TEXAS

the publication of the Texas Jewelers Association

Winter 2008

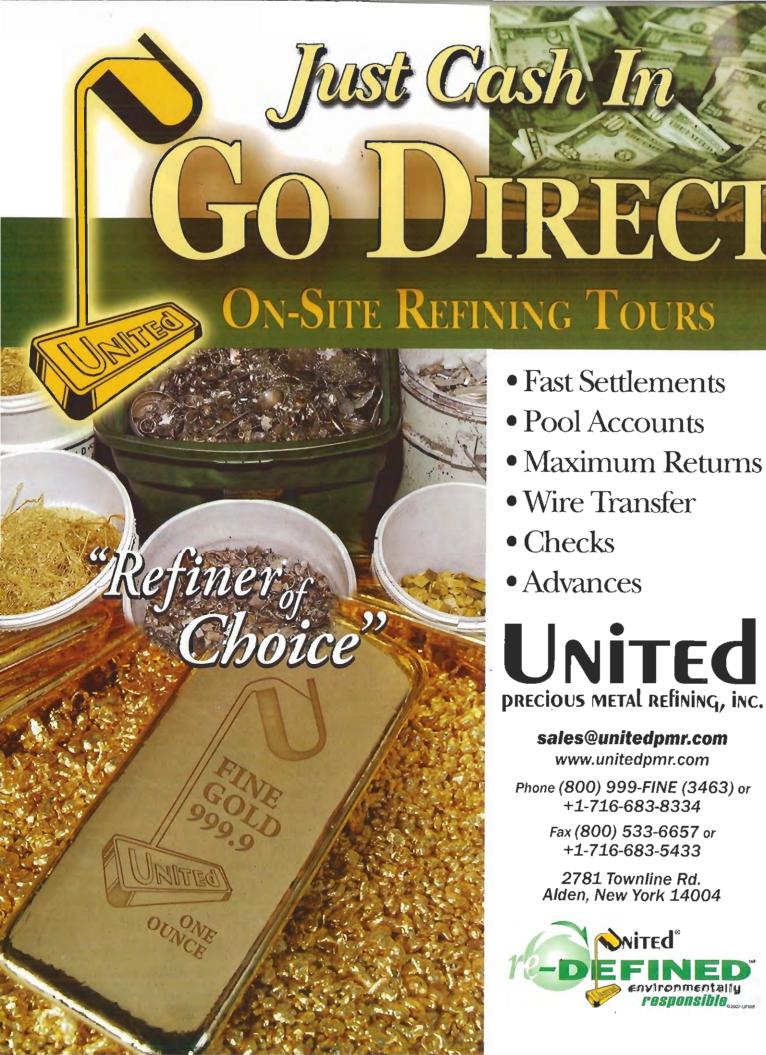
Jeweler

PEARLS on the Rise

2008 TJA
Design Contest
WINNERS
Unveiled



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Cover Spotlight photo courtesy of Stuller, Inc. – Journey Pendant for Diamonds (Item # 841.43) featuring seven diamonds ranging from 1.8 mm to 3.5 mm. Available in 14k or 18k White Gold. For more information or pricing details, visit stuller.com or call (800) 877-7777. Chain (CH128) sold separately.

Business Moves Forward

in the Wake of Ike



The Holidays always comes. That is not a new or profound statement. It may not be as good as we want. It may be better than we expect. But that retailer nirvana time of year does always come.

This season retailers from all over Texas will be vying for those holiday gift dollars. At a time when the nation's financial

The Holiday Season

stability is shaky and people don't know what tomorrow brings, there seems to be a cause for pause.

Texas jewelers represent one of the country's largest blocks of jewelry holiday dollars. And although many things will be different, one thing is constant: The Holidays always comes. And we will get our share of whatever the marketplace brings.

Over the years I have fretted over inventory, turnover, cash flow and so much more. A DFW jeweler and myself would cuss and discuss the start of the fourth quarter over all that and more. Said and done, the other jeweler's dad would just cross his arms and shake his head at us two young-uns and repeat those words "The Holidays always comes." Yes they do.

So as you crunch the numbers, slice the expenses and chart the turnover, just remember to keep reminding yourself that magic mantra.

Sure the competition is different. You bet it's tougher today than yesterday. But someone will make that sale, Will it be you?

We work and play in a very global market. We have to buy better, move it quicker and replace it faster to stay competitive. When all of these things are plugged in, the basics of retailing says we'll do more business. But just like the stock market, one important factor is left out: TRUST.

A customer walks in your door and my door because of one single word: TRUST. If you instill trust in your customers, they will be back. When they come back, husiness goes on. When they don't... well, you know what happens.

So as we vie for those Holiday dollars; as we hunker down and line everything up; as we plug in all we know to do to get our share of the sales, remember to create the trust and the Holidays will come.

Best of luck to all of our Texas jewelers!

TJA president Mark Priest (left) with new TJA board members: Steve Kriechbaum, Stephen Wyrick, Elliott Herzlich and Brad Koen.

What about next year? The 2009 TJA Annual Conference will be in October (scared of September now) and we will be back in San Antonio with the same great plans we had for 2008. We hope to have the same speakers; however, they have not been secured just yet.

So.... "MARK YOUR CALENDAR NOW.... FOR THE TJA ANNUAL CONFERENCE, OCTOBER 9-11, 2009" for fun in the great city of San Antonio, at the Historic Menger Flotel.

In October, the Board had to have a "Special Called Meeting and Board Meeting" that allowed TJA to continue the work and programs of the association in Austin. This meeting brought onboard

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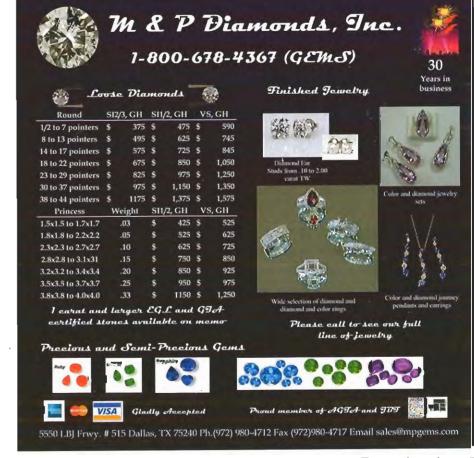
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Jay Volk

J. Patrick Diamonds, Inc. Dallas, TX *214-739-0089 jpdi@sbcglobal.net The new fiscal year for the Texas Jewelers Association, which starts in September, blew in like a vicious hurricane. No joke! Hurricane Ike made its mark on Texas in a big way and has caused damage to the Galveston coast that will take literally years to rebuild. In some cases, rebuilding might not even be an option. And while Ike seems like a distant memory for most of us who don't live on the upper coast, it did have a direct impact on our convention dates of September 12-14 in San Antonio.

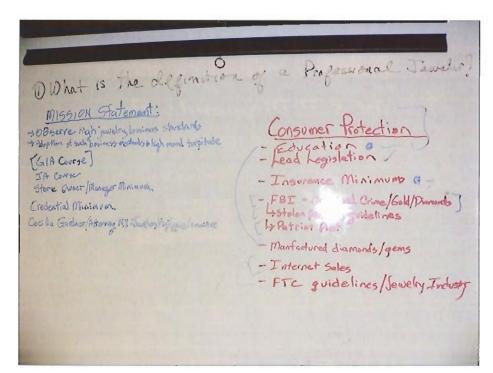
For the week prior to landfall, Hurricane Ike had Corpus Christi and San Antonio in its headlights and six months of planning, advertising and great speaker programming looked doomed. Then, Hurricane Ike turned and headed for Galveston and Houston area and evacuations started coming inland. That's when the TJA Board decided to pull the plug and NOT endanger anyone trying to make it to San Antonio with gas and traffic concerns. We felt it better to be safe than sorry and with 20/20 hindsight we are sure we did the right thing.



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Incoming president Mark Priest (right) thanks Doug Jackson for his service as TJA president.



TJA board members discussed concerns for Texas jewelers in 2009.

four new TJA Board members: Elliott Herzlich/Tyler, Brad Koen/Austin, Steve Kriechbaum/Austin and Stephen Wyrick/San Antonio.

In addition to new board members, TJA installed new TJA officers who moved up from the board into new positions and they

are Mark Priest/San Angelo/President; Eric Wright/Dallas/President Elect; David Harleston/Bellaire/Vice President; and Doug Jackson/Paris/Past President position.

Many of our TJA members never see the unpaid dedication that drives our members to serve freely and willingly to make the jewelry a PROFESSION versus a job. Many of our members don't realize the time out of shop it takes to make numerous meeting a year but, your fellow colleagues are dedicated to serving and protecting the honorable business of jewelry store owners and craftsman from those who would diminish the high standards of our profession. Next time say thanks to those that are now on the TJA board and those who served before them.

Special thanks to past board members: Peter LeCody of Dallas, Amber Gustafson of Katy, Texas, Renato Ronquillo and Ronnie Miller of Houston and Ronnie Pagel of Round Rock for the service, time and dedication.

08 BOARD NEWS

The Board discussed some of the issues facing TJA members and those concerns were:

- Other states getting involved in legislation for the jewelry profession.
- TJA calls from around the state by Better Business Bureau's asking for guidelines on how to deal with jeweler/ customer conflicts.
- Many states are dealing with lead in jewelry legislation.
- · Patriot Act legislation and enforcement.
- FBI and gang-related melt-down processes by the jewelry profession (plus already enacted laws for pawn sbops).
- FTC guidelines for the jewelry profession.
- Internet sales.
- Education and training for our members regarding manufactured jewelry ie; diamonds, gems.

Many of these items boil down to CONSUMER PROTECTION issues that the Board discussed at length to determine ideas for Texas and the near future. A committee was formed to investigate ideas, other states, and whether or not our bylaws truly protect the consumer and thus our profession adequately in Texas. The Board does not want Texas jewelers to lose consumer respect for our jeweler profession, which covers everyone from the bench jeweler to the sales representatives. Further updates to come.



Elliott Herzlich has more than 25 years of experience in sales, including extensive experience in the jewelry industry in customer relationship management, corporate development and strategic planning and team training. Elliott has been a Divisional Merchandise Manager of Fine Jewelry with Zale Corporation and with Federated Department Stores. He has owned a wholesale and retail business and has implemented new product launches for consumer and business products. He has developed e-commerce projects, vendor programs, promotional service offerings, and sales programs. He is an experienced engraver and jewelry appraiser.

Elliott Herzlich is married and has two grown daughters in Austin and in Dallas. He lives with his wife, Dr. Alisa White, who is Dean of the College of Arts and Sciences at the University of Texas, Tyler and stepson, John Michael Coleman, a high school student, musician and avid roller blader.

Elliott has owned Elliott's Jewelers in Tyler, Texas since 2005 and Everything's Engraved since 2001. Elliott's Jewelers specializes in fine jewelry, and personalized gifts.



I started working in our family business in 1986 and I am a fourth generation jeweler. As we celebrate our 125th year, Joe Koen

Meet the New Texas Jewelers Association Board of Directors

& Son Jewelers continues our commitment to a tradition of excellence established in 1883. The legacy of providing the finest jewelry and gift selections and exceptional service still continues today through four generations of the Koen family.

The Koen family has been involved in church, civic and educational activities for the betterment of the Austin community throughout its history, dating back to 1883. Looking back upon the past with pleasure, we look upon the future with confidence, renewing our pledge of "service and truthfulness" to our customers and the entire jewelry industry.

I feel that being a part of the Texas Jewelers Association, I can continue the tradition of leadership and dedication to preserving and promoting the jewelry industry in the entire state of Texas.



Steve Kriechbaum is an award winning goldsmith with 30 years experience in designing and hand making jewelry. Steve attended The University of Texas at El Paso where he studied fine arts. The majority of Steve's studio classes were in sculpture and this is reflected in his pieces. Steve is comfortable making a wide range of styles from classic to Avant Guard. Steve is a master craftsman and is skilled in all types of stone setting including prong,

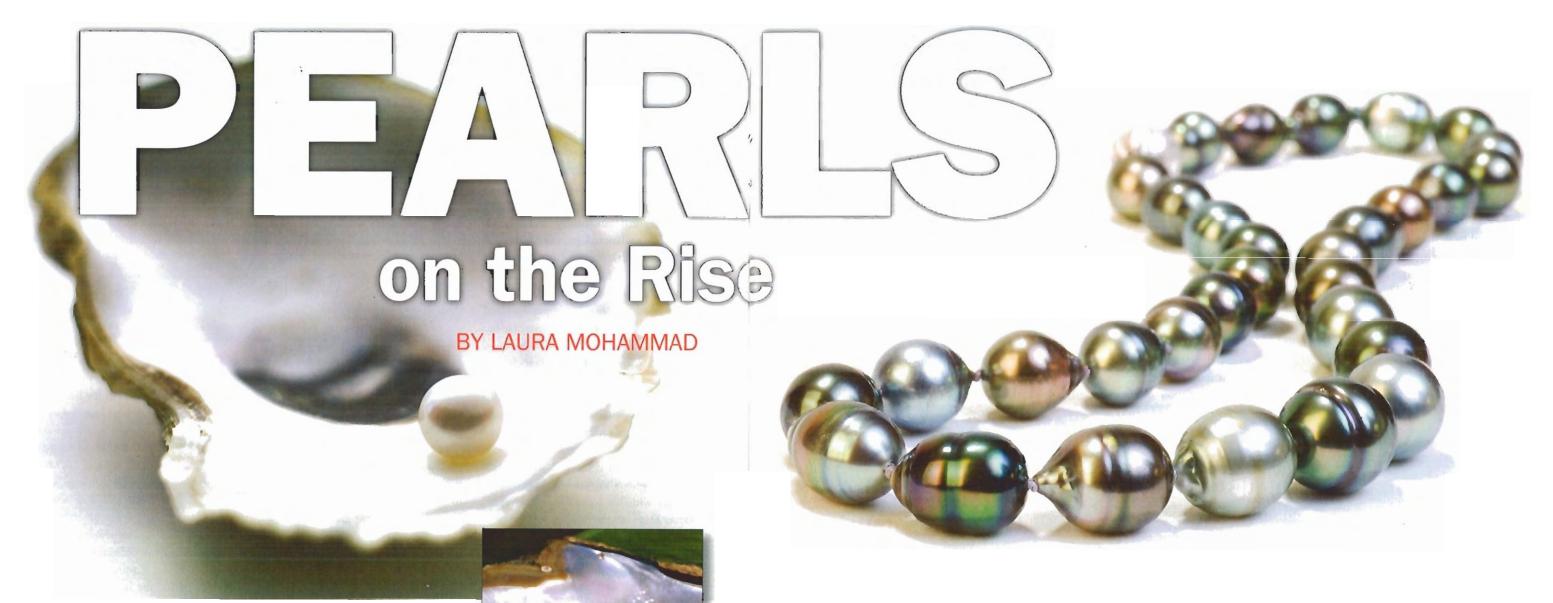
bright cut bead, pave and tension. Steve markets his work through his studio, juried fine art shows and his website. He enjoys interaction with his clients to create the jewelry of their dreams.

When Steve is not making jewelry he enjoys playing music in the band "Little Red" or playing with the E-Flat Band of McKinney, Texas. Steve also plays music in the Praise band at St. John's Episcopal Church in Austin. Steve has a wonderful family that supports him in all of his work. Steve hopes you will enjoy his website and will let him know how he may be of service to you (http://www.skriechbaum.com/).

Steve has also embarked upon a new facet in his career; he now teaches jewelry fabricating classes at Austin Community College. He finds this very rewarding as he is able to help others reach their dreams of working in the jewelry industry. He believes it's his obligation to pass on the skills he has acquired through his many years behind the bench. The idea of being an artist always intrigued Steve as a child and he wishes instill quality working habits and techniques to his students so that the sky will not be the limit.

Steve's approach to business is simple: treat people with respect and honesty and make fine pieces. If these three simple rules are adhered to the rest will fall in place. Steve is honored to be a new member of the Texas Jewelers Association and will handle the position the same way he handles his business.

The fourth new board of director member. Stephen Wyrick, is interviewed in this issue of *Texas Jeweler* as part of the series of interviews with board members. To read more about Wyrick turn to page 20.



Just pick up a fashion magazine, and you're likely to see Angelina Jolie in Tahitian cultured pearls, or maybe Scarlett Johansson in South Sea cultured pearls and a low neck yellow polka-dotted sweater. They might be worn with matching pearl earrings or maybe with diamond earrings.

With the fashion world firmly behind them, pearls have seen an upswing in popularity that has brought them out of Grandma's trunk and onto the necks of 20-year-olds. And like Johansson's dress-down preference, they are just as likely to be worn in a casual setting as a night at the opera.

One importer reports a rise in sales of up to 20 percent in the last year and a half; a San Amonio jewelry designer has noticed

increasing requests for pearls – which he says are just as likely to go with lapis as diamonds,

Bo Perry, with the Cultured Pearl Association of America Inc., has seen a definite upswing in the interest in pearls.

It's because of the increased costs of metals in the market: "Pearls have not had the inflationary spiral going up," he says. He has seen the interest in pearls building over several years. "They're a bargain compared to metals."

And pearls are being used in conjunction with metals now, not just strands, he says. "It's been building up over the last few years," Perry says.

Another reason for the resurgence in pearls is interest in the environment. "People are

becoming more and more aware...people are becoming more green. The cultured pearls are actually good for the environment. Oysters clean the water, and you have to have clean water. You don't put chemicals into the water when you're harvesting, no fertilizers, no feed."

Pearl regions include Japan, Tahiti, the

Philippines, China, Australia and New Zealand, with interest appearing in Dubai.

The association has more than 50 wholesalers, importers and distributors as members.

San Antonio jewelry designer Stephen Wyrick has noticed an increase in requests for pearls in the last year and a half. "They were in a dormant state for a while because of the slave labor and manipulation of oysters that it caused," he says.

But that has changed.

"Pearls are a warm product, as opposed to gold, platinum or other metals, which are ornate, and lack life, so to speak. When a woman has a set of pearls, there's a feeling about pearls that's very warm, because they come from life itself. They come from all parts of the world, and they have all kinds of meaning in their creation," Wyrick says. Wyrick is principal of Stephen Wyrick Jeweller and a board of directors member of the Texas Jewelers Association.

"How do I see it as a wedding gift? I see a set of pearls – normally white or in the pink area. But they are necessary, mandatory. It is a necessary part of weddings," Wyrick says.

Wyrick is starting to see them used in more than just strands. "I inter-mix them with beads, with different kinds of stones. I put pearls and lapis together, tiger eyes, white pearls and black pearls – or gray as they are – with that peacock sheen to them. I do crazy things like that. Give me the opportunity, I'll build you a Cleopatra piece."

Tara & Sons Inc., based out of New York,

is one of the largest importers of South Sea and Fabitian cultured pearls in the U.S.

"In the last five years we have noticed a vast interest in all styles of pearls in terms of new shapes and colors. So we believe there is a pearl for every girl. We will continue to see a vast interest in pearls for many years to come as the trend towards pearls for every occasion continues by female politicians and celebrities alike," says Ashwani "Sonny" Sethi, CEO of Tara & Sons. He is also president of the Cultured Pearl Association of America.

Sethi has seen a 15-20 percent increase in sales over the last year-and-a-half.

"Long and multiple layered necklaces with ornaments are quite in trend, and earrings are at an all time high in demand," Sethi says.

Favorable publicity over the last five years has boosted sales, according to Sethi. Also, pearls are being worn in more casual settings. And he agrees with Perry that the increased prices of diamonds and gold have factored into the interest in pearls.

The association advises that education to the customer is key. Remember that many customers only have a cursory knowledge of pearls. Some things to share:

- · High luster pearls show almost mirrorlike reflections and good contrast between lighter and darker areas. Low luster pearls look milky or chalky and resemble a white bead more than a pearl.
- Nacre the substance from which pearls are made - thickness contributes to a pearl's luster and surface. Thin-nacre pearls are low in luster and susceptible to surface flaws.
- Pearls lend themselves to visual examination, making it easy to see bumps, discoloration, chips, holes, pits and dull spots. But slight imperfections can lower price without detracting from beauty.
- Shape is variable depending on pearl type and preference.



- · Size makes a difference in price, particularly over 7mm.
- · Color is subjective, but sales associates should encourage customers to place pearls against their skin to see which tones are more flattering.

The association offers some marketing tips for getting the word out about the fashion advantages of pearls:

- · Conduct a pearls-in-fashion seminar for a local women's club, or stage a pearl fashion show with your neighborhood dress shop highlighting the hottest party wear.
- Invite a fashion advisor to discuss how to wear the latest fashions in today's hottest pearl jewelry, or a makeover consultant to help customers determine their colors and which pearl hues suit their complexion.
- Strengthen your pearl/fashion connection by creating a "look book" of models and celebrities in pearls. Include images of your jewelry to illustrate how your selection speaks to current trends.
- Tie in agricultural harvesting themes with pearl cultivation - show in-store videos and display photos, articles and literature about pearls.
- Conduct a pearl stringing demonstration and encourage customers to bring in their pearls to be restrung, affording the ideal occasion to matching pieces, or clasps and enhancers to change up the look.
- · Host a trunk show to display a wide selection of merchandise for gift giving.
- · Send out direct mail pieces making shopping easy for male clients by identifying exactly what their women want, which is often pearls, something men are not comfortable selecting on their own.
- · For the holidays, decorate your windows with Christmas trees draped in pearls,
- · Hold an open house and invite your best customers for refreshments, music and a raffle for a strand of cultured pearls, with proceeds benefiting a local charity.

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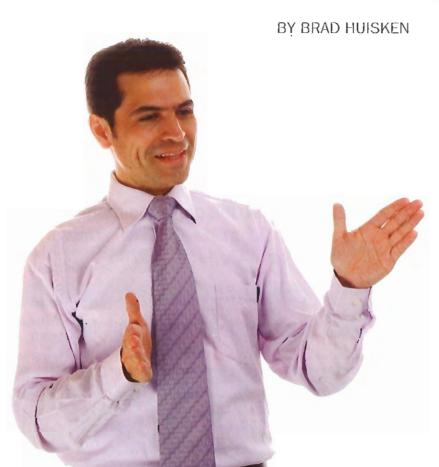


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It's All In The Story!



In today's retail environment it is all about the story you tell that creates the excitement in the custoamers mind that will cause them to buy from you. Every company has a story that is unique to only that company. Usually the advertising does a great job of telling the story – The question is do the salespeople convey the same message that is displayed in the advertising? This is particularly important during the holidays in order to help insure your success next year. During the holidays you have more new traffic through the store than any other time of the year. Make sure you are selling yourself and the store by telling company stories.

When you are thinking about going to Disney Land or Disney World, their advertising conveys the message that it is the Happiest Place on Earth. All the employees have a mission to making a Disney property the happiest place on earth. When you

check into a Ritz Carlton Hotel, you expect a high level of professionalism and a great sense of eloquence. Employees of the Ritz Carlton are not allowed to say the word "yes" – they are required to say the word "certainly". Just that one word "certainly" displays eloquence and professionalism. If the employees of Avis are not trying a little hit harder we are disappointed with the experience. One particular vacation company advertises, "Having the time of your life." You can bet that the employees of this company do everything possible to insure that their guests have the time of their life. In retail jewelry, the same holds true.

What's Your Story?

It is becoming increasingly more important to sell yourself, your company, and your branded lines. Telling your story or a Company Story just might be the edge that you need to chose the sale. The Story should be phrased as

15 to 20 words highlighting the competitive advantage that you, your company, or your branded line offers. With competition increasing from others in your industry, the Internet, and other areas where customers can spend rheir disposable income, selling yourself, your company, and your branded lines is essential.

I believe that it is more important to sell yourself and your company than it is to sell your merchandise!

I suggest that companies should have a brainstorming session with their employees and come up with the top 50 or 60 reasons why a customer should buy from you and your store as opposed to buying from the competition. When discussing reasons "why" these could also be called competitive advantages or USPs, unique selling propositions. Then take these top 50 or 60 reasons and convert them into 15 to 20 word company stories. For example, a competitive advantage of heing independently owned might translate to a company story that sounds like: "One thing we are very proud of at ABC Jewelry is that our store is independently owned meaning that the owner is also the buyer and all of the jewelry is hand picked for the finest quality and value. Meaning that as a customer you will receive the highest quality at a great value."

It may come down to what you do not say that will make the difference between a sale being made or lost!

Another reason it is so important to tell your story or company stories is that the difference between making a sale and not making a sale may come down to what you don't say as opposed to what you do say. For example, let's say one of your competitive advantages is that you offer free cleaning and checking for life. During the sales presentation, you forget to mention it. The customer doesn't buy at your store, then they are shopping at your competition and the competitor just happens to mention

that they offer free cleaning and checking for life. Who gets the sale? Probably the competition because they mentioned the added benefit of buying from them and you simply forgot to mention that particular company story. Thus a lost sale.

Company stories do not necessarily have to be things that you offer that no one else does. They are simply reasons why the customer should buy from you, spoken in terms of a customer benefit. I assure you that if you sell yourself and the store you will find more people buying from you simply because not many of your competitors are proactively selling themselves rather than just the jewelry.

It's the extra information that will allow you to focus on the emotional side of the purchase.

The professional will ask the questions, get the answers, respond to the answers, and develop the type of relationship that will get their clients to trust them. Additionally, a professional will not only respond to the answers to the questions, but will respond to the extra information that they receive through the process of the needs assessment.

This is where the trust is developed. Trust is essential in order to sell your customer on dealing with you.

Trust is established and relationships developed in conversing about the emotional side of the purchase or in the Customer's Story.

Let's say a customer is celebrating the graduation of their son and looking to purchase a timepiece. Through asking questions, we find out that their son is graduating from medical school and they are having family and friends fly in from all over the country to attend the graduation party. The party is going to be held at their home and some of the relatives are staying at the home as well. In this situation, I would certainly spend an enormous amount of time talking about the party, the family, and friends, where they are coming from, what college the son graduated from, what his plans are for the future etc.

In other words, spend an enormous amount of time on the emotional reason why the customer is buying jewelry and this is where the customer will feel that they have had the experience of a lifetime in purchasing jewelry from you. Anybody can show and sell jewelry. The professional develops relationships with their customers through sharing in life's special moments and on the emotional excitement, the customer has in making the purchase.

I would be willing to bet that 90% of al jewelry purchases are made based on some emotional reason "WHY" the customer is buying!

Get the customers talking about the jewelry that they have, the emotional reasor behind the purchase and both current and future, special events they have coming up, where jewelry may be an appropriate gift.

Think about your very best customer. Think about everything that you know about that person. You probably know their name, spouses name, where they live, where they work, their children's names, what schools they attend, the kids ages, what kind of car the family has, the family pet and so on. Then think about the customer that you did not sell the other day and ask yourself what do you know about that person? The answer is probably not much. In other words, the difference between your very best customer and the one that did not buy from you really comes down to your ability to befriend another human being. Befriending comes from your ability to get



a person to open up and talk to you about the emotional reason behind the purchase followed by the emotional reaction that you give them. In other words, you are sharing and caring about the emotional reason behind the purchase and sharing in the excitement of the event.

Author, trainer, consultant, and speaker Brad Huisken is President of IAS Training. Mr. Huisken authored the books I'M a salesman! Not a PhD, and Munchies For Salespeople, Selling Tips That You Can Sink Your Teeth Into. In addition, he publishes a free weekly newsletter called "Sales Insight" For a free subscription or more information contact IAS Training at 1-800-248-7703, info@iastraining.com, www.iastraining.com.



Texas Jewelers Association

Design Contest 2008 Winners ANNOUNCED

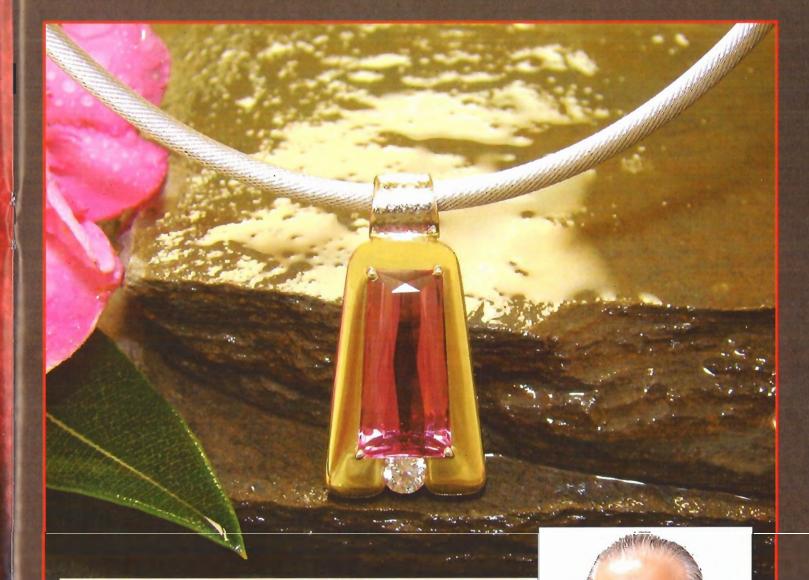
in jewelry is always exciting, and that bank safe deposit box, where it remained excitement was well represented in for ten days. After the storm debris was September, with the annual Texas Jewelers Association (TJA) Jewelry Design Competition. Traditionally, this coincides with the annual TJA Convention; however, the untimely arrival of Hurricane Ike caused the cancellation of the convention and a delay in the competition. The contest deadline was timed such that all of the participant's entries were already in place for judging, when the hurricane made

Being able to express one's creativity work was packed away to the safety of a cleared and when power was finally restored, the competition was back in

This year, 14 unique items were entered from around the state, competing in four different categories. Three categories represent work created by individual jewelers, from concept to wax carving/ fabrication, stone setting and final polish. These categories are separated by the cost of materials (i.e. stones, metals, its move toward the Gulf Coast and the etc.). The fourth category was the convention. As a precaution, all of the "Open" category. The work presented

in this group could be executed by multiple contestants and had no dollar level divisions or restrictions. The Best of Show is the one piece, among all entries, that was voted to represent the best of design, craftsmanship, and quality of materials. This year, the winner was determined by the highest overall point score from the three judges. All of the categories included beautifully executed and designed pieces.

The judging was done by three different judges, each of whom brought a specific perspective to the competition. All of the pieces were judged blindly, without names and with no identifying



Best of Show

Peter Barr - Peter Barr Designing Jewelers, Corpus Christi. His winning necklace is from Category IV. The piece is a pendant, created of fourteen karat (14kt.) green and white gold. It is set with a 6.61ct. pink tourmaline and .25ct, total of diamonds. This piece will go to New York to compete in the national competition at the Jewelers of America convention.

marks allowed. Debbie Wetmore, a professional studio jeweler/artisan, whose artistic skill is represented by examples of her work in the Smithsonian, brought the eyes and sensibilities of an artist; Ronnic Miller is a Graduate Gemologist and successful jewelry store owner, who brought the discipline and experience of choosing well executed and saleable product for the buying public; and Alex Nagy, a European trained, former Tiffany's bench jeweler with 40 years experience, brought the eyes of a craftsman

to evaluate the execution and construction of

Amber Gustafson of Amber's Designs in Katy, along with David Harleston of Lathrop's Gem Shop in Bellaire, organized this year's competition. "We are very excited with the entries this year," Gystafson said. "It is always a pleasure to see work from the creative minds of Texas jewelers, and to appreciate the different techniques used," With the success of the contest, Amber and David are looking forward to next year's

competition, and to making every effort to enhance and expand the contest.

We would like to acknowledge the skill level and the beauty of all of our member jewelers' entries this year. We look forward to an even greater participation in next year's

Texas Jewelers Association Jewelry Design Competition 2008

Category 1

material cost under \$1,000.00

1. Stephen Wyrick

Steven Wyrick Jewellers San Antonio

2. Steve Kriechbaum

Steve Krlechbaum Designer Jeweler Austin

3. Jerry Gowen

The Green Bull Jewelry Co. Boerne







3rd

Category 2

material cost \$1,000.00 - \$3,000.00

1. Ziad Noshie

Almaza Jewelers Houston

2. Stephen Wyrick

Stephen Wyrick Jewellers San Antonio

3. Peter Barr

Peter Barr Designing Jewelers Corpus Christi









Photos by Barbara Miller, Lathrop's Gems & Fine Jewelry

Category 3

1st

1st

material cost over \$3,000.00

1. Ziad Noshie

Almaza Jewelers Houston

2. Stephen Wyrick

Stephen Wyrick, Jeweler San Antonio

3. Kay Knight

K's Designs Austin

Category 4

Open

1. Peter Barr

Peter Barr Designing Jewelers Corpus Christi

2. Ziad Noshie

Almaza Jewelers Houston

3. Jerry Gowen/Jesse Villareal

The Green Bull Trading Co., Boerne



2nd

3rd

3rd

Photos by Barbara Miller, Lathrop's Gems & Fine Jewelry

Is Rudeness Costing You Some Business?

BY LINDA TALLEY



Business etiquette is just important today as it was a generation ago, Probably more so since the many Baby Boomers are in charge and they want their "dues." The younger generations may not care about paying dues or sitting on the corporate ladder in order to get ahead but Baby Boomers did it and most want payback, That comes in many forms, however, business etiquette is one form to be aware of and practice diligently!

If you or the people who represent you lack good manners, what does that say about you, about them, about your business? When a sales person takes a cell phone call during a meeting and his/her boss allows it, that says a lot about the boss and the environment of the business. There may be no problem then but what happens when that same person is calling on a customer and takes a call during a customer meeting?

Hum-m-m-m-m, now it gets dicey.

Today we are impacted with information, more projects and there never seems to be enough time, however, being nice, being the model of politeness must be a top priority. So let's talk about some of the little messes bad manners create.

- 1. You are going to your professional meeting and attire says "business casual." You show up in shorts and a T-shirt. You have just become a fashion faux paux. Business casual is simple. Just dress one step down from business professional. That might be a polo shirt and dockers. Shorts and t-shirt is 2 or more steps down,
- 2. Eye contact is optional. Wrong! Until you make eye contact with a person for 2 4 seconds, they don't feel visible, valued and will retreat. Smiling is a universal way of

telling someone they are accepted, however,

it must be a genuine smile—engaging the eye muscles as well as the cheek muscles.

3. A man should offer a woman his hand, in a handshake, just as quickly as he would offer it to a man. If either waits to put it out there and shake it, it's a nonverbal signal denoting lack of confidence. Don't get caught up with what your Mother told you. Might have been true for her time that you never shake a woman's hand but not today!

If you are the boss, be the model for manners in your business. If you are an employee, being a model for manners will never hurt!

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.Linda Talley.com.



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> — Susan Sadler Susan Sadler Fine Jewelry Design Tulsa, Oklahoma

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QcA Stephen Wyrick

Board of Directors Member

INTERVIEW BY LAURA MOHAMMAD

Jewelry designer and Texas Jewelers

Association board member Stephen Wyrick has built a devoted clientele over the years in San Antonio, winning awards in every competition he has entered, and serving as the first Texas certified master bench jeweler, designated by Jewelers of America. He also holds the distinction of earning a Silver Star, Bronze Star and Purple Heart as a result of time in Vietnam in the 1960s.

Wyrick took a break from his creations recently to talk about the art to which he has devoted his professional life.

Q. How do you get started with a client?

A. I make a piece where the customer wants something unusual, personal. I want to know about them: 'This is what I do; this is who I am.' I express to the customer that I do need time to ramble on and converse and get into their life. I want to know: what they represent, how they treat their friends, are theysocial?

It's really a head thing. It's crawling inside their head. And I make that clear to them. And it can be private, if you so desire. The recipient only knows what (the piece) means.

Q. How did you get into the business?

A. I've been artistic since I was 12 years old – model making, halsa wood airplanes, cars carved out of wood, leather craft, making purses for the ladies down the street. I was always into something. My mother coaxed me along. I had no interest in school other

than the illustrative parts, drafting.

Algebra was terrible. English was terrible. I didn't like it. It was boring. I have since improved and understand that education is important. I left Knoxville, Tenn., for the military. I had a choice. 'You can go to college, like your brothers and sisters or you can go into the military.' I said: 'I'm not going to sit in a class room for four more years; I need a break.' I served for three years in Europe in the Air Force. In the meantime, I made leather craft, made holsters, belts, custom pieces. I did a modification for a parricular device for special weapons, and it went all the way to headquarters.

When I got out, I went to work for the Texas Air National Guard and went to bomb disposal school, liked it, it was very interesting to me to dissect bombs that were about to bite ya. Vietnam came along, and I said: 'I need to go do that.' Then, I decided to go to Vietnam...

In 1969, there was a lapidary shop, where you'd get tiger eye and onyx and things like that. They had little polishing machines, and you could get soft stones. If you had time to go, you could go...

I had a box of opals when I returned to the States. I set up my own little lapidary shop and started peddling around to jewelry stores. I made money, big money.

Jewelry is personal. And each jeweler who hand crafts his or her product knows the personal nature of this process. One of new board member Stephen Wyrick's most personal projects was the design and creation of a chalice and paten for his nephew, who was ordained to the priesthood in May 2005.

The project took 1½ years to design and 1 year to complete. The basic requirement for the fabrication of chalices used in Catholic masses is that at least the surfaces of the chalice be made of noble metals. This requirement was made because they will be in contact with consecrated wine and bread. The alloy that Wyrick used—after much research and experimentation—included 95%Silver, 1% Platinum, 2% Palladium and 2% Ruthenium. Gems on the chalice stem included citrine, topaz, emerald and ruby, each stone symbolic to the new priest.

Then they were telling me: 'What are you doing, why don't you put it in jewelry?'

Q. You've said you never have a slow period. Tell me about that.

A. I don't know what the magnetism is; people find me. I've got two tiny little 30-inch glass showcases. I have nothing to present because everything I do is for someone. My work comes to me by other people, by reputation, or what have you.

Q. Tell me your story about chasing the bride and bridegroom down the aisle with the ring.

A. A young man came to me, says he needs a wedding set. It was maybe four months in the making. He said: 'I want the wedding ring to be the one.' He gives me a change order: I said: 'I've got to make it over, son.' He said: 'Well, that's what she wants. Can you have it by the wedding?' I said: 'Mmm. Probably, You're asking me a miracle, there's an artistic value that can be lost. You've got do what you've got to do. Don't call me. I will be at your wedding and I will put something reasonable in your bride's hand.' Would he call me? I wouldn't talk to him. 'You take care of your business and I'll take care of mine.' I wouldn't communicate. I did it in a funny way, though. They were at the alter, I grabbed a sport coat, they were at the alter

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Winter 2008

on their knees, I walked down the aisle and stood behind them, folded my hands, like I was part of the party. They hesitated for a minute. I just reached between them with that ring. He took the ring, I just politely turned around, walked out like I was part of the ceremony, walked out, got in my car and left.

Q. How does the economy figure into jewelers' futures? How should they make sure they can survive, even thrive in this market?

A. I don't see jewelry as dying or as nonessential. I believe that jewelry has a soothing sensuality. I believe that people buy jewelry as a comfort thing... it's almost like a child in the morning, they put the jewelry on and then they wear it and it becomes a part of these people. It's a symbol...it' a comfort zone; it's security.

Q. What are the design trends in the next few months?

We're in the season. You're going to have a lot of inspired folks looking at gift ideas. This is a very good time for engagements. It's a Christmas ring; it's an engagement ring. There is no apology. 'It is my gift to you. You've always wanted to have your rings made.' I promote that. I open that up as an idea. It gets them thinking.

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Preventing Employment- Related Liability Claims

Employment-related charges rose nine percent in 2007—the largest increase in over a decade. The best way to prevent these allegations is by implementing risk management practices to help avoid situations that may lead to employment related liability claims. The following steps can help minimize your risk:

- Establish discrimination and harassment policy statements.
- Implement a consistent incident reporting system.
- Communicate expectations to employees.

Fairness Is Key

Research supports the theory that the most effective way to avoid misunderstandings between employees and management is to treat employees fairly and learn to communicate that fairness. To help achieve fairness, keep these six guidelines in mind when dealing with employees:

- 1. Focus on job-related behavior and issues.
- 2. Be consistent.
- 3. Communicate and provide feedback.
- 4. Document.
- Never make promises that you or your organization can't keep,
- When in doubt, call in an employment expert.

Prevention Methods

Herearesome effective prevention methods to combat the most common employment-related claims – discrimination, wrongful termination, and sexual harassment.

Employment-Related Claims Discrimination

- Treat all employees fairly and consistently.
- Ensure everyone has a copy of company harassment policy.

- Ensure everyone understands the policy.
- Ensure everyone understands how to register complaints.

Wrongful Termination

- Evaluate employees honestly.
- Don't reward employees who perform poorly with merit raises/bonuses.
- Follow personnel policies, procedures manual, and/ or employee handbook.
- Meet with employees privately to discuss performance issues.
- Investigate allegations of wrongdoing thoroughly.
- Document any potential rermination issues.

 Review decisions with Human Resources.

Sexual Harassment

- · Recognize sexual harassment as a risk.
- Know the laws, company policy, and procedures.
- Reinforce company policy and procedures periodically.
- Respond quickly and appropriately to complaints.
- Stop behavior that could lead to a sexually charged environment.
- Set a good example.

Article provided by Federated Mutual Insurance Co.

Protect Your Corporate Assets

Are you leaving your corporate assets exposed to legal action from an employment-related discrimination lawsuit?

In 2007, the Equal Employment Opportunity Commission (EEOC) received 82,792 charges alleging discrimination and/or harassment related to employment. For each charge, a business much like yours faced legal proceedings, as well as possible loss of productivity and business reputation.

Consider this fact—last year, courts awarded \$345 million for race, sex, and other discrimination cases involving private employers. It's obviously a growing concern.

Common Misconceptions

Many business owners believe they will never be involved in a lawsuit. Yet

estimates say over 35 percent of all privately held companies will be involved in an employment-related liability lawsuit in the next five years—despite good management practices.

Many also feel they can afford the legal costs. However, the legal and soft costs can exceed \$75,000 for this exposure.

Employment Related Practices Liability Insurance

Since 1995, Federated has offered Employment Related Practices Liability (ERPI) coverage to our clients. This stand-alone policy provides claims-made coverage for an insured event. Some key policy provisions include:

- Specific perils
- Harassment
- Discrimination
- Wrongful Termination
- · Limited Prior Acts Coverage
- Flat deductibles for settlement and defense
- Limits available up to \$5 million per occurrence
- Extended Reporting Period ("Tail")

Defense costs outside limits of insurance

 Punitive damages (where insurable by law)

Even with the rising incidence of employment-related litigation, only half of privately held businesses purchase any coverage for this liability. ERPL coverage should be an essential risk management strategy for companies of every size. Can you afford not to have it?

Sources: "Charge Statistics FY 1997 Through FY 2007," U.S. Equal Employment Opportunity Commission, http://www.eeoc. gov/stats/ charges.html

"Employment Practices," 2005 Chubb Private Company Risk Survey, Chubb Group of Insurance Companies.

Article provided by Federated Mutual Insurance Co.

Keep Your Estate Planning Focus



Chameleons have great vision. In fact, they can rotate their eyes separately to watch two dangers at the same time. A chameleon would be good at estate tax planning—where you have to keep one eye on the big picture and one on the details.

Focus on the Big Picture...

- Watch both federal and state estate tax legislation. In the past few years, some states have passed legislation that may significantly increase estate tax liability.
- Crunch the numbers for your estate tax liability. In 2011, under the federal estate tax laws currently in place, an individual will only be able to keep \$1 million from estate taxation.
- Be proactive with your estate tax strategies. Adopting a hands-off approach can be the equivalent of giving the IRS a signed blank check.
- Avoid strategies that risk audit.
 A "postmortem" audit can be

extraordinarily expensive.

• Hire a pro! The best estate tax planning comes from specialists.

...But Don't Lose Sight of the Details

There are opportunities to save taxes—but you need to know them to take advantage of them. Again, an attorney who specializes in estate tax planning can help you use tax breaks that the IRS allows, such as gifting, bequests, charitable donations, and irrevocable life insurance trusts (ILITs). Like a chameleon, focus on both the big and small aspects of estate tax planning. You may spend a little on estate planning now — but your family and your business may save a lot more later.

Article provided by Federated Mutual Insurance Co.

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Jewelers of America Praises Extension of 15-Year Depreciation on Store Improvements

The legislation, passed by Congress as part of the financial rescue bill, is vital to jewelers

Jewelers of America, the national trade association for businesses serving the fine jewelry retail marketplace, welcomed a two-year extension of the 15-year depreciation on store improvements, which was passed by Congress and signed into law by President

The important depreciation measure was part of a tax "extenders" package

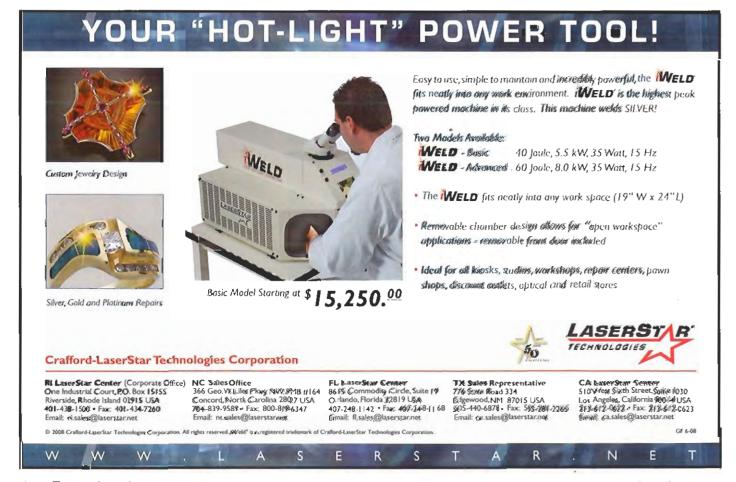
George W. Bush on October 3.

attached to the financial rescue bill. The depreciation measure, which was previously only available to leaseholders, has now been expanded to include property owners. It has been extended until the end of 2009.

"Jewelers of America welcomes the extension of this important depreciation measure, which will help jewelers – whether they rent or own their retail space

 to refurbish their stores more often to stay competitive," says Jewelers of America President and CEO Matthew A. Runci.

In a challenging and competitive luxury retail environment, being able to keep stores updated and refurbished – thanks to speeded-up depreciation of store improvements – is a key component to success. The measure enables retailers to





continue to write-off improvements on stores over a period of 15 years, instead of the 39 years that previously had been mandated. Jewelers of America applauds the expansion of the rule to include property owners who are also facing challenging economic times.

Jewelers of America had worked originally to have the store improvements depreciation measure included in an

economic stimulus package passed by Congress in the aftermath of 9/11. Each time the measure has come up for an extension, the association has contacted legislators on Capitol Hill to support it.

The association's political action committee, JAPAC, has also focused its donations on legislators who work on legislation of vital interest to retailers, such as depreciation for store improvements.

"JAPAC has enabled jewelers to have a voice in government on the issues that are critical to jewelers' bottom lines," says Runci.

For more information on JAPAC, the depreciation measure and other legislative issues Jewelers of America is currently following, visit the Public Affairs section of JA's website: www.jewelers.org/publicaffairs/monitoring.html





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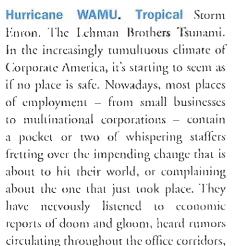


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Staying Calm Amid the Tempests of Change

BY THERESA ROSE





watched a steady stream of co-workers come and go, and grumbled every time a new organizational chart is delivered to their e-mail inbox. There's no doubt about it: People are scared.

Whether it is the result of witnessing several of the largest bankruptcies in modern history, a hostile merger or acquisition, massive reductions in force, or simply a change in management, workers across the country are being negatively affected by the widespread changes taking effect in the workplace. Stress and anxiety levels are increasing, productivity is decreasing

and job-hopping is commonplace, thus lowering an already basement-level employee morale.

If you have ever been in a major weather event such as a hurricane, tornado or carthquake, you are undoubtedly familiar with the few basic rules of survival and protection. Corporate changes are not unlike these natural occurrences, as they can often inflict similar emotional and financial upset. If you find yourself in the throes of yet another career shakeup, here are a few helpful hints on how not only to weather the storm, but also to emerge head and shoulders above your competition once the dust settles.

- 1) Expect it. Every year a hurricane will hit land somewhere. It is not probable; it is inevitable. Change in the business world is exactly the same. A company is an entity, and like all entities, it grows and evolves over time. In fact, it needs to change, because a stagnant company will eventually become a failed one. If you know that change potentially a great deal of it is guaranteed to happen, it will help you minimize the shock and denial that sometimes surface when it invariably hits.
- 2) Be prepared. When a big storm threatens a community, there are two key steps to adequately prepare: develop a solid plan and secure the necessary provisions. You want to know what you are going to do and what you need to do it. The same holds true for your employment. Before the storm of change hits, decide now what you want from your career and how your skills, credentials and desires match your cutrent employment. This may mean keeping your resume polished up, if only to boost your own comfort level and confidence. A calm,

prepared employee typically survives the rocky roller coaster ride of corporate change a lot easier. As for provisions, you may want to identify what financial needs you and your family have to be comfortable. Do you have all of your finances in place to ensure that these provisions are met? If not, it is wise to do so before the storm hits and your priorities will be on other things.

3) Ride it out. OK, The storm has hit. You have a new office, boss, job, or company (or maybe you just found out that you no longer have any of them)! The wind is howling, the shutters are banging and the power is out. Everyone around you is panicking. What should you do when you are in the eye of the storm? Now is the time to get grounded and centered. Take some deep breaths, and become your favorite tree (yes, you read it correctly; your favorite tree). Pretend that you have thick roots in your legs, and imagine that they are plunging deep into the ground below you. Trust that everything will happen exactly as it needs to in your highest good, and surrender to the Powers That Be. You are not in charge, but you have the ability

to stay calm while the storm passes. Keep breathing!

4) Clean up afterward. At this point

you are surveying the damage. As you look around, you can't help but notice the casualties and the huge amount of work ahead of you, First and foremost, give yourself permission to feel bad for a while, and honor the fact that you just went through a difficult challenge. If others are hurt by the change, extend a compassionate hand. But after a short period of time, decide that you want to get on with your life once again. Make a graceful exit from the pity party, roll up your sleeves and get to work. Start getting to know your new coworkers, learn the ins and outs of your new role or flesh out your next career trajectory, Whatever the results of the change are, know that the sooner you stop the selfdestructive spin cycle of complaining, the quicker you will move back into a place of happiness and prosperity.

The spate of corporate fear can be addressed when we take our cues from the lessons of Mother Nature. By adequately preparing for and weathering the inevitable

tempests of change, you will clearly set yourself apart from the rest of the people who are still cowering around the water cooler hoping that tapping their heels three times will return them to a safe, static work environment. Through awareness, preparation, centeredness, and acceptance, you will move swiftly through the blowing winds of change and ultimately emerge more joyful and successful than ever before.

About the Author:

Theresa Rose is an inspirational speaker and author of the newly released, Opening the Kimono. As the founder of Serious Mojo Publications, Theresa specializes in fresh approaches to energy management, productivity and creative development: Her past experience includes several entrepreneurial and management positions, including owning and operating an alternative healing center, senior manager of marketing and product development for a Fortune 100 telecommunications firm and vice president of a consulting firm specializing in higher education. For more information, visit wwwo. TheresaRose.net.



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Why Did Electricity Costs SKY-ROCKET this Summer?



Everyone has noticed the price of

common items increase this summer. Cost increases are affecting everything from food to gas. The energy sector as a whole has seen record cost hikes. While this sector has experienced challenges over the past several years, this summer has seen volatility not seen since the oil shocks of 1970s and 1980s. What caused these most recent cost hikes? And more importantly, when will they subside?

Cost Drivers

End-user electricity costs are dependent upon multiple factors. This past summer saw high volatility within all price inputs production, delivery, and consumption. Rising cost of fuel sources increased the costs of electricity production dramatically this year. Natural gas, coal, and nuclear energy together generate nearly 97 percent of the power for Texas. Natural gas alone accounts for 69 percent of peak electricity production in Texas. In the first six months of 2008, natural gas prices increased 70 percent. Coal prices, which accounts for nearly 22 percent of Texas's generating capacity, increased over 115 percent since January 2008. Increasing global demand, falling inventory levels, and a weak U.S. dollar are all responsible for the increasing costs of these two fuel sources.

An often over-looked variable affecting the total electricity cost is the delivery

component. During peak power needs, power must be taken from orher regions of Texas in order to fulfill demand. Sometimes connections and transmission between power zones become over-congested. Power generators must offer higher rates to relieve the congestion. During certain times this summer, increased congestion on the power transmission and distribution network increased wholesale power prices by a factor of 1,000.

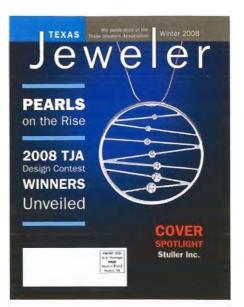
Weather conditions impact electricity costs, as well. Record temperatures and days of extreme heat throughout the state also contributed to the increase in electricity demand for cooling homes and businesses.

Looking Forward

Texas companies, regulators, investors, and consumers are taking active roles to decrease future electricity costs associated with production, delivery, and consumption. Texas' deregulated market is, attracting new power production investments and proposals with \$25 billion expected to be spent on new nuclear, wind, and coal fired power plants. The PUC approved \$4.9 billion to fund new transmission and distribution lines that will connect these new power plants to the grid and ease energy congestion. Additionally, Texas is implementing smart meter programs that will allow consumers the ability to track and manage their personal power usage. These changes and new investments should help keep electric power in Texas flowing affordably.

This article appears courtesy of Tara Energy, the Texas fewelers Association's exclusively endorsed vendor for electricity.

www.texasjewelers.org



How is Stuller promoting diamond jewelry this Christmas season?

As an "enduring gift for a lifetime" on the popular national TV show, Designing Spaces. On the show, sales director and Red Box Diamonds® brand ambassador, Claudia Evans Zale, speaks to consumers about seeking "your local independent jeweler" to find the perfect diamond jewelry gifts, as complemented by Red Box Diamonds®.

What is the purpose of the Designing Spaces appearance by Red Box Diamonds?

To publicize its emotional appeal for diamonds to 80 million U.S. households via broadcasts through Christmas. The Designing Spaces' audience, described as mostly female, between the ages of 25 and 55 with a median household income of \$65,000, is the core base of diamond sales.

How can independent retailers in Texas benefit from this?

The impact of this program could be huge for independent retailers," says Matt Stuller, CEO and founder of Stuller. "By reaching consumers with the 'diamonds as gifts' message during the holiday season, consumers will be pre-sold on Red Box Diamonds, and all diamonds, when they walk in. Local jewelers who capitalize on this should see results."

Retailers can piggyback on the buzz by promoting gift registries and wish lists; hosting in-store events that embody special diamond moments; and connecting with

Cover Spotlight: Stuller Inc.

area media to plug the local broadcast of Designing Spaces holiday show, as well as to discuss trends and gift ideas as their community's diamond expert.

When will the nationally syndicated program air?

The TV program airs around December 12 (check your local listings) on such channels as TLC (The Learning Channel), The Food Network, Discovery Channel, WE (Women's Entertainment), HGTV (Home & Garden Television), Travel Channel, and NBC, CBS, FOX, ION TV and UPN affiliates.

What is Stuller's Red Box Diamonds program?

Stuller's Red Box program empowers retailers with a brand they can call their own. It is a beautifully-packaged, high-quality

product, with value-added benefits like diamond trade-up, loss protection, grading reports, and engraved ID serial number. A loose diamond brand, it is available in a range of sizes from 3/8 of a carat up, all shapes, D to L color, and H clarity and greater, as well as in some fancy colors.

Stuller, a DTC Sightholder, developed the Red Box Diamond Moments® campaign as a comprehensive selling system for independent jewelers, including training resources, point-of-purchase tools, and a variety of advertising material. Retailers also have access to Stuller's virtual inventory and just-in-time delivery, as well as to custom design services through Stuller StudioTM.

To learn more about Red Box diamonds® or their appearance on Designing Spaces, go to www.stuller.com to see behind-the-scenes video and other details, or call 800.877.7777.

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How You Must Be Like the Wise Old German Shepherd

You have got to have a back up plan to survive and prosper

BY BOB JANET



One day a wise old German

Shepherd starts chasing rabbits and before long, unexpectedly discovers things are not going as he expected as he is lost. But he was not overly concerned because this wise old German Shepherd had been lost before and he had a backup plan.

Wandering about, he notices he is in grave danger as a leopard is heading rapidly in his direction with the intention of having him for lunch. The wise old German Shepherd thinks, "Uh, Oh! I'm in deep doo-doo now!" Noticing some bones on the ground close by,

he immediately settles down to chew on the bones with his back to the approaching cat. Just as the leopard is about to leap, the wise old German Shepherd exclaims loudly, "Boy, that was one delicious leopard! I wonder, if there are any more around here?"

Hearing this, the young leopard halts his attack in midstrike, a look of terror comes over him and he slinks away into the trees. "Whew!" says the leopard, "That was close! That old German Shepherd nearly had me!"

Meanwhile, a monkey who had been watching the whole scene from a nearby tree figures he can put this knowledge to good use and trade it for protection from the leopard. So, off he goes, but the wise old German Shepherd sees him heading after the leopard with great speed, and figures that something must be up.

The monkey soon catches up with the leopard, spills the beans and strikes a deal for himself for protection with the leopard

The young leopard is furious at being made a fool of and says, "Here, monkey, hop on

my back and see what's going to happen to that conniving canine!"

Now, the wise old German Shepherd sees the leopard coming with the monkey on his back and thinks, but is not worried at all, because he has a backup plan. The wise old German Shepherd sits down with his back to his attackers, pretending he hasn't seen them yet, and just when they get close enough to hear, the wise old German Shepherd says... "Where's that monkey? I sent him off an hour ago to hring me another leopard!"

Hearing this, the leopard turned and hightailed it out of there.

Moral of this story... Business people who survive and prosper in a slow economy are wise enough to have a backup plan when they discover things do not go the way they expect. And with all the resources for information available for business professionals today you do not to be old (in the business for years) to discover the techniques and skills needed to survive and prosper.

You will come out the other side of rhis current economic slowdown (recession for some) if your back up plan includes becoming more and more aggressive in:

- Building relationships with your customers
- Building relationships with your competition's customers
- Selling your unique selling values
- Selling the benefits your customers receive from your products
- Daring to differentiate yourself and your business from your competition

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