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# Jewelry Market Week: America's Best Jewelers seminar

## Jewelers share inventory tips at ABJ event

By Catherine Dayrit  
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Las Vegas--Attendees of the final America's Best Jewelers breakfast workshop at the 2009 edition of the Couture show debated one of the most pressing issues affecting retail jewelers today: inventory that won't turn.

Forced to deal with aged inventory while also finding ways to freshen product offerings and excite customers, retailers are finding themselves stuck between a rock and a hard place.

*National Jeweler* Editorial Director Whitney Sielaff, moderator of the "Ten Creative Ideas for Old Inventory" session, said that inventory was a major topic of discussion at the Couture show, and he referenced a statistic indicating that between 45 and 55 percent of the inventory in the industry is currently at least a year old.

Special guest Matthew Stuller, chief executive officer of Lafayette, La.-based industry supplier Stuller, kicked off the discussion by saying that today's customer requires that the industry change up the status quo.

"We as jewelers today are going to have to do things differently than the old paradigm," Stuller said. "We are dealing with a different breed of customer. They're coming in educated. They know what they want before they walk in the door. So is the answer more inventory? I don't think so."

Stuller said that while it's important for retailers to have a wide range of pieces on display and available for customers to purchase and take home immediately, it is also possible to use technology to circumvent excess in-store inventory. New digital selling solutions, for example, allow retailers to access online inventories of loose and finished pieces that can be delivered to customers overnight.

Jewelers on the panel said that to begin, retailers need to consider the types of designs their customers would like, rather than what they themselves want to purchase for their stores.

Susan Eisen of Susan Eisen Fine Jewelry and Watches in El Paso, Texas, said that it's a common mistake for jewelers to purchase pieces they find appealing without taking into consideration the store's demographic, which can lead to an excess of inventory.

That's a sentiment that Yariza Torres of Reinhold Jewelers in San Juan, Puerto Rico, echoed, saying "We can't buy what we want or like; we have to buy what customers want--that's the reality."

Eisen said that in dealing with aged inventory, a retailer should consider his or her strengths. Because custom work

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and the creative aspect of the jewelry business are particularly important to her, Eisen uses those skills to deal with aged inventory, taking two older designs, for example, and reworking them into a single new piece.

Another strategy Eisen takes is focusing on the displays, juxtaposing older pieces with new ones, reinventing the showcases and keeping them fresh for returning customers.

"I want to enliven my displays--not just for the customer but for my staff," she said, adding that if the sales team isn't excited about the product, why should the customer be?

Torres of Reinhold Jewelers said she relies particularly on software to help her manage her store's inventory, determining which pieces are selling, which should be reordered and which are less profitable. Having a strong management system in place helps the retailer's buyers hone in on pieces that the store really needs and helps to predict which designs are more likely to move.

For Marc Green of Lux Bond and Green, a major advantage is the fourth-generation jeweler's eight locations spread throughout Connecticut and Massachusetts. Because the retailer counts multiple stores under its banner, it is able to transfer inventory between locations, keeping pieces fresh for customers in different areas.

Green also stressed the importance of maintaining relationships with vendors. It is far easier for a retailer to discuss exchanges and trade-ins, for example, with a brand it has had a relationship with for years as opposed to a vendor with which it has little rapport.

"The trick is to have relationships to move the product and refill product," Green said. "It is so important today to be a partner with everybody."

Green said that among the options for shedding aged inventory are holding sales for employees and considering auction sites such as eBay.

He discourages donating older designs, however, saying, "You want to show people who you are." If consumers are first exposed to a jeweler through a donated design, that outdated, non-selling piece won't be the one that attracts them in.

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