



Bernie Robbins Fine Jewelers

R.F. Moeller Jeweler



Mervis Diamond Importers



Robbins Diamonds



Renaissance Jewelers



LEAD STORY
BY EILEEN
MCCLELLAND

BEST

OF THE BEST

HERE ARE SIX STORES
DOING BUSINESS **RIGHT.**



Calhoun Jewelers

ACTIONS

CONSOLIDATE AND REORGANIZE

Bernie Robbins Fine Jewelers

EIGHT LOCATIONS IN NEW JERSEY AND PENNSYLVANIA

Harvey Rovinsky, owner of Bernie Robbins Fine Jewelers, is as amazed as anyone at what's happened to the economy — "I'm 61 years old, a third-generation jeweler doing this at some level since I was 10 years old. We've never seen this before," he says. But by keeping a close watch on his business, he was able to take action early in 2008 to prevent any meltdown of his own. The company had seen double-digit growth for five years, but Robbins and his executive committee, which meets weekly, didn't make the mistake of complacency. "I had a sense it would be a little weaker, so I projected single-digit growth and up until June, we were achieving that," Rovinsky says. "In June, there was a blip, so we started making contingency plans. We in the jewelry business sometimes are a cottage industry. We need to be businesspeople now, not just buyers and sellers of jewelry."

THE IDEA. Create a situation where the company would be equipped to absorb up to a 30 percent decrease in revenue.

THE EXECUTION. Expenses: "As we all know, September, October and finally November things really started to fall apart," Rovinsky says. In late November, the executive committee decided that the (new) Short Hills, NJ, store must be closed because it was an underperforming entity and its resources would be better used if redistributed to the company's eight other locations — all in Pennsylvania and New Jersey. They didn't stop there. Bernie Robbins modernized and improved the security plan, eliminating security guards strategically, and saving approximately



A December event focused on wishlists.

PHOTO CREDIT: GINA FLINK



A November dinner event partnered with Van Cleef & Arpels and the Rodin Museum.



PHOTO CREDIT: NADINE ROVNER

\$270,000 a year. "We also evaluated our staffing and eliminated the lowest level of productivity in our sales consultants," Rovinsky says. "Jewelry stores have a tendency to keep nice people who do an adequate job but in tough times and really in any time, you should have great people, not just good people. It was not easy to do, but it made our company healthier. And when our high-value clients come in they have an opportunity to be greeted by our top producers, every time."

Merchandising: The company consolidated its merchandising. "One of

the things we've done in this market is to have a double-digit profit margin," Rovinsky says. "Instead of discounting, we started promoting brands and products that have a better profit margin. So even in a slowing economy we've been able to achieve better margin results."

Marketing: "We also have changed our marketing. Pages in newspapers and city books are no longer what bring people in. We decided this year to eliminate our catalog, which we have had for years; we took the money and went into personal marketing. We have touched our

customers on a much more personal basis, especially our heavy users. We are having a huge party in our flagship store and expect to have 100 people there with wish lists and giveaways, including limo rides, dinner, jewelry, to complement a marketing theme, ‘Bernie Robbins’ Wishes.’” They also sponsored a three-hour personal-appearance event with Chase Utley, the personable Phillies’ all-star second baseman, who signed autographs and posed for pictures. In order to attend, guests had to buy a \$250 gift card, committing to spend money in the store at some point. “It was an immediate revenue generator.”



Thomas Barnard, Chase Utley and Harvey Rovinsky at a December event.

PHOTO CREDIT: ANDRE L. FLEWELLEN

THE REWARD. “You have to be lean and mean to be one of the people standing when this is over,” Rovinsky says. “I’m optimistic.”

TRY IT YOURSELF

- 1 “Do whatever is necessary immediately. Unless you are at bare minimums to begin with, you need to take extraordinary action to cut expenses,” Rovinsky says.
- 2 Don’t hide from your bank. “Our bank is our partner. We are totally transparent with them. It’s crucial to be accurate and forthcoming. If your projections are optimistic and you don’t achieve them, you are very vulnerable at that point. We have ongoing, proactive conversations with our bank, and they support us 100 percent. People think they have to hide things from a bank and that is totally a misconception.”
- 3 Reinvent — don’t give up on — marketing, special events and advertising. Find your own version of Chase Utley and charge admission with a commitment to buy merchandise.

NEW AGE MARKETING

INVITE THE CITY TO YOUR EVENT

Robbins Diamonds
PHILADELPHIA, PA

What would you give to have 650 potential customers running around *your* city, pursued by thousands of observers and the local and regional news media, all talking up your business while they hunt for a big, beautiful diamond ring? Robbins Diamonds worked with SCVNGR, a technology company specializing in mobile gaming, to develop a high-tech treasure hunt. “We wanted to do something cool, something unique that would draw people to spend a full day interacting with the Robbins Diamonds brand and come away (win or lose) having had a great time,” says Michael Hagan, chief operating officer of SCVNGR.



The event winners received their prize in Love Park.

THE IDEA. The Annual Robbins Diamonds Dash is a game that bridges the gap between digital and real-world interaction using clues text-messaged to cell phones. Teams of two engage in a citywide treasure hunt to solve riddles, reach locations, and answer challenges leading them closer to the final clue and the secret location of a hidden \$20,000 Hearts On Fire diamond ring.

THE EXECUTION. The days leading up to the event were filled with media coverage spearheaded by 93.3 WMMR, the radio partner for the event. Participants were selected from thousands of applicants who submitted stories about why they should have the opportunity to win. People submitted entries through a custom-branded website or won spots instantly on the radio. More than 650 participants and thousands of onlookers showed up on *the day*.

Nancy Duan and Brett Muhlada,



More than 650 participants and countless onlookers showed up.

seniors at the University of Pennsylvania, turned out to be the quickest team to complete the final clue, counting the number of air-conditioning units in the windows of City Hall in Center City Philadelphia. They were then led across the street to Love Park, where owner Jerry Robbins presented the grand prize. The couple, who had been dating for three years, were speechless when they finally saw the ring. Just seconds later, they jogged over to the LOVE Statue where Muhlada knelt to propose to his sweetheart, Duan. It was a picture-perfect moment.

THE REWARD. The 1st Annual Robbins Diamonds Dash was able to achieve a level of personal connection with customers who will be talking about

their experience with the Robbins family all year, Hagan says. “It was a perfect way for Robbins Diamonds to build a bond with people not found in other types of marketing.” Hagan calculates that the Robbins Diamonds Dash generated more than 2.5 million impressions, much of that from local and regional coverage, including newspaper stories, TV appearances, radio spots and blogs. Robbins Diamonds’ website received a 150 percent boost in traffic and received numerous positive reviews from participants in the days and weeks following the event. One example? “I want to personally thank you [Robbins Diamonds] for this wonderful opportunity... I had an *immensely* great time, and *I would love, love, love!* to do it again next year. It was *unbelievable!*”

TRY IT YOURSELF

- ➊ Spend some time to rethink your marketing plan. “The best kind of promotion is the kind that gets people talking and ultimately drives sales,” Hagan says. “If your promotions are not the topic of conversation over Thanksgiving dinner, are they really working?”
- ➋ Don’t try to implement it yourself. Work with a company that can organize and execute the event.
- ➌ Pair with a radio station to promote it.
- ➍ Hagan says, *do* act now to keep up with the times. “Yesterday’s marketing techniques are not reaching today’s younger consumers; it’s a new world and this generation is online and plugged in, they are experts in blocking out traditional forms of advertising. You’ve got to reach them in a new way and connect with them to make an impression.”

COMPENSATION

CREATE A PAY PLAN YOU AND YOUR STAFF WILL LOVE

R.F. Moeller Jeweler

EDINA, MN

R.F. Moeller Jeweler has been in business for more than half a century in the Twin Cities area. Currently the family-owned company has stores in St. Paul, Minneapolis and Edina. R.F. Moeller carries brands that include Mikimoto, Kwiat and Hearts on Fire. And due to a decision made 20 years ago by CEO Mark Moeller, it also boasts some of the best-paid sales staff in the business.

THE IDEA. R.F. Moeller pays sales staff on straight commission, making them among the highest-paid sales associates in the retail jewelry business.

THE EXECUTION. Twenty years ago Mark Moeller confided to a consultant that he feared paying his staff a straight salary was not sufficient



motivation to meet his sales goals. “There was no carrot out there,” Moeller says. The consultant agreed. “He said people who pay on salary are communists. You don’t let capitalism come into play.” Moeller decided to try paying straight commission on gross profits — with one exception. “In the first year we give them a low guarantee. But after the first year, it’s 100 percent commission.” Annual goals are set using a formula based on the previous three years’ sales. If associates attain their goals, they receive 20 percent of their gross sales profits; if not, they still receive 15 percent. Once they do make their goal, the 20 percent is retroactive.

They also receive 5 to 10 percent commission on each service job. In addition, for every \$50,000 in profit that exceeds their goals, they receive an extra 2.5 percent in compensation. It is possible for associates to earn 30 percent of their gross sales.

THE REWARD. “After we implemented the commission plan, our gross profit immediately went up 4 percent, because every time a sales associate gave a discount, they would be taking money out of their own pocket,” Moeller says. Now R.F. Moeller generates

\$5 million in sales in its new 4,200-square-foot Edina location, which is staffed with six sales associates. Rewards are also great for staff members who succeed under the system. "It results in me having some of the highest paid sales associates in the industry," Moeller says. "The highest paid is making \$170,000. Most are making between \$60,000 and \$100,000."

TRY IT YOURSELF

👉 Straight commission is not for everyone. Some

new employees won't adjust to the uncertainty. "People say they want to be paid on commission, but most people love the security of a regular paycheck," Moeller says. "It's a bit nerve-racking, but if they make it a year, there's a good chance they will be with you five or 10 years." 📌 Jump in feet first. "You can't get one foot in and one foot out," Moeller says. "If you're going to be a company that pays on commission, you've got to pay on commission. After the first year, we pay no base, zero. And so from sale No. 1, they're focused on making their goals, making their

numbers. They know they don't get a paycheck if they don't perform." 📌 Live by two rules regarding who receives the commission. "No. 1: Them who close, get," Moeller says. "The second rule is if I have to mediate a commission disagreement, I get it. Do you know how many commission disputes I've had to mediate in 20 years? Zero. Whoever closes the sale gets to make the decision and 99.9 percent of the time they are reasonable. Because they know if they steal a sale from someone, then everybody else is going to try to steal a sale from them."

EVENTS

MAKE IT HAPPEN

Calhoun Jewelers

ROYERSFORD, PA

Cathy Calhoun, owner of Calhoun Jewelers, knows how to throw a party. In-store events are an integral part of her marketing strategy for the 5,000-square-foot stand-alone store she's owned for 12 years. Fortunately, she has the space as well as the imagination to pull off fanciful festivities. The former bank building has its own parking lot, providing ample room even for dancing to live music under the shelter of a party tent. She has also installed a bar in her store. As for her imagination? Most likely, that's innate. Still, you can follow her lead.

THE IDEA. Calhoun reinvented her jewelry store as a Summer of Love art gallery for a June 2008 event she called "The Happening."

Her friend, photographer Tom Gundlefinger, who had photographed the Monterey Pop Festival in 1967, had showed his work in California in 2007 to mark the 40th anniversary of the festival and the Summer of Love.

Gundlefinger is also known for having done the photography for the '60s and



📌 Close to 1,000 people participated.



📌 1960s-era photos provided the inspiration.

'70s-era covers of more than 100 classic albums.

Gundlefinger agreed to exhibit his unpublished work in Calhoun's store for the 41st anniversary of the Summer of Love, and the exhibit became the focus of a fund-raiser, attracting media

attention from local publications and the PBS affiliate.

"It really grew legs and became huge," Calhoun says.

The Summer of Love refers to the summer of 1967, when as many as 100,000 young people converged on the Haight-Ashbury neighborhood of San Francisco,

the epicenter of the hippie movement, creating a phenomenon of cultural and political rebellion.

"That was my era. I used to march in Washington against the Vietnam War," Calhoun says. She also saw parallels in current events: "We were in an unpopular war then and we're in an unpopular war now, in Iraq." So she decided to contribute funds raised at the party to the Wounded Warrior Project.

THE EXECUTION.

The Happening was open to the public and Calhoun sent invitations to her best customers as well. The event spilled out of her store into a tent in the parking lot, where a band played '60s music, and the store served pizzas, hot dogs, soda and brownies.

🕒 The event took advantage of the store's ample parking lot.



Guests were invited to dress in honor of the era, but Calhoun was surprised by how many did. "It was great seeing people dressed up as hippies," she says. "I was shocked. Everybody seems to have a tie-dyed T-shirt. Even my security guard for the night took his denim shirt and drew a big peace sign on the back and had the photographer autograph his shirt. I gave out prizes for best costume and my insurance agent from Jeweler's Mutual won. He and his girlfriend were spot-on."

He won a genuine Monterey Pop Festival souvenir — a toy Jimi Hendrix setting his guitar on fire.

Calhoun wore a pair of bejeweled, bellbottom jeans found in Beverly Hills.

"We're too cool for words. What can I say?"

She also unveiled her new line of Peace Symbol Jewelry.

THE REWARD. Calhoun estimates attendance at 900.

"People are still talking about it," Calhoun says. "The buzz has been tremendous. It keeps my name out there."


The event cost about \$20,000 and raised \$5,000 for the Wounded Warrior Project.

"My local newspaper had picked up the story as we were getting ready for this," she says. "I put two ads in the paper and somebody from PBS contacted me." The local PBS affiliate covered the party/art exhibit, broadcast it and gave her a copy of the DVD for her own publicity needs.

TRY IT YOURSELF

- 🕒 Consider what you can do to get 900 people into your store.
- 🕒 Who do you know? Invite a local artist to exhibit in your store and plan a reception or theme party around it.
- 🕒 Get the word out with direct mail, Calhoun suggests.
- 🕒 If it's a themed party, don't forget the costume contest! Who says costume parties are only for Halloween?

DO YOU WANT TO SELL YOUR STORE?



SHANE DECKER



I have worked with over 3,000 of the finest jewelry stores and helped grow stores from a few \$100,000 volume to \$10-20-30 million dollar volume. I have also helped many jewelers sell their store. If you want to sell your store, call me.

EXSELL·ENCE
SHANE DECKER VIKAL BHATT
Your retail consulting connection.

Phone: 317-535-8676
 Email: sdecker@ex-sell-ence.com

Phone: 800-837-7838 Fax: 317-783-7839
 www.ellentripes.com info@ellentripes.com

ELL ENTERPRISES

"Attractive Displays, Attract Sales"

2950 E. Hanna Avenue Indianapolis, IN 46227

Showcases- Displays- Store Design

Layouts- Lighting- Installation

MARKETING

SPREAD THE HONESTY



Mervis Diamond Importers
TYSONS CORNER, VA

When Keith and Linda Stetzer found a 3.02-carat diamond ring next to a concrete barrier in a Tysons Corner, VA, mall parking lot, they decided the treasure wasn't theirs to keep, even after they learned it was appraised at \$40,000. "It has to belong to somebody," Keith Stetzer said on TV. "A whole bunch of people out there have a conscience. I think looking for the owner is just the right thing to do. And I'm sure most other people would probably do the same thing."

The Stetzers brought the ring to Mervis Diamond Importers because it is laser-inscribed "Mervis 2000."

"D.C. media jumped all over it because he was so honest," Jonathan Mervis recalls. The *Washington Post* wrote a total of three articles about it.

THE IDEA. Of course, the Mervises had done nothing initially to attract the media. Once they had captured the spotlight — however accidentally — not only did they do everything they could to find the owner, but they also set up a diamond lost-and-found section on their website.



THE EXECUTION. To find the owner, the jewelers went through their records and compiled a list of anyone who had bought a diamond of similar carat weight, color and clarity. Jonathan Mervis called many customers himself to see if they had lost rings. "About six different people called us and said the diamond could be theirs. I think they did all legitimately lose diamond rings. But one of the stories did add up, and the guy came in with a certificate. We did a Sarin measurement of the diamond and everything matched up perfectly."

The certificate identifies the diamond as one of the limited-edition Millennium Diamonds that Mervis carried in 2000.

The Stetzers were happy to return the diamond to owners Susan and Mark, during a brief ceremony at the store.



Keith and Linda Stetzer (left) with the ring's owner.

THE REWARD. "One of the reporters asked me, why are you doing this?" Mervis says. "This business is all about helping people with their love stories. If we can very easily help people find their diamonds, it's another thing we can do for the community. Maybe we can encourage other people that they might be able to find their diamonds. We can have a section on the website with success stories."

This is just the latest in a series of website innovations. Mervis has done everything he can think of to drive traffic to the website. "I try to stir things up," he says. "I don't think there's enough innovation in this business."

Mervis has offered cash prizes to people who create YouTube videos from the text of store radio ads, and has an extensive collection of glowing testimonials online as well, at www.mervisdiamond.com.

He also launched a video series, "Mervis in the Park."

"I walked around Dupont Circle and some other public spaces in D.C. and talked to people casually about diamonds, engagements, love, etc. I wanted to show our softer side and engage with our community. One guy even told us that he hates our commercials and that my dad's South African accent is annoying. He told me that when he listens to the radio he just wants to hear his music uninterrupted. I purposely didn't edit this stuff out because I wanted to show these are authentic comments from real people."

TRY IT YOURSELF

- 1 Hold a staff meeting and brainstorm ways to make your website exciting, interactive, informative and user-friendly.
- 2 Experiment with a lost-and-found diamond program, or with blogs, vlogs or interactive projects involving video.
- 3 A Q&A, ask-the-expert section is a good place to start making your website more interactive.
- 4 Photos and videos of newly engaged couples add interest to a site as well.
- 5 Next time someone offers you a compliment, ask if you can record it on video.

COMMUNITY RELATIONS HELP A LOCAL MUSEUM



Robby Packer works on one of the shark's teeth.

Renaissance Jewelers GAINESVILLE, FL

Robby Packer can take pride in being known around town as a megalomaniac. The owner of Renaissance Jewelers in Gainesville, FL, isn't suffering from delusions of grandeur. But Packer did get a museum commission to design exotic jewelry mountings for teeth once belonging to the Megalodon, a gigantic, prehistoric species of shark. This project, included in a section of the exhibit dubbed *Megalomania*, represents a stark contrast to his usual bench work, which, he says, is generally pretty mundane. The project let him unleash his creativity as well as heighten the store's profile in the community.



THE IDEA. Robby Packer is vice president of the Gainesville Gem and Mineral Society, which was participating in an exhibit at the Florida Museum of Natural History. Darcie MacMahon, museum exhibit director and a customer of Renaissance Jewelers, asked Packer if he'd

consider designing jewelry for an exhibit about the megalodon shark, the teeth of which can be found in creek beds in the Gainesville area. Related to the great white and mako sharks, the 60-foot megalodon became extinct 2 million years ago. Its huge fossil teeth — 5 to 6 inches long — are prized by collectors.

member
Leading Jewelers Guild

PROUD MEMBER OF
LEADING JEWELERS GUILD
FOR **37 YEARS!**

GREENBERG'S JEWELERS,
Iowa and South Dakota.

"Our family business is still in the family through three generations, thanks in part to our membership in Leading Jewelers Guild," said Elise Greenberg (left). She and her sister Amy run the company.

If you are looking for a powerful, strategic affiliation with other successful family-owned jewelers, call Jimmy West today.

LEADING JEWELERS GUILD, INC. SINCE 1958
P. O. Box 64609 • Los Angeles, CA 90064 • (310) 820-3386

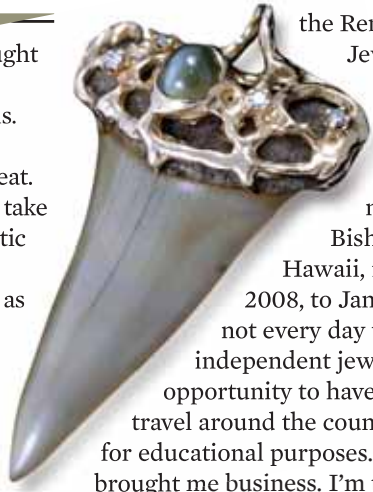
www.leadingjewelersguild.org USER NAME: jeweler • PASSWORD: trade
CONSUMER WEBSITE: www.love-story.com

**COME AND SEE THE MAGIC
OF OUR LED SHOWCASE LIGHT
AND SEE YOUR DIAMONDS DANCE!**

Patent Pending

DESIGNS 1-800-326-4256 • 305-871-8786 fax
futuredesigns1@hotmail.com

THE EXECUTION. “She brought me three teeth and she said, ‘Make whatever you feel like,’” Packer recalls. “Usually, we don’t have that kind of creative freedom. So this was a real treat. We had the wonderful opportunity to take three megalodon teeth and create exotic mountings to demonstrate how these ancient teeth could be used and worn as jewelry.” One pearly white is adorned with a pearl. Another is studded with amethysts and cubic zirconia. “Our pieces were displayed in an area of the exhibit called Megalomania, which also included a leather jacket and motorcycle helmet ornamented with megalodon teeth, and a large tooth painted to look like an American flag.”



the Renaissance Jewelers name) over six months in Gainesville. The exhibit next visited the Bishop Museum in Hawaii, from Oct. 11, 2008, to Jan. 11, 2009. “It’s not every day that local independent jewelers get the opportunity to have their work travel around the country and be used for educational purposes. And it has brought me business. I’m the oldest independent jeweler in Gainesville, and a lot of customers were reminded about us. I’ve gotten orders for shark’s tooth jewelry, too, because everyone in Gainesville’s got sharks’ teeth.” Renaissance Jewelers was also featured in an article about the exhibit in the local newspaper. And Packer has written about

it in his e-newsletter to customers. He plans to continue to use it in advertising and marketing campaigns as the exhibit travels around the country. “For me, it was fun to walk into a museum and see something that I made,” he says. “I don’t have a big ego, but it’s nice every now and then to get a pat on the back.”

THE REWARD. Thousands of museum visitors and potential customers saw the shark-tooth jewelry (labeled with

TRY IT YOURSELF

- Get involved in the community through volunteer work to widen your circle of contacts while providing needed services.
- In particular, lend your expertise to a local gem and mineral society or natural science museum.
- Call your local newspaper to talk about a cool project you’ve worked on recently.
- Consider designing jewelry around natural, local themes, be they prehistoric animals, your state flower or indigenous gemstones.
- Share your excitement with your customers, through an e-newsletter.



2009



2008



2007



2006



2005



2004



CONTEST ENTRY GUIDELINES

INSTORE’s eighth annual “America’s Coolest Stores” contest features two categories:

BIG COOL Stores with more than 5 full-time employees (not including owners and their spouses)

SMALL COOL Stores with 5 or fewer full-time employees (not including owners and their spouses)

CONTEST DEADLINE
MARCH 1, 2009

cool is back

INSTORE’S 2009 COOLEST STORES COMPETITION IS NOW OPEN

FOR CONTEST DETAILS, GO TO
www.americascooleststores.com