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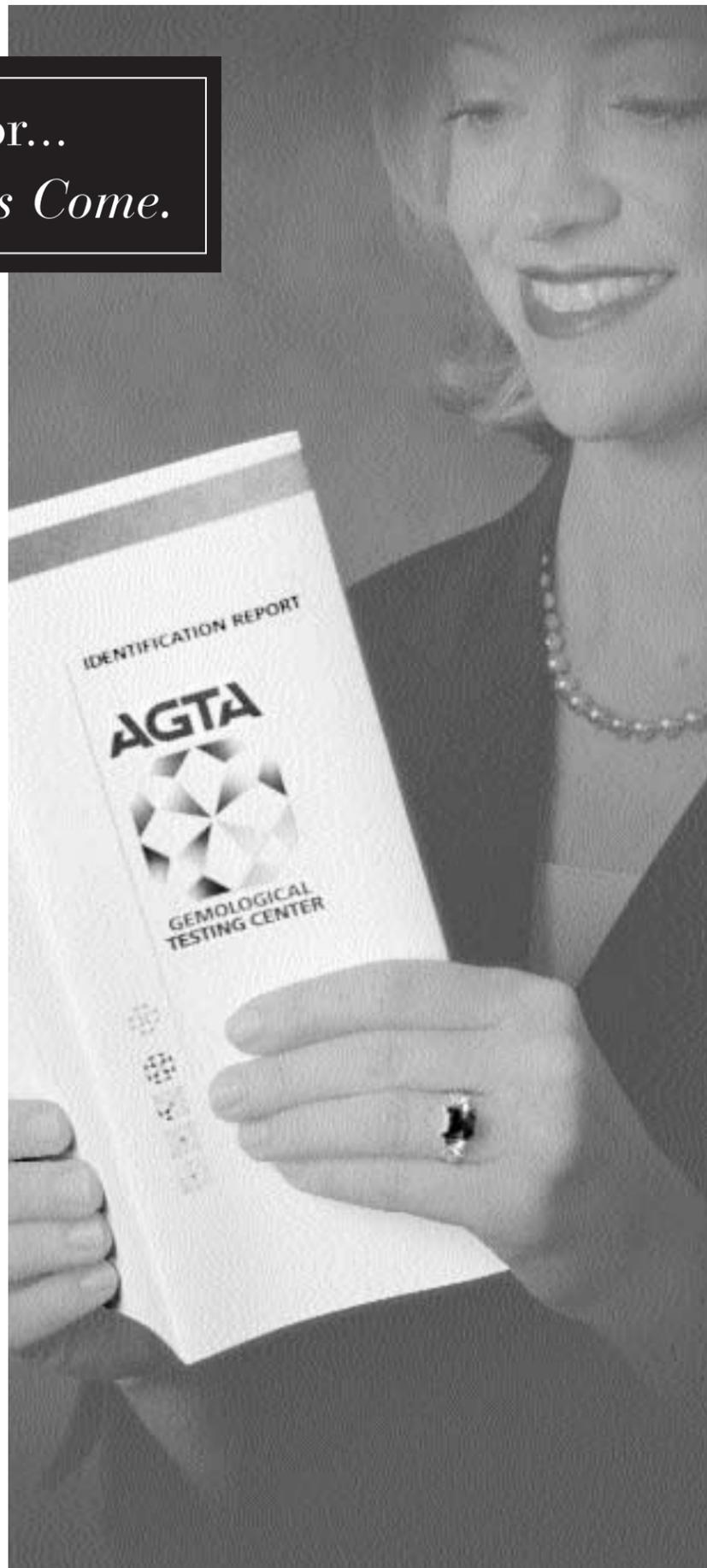
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New York, NY 10017

For membership call (800) 972-1162

Findings based on marketing research conducted September 2000 by AGTA.



The American Gem Trade Association

Election Newsletter

December 2003

2004 AGTA Board Elections

This year three of nine Directors are to be elected to the Board of the American Gem Trade Association.

Members of the AGTA Board whose terms of office expire in February 2004 are as follows:

Philip Zahm	Director
Rick Kremenz	Director
Jack Abraham	Director

The following AGTA Officers' and Directors' terms continue through the coming year:

Eric Braunwart	President
Robert Linder	Vice President
Ashok Sancheti	Vice President
Barbara Lawrence	Treasurer
Allen Kleiman	Secretary
Michael Amstein	Director
Betty Sue King	Director
Glenn Lehrer	Director
Sampat Poddar	Director
Bear Williams	Director

The **Nominating Committee** was chaired by Richard Greenwood. Committee members for the 2004 nomination slate were Jack Abraham (Precious Gem Resources, New York, NY), Avi Raz (A & Z Pearls, Los Angeles, CA) and Simon Watt (Mayer & Watt, Maysville, KY).

Candidates for the 2004 election are as follows:

Director: (three to be elected)

Michael Avram	Gemtech International, New York, NY
Rick Kremenz	Richard Kremenz Gemstones, Newark, NJ
David Ohlgisser	King Plutarco, Los Angeles, CA
Douglas Pipher	Wobito Gems, Stouffville, ON, Canada
Eric Schowtzer	Penn Gem International, McMurray, PA
Steven Stieglitz	Steven B. Stieglitz, New York, NY

About AGTA Elections

WHO CAN VOTE IN AGTA ELECTIONS? All AGTA Firm and Charter Members *in good standing* who have completed their 6-month probation may vote. Ballots are enclosed for those members.

"IN GOOD STANDING": This means those who have renewed their AGTA membership for 2004. Members who are suspended may not vote.

FOR ALL MEMBERS' INFORMATION: Affiliate Members, Honorary Members and recently approved members whose 6-month probationary terms has not yet expired are ineligible to vote. However, this Election Newsletter is sent to ALL members and applicants for membership to keep the entire organization and prospective members informed on the election proceedings.

WHO SIGNS THE BALLOT? Ballots MUST be signed by the designated member of record for each member company. Ballots signed by persons other than the member of record cannot be tallied. The member of record for each company is the person whose name appears in the *AGTA Source Directory*, on all invoices and on AGTA correspondence.

VOTING DEADLINE: In order to be counted, ballots must arrive at the AGTA office in Dallas, Texas by the close of business on January 10, 2004. Ballots may be faxed to 214-742-1171.

VOTE COUNTING PROCEDURE: Ballots will be held, sealed in their envelopes, until they are opened and counted by the Executive Director and two AGTA members, as directed by the AGTA Constitution. Any interested member who wishes to observe the counting of the ballots is welcome to do so. Please contact the Executive Director for the time and location of this event. Election results will be reported to all AGTA members shortly after the ballots are counted.

MEET YOUR 2004 AGTA BOARD IN TUCSON: Newly elected Board members will be introduced at the general membership meeting February 8, 2004 in Tucson and will take office at the Board meeting on February 10, 2004. Please read the following pages for each candidates views and goals before casting your votes on the enclosed ballot.



For Director

A three year term starting February 2004

■ Michael Avram

Gemtech International Corp.
New York, NY



Founding Charter AGTA member 1981
Chairman of Membership Committee
1981-1982

Researcher of tanzanite allegations

The formation of the AGTA, of which I was a founding charter member, was based on the dream of educating and promoting colored gemstones to both the jewelry industry and general public. Having involvement in the jewelry industry for the past 34 years I can say with certainty and conviction that the same ideology needs to continue to be enforced. Over the years my involvement with the AGTA has remained constant. Although in the past I had not chosen to take an acting position on the board, I had still remained active, always lending a helping hand. The latter can be seen in the proactive and crucial role that took in the efforts to discredit the tanzanite allegations, which had confronted the industry. If not thoroughly dealt with, such significant allegations could have forever devastated the trade.

Considering the difficulty of our industry over the past few years the goal of continued promotion and advertisement of the beauty of colored gemstones should be even more clear. Moreover, in order to reach the final consumer with this message we must first educate the retailer.

Furthermore, we need to develop new means to create profits at the Gem Fair Shows. Additionally, we must not forget the necessity in protecting the rights of all AGTA exhibitors. This can be accomplished with strict enforcement of exhibiting rules, which will help to maintain fair marketing within the parameters of the Gem Fair.

The AGTA gem lab is another essential aspect of our growing organization. It plays an important role in certifying gems to the industry and informing us of new treatments that are being used in the enhancement of colored gemstones. We should continue to support and finance this well-deserved and extremely valuable endeavor.

With my unparalleled passion for colored gemstones and my dedication to the AGTA, I am confident that if elected I will truly be an asset to the association.

Thank you for your time and utmost consideration.

For Director

A three year term starting February 2004

■ Richard Kremenz

Richard Kremenz Gemstones
Newark, NJ



My first term as a director is expiring, and I am running for re-election.

First, I would like to thank the many of you who signed my nomination petitions for this election. I received over 50 signatures and many letters of support.

Many of you already know me. I have been Chairman of the Tanzanite and Industry Rules Committees, and co-chair on Budget and Finance Committee. I also sit on the GTC Board of Governors. This year I have worked well with my fellow board members. The new board has been very positive and fun to work with.

For those that do not know me, a little background. I am 48 years old, the fourth generation in my family's business, which was founded in 1866. I have lived for five years in Brazil and a year in Africa. The letters after my name include GG, FGA, CG, and an MBA from Harvard. I am an active member of the ICA, and have been asked to sit on the board of the Jewelers Vigilance Committee in 2004. I love all the colors; my business works with about 80 colors, from paraiba to emerald to rose quartz. I think I can represent almost all the factions in our industry. I was elected to director three years ago, and ran for president via nomination petition last year in a very close election.

AGTA has several challenges ahead. The GTC (Lab) has been an important resource for us, and also very expensive. This board has focused on financial responsibility for the lab, and the **lab is not going to be allowed to run up such horrendous deficits, as it has in the past.** The new corundum treatments continue to threaten our industry and our lab. Key to our success will be generating a strong financial base for the lab, as it cannot be funded any longer from the trade show revenues. As Budget and Finance Co-Chair for this year, I feel I have been effective in keeping the focus of the lab on finances. We are exploring how to create a larger fundraising effort to create an endowment to help fund research.

Ongoing, **our trade shows have to continue to be the premier color venues in the U.S.** Tucson is changing, and we must work to keep our show and our members in first place, despite new competition from JCK-Phoenix, and changes with GJX and GLDA.

Publicity and promotion must be increased and improved.

Deficits in the lab have curtailed many promotional projects, so getting the lab into healthy financial territory is essential.

Keeping the board responsible to members is essential. The Constitutional amendments on this ballot I have been pushing for a number of years. The members must be able to communicate their wishes to their representative, and I believe the changes will improve our organization.

I ask for your vote. Please feel free to contact me if you want to discuss any AGTA issues at rick@rkg1866.com

For Director

A three year term starting February 2004

Steven B. Stieglitz

Steven B. Stieglitz
New York, NY



Founding Charter Member of AGTA 1981
GIA Alumni & Associated Member
ICA Member

I have been in the gem business for over 38 years in New York City, which handles the majority of the American gem trade. I have made my hobby (mineralogy) my business and bring my passions for it to the table.

I know how to run a successful business and during this time I have gained much knowledge and experience with colored stones. I will use these experiences for the benefit of all AGTA members. I am concerned with all the controversy surrounding the various corundum treatments that have surfaced in the past two years. I think it is necessary for all of us to take notice of its potential effect on our industry. We must figure out a way to present our views on the subject to the public honestly, fairly but mindful of the effects it has on selling these gems. We are fortunate to have one of the premier labs in the world at our disposal. Their research is second to none on the corundum issues. Since we are a relative new organization and our lab is a few years old we do not have a large endowment for research on hand. I believe this is of the utmost importance to our organization. I will work for the establishment of a committee to look into ways of organizing a fund for lab research emergencies, such as the current controversy. I would ask each and every member to contribute to its success. More member participation will benefit us all. Thank you for your vote. If I am elected I will try to implement these ideas.

Article VII Standing Committees Section 7 Nominating Committees

The Nominating Committee shall consist of a Chairman, who shall be the Immediate Past President and three (3) Charter or Firm members selected by the Chairman. In selection of committee members the Chairman shall endeavor to ensure that various geographical areas of the United States are fairly represented.

In the event of the inability or unwillingness of the Immediate Past President to serve as chairman of the Nominating Committee, the President shall appoint a replacement subject to the approval of a majority of the voting members of the Board.

The Committee Chairman shall, on or before the first day of September each year, submit to the President and the Executive Director a proposed slate of nominees for each vacancy in the Board of Directors and officers which shall occur by expiration of term of office in February of the following year. The Committee shall endeavor to submit more than one (1) name for each such vacancy.

The list of nominees shall be presented to the Board of Directors for review at the fall meeting of the Board. By a three-fourths vote of the Board members present, any name(s) submitted by the committee may be vetoed. By a three-fourths vote of the Board members present, the Board may require the committee to submit an additional nominee in those cases where only one name was submitted.

In either such case, the committee shall submit new and/or additional names forthwith, but not later than the first day of December so as to allow the Executive Director to prepare the mail ballot which said ballot shall be mailed to the membership no later than the 10th day of December each year.

In addition to the persons nominated in accordance with the foregoing procedure, the mail ballot shall also include the name of any person nominated by written petition signed by at least ten (10) percent of the total voting membership presented to the Nominating Committee Chairman and the Executive Director not later than the first day of December each year.

Member signatures shall be invalid if they appear on more than one petition per officer or director position.

Mail ballots shall be returned to the AGTA office so as to be received not later than the 10th day of January. Ballots received later than said deadline shall not be counted. Ballots shall be opened and immediately tabulated by the Executive Director and at least two (2) members. The results of the vote shall be promulgated by the Executive Director.

For Director**A three year term starting February 2004****■ David Ohlgisser**King Plutarco
Los Angeles, CA

It would be a great challenge to work with other dealers of the industry trying to figure out ways to improve and increase the marketing of gemstones. The level of confidence from the part of the consumers must be increased if we are to be successful.

Our primary experience is with Pearls and Emeralds both of which confidence and confusion is very common within the trade, let alone the consumer. If in a small way I can contribute towards these goals it would be a pleasure.

For Director**A three year term starting February 2004****Douglas L. Pipher**Wobito Gems Limited
Stouffville, Ontario, Canada

I have a growing knowledge of the gemstone industry within a framework of over 20 years in the marketing, advertising and sales promotion industry. It is my desire to use my extensive experience in developing markets, building brand awareness and generating customer loyalty to help the AGTA grow and achieve its stated mission.

The AGTA is an association of United States and Canadian natural colored gemstone and cultured pearl industry professionals dedicated to promoting the natural colored gemstone trade.

The association pursues its aim through the combined use of educational programs, industry events, industrial relations and publicity to the trade and consumers while maintaining the highest ethical standards among its members and within the industry.

There are many members of the AGTA board, and indeed many of the whole AGTA membership who have greater knowledge of gemstones than I. The bulk of my experience, skills and knowledge lie in the area of promotion and marketing development. And, as the above mission statement reads, we are dedicated to *promoting* the natural colored gemstone trade.

As a marketing professional, I have had the opportunity to work in a wide variety of industries and have come to appreciate the common threads throughout all business. Thus, while being involved in the gemstone industry for only the past seven years, I have developed a thorough application of gemstone products and a sound understanding of both potential and pitfalls that may lie ahead for our industry. During this time, I have been instrumental in the creation of international awareness, branding and product differentiation for a line of unique gem cuts.

I believe the industry need to emphasize these four areas.

- To further educate retailers in order to appreciate the art of the lapidary. That is, to build the value of our products by stressing the creativity and craftsmanship inherent in fine gem cutting.

(continued next page)

For Director**A three year term starting February 2004****■ Eric Schwotzer**Penn Gem International
McMurray, PA

MEMBER: AGTA-AGS-ICA-JBT

I have been in the colored stone business for 25 years and a member of AGTA for 20 years. I was asked if I would run for nomination to the board this summer, by a committee member whom I have great regard for.

I have agreed and disagreed with some of the changes in the past. I feel that the only way for any member to have an effect on AGTA policy is to run for office or volunteer for a committee.

Everyone that uses the Gem Lab, participates in the shows, or uses the marketing, or promotional material, is benefiting from our association. We are all in this together whether we remain passive or active.

The most important goal in my opinion of any officer is to promote colored stone sales for the whole organization. We all make our living selling colored stones. If our association can help each and every one of us in our business, then, it has done its job well.

I hope to help in any way that a board member, speaking for the whole association, can.

(continued)

Douglas L. Pipher

- To continue the promotion of the unique properties and appeal of gemstones to the general public to build the market.
- To attract talented artisans to the industry.
- To encourage star-quality lapidaries and encourage the recognition of outstanding work - not only within our industry but to the public as well.

I believe that I can bring a different perspective which can enhance the board in a couple of ways. First, I believe my experience as an expert in building businesses in this and other industries can be of great value. Second, while the AGTA gem shows are held in the United States, the market is increasingly international. As someone who has lived in Canada and Europe and conducted business internationally, I can share my international perspective to the advantage of the association.

In summary, I believe that it is vital that we continue to strengthen our association, build our industry and increase public awareness and appreciation for the high quality and artistic craftsmanship of our industry. If elected, I will be a strong voice on the board toward that end.