

The Editor
Jeweller magazine
South Melbourne, Vic 3205

24 September 2013

Re - Letter to Editor

Hi Coleby,

Thank you for your weekly newsletter and articles specific to the Australian jewellery industry, it is much appreciated.

I read the story about the closure of the supplier Tuskc, which highlights the fragility of the local industry and I believe, unfortunately, that there are many more companies also likely to close.

Our independent jewellery store has operated for nearly 70 years and spans three generations. I started in the family business more than 40 years ago, but I am increasingly worried if we will remain in business.

I have tried to keep up with all the new trends, hired internet advisors, started an online arm to the existing business, maintained an advertising and marketing budget of 5% of turnover, and invested in staff training and developing new in-house brands.

None of this has worked to the degree that the "experts" thought it should, but still they charged for their services, with little or no embarrassment. Consequently I now only hire outside help on a "payment for success" basis. Needless to say I don't get many takers.

I adhered to the old mantra of "investing in your business" however I have found that is no longer a suitable hedge against the downturns. For example, I used to say that, "stock does not eat hay and therefore is a safe investment"; well, I now say that, "I can't eat gold and diamonds."

Stock is a millstone around my neck; it has no liquidity and I therefore cannot change the course of my business quickly enough to respond to new market conditions.

Wholesale credit is expensive, when you can easily get 5% to 7.5% discount by paying cash, so I am affected twice.

I am sure you have heard all these issues many times before and the main reason I am writing to you is not to rehash the problems or highlight my own failures. I am writing to suggest that Jeweller magazine acknowledges the plight of the jewellery industry on a more personal level.

One of the major causes of my own "dark" thoughts is the inability to discuss with others, within MY industry, what is actually happening on a personal level.

I have invested a lifetime to my business and I feel a failure.

Please understand that I'm not facing a threat of immediate closure, but I don't have a positive feeling about the long-term viability of an industry that has provided millions of Australians with fantastic emotional experiences.

We retail store owners and staff have always delighted in the fact that we contribute to the enjoyment of major milestones in people's lives. Those feelings are becoming more and more rare as we struggle to match prices and lose customers to other industries vying for their money.

We are losing the battle and consequently the war for the hearts and minds of the current generation as well as the coming generations about the value of jewellery. It's this loss of enjoyment and the lack of satisfying people's hopes and desires, more than the loss of income, which is the most saddening aspect of being in the jewellery industry.

I need to know what others in my situation think and feel. I need to know that I can leave a meaningful business to my heirs.

I need to be re-invented as a person. Just as the industry needs reinvention.

That is the sad truth and I feel overwhelmed by the situation in which I find myself. Talking to other people in the jewellery industry would help immensely and I therefore recommend that you set up a blog, website or some such mechanism, by which we can contribute personal experiences, even if anonymously.

By talking amongst ourselves and by openly discussing the problems and challenges facing retailers, we may recognise we are not alone. That, in itself, would be of great comfort to many of us who feel alone and, in some cases, helpless.

I read your emails every week and feel that your magazine is the only organisation that can arrange this online service. I would love to hear your thoughts on the matter.

Sincerely,

Name withheld by request

Proud jewellery retailer