

 **Jewelers of America** press release

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Jewelers of America Members Ready to Thrive in Holiday 2008

Across the country, jewelers are being proactive

New York, NY – Jewelers of America members across the country are gearing up for the holiday season, staying positive and focusing on strong relationships with their customers and communities.

As the national trade association for businesses serving the fine jewelry retail marketplace, Jewelers of America – which has been providing daily retail tips to jewelers through its *Thriving in 2008* “Tips to Thrive” microsite and weekly e-newsletter – is encouraged by the proactive ways its member retailers are approaching what’s expected to be a more challenging year for all retailers.

“The reality is that Santa is still coming and people will be purchasing,” says Jewelers of America Chairman John Green, owner of Lux Bond & Green (www.lbgreen.com), West Hartford, CT.

Connecting with Consumers and Staying Positive

While relationships are always important to the business, Jewelers of America retailers say this year they will be critical. Michael Pollak, CEO of Hyde Park Jewelers (www.hydeparkjewelers.com), which has headquarters in Denver, CO, and locations in Phoenix, AZ, and Las Vegas, NV, says that the attitude and approach retailers take this year will be key.

“It is really easy to get caught up in the negative news of the day, and it’s important for all retailers not to reflect that negativity when a client comes in the store,” he says. “We’re in the celebration business and people have many things to celebrate over the holidays; that’s where the focus needs to be.”

Pollak is also reinforcing customer relationships. He says those retailers who wait for shoppers to come into their store could have a tough time, while those who reach out will be rewarded with a good or decent season.

“The success of the season will depend more than ever before not on the marketing that a jewelry company does, but on the one-to-one points of contact between sales associates and their clients,” Pollak says.

Coleman Clark, president of B.C. Clark Jewelers (www.bcclark.com), Oklahoma City, OK, says he’s focusing on the store’s top customers. For example, the three-store independent usually gives out a no-strings attached gift certificate to the top 5% of its customers. This year, Clark says they will probably expand that to include the top 10% of customers in order to build traffic.

“We’re going to focus on unit sales and encourage people to call their best customers and get them in the store and build those relationships,” he says.

Community Outreach

As in years past, Jewelers of America members are making sure to support the communities they operate in during this holiday season.

John Henne, president & CEO of Henne Jewelers (hennejewelers.com), Pittsburgh, PA, says the store continues to give more than 15% of its marketing budget to support about 40 to 60 charities annually. The efforts include everything from donations of jewelry to sponsorships.

“I’m on the board of two local charities, and we understand the needs that they have and the good they do for the community,” he says. “It has been neat to hear clients say, ‘one of the reasons I shop here is because of how much you give back to the community.’”

Jewelers of America Board Member Jeff Corey, president of Day’s Jewelers, Waterville, ME, says his store has also emphasized giving back to the community. As part of Day’s “Diamonds for Peace” program, the store donates \$10 of every diamond sold to charity. Additionally, the store will be a major sponsor of community children’s Christmas programs.

“Organizations are having a tough time finding sponsors, so our investment is much more appreciated during these tough times,” Corey says.

Tightening the Belt

Jewelers of America members are also taking a hard look at where they can cut costs. Lee Berg, president & CEO of Lee Michaels Fine Jewelry (www.lmfj.com), Baton Rouge, LA, says the store, with eight locations in Louisiana, Texas and Mississippi, held an executive meeting in order to map out its business strategy for the holiday season.

Among the cost saving measures implemented were a salary and hiring freeze, and the elimination of gift wrappers and overtime. In terms of advertising, Berg says he's not cutting the budget, but has renegotiated contracts – a measure that's led to tremendous savings.

Having survived the loss of two stores to Hurricane Katrina, Berg says he's weathered the storm and plans to make it through this one as well. "We're going to make sure that we're solvent when we come through this," he says.

The Product and Marketing Mix

Jewelers of America jewelers recognize some of their customers may cut back this year, so they are making sure their inventory matches consumer need. John Green, Lux Bond & Green, says sales staff needs to reassure customers that the store has the right merchandise in the right price ranges.

Jewelers of America Board Vice-Chair Georgie Gleim, president of Gleim the Jeweler (www.gleimjewelers.com), which has three stores in Palo Alto, CA, says the store has a mix of price points, but will highlight more affordable items. "I think we'll see far more people spending \$5,000 and under," she says. "We're trying to strategically display pieces in our window that are under \$1,000." Gleim is also emphasizing the store's estate jewelry business, which includes product in the \$100 to \$300 range.

Coleman Clark says B.C. Clark will maintain its advertising budget. "If anything, we're probably going to do a little more image advertising, as opposed to product advertising, to reach people's emotions and connections to us," he says.

Jeff Corey says Day's hired a photographer, copywriters and a full web team to get product live on its website, www.daysjewelers.com. An October promotion, where they gave away Chamilia bracelets to customers, drew 5,000 people to one of their stores over a five-day period. He acknowledges that it was a pricey promotion, but worth it to get people through the front door.

"We're in this for the long-term," Corey says.

For more retail insight this holiday season from Jewelers of America members, Jewelers of America authorities, like Director of Education David Peters, and other jewelry and retail experts, jewelers can sign up to receive the free *Thriving in 2008* e-newsletter at Jewelers of America's homepage, www.jewelers.org, where they can also link directly to the *Thriving in 2008* site (<http://tips.jewelers.org>) to view current and past tips.

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For more information about Jewelers of America, visit www.jewelers.org.

Jewelers of America is the national trade association for businesses serving the fine jewelry retail marketplace, representing 11,000 member stores.

Jewelers of America's primary purpose is to improve consumer confidence in the jewelry industry by: serving as a forum for discussion and analysis of issues; playing a leadership role in public, government and industry affairs; advocating professionalism, including high ethical, social and environmental standards; and facilitating members' access to education.

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