

TEXAS

the publication of the
Texas Jewelers Association

Summer 2007

Jeweler

**TJA 69TH ANNUAL
CONFERENCE
& EXPOSITION
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EXPANDS
WITH TEXAS-BASED
VENTURE**

**Meet
Zoltan David
Designer
Extraordinaire**

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A professional portrait of Darin Kath, a middle-aged man with short, light brown hair, smiling at the camera. He is wearing a dark navy blue suit jacket over a light blue button-down shirt. He is seated, with his hands resting on his knees. The background is a dark, neutral color.

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you can count on.

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you can count on.

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— Darin Kath
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Cover photo provided by Zoltan David. Exquisite 2 carat diamond ring in platinum with 22k beaded inlay.

2007 Conference & Exposition

Summertime – And the Living is Easy

(according to the song anyway)



HI YA'LL. SUMMER is a different season for most of us. There's not much going on in the store to really sink our teeth into, so we kind of relax, get in a few days off here and there and generally slow down. Especially compared

to the other seasons.

We get ready for the big shows in Las Vegas, the IJO show, Atlanta, New York, and maybe some others I missed, but you get the point. Everything we do seems to be aimed at getting ready for the Christmas season. Not that the summer months are dead, but they're not as big as the other seasons for most of us.

I know most of you plan your trips to the buying shows and you do your homework before you go, so I won't get into that too much. But I do think it's important to remember that we want to be **IMPORTANT TO A FEW SUPPLIERS.**

So, to those suppliers who are important to us, we should look at them first. If you buy just a little bit from a lot of suppliers, you could end up being a nobody to all of them. It's a lot like our customers; we take really good care of our best customers don't we? It's no different for the suppliers.

Now, let's talk about taking care of our association.

As most of you know, our annual convention was moved from April to September this year, and we would really, **REALLY** like for you to attend. We negotiated a very good rate at a great hotel on the **BEACH** on **GALVESTON ISLAND**

during a **PERFECT** time of the year. Excellent company (we're all really good company, you know), a wonderful agenda of speakers, great round-tables, scrumptious food, grand golf, fine fishing, wonderful sightseeing, and too much to list.

Seriously, we (your dedicated board of directors) have been working on this and really trying hard to make it our very best annual convention ever, so mark your calendars for September 29-30. Plan on being there and you won't be sorry. We'll have a great time, eat some good food, learn a lot, fish, sightsee, and generally have a great time.

See you there.



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Jewelers

Association 2007

69th Annual Conference and Exposition

• • • • • **September 28 –30, 2007** • • • • •

Galveston, Texas • Galveston Hilton Island Resort Hotel

THE TEXAS JEWELER ASSOCIATION

will be hitting the beach in Galveston at a wonderful time of the year...after the sun has stopped its serious scorching and after the kids have all gone back to school. But in addition to fine beaches, Galveston offers convention attendees a variety of other options.

Galveston Island Ferry, located on Hwy 87 (Ferry Road), continues to be one of Galveston's most popular attractions. Riders can park and ride the ferry or drive their vehicle aboard the ferry. Ferries run approximately every fifteen to twenty minutes and are free.

Fixed rail trolley cars can be boarded at the Galveston Island Trolley stops located 2100 Seawall, 2016 Strand, and at The University of Texas Medical Branch. Built in a turn of the century style similar to those used in Galveston from the late 1800s to 1938, the trolleys provide a unique mode of transportation from Galveston's Seawall to The Strand Landmark Historic District, Postoffice Street Arts & Entertainment District and Pier 21.

The Great Storm, a multimedia presentation at the Pier 21 Theater, gives visitors a glimpse of the devastating 1900 Storm through a multi-image documentary experience. The 27-minute story gives actual accounts from diaries and letters of



survivors during and after the storm.

One of Galveston's most popular attractions is Moody Gardens, One Hope Boulevard. Work or play, this tropical destination is ideal for families and groups alike. Water your imagination and travel the oceans of the world at the Aquarium Pyramid. Step into the Rainforest Pyramid with thousands of tropical plants, exotic fish and birds. Explore the mysteries of science at the Discovery Pyramid, and take a rocking and rolling ride through the universe at the Ridefilm Theater. Get in the middle of the action at the 4D Special FX Theater. See spectacular images leap from the screen of the six-story IMAX 3D Theater and visit beautiful Palm Beach (seasonal) and the newly expanded Moody Gardens Hotel.

The Ocean Star Offshore Drilling Rig and Museum, located at Pier 19, gives visitors an opportunity to step aboard an offshore rig and experience how oil and gas is produced offshore. Videos, interactive displays and models take patrons to offshore locations all over the world.

Seawolf Park, Pelican Island via Seawolf

IMPORTANT DATES

Hotel Deadline

September 3, 2007

Fishing Deadline

September 3, 2007

Jewelry Design

Contest Deadline

September 14, 2007

Registration Deadline

September 15, 2007

Parkway (51st Street), was built on an immigration station site and offers a three-story pavilion with a view of Galveston harbor, picnic sites, a playground area and a lighted fishing pier. A World War II submarine (the USS Cavalla), a destroyer escort (the USS Stewart), and other military hardware are open for tours.

Of course, no visit to Galveston is complete without a savoring the Island's historic homes and museums, which give visitors a glimpse of an era featuring both wealth and prosperity, as well as disaster and change.



TJA 2007 Conference & Exposition



THE LOCATION

It is a bit of paradise nestled on the beautiful Texas Gulf coast. Feel the warm, caressing sea breezes, relax to the calming rhythms of the surf. Close your eyes and follow the call of the gulls as they soar over the endless expanse of ocean. And when you return to earth, come experience one of the coolest beach resorts in Texas.

Nearby, you'll find a tropical playground resort: deep-sea fishing; golfing; horseback riding; bike riding, trolley rides and tourist attractions.

TJA FISHING GUIDE TRIP

Register by September 3

For those who wish to take an early fishing trip on Saturday, check out the registration materials that were mailed to you or online for complete information or making your own private or group charter. The TJA group charter (Bay and Jetty Fishing) will be a ½ day trip on Saturday, Sept. 29, from 6 a.m. to noon.

Register by September 3, 2007. \$35 dollars per person. All tackle and squid bait furnished.

2007 JEWELRY DESIGN CONTEST

Deadline September 14

Every year some fantastic creations are sent for judging to TJA and every year the attendees get to vote on "Best of Show." The atmosphere, the judging and the anticipation is unique and always exciting for those viewing and for the annual contestants. If you have a show piece that qualifies, download the registration form at www.TexasJewelers.org. The overall winner is automatically entered into the JA national event. Texas has walked away with this national honor on several occasions. Be sure to make the entry deadline of September 14, 2007.

FOR CONFERENCE QUESTIONS

TJA Conference Manager

Debbie Noren

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Austin, TX 78757

Phone: (512) 454-8626

Fax : (512) 454-3036

email: dnoren@assnmgmt.com

or jmccullough@assnmgmt.com

HILTON GALVESTON ISLAND RESORT



The Hilton is within walking distance of many of Galveston's great restaurants and only a five minute drive to see Texas historic venues like the Strand. But make reservations now... the island dates fill fast!

5400 Seawall Boulevard

Galveston, TX 77551

Room Reservations: 1-877-425-4753

Room Deadline: September 3, 2007

Room Rate: \$109 Single/Double

(Make room reservations early!)

This special conference rate of \$109 Single/Double (plus applicable state and hotel lodging tax) for single/double occupancy has been negotiated for this event. Reference "TJA" as you make your reservation. After 9/3/07, no guarantees regarding room rate or availability are implied. Parking is free at the Hilton. (If you wish to extend your stay call TJA headquarters to arrange extension times.)



TJA 2007 Conference & Exposition

TENTATIVE SCHEDULE

Tentative schedule is subject to change.

The TJA Conference On-site Program will contain final TJA conference schedule and room assignments.



FRIDAY, SEPTEMBER 28, 2007

6p – 7p Reception/Bar Only –
Dinner on your own

SATURDAY, SEPTEMBER 29, 2007

Fun Events

6a – noon Fishing on the USS Minnow
(Just Kidding) *see registration form for
fishing registration info*

1p – 6p Conference Registration

1p – 3p TJA Board Meeting

1p – 5:30p Exhibitor Set Up

3:30p – 5:30p 3 Educational Seminars

- **Jeff Crilley – How To Market Your Business For FREE!**
- **Dalan Hargrave – Innovative Optics in Gemstone Design**
- **Doug Hucker – Take the Vow-In Technicolor**

5:30p – 6:45p President's Reception/Exhibits Open

7p Eat out on your own

SUNDAY, SEPTEMBER 30, 2007

7a – 5 p Registration - Ballroom Foyer

8a – 5:30p Exhibits Open (Closed for lunch)

8a – 9:00a Continental Breakfast with Exhibitors

9a – 11:30a Programming

SUNDAY, SEPTEMBER 30, 2007 (Continued)

SPEAKERS

9:00a

- **Linda Talley – Did You Hear Everything Your Customer Didn't Say?**
- **Doug Hucker – Solid Steps to Successful Colored Gemstone Sales**
- **Larry Johnson - The Top 10 List of Mistakes Jewelers Make in the Display of Jewelry**

10:30a

- **Dalan Hargrave – Designing with Colored Gemstones**
- **Jeff Crilley – Other Ways...To Market Your Business For FREE!**
- **Linda Talley – What Does Your Store Say to Your Customers?**

11:45a – 1:15p Annual Business Meeting and
TJA Luncheon

1:30p – 4:30p Programming

1:30p – 4:00p TJA Share Fair Session – The Highly
Anticipated Peer to Peer Round Tables

TJA SHARE FAIR SESSION PARTICIPANT NOTE

The TJA round tables "rotate table participants" and change every 30-45 minutes for maximum exposure to multiple topics.

- **Business Mark-ups**
Ronnie Miller
Meyerland Jewelers/Facilitator
- **Employment: Hiring, Firing and Other Issues**
Jewelers Mutual
- **Photography**
Andy Solomon/Facilitator
- **Marketing**
Jeff Crilley/Facilitator
- **Security**
Bruce Scates/Facilitator
I VERIFY, Regional Representative
- **Retirement/ Business Transitions:**
Federated Insurance – David Rodriguez,
Association Risk Management Services
- **Lasers:** *See demonstration areas at conference.*

4:30p – 5:30p Closing Session with Exhibitors/
Reception & Prizes

5:30p Grab a few friends and it's dinner
and sites on your own.



TJA SPEAKER PROFILES



JEFF CRILLEY
TV REPORTER

Jeff Crilley is an Emmy Award winning TV reporter in Dallas. During his 23 years in television news he has made hundreds of national news appearances including CNN, CNN Headline News, FOX News, The Discovery Channel, Good Morning America and The CBS Early Show. He has been recognized by his peers with dozens of national and regional awards including the Emmy, the National Headliners Award, the Edward R. Murrow Award, the Thurgood Marshall Award and in 2004 was named by the Texas Associated Press, "The Best TV Reporter in the state."

When he is not covering the news as a reporter and anchor, he's teaching people how to get covered on the news.

EDUCATION TOPICS

- How to Market Your Business For FREE
- Other Ways To Market Your Business For FREE



DALAN HARGRAVE

Dalan Hargrave began a career as a goldsmith in 1976 after taking college

courses in Arts and Metals at San Antonio Junior College. During his career he advanced from repair work to light manufacturing, mold making, gem cutting and one of a kind jewelry. Currently he operates GemStarz Jewelry, a custom design studio specializing in custom mountings and gemstone cutting.

Signature gemstone cuts are GemStarz, GemHeartz, Spirographic cuts, compound concave cut and 3-D Illusion series.

EDUCATION TOPICS:

- Innovative Optics in Gemstone Design
- Designing with Colored Gemstones



DOUGLAS K. HUCKER, CGA
CHIEF EXECUTIVE OFFICER,
AMERICAN GEM TRADE
ASSOCIATION

Douglas Hucker combines dynamic public speaking ability developed through many years of addressing jewelers conventions, seminars, and training sessions with an in depth knowledge of estate, antique jewelry, colored gemstones and diamonds. He provides new strategies to help the retail Jeweler expand their business through comprehensive training, establishing efficient in house training methods, and by improving promotional and marketing techniques.

EDUCATION TOPICS

- Take the Vow-In Technicolor
- Solid Steps to Successful Colored Gemstone Sales



LARRY B. JOHNSON
SENIOR VP OF BUSINESS
DEVELOPMENT,
PACIFIC NORTHERN CORP.

Larry B. Johnson is the author of "The complete guide to effective jewelry display" published 2006 by ST Media. (www.Effectivejewelrydisplay.com)

EDUCATION TOPICS

- The Top 10 List of Mistakes Jewelers Make in the Display of Jewelry



LINDA TALLEY
WWW.LINDATALLEY.COM

Linda Talley is an exciting, dynamic speaker with a fresh perspective on leadership, communication and personal excellence. She is an author and leadership coach and is committed to people enhancing their performance in all areas of their lives. She interprets the challenges, the frustrations and upsets of the workplace and then offers solutions that can be applied immediately.

EDUCATION TOPICS

- Did You Hear Everything Your Customer Didn't Say?

Texas Jewelers Association 2007 Annual Conference & Exhibit Beach Party

Hilton Galveston Island Resort REGISTRATION FORM September 28-30, 2007

Registration form also available at www.texasjewelers.org. If you need another registration form for a colleague, feel free to photocopy this form. To receive the early bird discounted fee, pre-registrations must be postmarked, faxed, or received online by September 15, 2007. Plan to register on-site at the higher fee shown in second column after 9/15/07. Do not mail forms to TJA office after 9/15/07. A Full Enrollment Registration fee admits you to all functions. Your Full Enrollment Conference Badge is your admission to exhibits, all sessions, and conference functions. A receipt will be included in your packet at registration check-in. Refunds will be processed after the conference if a written request is sent before 9/15/07. There will be a \$25 processing charge on refunds.

Special Assistance

- ☐ I will require special assistance
☐ I have special dietary needs.
 Specify: _____

Complete this entire form. Type or print clearly for each registrant.

First Name _____ MI _____ Last Name _____
 Badge Name _____
 Spouse or Staff Name(s) _____
 Place of Employment/Company Name: _____
 Mailing Address _____ City/ST/Zip _____
 E-mail address (required for confirmation) _____ Phone: _____

NOTE: If you are a retail store owner, spouse, or store manager, you pay either the TJA Member or Nonmember "Full Registration Fee." If you have employees, they can choose from and add to selections below.

Registration Fees

Full Registration — Full Attendance

(includes all meals, seminars, and social functions)

☐ **TJA Member or Staff: Full registration**

(includes all meals, seminars, and social functions.)

☐ **Nonmembers or Staff: Full registration**

(includes all meals, seminars, and social functions.)

☐ **TJA Member with Spouse Full Registration:**

☐ **Non-Member with Spouse Full Registration:**

☐ **TJA Member/or Staff:**

(includes only seminars, and Exhibit Hall only—meals extra)

☐ **Nonmembers/or Staff:**

(includes only seminars, and Exhibit Hall only—meals extra.)

One-Day Attendance only (Only 1 Single Day ticket can be purchased)

Saturday Only *(includes seminars, Exhibit Hall, and reception)*

Sunday Only *(includes seminars, Exhibit Hall, breakfast and lunch)*

☐ TJA Member/Employee/Spouse

☐ Nonmembers/Employee/Spouse

	Postmarked by 9/15/07	Qty.	After 9/15/07	Qty.	Total
<input type="checkbox"/> TJA Member or Staff: Full registration	\$200 @	_____	\$225 @	_____	\$ _____
<input type="checkbox"/> Nonmembers or Staff: Full registration	\$225 @	_____	\$235 @	_____	\$ _____
<input type="checkbox"/> TJA Member with Spouse Full Registration:	\$350		\$375		\$ _____
<input type="checkbox"/> Non-Member with Spouse Full Registration:	\$400		\$420		\$ _____
<input type="checkbox"/> TJA Member/or Staff:	\$50 @	_____	\$75 @	_____	\$ _____
<input type="checkbox"/> Nonmembers/or Staff:	\$75 @	_____	\$100 @	_____	\$ _____
Saturday Only	\$85 @	_____	\$95 @	_____	\$ _____
<input type="checkbox"/> TJA Member/Employee/Spouse	\$100 @	_____	\$125 @	_____	\$ _____
<input type="checkbox"/> Nonmembers/Employee/Spouse	\$115 @	_____	\$125 @	_____	\$ _____

Additional Meal Tickets

(must be purchased by September 15, 2007)

Saturday Reception.....\$20 each _____ Quantity _____ \$ _____
 Sunday Breakfast.....\$15 each _____ Quantity _____ \$ _____
 Sunday Luncheon Banquet/Awards.....\$25 each _____ Quantity _____ \$ _____

Additional Fees

Fishing Group Saturday 6am--12n (includes all the fish you can catch, bait and bragging rights)

How Many Fish Will You Catch? _____ Guess/Prize\$35 \$ _____

TOTAL \$ _____

Credit Card Payments:

Select One: ☐ AmEx ☐ Discover ☐ MasterCard ☐ Visa

Account # _____ Exp. Date _____

Cardholder's Name _____

Cardholder's Phone _____

Billing Address _____

City/ST/Zip _____

I authorize TJA to charge my credit card \$ _____

Signature of Cardholder: _____ Date _____

I authorize TJA to charge my credit card and understand the bill statement will read Texas Jewelers Association.

☐ Check Payments

For office use: _____

Date received: _____

Amount: \$ _____ Check # _____

Mail this completed form with registration payment to:

TJA • 1306-A West Anderson Lane • Austin, TX 78757

If paying by credit card you may fax to 512/454-3036 for fastest registration; or register online at (www.texasjewelers.org). A receipt will be enclosed in your registration packet.

JEWELRY CHANNEL Expands with New Texas-Based Venture

BY JULIE TERESHCHUK

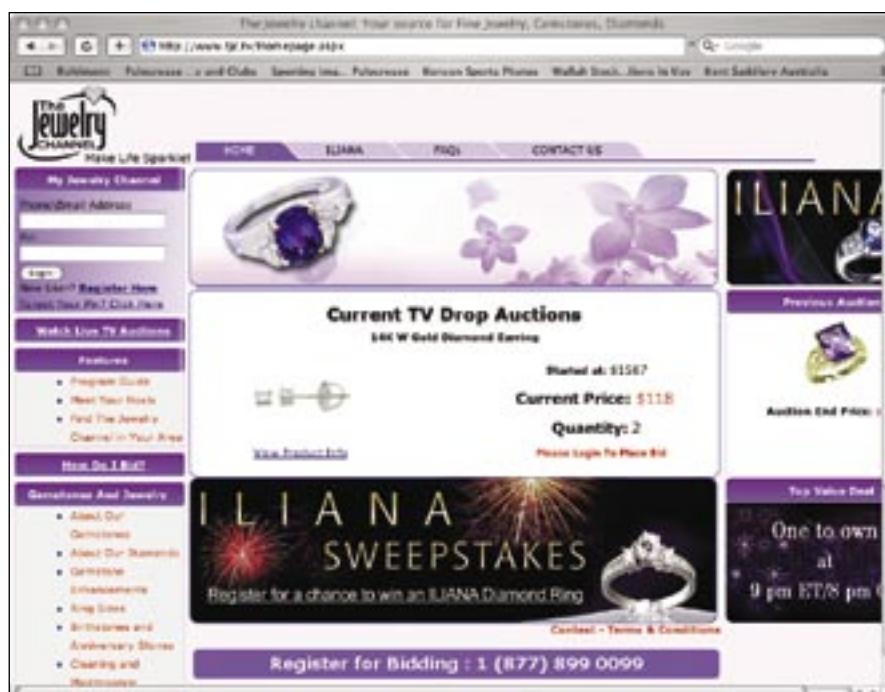
Round Rock, Texas is now home to The Jewelry Channel, a 24/7 nationally broadcast live TV channel, which will bring 500 jobs and \$20 million over five years to Williamson County, one of the fastest growing counties in the nation.

Manoj Shrimali, senior vice president with TJC parent company Vaihav Gems Limited, says the Jaipur, India-based company wanted to establish its U.S. channel in the central time zone and have access to an educated work force in a business-friendly environment. Austin, he says, provided all that. "Everyone in the U.S. wants to move to Austin," Shrimali says. "Everything that our channel is about we can find here."

VBL already owns two similar channels, in the UK and Germany. Although VBL does not partner with local jewelers or dealers in any of its locations, Shrimali says Central Texas will see an even greater positive impact locally through "increased employment and downstream business" than was felt in the UK and Germany. "The impact in Austin is much greater as we decided to have all operations in-house locally in order to provide better service."

While the April 18 launch was trumpeted as good news by the Greater Austin Chamber of Commerce, Round Rock's Economic Development Partnership and local Central Texas media, are the headlines something that readers of *Texas Jeweler* should be celebrating?

Yes, says TJC's Shrimali. "The business model of TJC is to educate consumers about gemstone mining, processing, jewelry designing, manufacturing, quality controls, etc. (Short documentary film clips



run between live product presentations.) "This leads to expanded market size of color-stone and diamond jewelry, which in turn benefits other jewelers. TJC broadcasts nationally so we are hopeful that the impact of market size increase will be felt across a wider audience."

Sue Riha, Lecturer in Marketing with the McCombs School of Business at the University of Texas in Austin, agrees that the overall impact on independent Texas jewelers could be good. "The Jewelry Channel is bringing jewelry to a top-of-mind awareness. It doesn't become a matter of buying from the Jewelry Channel or buying from a local jeweler." Riha adds, "People may do nothing more than use it as a reference point... The local jeweler can use this as advertising."

THE INDEPENDENT ADVANTAGE

While television may arouse a consumer's interest, strong relationships will draw customers back to their independent retail stores, where the jeweler will have the opportunity to explain in person the characteristics and quality of gemstones and precious metals, and the subtleties of fine jewelry design. Above all, says Riha, an independent jeweler has the opportunity to allow their customer to "touch it, feel it, whatever they want to do before they buy."

The Jewelry Channel can't provide that powerful in-person experience to its customers – who can pre-register online to take part in the same reverse auctions the channel's television viewers are watching.

The reverse or Dutch auction is something that Austin-based licensed auctioneer Michael Hanley uses frequently – in live auctions. “You can feel the tension in the room mount, as people wait for the price to drop to the level they’re willing to pay. Often, they’ll raise their paddles before it falls that far.” While Hanley says this is an excellent sales tool in a live setting, he’s uncertain of its effectiveness when the bidder is home alone.

With the overall trend toward increased purchases from internet-based retailers, the largest impact is on retailers of brand name products, when the purchase “is simply a matter of price,” says Riha. In good news for Texas fine jewelry retailers, Riha says, “You still have to be fairly special to be able to sell anything that involves taste.”



About the Jewelry Channel:

FORMAT

- 24/7 television broadcasts available nationally on DirectTV Channel 226 and local cable providers
- Online video retailing via www.tjc.tv
- Live hosts hold reverse auctions interspersed with documentary film clips on industry-related topics
- 30,000 square feet corporate office and live TV studio with 140 employees, expanding to 100,000 square feet in two years and 700 employees in five years.

OWNERS

- Vaihav Gems Limited, headquartered in Jaipur, India.
- Annual turnover of \$54 million for the year ended March 31, 2006
- VGL's planned initial Texas investment is \$3 million, rising to \$20 million over five years.

PRODUCT

- One of the largest jewelers in the world, with workshops in India, Thailand and

China, TJC's parent has been mining, stone cutting, finishing and designing jewelry for twelve years. The company says this large integrated supply chain allows them to pass on considerable cost savings to customers. On-air hosts tell viewers, “All our loose gem stones are AAA grade.”

PRICES

- TJC's on-air strategy is to dramatically “plunge” the price from the original price displayed. There are typically no more than two plunges. The host moves on to the next item even if items remain unsold at the lowest price.
- Recently a pair of 14k yellow gold, peridot and diamond stud earrings 1.76 cts total started at \$1356. The price immediately dropped (“plunge”) to \$258, and was finally reduced to \$189 – although the item did not sell. Subsequently four Brazilian marquis shaped citrines, measuring 20 x 10 mm (TGW 6.60cts) were offered at \$322 each. They “plunged” to \$25. All four sold.

ON-AIR COMPETITORS:

- QVC: Founded in 1986 by Joseph Segel, founder of The Franklin Mint and with 2005 net sales totaling more than \$6.5 billion, QVC is now larger than many well-established retailers like Bloomingdale's and L.L. Bean.
- HSN: The Home Shopping Network's electronic retailing concept began in 1977. HSN can now be found on TV, where HSN reaches 89 million U.S. households and is the 4th largest cable television network in the U.S.; the web, and in traditional catalogs, including Frontgate and TravelSmith. In 2005, HSN had sales of over \$3 billion, answered 66 million calls and delivered more than 60 million products worldwide.

Jewelry Television: Broadcasting its first live show in 1993, Jewelry Television had sales of \$390 million in 2005.



HOW OTHER STATES HAVE FARED

While the parent company of The Jewelry Channel is a large multi-national corporation based in Jaipur, India, the television channel is very much the upstart compared with industry giants like QVC and the Home Shopping Network.

What impact have QVC, based out of West Chester, Penn., and HSN, headquartered in St. Petersburg, Florida, had on jewelers in their respective states?

At the 550 member-strong Florida Jewelers Association, Executive Director Michael Streeper says he has heard no

complaints about HSN from his members. In contrast, the introduction of Amazon.com's "Design Your Own Ring and Save" feature has made heads turn in Florida. Streeper says FJA is on it, however. The topic will be discussed at the association's upcoming conference.

Back east, Pennsylvania Jeweler's Association Executive Director Karen Fanelli believes that the fact that QVC "is in our backyard really has no bearing on Pennsylvania jewelers" specifically. However, "QVC definitely has had an impact on retail jewelers nationwide." The failure of QVC's retail outlets "shows that their appeal has more to do with convenience and impulse buying than anything else," says Fanelli.

With no plans for retail stores in Texas, to compete directly with traditional independent brick and mortar retailers, the Jewelry Channel's parent in India is nonetheless focused on integrating an international vertical supply chain. In addition to television channels, VGL's Genoa Jewellers Limited division is rolling-out direct sales to end customers through

company stores in up-scale resorts like St. Kitts, and inside department stores. According to VGL's latest annual report, another division, Jewel Gem USA Inc., is engaged in the marketing of jewelry, precious and semi-precious stones, diamonds, metals as well as gift articles through retail chain stores in Alaska.

THE GOLDEN RULES

As the competition heats up, no wonder that marketing guru Sue Riha says the objective for today's retailer, regardless of product sold, is to make their "free-standing store a destination store."

Savvy independent retailers should focus on three golden rules: customer service, being creative in their marketing in order to maximize their competitive advantage, and reinforcing their brand. "Whatever your focus, whether it is middle-class or high-income customers, every single thing in your store must point to the same demographic," says Riha. "Don't confuse your customer. If they expect plush carpet, and they get dirty vinyl floors, they won't be back."



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Meet Zoltan David

Designer Extraordinaire

BY ALICE ADAMS



Tanzanite Foundation 2007
“Be Born to Tanzanite” Award Winner

“Talent shines with a double luster when it is set in humility. An able yet humble man is a jewel worth a kingdom.” – William Penn

Zoltan David’s schedule is a hectic one. He’s just returned to his Austin studio after a week-long absence. He will be leaving again soon as he’s one of the designers invited to exhibit during the prestigious Pebble Beach Concours d’Elegance. In Pebble Beach connoisseurs of art, rare automobiles and technology gather annually for this charity gala. Yet somehow, this Hungarian born-again Texan manages to keep a dozen or more

golden plates spinning with a serenity that is possible only in a Buddhist monastery.

A designer for more than 30 years, his enthusiasm for designing beautiful jewelry is more like that of an apprentice, walking into a workshop to produce his first design.

After a childhood in Budapest, he immigrated to Canada with his father (an engineer), his mother (an interior designer) and his two sisters. “My parents were talented and hard-working...and they both loved what they did. And if that can be passed on to the next generation genetically, I was the lucky recipient,” he said.

His father, in fact, was so highly esteemed by the Hungarian nation as a war hero, he was honored with Knighthood, which was passed on to his son, Zoltan, in 1988 – Hungary’s highest form of secular honor, accompanied by a code of chivalrous conduct. “Having the title is not nearly as important as meeting the challenge of living the code of knighthood,” the designer said.

By age 16, Zoltan knew his career path would follow his artistic abilities and, in Canada, an apprentice system provided some of the necessary training. He took

a course in jewelry design while he was learning goldsmithing. Then he learned diamond setting.

Unusual? "Normally, the apprenticeship program focuses on one skill – diamond setting, goldsmithing or jewelry design – three different areas," David recalled. "I was learning from internationally-known Swiss and German artisans, simultaneously, running on three tracks at once, an education that went on for eight years. And I felt I could learn there for many more years."

However, as fate seems to habitually intervene, Zoltan David's world was

instantaneously changed when, in 1979, he won the DeBeers Diamonds Today Award. Ironically, instead of earning accolades from his mentors, David's teachers were no longer willing to share their skills. This came as a total surprise to David and led the young designer to find a new path and establish a new business in 1980, Zoltan David Fine Jewelry Design.

Not only did the designer find a warm reception for his work by his fellow Canadians, but he found love. An attractive Texan named Patti won his heart and the two formed a partnership that went on to establish another successful business in

California.

"She's my rock," David said, "and our partnership melds our talents to form a solid business. Patti is a graduate gemologist and she handles the marketing department, while I head up the design department. Like many couples who are in business, we enjoy doing our jobs together."

The David's also have a 17-year-old son, Zoltan III, who – like his parents and his grandparents -- is gifted in a number of creative areas, although he has not selected a career area, as yet. "I want my son to do what he's passionate about," the elder David said. "I know he's got an inventive mind, but the door to the business is open. The most important thing to me is that he finds his passion and pursues it – and whatever that is, he'll do well."

During a lakehouse vacation in Austin, fate intervened yet again, just as the David's were reaping the rewards of their business in Laguna Beach, California. "Although Patti and I had been married for several years, I'd never been to Austin," David recounted, "and after visiting here, I loved it and bought some property on Lake Travis because we both felt this would be a wonderful place for us to work and to raise our son."

Shortly after the David's moved to Texas in 1994, Zoltan decided to exhibit a collection of his work at the New York International Jewelry Show. "At that show, there are two awards given to designers," David recalled. "One is 'New Designer of the Year' and the other is 'New Design Talent,' given by two different associations...and for the first time that year, both awards went to one individual – Zoltan David, Austin's newest designer."

"When we moved to Austin, our model was to sell on a national basis – to other jewelry stores around the country and on an international basis – to other jewelry stores around the world," he recalled. "Then, in 1997, I saw a location I thought would make a great designer showroom, where we could show our designs to the public, so we opened our showroom in Austin's Arboretum in 1997."

Although his design career has now spanned three decades, the effervescent David believes "the romance is just getting



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Zoltan David and his wife Patti.

started. I am truly blessed by what I do," he said. "It's a powerful, wonderful thing, and I sincerely hope to have another 30 to 50 years."

His accumulation of national and international awards is as awe-inspiring as his work, but the designer has remained humble. "There have been many defining moments in my career, including every time I can present a finished design to a couple, having them see it, admire it and then kiss each other in happiness. "All of these awards have come to me," he said, "but the glory goes to God."

He credits his ongoing romance with fine metals and glittering gems to his love of beauty and the challenge of achieving something beautiful and inspiring.

If the early part of 2007 is any indication, this humble-yet-gifted designer will have yet another stellar year of recognition and rewards. In January, one of his designs earned the "Be Born to Tanzanite" Award, one of three American designers recognized out of hundreds of entries in several categories. "This piece, called 'Flower Fly,' could be either a flower or a butterfly, depending on how you look at it," he said, "and it may be one of the most beautiful pieces I've done."

Later, he was on hand to accept the AGTA Spectrum Award.

When questioned about his favorite piece, David is philosophical in his response: "Every piece I make, I really love. Otherwise, it would never come out of the studio."

MORE ABOUT ZOLTAN DAVID: DESIGNER EXTRAORDINAIRE

- Zoltan David holds the U.S. patent for metal ornamentation -- cold-forging shaped inlay. These patents are rare because there's very little that's totally new. Each new patent must have a certain amount of originality and it's the only patent for inlay since 1891 and it's his signature look.

- If he could work with any stone, David's choice would be the Hope Diamond.

- About the origins of his inspiration: "It comes from the cumulative experience inside of me...but it got there through my personal experience, and that could range from who I mentored with as I built my foundation as a designer to looking at a tree or something else of beauty. What happens, those images and experiences -- inside my subconscious -- contribute to how I create a design -- and they play a part in it. That's how the whole design works, but the key is be true to yourself, so the design that comes out is my own voice...and we all

have our own voice. Whether we use it or not is another matter."

- What does he receive from designing? "Franklin D. Roosevelt said it perfectly -- "The joy of creation and the thrill of achievement." That keeps me going.

- When he reaches the point where he's unable to have the sort of focus and the energy a piece deserves, David said he leaves his studio and does landscaping projects at his home, goes boating or does some type of work or recreation that has nothing to do with jewelry.

- In his words: "If I'm looking at a project and not looking at it with interest, fondness and eagerness, I'm in a dangerous place. When I feel that, I get up and walk away...but that seldom happens. It's a matter of experience. In the past, when I've had that feeling, the result didn't live up to my standards, so to maintain my standard, now I know how to respond -- and it only takes a day or two to recharge.

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The Value of Building A Relationship

BY BRAD HUISKEN

The profession of sales encompasses more than selling as many products to as many customers as possible. Of course, every salesperson wants to sell as much as possible but how do we accomplish that goal? The answer is taking the time to build relationships with customers. While it sounds simple, the application of the process is difficult to achieve. A salesperson who is able to successfully build a strong selling relationship with their customers will, ultimately, have a more successful and rewarding career in sales; as compared to the person who just wants to sell as many products as possible without getting to know any of their customers.

As with anyone else we have never met, there has to be initial contact with our customers. We have all been told through the years how important first impressions are. This is especially true in sales. Many still believe in the stereotype of salespeople being pushy, aggressive and at times overbearing. Initial contact, if done right, can go a long way to dispel that old and tired belief and instill a sense of comfort in the customer's mind. There are three objectives when making initial contact with a potential customer. The first one is to **eliminate the fear**. We have already touched on this a little but the idea is to put the customer at ease. The second objective is to **create a person-to-person relationship**. Customers are going to feel much more comfortable if they can talk to us as another person; rather than a salesperson looking for a commission. The third goal of making initial contact is to **start building trust**. No relationship will last for any length of time without trust and the seller/buyer relationship is no different.

The first and, perhaps, best way to



begin establishing a relationship with a customer is accomplished through non-business conversations. Keep in mind that the customer dictates the selling process and that every sales presentation will be unique and different. In some cases you will start with the demonstration and others, you may start with closing. For the purpose of this article, I will give it to you in a logical order. Yet, many presentations won't follow the logical order. Every salesperson in every store focuses the majority of their attention

on how to handle objections and close a sale, but not all of them can get to the point where objections will come up. If a customer is able to talk with a salesperson about subjects other than what they may be buying, then the more comfortable they become. As they become more comfortable, the salesperson has already started to eliminate the fear, create a person-to-person relationship, and build trust. There are three rules when entering a non-business conversation that you need to be aware of before you start.

THE RULES ARE

1

You must ask a question.

2

Your questions must be non-business related.

3

Your questions have to be interesting enough to cause people to want to talk with you.

If you are able to successfully implement these rules and get into a non-business conversation, there are a number of topics that may be used. For example, the subject of sports is a great way to establish rapport with a customer. Let's use the rules above and lay out an example of how a non-business conversation may go. If a computer salesman notices that a potential customer is wearing a professional team logo T-shirt, then he/she may say something like "Did you see that game on Sunday?" Chances are decent that either they will say yes or something along the lines of no, I missed that one. Either answer will get you into a non-business conversation. As you begin to talk about the sport and/or the team, you will probably learn other things about the customer that may be useful later in the sale. The customer may say something like, "I took my two sons to the game two weeks ago and we had a blast." That is information that can be used later when you begin talking about what type of computer the customer might be interested in buying. If they are teenagers, for example, you might show the customer features and benefits that would be useful for schoolwork. Not only have you gone a long way in establishing a positive relationship with the customer, you have also obtained a piece of information that will help you when it comes time to make your presentation. Not bad for a simple question about sports.

You should have more than a few initial contact questions that you are able to ask to get into non-business conversations. It is also a good idea to rehearse and memorize

your questions so they are second nature. It is a good idea to have 20 to 30 questions prepared to use at anytime. Those questions should cover a wide variety of subjects allowing you to make initial contact with people of varying interests. The key lies in time and preparation. A little time spent on



preparing your questions will result in more sales and long-standing relationships with your customers. At the very least you will assure yourself of getting to the initial contact stage with each customer and while that will not guarantee a sale, it will increase the likelihood.

Some other topics that may be used to start a non-business conversation are current events, holidays, vacations, cars, pets and children. There are subjects that are to be avoided, such as: politics, religion, or any other subject that could be considered sensitive or controversial. The last thing you want to do is offend a customer, so staying with more neutral topics is the best way to go.

PERSON-TO-PERSON RELATIONSHIP

Now that we have begun to eliminate the fear, create a person-to-person relationship, and have started to build trust, we are ready to embark on the process of satisfying our customers' needs. As we go, though, it is vital that we remember we are constantly building, nurturing and maintaining the

relationship that we worked so hard to develop. Just because we have entered into the seller/buyer part of our relationship does not mean that we quit getting to know our customer. One of the first things that must be accomplished is getting from a non-business conversation to a business conversation. There is an old saying that

timing is everything and that certainly applies here.

So how do we make the smooth transition from a non-business conversation to a business conversation? There is no hard and fast rule but the time is right when both you and your customer feel comfortable and you feel that you have accomplished your goals with your previous conversation. It is vital, though, that you remain aware that you are still in the process of getting to know your customer. Just because you have entered into the business part of your relationship does not mean you stop that process. Your customer has entered into a business conversation with you because they felt comfortable with you during the non-business conversation. They can just as easily back out of the business relationship if they sense, even for a minute, that you were insincere during the non-business conversation.

The easiest way to get into a business conversation is by using a simple question; such as, "So, what brings you into our store today?" If and whenever possible use the company name when asking that question

because it never hurts to get the company name out there as often as possible. If the customer chooses not to buy from you on that day and is going to shop around then you have planted your company name in their mind, making it more likely that they will remember their conversations with you. Appointment situations provide an easier avenue to get from a non-business conversation into a business conversation. The customer has made an appointment or was invited in to look at a particular product; therefore, a "just looking" response is highly unlikely. Just remember that having business conversation does not preclude you from continuing to get to know your customer.

Let's say a young man has just come into your store looking to purchase an engagement ring for his girlfriend. The two of you have had a nice conversation about the local minor league baseball team and have started to develop a level of trust with one another. It turns out that you both have friends who play on that team and that you both attend almost all of the home games.

A fair amount of time goes by and you ask, "So what brings you into Smith's Jewelers today." The customer tells you that he is getting ready to pop the question and is shopping an engagement ring. You have successfully figured out why the customer is in and can now proceed into selling and showing your line of engagement rings.

As the sales process continues, you notice that your customer is wearing a class ring from the local university, the same university that you attended during your undergraduate days. You never want to divert to far away from selling your product but you also want to continue to build the relationship that you have worked so hard to develop. During a lull between showing rings, saying something along the lines of "did you go to the University of wherever?" Assuming he says yes, you may enter into a brief conversation about years, professors and memories in general. The neat thing here is you can bring it back to the selling part of the relationship by asking, "By the way, where did you meet your fiancée?" What the customer answers

is not important, what is important is the idea that you were able to build your relationship with the customer even more and were able to tie it back together with the business side of the relationship.

BUILDING TRUST

The part of developing and maintaining good customer relations is often overlooked and may be the most important. Too many times after a sale is made, people assume the transaction is complete. However, the professional salesperson will set them self apart by continuing the relationship with the customer after the sale. A sales career is not built on one-time sales to a million different people; it is built on building a loyal customer base and repeat business. There are a number of avenues to follow up with customers and set you apart from everyone else. Many of the ideas that we are talking about are very simple and take just five to ten minutes. Isn't a small part of your day worth the repeat business that those minutes may bring in?

One of the most common and easiest ways to continue a relationship with a customer is to send a thank-you note for their purchase. Most people think of thank-you notes following weddings, birthday parties, graduations or other such occasions. Thank you notes can be a powerful tool in maintaining your customer base after the sale is complete. If someone buys a car from a certain dealership and one month later they receive a thank-you note for their business, then odds are they will come back when it is time to buy another new car. Simple gestures go a long way.

Follow-up calls are also a great tool to maintain your customer base and to ensure repeat business. It is probably unrealistic to make follow up calls in an industry where volume is high, but there should be no excuse for not doing it for bigger purchases. The young man who bought an engagement ring from the jeweler in the above example is the perfect candidate for a follow up call. The relationship has been well established at this point and a follow up call can only strengthen that relationship. It can also take on the quality of a non-business conversation, which can enhance the relationship. If you were to

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ask how is everything with the ring you purchased last week, then you will establish two goals. One, you find out if the customer is satisfied with the purchase, which is your number one objective. Two, you have shown an interest in how everything went with the ring, which hopefully will lead to a non-business conversation. Thank-you notes and follow up calls require nothing but effort, so set yourself apart by making sure you are take advantage of the work you have already done.

Two more methods to maintain good customer relationships after the sale are business cards and sending holiday cards. Most people underuse business cards and do not take advantage of what their business card can do for them. A number of people hang onto business cards and refer to them when they need a specific service. If your card is in their Rolodex when they need a necklace for their wife, then you may make a sale just by handing out a business card. Holiday cards are also a great way to continue fostering a customer relationship. Pick a couple of different holidays throughout the year and send a formal greeting card to at least the top 20%

of your customer base. Send an Anniversary Card, maybe a Birthday Card and without a doubt a card at the holiday season. People like to display all the holiday cards that they receive and they also remember who sent them. Even if it is a computer-generated card, the idea, like business cards, is to get your name out there. Many people have a "card box" and will keep holiday cards and if they remember they got a card from "A" company and not "B" company, where do you think they will shop first? I will give you one guess.

A company newsletter is also an excellent way to stay in contact with your customers, assuming it grabs the interest of your customer base. It is vital that you have information that many people will be interested in such as local news, store or industry information and favorite recipes. Once you have them interested, they will probably read the rest of the newsletter, which should feature your company and your products. A trade magazine or newsletter should go out to current customers and potential customers. A good newsletter can also contain games, such as word searches and crossword puzzles. With

the access that computers and photocopiers have provided to us, newsletters can be done inexpensively. All it takes is a little time and effort and you are a step ahead of your nearest competitor, who probably is not putting out a newsletter of their own. Maintaining customer relations after the sale may be more important than your relationship before and during the sale because it can lead to repeat sales. Make sure you are the salesperson who takes advantage of all the tools provided.

Any salesperson in any field can have a good day of sales on any given day, but professional salespeople will foster and maintain customer relationships that will allow them to sell to the same customer over and over. Repeat sales separate the average salesperson from the professional. Make sure you are taking all the steps necessary that will set you apart.

Author, trainer, consultant and speaker Brad Huisken is president of IAS Training. He publishes a free weekly newsletter called "Sales Insight" For a free subscription or more information contact IAS Training at (800)248-7703 or www.iastraining.com.



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BUSINESS PLANNING for Future Generations

The average family-owned business survives less than 25 years. Only 30 percent persist more than one generation—only 10 percent more than two generations.*

Businesses that have survived for generations have most likely had owners who put considerable thought and planning into the continuation of their business.

What can you do to help assure that your business will continue past your lifetime?

WHO WILL CONTINUE THE BUSINESS?

Proper planning is essential. But before you can put a business continuation plan in place you need to consider two key issues.

1. Who would be qualified to run your business?
2. Who would want to own your business?

If you have adult children working in your business, they may be the best candidates to continue the business. However, quite often children may not be interested in the family's business. Other potential candidates may be co-owners of the business or a non-owner key employee who is qualified and interested in owning your business in the future.

If you have someone who is qualified and interested in continuing your business, you have passed the first hurdle. Your next step is to put a business continuation plan in writing and arrange for funding, if needed.

BUY-SELL AGREEMENTS

Whether you plan to transfer your business to your children or to someone else, the best solution may be a buy-sell agreement. A properly drafted and funded buy-sell agreement can:

- Provide an orderly transfer of your business to the person(s) you choose



- Help establish the value of your business for estate tax purposes
- Provide cash for estate settlement or family income needs
- Provide a legacy for children not active in the business

FUNDING

A buy-sell agreement generally needs to be funded to ensure that your heirs will receive the fair value of your ownership interest. A very cost-effective method of funding is life insurance. It can provide

the cash needed to purchase your business whether you die in the distant future—or shortly after your plan is in effect.

Your Federated marketing representative can help you with life insurance funding. Federated also has a qualified support staff that can answer general questions in the areas of business continuation, estate or retirement planning. Contact your Federated marketer for more information.

**Source: The Practical Accountant, February 1994*

HOW TO TRANSFER THE BUSINESS

If your plan is to transfer your business to your children, you may choose to do it by gifting during your lifetime or by will at your death. Before you do this, you again need to consider some key issues:

- Will your estate contain sufficient other assets to provide for the income needs of your spouse and dependent children?
- Will your estate contain sufficient non-business assets to fairly treat your children who will not receive part of the business?
- What are the tax consequences of your plan?

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W W W . L A S E R S T A R . N E T

Is It Time To Upgrade Your Store Security?

BY STEVE KONETZKE

Since January of this year there has been a rash of safe burglaries in Texas. Jewelry stores in the following cities have been hit:

***Bedford
Haltom City
Granbury
Waco
Dallas
Fort Worth
Arlington
Houston***

All burglaries have several common MOs that include either entry through the roof, air conditioning vents or an adjoining common wall with neighbor tenants. Several attempts have been abandoned when thieves were unable to defeat the alarm. The remaining burglaries were successful in defeating the alarm and attacked the safes with a portable cutting saw equipped with a high speed cutting disk, capable of cutting into fire safes, UL rated TL-15 and TL-30 safes.

WHAT CAN YOU DO TO FURTHER PROTECT YOUR STORE?

- All safes should be located on interior walls, away from any common walls with adjoining tenants.
- Shelves in all your safes should be welded into place to prevent easy access to all the jewelry in the safe. The thieves will



attack the safe at or near the bottom. Once entry into the safe is gained, they scoop out the jewelry on the bottom. They proceed to force the remaining shelves off their positions. This causes the shelf contents to fall down to the bottom of the safe, where it is easily scooped out.

- Install back up alarm transmission equipment such as two way radio or cell phone.

- All alarm equipment, including radio and cell phone antennas, must be protected by the motion detection units. The alarm equipment should not be located on or near the common wall with the adjoining tenant.

- Inspect your air conditioning vents to determine if entry to the store could be gained from the vents. If so, then consider a physical reinforcement to the vents in such a fashion as to deter entry.

- Are all areas surrounding your building well lighted at night? If not, then add security lighting to the building.

- Be aware of recent repeated false alarms. The thieves could be probing your alarm system, looking for easy entry into the store.

- If you receive a call from the alarm company advising the alarm has gone off, do not go into the store, unless you have a police escort.

- Consider replacing your present safe(s) with UL approved TRTL-15X6 or TRTL-30X6 safe(s). These safes are tool and torch resistant for 15 or 30 minutes. The most important aspect of these safes is the fact the UL label applies to all six sides of the safe. On the TL-15 or TL-30 safes, the labels apply only to the door of the safe.

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

Would you like to place an ad in the next issue of *Texas Jeweler*?

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Making Your Home Energy Efficient

Summer in Texas means wildflowers, trips to the beach, ice cream cones, and ...rising electricity bills. As the temperatures increase, we increase our usage of electricity at home and the high bills follow. As the (association)'s endorsed provider for electricity, Tara Energy offers the following tips for reducing electricity consumption at your home to help lower those summer bills.

REDUCING YOUR ELECTRICITY USE AT HOME

Tara recommends a simple energy audit of your home as the first step in identifying ways to reduce your electricity use. As you do the audit, keep a list of problem areas. You can later prioritize the items and address the areas for improvement on a cost/benefit basis. It's not just about replacing appliances or windows. There are a lot of inexpensive things that can be done to reduce energy consumption.

FIND THE LEAKS

First, find places where you have air leaks or drafts. The potential savings from reducing drafts can range from 5 to 30 percent. Check for gaps along the baseboard or edge of flooring as well as electrical outlets, window frames, weather stripping around doors, attic hatches and wall or window mounted air conditioners. Also look for gaps around pipes and wires. Outside your house, look carefully at corners, where chimneys and siding meet and the point where the foundation meets the bottom of siding or brick. You should plug and caulk holes for faucets, pipes, wiring and electrical outlets. Look for cracks in the mortar, foundation and siding and seal them with the appropriate material.

LIGHTING

Energy for lighting generally makes up about 10 percent of the electric bill. Check the wattage of your light bulbs – you may



have some 100 watt bulbs where 60 or 75 watts would suffice. You may want to use compact fluorescent bulbs for areas where the lights are on for several hours. A florescent light uses 75% less electricity to produce the same amount of light as an incandescent bulb. The compact fluorescent light will last about

10,000 hours as opposed to the 600 to 1,000 hour average life of an incandescent bulb. By replacing a 100-watt incandescent bulb with an equivalent 25-watt compact fluorescent one, you can save more than \$90 per bulb in electricity costs over the 10,000-hour lifetime of the compact fluorescent.

HEATING AND COOLING

Replace filters every month or two on a forced air furnace and have a professional check and clean your system every year. Check ductwork for streaks of dirt especially near seams. This indicates leaks which should be sealed with duct mastic. Insulate any ducts or pipes that go through unheated spaces. Consider replacing units that are over 15 years old. Newer, energy efficient models will greatly reduce your usage.

INSULATION

With today's high energy prices, yesterday's insulation may not be adequate, especially in older homes. While only a thermographic inspection by a trained professional can tell the whole story, you can check things like ensuring that the attic hatch is insulated – at least as much as the rest of the attic and that it has weather stripping and closes tightly. Check under your attic insulation to see if there is a vapor barrier. It could be a plastic sheet or tarpaper. This reduces the moisture that passes through the ceiling reducing the effectiveness of insulation. If there isn't a vapor barrier, consider painting the interior ceilings with a vapor barrier paint. Seal any electrical boxes in the ceiling with flexible caulk and cover the entire attic floor with at least the current recommended amount of insulation.

APPLIANCE EFFICIENCY

Energy efficiency of refrigerators and freezers has tripled over the last three decades because they have more insulation, advanced compressors, better door seals and more accurate temperature controls. Front loading washers use about half the energy of top loading models. Therefore, the old clunkers you are hanging on to might not be such a bargain. You may want to consider replacing them.

NO BIG SACRIFICES

Conservation doesn't mean freezing or sweating in the dark. New technology and materials mean that today's conservation measures yield big results with minimal sacrifices. It just makes sense to control how much of your household budget is being spent on electricity.

In 2005, the Texas Jewelers Association endorsed Tara Energy as the electricity provider of choice for our Association. More than 30 associations across the state have endorsed Tara, making the company the leading retail electricity company taking care of the association industry. If you want to take advantage of the (association) discount at Tara, you can enroll your home at www.TaraEnergy.com and enter the promo code: TJA0705. You may also call

them at 866-GET-TARA or email them at TJA@taraenergy.com with questions or to get a commercial rate quote.

Source: US Department of Energy

http://www.eere.energy.gov/consumer/your_home/energy_audits/index.cfm/mytopic=11170

http://www.eere.energy.gov/consumer/your_home/lighting_daylighting/index.cfm/mytopic=12050



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Designer Jewels, Inc. was established in December of 1968 by H. Robert "Bob" Sandler and his wife, Adele Sandler. Bob is a third generation jeweler who made his first ring at the age of nine. He later traveled around Texas, Oklahoma, and Louisiana calling on independent jewelry stores and selling our unique line of jewelry and primarily rings. The firm specialty is jewelry design and custom manufacturing. For four generations the Sandler family has created jewelry with our gold and gemstones. We have molds and patterns in house which number in the thousands, and even have some that go back almost one hundred years that are still available for production. Our line is currently approximated to be four hundred items; however, they are all available in platinum, palladium, gold, and silver. So if you want it cast, die struck, or completely made by hand, we can do it for you or your clients. With our in house artisans and designers, computer and laser technology, and old-fashioned craftsmanship, we can create what others can't or won't. We can also polish or change out stones on the premises.

**Call 1-800-299-6996 and ask for either Bob or his son, Mark.
We would be honored to help.**

CALENDAR of events

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: arkjlsassn@comcast.net

Atlanta Jewelry Show
August 11 – 13
Cobb Galleria Centre, Atlanta, GA
Contact: info@atlantajewelrysthew.com

Nebraska/South Dakota Jewelers Association – Leadership Conference
August 17 – 19
Holiday Inn, Kearney, NE
Contact: Sjbair38@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: Sjbair38@kc.rr.com

Texas Jewelers Association 2007 Conference & Expo
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: Sjbair38@kc.rr.com

Missouri Jewelers & Watch Makers Association – Fall Seminar
October 20 – 21
*The Resort at Port Arrowhead,
Lake Ozark, MO*
Contact: Sjbair38@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

JA WELCOMES SENATE INTRODUCTION OF "SALES TAX FAIRNESS AND SIMPLIFICATION ACT"

Jewelers of America has announced its full support for the swift passage of the "Sales Tax Fairness and Simplification Act," which was introduced Tuesday, May 22, in the Senate by Senator Mike Enzi (R-WY). The bill promises to help states efficiently and fairly collect sales and use taxes from remote sellers, who currently are not required to remit these taxes on catalog and Internet purchases.

"For 15 years, Internet and other remote retailers have had an unfair tax advantage that has harmed both consumers and traditional business owners. We don't believe consumers should be punished because they would rather shop on Main

Street than in cyberspace," says JA President and CEO Matthew A. Runci.

According to Senator Enzi, the legislation would streamline the country's more-than 7,500 diverse sales tax jurisdictions by permitting states that become voluntary members of the Streamlined Sales and Use Tax Agreement (SSUTA), to require remote sellers to collect and remit sales and use taxes. A total of 15 states have already changed their tax laws and implemented the requirements of the SSUTA, which would help harmonize states sales and use tax rules, bring uniformity to the definitions of items in the sales tax base, reduce the paperwork burden on retailers, and incorporate new technology to modernize administrative procedures.

"The states have acted. It is now time for Congress to provide states that enact the Streamlined Sales and Use Tax Agreement

with the authority to require remote retailers to collect sales tax, just as Main Street retailers do today," says Enzi.

JA has joined the E-Fairness Coalition, a large group of businesses, associations, labor unions and state and local governments working to get the "Sales Tax Fairness and Simplification Act" enacted. The association has been working on the sales tax fairness issue since 2002, and vows to remain committed until the bill's passage into law. It will closely monitor hearings and other action on the bill.

The association urges all retail jewelers to write to their state's U.S. Senators expressing support for the "Sales Tax Fairness and Simplification Act." Jewelers can also send letters to Senator Enzi's office, 379A Russell Senate Office Building, Washington, D.C. 20510.

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Jewelry Take in Procedures, Part 2

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. Last quarter we looked at the inspection process; this time we'll talk about identification.

Identification: The ability to identify metals and gemstones is critical in take in procedures. These procedures protect both the client and the store. For decades jewelers have been taught to avoid this issue during take in at all costs. We have been taught to write the most ambiguous descriptions of the customer's jewelry that we could possibly create. We've thought for years that doing so protects us from con artists passing off CZ's as diamonds. In reality, an ambiguous description on a take in form that is signed by the customer can not be used to prove what the stone or mounting really was when it was taken in. The resulting situation can be a lawsuit centering on the store's word against that of the customer. Thus, accurate identification of gems and metal protects the store from liability when done accurately and signed on the take in form by the customer.

To protect yourself and your store, ask yourself these questions:

a. What is the identity of the gemstone? Use magnification, a refractometer, a diamond tester or other necessary equipment to determine the stone's identity. Learn how to use this equipment well. Even a weak battery can cause a faulty reading with a diamond tester. Having a gemologist on staff can help, but they may not always be available. Keep abreast of new synthetics or simulants on

the market and share this knowledge with your coworkers. *The identity of a stone will dictate the cost of the repair and the manner in which a repair will be handled.* For example, a diamond will take heat during repair, while an amethyst may need to be removed from the setting. Failing to identify fracture filling in a diamond and mishandling the repair can result in costly mistakes. Thus the cost of the repair may be more for delicate or treated stones that require special handling. The customer needs to know this before they leave your store.

The second benefit of identifying the stone at take in is that the customer may believe that their stone is something that it is not. Showing the customer why their stone is a sapphire and synthetic sapphire doublet and not a natural blue sapphire at take in, will remove any suspicion from your store when the client is later told the true identity of the stone by you or another jeweler.

b. What is the metal and what is its karatage? Use a metal tester or touch stone test if necessary. Experience will dictate when the tools are needed. Familiarize yourself with the different types of metal alloys that are commonly used in jewelry. As with gemstones, customers are occasionally mistaken in the identity of the metal in their jewelry. Recognizing a ring as platinum and explaining to the customer that the repair will therefore cost more than they were expecting will save you a potentially awkward phone call later.

c. Due to its identity, is the jewelry repairable? For example, at first glance a ring in need of prong work may appear to be 14KT yellow gold and diamond. Careful identification shows the ring to be CZ and vermeil. Retipping would be out of the question with the CZ in place. Returning the ring to its original color by re-plating may not be possible or cost effective. By identifying the ring correctly and informing the client of your limitations at take in, an

embarrassing situation with the customer can be averted.

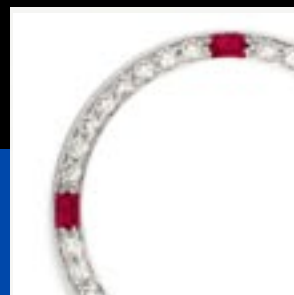
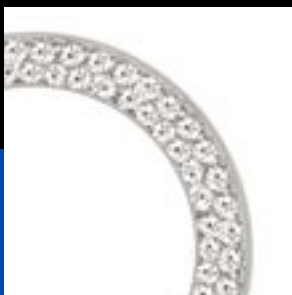
d. Is the jewelry antique? The age of a piece of jewelry often dictates how its repair will be handled. Destroying the patina on antique jewelry or adding modern findings can often destroy its value. Simply re-oxidizing an antique will not restore its appearance or value. Clients must be informed of any possible change in the appearance or value of their jewelry so that they can make informed decisions and understand the consequences of the repair.

e. Is the jewelry a designer piece? Certain designer jewelry or brands may be devalued if repaired by anyone other than the designer or an authorized agent. Recognizing such bands and designers is essential to avoiding a very unhappy customer at a later date. The second aspect of designer jewelry is the possibility that the designer used unique color metal alloys. If a repair is undertaken on such a piece, the possibility of slight but noticeable color variations in metal must be explained to the client at take in. Contact the designer or manufacturer to obtain guidance in dealing with a modification. Not all designers disallow basic repairs like sizing or retipping. Again, explain to the customer your ethical limitations and obligations.

Arthur Anton Skuratowicz and Julie Nash are co-authors of the book: Working With Gemstones: A Bench Jeweler's Guide. Arthur and Julie 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 877-KNOW JTC (566-9582). This article was originally published as a five-part series in Professional Jeweler from 1999-2000.



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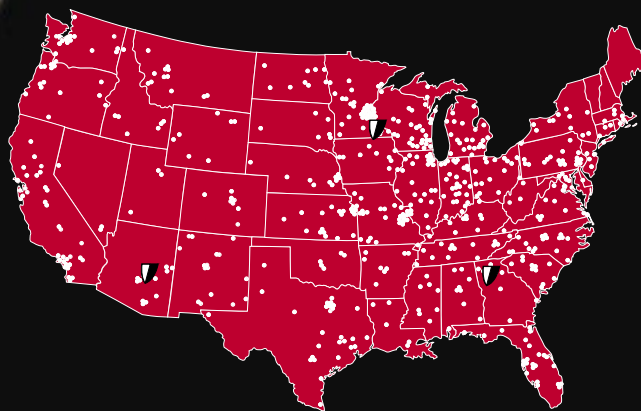
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