers of America has launched an online resource center for its new educational initiative, J-Biz. The website is designed to connect jewelers nationwide in an interactive network, where they can gain the tools necessary to be competitive in the 21st century. It further advances the J-Biz mission to develop multiple ways in which education can be delivered to industry members: inperson, online, or at home/in store. It can be accessed online from JA's home page at www. jewelers.org (click on the J-Biz logo).

Initially, the J-Biz website will build upon the issues raised at JA's popular Town Hall meetings, taking place at trade shows in Atlanta, GA; Madison, WI; Las Vegas, NV; and New York City. Jewelers who cannot attend the Town Halls - or who wish to gain more information about the topics discussed - can find informative material at the J-Biz website. At the "Live Learning" section of the website, jewelers can read complete Town Hall transcripts and view the event presentations at their convenience. Key topics discussed by presenters at the Town Halls will also be available online - so that jewelers can quickly review advice and information about the crucial issues facing retail jewelers today.

The essential element of the website, however, will be its online discussion forum. The "Learning by Sharing" section features a live discussion blog, where jewelers can share business insights, ask questions, and offer suggestions on managing and overcoming the challenges of the modern independent retailer.

#### INDIAN JEWELER PURCHASES AUSTIN-BASED SAMUELS

An Indian diamond and jewelry manufacturing company has bought a majority stake in Austin-based Samuels Jewelers Inc.

Gitanjali Gems Ltd. of Mumbai purchased its shares in Samuels from funds managed by DDJ Capital Management. Terms of the deal were not disclosed.

Samuels, which operates 97 retail jewelry stores in 18 states, will remain headquartered in Austin. Samuels is the 10th largest specialty retailer of fine jewelry

in the United States, ranked by number of retail locations.

In connection with the deal, Samuels secured \$60 million through Wells Fargo Retail Finance LLC.

"Samuels is excited to have Gitanjali as a majority shareholder and vendor partner," says the company's president and CEO, Randy McCullough. "We look forward to working with Gitanjali and see this transaction as a tremendous opportunity for expanded market share and future growth."

G.K. Nair, chief financial officer for Gitanjali, says the deal is consistent with that company's objectives to create an efficient model that extends through the entire supply chain, from manufacturing to retail.

"The industry is prime for consolidation and we viewed this opportunity with Samuels' stores and management team as an ideal compliment to our ongoing operations in the U.S." says Nehal Modi, CEO of Gitanjali's U.S. affiliated companies. "By combining Gitanjali's extensive industry resources with Samuels' rich network of retail stores, this transaction represents an

#### TJA OFFICER, OTHERS WIN MIDAS SHOW AWARDS

On September 9, 2006 the Southwest Midas Texan Show presented awards to the 2006 Southwest Star Award Recipients. This 2nd Annual Award acknowledged the outstanding contributions and service to the Southwest Jewelry Industry through service to the industry their community and charitable organizations. Recipients were chosen by nomination letters submitted from their peers and manufacturers.

#### 2006 SOUTHWEST STARS ARKANSAS

• Ms. Brittany Adair Romance Diamonds Fayetteville, Arkansas

#### **OKLAHOMA**

 Ms. Vickie Cunningham Cunningham Jewelers Tulsa, Oklahoma



Pictured from left to right; Robert Carroll, Ray Dayer, Brittany Adair, Janisue Rigel, Vickie Cunningham, Mark Priest and Bob Rose.

#### **TEXAS**

• Mark Priest

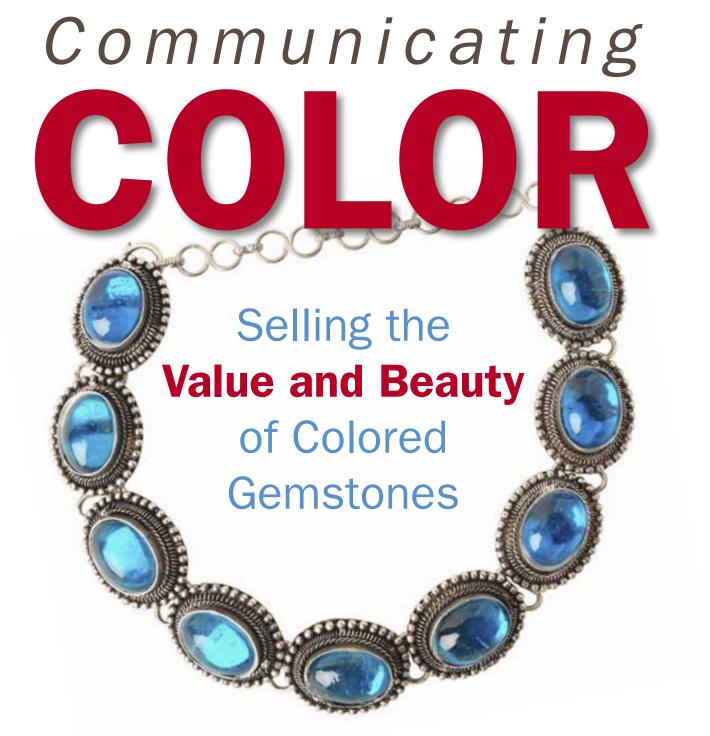
Legend's Jewelers – San Angelo, Texas

#### SALES REPS. BEING HONORED

- Mr. Robert G. Carroll Jewelers Mutual Insurance and Robert G. Carroll & Associates Oklahoma City, Oklahoma
- Mr. Bob Rose

  Roseco Inc. Dallas, Texas
- Mr. Ray Dayer Seiko Corporation USA – Arkansas





#### SOME OF THE MOST BEAUTIFUL

and permanent examples of nature's breathtaking colors are found in gemstones. It's important as you help your customers make the decision to add a quality colored gemstone to their jewelry wardrobe that you take a little time to share with them the value factors that make each gem unique.

The first mistake many people make when shopping for a colored stone is trying to apply what they know about diamond quality and value to other gemstones. Diamonds are unique in every way, from formation to mining to cutting and polishing. Even though the terminology we use to describe the quality of a colored gemstone is somewhat similar, the inherent uniqueness of each and every gemstone demands that we evaluate each gem variety individually, and definitely not using the same standards applied to diamonds.

With that said, there are some general value factors that we can relate to most

gemstones, namely the four Cs (color, clarity, cut, and carat weight), and one consideration that's even

more important when selecting a colored gemstone—personal taste and preference.

#### **COLOR**

In almost every gemstone variety, color is the value factor that has the strongest impact on price. Here are some general guidelines to follow:

Darker doesn't usually mean better.



Photo provided by Barr Jewelers



Photo provided by Barr Jewelers

Many people are under the impression that the darker the color, the more valuable the gem. This is not necessarily true. If a gem is too dark its value actually decreases, because the true color is hidden. For example, there are lots of blue sapphires on the market that look more black than blue. The most valuable gemstone colors are pure and vivid with a medium to medium-dark tone. The value of a gemstone will usually begin to decrease as the color moves toward a very light or very dark shade. Value will also drop in many gem varieties as the color

moves from pure hue (red, blue, green, etc.) to something in between (such as orangey-red or yellowish-green).

Lighting makes a difference in the way a gemstone looks. Be sure to show your customers a colored gemstone under different lighting conditions. A ruby viewed under one type of light source may appear a beautiful red color, but under a different light it may look

brownish-red and dull. Incandescent lights, such as a normal light bulb, give

off much more of the warm shades of

Photo provided by Barr Jewelers

the spectrum—red, orange, and yellow. Using incandescent light to illuminate a gemstone in this "warm" color range will make the gem much more attractive.

Fluorescent lights usually contain more of the cooler shades of the spectrum—blue, green, and violet. Gems in this "cool" color range will always look more attractive under fluorescent light. You can also use this information to display your gemstones so that they look their most beautiful in your cases.

The real test of a gem's beauty is to see if



it looks attractive under both types of light, incandescent and fluorescent. Also, check how the gem looks in sunlight. You can be sure that gemstones photographed for print ads, catalogs and websites are very carefully lit with specially designed lights to ensure they look fabulous. The big question is will they look as good under normal lighting conditions. Be sure to point this out to your customers so they know that there's really no other way to buy a colored gemstone except by seeing it in person.

A gemstone expert can tell you which colors are the most rare and most expensive, but only your customer can decide which colors are the most attractive. When talking about something as subjective as color it is impossible to equate cost and rarity with beauty. Quite simply, beauty is in the eye of the beholder. Don't allow your own personal feelings or gemological knowledge to get in the way of helping your customer choose

what they like best. You should help your customers select colors that appeal to them, their style and their fashion sense. If they

prefer paler shades of a gemstone, then it's your job help them find the perfect color at the best value. They'll be happier with their purchase and with their experience shopping from your store.

#### **CLARITY**

Colored gemstones form in unique environments, and these environments have a lot to do with the clarity of the gem. For example, the formation process of aquamarine usually results in a highly transparent and inclusion-free gemstone when viewed with the unaided eye. On the other hand, emerald forms in an environment that almost always produces some inclusions visible to the unaided eye. This means that finding an emerald with no visible inclusions would be extremely

unlikely, while inclusionfree aquamarines are relatively common.

Knowing what to expect in regard to the clarity of each gem variety will help you better understand a gem's value.

As a general rule, a gemstone with no visible characteristics will command a higher price than a similar gem with visible inclusions. But this is not always the case. For example, shiny platelet inclusions in sunstone create a sparkling effect that adds to the stone's value.

Small intersecting needle inclusions help to create the highly prized stars in some sapphires and rubies.

Think of inclusions as birthmarks, not flaws. It's a good thing to buy a gem with some inclusions, as long as you don't think the inclusions negatively impact the gem's overall beauty. In fact, a gemstone's inclusions add individuality and help make the gemstone one-ofa- kind.

#### **CUT**

The way a gemstone is cut can have a tremendous impact on the gem's beauty. Gemstone cutters strive to do two things. First, they try to create an attractive finished gem, and second, they struggle to save as much weight as possible from the rough gem crystal with which they're working. If they try too hard to save weight they will sometimes end up with a stone that's either too deep or too shallow. This overzealousness in regard to weight retention will often have a negative impact on the finished gem's beauty.

A well-cut gemstone should show large areas of brilliance and color when viewed in a face-up position. Light and color should be reflected evenly from inside the entire gemstone as you slowly rock the gem back and forth. Large dark areas and areas that look washed-out or transparent indicate a gemstone that was not cut with maximum beauty in mind. As a general rule, at least 60% of the overall face-up area of a well-cut gem should reflect strong brilliance and sparkling color.

#### **CARAT WEIGHT**

The majority of gemstones are sold based on weight using the "carat" as the standard unit of measurement. The per-carat price of a gem will usually increase as the size of the gem increases. The amount of the increase depends upon the factor of rarity. A good comparison

that illustrates the effect of rarity on percarat price is blue topaz versus ruby.

Because it is common to find blue topaz in large sizes there is very little increase in the per-carat price between a one-carat and a four-carat specimen of similar quality. On the other hand, it is extremely rare to find a ruby in sizes over a carat. A one-carat ruby might sell for \$2,000 per carat while a similar quality four-carat gem could reach as high as \$5,000 per-carat, all because of its rarity.

#### **PERSONAL PREFERENCE**

Specific varieties of gemstones can come in a wide color range. For example, blue sapphire can vary from extremely light (pale blue) to very dark (black-blue). The hues can also range anywhere from a strong greenish-blue to an almost pure violet.

Which one is the best? That's easy; it's the one your customer likes the most!

Don't confuse price with beauty. Encourage your customers to trust their eyes and their hearts to pick out the colored gemstone that's right for them.

Because each and every gemstone variety is unique, it's important that you do a little research to better understand the gemstones that your store sells. You may discover that a fine quality one-carat ruby is out of many of your customers' price range, while a fabulous red spinel is both affordable and the exact color they are looking for. Perhaps your customer thought they wanted a blue sapphire only to later discover (after you showed them an alternative gem) that they really prefer the violet-blue hues of tanzanite. Investigating colored stone possibilities is both fun and exciting. The more you learn, the more confidence you'll have in helping your customers select a beautiful gemstone that fits their tastes, preferences, and personal styles.

This article was reprinted with permission and provided by the Jewelers of America (JA). It originally appeared in the September



# versus the

MOISSANITE (chemical composition: silicon carbide) is an extremely rare natural mineral. It was discovered by and named after Nobel Prize winner Dr. Henri Moissan. He first identified moissanite in a geological specimen taken from a famous Arizona meteorite crater called Canyon Diablo. Because it is rare (and often very, very small in size), natural moissanite has little commercial viability and cannot be used in jewelry.

The moissanite used in jewelry today is actually grown in a laboratory setting using proprietary technology. Sometimes referred to as "synthetic moissanite" or laborated moissanite, is produced exclusively

by the global source, Charles & Colvard, a North Carolina based-company. Charles & Colvard sells moissanite jewels through a worldwide network of wholesale distributors who sell to jewelry manufacturers, retail jewelry stores and other retail outlets.

While initially moissanite looks like diamond and might be mistaken for a diamond substitute, moissanite is not a diamond, brand of diamond, or diamond alternative, but rather moissanite is a unique jewel and is marketed based upon its own beauty and visual characteristics. Several of moissanite's optical and physical properties are similar to those of diamond. Its refractive index (a measure of a material's

ability to bend and slow light) is slightly higher than diamond (2.65 for moissanite vs. 2.42 for diamond). Its hardness is a 9-1/4 on the Mohs scale making it harder than sapphire or ruby and second in hardness only to diamond, being 10. Moissanite is extremely heat resistant and has the ability to conduct heat much like a diamond, making a traditional thermal diamond probe ineffective for separating moissanite from diamond.

So, how can you tell the difference? There are several relatively simple ways.

Diamond is a singly refractive material and synthetic moissanite is doubly refractive. When light enters either material



it is slowed and bent, but in synthetic moissanite the light is also split into two beams or "doubled". By using a 10X loupe and looking through the crown facets of a synthetic moissanite, you can see quite easily the double image of back facet edges. They look like little parallel lines or tiny train tracks. This "doubling" is best seen by looking through a bezel, star or upper girdle facet. It is more difficult to see when looking perpendicular through the table, however, you will be able to see doubling through the table, when you tilt the stone. You'll never see "doubling" in a diamond. But doubling in itself does not prove you

are looking at moissanite. What you do definitely know is that you are not looking at a diamond.

One of the most reliable methods is by using a piece of relatively inexpensive equipment specially designed to separate moissanite from diamond. These "moissanite detectors" are readily available for less than \$200.00. The tester distinguishes between diamond and synthetic moissanite by testing for the absorption of ultraviolet light. Diamond will transmit the UV light, while moissanite will absorb light at certain wavelengths. The moissanite tester should be used only after getting a "diamond" result

from a standard thermal diamond probe.

You'll find more information on synthetic moissanite and its separation and detection at:

- Charles & Colvard website www.moissanite.com
- GIA website www.gia.edu/newsroom/608/3058/ news\_release\_details.cfm
- The Guide website www.gemguide.com/news.htm

This information was reprinted with permission from the Jewelers of America (JA) and originally appeared in the Ask the Expert



# Do you have a No Tolerance policy?

#### IN 2005. THE EOUAL EMPLOYMENT

Opportunity Commission (EEOC) received 75,428 charges alleging discrimination and/ or harassment related to employment.

While the number of filed charges has leveled off, the costs have increased. Approximately 62 percent of filed charges are found to have "no reasonable cause." None the less, monetary benefits paid for claims resolved through the EEOC in 2005 totaled \$271.6 million. This amount does not include settlements obtained through litigation in other courts nor the considerable legal expenses and other hidden costs paid by employers. Nor does it reflect the harm caused by an accusation of discrimination or harassment, whether the charges are just or unfounded.\*

Think about how a discrimination or sexual harassment claim would be viewed in your community. It can be devastating to your reputation and your bottom line. Even if no damages are awarded, defense costs can often reach \$100,000.

Employment Related Practices liability insurance can provide assistance with your defense, but how can you prevent a claim in the first place? To help assess your company's situation, consider these important questions:

Does your company have a written "no tolerance" policy for discrimination/harassment? Your employees need to understand the types of behavior that will not be permitted in your workplace and the consequences for anyone who commits such acts.

Is your "no tolerance" policy active or buried in a file? An active discrimination/

harassment policy is crucial. Just responding to incidents as they are reported will not be a defense. Your policy should be written—acknowledged by each employee—promoted by upper management, and communicated frequently. It should be part of your daily operations.

Do your supervisors and employees understand the grievance procedure? Make sure your grievance procedure is appropriate for your company and that it is communicated effectively. Include posters or signs, up-to-date bulletins, and notification forms for new hires to sign. If possible, provide a 24-hour hotline service and hold meetings on discrimination/harassment topics annually.

Employees should have options for reporting grievances. A policy requiring that an employee only report to an immediate supervisor is not much help if the supervisor is the problem. Provide at least two names or titles of persons to whom grievances may be reported. (If names are used in your policy, be sure to update this portion of your policy when staff changes occur.)

How well will your written documentation protect your company if a claim occurs? Suppose an employee terminated after 17 years with a company sues, alleging wrongful termination and discrimination due to age. The company fired the employee due to deteriorating work performance over the last several years.

Are you requiring and keeping good written records that accurately reflect incidents that may lead to disciplinary action? If you terminate or discipline an employee, make sure your documentation is adequate to support your decision. Performance evaluations and hiring practices should be focused on objective work-related standards, and employees should get timely notice of performance issues. Employees should be given adequate time to correct the behavior or deficiency. Notice without opportunity to improve or change is typically seen as unfair to the employee. Lack of documentation can be a major problem and could increase the cost of employment practices claims.

Are you satisfied that employees will adhere to your "no tolerance" policy? Are you confident that your managers and supervisors have received proper training and will keep good written records for you?

It is important to remember that an employer can be held responsible for a supervisor's conduct even if the employer is not notified of the incident. If one of your supervisors fires or demotes an employee who refuses the supervisor's sexual advance or discriminates against the employee, your business can be held liable without any defense. Owners or top managers may not be excused simply because they had no knowledge of the supervisor's actions or even if they have tried to prevent such harassment.

Reviewing your company discrimination/ harassment policy, training and procedures is a good start. You also may want to consult a qualified legal professional with your questions, as this area of law can change rapidly.

Article courtesy of Federated Insurance.

# New Date for the TJA Convention

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#### **CONVENTION DATES**

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# Make BIG Profits Using Little Words

Plus - The 3 most powerful words in marketing

BY BOB JANET



#### PROCTER AND GAMBLE WANTED

to increase their sales of shampoo so they asked their employees for suggestions. One factory worker suggested that one little word be added to the instructions on the company's shampoo bottles. The word was "repeat," as in Lather, Rinse, and Repeat. That one little word doubled sales.

Little words can help you increase your

sales and profits.

Because of increasing marketing and selling costs you must find ways to maximize the impact of each and every contact you and your marketing materials have with your prospects. You must make sure you have a very high impact that creates the perception of value to the customer. You must:

• Attract the prospect's attention.

- Get the customer to purchase your products / services.
- Get the customer to use more of your products / services.

I like to do it with little words. One of my favorite is the word "All."

The word "ALL" will change any hohum ad or statement into a powerful impact telling the customer every item you sell is at the lowest price available and that you offer everything the customer needs.

For example, my competition placed this advertisement in the local paper. "18 cubic foot refrigerators on sale for only \$299 - reg. \$499"

This was a terrific price. But the wording of the ad left a lot to be desired, because it gave the impression that there was only one of these terrific values or only one model. Wouldn't the ad have been a lot more exciting and attention grabbing and effective if it had said:

"ALL 18 cubic foot refrigerators on sale for only \$299 - reg. \$499"

Of course it would have, but the dealer can't sell all his 18 cubic foot refrigerators at \$299, or he would lose money.

Maybe the leader refrigerator has wire shelves and all the others have glass shelves. So the appropriate ad would read: "ALL 18 cubic foot wire shelved refrigerators only \$299"

It doesn't matter what the difference is. It just matters that there is a difference so it singles out which model of appliances are on sale while bringing in a swarm of business. The word "ALL" even improves the sound of a free giveaway. Recently the local minor league baseball team advertised, "Free hats to the first 300 fans attending tomorrow's game."

See how much better the offer sounds with the word 'ALL' inserted: "Free hats for all of the first 300 fans attending tomorrow's game."

Even stating the hours for a special sale looks bigger and better with the use of the word "ALL." Recently I saw this in an ad: Special Sale Hours: Tonight 9:00 p.m. until 10:00 a.m. tomorrow.

Use of the word "ALL" turns it into a perception of a much longer time and more of a special event:

Special Sale Hours: Open all night! 9:00 p.m. to 10:00 a.m. tomorrow.

Other little words that make a big impacts:

- 1. Only
- 2. Now
- 3. Special
- 4. New
- 5. Easy
- 6. Call
- 7. Buy
- 8. Send
- 9. Stop
- 10.You

#### THE 3 MOST POWERFUL WORDS IN MARKETING

- 1. Free Everyone wants something free. Of course you cannot give your products and services away and stay in business. But you can offer the customer something free when they make a purchase. Free delivery. Free extended warranty. Third one free when you purchase two.
- # 1 Rule in giving products and services away for free:

Only give products / services away free if doing so creates the sale at the profit you desire.

2. Sale – In the retail industry it is estimated that 90% of purchases are made when the item goes on sale. Even if you are not selling in the retail industry, the customers you are selling to are use to buying in the retail industry and are conditioned to

wait for a sale before they buy.

3. Guarantee – No one buys anything without a guarantee. Sure, they may forget to mail the guarantee in, but they want it. Most every seller offers a good to great guarantee, but few market it. Few sellers use their guarantee as a benefit selling point.

Remember the old saying, "It's not always what you say, but it is always how you say it." Enhance the way you say it with little words.

Bob Janet combines 40 plus years as owner/operator of Professional, Retail, Manufacturing and Service businesses with his unique teaching and storytelling ability to motivate and give business professionals of all levels and all industries selling and marketing skills and techniques to increase sales & profits instantly and long term.

Contact Bob for your next keynote speech or sales seminar. For more information, visit www.BobJanet.com.



# Inventory Recordkeeping

BY STEVE KONETZKE, CFCU

WHO IS YOUR "BEST FRIEND" AT THE TIME OF AN INSURANCE CLAIM?

I would like to think it's me, the insurance agent. But it is not "me"; it's your inventory records.

The "burden of proof" is on you to determine what items were taken in the theft, destroyed in the fire or other natural disaster.

It is critical to the health of your business that the better the shape your records are in, the quicker you will be paid by the insurance company. I've had customers suffer major losses such as an armed robbery or burglary and get their claim check within 20 to 30 days. On the other hand, I've had customer's claims drag out for 6 to 8 months because their inventory records were not up to the proper standards. The claims were eventually paid, but the jeweler had to go through a lot of extra work with the help of their suppliers constructing the records after the fact.

## WHAT ARE THE STANDARDS WHEN IT COMES TO INVENTORY RECORDKEEPING?

I suggest you contact your insurance agent to get specific details on the inventory recordkeeping that your insurance company requires. According to Jewelers Mutual Insurance Company, the records should include the following:

- 1) Take a detailed and itemized inventory once a year. This consists of the following:
- a. A listing, which describes the merchandise in such a manner that will trace the items back to the original purchase invoice.
  - b. The value of each item at your cost.
  - c. The date the inventory was taken.
- d. The exact total of all inventory items: not a rounded or estimated value.
- 2) Maintaining purchase invoices of all items.
- 3) Maintaining a record of the cost of component parts for manufactured (assembled) items.
- 4) Maintaining sales receipts, which identify items sold by inventory numbers, descriptions, or some other method that will trace the item to the listing of the physical inventory and the original source documents.

## NOW THAT YOU HAVE THE PROPER INVENTORY RECORDS FOR INSURANCE PURPOSES, WHAT DO YOU DO WITH THEM?

It is recommended that you store inventory records for a minimum of seven years. If you have stock that is older then seven years, then keep the inventory records for that stock until the items have been sold.

If you have a manual inventory system, keep your records separate from your merchandise to minimize the chance of your records being stolen. If your inventory system is computer based, back up your files on disk, tape or external hard drive and store the information at a location away from the premises.

Store your inventory records, including purchase invoices and sales receipts, in a fire resistive container or safe that does not hold your merchandise.

Keep a copy of your physical inventory away from your premises, such as at your home, a bank vault or your accountant's office.

Steve Konetzke, CPCU, works at Sleeper Sewell Insurance and can be reached at 210-490-6611 or konetzke@sbcglobal.net.

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# In Sales:

#### Are You a Winner or a Whiner?

BY LINDA TALLEY



I have listed the 14 biggest whines that I hear from sales people. Yes, if you're in sales, you're probably a whiner or, at the very least, a recovering whiner, like me! If one of these, or more, whines is yours, it will be worth hundreds of thousands of dollars to get rid of it (them)!

1. "I got beat on price." Guess what, you didn't sell value so you competed

on a commodity level and price was the deciding issue.

- **2.** "The company went with someone else and their bid was higher than mine." Just goes to show that price isn't everything, however, value and value based + relationship selling are!
  - **3.** "My guy doesn't make the decisions."

You didn't have the courage or knowledge to meet with the economic buyer so you wasted your time with someone who is not the decision maker.

**4.** "They want to wait till next year." You did not create enough value to make you the priority and therefore take action today!

- 5. "My competitor stole the account." Purchasers make purchases based on emotion and justify it with price or logic. Did your competitor work with your client to help them identify key objectives (what they need), value objectives (what is important to them), and the outcomes they want (their future worth living into)?
- 6. "I leave a voice mail requesting a meeting but they never call me back." You haven't established rapport or created a need for them to see you about so you're begging vs. creating value.
- 7. "The decision maker won't talk to me." Perhaps you don't think enough of yourself to seek that level of person. You are more comfortable with the underling. You don't want to "rock the boat."
- 8. "The customer doesn't want to see me." You haven't identified and shared outcomes—what the customer will feel vs. what they will buy from you.
- 9. "Our business is cyclical." That's because you're not dealing with the economic buyer (EB). The EB will make a decision in 2 minutes.
- 10. "Our training is lousy." Did you show up to the training physically and emotionally ready to learn or did you just show up? Aptitude is 5% while attitude is 95% of the winner's equation.
- 11. "I hate my job." No, you don't, you hate yourself and are projecting that onto the job. Find out what the winners in your position are doing to be winners, copy that and see what happens and also review #10 above.
- 12. "I don't have time to review the proposals and respond." Yes, you do. You have more than enough time, you just aren't focusing with the end result in mind. You can only see the pain of reviewing the proposal vs feeling the excitement of being awarded the bid.
  - 13. "I never win." If you're not failing,

you're not trying. You have no right to be consuming happiness without creating just as you have no right to consume money without creating it. "I never win" is negative goal setting. Is that what you want?

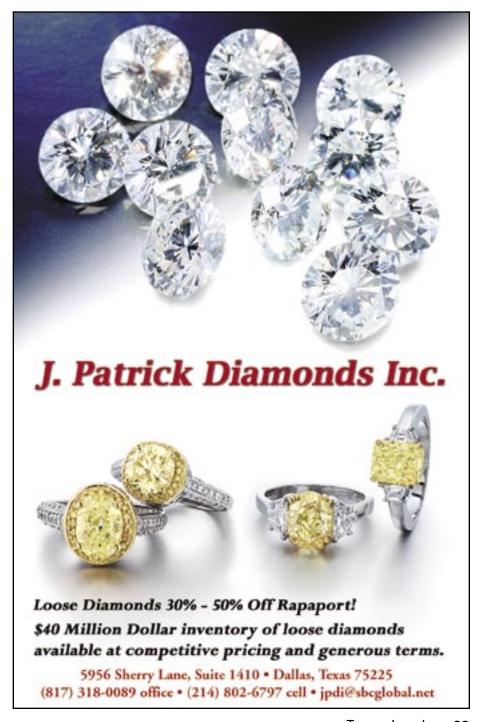
14. Whining is a doggy-downer. It's negative goal setting at its best and is it what you really want?

Stop whining and start winning. Instead of whining, change your focus to what you



really want. That way you'll begin getting what you really want and whining will be a thing of the past.

Linda Talley, a leadership coach, offers personal coaching sessions and frequently serves as a speaker at seminars and training sessions. For more information on her services and products, visit www.LindaTalley.com.



## **Emotional Leakage**

#### (GETTING MAD AT PETER AND TAKING IT OUT ON PAUL)

BY NANCY FRIEDMAN, THE TELEPHONE DOCTOR



WE'VE ALL SEEN IT HAPPEN. A coworker comes into work storming angry; mouth turned down in a frown; walks through the office without saying hello to anyone; sits down at his desk and starts barking orders to his coworkers; doesn't come out of his office; and when his phone rings he picks it up and bellows out: "Yea?" Sad isn't it? Something must have happened before he got to work and he carried it right inside the building. Telephone Doctor calls this "Emotional Leakage" and we cure it all the time.

Hey, it's no fun to get up on the wrong side of the bed in the morning. And it's

sure not fun to get a flat tire on the way to work or to argue with someone before breakfast. It's unfortunate that some people aren't able to shake it off and move on about their business.

Emotional leakage is getting mad at Peter and taking it out on Paul. Not right, not fair, not fun. Taking a negative emotion out on someone who wasn't involved? How RUDE can you get?

If emotionally leaking on coworkers certainly isn't fair, then emotionally leaking on customers is even worse than not fair. The customer or coworker, in most cases,

wasn't involved with whatever put you in a bad mood, so why take it out on them? Few things are more unfair and damaging to a relationship than emotional leaking a negative experience on someone who wasn't involved. And yet, unfortunately it happens every day. At home, in the office, on the streets, in the stores. Sad isn't it?

While shopping the other day, the person helping me was obviously not in a good mood at all. In fact, I think if she smiled her face would have cracked. She gave me one-word answers and kept turning her head to see who was coming or going. (I

wasn't sure.) Normally, I walk out on that type of service. It's just not worth my time to be treated like that. But this time, I was in a hurry and needed the product. So I did something I don't normally do. I asked her if every thing was all right? Was she OK? I tried to make it sound as though I was interested (even though I wasn't.) But I sure didn't want her negative emotions leaking on me any longer.

With a big sigh, and a sad face, she told me she and her boyfriend had a big fight the night before and she was hoping he'd come by and apologize. "Excuse me," I said, "was I with you?" Believe it or not she smiled and said, "Of course not." Then I nicely told her, "If I wasn't there, I don't want to be part of that argument."

She started to apologize, as well she should. Then I thought about a vase I had once. I dropped it. It broke into several pieces. My husband, Dick, and I talked about whether we should take it somewhere and have a professional put it back together. Dick said, "We can do that if you'd like, but it will never be the same. You'll always feel the cracks."

And so it is with our coworkers and customers. You can be in a bad mood. Be it an argument, a flat tire or breaking your favorite item. And you can apologize, but people still remember how you treated them. How you made them feel. And they will – for a long time, too.

So how do we cure emotional leakage? It's a quick 4-step process. Stop what you're doing. Take a deep breath. Put on a phony smile (yes, you can). Regain your professional composure. And then talk with the person – in person or on the phone. Emotionally leaking on someone is NEVER right.

And, of course, there are times when we'll get emotionally leaked on by others. Think how you feel when that happens to you. . and then remember to never emotionally leak on others.

Nancy Friedman is president of Telephone Doctor, a customer service training company in St. Louis. Go to www.TelephoneDoctor. com for more information.

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Winter 2006 Texas Jeweler – 25

# Texas' New Margin Tax Changes the Rules

## Prepare your company in 2007 for tax changes effective in 2008.

BY CHARLES MOSTER

AS A BUSINESS OWNER or manager, what can you do to learn from the mistakes that other companies have already made to make your company more successful? Have you asked yourself what your peers are thinking about and doing that you're not? Can you afford not to find out?

We see that business owners and managers share our passion for growing their businesses and the struggle to find the right people, information and resources needed along the way. We know that you are busy, which is why we take time to highlight issues in the law that will affect your business and give you ideas on how to make the best use of them.

Our goal is to address the topics that keep you up at night, from exit strategies to employees, or contracts, collections and disputes to trademarks and estate planning – and everything in between. As we begin the New Year, recent changes to the tax law that may affect every business in Texas take precedence so that you are not caught unaware in 2008 when tax season rolls around for 2007!

#### THE TEXAS MARGIN TAX

The Texas legislature recently passed a new bill which has significantly changed the method for computing tax liabilities – and which may cause changes in taxes for all companies doing business in Texas. This new bill takes effect January 1, 2008, and applies to this tax year that began January 1, 2007!

An important difference between this new law and the franchise tax it replaced is that this new bill no longer allows limited partnerships to automatically escape franchise tax liability. However, as it relates to all types of legal entities, a company that may not have been very profitable in the past – thus avoiding the franchise tax – may now be required to pay the Margin Tax regardless of its profitability level.

#### HOW THIS TAX WILL AFFECT YOU AND YOUR BUSINESS

As a result of this change businesses may have different tax liabilities and entities operating with the relatively cumbersome limited partnership structure will no longer have the same tax advantages as under the current laws. These limited partnerships will lose their tax advantages while still having more structural, operational and administrative complexities than other comparable business entities.

(It should be noted that partnerships classified as "passive entities" will not be subject to this tax. A passive entity is generally a non-business trust or partnership that derives 90 percent or more of its income from passive items other than rents, such as dividends, interest and royalties.)

The new Texas Margin Tax can have a significant impact on your business' tax liability. However, it will not apply if you owe less than \$1,000 in taxes or if your total revenue is less than \$300,000.

#### CALCULATING THE TAX IMPACT TO YOUR BUSINESS

The new Margin Tax will be computed by determining your entity's taxable margin, which is your entity's total revenue, minus deductions, multiplied by either 1.0 percent or 0.5 percent.

When computing taxable margin, your entity will be able to choose whether to deduct from total revenue either: (1) the cost of goods sold; (2) total compensation up to \$300,000 per employee plus employee benefits; or (3) 30 percent of total revenues. (If the entity does not sell goods, it is required to use the deduction for compensation.) The resulting figure is the gross margin.

The business will then compute the Texas apportionment factor, which is the percentage of Texas gross receipts out of your Total gross receipts, and the gross margin and the apportionment factor are multiplied to determine the taxable margin. Once the business' taxable margin is calculated, a one percent rate is applied to that margin or a 0.5 percent rate is applied if the taxable entity is categorized as a retailer or wholesaler by statute. The resulting amount is paid as the margin tax.

Bottom line: It is very likely that your business will incur tax liabilities of either 0.5 percent or 1.0 percent of your taxable margin for the 2007 tax year and you will face a tax regardless of your profitability level.

## RECOMMENDATIONS TO CONSIDER—ALTERNATIVE BUSINESS ENTITIES

Where the limited partnership structure successfully lowered its owner's tax liabilities, while still providing limited liability protection for nearly a decade, the new margin tax has erased these benefits. As a result, the current structure of most limited partnerships is unnecessarily complicated due to the requirement of having a general partner.

In order to alleviate this now unnecessary burden, clients formed as limited partnerships to avoid the franchise tax should consider converting to another type of business entity, such as a Limited Liability Company (LLC) that can better align the benefits of limited liability protection with an easy-to-operate business structure.

Furthermore, the new required computation may expose all businesses, regardless of the type of legal entity, to different tax liabilities. All companies may benefit from proactive planning for the changes in tax law, based on the nature of your business and the short-term and long-term goals of you and your management teams.

#### WHAT'S YOUR ESTIMATED TEXAS MARGIN TAX?

With the new Texas Margin Tax, the primary question for any business is this: What is your estimated liability under the new tax law?

We encourage you to utilize the online calculator provided by the Texas Comptroller. It is available for you to estimate your upcoming tax liability. Please visit this website to download this helpful tool: www.window.state.tx.us/taxinfo/franchise/calculator/.

We suggest you gather the following before visiting the website: For 2007 Revenue: Pro forma financial statements or estimates for 2007 revenues. For 2007 Deductions: Either (1) Estimated costs of goods sold or (2) Compensation for 2007.

**Tip:** Compensation expense includes wages and employee benefits, but wager over \$300,000 for an employee may not be included. Other: Estimate of percentage of 2007 Texas-based operations, and income tax returns if the business suffered losses for

one or both of the past two years.

**Remember:** This new margin tax does not take into consideration the profitability of your business. Please take action by contacting your attorney or CPA to determine your projected exposure and what you should be doing to protect your business assets.

MosterWynne is a peer-recognized full service business law firm and "General Counsel" to emerging businesses. Based in Austin and serving clients throughout Texas and nationwide with more than 90 years of collective legal and business experience, we have spent a decade helping clients use the law as a tool for making business decisions.

#### CORRECTION

An ad for J. Patrick Diamonds Inc. in the December 2006 issue of Texas Jeweler included in the incorrect phone number. The correct phone number for J. Patrick is (214) 739-0089. We apologize for the error.

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# of events

#### **APRIL**

#### **Oklahoma Jewelers Association** - Spring Seminar

**April 14 - 15** 

Doubletree at Warren Place, Tulsa, OK

Contact: Sjblair38@kc.rr.com

#### **Alabama Convention**

**April 14 - 15** 

Hilton Perimeter Park South Hotel Birmingham, AL

#### JIS - Jewelers International **Showcase**

**April 14 – 16** 

Miami Beach Convention Center, Miami Beach, FL Contact: jisshow@aol.com

#### **Baselworld**

#### - The Watch & Jewellery Show

**April 12 - 19** 

Basel Fairgrounds, Basel. Switzerland

Contact: exhibitor@baselworld.com

#### North Carolina/South Carolina Convention

April 13 - 15 Marriott Grand Dunes, Myrtle Beach, SC

#### Missouri Jewelers & Watch Makers **Association - Annual Leadership** Conference

**April 20 - 22** 

Doubletree, Chesterfield, MO Contact: Sjblair38@kc.rr.com

#### **AGS Conclave**

**April 25 - 29** 

Denver, CO

Contact: info@ags.org

#### **Bench Jewelers Conference & Expo**

April 26 - 29

Adam's Mark Hotel, Buffalo, NY

#### MAY

#### Vicenzaoro2

May 12 - 16

Vicenza Fairgrounds, Vicenza, Italy Contact: vicenzafiera@vicenzafiera.it

#### **Tri-State Jewelers Association** Convention

**May 20** 

Loews Hotel, Annapolis, MD

#### **Couture/Signature Salons**

May 30 - June 4

Wynn Resort, Las Vegas, NV

#### **JUNE**

#### JCK Show - Las Vegas

June 1 - 5

Sands Expo & Convention Center, Las Vegas, NV Contact: Inquiry@jck.reedexpo.com

Mississippi Jewelers Association

June 9 - 11

Golden Moon Hotel, Philadelphia, MS

#### **JULY**

#### Saltwater Seminar - Alabama

**July 19 - 22** 

#### **New York State Jewelers Association Dinner**

July 28

The Ritz-Carlton Battery Park, New York, NY

#### JA New York

July 29 - August 1

Jacob Javits Convention Center, New York, NY

Contact: dlawsky@vnuexpo.com

#### **AUGUST**

#### **Arkansas Jewelers Association** Convention

**August 11 - 12** 

Peabody Hotel, Little Rock, AR Contact: arkjlrsassn@comcast.net

#### **Atlanta Jewelry Show**

**August 11 – 13** 

Cobb Galleria Centre, Atlanta, GA Contact: info@atlantajewelryshow. com

#### Nebraska/South Dakota Jewelers Association – Leadership Conference

**August 17 - 19** 

Holiday Inn, Kearney, NE Contact: Sjblair38@kc.rr.com

#### **Columbus Jewelry Show**

**August 25 - 26** 

Great Columbus Convention Center, Columbus, OH

#### **SEPTEMBER**

#### Southwest Jewelry Show September 8 – 10

Gaylord Texan Resort & Convention Center

#### **West Coast Jewelry Show**

September 9 –10

Anaheim Convention Center, Anaheim, CA

#### **OroGemma**

#### September 9 - 13

Vicenza, Italy

Contact: vicenzafiera@vicenzafiera.it

#### Oklahoma Jewelers Association

Leadership Conference

September 28 – 30

Embassy Suites, Oklahoma City, OK Contact: Sjblair38@kc.rr.com

#### **Texas Jewelers Association**

September 28 - 30

Hilton Galveston Island Resort, Galveston, TX

#### **Virginia Jewelers Association**

September 28 - 30

Omni Hotel, Richmond, VA

#### Intermountain Jewelers Convention September 28 – 30

Boise, ID

#### **OCTOBER**

#### **Kansas Jewelers Association**

- Annual Leadership Conference

**October 12 - 14** 

Grand Prairie Hotel, Hutchinson, KS Contact: Sjblair38@kc.rr.com

#### Missouri Jewelers & Watch Makers Association – Fall Seminar

**October 20 - 21** 

The Resort at Port Arrowhead, Lake Ozark, MO

Contact: Sjblair38@kc.rr.com

#### Minnesota/North Dakota

Convention

**October 27 - 28** 

#### **JA Special Delivery Show**

**October 28 - 30** 

Jacob Javits Convention Center New York, NY Contact: dlawsky@vnuexpo.com

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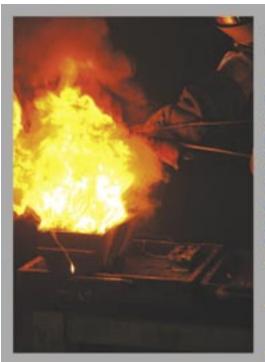




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#### Jewelry Take in Procedures, Part 1

BY ARTHUR ANTON SKURATOWICZ ICGA, GJG (GIA), SENIOR MEMBER NAJA & JULIE NASH ASA, GJG (GIA), MASTER GEMOLOGIST APPRAISER

#### TAKE IN PROCEDURES HAVE NEVER

been more important than in today's environment of synthetic and imitation gemstones and increasing customer concern with the safety of their jewelry. Five factors are critical in maintaining customer confidence in your store and protecting your store's reputation. Appropriate procedure can be achieved by asking yourself a series of questions as you go through the process of taking in an item of jewelry.

#### **PART 1 OF 4**

Inspection: Using a minimum of 10X magnification is the standard in the jewelry industry. A loupe is typically used, but realize some characteristics are apparent only with higher magnification and controlled lighting. Using the right equipment is not enough. You have to be proficient in its use and this means practicing constantly.

While using magnification to inspect a piece of customer's jewelry, ask yourself the following questions:

- **a.** What, if anything, needs repair? Pay particular attention to prongs for appropriate height and contact with stones (figure 1). Shanks, clasps and bails should be examined for thickness and wear.
- **b.** Are all stones tight in their settings? This can easily be determined by grasping each stone by the girdle in fine pointed tweezers and twisting right to left and pushing up and down. Doing this under a microscope is a good way to point out loose stones to the customer.
- c. Is the discovered problem repairable? This question may have obvious answers in the case of re-shankings or re-tippings, but problems such as extensive cracks in a previously repaired gallery may need the input of your bench jeweler before a

decision to repair is made.

- **d.** Is the repair feasible? Retipping diamond pavé in 14KT gold may be practical and cost effective while retipping emerald pavé would require removal of all stones and may prove more costly than the original piece of jewelry. These situations must be clearly explained to the customer in order for them to make informed decisions about their jewelry and keep you and your store from appearing unknowledgeable or unscrupulous.
- **e.** Has the jewelry been previously repaired? Recognition of previous sizings or prong repairs may dictate the type and cost of the current repair. For example, worn prongs can usually be retipped while previously retipped prongs that are worn may require replacement of the head. Multiple previous sizings may best be dealt with by partially re-shanking to avoid fragmentation of the ring shank.
- f. Is there risk associated with the repair? Certain delicate stones, like emerald or opal, may be damaged by heat or need to be removed from settings in order to repair a piece of jewelry. Heat and pickling chemicals may change or damage the patina of antique or silver pieces. Informing the customer of any possible damage that may result from the repair during take in will go far toward avoiding a disappointed customer at pick up.

Arthur Anton Skuratowicz & Julie Nash are coauthors of the book: Working With Gemstones: A Bench Jeweler's Guide. This book deals with handling issues a jeweler addresses while working with gemstones at the bench. They are also co-owners of The Jewelry Training Center Inc., a jewelry trade school in Colorado Springs, CO. The JTC offers the experienced jeweler the ability to update their skills while offering the newer generation of jewelers a place to develop their bench techniques. For more information, visit www.JewelryTrainingCenter.com or call

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