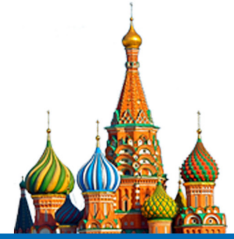




SPECIAL REPORT

CIBJO CONGRESS 2014

Moscow - 19-21 May 2014



Marketing & Education Commission

CIBJO to initiate project that measures jewelry sector's impact on environment



**By Jonathan Kendall, President
CIBJO Marketing & Education Commission**

At this year's CIBJO Congress, the Marketing and Education Commission will continue its focus on the environment, and the role that all of us in the industry have to play in maintaining our competitive position versus other business sectors.

Environmental issues have come to the fore again with serious pollution problems in China, the extreme cold in the United States, the bush fires in Australia, the flooding in Europe and the general volatility affecting so many areas of the world.

Once again the issue is at the forefront of the political agenda, and this time is unlikely to slip into the background, as it did in 2008-2011.

The jewellery industry must rise to the challenge. Consumers have plenty of purchasing options, and our research shows that vacations, computers, smart phones, tablet computers, etcetera, are all alternatives that are considered by potential customers rather than jewellery. The hotel industry is ahead of us, as are the key players in the communications world such as Apple and Samsung.

At CIBJO we can be proud of our achievements – the Blue Book system; our involvement with ECOSOC of the United Nations; our focus on

sustainability and responsibility, and our drive to maintain consumer confidence.

TIME TO CATCH UP WITH OTHER INDUSTRIES

Yet, the next serious issue we must address is the jewellery industry's impact on the environment. We know consumers are becoming more and more aware and concerned with regards to the environment, and these issues are beginning to impact on consumer buying behaviour. As an industry it is time to act, as we are already behind the curve, and in five years' time it will be too late to play catch-up.

In the same way that CIBJO has initiated a number of key programmes in the past ten years, we plan to start the development of an industry standard for the measurement of our businesses' impact on the environment.

Before the congress we will be looking to recruit 15-20 companies who are "early adopters" and genuinely wish to support progress in this field, as they understand the importance of this issue. More details will be presented at the congress, and in the weeks and months between now and May we will be looking for support from the leaders and influencers in the industry.

From a market perspective the industry cannot afford to ignore the fact that research shows consumers under 35 are truly concerned by the impact industries have on the environment. Jewellery is an "image business" and as such it is fundamental our image is of the highest standard in all regards.

ANOTHER SOLID YEAR IS FORECAST

The year 2013 was a good one for the jewellery industry. Businesses across the industry achieved



Jonathan Kendall, President of CIBJO's Marketing & Education Commission.

growth, many showing 5 percent-plus, with the United States positive but Europe slow. Emerging markets had a good first half, although the second half was a challenge for some, particularly India.

2014 has started well and the general feeling is of "cautious optimism." The market in India has improved quite significantly, and China had a successful "New Year" period. Valentine's Day reminded us "romance" is not dead and that jewellery is an ideal gift for expressing one's feelings to loved ones.

However be aware to keep a close eye on inventories as consumer confidence and consequently demand is still vulnerable to volatility depending on economic/geo-political issues. Though, so long as consumers feel relatively secure in terms of income, expect another solid year of sales for the jewellery industry.

We look forward to seeing you in May.

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