

Q&A

Q: WHAT'S THE DIFFERENCE BETWEEN TAHITIAN AND SOUTH SEA PEARLS?

A: While both Tahitian and South Sea Pearls originate in the warm waters of the Southern Pacific Ocean, they're produced by two different oyster species. Tahitian Pearls come from the Pinctada Margaritifera or "Black Lip" Oyster, cultured primarily on the Tahitian Islands in French Polynesia, with limited production on the Cook Islands. Sometimes called "Black South Sea Pearls," Tahitian Pearls are actually a different species than South Sea and come in many natural colors other than black, including light to dark grey, pink, green, aubergine, lavender, blue, brown, and silver. South Sea Pearls come from the Pinctada Maxima oyster, also called "Silver Lip" (producing white pearls) and "Yellow Lip" (producing golden pearls), which are cultured in Australia, Indonesia, the Philippines, and Burma. South Sea Pearls range in size from 8mm to over 20mm, which is rare and expensive, and come in natural colors including white, cream, gold, and yellow, with overtones of pink, green, silver, and blue.

Q: HOW LONG CAN PEARLS KEEP THEIR BEAUTY AND QUALITY?

A: With proper care and storage pearls can last over 100 years and be passed on for generations. When dressing in pearls remember, pearls should be the last thing you put on and the first thing you take off. Never spray perfume while wearing pearls, the chemicals in the cologne will dull pearls' luster. Also wipe pearls off with a soft cloth after each wear. When storing, keep pearls wrapped in a soft cloth to avoid hard gemstones like diamond, as well as protruding metal components in other jewelry scratching the nacre. Occasionally, clean pearls with warm water and a soft cloth moistened with a dab of alcohol or diluted soap. Follow this action with a soft cloth dampened in clean water and then a dry soft cloth.

Please send your questions to www.cpa.org.

> DISPLAY DIRECTIVES

PUMP UP YOUR PEARL PRESENTATION

Have you ever walked by a showcase or display in a store that made you stop and take notice? Something caught your eye and got you thinking about a product you weren't thinking about before. How many times have you gone into the grocery store for milk and left with the makings for a giant burrito because a festive fiesta display caught your eye?

In-store display is another form of advertising. It's probably the most critical in terms of exciting and romancing the customers who walk into your store, most often with nothing in particular in mind. So, don't hide your pearls in the vault. A lack of space is no excuse. There are ways

“Visibility and hands on are two key elements connecting customers with pearls,” advocates Betty Sue King of Kings Ransom, Sausalito, California. “Handling pearls and seeing them up close and personal makes a big difference, as opposed to seeing them in a showcase out of reach. When pearls are seen on the customer's hand, she has a sense of scale and size which makes an impact.”



seen & HEARD

U.S. OPEN TENNIS CHAMP SPORTS PEARLS

If you thought that fashion was only relegated to runways and red carpets, think again. Some of today's hottest tennis champs are strutting their fashion style on the courts. The biggest fashion star of the U.S. Open, Maria Sharapova, walked out onto the court the night of Aug. 28 in a crystal embellished red flared shift dress, accessorized with Tiffany pearl earrings dangling against her jaw line, and carrying a black jeweled handbag and patent leather bag for her rackets. You go girl...with a pearl!

GREAT PEARL INFORMATION IS JUST A CLICK AWAY—WWW.CPAA.ORG

The new and improved www.cpa.org website is launched with up-to-the-minute news about the pearl industry, current and archived newsletter issues, event photos, full streaming pearl videos, member links, marketing support, and more. Bookmark this page and visit often!

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you can display many pearls in a limited area. Try a graduated neck form with tiers to fit four or five necklace or grooved trays for as many as 10 rows of strands. These space savers are also sales tools that allow customers to see differences in quality, size, color, and shape.

Consider at least one showcase devoted to pearls. How you arrange it can lend to the excitement it evokes. Group by species, peaking curiosity in pearl varieties; or mix and mingle exotic with classic. Keep enhancers and clasps close by and display several looks to demonstrate pearls' adaptability. White or light gray is the best background color to show pearls. For lighting, think soft and white, harsh lights distract from the reflection pearls radiate. Often change the positioning and display of your pearls and rotate the showcases they're in to maintain a fresh look.

CELEBRATING AND SELLING PEARLS

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CULTURED PEARL
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PROFIT MARGIN
BREAKDOWN PEARL
JEWELRY/STRANDS

- 68% enjoy margins between 48% and 66%
- 19% enjoy 48%-52% margins
- 18% enjoy 53%-56% margins
- 15% enjoy 57%-59% margins
- 11% enjoy 60%-66% margins
- 25% enjoy margins between 34% and 47%
- 11% enjoy 44-47% margins
- 14% enjoy 34-43% margins
- 5% enjoy margins greater than 66%

Source: National Jeweler, Profit Margin Survey, July 2007



seen
BHEARD

“The Song of the Stars”, is the theme for the 5th Edition 2007-2008 Perles de Tahiti Tahitian Pearl Trophy Contest, North American division. Renderings of imaginative designs from shooting comets and a galaxy of lights to a lunar eclipse and tranquil night sky were submitted.

First place winners in each of 10 categories, as announced by the CPAA, U.S. representative for Perles de Tahiti, highlight

P2 Pictured from left to right: First place Ring Design by Avi Raz, first place Brooch Design by Nina Basharova, first place Parure Design (earrings) by Lisa Krikawa, first place Pendant Design by Erica Courtney, first place Necklace Design by Reena Ahluwalia, first place Bracelet Design by Evelyn Huang.

PROFIT FROM PEARLS

With the holiday season fast approaching, jewelers are evaluating their position in the market and the best strategy to maintain profitable turnover in a highly competitive selling environment. Jewelers who are pushing products that everyone has can expect flat returns this year, or so says jewelry analysts like Ken Gassman. But his predictions call for the continued success of luxury jewelers who differentiate themselves.

Luxury consumers are spending more on jewelry this year, 55 percent more in the second quarter over the first, according to a study by Unity Marketing. This study also revealed strength among luxury consumers 40 years old and younger. While retailers competing on the mass-market level have been posting much weaker sales gains than guild stores.

Jewelers who commit shelf space and marketing dollars to cultured pearls are well positioned to realize strong sales for the holidays. Not only do pearls offer great variety and diversity for jewelers to distinguish themselves, pearls provide greater mark-up flexibility. Pearls also are fashion’s favorite gem, appealing to a younger, style-conscious audience ready to buy luxury goods that allow them to make a personal statement.

So, why continue to devote case space to product that has you making less then you deserve? Cultured pearls will give you a healthy ROI. Let the members of the Cultured Pearl Association of America show you how.

Here’s to a happy, healthy and profitable holiday season!,

Sonny Sethi
President

the intriguing ways Tahitian pearls can illuminate a design:

1. Ring – Avi Raz, A & Z Pearls
2. Male Jewelry – Larry C. Y. Ho, Maemura Designs
3. Necklace – Reena Ahluwalia
4. Parure (set of three) – Lisa Krikawa, Krikawa Designs
5. Pendant – Erica Courtney
6. Brooch – Nina Basharova, Albert Asher Pearls
7. Bracelet – Evelyn Huang, Evelyn H. Jewelry
8. Accessory – Yutao Liu, YI Consulting Designs
9. Earrings – Celine Boure, Kokass
10. Special – Larry C. Y. Ho, Maemura Designs

First place winners will compete in the international portion of this contest in which 60 countries participated last year.

HOLIDAY PEARL
PLANNER

The Christmas holiday season is the biggest time of year for jewelers. The variety and versatility pearls present create a bevy of promotional opportunities to fill any date book from October through December:



OCTOBER is when fall-winter fashions really kick into gear, and women begin thinking about their holiday looks. 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 with 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.



NOVEMBER is a critical month for holiday promotions. Encourage customers to harvest gift-giving ideas early. Tie in agricultural harvesting themes with pearl cultivation—show in-store videos and display photos, articles and literature about pearls (contact the CPAA for point of purchase material). 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 holiday gift giving—don’t forget to augment wish lists.



DECEMBER is the home stretch and time to pour on the charm by promoting the romance of a pearlescent Christmas. Send out direct mail pieces making holiday 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. Decorate your windows with Christmas trees draped in pearls. Hold a Holiday 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.

Don the sales staff in pearls and their holiday best to illustrate pearls evergreen appeal.

PEARL POINTERS

While most consumers have a basic knowledge of diamonds, few are aware of all the factors to consider when determining quality and price in pearls. Retailers must show and tell customers about differences in luster, surface, size, shape, and color and how these factors equate to value and price. Have on hand a variety of pearl types and qualities to illustrate these points:

- High luster pearls show almost mirror-like 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 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 (the larger the pearl, the more expensive it will be).
- Color is subjective, but sales associates should encourage customers to place pearls against their skin to see which tones are most flattering.

PROMOTE YOUR PEARL PROWESS

What would you say if you could increase your pearl sales by 5%, 10% or even 20%? Consider becoming a pearl expert in your community. Pearls—like cars, electronics and computers—is a product category consumers are not well versed in. They’re relying on you to educate them.



Savvy jewelers report increased pearl sales by promoting their expert status. A huge pearl proponent, Eve Alfillé of Eve J. Alfillé Gallery & Studio in Evanston, Illinois, runs a hip pearl society for her customers. Since 1990, the group has met bimonthly for enlightening presentations like—“Loose Pearls for Loose Women.” Anywhere from 25 to 100 people attend. For an annual fee of \$25, which covers newsletter mailings and meeting refreshments, members hear from pearl divers, growers, importers, manufacturers, designers, authors, and marine biologists. Recently, she even started a blog on her website to keep the dialogue going.

Alfillé, who gained the reputation as the “Pearl Lady”, saw an immediate increase in her pearl sales. “The more informed my customers became, the more empowered they were to buy more pearls,” she says. “We were able to create a substantial market, even in the conservative Midwest, for pearls like fine Keshi; Tahitians, before they became ubiquitous, and adventurous shapes and sizes of Chinese freshwaters.” Now in its 17th year, the society boasts 500 members. Alfillé says she’s willing to support any jeweler who wants to initiate a local chapter.