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## **JA Holds Executive Roundtable at JCK Show**

*Industry leaders discuss how the needs of socially conscious consumers affect their supply chain relationships*

Las Vegas, NV – Jewelers of America’s Executive Roundtable, held at the JCK Show, Las Vegas, on Saturday, May 31, from 8:30 - 10:00am, shed light on how retailers have moved beyond simply asking for the best price, to asking suppliers a variety of legal, ethical, social and environmental questions. The speakers discussed how retail jewelers, who embrace responsible practices and encourage their suppliers to do so as well, can differentiate themselves among today’s green and socially conscious consumers.

“Ensuring consumer confidence may mean that you as a retailer must begin asking your suppliers more probing questions. Some of those questions will be driven by legal obligations. Others concern ethical, social and/or environmental obligations that may or may not be required by law, but are being required in the court of public opinion,” said Jewelers of America’s Director of Public Affairs **Peggy Jo Donahue**, chair of the roundtable discussion.

**Cecilia Gardner**, president, CEO and general counsel, Jewelers Vigilance Committee, addressed the most important legal and regulatory questions to ask suppliers. She said that being in compliance can have a positive impact on relationships throughout the supply chain. “We need to build a corporate culture of compliance so that compliance becomes part of your regular activities of running a store,” she said.

Gardner emphasized how this is especially important today with increased scrutiny from the government, heightened consumer awareness, criminal investigations and prosecutions, and human rights campaigns. She also discussed the relationship between what’s legal and what’s ethical. For instance, she said an ethical program can help a business detect violations and create a culture of compliance, while legal compliance fosters ethical behavior.

**Michael Rae**, CEO, Council for Responsible Jewellery Practices (CRJP), spoke about consumers’ new expectations for the products they buy. He noted that in CRJP’s coming Responsible Jewelry Practices System, members will be audited on a range of ethical, social and

environmental practices. CRJP members who have volunteered for this kind of third-party scrutiny acknowledge the fact that consumers are increasingly skeptical of a business's individual claims that it is operating responsibly.

**John Hall**, general manager, external relations, Rio Tinto Diamonds, spoke about how heightened business responsibility is now a required part of a modern miner's "license to operate." From the communities that live around mines to civil society groups – there are new demands that go beyond the demands of government. Hall also spoke about the Business Excellence System that Rio Tinto requires of the Indian firms that cut and polish its rough diamonds. "We need to demonstrate that the integrity of our supply chain is beyond reproach," Hall said.

**John Hayes**, owner of Goodman Jewelers, Madison, WI, discussed how his store – located within blocks of the University of Wisconsin – has felt the influence of younger customers, who ask questions about where jewelry originates. Hayes said he's been able to address these concerns with guidance materials provided by Jewelers of America. He uses that information to empower his staff to educate their customers, increasing confidence in their purchases.

Hayes pointed out the importance of staying aware and informed as a retailer. "I have the integrity of our 75 years in business to protect, a responsibility I don't take lightly," Hayes said. He added that the store's commitment to responsible business practices, and its membership in the Council for Responsible Jewellery Practices, has set it apart. "When you do the right things people will notice and it will build your business," he said.

**Kathe Mai**, a partner in Trios' Studios in Lake Oswego, OR, spoke about how her store sells responsibly produced gemstones sourced from Columbia Gem House and its jewelry manufacturing division, Trigem Designs in Vancouver, WA. "It's not just a marketing tool. It's a commitment to living and doing business by the fair trade model," she said.

Both retailers used examples of responsible business promotions they've sponsored, which have attracted customers and set them apart from other jewelers.

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