

A Few Words from
OUR BEST
SPOKESPEOPLE...

Our Clients

THE
Gordon
C O M P A N Y

CASE STUDIES & TESTIMONIALS

WINTER/SPRING **2017**

A message from
The Gordon Company's CEO, Jeff Gordon

“Our clients are our lifblood. My business is important to me, but not as important as the relationships that we build with our clients. Even after the completion of a sale, we value our customers so much that they become part of the Gordon Company family, and to me, nothing is more significant than that.”



Why The Gordon Company?

The Gordon Company is a proven leader in high-impact events and inventory reduction sales for fine jewelers. We pride ourselves in delivering the greatest net cash recovery on jewelry inventories for the most prestigious jewelers in North America.

Our Sophisticated Approach in conducting sale events separates us from our competition and our individualized solutions vary according to the needs, desires and goals of each jeweler. Every situation is a little different, and with no obligation on our client's part, we consult, analyze, and deliver a confidential, customized plan to meet each jeweler's specific needs.

Our goal is to maximize the return on aged or unwanted assets without ever compromising our client's brand name and reputation, or affecting their ongoing operations. In most cases, we greatly benefit future business through increases in new customer base, greatly expanded mailing lists, and recommendations for future growth and development. And because we don't own any inventory, we have the freedom to tailor desired, augmented jewelry needs to exactly what fits your store's brand image and specific jewelry requirements.

Please read the following case studies of jewelers with whom we've worked in the recent past. These are a testament to our success in fulfilling our clients' goals and providing a lasting legacy for each one.

Q & A

Questions, Answers & Related Quotes from Our Clients

How can I be assured that my stellar brand image won't be negatively affected by a sale event?

This is a legitimate concern we hear from almost every fine jeweler we work with. The Gordon Company prides itself in working with the top jewelers in the country. Our professionalism is next to none in the industry, and we do everything possible to ensure the quality and integrity of each area in a sale event, from the marketing materials created specifically for you, to the type of advertising used, to the "fit" of augmented merchandise brought into your store, to the quality of our on-site Gordon Company representative. Most of all, you, the jeweler, approve each and every area of the sale. We want and need your 100% support. That's what makes our sale successful financially – where your personal goals will be met – and also guarantees the maintenance of your top-notch brand and quality image in the community.

"We also learned that it IS possible to maintain our high level of integrity and trust with our existing and new customers while conducting a "sale." This was something we were never in favor of since we thought it would undermine our philosophy. But it did nothing of the kind because of the way The Gordon Company orchestrated the event."

Will my business suffer after the sale, and if so, for how long?

The event itself usually generates three to four times the average sales of the same period during the previous year. It does so because of the extraordinary marketing, advertising, and promotion administered through the sale. Logically, there is a short "let-down" or drop-off in sales after the event, but that should last only a minimal amount of time. Lessons learned during the sale period will help prevent a prolonged softness in business. Most of all, the continued focus of management on driving business is what is most important. (See next question.)

"Amazingly, we had continued success even after the sale with a 20% increase in our business."

Will you provide some post-sale advice to help us going forward?

Absolutely. Owners and managers must continue to market and promote, albeit at a much more modest level after the sale, but the momentum built during the sale should continue with the store long afterward. One of the comments we hear most often is that new customers are generated to such a degree that they more than make up for any perceived short term loss. It's the long term that really counts, especially for those jewelers who conduct an event to eliminate underperforming inventory, and want to move forward with the increased cash in-hand and the larger customer base generated from the sale.

"The Gordon Company marketing and advertising of the sale worked extremely well and we now have a much better idea of a marketing plan of how and where we can get the best ROI for the future of our business."

What can I expect to gain in increased customer base resulting from the sale's significant advertising and promotion?

Our clients have experienced a range between a 20% - 52% increase in customer base as a result of the sales event. We collect both street and email addresses on all customers. It is common for new customers to say that they never knew the store was there until they saw our advertising. This increased customer base adds significantly to the growth potential of the business.

"I thought The Gordon Company would help me with a positive sale, but I didn't realize they would also help me with my future operations. 41% of the customers during the sale were new, and they added nearly 1,500 names to my mailing list, and over 1,300 to my email list! I now have a list of fresh, new customers, which I can transition into healthy sales going forward. I can't thank The Gordon Company enough."

Why do we need to bring in additional augmented inventory?

Most jewelers have "holes" in their inventory mix (or will once the sale starts), especially with their desire to liquidate aged inventory that has been sitting around for many years. The augmented jewelry helps to sell your owned inventory. Every successful sale benefits from augmented merchandise filling categories that are necessary to appeal to the widest possible audience. Don't worry. We tailor augmented merchandise to fit your current merchandise mix, style, quality, and vendors. You will approve all products brought into your store and have the right to reject any of them.

"The supplemental jewelry The Gordon Company brought into the store was awesome! It matched our style of operation perfectly, and gave many options to our guests that they never would have had and helped to hold our margins high."

Will you try to sell your own merchandise, rather than my dated inventory?

First of all, The Gordon Company doesn't own any inventory and the merchandise that is brought in is new product, not closeouts. That is one aspect of our work that is unique from other companies you may talk to. Our goal is to sell your unwanted, aged inventory and generate cash flow for your business. The additional inventory brought into your store is also yours to profit from, but typically only a modest amount of sales are from augmented merchandise.

"I was very pleased with the quality, value and variety of the inventory provided by The Gordon Company. I was also extremely satisfied with the strong emphasis that they put on selling my original inventory, as that was one of the most important goals going into the event."

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The Gordon Company's President,
Ira Bergman

“We could tell you how great our services are, however we would rather have our clients do the talking. What speaks volumes for The Gordon Company are the powerful and candid quotes that come out of the mouths of our clients. Following the success of their sales, they are anxious to provide video testimonials, which you may find on our website www.gordonco.com. Our results do the talking, and we would rather have you read and listen to people who were once in the same position as you.

We do not just conduct a sale, we take on strategic partners...for life! Please enjoy the case studies that follow or visit our informational website. You will see that no talking is needed on our part.



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WHEREVER YOU ARE, WE HAVE EXPERIENCE IN YOUR MARKET



LESTER LAMPERT

— Chicago, Illinois —

When a high-end retail jewelry store has never conducted a sale in its 96-year history, there is a natural tendency to question the decision to do so. But Lester Lampert, an iconic brand in the greater Chicago area, believed in The Gordon Company to hold such an event and lauded their performance and results.

In Lester Lampert's words, "We learned that it is possible to maintain our upscale image and trust with our existing clients while conducting such a sale event. It was something I was never in favor of because I thought it would undermine our philosophy and luxury brand name. But it did nothing of the kind, mainly because of the superb handling of the sale by The Gordon Company. They knew how best to lead and manage the event and did so with great care and precision."

"The sale was conducted beautifully and professionally by our Gordon Company representative. He was a perfect fit for us and embraced our business philosophy and style. He was intelligent, knowledgeable, and interacted and motivated our staff every day. Each phase of the sale went smoothly and we were always kept well-informed and had final approval on all aspects of the event."

- David Lampert

The Gordon Company Assignment and Execution Plan:

- Conduct the sale event with the utmost integrity and protect the luxury image of Lester Lampert
- Dispose of old inventory and bring in additional quality product to supplement the needs of the merchandising mix

- Create a pricing policy for owned and augmented merchandise that would complement the stated goals of the company
- Increase cash flow to support the design and development of new branded merchandise
- Implement a strategic plan to ensure the sale of big ticket items, which was typical for the store and necessary in order to reach the targeted sales goals

"The Gordon Company marketing and advertising of the sale worked extremely well and we now have a much better idea of the plan to use to attain the best return on investment for our business in the future."

- David Lampert

The Results Were Remarkable:

- Over the two-month period of the sale, **total sales increased 218%** over the same time period in the previous year
- Projected sales of owned inventory (already a very big number) were **exceeded by 64%**
- Importantly, nearly **three-fourths of all owned inventory was sold** during the event period
- Ticket sales totaled 501, with new customers representing 26% of all tickets, or 132 new individuals

"We were able to eliminate most of our old merchandise and make money doing it, instead of melting products down and taking a substantial loss."

- Lester Lampert

SHREVE & CO.

— San Francisco, California —

San Francisco's coveted downtown has been home to Shreve & Co. since March of 1906. And although the earthquake and fire that year couldn't move Shreve & Co. from its historic building at the corner of Post Street and Grant, the company was essentially forced to leave after a bidding war with a jewelry super-power when its lease expired. Shreve took this as an opportunity to find a bigger store in the same area to better serve the jewelry needs of its long-standing, upscale clientele. Having done successful sales with The Gordon Company in the past, Shreve engaged them yet again, this time to conduct moving sales for both the San Francisco and Palo Alto stores.

The Gordon Company Challenge:

Time was of the essence because Shreve's lease was expiring and the company needed to move fast. The Gordon Company quickly formulated a concise plan to remedy the situation: deploying every resource they had; speaking to vendors about merchandising needs; writing radio and TV scripts in anticipation of a unique marketing strategy; and developing ways to get new and existing Shreve customers through the door. In addition, the primary concern of Shreve was how The Gordon Company would accomplish its fundamental goals while maintaining the quality and prestige of Shreve's coveted brand.

The Gordon Company's Specific Goals:

- Dispose of aged inventory in order to raise the cash needed to bring in new inventory and help finance the new locations
- Put into place a \$1 million advertising plan in expedited fashion, while remaining cost effective and true to the image of Shreve's famous brand name
- Provide the highest quality of augmented inventory possible, particularly with respect to Shreve's strict merchandising and quality control standards

According to owner, Lane Schiffman, *"The first day of the sale was the biggest day in our 109 year history at Post and Grant."*

The Gordon Company Solution and Accomplishments:

- Due to timing, there was no choice but to conduct the events in the summer season, which also made it necessary to capitalize on the vast tourist traffic in those months
- A downturn in the Chinese economy led to a 20% reduction in Shreve's historically important Chinese tourist business; The Gordon Company was able to overcome this during the sale
- Sales for both stores during this timeframe were more than **double the amount in the same time frame the previous year**
- Total customers in San Francisco were **2.8 times more than the previous year** in that time frame

R. F. MOELLER JEWELER

— St. Paul-Minneapolis, Minnesota —

R.F. Moeller Jeweler has been a well-known and respected retailer in the Saint Paul-Minneapolis, MN area since 1952. A guild jewelry business, the company evolved, eventually operating three AGS stores in the Twin-Cities region. In the intervening years, management of the business was assumed by the founder's son, Mark Moeller, and later R. F. (Bob) Moeller II. Mark is a decorated leader in the jewelry industry and the R. F. Moeller firm has been a recipient of numerous civic awards over the years. Today, the company specializes in a wide variety of fine jewelry, well-known diamond brands, and prestige Swiss watch brands including Rolex®.

The Gordon Company Assignment and Execution Plan:

The luxury department store Neiman Marcus closed, prompting R. F. Moeller to move their original store in Gaviidae Common to a new location in another part of the mall. The assignment and plan was to:

- Close the original Gaviidae Common store and help open at the new location
- Liquidate unproductive inventory from all locations and maximize the cash recovery value
- Mitigate public perception of the sale which could impair the R. F. Moeller brand image
- Increase consumer awareness of R. F. Moeller, while specifically building awareness of the company's new location in Gaviidae Common
- Develop an appropriate relocation sale strategy and communications campaign
- Provide in-store oversight to facilitate the sale and eventual move
- Integrate the store relocation sales plan into the company's marketing and public relations plan
- Prepare sales, media, resource, and expense budgets to control the event

"I was impressed with The Gordon Company's ability to navigate the challenges that come with running an event that is outside the skill set of most retail jewelers."

– Bob Moeller

Special Considerations and Issues:

- The company's commission-based compensation plan
- The covenants that governed designer and name-brand advertising
- AGS retail standards, including the use of discounts and promotional pricing
- Obstructions to customer traffic, including weather and operations of enclosed skyway transportation system

The Gordon Company Accomplishments:

- Exceeded sales expectations, **increasing sales by more than 4.5 times or 357%** over the comparable period in the previous year
- Achieved **91% of the prior year's annual volume** during the limited-time event
- Increased the email and the direct mail database, and the company's brand awareness

"Working with The Gordon Company was a great experience. From setting goals to preparing the stores and staff to the handling of the marketing and sales analysis, they made everything easy and profitable, and handled all the details."

– Mark Moeller

JIMMY SMITH JEWELERS

— Decatur, Alabama —

Trust has been the cornerstone of Jimmy Smith Jewelers throughout its 42 year history. Jimmy and his staff have always focused on building quality relationships with their customers. They operate the business with the highest ethical standards, which is why clients often travel long distances to shop with the “jeweler they can trust.” This emphasis on customer service and integrity has made Jimmy Smith Jewelers a prominent, award-winning retailer in Decatur, Alabama for over four decades.

The Gordon Company Assignment:

- Conduct a successful Store Closing sale in Decatur
- Allow for a smooth transition to a new store location nearby
- Sell enough aged merchandise to raise sufficient cash to acquire fresh jewelry for the new store

According to Jimmy, ***“The Mother’s Day party we hosted was the largest one day sales event in our 42-year history.”***

Special Considerations for the Event:

- A small population in Decatur made it necessary to reach into the surrounding areas
- High foot traffic in the store due to its repair business had to be converted to significant jewelry sales
- The Gordon Company had to overcome the potential hindrance of the store’s past promotional sales over the last three years
- Jimmy Smith’s impeccable reputation in the area, as well as his great relationship with customers, had to be maintained

“We have had other companies run sales for us in the past, but have never had results like this and never had it run so professionally. And we never had so much fun doing it!”

– Jimmy Smith

The Gordon Company Solution and Accomplishments:

- Total actual sales were nearly **19% higher than projected sales**
- A **30% overall increase** in customer base was generated, from 2,450 to 3,165 (including out-of-town customers) with an email list increase from 630 to 732
- **27% more owned inventory sold** than the original plan, netting greater cash and gross margin to the client
- Aged inventory sales expectations were surpassed, making more room for fresh inventory in the new store
- Post-sale recommendations made to the client:
 - Laid out new sales techniques for store operations and staff
 - Identified very helpful empirical data for future inventory purchases
 - Provided guidelines for future marketing based on solid analytic research

“The sales results continue to please me immensely. Momentum is still building, and I am amazed that we are still selling an incredible amount of aged merchandise.”

– Jimmy Smith

HAMILTON JEWELERS

— Princeton, New Jersey —

Hamilton Jewelers was founded in Trenton, New Jersey in 1912. Irving Siegel, a former errand boy for a similar store, purchased the firm in 1927 for \$15,750, payable in notes to the former owners. “Mr. Irving,” as he was known, stocked the simplest of items such as silver dresser sets and cigarette lighters to finer goods ranging from diamonds to pocket watches, all in a small storefront on South Broad Street. Together with his wife, Alice, they built a modest business working every day through the depression to establish themselves in the community. Today, Hamilton Jewelers is a prestigious firm run by the Siegel family, which sells the finest in high-quality diamonds and jewelry, and notable Swiss watch brands.

The Gordon Company Assignment & Scope of Work:

Hamilton Jewelers decided to close the Lawrenceville, NJ location to focus their business on the nearby flagship store in Princeton, NJ. The Gordon Company was retained to assist Hamilton management to:

- Help close the Lawrenceville store and transition customers to the Princeton location
- Liquidate more than \$3 million of excess inventory and maximize the recovery value
- Mitigate the potential adverse impact of the sale on the coveted Hamilton brand
- Recommend an incremental pricing strategy to maximize cash flow from the sale
- Design and develop a customized marketing and advertising strategy for the store closing
- Manage, analyze, and control the sale in order to react quickly to possible market changes

- Effectively manage issues related to marketing agreements with designer and Swiss watch brands
- Prepare comparative analytic reports on budget to actual, discounts and margins

The Gordon Company Accomplishments:

- Provided productive, supplemental merchandise to fit perfectly with the Hamilton brand
- Exceeded original sales projections and surpassed inventory liquidation goals without negatively affecting sales in nearby Hamilton non-sale stores
- Expanded the company’s customer base, and increased the direct mail and email lists

SPECIAL UPDATE

Due to the success of the sale, many of the Lawrenceville customers now shop at the Princeton store. This includes a number of new customers who had never before shopped at a Hamilton store.

“Because we did not want to tarnish the reputation of our Princeton store when closing the Lawrenceville location, we chose The Gordon Company to guide us through the process. They knew exactly how to approach the situation and carry out the event without affecting the business of our other store. We could not be happier with the results.”

– Hank Siegel

TIVOL

— Kansas City, Missouri —

Located in Kansas City, TIVOL was founded by Charles Tivol in 1910. His fine jewelry skills, business abilities, attention to his customers, and relentless focus on high standards, enabled TIVOL to grow throughout the first-half of the 20th Century. After his military service, Harold Tivol joined the business in 1946. A student of GIA, Harold brought a second generation of technical expertise and business savvy to the business, leading to store expansion and sales growth. TIVOL is currently led by the family's third generation, Cathy Tivol, who joined the business in 1978. Today, the company continues to sell high quality designer diamond jewelry, as well as many notable Swiss watch brands.

The Gordon Company Assignment and Scope of Work:

The mall development at Briarcliff Village never matured as projected. The Gordon Company was asked to assist TIVOL management to:

- Close the Briarcliff Village store and transition customers to Country Club Plaza
- Liquidate approximately \$3.5 million of excess inventory and maximize recovery value
- Mitigate the potential adverse impact of the inventory liquidation on the TIVOL brand
- Increase awareness of the brand and adapt marketing strategies to support the operation
- Recommend an incremental pricing strategy to maximize cash flow from the sale
- Produce, deliver, and implement new and innovative in-store collateral print material
- Manage, analyze, and control the sale, and react to changes in local market conditions

- Prepare reports that compared actual sales to budget, discounts, and margins
- Deal with contractual marketing agreements with designer and Swiss watch brands

The Gordon Company Solution and Accomplishments:

- Developed an event plan linked to sales, product sales by department, margin, expense, and cash flow projections
- Designed and implemented a custom marketing and media plan to conduct a sale that was compatible with the company's marketing and public relations programs
- Provided productive supplemental merchandise to drive incremental event sales
- Exceeded original sales projections, surpassing the inventory liquidation goals, without negatively affecting the sales in the TIVOL non-sale stores
- Outperformed the company's net income expectations and surpassed the projected return on excess inventory sold
- Expanded the company's customer base, increasing the direct mail and email lists

“Closing a store is never easy, but The Gordon Company helped make the process successful and gratifying. They provided a tremendous service and we could not have achieved the same results without their assistance. Our goals were not just met, but exceeded.

– Cathy Tivol

BACHENDORF'S

— Dallas, Texas —

Bachendorf's is known as one of America's finest upscale retail jewelers, but when one of their three stores was under-performing to management's expectations, it called for some serious inquiry. Location and changing demographics are often good reasons to close down a store, and this was the case with one of theirs. But the question was how to do it without negatively affecting the other two highly successful stores and without tarnishing the stellar image of the Bachendorf brand. At the same time, management wanted to take full advantage of what a unique sale event could do for the business in disposing of aged and unwanted merchandise that had built up over the years.

"We never considered having a liquidation sale. I had heard great things about The Gordon Company from other jewelers whom I respect, and after seeing the higher standards they keep in their marketing materials, I decided to go ahead and try it. After my experience with The Gordon Company and the sale they handled for us, I wish I could do this once a year!"

– Lawrence Bock

The Gordon Company Challenge and Scope of Work:

- Create a strategic plan to close one of the Bachendorf stores while at the same time maintain their impeccable reputation in the community
- Hit lofty sales goals while significantly reducing aged and under-performing inventory

"When I first saw the sales projections that The Gordon Company predicted, I did not think we would attain them. In the first week of the sale, we more than doubled our projected sales goals!"

– Lawrence Bock

- Generate a sizable increase in new customers who would continue to shop in the remaining two Bachendorf stores
- Provide tailored and productive supplemental merchandise in key areas to drive incremental event sales
- Have an experienced in-store supervisor to assist in all aspects of the sale event

"The Gordon Company sent us an all-embracing, jewelry savvy consultant who was highly focused on driving sales. The consultant handled every detail of the merchandising and marketing of the sale and blended seamlessly with the store staff. The Gordon Company came in with a plan, executed it well, and over-delivered on our jewelry sales. Amazing!"

– Lawrence Bock

The Gordon Company Accomplishments:

- The strategic sales plan moved more aged merchandise than ever anticipated
- **21% of the actual sales went to new customers** who had never purchased at any Bachendorf stores, and these **new customers accounted for a remarkable 34% of total sales dollars**
- The sale was cut short (it lasted only 27 days) due to unforeseen circumstances, but **still exceeded the total original sales goal** projected over a much longer period of time
- Sales of the client's original unwanted merchandise exceeded the goal that was set
- A lower than anticipated average discount on all goods was achieved, still exceeding sales projections and putting more actual dollars in our client's pocket

"When I considered hiring The Gordon Company to do my sale, I had no idea it would generate so many new customers. Due to this sale, my mailing list has grown significantly, and going forward we will be able to reach a lot of new and viable customers."

– Lawrence Bock

ALVIN GOLDFARB JEWELERS

— Seattle, Washington —

Alvin Goldfarb Jeweler is a fine retail store established in 1980 by the Goldfarb family. They started with one free-standing store in Bellevue, WA just across the bridge from Seattle. In 2005 the family opened a second store in Seattle's downtown district to leverage the Alvin Goldfarb brand and extend their market reach. The Goldfarb's specialize in selling branded diamonds and jewelry, prestige-brand Swiss watches, designer jewelry lines, and gift items.

The company's sales declined as a result of the Great Recession, and the decline was disproportionately higher in the Seattle store, where the Alvin Goldfarb name was less established. Sales growth slowly returned to the more well-known Bellevue location, while recovery remained elusive for the newer Seattle store. In effect, management was working twice as hard running two stores without achieving an equivalent return. Two years later, Steven Goldfarb, company president, made the difficult but economically necessary decision to consolidate the two businesses, and devote management's time and company resources to growing the more successful Bellevue business.

“Quite a few friends in the jewelry business suggested I do the store closing sale internally, but I decided to hire The Gordon Company, and I'm thrilled that I did. I could not have come close to the results they achieved, and the Seattle store closing sale results carried over to our Bellevue store, increasing sales by 10% during the same period.”

– Steven Goldfarb

The Gordon Company Assignment and Scope of Work:

- Help to close the downtown Seattle store and liquidate excess, duplicated, and slow-selling fine jewelry, watches, and gold jewelry inventory in both store locations
- Maximize the recovery value of the inventory sold, while protecting the high-quality image and reputation of the Alvin Goldfarb brand in the Bellevue and Seattle markets
- Increase customer base, including both email and mailing lists, and transition the Seattle clientele to the Bellevue location
- Prepare sales projections, volume estimates, cash flow, average discounts, margin rates, expense budgets, and operating profit estimates for the event
- Develop a communications strategy that conformed to selected brand-name advertising conditions and limitations
- Prepare daily sales and staff budgets to control expenses and event costs
- Manage and control the sale to react to changes in local market conditions

The Gordon Company Solution and Accomplishments:

- The event **increased sales by 628% over the comparable period in the prior year**
- Overall, the event did 185% more than the previous year's volume and **exceeded the event's original sale projections by 158%**
- **Actual gross profit (dollars) exceeded plan by 258%**, and the entire targeted, non-productive inventory was sold at maximum value

GLEIM THE JEWELER

— Palo Alto, California —

Founded during the Great Depression, Gleim the Jeweler was opened in 1931, in Palo Alto, CA. Three generations later, the prestigious jewelry company still operates as a family business under the leadership of Georgie Gleim, who is also a past president of the American Gem Society (AGS) and received their coveted Robert M. Shipley Award.

Today, the company continues to operate as an AGS jeweler, selling fine diamonds, diamond jewelry and distinguished Swiss watch brands as well as estate jewelry. Additionally, Gleim The Jeweler offers gemological technical services through the company's accredited AGS gem laboratory.

Georgie Gleim made the difficult decision to close the founder's original store located on University Avenue in Palo Alto, CA because of declining downtown traffic due to changing demographics and asked The Gordon Company to assist them with the store closing.

“The Gordon Company started with a sales plan that was many times higher than our store had ever done before. When the closing sale was over, we had nearly doubled that significant goal.”

– Georgie Gliem

The Gordon Company Assignment and Scope of Work:

- Assist the company's management team to close the downtown University Street store
- Liquidate excess, duplicated, and slow-moving fine jewelry and watches from the company's three stores

- Maximize the recovery value of the merchandise sold during the sale
- Minimize the impact of the store closing and liquidation sale on the brand image and values of Gleim The Jeweler
- Provide a sales management and supervisory team to oversee the project
- Design and develop a one-of-a-kind marketing and advertising strategy
- Establish a pricing strategy to optimize the return on investment of sold inventory
- Develop reports for projected sales, volume estimates, average discounts, margin rates, expenses, and income
- Design, produce, and deliver in-store communications collateral, print, and where appropriate, other creative materials for local use in the Stanford and Palo Alto markets

The Gordon Company Solution and Accomplishments:

- ***Exceeded original sales projections by 200%***
- Surpassed net sales for the event by ***170% of the volume of the store's entire previous year***
- Expanded the customer base for the flagship store while continuing to target the high-end consumer with the quality and service known by Gleim in the community

“We made the right decision in choosing The Gordon Company to manage our store closing for us. I definitely would use them again.”

– Georgie Gliem

DAVID GARDNER JEWELERS

— College Station, Texas —

As a first generation fine jeweler in College Station, TX, the home of Texas A&M University, David Gardner and his wife, Julia, built a very successful jewelry business over three decades. But in recent years, they had begun to notice a change in the buying habits of their customers. David, in particular, recognized that, unlike watches (where brands were very strong), the consumer was more frequently asking for custom-made, one-of-a-kind jewelry pieces. In order to implement this change, David needed to redefine his business model and build capital by reducing aged inventory levels of both branded and generic jewelry pieces. The vehicle chosen to do this was a carefully designed inventory reduction sale event.

“The Gordon Company has been amazing. We achieved our monetary goals and significantly reduced our under-performing inventory levels. We are now prepared to change our business model with strength and assurance.”

– David Gardner

The Gordon Company Assignment:

- Create a customized sale event for David Gardner Jewelers that would significantly reduce aged inventory levels
- Raise the cash needed to move the business forward in a new direction to fit the buying habits of their clientele
- Use upscale advertising and marketing methods to maximize sales results while at the same time respecting the store’s exceptional brand image in the community

- Provide high quality augment merchandise to align with the quality and integrity of the store’s own merchandise
- Assign a highly experienced in-store supervisor to work with David and his staff to achieve the stated goals

“My friends in the business told me I could trust The Gordon Company to run my sale in the right way to match my high standards. They did, and I am very pleased with the numbers.”

– David Gardner

The Gordon Company Accomplishments:

- Revenue from the event **exceeded the sales goal** of owned inventory
- **39% of the total sales were to new customers**, which equated to 400 individual sales
- A **lower than projected average discount** for jewelry sold was achieved, which put more dollars in the owner’s pocket
- The sales event accomplished David Gardner’s goal to raise the cash needed to develop his new business model and secure the future of his business

“I was pleasantly surprised at how much The Gordon Company did for me in planning, execution, and results. The reaction of my customers to the sale was great, and the fact that we won so many new clients through the event will help me in the next phase of our business.”

– David Gardner

CALVIN'S FINE JEWELRY

— Austin, Texas —

In 1997 Calvin Smith opened Calvin's Fine Jewelry and hired his sister Kathy to work in sales. He offered a few jewelry lines to start, but he soon realized that developing relationships with customers would take time. Calvin's solution was to take on an unusual collaboration by adding a small salon inside his store. The salon was operated by longtime stylist (and the love of his life), Jackie. Jackie's large clientele loved the store, and as the word spread, Calvin's grew. Jackie hired contract stylists to take over the salon, while she took over accounting, decorating, and designing for the store. Calvin did everything from simple repairs to complex custom work and Kathy developed a connection with customers and the jewelry they loved.

Why The Gordon Company?

Calvin Smith came to The Gordon Company with a goal in mind to help ensure that his store would continue long into the future for his children. While Calvin's had conducted successful sales in the past, their most recent sales were not bringing in the revenue and new customers they expected. The results: a surplus of excess inventory, which tied up the store's precious resources. Calvin needed the help of professionals to get the job done.

The Scope of The Gordon Company Assignment:

- Develop and execute an effective sales event strategy that would meet the store's goals
- Conduct an inventory reduction sale that would sell off the store's dated inventory, but without affecting holiday sales at full price
- Generate enough cash to allow the store to pay off long-term bank debts
- Maximize the recovery value of the inventory and mitigate any potential adverse impact the sale could have on the company's upstanding reputation in the community

- Attract new customers to the store during the sale and increase the mailing and email lists
- Recommend an incremental pricing strategy to maximize cash flow and margin
- Design and develop a customized marketing and advertising strategy
- Manage and analyze the sale to react to possible changes in local market conditions

"A new customer came in our store and told us that he has lived in this area for 18 years and said he never knew that we were here until he saw our advertising."

– Calvin Smith

The Gordon Company Solution and Accomplishments:

- Outperformed the company's gross margin expectations on its owned inventory by 35.41% and ***surpassed the projected return on excess original inventory sold by 39%***
- Acquired ***212 new customers***, accounting for ***41% of the total sales***
- Expanded the company's customer base, increasing direct mail and email lists by 10%

In Calvin Smith's words, ***"We were shocked at the sales results and number of customers when we opened on the first Sunday of our sale. We have a history of not being open on Sundays. The sale was 33 working days and the biggest month in our history."***

ZIMMER BROTHERS

— Poughkeepsie, New York —

There aren't too many independent jewelers in the United States who can boast of being in business for over a century. But Zimmer Brothers, a multi-generation business, can do just that.

In honor of their 120 years in existence, the company wanted to conduct the most spectacular Anniversary Sale in its history. Michael Gordon and his daughter, Jocelyn, had held successful sales events every decade or so, but in this year they had a substantial amount of excess inventory as a result of the economic downturn. They wanted to dispose of these excess goods, and through consultation with The Gordon Company, it was suggested that Zimmer conduct a longer sale and sell more product than all their previous sales.

The Gordon Company Assignment and Scope of Work:

- Create and conduct a longer, unique anniversary sale that would not lose momentum after the first week
- Liquidate almost \$1 million of excess inventory and maximize the recovery value
- Mitigate the potential adverse impact that the sale could have on the Zimmer brand
- Increase the awareness of the brand and grow Zimmer's customer mailing and email lists
- Develop an incremental pricing strategy and a customized marketing and advertising plan
- Manage, analyze, and control the sale to react to changes in local market conditions
- Prepare comparative reports on sales to budget, discounts, and margins to control the sale and identify event sales trends

"We had an opportunity to review and add our own concepts to all of our event advertising. The Gordon Company conducted the sale as an extension of our team and all advertising and marketing was adjusted to fit the Zimmer Brother's philosophy and style."

– Michael Gordon

The Gordon Company Solution and Accomplishments:

- Provided productive supplemental merchandise that aligned with the Zimmer Brothers brand and drove incremental event sales
- Exceeded original sales projections, **surpassing the inventory reduction goals by 18%**
- **Surpassed the projected return on excess merchandise sold by 46%**
- Generated **54% of their two-year average annual sales in only a five-week period of time**

"I put my confidence in The Gordon Company from the beginning of the sale; however I truly believed they over-projected the numbers. After the first week, they earned my trust and I was convinced that the projection would be met or exceeded. Ultimately, they blew the original projection out of the water, making me one happy store owner."

– Michael Gordon

MANN'S JEWELERS

— Rochester, New York —

Mann's Jewelers was closing one of their two stores, but realized this would result in twice as much inventory as needed for the remaining store. They sought the advice of The Gordon Company to consider the best way to handle the situation. But when the actual store closing was nixed by mall management, a new theme had to be created and the recommendation was to conduct a customized, one-time inventory liquidation sale. Ultimately, Mann's just told the public the absolute truth: after consolidating two locations into one, they were going to run a once-in-a-lifetime sale event, with every piece being offered at never-before-seen prices. The Gordon Company was selected to run the event and the results exceeded all sales expectations.

"I was flabbergasted on what was selling in both aged and augment merchandise in the first week of our sale. The Gordon Company was right on track with what they told me would sell."

– Nancy Mann

The Gordon Company Assignment:

- Design and execute a marketing plan to create urgency and drive historic streams of traffic
- Focus on liquidating as much Mann-owned jewelry items as possible
- Provide exquisite augment merchandise at valued prices to ensure a prosperous sale event
- Guide personnel in all departments to secure smooth shifts through each segment of the sale

- Help to transition customers from the closed Eastview Mall store to the remaining store
- Recommend future merchandise needs with styles that performed well
- Maintain Mann's brand image and excellent reputation throughout the sale event

"The Gordon Company's strategy produced sales results that were above my wildest expectations! I looked at several different providers for this style of service and I know we made the right decision in choosing the Gordon Company."

– Nancy Mann

The Gordon Company Results:

- Substantially increased cash flow with the movement of vast amounts of aged inventory
- Projected sales of owned inventory were **exceeded by 12%**
- Out of the 1,985 purchases during the sale, 387, or **nearly 20%, were new customers**
- Conducted the sale professionally, stabilized the business, and protected the Mann brand
- Over the 47-day event period, **total sales increased more than 3.5 times over the same period in the previous year**
- Provided guidelines for future marketing based on solid analytic research

"I want to personally thank the Gordon Company for helping us get back on our feet. They came in with a flawless plan, executed it well, and made it turnkey and easy. They gave us a needed shot in the arm and helped us stabilize our business. Thanks to the Gordon Company we are cash flow positive for the first time in a long time!"

– Robert Mann

E J SAIN JEWELERS

— Nashville, Tennessee —

EJ Sain Jewelers is an independent, 4th-generation family-owned luxury jeweler. Founded by E. J. Sain in 1902, the company continues to represent some of the world's most talented jewelry designers and fine watch brands. In addition, the firm specializes in custom design, on-site jewelry and watch repair, as well as appraisals and restoration services.

The Gordon Company Assignment and Scope of Work:

EJ Sain moved to a new location and the family wanted to conduct an event that would eliminate excess inventory and introduce everyone in Nashville to their spectacularly-designed new location. The Gordon Company's assignment was to assist EJ Sain management to:

- Create and conduct an event that included a 112th anniversary element that would:
 - revitalize the brand with their current clients
 - create interest and draw the younger generation
 - introduce recent residents in the community to the new store
- Liquidate well over \$1,000,000 at retail of excess and dated inventory and maximize its recovery value
- Mitigate any potential adverse impact of the sale on the fine EJ Sain brand
- Broaden exposure of the EJ Sain brand and increase the customer mailing and email lists
- Recommend an incremental pricing strategy to maximize cash flow from the sale
- Design and develop a customized marketing and advertising strategy for the sale that would integrate with marketing decisions on an ongoing basis

- Produce, deliver, and implement new and innovative in-store collateral print material and where appropriate, other creative material and media necessary to optimize event sales
- Manage, analyze and control the sale to react to changes in local market conditions
- Prepare reports that compared actual to budget, sales, discounts, and margins

The Gordon Company Solution and Accomplishments:

- Provided quality, productive supplemental merchandise to drive incremental event sales
- Exceeded original sales projections, surpassing the inventory liquidation goals
- Maintained an average discount rate of 8% less than original estimates
- **Outperformed the company's net income expectations by 20%** and surpassed the projected return on excess inventory sold by 22%
- **Generated 137% of the store's three-year average annual sales over the nine week sale period**
- Expanded the company's customer base and **increased the company's direct mail list by 15% and its email list by 279%**

"I have never seen the store so busy and have never had so much fun in my life. The sales are beyond my wildest expectations. I feel like I just won the lottery!"

– Gennette Sain Norman

BENOLD'S JEWELERS

— Austin, Texas —

Milton Doolittle wanted to retire, but had no family members to take over his jewelry store. A long-time employee was interested in purchasing the business, but couldn't come up with the financing to acquire both the business and the inventory. The decision was made to conduct a Retirement Sale to lessen the amount of money that the buyer would have to raise. This allowed Milton to leave with an amount that was necessary to carry on his lifestyle in a manner to which he was accustomed.

“At first, I was apprehensive with the high sales projections given for the first week, but we exceeded the entire week’s sales figures within the first couple days.”

– Milton Doolittle

The Gordon Company Assignment:

- Prepare a marketing plan that would bring volumes of traffic not seen in Benold's 87-year history
- Sell as much of the owner's aged original inventory as possible to monetize product in preparation for the owner's retirement
- Set the stage for the business to be taken over by Benold's long-time staff member with minimal disruption
- Provide a pleasant and knowledgeable in-store consultant to execute the entire sale event plan

“The Gordon Company marketing plan was precise and highly effective at bringing volumes of traffic into the store. We had never seen the store so crowded with people lined up outside the front door. It was amazing.”

– Milton Doolittle

The Gordon Company Success Story:

- **Exceeded all owned inventory sales goals** while maintaining the store's fine local reputation and brand name
- Increased the customer base by **adding nearly 1,000 customers** for ongoing sales in the business transition
- Sold **more than double the projected figures** of original inventory with a higher recovery price than expected

“Thanks to The Gordon Company, our sales far exceeded our wildest expectations! I am extremely happy with the overall results and can retire with real peace of mind.”

– Milton Doolittle

JACK LEWIS JEWELERS

— Bloomington, Illinois —

Jack Lewis founded the store that carries his name in 1927. He started as a “technical watchmaker,” serving railroad executives and conductors as well as Bloomington’s affluent clientele, who eventually became the emerging fine jeweler’s core customers. Later, the Jack Lewis brand would become synonymous with skilled jewelers and quality diamonds, earning the company membership in the American Gem Society (AGS).

John Wohlwend, a Jack Lewis employee since high school, became the company’s second-generation owner. John continually adapted the business to sustain growth and meet the luxury customer’s demand for new product, high value, and excellent service. Today the firm specializes in quality diamonds and gemstones, fine bridal jewelry, prestige Swiss watch brands, and branded designer jewelry. In addition to bringing his passion for jewelry to the Jack Lewis brand, John made his personal commitment to community service a core value of the business by supporting numerous humanitarian organizations.

With John Wohlwend’s decision to retire, he partnered with The Gordon Company to plan the sale of the business to his protégé and second-in-command, John Carter. To complete the sale, it was necessary to sell unproductive and aged inventory to fund new merchandise purchases and support future growth.

The Gordon Company Assignment and Scope of Work:

- Facilitate the sale of Jack Lewis Fine Jewelers and John Wohlwend’s retirement
- Raise cash for new merchandise purchases and subsequent sales growth
- Maximize cash generation, while maintaining the support of the supplier community

- Protect, maintain, and even build the Jack Lewis brand name as Bloomington’s leading luxury jeweler
- Develop a retirement/transition sale plan to sustain the company’s profitability
- Prepare an integrated sales plan, including a sales and advertising strategy subject to supplier advertising limitations
- Recommend an optimum pricing strategy for aged and underperforming inventory to maximize cash flow

The Gordon Company Solution and Accomplishments:

- The firm’s iconic, high-quality jewelry position within the market was upheld
- The standards in adhering to AGS “Ethical Business Practices” and high profile brand advertising guidelines were met
- The return on non-productive and aged inventory was maximized
- The successful sale of the business to John Carter was consummated

“The Gordon Company was selected because of their vast experience and professionalism, their ability to offer an event such as this without denigrating the history and legacy of the company, and their track record of producing outstanding results, which they did. I did my homework and we all got A’s.”

– John Wohlwend

G. THRAPP JEWELERS

— Indianapolis, Indiana —

Gary Thrapp, a first generation jeweler, had been in business for 31 years in Indianapolis, Indiana. He was quite visible in the community and even hand-designed and created the Indy 500 Festival Queens Crown in 1999. Made of mother of pearl and black onyx gemstones, it is unique in both design and use of gem materials. According to long-time associate Dana Friedman, “Gary Thrapp is very big on tradition and in actively helping the community in everything that goes on in Indianapolis.”

Despite the fact that his last year was the best in company history, Gary felt it was time to retire. In his words, “If the next 10 years go as fast as the last 10 years, it’s time to slow down and enjoy life a little more.”

The Gordon Company Assignment:

- Conduct a retirement/going out of business sale while accomplishing the client’s arduous goals

Gary was 66 years old with no heir to take over the business. He wasn’t comfortable selling his brand name to someone else, and it was much more likely that he would realize a bigger and more immediate financial gain by selling his inventory and allowing the community at large to benefit from the superior value he could offer his clientele. An added benefit was that Dana Friedman would be able to open her own boutique in a smaller area of the store soon after the sale.

Why The Gordon Company?

Gary was quite familiar with The Gordon Company and its President, Ira Bergman, but he did his homework. Checking with past Gordon Company clients and reviewing the strong references he received made his choice easy. Gary also had a quality store with superior merchandise, a great brand image, loyal customers, and a terrific reputation in the area. He wanted to make sure that the type of augmented inventory brought in to aid in the sale would fit with his top-notch store.

Since The Gordon Company doesn’t own any of its own merchandise, management can fit the right brands with the right store to generate maximum return for the owner.

The Sales Results Were Outstanding:

- Overall sales during the nine-week event yielded revenue nearly **4 times more than the same holiday period last year**
- Sales projected by The Gordon Company for the nine week duration were \$4.3 million. Actual sales totaled \$5.325 million, **a windfall of more than a million dollars**
- The revenue generated during the 62-day event alone was approximately 1.35 times higher than the entire previous year’s sales revenue
- **Over 90% of G. Thrapp’s inventory was sold** and at terrific gross margins throughout the sale

According to Gary Thrapp, **“I knew I could trust The Gordon Company to bring me the maximum financial return and to conduct the sale with the quality and dignity that were important to me. They did a great job and I can’t recommend them more highly.”**

JB LACHER JEWELERS

— Greenville, South Carolina —

JB Lacher Jewelers had been known as a Greenville, South Carolina treasure for 70 years. Founded in 1946 by Johan B. Lacher, a manufacturing jeweler, Lachers, as it was originally called, was heralded as a quality custom store providing exceptional service throughout South Carolina. JB Lachers was acquired by Steven and Nancy Shaiken in 1999 and they continued the legacy by providing quality merchandise and extraordinary service, adding their own talents and experience over the next 17 years.

The Gordon Company Assignment:

- Conduct a successful going out of business sale with the owner retiring

After Steven Shaiken's untimely passing, Nancy and her daughter, Kristi Shelton continued operating the store until, in Nancy's words, "It simply became too much for us to handle." She struggled with this decision for several years, but finally felt it was time to close down.

Why The Gordon Company?

Nancy was familiar with the trusted Gordon Company name, and knew that her sale would be organized and administered with the utmost care and concern for her clients and the community.

According to Nancy, ***"The decision to sign with The Gordon Company was like signing with an old family friend."***

The Gordon Company Sales Results Exceeded Projections

- Sales during the 62-day event ***increased \$1.5 million over the same time period last year***
- ***Actual overall gross margin dollars were 72% higher than the projected figure***
- The Gordon Company surpassed projected gross margin % for both owned and augmented inventory
- The Gordon Company's projection of \$1.5 million in sales was exceeded by 23%, totaling \$1.847 million for the duration of the sale

In Nancy Shaiken's words, ***"The Gordon Company professionals handled my sale and my customers with the utmost integrity and the results far exceeded my expectations. The entire process was a true blessing and one I would heartily recommend to others."***

H. C. REID & SON JEWELERS

— New Canaan, Connecticut —

Henry C. Reid, a watch and clockmaker, opened his store in 1910. When Henry's son, Herb Reid, retired, his partner Arthur R. French Jr. took on three new partners, all of whom had been in his employ. Harry French bought out his father's partners in 1978 and today the certified gemologist remains the sole owner and company president of Henry C. Reid & Son Jewelers. Not only has French followed in his father's footsteps, but also in those of Herb Reid. Reid was among the first jewelers in the country to become a certified gemologist of the American Gem Society, and Harry French would later earn this title in 1972.

In Harry French's words, ***"It was great having The Gordon Company leading and managing our sale. All we had to do was approve the ads for marketing, and they did all the work."***

The Gordon Company Assignment and Scope of Work:

With two successful stores in Connecticut, the company wanted to carry out a large-scale retirement sale at the New Canaan location so Harry could devote all of his attention to the equally successful Fairfield store. Given the large amount of excess inventory that had accumulated over the years, Harry chose to simultaneously have an inventory liquidation sale to generate cash that would allow the company to purchase new, fresh inventory, as well as introduce new brands to their clientele. The goals were to:

- Liquidate excess, dated inventory and maximize the recovery value
- Mitigate the potential adverse impact of the inventory liquidation sale on the company's brand image

- Increase awareness of the H.C. Reid & Son Jeweler's brand and attract new customers
- Increase the store's customer mailing and email list
- Recommend an incremental pricing strategy to maximize cash flow and margin
- Design and develop a customized marketing and advertising strategy
- Test product that H. C. Reid & Sons had not carried but was interested in acquiring
- Manage, analyze and control the sale to react to changes in local market conditions
- Prepare reports that compared sales, discounts, and margins to control the sale event and identify sale trends

The Gordon Company Solution and Accomplishments:

- **Achieved 2.81 times greater sales volume** during the event compared to the same period the previous year
- **Exceeded the original sales projections by over 40%**, and exceeded the original margin projections by over 38%
- Maintained a lower discount rate than projected, resulting in more profit for the firm

"I am very happy with the overall sales results. My accounts payable are close to zero. That is a tremendous weight off of my shoulders"

– Harry French

INVENTORY REDUCTION & CASH RAISING EVENTS

RETIREMENT & OWNERSHIP TRANSITION EVENTS

STRATEGIC STORE RELOCATION EVENTS

STRATEGIC STORE CLOSING EVENTS

RETIREMENT & GOING OUT OF BUSINESS EVENTS

RETIREMENT & LIQUIDATION EVENTS

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