

The J Report

THE OFFICIAL NEWSLETTER FOR JEWELERS OF AMERICA MEMBERS

JA Mourns Loss of Jeffrey W. Comment

JA Board Member Jeffrey W. Comment passed away unexpectedly of an apparent heart attack on Saturday, October 30, 2004, at the age of 60. Comment was Chairman and CEO of Helzberg Diamonds, based in North Kansas City, MO.



Jeffrey Comment was Chairman and CEO of Helzberg Diamonds. He also served on the boards of numerous organizations, including JA.

Aside from serving on the JA board of directors and its human rights subcommittee, Comment had previously served as Chairman of the Jewelers of America Political Action Committee (JAPAC).

Comment was active in numerous jewelry industry organizations during his career. Comment served on the board of directors of the Diamond Council of America, where he previously served as president and is credited with guiding that organization to its current position of stature in the industry. He also served on the boards of the Jewelry Information Center and Jewelers For Children, and was the latter organization's honoree at

the 2000 Facets of Hope dinner.

Comment was also very active in many civic and philanthropic programs, including serving on the national board of the Elizabeth Glaser Pediatric AIDS Foundation. He also spent two weeks every holiday season visiting sick children in hospitals. The visits inspired Comment to write *Santa's Gift: True Stories of Courage, Humor, Hope and Love*, with all profits from the book's sales going to the Glaser Foundation.

"Jeff was truly one of the most unique people I have ever met," said JA President and CEO Matthew A Runci. "He was a friend, a vital member of the JA board of directors, an active contributor to his community, and a true humanitarian in our industry who has been honored by so many organizations for his tireless efforts on behalf of the disadvantaged among us. Jeff will be missed by the many whose lives he has touched in a most human way."

He is survived by his wife of 34 years, Martha, and their two children, Kristen and Ryan.

Memorial contributions in Comment's name may be made to either one of these organizations:

Young Life Greater Kansas City Region
P.O. Box 15694
Lenexa, KS 66285

Heartland Community Church
8301 Lamar
Overland Park, KS 66207

A Powerful Tool for All Retail Jewelers

Your membership in Jewelers of America is one of the strongest business tools you possess. JA is consistently focused on helping its members with benefits designed to lower costs, increase sales, train employees, and boost customer confidence.



As you prepare your business strategy for 2005, be sure to consider which of JA's benefits can best help your company grow. By implementing the business-building tools offered by JA, you can put a solid plan in place for this year and beyond.

Using JA Resources to Promote Your Store, a member's guide available in print or at www.jewelers.org, explains how to utilize your JA membership to gain publicity. The *JA Directory of Products and Services*, also available in print or online, provides full details on each of JA's programs, initiatives, and benefits. And questions can be answered by JA's membership representatives at 800-223-0673 or info@jewelofam.org.

Remember, making the most of 2005 means making the most of your JA membership.

Sincerely,

John A. Green

John A. Green is President and CEO of Lux, Bond & Green (West Hartford, CT), and serves as Vice-Chair on the JA board of directors. He is also the Chairman of the Jewelry Information Center.

Inside This Issue

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JEWELERS OF AMERICA



About Jewelers of America

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

JA represents more than 10,000 jewelers nationwide and serves as a center of knowledge and as an advocate for professionalism and high social, ethical and environmental standards in the jewelry trade. Each regular JA member is also a member of its state or regional association, of which there are 40 across the nation.

The JA Mission

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

JA Code of Ethics

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



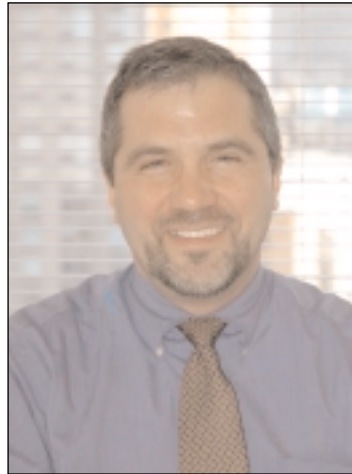
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David Lafleur Named JA Vice President

Jewelers of America named David N. Lafleur as its new Vice President, effective November 29, 2004.

"Dave Lafleur has diverse experience and a proven track record in senior-level non-profit association management," said JA President and CEO Matthew A. Runci. "His strong leadership will surely be an advantage as JA continues its work in assisting its 10,000 retail members and the jewelry industry. We gladly welcome David to JA."



JA Vice President David N. Lafleur

As JA Vice President, Lafleur now runs the association's day-to-day operations. He also manages the continued development and implementation of JA's educational projects, certification programs, marketing initiatives, and money-saving member benefits.

"I am eager to begin working with the JA staff, the JA board of directors, and JA's 40 state and regional affiliates to continue raising the level of professionalism and integrity in the jewelry industry and enhancing the value of membership in JA," said Lafleur when his hiring was announced in November.

Most recently, Lafleur has served as Chief

Financial Officer and Director of Finance and Administration for the College Art Association (CAA), the preeminent non-profit association for art historians and visual arts professionals, with a membership of over 14,000 individuals and 2,000 institutions.

Lafleur has substantial experience in the jewelry industry, having worked for Manufacturing Jewelers and Suppliers of America (MJSA) from 1987 to 1996. He began at MJSA as Director of Finance and Administration, moved on to become Director of Operations, and later served as

MJSA Vice President. In the latter position, Lafleur worked with the board of directors and MJSA staff to plan and implement strategic initiatives, operated as Publishing Director of AJM magazine, and was involved in MJSA's government relations activities.

Added Runci, "Having worked with David during my own previous tenure at MJSA, I can personally attest to his skills, dedication, and enthusiasm, all of which he will undoubtedly bring to his new role as JA Vice President."

Lafleur succeeded David L. Rocha, who resigned to become Executive Director of Jewelers For Children (see page 7).

Website Provides Guidance on Consumer Confidence Issues

JA members distinguish themselves through their commitment to high social, ethical, and environmental standards. This distinction is especially important when issues related to consumer confidence arise.

JA provides information and guidance on these issues at www.jewelers.org. In the Industry Professionals portion of the site, there is a link to a Consumer Confidence section. Jewelers will find background information, updates, and talking points on a variety of consumer confidence issues. As new issues and developments emerge, JA updates the website accordingly.

The section also includes content regarding JA's ongoing corporate responsibility initiative, including the full text of the JA Code of Ethics and Rules of Professional Conduct and Business

Practices. Other documents posted on the site include the JA Statement of Principles and the JA Supplier Code of Conduct.

Members and non-members alike can view the information in the Consumer Confidence section so that all can see what steps JA is taking to manage these issues. This also keeps all retail jewelers updated to insure that the broadest possible number of companies in the industry are aware of developments and can utilize the information in their own businesses.

However, JA members' annual commitment to the JA Code of Ethics allows them to stand apart from non-members. JA members are encouraged to differentiate themselves by displaying their JA branding materials and to stay informed by visiting www.jewelers.org.

A Jeweler's Guide to Watch Groups

Having trouble keeping track of which luxury watch brand belongs to which luxury goods group? Here's a rundown on who owns what. BY JOE THOMPSON

For watch retailers, the old sports adage "You can't tell the players without a scorecard" aptly describes the state of Switzerland's luxury watch market. Over the past decade, a tidal wave of consolidation has reorganized the luxury segment of the Swiss watch industry. A bundle of great Swiss brands, like Jaeger-LeCoultre, Vacheron Constantin and Breguet, have changed hands and become part of the luxury lineup of a few extremely powerful watch groups.

Here's an update on today's top watch groups and their brands.



Omega Constellation

I. THE SWATCH GROUP

In terms of watches, the oldest, largest, and most powerful of the groups is the Swatch Group, of Bienne, Switzerland, with total sales of 3.98 billion Swiss francs in 2003 (\$3.18 billion). Timepiece products account for around 90% of its total sales.

BRANDS: The Swatch Group owns 17 watch brands and is active in virtually every price segment. They are, by segment:

- High luxury (*haut de gamme* in French): Breguet, Blancpain, Glashütte Original, Jaquet Droz, Léon Hatot
- Luxury: Omega, Longines, Rado, Union
- Mid-range: Tissot, Hamilton, cK (Calvin Klein), Balmain, Certina, Mido
- Basic: Swatch, Flik Flak

What makes the Swatch Group so powerful is that, in addition to its brands, the Swatch Group owns 13 companies that manufacture watch movements and other watch parts (cases, dials, hands, mainsprings, etc.). The largest is ETA S.A., Switzerland's largest producer of watch movements. The group also owns important mechanical movement producers like Frédéric Piguet and Nouvelle Lémania (now called Manufacture Breguet). All told, the Swatch Group accounts for 80% of the watch movements Switzerland produces.

CASH COWS: Swatch and Omega are the best-selling and most profitable of the group's brands.

BACKGROUND: The Swatch Group's Swiss watch roots run deep. In 1983, in response to Switzerland's quartz crisis, two watch groups, one anchored around Omega, the other Longines, were combined to form one group, called SMH. (The name was later changed to the Swatch Group, reflecting the success of its mass-market Swatch brand.) In the late 1990s, faced with new competition from the Richemont and LVMH groups in the luxury watch category, chairman Nicolas G. Hayek began to bolster the group's holdings in the high luxury segment. His most important move was acquiring Breguet and its sister company, the movement maker Nouvelle Lémania, in 1999. The next year Hayek added the sister German brands of Glashütte Original and Union, and the tiny, high-mechanical Jaquet Droz firm.

II. THE RICHEMONT GROUP

Switzerland's Richemont S.A. is the world's second largest luxury group with total sales in 2003 of 3.37 billion euros (\$4.21 billion). Watches account for 46% of that total. Richemont owns 18 luxury brands and produces watches under 11 of them.

BRANDS: Richemont boasts the world's largest collection of luxury watch brands. They are organized within the group by product categories.

- Jewelry: Cartier, Van Cleef & Arpels



Cartier Tank Chinoise

- Specialist watchmakers: Piaget, Vacheron Constantin, Jaeger-LeCoultre, IWC Schaffhausen, A. Lange & Söhne, Officine Panerai, Baume & Mercier.
- Other: Montblanc (primarily pens), Dunhill (primarily men's clothing and accessories).

Richemont's non-watch brands are Montegrappa (pens), Lancel (leather goods), Chloé (women's clothing), Hackett (men's clothing), Old England (clothing and accessories), Purdey (guns) and Shanghai Tang (clothing).

CASH COW: Cartier is the group's best-selling and most profitable watch brand.

BACKGROUND: The Richemont Group has evolved into a major watch group over the past two decades. Its core watch holding was Cartier. In 1988, Cartier acquired Piaget and Baume & Mercier, as part of what was known as the Vendôme Group, whose parent company was Richemont. Vendôme began the consolidation trend with its 1996 takeover of the independent Geneva watch firm, Vacheron Constantin. It acquired Panerai in 1997 and took control of Van Cleef & Arpels in 1999. (Richemont dropped the Vendôme identification as part of a reorganization, and became known only as the Richemont Group.) In 2000, Richemont

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shocked the watch world when it paid \$1.68 billion for three brands owned by Germany's Mannesmann: Jaeger-LeCoultre, IWC and Germany's A. Lange & Söhne (a 60% share).



Tag Heuer Link

III. LVMH GROUP

Moët Hennessy Louis Vuitton, based in Paris, is the world's largest luxury group, with total sales of 11.96 billion euros in 2003 (around \$14.95 billion). A newcomer to the watch industry, its Watch & Jewelry division accounted for 4.2% of its total sales in 2003.

BRANDS: The LVMH group markets watches under seven of its own brands. It owns two bona fide Swiss watch companies, TAG Heuer and Zenith. In addition, it sells watches under the following brands (primary products are in parentheses): Dior (perfume and accessories), Fred (jewelry), Chaumet (jewelry), Omas (pens), Louis Vuitton (fashion and leather goods).

LVMH's non-watch brands are too numerous to mention. It has 12 brands in its Wines & Spirits division, 14 brands in its Fashion & Leather Goods division, and 10 brands in its Perfumes & Cosmetics division. It also owns six retail chains. Some of its fashion brands (e.g. Fendi, Donna Karan, and Givenchy) have license agreements with third parties to produce watches under those labels.

CASH COW: TAG Heuer is LVMH's most important watch brand.

BACKGROUND: For years, LVMH had

Watch Groups At a Glance					
	SWATCH	RICHEMONT	LVMH	GUCCI	BULGARI
Total sales (\$ billions)	3.18	4.21	14.95	2.07	.948
% of sales from watches	90%	46%	4%	11%	32%
# of watch brands	17	11	7	3	3
Cash cow(s)	Omega, Swatch	Cartier	TAG Heuer	Gucci	Bulgari
Headquarters	Switzerland	Switzerland	France	Italy	Italy

no interest in watches. In fall 1999, however, it made a dramatic entry into the luxury watch business. In the course of three months it spent more than \$1.2 billion acquiring four watch brands: first TAG Heuer, then Ebel and Chaumet, then Zenith. Last year it trimmed its watch holdings by selling Ebel to the Movado Group. TAG Heuer and Zenith, however, make it a power player in the watch business.



Gucci Bamboo

IV. GUCCI GROUP

Italy's Gucci is one of the world's best-known and largest luxury goods groups, with total sales of 2.59 billion euros in 2003 (\$2.07 billion).

BRANDS: Gucci sells watches under three of its brands: Gucci, Bédar & Co., and Boucheron.

The group's non-watch brands include Yves Saint Laurent, Sergio Rossi, Roger & Gallet, Bottega Veneta, Alexander McQueen, Stella McCartney, and Balenciaga.

CASH COW: Gucci is the group's top watch brand. Gucci reported wholesale sales of Gucci watches of \$170.1 million in fiscal 2003, representing 11% of Gucci

division sales.

BACKGROUND: Gucci started to get serious about watches in 1997, when it brought back the rights to its own brand from its long-time licensee Severin Wunderman (now the owner of Corum). As part of a diversification program, Gucci acquired Switzerland's Bédar & Co. in 2000.

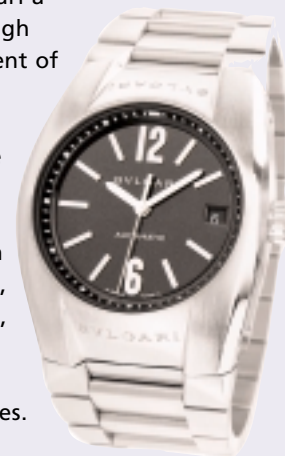
V. BULGARI GROUP

Italy's Bulgari Group has emerged as a major player in the watch business. Bulgari S.p.A. reported sales of 759 million euros in 2003 (\$948.7 million).

BRANDS: Bulgari owns three watch brands: Bulgari, Daniel Roth, and Gérald Genta.

CASH COW: Bulgari is the group's top watch revenue producer, with wholesale sales of 244.2 million euros (\$305.2 million) in 2003. Watches represent 32% of total company sales, second only to jewelry.

BACKGROUND: Bulgari acquired the Gérald Genta and Daniel Roth firms from the Singapore retailer Hour Glass in 2000, giving Bulgari a foothold in the high mechanical segment of the Swiss watch market. In an unusual twist, the men who founded the firms, Daniel Roth and Gerald Genta, are alive and well, but neither is any longer affiliated with the companies.



Bulgari Ergon

Joe Thompson is Senior Writer for WatchTime, *The Magazine of Fine Watches*, based in New York, (www.watchtime.com). Thompson has covered the global watch market for 27 years.

Counter Points

A JEWELERS OF AMERICA PUBLICATION

Jewelry Appraisals from a Sales Perspective

Offering a professional jewelry appraisal service helps meet consumers' needs and enhance a store's prestige. But incomplete, ambiguous, or unprofessional appraisals can leave the appraiser and the store open to charges of negligence and possible litigation. It is critical that a jeweler issue appraisals only after receiving the proper training. It's also important that every jewelry sales professional have a basic knowledge of appraisals and their appropriate use so they can better answer customers' questions.

What Is an Appraisal?

An appraisal is a document that describes an item, assesses its relative quality, and assigns a value to it. Descriptions usually cover the visible, measurable, and analyzable facts about the item (weight, materials, markings). Most appraisals also describe subjective features such as gemstone quality, relative rarity, and overall quality of manufacture.

Who Can Appraise Jewelry?

There are currently no U.S. laws or regulations that set educational standards or require certifications to become a jewelry appraiser. But by executing an appraisal, you are accepting some serious legal liabilities, which could possibly lead to substantial financial and professional loss. You should only perform those appraisals for which you have received adequate and specialized appraisal training. Years of jewelry retail experience alone do not provide you with the knowledge and skills needed to write appraisals.

Insurance Appraisals

The majority of appraisals done today are for *insurance replacement* (retail replacement) purposes. The point of insurance is to return the customer to the same position they were in before a loss occurred. Therefore, insurance appraisals should reflect the realistic cost of replacing an item in the kind of retail jewelry store that regularly sells the type of item being

appraised. The value assigned to the piece of jewelry should not be inflated beyond what is considered a fair retail selling price. Intentionally over-valuing items on appraisals is considered illegal under Federal Trade Commission (FTC) guidelines and unethical by all nationally recognized appraisal organizations.

Customers' appraisals should be updated periodically to make sure they have adequate insurance coverage. Unusual circumstances, such as sharp increases in availability and price for certain jewelry components, should also be taken into account when appraising an item. In addition to the cost to replace or repair an item, the value stated in an insurance appraisal should include enough

to pay the appraiser for their services. The appraiser must also remember to add taxes, which can either be listed separately from, or included in, the value on the appraisal.

Some insurance companies have arrangements with jewelers for insurance replacement business. When a consumer has a loss, their insurance company requires they go to a specific jeweler for a replacement. The jeweler is then paid an amount from the insurance company that is less than retail, and perhaps less than the appraisal, but the customer gets a piece comparable to the one they lost, and the jeweler gets the business from the insurance referral.

Most experienced retail jewelers with basic formal appraisal training are qualified to write insurance replacement appraisals on the new merchandise they sell in their stores. They may also be qualified to write insurance appraisals on new jewelry they do not sell if the jewelry is similar to the products in their store. Appraisals done on other types of jewelry or for other purposes require more advanced appraisal training.



When any document describing a piece of jewelry assigns a value, it becomes an appraisal and therefore subjects the issuer to serious legal responsibilities and liabilities.

Other Types of Appraisals

Fair market value appraisals reflect an actual selling price between a willing buyer and seller in the context of a situation in which neither is compelled by time or need to buy or sell in the item's most common market. Fair market values may run lower than retail replacement values because replacement values often reflect the cost to replace a used item with

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Counter Points

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a new equivalent. Fair market value must represent the item's value in its current (used) condition. Fair market value is generally required for charitable donations and estate appraisals.

Immediate liquidation value appraisals usually reflect low values because of the situations that create their need. Divorce settlements and some types of estate liquidations may require this type of appraisal, depending upon the jurisdiction where the scenario takes place.

Less common types of appraisals include probate and loan collateral appraisals.

The Appraisal as a Selling Tool

When a document that describes a gemstone or piece of jewelry includes a statement of value, it becomes an appraisal. The use of pre-sale appraisals as selling tools presents some important issues and challenges for the retail jeweler. If your store uses pre-sale appraisals as selling tools, they must be complete and accurate, reflecting the true replacement cost of the item sold.

Customers need appraisals of new jewelry primarily for insurance purposes. On insurance appraisals, the customer expects thorough descriptions and accurate replacement values. The price a customer pays for a new piece of jewelry is, in effect, the true replacement value in



Writing an accurate appraisal on this vintage Edwardian diamond, platinum, and natural pearl pendant requires a high level of formal, specialized appraisal training. This piece cannot be appraised using the same methodology and process that would be used to appraise a piece of new jewelry.

almost all situations. If the value assigned on a pre-sale appraisal is overstated, the customer may feel that appraisals are nothing more than inflated inducements to buy the product. The customer may also have to pay higher insurance premiums than necessary. Also, some insurance companies will only pay certain amounts for certain items, so an inflated appraisal may not guarantee that level of reimbursement to a customer.

Since the jeweler, and not the customer, pays for pre-sale appraisals, the appraiser's obligation is to serve the jeweler. This is not to say that the appraisal won't be accurate, but there is an extra "layer" between the appraiser and the customer that might lead to conflict of interest questions in the customer's mind.

Helping Your Customer

There are certain characteristics to look for in an appraiser. Here are some important points to cover should your customer request your help in finding a qualified appraiser:

Appraisal credentials A professional appraiser should be certified or titled by a respected national appraisal organization. Different types of appraisals require varying levels of training.

Gemological credentials With no federal or state requirements for appraisers, it's crucial to ask for credentials. A Graduate Gemologist diploma from the GIA or its equivalent should be considered minimum gemological training.

Knowledge of jewelry manufacture A qualified jewelry appraiser must understand manufacturing techniques and recognize their contributions to the value of an item.

Continuing education Continuing education certificates and credentials help ensure that the appraiser is knowledgeable about the latest gemological and appraisal issues.

Training and Educational Resources

Accredited Gemologists Association (AGA)

801-581-9900
www.accreditedgemologists.org

American Gem Society (AGS)

702-255-6500, Fax: 702-255-9754
www.ags.org

American Society of Appraisers (ASA)

703-478-2228, Fax: 703-742-8471
www.appraisers.org

The Appraisers Association of America (AAA)

212-889-5404, Fax: 212-889-5503
www.appraisersassoc.org

International Society of Appraisers (ISA)

206-241-0359, Fax: 206-241-0436
www.isa-appraisers.org

J Bar (Jewelers Board of Appraisal Review)

Jewelers Vigilance Committee
212-997-2002, Fax: 212-997-9148
www.jvclegal.org

Jewelry Insurance Appraisal Institute

510-444-4811, Fax: 510-291-2902
www.jcrs.com

National Association of Jewelry Appraisers (NAJA)

718-896-1536, Fax: 718-997-9057
www.najaappraisers.com

The Master Valuer Program

800-731-1122
www.mastervaluer.com

Jewelry and appraisal experience A broad range of jewelry experience over many years often leads to a more knowledgeable appraiser. Likewise, solid experience in the appraisal industry is equally important.

High ethical standards and awareness of legal obligations Appraisers should adhere to the highest levels of professional behavior. Consider the appraiser's professional affiliations, as well as the appraiser's reputation within the industry.

This edition of Counter Points was written with help from Jewelers Mutual Insurance Company (www.jewelersmutual.com) and Geolat and Associates, Inc. (www.geolat.com). JA greatly appreciates their assistance in educating JA members about jewelry appraisals.

JFC Fundraising Efforts Continue Under New Executive Director



Jewelers For Children (JFC), the jewelry industry's charity, named former JA Senior Vice President David L. Rocha as its new Executive Director this past fall.

"In light of his vast industry experience and proven leadership skills, our board eagerly appointed David Rocha as JFC's new Executive Director," said Terry Burman, Chairman of JFC, and CEO of Akron, Ohio-based Sterling Jewelers, Inc. "We are confident that David will sustain JFC's immense level of success, and we look forward to working with him as we continue our important mission of helping children in need."



JFC Executive Director David L. Rocha

Rocha had served as Senior Vice President of JA since 1996. In total, he has over 18 years of experience in the jewelry industry.

JFC's fundraising efforts include nationally organized events and programs and through local events, such as those sponsored by JA's state and regional affiliates. (See "Granting Wishes at the Local Level," below.) The annual Facets of Hope dinner, JFC's largest

fundraising event, is set for Sunday, June 5, 2005, at the Bellagio Hotel in Las Vegas, NV. The honorees at this year's dinner will be Sue Gove, Executive Vice President and Chief Operating Officer of Zale Corporation, and David and Sybil Yurman, cofounders and co-owners of David Yurman, Inc.

Jewelers For Children, formerly known as the Jewelers Charity Fund for Children, was founded in 1999 to help children whose lives have been affected by illness, abuse, or neglect, and to generate goodwill for the jewelry industry. This nationwide success is due

to the continuing generosity of jewelry trade organizations, jewelry and watch manufacturing companies, jewelry retail stores, individual jewelry professionals, and jewelry consumers.

Further information on JFC is available at www.jewelersforchildren.org. The JFC website also accepts online donations.

Granting Wishes at the Local Level

Many of JA's 40 state and regional affiliates help raise money for Jewelers For Children and its four recipient children's charities at the local level. With the help of the Connecticut Jewelers Association (CJA), the Make-A-Wish Foundation was able to grant the wish of Alex from Windsor, CT, by sending him and his family on a Disney World vacation in December.

Pictured here are Alex and his family (*center*) following the announcement of the granting of his wish. Surrounding them are: (*left to right*) CJA Director David Meunier Jr. (Joseph's Jewelers, Danielson, CT); CJA Director Denise Brouillette-Harned (Raymond & Burbank Jewelers, West Hartford, CT); CJA Director Richard Michaels, (Michaels Jewelers, Bristol, CT); Make-A-Wish Foundation of Connecticut Executive Director Judy Campisi; CJA President Leonard Dunstan (Dunstan Jewelers, Avon, CT); CJA 2nd Vice President Sharran Selig-Bennett (Bill Selig Jewelers, Windsor, CT); CJA Director David Meunier Sr. (Joseph's Jewelers, Putnam, CT); and CJA 1st Vice President Bob LaPerla (LaPerla Fine Jewelers, West Hartford, CT).



JFC Quick Facts

Leadership

- Chairman: Terry Burman (CEO, Sterling, Akron, OH)
- Executive Director: David L. Rocha

History

- Founded by the U.S. jewelry industry in 1999 as the Jewelers Charity Fund for Children
- Name changed to Jewelers For Children in 2004
- So far, JFC has raised over \$14 million for children in need

Recipient Charities

- The Make-A-Wish Foundation
- St. Jude Children's Research Hospital
- Elizabeth Glaser Pediatric AIDS Foundation
- National Court Appointed Special Advocates Association (CASA).

Fundraising Initiatives

- Annual "Facets of Hope" dinner in Las Vegas
- Naming April "JFC Month" increases awareness each spring
- Ongoing "Heroes for Hope" campaign encourages industry generosity
- In-store collection canisters garner consumer awareness and donations
- "Hope for the Holidays" campaign each holiday season

Reminders

Annual JA Dues

Dues invoices were mailed out to all JA members at the end of 2004. Members are encouraged to return invoices with payment promptly so they may receive JA's 2005 branding materials, which can be used to promote their store as a professional JA jeweler.

JA membership representatives are available at 800-223-0673 to answer questions about membership status.

JA New York Show

The JA New York Show will be held Sunday, January 23 through Tuesday, January 25, 2005, at the Javits Center. JA's booth (#1080-1197) will be the site of free seminars from a wide variety of industry experts.

JA members can participate in JA's free Hometown Publicity program. During the first two days of the show, members can have their photo taken by JA for the creation of a press release for their local media. (Publication of newspaper articles is at the discretion of individual editors.)

Elsewhere at the show, JA New York and *National Jeweler* will hold a conference during the show titled "Making Money on Diamonds," which will focus on methods of managing changes in the industry and improving diamond-buying strategies.

To register for the show, contact VNU Expositions at 800-650-1591, or visit www.ja-newyork.com. To attend "Making Money on Diamonds," call 646-654-7687.

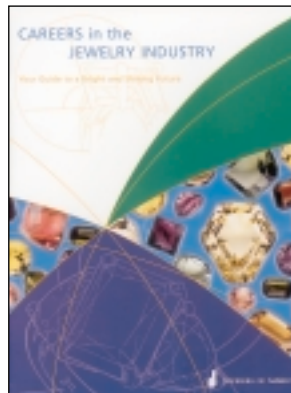


Labor Experts Forecast Worker Shortage

The current job market notwithstanding, the Employment Policy Foundation (EPF) predicts the U.S. will face a labor shortage in the years ahead.

By taking into account long-term economic and social trends, the business-funded research organization projects a shortage of up to 35 million workers by 2030. The EPF forecasts that the shortage will be particularly acute when it comes to workers with specialized skills and knowledge.

Anticipating a potential labor shortage, JA created the Careers in the



JA designed the Careers in the Jewelry Industry guidebook to be distributed at career counseling events.

Jewelry Industry program, an ambitious initiative designed to promote the jewelry industry as a viable career choice among jobseekers. By recruiting the next generation of jewelers, the industry can remain strong.

As part of this project, JA seeks jewelers to donate their time to staff tables, distribute career outreach materials, answer questions, give

advice, and share their enthusiasm at career counseling events held by local schools and organizations. If you are interested in helping with this important project, please call 800-223-0673.

Scholarships Available

JA sets aside funds to be used for education by each of its 40 state and regional affiliates. In part, this funding provides scholarships for JA members and their employees.

Scholarships are available for JA's Bench Jeweler Certification program, as well as for courses from other industry organizations, including the Gemological Institute of America, Diamond Council of America, Jewelers Education Foundation, and the Gemmological Association of Great

Britain.

Scholarships are not awarded for courses or programs in which the applicant was previously, or is currently, enrolled. Applicants should complete their course or program within its allotted time period.

Each JA affiliate decides how to spend their educational funding, allowing them to best fulfill the needs of their members. For information, or to request a scholarship application, call JA at 800-223-0673.

