

**REPORT ON 37TH BANGKOK
GEM & JEWELLERY FAIR**

1st –5th MARCH, 2006

BACKGROUND

The Department of export Promotion (DEP) and the Thai Gem & Jewellery Traders Association (TGJTA), co-organizers of this event, put forth every effort to bring another exciting edition of the 37th Bangkok Gem & Jewellery Fair, March 1-5th 2006.

The DEP & TGJTA were prepared to welcome more than 35000 visitors to the show. This fair occupied space of 60,000 square meters with 3000 booths by 1300 companies.

Training and education programs in the area of design, Jewellery production, and gemological training received quite a bit of attention as the government and private sector did strive to keep the Thai workforce in tune with the demands in world market.

Thai gem and Jewellery exports dramatically increased by 21.51% over 2004 at the amount of over 129 billion baht or more than 3.2 billion US Dollars. The DEP expects that export values will reach US \$ 5.0 billion before the end of 2008 a target set by the ministry which they vow to accomplish. Thai Gem & Jewellery Industry attributes the rise in exports with the advent of value added products by shifting from original equipment manufacturing (OEM) to original design manufacturing (ODM) and original brand manufacturing (OBM) and the establishment of the fashion industry network which includes Gem and Jewellery industry, textiles and garment industry, shoes and leather industry under the "Bangkok Fashion City' project.

The 37th Bangkok Gems & Jewellery Fair had exhibitors from over 30 countries around the world. With the expansion of the Impact Exhibition and convention center over the last few years, the organizers have worked at designing the hall to provide as much new space as possible for companies both local and international which are in waiting list. The international pavilion were from Hong Kong, Japan, Taiwan, Korea, India, Burma, Sri Lanka, Vietnam, Germany, Israel, Russia, Poland, Madagascar. Buyers were able to see an incredibly diverse product selection all under one roof.

GJEPC this time participated singly and successfully.

OBJECTIVE:

- To Promote India Pavillion with the sole representation rights at BGJF (Bangkok Gems & Jewelry Fair.)
- Awareness campaign for IIJS 2006

STRATEGY:

- Implementation of various promotional measures adopted by council for India Pavillion.
- To convince the BGJF & TGJTA authorities of having one India pavilion under GJEPC only and for sole representation hereinafter by way of an MOU.
- Awareness campaign for IIJS 2006 adopting raffle draw to identify 3 lucky genuine buyers with free trip & stay during IIJS2006.

THE INDIA PAVILION

The council organized the India Pavilion with Nine Exhibitors showcasing their merchandise in Ten Booths. This was the first instance of exhibitors participating in the March edition of the BGJF which drew significant attention. The Following were the Exhibitors under the India Pavilion:

M/s. GOSIL Exports Pvt. Ltd
M/s. JAIPUR EXPORTS
M/s. MKA's Rubylite
M/s. ORIENTAL GEMCO Pvt. Ltd
M/s. SWARANGANGA JEWELLERS
M/s. PANSARI ART JEWELLERY
M/s. P.L.EXPORTERS
M/s. SILVER MOUNTAIN
M/s. SUNRISE SILVER PALACE

The council was represented by Shri. Shantanu Rajguru , Director, Eastern Region and Shri. Shyam Bilochi , Executive – exhibition, Jaipur.

Promotional Activities undertaken

- The council did a Two-fold promotion for the India Pavilion, covering both print Media as well as the Electronic Media.
- A full Page Advertisement of India Pavilion in the daily Newsletter of the Show for the first three days.
- A one Minute Video Clipping of India Pavilion was programmed to run continuously on the Giant Screen at the registration center and also at the screen in front of every hall entrance.
- The Brochure of India Pavilion containing the information of every exhibitors were distributed from the council's booth along with the copy of Solitaire International and other IIJS 2006 promotional materials which were put inside the complementary paper bag as kit.
- RAFFLE Draw was organized during the fair and draw of lot was done on the final day in presence of Secretary General of Thai Gem and Jewellery Traders Association.

Highlights of the Bangkok Gem & Jewelry Fair.

- TGJ Elite Creations- Fairs most popular exhibits displaying masterpieces by some of Thailand's leading manufacturers.

- Guideline for the display requires that this showing be the first time each piece has been on display anywhere in the world.
- Hot 2006 – A display of spectacular selection of jewellery / designs by Thai craftsmen for the huge number of visitors with 300 awesome designs on display.
 - Thai Silver Exporter club pavilion- The largest Jewellery manufacturing center in Asia, hosting a special showcase of the member's best silver Jewellery design with the concept of "Black & White".
 - All the seminars were free of charges: Following were the topics of the seminar for academic purpose.

Event	Co-Ordinator
To reduce production cost and to enhance competitive abilities for the Gem and Jewellery Industry	Srinakharintaraviroj University
Understanding the Heat Treatment of Ruby & Sapphire	Asian Institute of Gemological (AIGS)
Global Trends	Department of Export Promotion, Ministry of Commerce, Thailand.
New Ruby and Sapphire ereports/ Synthetic and treated diamonds identification	GIA (International) CO., Ltd
JewelCad technology and the jewelery design	AIGS
The difference of the colour range of gold carat	The Thailand research fund
Catch the eye on the gemological progress	Gem & Jewellery Institute of Thailand
How to invest in Gem Mining to become a millionaire	World Gemstone Exploration & mining consultant.

1st March, 2006

The Bangkok Gems & Jewellery Fair was declared open on 1st March, 2006 with Thailand's Minister of Commerce, Mr. Somkid Jatusripitak presided over the glittering opening ceremony. Distinguished guests include Ms. Benjawan Rattanaprayoon, Deputy Director-General of the Department of Export Promotion, together with high-ranking government officials. Mr. Pornchai Chuencholada, the newly elected President of TGJTA clearly set objectives for the fair to continue and improve glory of the gem and jewelry industry in Thailand not only by helping to upgrade the industry but also create a mechanism in promoting the business of gems and jewelry manufacturing and opening their way to international arena with greater access to various buyer nations. The major policy sighted is to expand the business into new markets with high potential and purchasing power such as China, India, Russia and the countries in the Middle East.

A meeting was convened at 15.00 hrs at Impact Convention Centre wherein Mr. Sanchai Noombunnam, Project Coordinating Manager, Bangkok Gems & Jewelry Fair discussed at length with Shri Shantanu Rajguru , Director, Eastern Region with respect to range of issues such as sole representation rights, Minimum number of stalls and the delay in confirmation of stall booking for Indian Pavillion and the marketing aspect . COMNET'S role on putting up booths for Indian Exhibitors separately was also discussed very seriously. A broad framework of the MOU was devised, but there still remained some points, which both the sides could not agree.

Shri. Dinkar Asthana , Counsellor (Commercial) & Head Of Chancery, Embassy of India, Bangkok, Thailand visited the council booth and the Indian Pavillion along with Mr. Sandeep Kumar , Attache during the show.

Welcome party with the theme "Glorious Empire" and from the inspiration of long cultural heritage of ancient eras namely Sukhothai, Ayutthaya and Rattanakosin attracted prominence followed by fashion Show.



2nd March, 2006

A meeting between the GJEPC, India and TGJTA, Thailand was organized by the organizers at Phoenix 1 , Impact Convention Centre , Bangkok to discuss about the future understandings and business prospects. Present on behalf of TGJTA was President Mr. Pornchai Chuencholada, Mr. Vichai Vice-President, Mr. Salil Shah, Director, Mr. Sanchai Noombunnam, Project Coordinating Manager and on behalf of GJEPC Mr. Shantanu Rajguru, Director, Eastern region and Mr. Pramod Agarwal of M/s Derewala also a member of council . Both the sides agreed on most of the points from the previous MOU for participation in the September 2006 fair with only two changes.

- 1) The minimum commitment of stalls would be 15 in number.
- 2) Last day of intimation of participants with payment would be end of June 2006 for the September show.

Principally, TGJTA openly declared that they would want to work with GJEPC only and will not entertain any other agents like COMNET etc. As Mr. Vichai, CEO of BGJF as well Vice-President TGJTA was to fly out to China the same night was unable to sign the agreement and

has vowed to do so on his return and will then arrange to send to GJEPC, Mumbai.

It was also declared that in the forthcoming IIJS 2006, a strong contingent of Thai delegation would be visiting India and the names would be given to GJEPC on 3rd March 2006.

The THANK YOU Party was organized in the evening at 17.00 hrs with traditional puppet show followed by fashion show and dinner.

3rd March , 2006

The third day was slow compared to first two days of the show and the no. of footfalls were less which people say is a recent phenomenon in the fairs worldwide. However, lot of visitors was in GJEPC stall for the kit being distributed and for the Raffle draws which attracted visitors mostly of Thai origin. TGJTA through Mr. Atul Jogani distributed complementary to all exhibitors of Indian Origin along with Mr. Somchai Phornchindarak, general Secretary.

A list comprising a contingent of 29 delegates (Annexure 1) were given to us of which first 15 required hotel accommodations and balance for entry passes as delegates.

4th March, 2006

On this day the crowd slimmed down further and people were busy discussing about Hongkong Show starting 6th March. Exhibitors who were to participate at Hongkong started packing things. Exhibitors felt that back-to-back exhibitions does not yield good results as the focus gets distracted. Nonetheless, the footfall in the evening of the thai visitors restored the average footfalls for the previous days.



The crowd in the Stone section was found maximum followed by international section. Jewellery section on the fourth day looked deserted and Thai exhibitors were ruining the scenario.

5th March, 2006

The fifth day witnessed a desolate look, as most of the international exhibitors were busy dismantling their stalls for Hongkong show. At 14.0 hrs there was a meeting between TGJTA and the Federation of Thai Industries wherein Mr.Maitri Kanburapa , the Vice Chairman was present along with officials of Department of Export Promotion to discuss various issues and problems being faced by Thai Gem & Jewellery Industries like the status of FTA, GSP, CTH and value addition norms etc.. Mr. Shantanu Rajguru, Director, E.R. GJEPC was especially invited by TGJTA to attend the meeting.



At 15.00HRS, the Raffle Draw box was opened , draw of lots took place and winners declared in presence of Mr. Somchai Phornchindarak, General Secretary, TGJTA, and Mr. Salil Shah, Director, TGJTA, Mr. Rambabu Gupta, exhibitor India Pavillion, Mr. Rishav Shah, Diamrusa, Mr. Philip. D.Anthony, Associate Editor, Solitaire, Mr. Shantanu Rajguru, Director, E.R and Mr. Shyam Bilochi, Executive- exhibition, Jaipur.

Observation / Suggestions

The exhibitors of the India Pavilion were of the view that: -

- The objective of their participation was to initiate new business relation, new buyers and new product display.
- Their main target groups of buyers were mainly wholesalers, Private Limited Companies, Exporters and Designers and were satisfied with initiating new business relations. On an average every exhibitors under India pavilion received useful business enquiries.
- Overall, the exhibitors were satisfied with the effort of promoting India pavilion through print advertisement and video clipping.
- One of the exhibitors was of the opinion that GJEPC should think of giving a new look to the India Pavilion to make it more attractive and the stalls more distinct for which if any additional amount required, exhibitors are ready to pay.
- Couriers for Promotional material ought to be sent to Fair authorities indicating C/O as GJEPC. This will allow the goods to be cleared freely without hassles else duty , detention charges are levied causing tensions and delays.

- Hereinafter , any promotional material to be sent to Bangkok, be consigned to Indian Embassy for duty free import as this has been discussed with Mr. Sandeep Kumar , Attache who agreed to this arrangement. A prior intimation or shipment advise need to be sent in advance of the material contained therein, to the Indian Embassy.
- India pavilion should be one for which sole representation rights exists and agreed in principle, MOU to be signed and sent later by TGJTA.
- Most Industries in Bangkok are facing Labour shortages whereas the Jewellery sector itself will need some 90,000 labourers in the next 5years. (Published in The Nation dtd. 28th February, 2006 annexure 3)

Information and Statistics of Thailand Gem & Jewellery Industry:

S.No.	Commodity	Duty
1.	Jewellery, Jewellery Parts, Stone Beads	20 %
2.	Gemstones, Opals, Diamonds	0 %
3.	Un sorted, Loose Pearls	0 %
4.	Sorted, Strung Pearls	20 %
5.	Watches	5 %
6.	Amber Beads	20 %

- Surcharge 7 %
- The 7 % VAT is applicable on CIF VALUE + IMPORT DUTY, IF ANY, of all items.

Annexure 2

COVERING THE FOLLOWING DATA's:

1. THAILANDS FOREIGN TRADE
2. THAILANDS FOREIGN TRADE WITH INDIA
3. PRINCIPAL EXPORTS TO INDIA AND FROM INDIA INCLUDING GEM & JEWELERY.

Annexure will be made available in hard copies because of volume of data including DATABASE of visitors.