



A Report on the JA Summer Show 2006, New York, USA

ABOUT THE JA SUMMER SHOW

The JA New York Summer Show, the jewelry industry's finest all-encompassing event at the Jacob K Javits Center in New York City was held from July 31-August 3, 2006. Over 1,731 exhibitors and 2250 booths more than 13,000 buyers and trade professionals were visited at the Summer Show where jewelry collections from around the world was on display in a fantastic setting. The diversity of the show offered something for everyone from the most discriminating buyer to those looking for new product or materials. A major highlight of the show for all was the debut of the Couture Pavilion and International Jewelry Design Guild (IJDG) Design Collections 2006 where the industry's most innovative design groups showcased in an elegant space.

The Summer Show attracted its hallmark collection of world-class brands and designs while also providing insight and educational opportunities for both retailers and exhibitors as they compete in a dynamic and changing international marketplace. In addition, the JA New York Comprehensive

Educational Program which included seminars and lectures offered by experts and trendsetters covering many aspects of the jewelry industry.

- ❖ The show covered an absolute wide array of fine jewellery products ranging from platinum to gold, diamonds, watches, designer jewellery, antique and estate, bridal jewellery, coloured gemstones, loose diamonds, jewellery services, very high end giftware, pearls, etc.
- ❖ 90% of the Summer Show was in one main hall with a separate designer section upstairs in the Galleria.
- ❖ Amenities/Features at Halls :
 - ❖ Showcase of style : global gathering of distinct jewellery collections
 - ❖ New Designers Gallery : A showcase for upcoming talent presented to the industry for the first time.
 - ❖ Place Vendome – high end jewellery in a Parisian style
 - ❖ Platinum Pavilion – featuring leading platinum jewellery designers & manufacturers
 - ❖ Bench Jewellers Marketplace: tools, supplies & equipments for in-store manufacturing & repair.
 - ❖ Diamond Bourse – loose diamonds sales in a Bourse setting.
 - ❖ International Pavilions
 - ❖ New Product Gallery – A showcase for new designs
 - ❖ Buyers Lounge
 - ❖ Seminars & Conferences
 - ❖ Design Collections- a preview of most innovative designs around the world.

BUYERS PROMOTIONAL MEASURES UNDERTAKEN BY THE ORGANISORS

- ❖ Direct mailings
- ❖ Personalised letters to select buying groups
- ❖ Retailer brochures
- ❖ Retailer updates
- ❖ Buyers newsletters
- ❖ Pre-show planner
- ❖ Testimonial Postcard

MARKETING SERVICES FOR EXHIBITORS AT JA SHOW

- ❖ The minimum stand shell is 3m x 3m but there are a few slightly smaller booths that are about 7 square meters.
- ❖ Free buyers invitations
- ❖ Free show stickers
- ❖ Free what's new photo previews
- ❖ Free listing in pre-show mailer
- ❖ Free selected mailing lists
- ❖ Free show directory listing
- ❖ Free best buyer program invitations
- ❖ Free press release distribution
- ❖ Free listings on JA New York website

INDIA PAVILION



Unsurpassed in its resources, in its prestige, in its power for setting the pace for what's hot, and JA New York leads the way. With a roster of over 1731 companies and 2250 booths in the JA Summer Show held from July 30 to August 2, 2006 more than 14000 visitors had the opportunity to view the comprehensive product selection that reflected about the latest trends of now and where its going in the future.

International pavilions from Hong Kong, Italy, Thailand, Turkey, Japan, Germany, Taiwan, Spain, Israel, India, Brazil, and the United Kingdom, Cyprus, Singapore, Poland, Pakistan, Belgium, Korea, Mexico, Ukraine, Russia and more were present at the JA Show.

The Council had a promotional booth at the entrance of the India Pavilion. This was the sixth year in succession the Council participated in this exhibition alongwith the a strong contingent of 17 member exporters as follows:

AMRAPALI JEWELS PVT. LTD.	3506/3508/3605/3607
AURA JEWELLERY PVT LTD	3510/3609
DEREWALA JEWELLERY MFG. CO.	3505/3507
DIAGEM EXPORTS	3410
DIAFINI	3412
DWARKA GEMS LIMITED	3513/3511
GEMCO DESIGNERS PVT LTD	3416/3414
GEMS N CRAFTS	3406
GEMS OF INDIA	3417
GOEL JEWELLERS CORPN	3408
KARATS & CARATS	3316
NOVELTY JEWELLERS	3407
RATAN MANI	3509
SILVER HOUSE	3306
SILVEX IMAGES	3312/3411/3310/3409

SUPREME GEMS	3405
VALENTINE JEWELLERY INDIA PVT LTD	3413
THE GEM & JEWELLERY EXPORT PROMOTION COUNCIL	3308



Mr. Surendra Singh, Deputy Director, Delhi Region and Ms. Margaret Rodrigues, Executive, Exhibition Coordination represented the Council and had series of business meetings with representatives of the industry and promoted the Council and its activities. Majority of the exhibitors were satisfied with their participation and with the location of the India Pavilion.

Indian Pavilion at the summer JA New York show was located in a prominent location which was just in front of the escalator of the exhibition hall which helped the Indian exhibitors to make new customer contacts and reinforce existing relationships with retail buyers.

Exhibitors who had prior appointments made good business. However, the feedback was that there was less foot falls than last year, indicating a lesser number of walk-in buyers. Most of the exhibitors did fairly good business and some did not. However, they felt that the continuous presence at JA Show, New York is a must. The exhibitors with Victorian Jewellery have made good business in the Show.

The Council promoted its activities from the Service booth and served as the mouthpiece of the entire Indian Industry and also to promote the India Pavilion at the Show. The booth was created to cater to the Indian Exhibitors at the India Pavilion providing Fax, Telephone, printer, water and tea/coffee during the Show. The current issue of the Solitaire, Exhibitor's Catalogue, IJS 2006 directory and Catalogue was distributed to all the visitors at the Stall as well kept the above said promotion materials at the Press Corner. The Visitor found IJS 2006 Directory and Catalogue very informative.

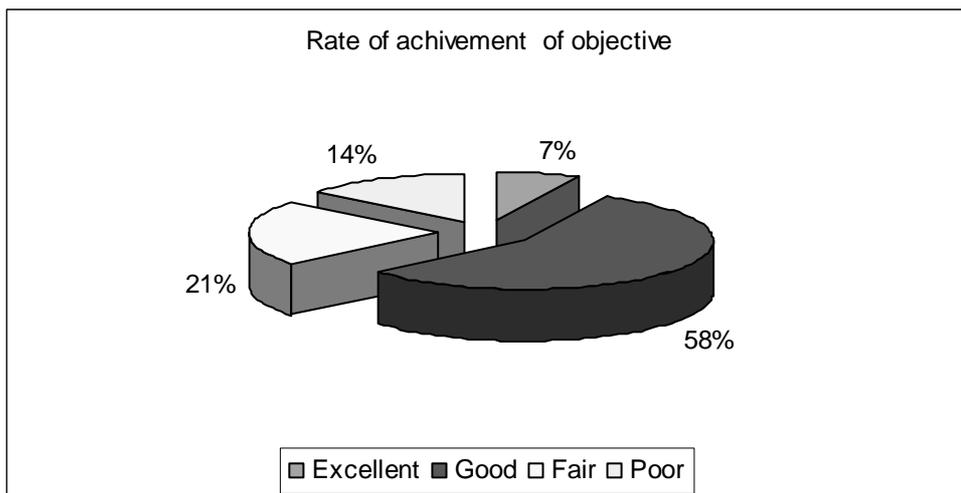
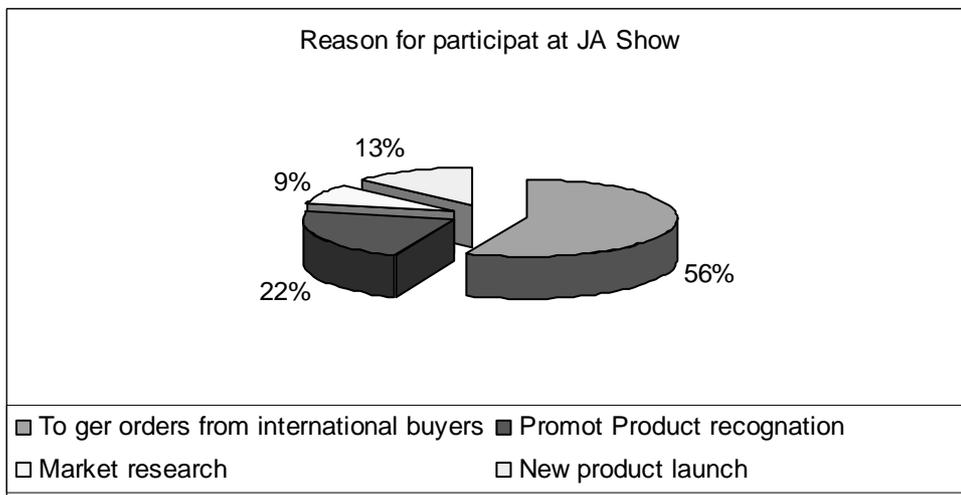
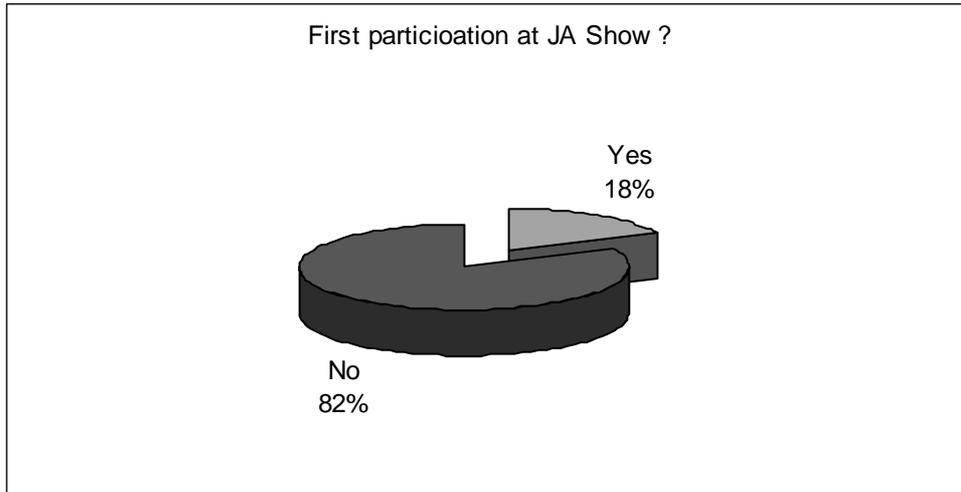
Highlights of Exhibitors feedback:

The feedback was collected from the exhibitors – the questionnaire was divided in 2 segments:

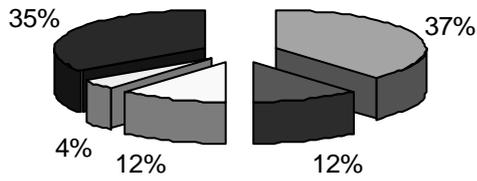
- (i) Information on exhibitor's approach to JA and exhibitor's performance at the show and
- (ii) Council's services.

The following graphics will bring out the feedback for better planning of the India Pavilion next year.

(A) Exhibitor's pre-show preparation and their feedback about the show:

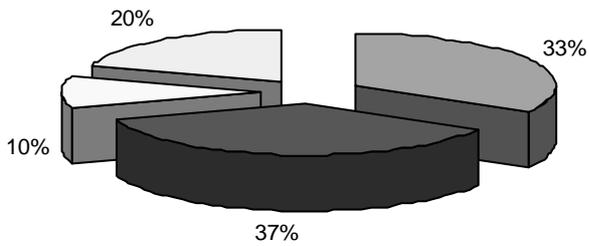


Activities undertaken to attract visitors before opening of JA Show



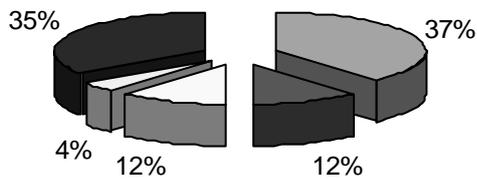
direct mailing listing in catalogue Distribution of Flyers
 Advt. in trade journal Telephone Campaign

Who are the target customer

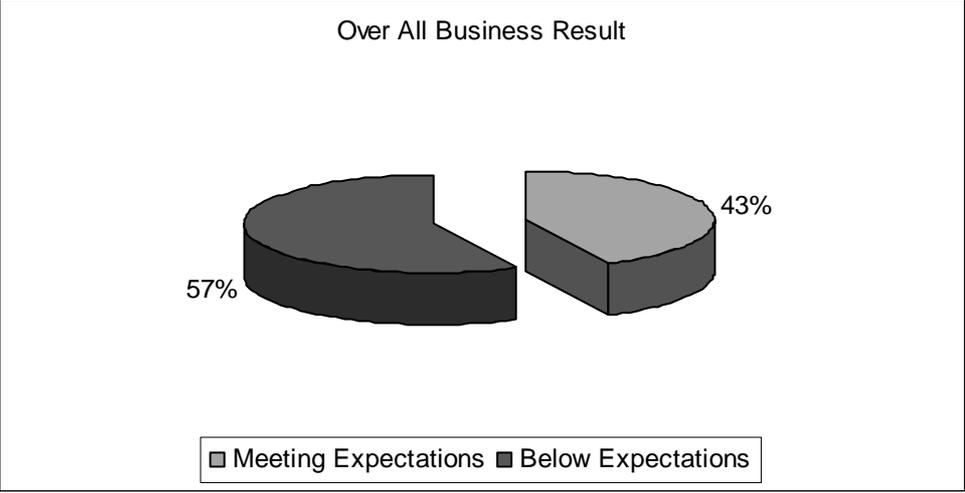


Retailers Wholesales Import/Export Traders departmental Stores

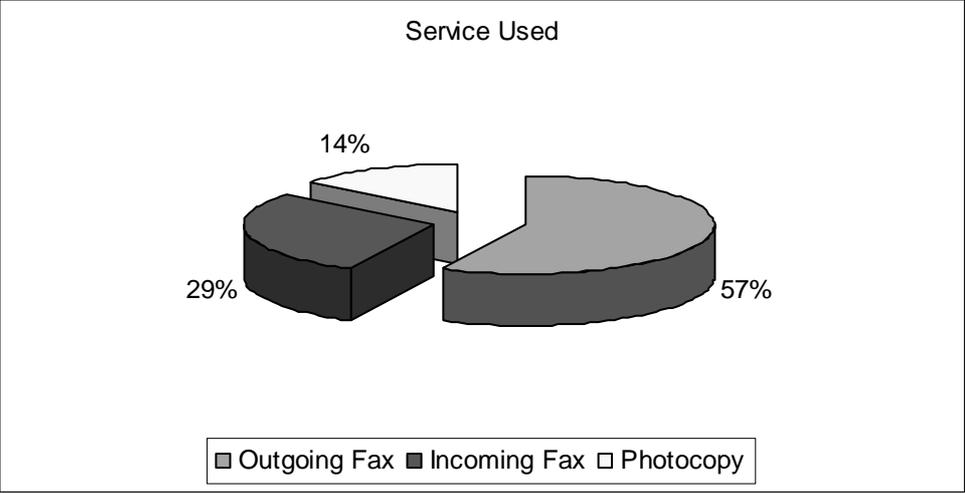
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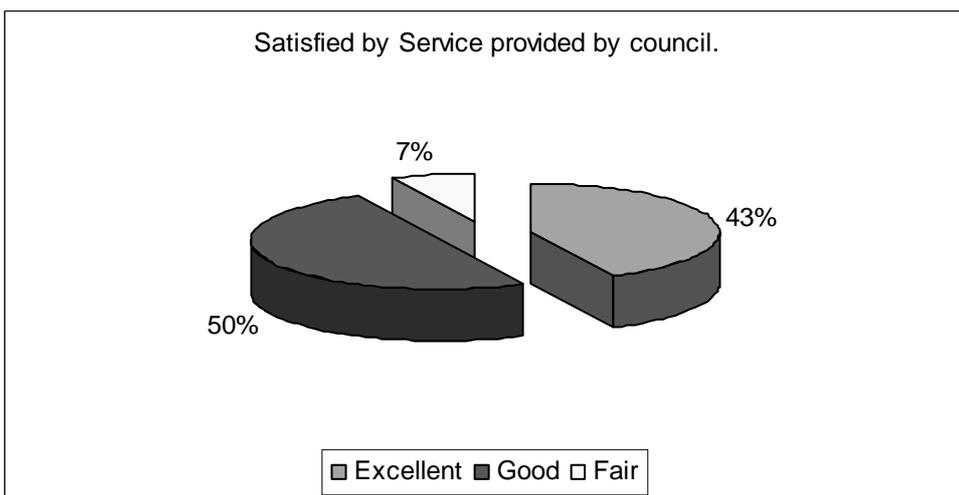
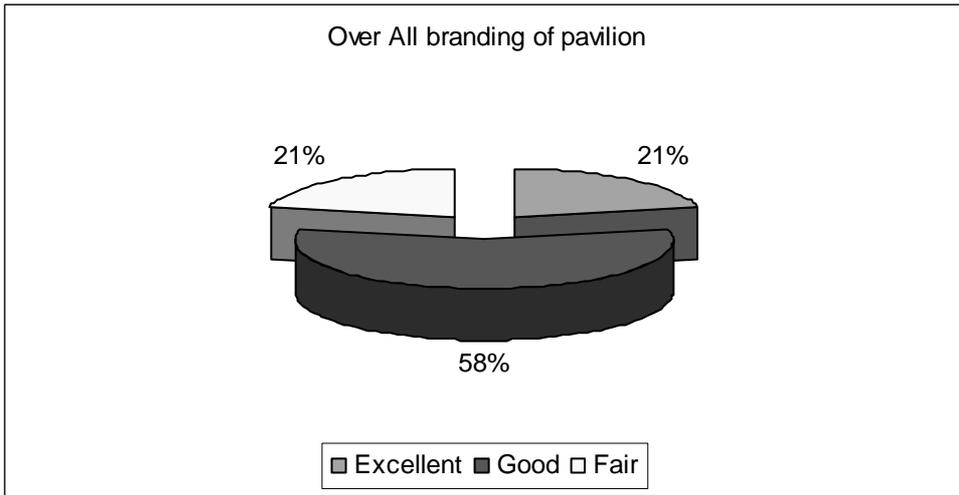


direct mailing listing in catalogue Distribution of Flyers
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(B) Council's coordination/services for this show:

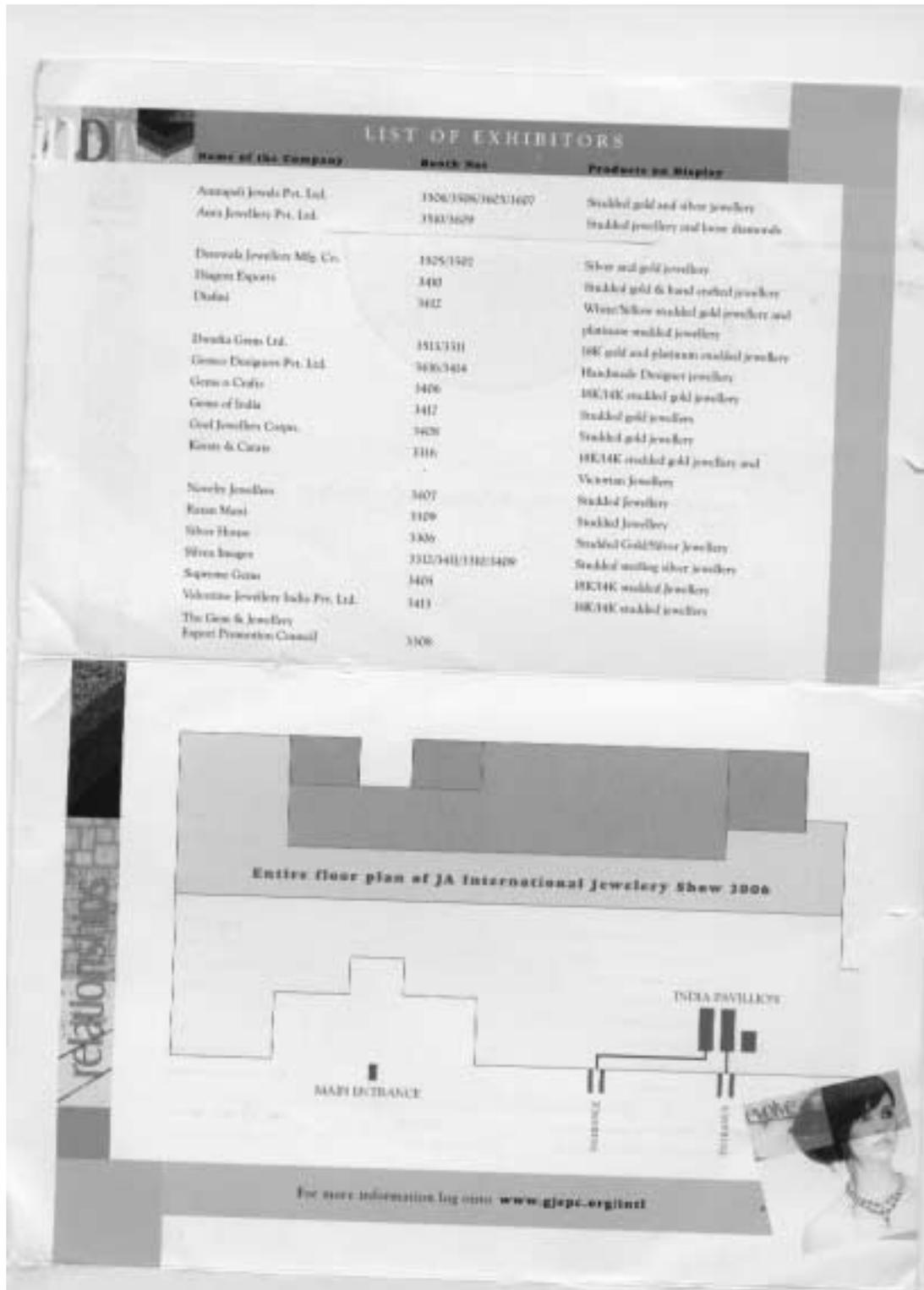




Following are the promotions done by the Council at the JA Show New York 2006:

- On-site publicity brochures
- Pre-fair publicity mailer to last year JA Show 2005 buyers giving the details about the exhibitors with their stall Nos.
- Mass emailing to the trade buyers in the major countries inviting them to visit the India Pavilion at JCK Las Vegas 2005

- Onsite posters (inside the venue) promoting the India Pavilion



MEETING WITH THE CONSULATE

The Secretariat met Ms _____ and Mr. _____ on August 1, 2006. They were very much appreciated with the branding of the Pavilion. They were of the opinion that if well in advance the Council had to coordinate, then they would have organised one Press Conference with the Exhibitors during the exhibition in the Consulate Office/



The Secretariat assured the Consulate that next year the Council will inform them well in advance so that the press conference can be arranged during the exhibition.

The Consulor was presented with the Memento.

MEETING WITH MR. JOHN TIERNEY, SALES DIRECTOR, REEDS EXHIBITION, ORGANISER OF JCK SHOW, LAS VEGAS.

The representative met Mr. John Tierney, Sales Director, JCK Las Vegas Show and Shellyann Johnson, Account Executive, JCK Events on August 1, 2006. With regard to Council's joint participation at JCK Las Vegas 2007, It was informed to them that the organsirs should allot the Council to organise the India Pavilion in one location. It was also informed to them that as assured by the organisers during JCK Las Vegas, the Council to be allotted more booths over and above 101 booths.



They assured that the allocation of more space to the Council which is their priority and they will get back to the Council by first week of October, 2006. Mr. Tierney also informed the Secretariat that they will be sending the sponsorship package by second week of August 2006 which the Council has to sign and send it back to them. With regard to the bus branding which was not upto the mark at JCK Las Vegas 2006, Mr. Tierney and Ms. Shellyann assured that 2007 they will directly coordinate with the agency for better output.

Meeting with Mr. Drew Lawsky, Show Director

The Secretariat met Mr. Drew Lawsky, Show Director and Toby Maroon about the India Pavilion. The Secretariat requested the organisers to offer the Council some kind of sponsorship opportunities to attract more visitors flow to the India Pavilion. According to Mr. Drew Lawsky, the Council should take the sponsorship opportunity, especially the banner in front of the Registration area which is very closer to the India Pavilion

The Secretariat also informed Ms. Toby Maroon about the misprinting in the exhibitors directory addendum about M/s. Amrapali Jewels for which they assured M/s. Amrapali that they will be compensated for the mistake of the organiser.

Meeting with M/s. Syma Systems

A meeting was organised on August 2, 2006 with Mr. Stanley especially to discuss the construction of India Pavilion at JCK Las Vegas 2007 as well as in JA Show New York 2007. Mr. Stanley was of the opinion that if the Council requires the changes in the overall look of the India Pavilion at JCK Las Vegas 2007, the design as well as the branding should be completed by December so that their design team can work on the same and finalise the design by January 2007.

With regard to JA New York 2007 the Secretariat informed him that as the organisers are providing the space with the hard wall, the Council will take the same from the organisers and only the branding and the furniture will be taken from Syma for which he has agreed and will send the quote accordingly.

He has also given some colour samples for the hard walls for construction of the pavilion at JCK Las Vegas 2007 as well as JA Show New York 2007.

US and its Economy

The US has the largest technologically powerful the world, with a per capita \$42,000. In this market-economy, private and business firms make decisions, and the federal governments buy needed services predominantly in marketplace. US business greater flexibility than their in Western Europe and decisions to expand to lay off surplus workers, develop new products. At the sametime, they face higher barriers to enter their rivals' home markets than foreign firms face entering US markets.



and most economy in GDP of oriented individuals most of the and state goods and the private firms enjoy counterparts Japan in capital plant, and to

The rise in GDP in 2004 and 2005 was under girded by substantial gains in labor productivity. Hurricane Katrina caused extensive damage in the Gulf Coast region in August 2005, but had a small impact on overall GDP growth for the year. Soaring oil prices in 2005 and 2006 threatened inflation and unemployment, yet the economy continued to grow through mid-2006. Imported oil accounts for about two-thirds of US consumption. Long-term problems include inadequate investment in economic infrastructure, rapidly rising medical and pension costs of an aging population, sizable trade and budget deficits, and stagnation of family income in the lower economic groups

While the United States economy began 2006 growing at strong pace, activity seems to have hit the skids in the spring. Factory orders fell in April. The five-year housing boom is cooling, with home sales falling and price gains slowing. In the biggest shocker of all, the government reported Friday that businesses created just 75,000 new jobs in May, 100,000 fewer than expected. If the onslaught of weaker economic data

Was not bad enough, there also are signs that long-dormant inflation may be starting to be a problem, and not just in the pain from \$3 per gallon (Euro 0.62 per liter) gasoline.

Six years ago, an unexpectedly weak payroll number was dismissed as a fluke. Yet in hindsight, it was the start of a slide that culminated in a recession the next year that ended the longest economic expansion in the history of the United States. While economists hope this year's slowdown will have a more benign ending, they are busily marking down their economic forecasts based upon the recent weaker-than-expected numbers.



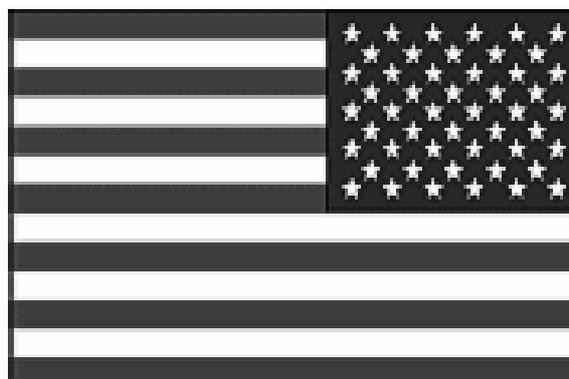
The overall economy grew at an annual rate of 5.3 percent in the January-March quarter. Economists foresee a rate of about 2.5 percent in the current April-June quarter, down a full percentage point from estimates for these three months. Evidence that the economy is slowing abruptly is very clear. However the question remains is whether there will be enough strength in other areas to offset the slowdown in consumer spending and housing. Higher gasoline prices and weaker job growth already have affected consumer confidence, which fell in May by the steepest amount since last fall's hurricanes. The worry is that overall consumer spending, which accounts for two-thirds of total economic activity, will slow and automakers are already feeling the pinch, reporting big declines in May auto sales.

Many retail chains did post good sales in May. But the largest retailer, Wal-Mart, had results that failed to meet expectations, reflecting the squeeze its lower-income customers are feeling from gas prices. Still, analysts' say they do not see the situation in such dire terms that it means the country is headed for a recession.

With signs of the slowdown increasing, it is likely to call a halt to further rate increases, especially if the recent jump in inflation proves temporary. The current may not signal that is has overdone the credit tightening, raising prospects of a rougher outcome rather than the soft-landing aimed for. When the

economy slows down is not surprising that at points the whole industry may feel like slowing down but this current situation is not unusual though.

Indo-USA Trade Relations



Economic Reforms introduced since 1991 have radically changed the course of the Indian economy and led to better growth rates, higher investment and trade flows and accelerated decline in income poverty. The effects of these reforms on trade and investment relations with the United States have been profound. Though, the trade between the United States and India is relatively small, it has risen sharply over the years. In terms of India's major trading partner, USA continues to lead. However, India's share in US trade is 24th in US export and eighteenth in US imports

India's sizable population and growing middle and higher income class makes India a potentially large market for U.S. goods and services. India's main exports to US are **precious stones, metals** (worked diamonds & gold jewellery), Woven apparel, Knit apparel, miscellaneous textile article, Fish and seafood (frozen shrimp), Textile floor coverings, Iron/steel products, Organic chemicals and Machinery (taps, valves, transmission shafts, gears, pistons, etc)

India imports sophisticated machinery (computers and components, gas turbines, telecom, etc), Electrical machinery (recording/sound media), Medical and surgical equipment/instruments, Aircraft, spacecraft (small aircraft), Precious stones, metals (diamonds, not mounted or set), jewellery, Organic chemicals, Plastic, Cotton and cotton waste and Wood pulp, etc.

United States is India's second largest source of FDI. On investment front, USA covers almost every sector in India, which is open for private participants. Both government-to-government level and business-to-business level conduct regular interactions with each other to promote and strengthen the trade and economic interactions between the two countries. The US investor community is today increasingly sharing confidence in the future of the Indian economy. Several areas like infrastructure, IT, Telecom sector, energy and other knowledge industries such as pharmaceuticals and biotechnology possess immense potential for progressing economic cooperation between India and the US. Among the major multi national corporations of USA that are doing a profitable business in India are-General Electric, Whirlpool Ford (India), 3M, Tecumseh Products (India) Limited, Pepsi, Proctor and Gamble (India), Microsoft, Intel, IBM Corporation, EDS, Sun Microsystems, Adobe Systems Inc, Agilent Technologies Inc, Oracle Corporation, Texas Instruments.



A very important aspect of US India economic relations comes with the emergence of Business Process Outsourcing, where in many US companies are reaping the advantages offered by India's IT sector. India offers a large pool of trained, English speaking personnel, which offers huge cost benefits to the US MNCs.

Several big names like, American Express, Citicorp, Microsoft, Dell, Hewlett-Packard, HSBC, Standard Chartered and Converges etc are taking advantage of the opportunities offered by India's IT Sector. Other Fortune 500 companies such as Morgan Stanley, AT&T, Reebok, GM, Fujitsu, Boeing, Pepsi, Swissair, Coca-Cola and British Airways have identified India as their outsourcing partner.

In recent years India has also made progress in expanding their investment base in the United States of America. When a few years back India was struggling to meet the quickly-changing demands of the global marketplace, today, it has joined the ranks of countries whose economies are on the upswing. India's UB has bought breweries in the US while companies such as Dr. Reddy's Laboratories and Ranbaxy have bought pharmaceutical manufacturing units in the US. In the IT sector, Tata Infotech, Sathyam, Infosys and WIPRO have large operations based in the US. Wipro India announced, November 12th, that it had entered into a definitive agreement to acquire the global energy practice of American Management Systems for an aggregate consideration of \$26 million, payable in cash. The move strengthens Wipro's end-to-end IT solutions capability in the energy and utilities market.



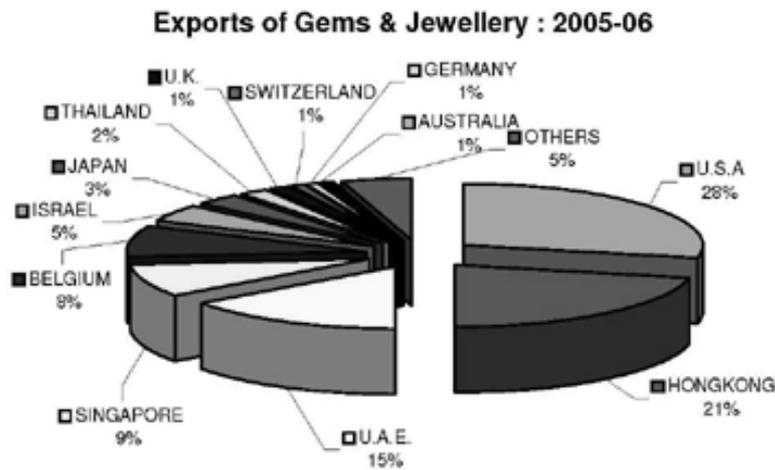
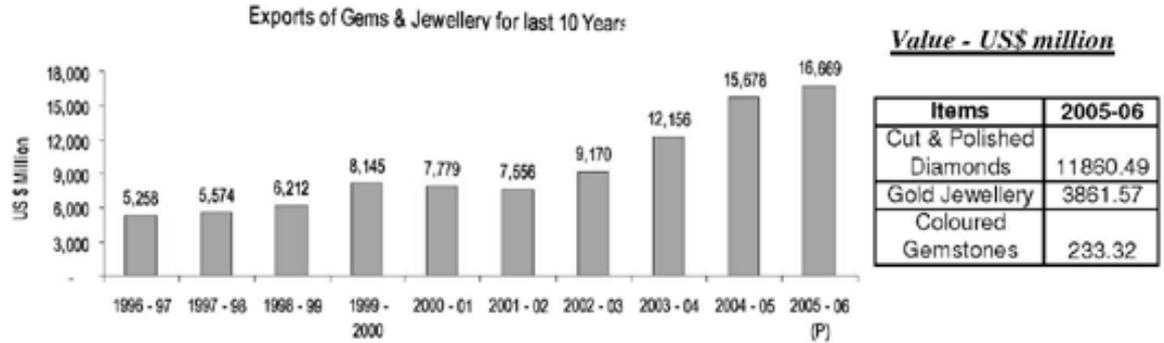
Another important aspect of India-US economic relations is the huge number of people of Indian origin residing in the US. These people according to some surveys conducted in the US, contribute a lot to US economy and are among the most highly educated class in America.

However, a number of factors continue to hamper economic ties between the two countries. US criticize India for maintaining high tariff rates on imports (especially on products that compete with domestic products), and levying high surcharges and taxes on a variety of imports and imposing non-tariff barriers on US exports to India.

In order to capture more US investment and trade share, India is required to further relax its trade and investment regimes, accelerate privatization of state firms, cut down on corruption, and substantially boost spending on its in physical and human infrastructure. For this significant steps are required to eliminate government deficits and the high level of public debt that severely hamper the ability of the government to boost spending for needed infrastructure projects.

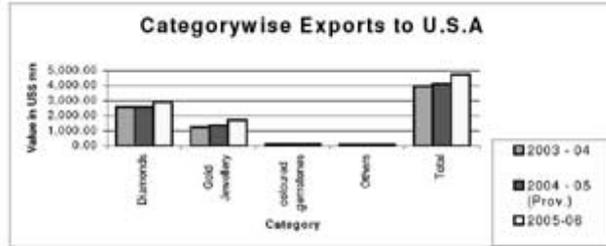
Gem & Jewellery Indo-US Trade

Export Performance by India



28% of India's Exports go to U.S

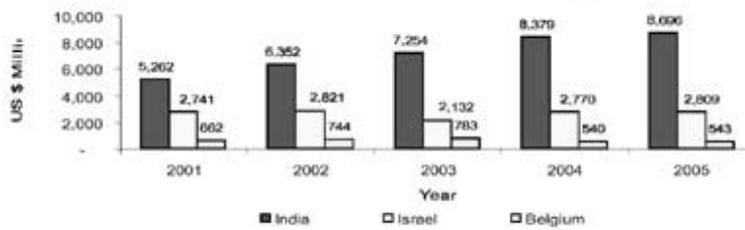
Category wise Exports to U.S.A for the year 2003-04 to 2005-06



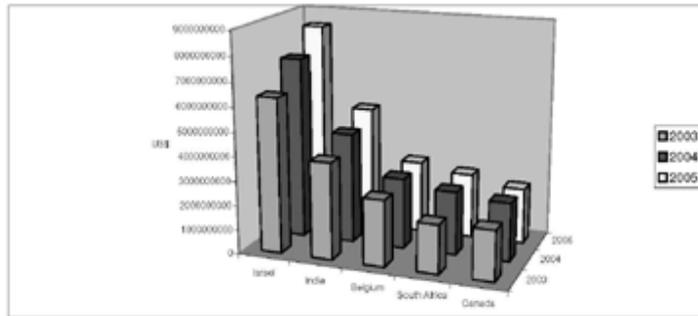
Net Exports of Cut & Polished Diamonds by India Israel and Belgium to U.S.A (value in US\$ mn)

Year	India			Israel			Belgium		
	Polished Imports	Polished Exports	Net Polished Exports	Polished Imports	Polished Exports	Net Polished Exports	Polished Imports	Polished Exports	Net Polished Exports
2001	430.39	5,692.24	5,261.85	1,785.07	4,526.10	2,741.03	5,135.03	5,797.42	662.39
2002	557.51	6,909.28	6,351.77	2,388.97	5,209.48	2,820.51	5,678.88	6,423.01	744.13
2003	797.68	8,051.96	7,254.29	3,404.20	5,536.31	2,132.11	6,402.21	7,186.13	783.42
2004	1,961.88	10,340.4	8,378.57	3,562.45	6,332.71	2,770.26	7,576.89	8,116.44	539.55
2005	3,637.70	12,334.0	8,696.30	3,896.74	8,705.98	2,809.22	8,326.96	8,879.54	542.58

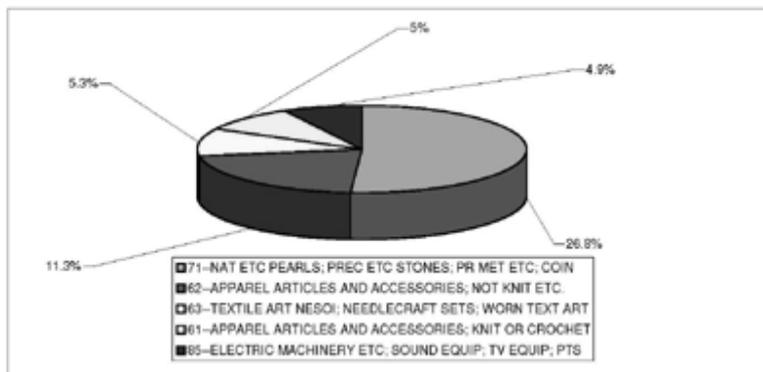
Net Exports of Cut & Polished Diamonds



Gem & Jewellery Country wise Import into U.S.A for the last 3 years.



Sector wise Imports by U.S. for the Year 2005



OBJECTIVE

- USA is an important market for gems and jewellery exports from India and would continue to remain prominent with regard to Indian gem and jewellery exports. The objective of organising the India Pavilion was mainly to showcase & promote the Indian jewellery, to the buyers from all the over world which is one point interact for the Indian Exhibitors.
- To discover the latest innovations and developments in the world jewellery market,
- To find out about current trends,
- Networking
- To make contact and do effective business.

Achievements:

- India Pavilion witnessed a good turnout of visitors
- Enquiries received about IIJS 2007 and were keen to visit the show and participate.
- Majority of the exhibitors committed to participate in JA Show, New York 2007.
- The organisers have assured the Council to promote the India Pavilion.