



What Do Global Diamond Meetings Do For You? A Lot, Actually

By Albert Robinson



“Who wouldn’t want to be a top official in one of the diamond industry’s international organizations?” a diamantaire asked me recently. Flying first class, staying in nice hotels, attending fancy dinners, meeting ministers and presidents, giving speeches and receiving or giving awards, all of which is dutifully reported by the diamond industry trade press.

“Don’t get me wrong,” he immediately clarified. “I have been on a trip or two myself, all expenses paid. It’s great fun and takes you to places you might not otherwise have the opportunity to visit. But what do diamond firms actually get from these meetings?” he asked.

At a time when competition has never been tougher and margins thinner, conversations with smaller diamantaires reveal that they are astonishingly close to the edge. They are barely making sales through the summer months and are suffering from painfully slow business during the fall, and all of this is compounded by shrinking bank credit and longer credit terms from customers.

Another diamantaire, this one with 15-years’ experience in the trade, asked, “What do these trips do for us?” For a moment, I thought of the famous line from the Monty Python film, *Life of Brian*, where the rebels ask “What have the Romans ever done for us?” Suggestions are thrown out and then the grudging acknowledgment that apart from the sanitation, medicine, education, wine, public order, irrigation, roads, the fresh water system and public health, the Romans had done very little.

Where the diamond industry is concerned, this is no laughing matter. Many companies are struggling as never before. So what do these international meetings do for the diamond industry? Is it really the case that they do not provide any benefits?

In my opinion, these international meetings create awareness throughout the industry and in the wider global press that members of the trade care about how and with whom they do business. Closing our eyes to the horrors that can surround the industry is impossible, and showing consumers that we care has been critical.

A decade ago, nobody spoke about beneficiation. Today, nobody would seriously suggest that African producer states do not have the right to distribute and manufacture at least part of their diamond production at home.

Similarly, 10 years ago, few miners were taking steps to rehabilitate the land, rivers and lakes affected by their operations. Today, those efforts feature prominently on company websites because causing upheaval and destruction of the environment is now unthinkable.

That is particularly the case when lab-created diamonds are being promoted as environmentally clean while mined diamonds are claimed to be environmentally destructive.

Discussing the supply chain, the effect of the diamond industry’s operations on the environment, and the need for transparency are all critical to the continued health of

the diamond business. It is true that organizations typically take a long time to react and push through change, but that is the price to be paid for being inclusive.

So, what of the complaints made by many small traders and manufacturers that these international meetings are irrelevant, and provide no concrete help for individual business people? The fact is, that is not their aim. Diamond companies, as in any other industry, need to find their niche market. They must bring added value; otherwise, potential clients will see no benefit in trading with them. Can you source goods cheaper or manufacture diamonds better and at a lower price than your competitors? Are your business aims too wide and therefore not achievable? Are you marketing yourself efficiently or just doing business as you always have and with the same clients? Are you searching for new clients? Are you using

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technology to reduce your costs and provide a price benefit?

The international meetings provide a wider perspective, enabling the diamond industry to reflect on its actions and to show end consumers that it cares about how it is perceived. And that, ultimately, is also vital for small and medium-size diamond businesses because the effect on consumers who buy because they see that we care eventually filters down to them as well.

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Dear Mr. Robinson,

After returning from our summer holidays, I read your article “What Do Global Meetings Do for You?” and was very impressed with your balanced view on the subject. Firstly, thank you for contributing and shedding light on the value that organizations like the World Federation of Diamond Bourses (WFDB) add to its membership as well as the value of attending international trade meetings. However, I would like to expand on a few issues relating to your editorial:

- You make reference to flying first class, which very few companies still allow today. Yes, we do stay in good hotels, and we do have nice dinners and meet interesting people, which is done for the benefit of the industry without any financial compensation for us or our companies while performing these duties locally or abroad. If a senior executive’s hourly cost is calculated and compared to the hundreds of hours made available to organizations, then one realizes that these “officials” give a lot more than what they receive for the growth and development of an industry rather than own self-interest served.*
- Organizations like the WFDB and many others around the world work very hard to create a “better” trading environment, while looking after the interests of consumers, manufacturing nations, etc. A key example of this would be the Kimberley Process.*
- The WFDB works for the betterment of the diamond industry on a global basis and in the process represents members’ interests in discussions with financial institutions, governments and industry members from various sectors.*

- *We agree with the benefits you mention and can add many more developments and initiatives like the World Diamond Mark (WDM) that was created by the WFDB. The benefits derived from being a member of the WFDB, especially for smaller firms, is enormous as they will never have the resources to secure the type of information and other benefits offered by being part of a world body like the WFDB.*
- *Organizations like the WFDB ensure that beneficitation happens and transparency is enforced at the mining level through to the consumer market. This kind of involvement secures confidence in the supply chain while rewarding producing countries and ploughs back money for development.*
- *The WFDB provides smaller companies (members worldwide) with information on trading conditions and market related issues. We are also currently negotiating access to markets via exhibitions and the organization will continue hosting conferences.*
- *All these activities will happen against a background of protecting consumers and ensuring members adhere to a code of conduct. The recent appearance of non-disclosed synthetic diamonds in the market was addressed by the WFDB with immediate effect and resulted in machinery made available on a global basis to assist bourses in ensuring that if they state “natural diamonds” then they are indeed natural.*
- *Our organization has invested a lot of effort in developing marketing strategies – like the WDM – to assist our members with trading while creating real benefits for retailers and the consumer and protecting the investment they are making in one of the world’s most precious gems.*

On behalf of the WFDB, I thank you for the light you have shed on organizations like ourselves and for assisting with demystifying what international bodies do for its members.

Kind regards, Ernie Blom

WFDB President

