



JEWELERS OF AMERICA

Thank you very much for taking the time to complete the 2010 *Cost of Doing Business* survey. Please complete by May 15, 2010.

You have the option of completing the survey online at www.jewelrysturvey2010.com. If you prefer to complete this printed version, please complete and mail to:

Advantage Marketing Information, 35 Steamboat Avenue, Wickford, RI 02852

Contact Rick Nagele with **any questions** by email at nagele@advantage411.com or by phone at (401) 294-6910.

In order to receive your free copy of the final 2010 *Cost of Doing Business Survey Report*, call Jewelers of America Member Services department at (800) 223-0673

ABOUT YOUR BUSINESS

1) Which of the following best describes your business? (check one)

1 __ sales of high-end products

3 __ designer/artist/custom

2 __ sales of mid-range products

4 __ other (describe) _____

2) How many retail stores do you have? _____

3) What is the **total** square footage of your retail store? (if more than one store, total all) _____ sq. ft.

4) How many square feet of **selling area**? (if more than one store, total all) _____ sq. ft.

5) Is your store/facility (or your *best* store) located in a: (please check one only)

1 __ mall

3 __ free standing building (alone or shared)

5 __ other (describe below)

2 __ downtown

4 __ strip mall

6) In what State is your store/main store/headquarters located? (use 2-digit abbreviation, e.g., NY) ____

7) Is your organization: 1 __ sole proprietorship 3 __ Sub-S Corporation 5 __ LLC

2 __ partnership

4 __ C-Corporation

8) Do you consider yourself to be a family business? 1 __ yes 2 __ no

9) Do you own or rent your retail facility/facilities?

1 __ own

2 __ rent

3 __ both

4 __ other (describe) _____

10) How many 'year-round' employees do you have? (include yourself in the appropriate category, if none enter 0)

10a _____ (number of full-time employees)

10b _____ (number of part-time employees)

How many 'additional seasonal' employees do you have?

10c _____ (number of full-time employees)

10d _____ (number of part-time employees)

11) On average, how many hours per week does a part-time employee work? _____ hrs/week



2009 INCOME STATEMENT

12) Please read the following hints and then complete the income statement.

If you don't know, please write in DK. If there is no expense, write in 0.

Line b. Report cost of goods sold on a FIFO basis (first in, first out).

Line d. Payroll includes all owner compensation (draw from partnerships, Limited Liability Companies (LLC) and S-corporations), the company portion of all payroll taxes, workers' comp and fringe benefits (sick pay, vacation pay, employer portion of employee insurance, pensions plans, etc). Advertising payroll is on line f5; elevator operators and janitorial on line e.

Line e. Occupancy costs include building rent or mortgage payments, maintenance, depreciation, utilities, building insurance and property taxes.

Line h. All other operating expenses not included in d, e, f, and g. Interest income/expense and other non-operating expenses are on lines k, l and m.

Line k. Total other non-operating income (example: interest income).

Line m. Total other non-operating expenses.

Line	Amount (please omit cents)
a) Net Sales (net of returns and allowances)	\$ _____
b) Cost of Goods Sold	\$ _____
c) Gross Profit (Line a minus Line b)	\$ _____
OPERATING EXPENSES:	
d) Payroll	\$ _____
e) Occupancy costs	\$ _____
f) For each promotional expense, enter expense amount or 0 if none:	
1) Print advertising	\$ _____
2) Radio advertising	\$ _____
3) TV advertising	\$ _____
4) Estimated annual Internet/website expenses	\$ _____
5) Ad/promo staff payroll (if applicable)	\$ _____
f) Other promo exp. (window/interior displays, specialties, events, etc)	\$ _____
g) Employee training & educational expenses	\$ _____
h) Other operating expenses	\$ _____
i) Total operating expenses (add lines d through h)	\$ _____
j) Operating profit (line c minus line i)	\$ _____
k) Other non-operating income	\$ _____
l) Interest Expense (do not adjust expense with interest income)	\$ _____
m) Other non-operating expense	\$ _____
n) Net profit before tax (line j plus line k minus line l minus line m)	\$ _____

BALANCE SHEET

13-14) Please read the following hints before completing the balance sheet.

Line 13a. Receivables should be reported net of allowances for doubtful accounts.

Line 13b. Report merchandise inventory AT COST on FIFO basis (first in, first out).

Line 13e. Fixed assets include land, buildings, equipment and fixtures, and capitalized leases.

Line 14d. Net worth (also known as net assets or shareholder value) equals total assets minus total liabilities.

Line 13g. Should equal **Line 14e.** if your numbers are correct.

ASSETS		LIABILITIES	
13a) Accounts Receivable (net)	\$	14a) Total current liabilities	\$
b) Inventory (FIFO at cost)	\$	b) Total other liabilities	\$
c) Other current assets	\$	(Includes long term)	
d) Total current assets	\$	c) Total liabilities	\$
e) Fixed assets	\$	d) Net worth	\$
f) Other assets	\$	e) Total liabilities & net worth	\$
g) Total assets	\$		

15) Approximately what percent of your sales are from alternative channels of distribution (sales made to customers through the Internet, direct mail or catalogs)? estimate _____ %

16) Do you presently use the Internet for business purposes? (check one)

- 1 __ yes, use Internet for promotional purposes only 3 __ no, but plan business use of Internet soon
 2 __ yes, use Internet for promotion and sales 4 __ no, and no plans to use Internet soon

17) Which of the following best describes your outlook on the future of your jewelry business?

- 1 __ Decrease more than 20% 4 __ Stay the same 7 __ Increase more than 20%
 2 __ Decrease 11 - 20% 5 __ Increase 1 - 10% 8 __ Unsure
 3 __ Decrease 1 - 10% 6 __ Increase 11 - 20%

18) Which of the following categories of professionals best describes you? (check one only)

- 1 __ bench jeweler 6 __ retailer/merchant who 'likes or loves' jewelry
 2 __ designer/artist 7 __ retailer/merchant who 'likes or loves' fashion
 3 __ crafts person 8 __ retailer/merchant who is 'currently in the jewelry business'
 4 __ watchmaker 9 __ businessperson who 'happens to be in retail'
 5 __ goldsmith 10 __ other

19-20) Does your company make any of the jewelry you sell?

- 1 __ no (skip next question) 2 __ yes (write in percent) _____ %

21) Do you sell the jewelry you make to your retail customers, other jewelers or both?

- 1 __ retail customers only 3 __ both
 2 __ other jewelers only 4 __ other (describe) _____

22) Approximately what percent of your advertising/promotional expenses for 2009 were paid by co-op from your suppliers?

(write in percent) _____ %

23) Approximately what percent of your inventory is made up of consignment or memo goods?

(write in percent) _____ %

Please turn over and complete the back page.

24) Did you include the value of your memo or consignment goods in inventory on line 13b in question 13-14 above?

1 __ yes

2 __ no

3 __ unsure

MERCHANDISING DATA

25) Please complete as much of the following merchandising data for your store(s) as possible. Report inventory on a FIFO basis (first-in, first-out). Report average inventory if possible; use end of year if average is not available.

Please read the following hints before completing the merchandising data.

Line B. Diamond jewelry - all new pieces (except timepieces and estate) in which diamonds constitute 50% or more of the value of the finished piece.

Line C. Colored stone jewelry includes - all new jewelry (except timepieces and estate) in which colored stones equal 50% or more of the value.

Line D. Cultured pearl jewelry - all new jewelry (except timepieces and estate) in which cultured pearls constitute 50% or more of the value of the piece.

Line E. Karat gold jewelry - all new karat gold jewelry (except timepieces and estate) in which karat gold constitutes 50% or more of the value piece.

Line F. Platinum - all new platinum jewelry (except timepieces and estate) in which platinum constitutes 50% or more of the value of the finished piece.

Line	Category	2008 Sales (Last Year's Sale)	2009 Sales (This Year's Sale)	2009 Gross Profit	2009 Inventory (at cost)
A	Diamonds - loose only	\$	\$	\$	\$
B	Diamond jewelry	\$	\$	\$	\$
C	Colored stone jewelry	\$	\$	\$	\$
D	Cultured pearl jewelry	\$	\$	\$	\$
E	Karat gold jewelry	\$	\$	\$	\$
F	Platinum jewelry	\$	\$	\$	\$
G	Timepieces and watchbands	\$	\$	\$	\$
H	All other fine jewelry	\$	\$	\$	\$
I	Estate/Antique jewelry	\$	\$	\$	\$
J	Flatware - All sterling silver, plated and stainless steel flatware	\$	\$	\$	\$
K	Appraisals	\$	\$	\$	\$
L	Repairs	\$	\$	\$	\$
M	Fashion jewelry (includes sterling silver)	\$	\$	\$	\$
N	Other	\$	\$	\$	\$
O	Total	\$	\$	\$	\$

26. Is your company a Jewelers of America member?

1 __ no

2 __ yes (for how many years? _____)

Thank you very much for your time and cooperation.

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