



Jewelers of America press release

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FOR IMMEDIATE RELEASE

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JA PUBLISHES ANNUAL COST OF DOING BUSINESS SURVEY

NEW YORK CITY — Jewelers of America (JA) has released the 2005 edition of its annual *Cost of Doing Business Survey*. For the first time, the survey, which features financial data on JA member stores compiled from 2004, has been published electronically and is available on CD or via email.

The survey found that JA members overall increased their annual sales by 6.1% in 2004. Independent mid-range stores enjoyed the largest growth with an 8.1% rise in sales from the previous year. Sales for independent high-end retailers grew by 5.2%, and chain stores were up 6.6%.

Gross margins inched up from 48.8% in 2003 to 49.2% in 2004. Independent mid-range retailers had the highest gross margins with 51.8 % (up from 50.1% the year before).

Distribution of sales among product categories varied only slightly from the year before. Diamond jewelry, at 36% (up 1% from 2003), accounted for the largest share of JA members' sales. Loose diamonds totaled 14% of sales (up 2% from the previous year). Karat gold jewelry and colored stone jewelry each represented 9% of total sales, each down 1% from 2003. Unchanged from the previous year, jewelry repairs made up 9% of JA members' business in 2004.

"The *JA Cost of Doing Business Survey* is designed to help a retail jeweler compare their store's financial performance to others in the industry," said JA President and CEO Matthew A. Runci. "By utilizing the survey, retail jewelers can identify their own strengths and opportunities for improvement."

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The survey looks at many key performance measures and includes a useful “how to” section designed to help retail jewelers interpret the data. The survey is based on confidential questionnaires completed and submitted by a sampling of JA members. Those JA members who participated receive the finished survey for free.

The new 2005 edition of the *Cost of Doing Business Survey*, featuring financial data compiled from 2004, is available for purchase. The *Cost of Doing Business Survey* is available to JA members for \$19.95, and to non-members for \$125. (Shipping and handling charges are extra.) The survey can be ordered by calling Jewelers of America at 800-223-0673, or by visiting JA online at www.jewelers.org.

Jewelers of America, Inc. is the national trade association for retail jewelers. With more than 11,000 members nationally, JA also works locally through its 40 state and regional affiliates. JA advocates high social, ethical, and environmental standards, promotes professional business and leadership skills, and enhances its members' profitability by offering education, certification, marketing and cost-saving programs.

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