



Our new membership programme made easy

Before explaining our new Membership programme, a bit of background. Every year, for the last few years, we have had fewer Members than the year before. The main reason for this is almost certainly that longer standing Members have been scaling back or retiring completely, and fewer young people have chosen a career in the diamond trade. It is clear that what the Bourse requires is:

- Lots of new Members!
- New options for Members who don't want or need to come into the Bourse every day.

A BRILLIANT SOLUTION

With this in mind, Jacqui Larsson and Howard Levine took on the tricky task of coming up with a revised Membership programme that would be attractive to new Members as well as existing Members who wished to reduce their attendance at the Bourse:

Their first and most important recommendation is that all existing Members can carry on as they are.

In other words, you can continue with exactly the same type of Membership as you have now. There is no need to do anything or make any change.

Their second recommendation is a three-tier system. At the moment, these tiers are called Tier One, Tier Two and Tier Three, but we may change their name in due course to something like bronze, silver and gold or, as one Member jokingly suggested, FL, VVS1 and SI1. There is also an International Option. The final benefits for each tier and who would be eligible are still under discussion.

CHANGING YOUR PLANS

For most Members there is probably no reason to change, BUT for anyone wanting to scale back Tier Three offers the option of a reduced annual fee for fewer days in the Bourse. For example, you could decide to spend up to three days a week in the Bourse for an annual Membership of £4000 or one day a week for £2,200. True, you won't have a permanent desk and you can't 'accumulate' days. On the other hand, it offers worthwhile savings and extra days can always be booked at a fee if required. There are some other interesting options, too, such as reduced fees for Staff Members. The whole system, by the way, will be operated with the help of the latest technology (smart locks and so forth) and will not be up to our staff.

HELPING MEMBERS DO BUSINESS

Perhaps the most important point to make, however, is that Membership of the London Diamond Bourse offers an incredible range of benefits and outstanding value for money. We can do this because we are, effectively, a club. In fact, we are without doubt the most exclusive private jewellery club in the country. And, like any private club, we are here to serve our Members. Our Members come, of course, from a wide range of backgrounds and have a wide range of interests. However, they share one thing in common: they are in business. The Bourse's primary function must always be to support those businesses and to help Members make a profit.

THE SEARCH FOR NEW MEMBERS

Which brings us back to the purpose behind these new Tiers. We need new Members and over the next few months we will be launching a recruitment campaign. We believe, though, that the best possible source of candidates is our existing Membership. If every existing Member could find us just one candidate, then the Bourse's long-term future would be secured. Which is what we all want.



Free case of wine!

Introduce a new Member and receive a case of fine wine! We have received a donation of five mixed cases of wine (they all include a bottle of champagne) on the understanding that one case is to be given to any existing Member who introduces a successful candidate before 31st July. There is also a Kosher option. See back page for further information.

Alan's address to the AGM



Below is an edited version of the President's AGM speech.

This is LDB's second ever hybrid AGM. A warm welcome to everyone joining us via Zoom and an equally warm welcome to everyone here with me in the Bourse.

Since our last AGM we have fortunately lost only one longstanding, much-valued and much-missed Member: Eli Schreiber and one former member Maurice Goldstone. Before we get on with the business of the meeting I wonder if I could ask you all to stand and observe a minute of silence.

Thank you. I think it is fair to say that it has been an interesting year. I am hopeful that we are past the worst and that, as a nation, we are now well on the road to recovery.

When the first lockdown occurred and everyone was in panic mode, I heard from someone who works for the luxury group LVMH that their boss, Bernard Arnault, was in no doubt that the company would not only survive the pandemic but would prosper. He told his team that LVMH had not only survived previous pandemics but also countless wars and recessions and that in a few years everyone would see the events of 2020 as a mere blip in their corporate history. Interestingly, Arnault became almost \$100 billion richer during the last 12 months. I only wish I could say the same thing! Still, the point I want to make is that the Bourse has much in common with LVMH. We are, as it were, in the luxury space. We are a long established and historic organisation. We came into being as a result of the worst war the world has ever seen and we have survived many setbacks in our 81 years.

I mention this because I believe that as a result of the pandemic and other factors, the next few years are going to bring some of the toughest challenges the Bourse has ever seen and also some of the greatest opportunities. 'Times,' as Bob Dylan put it, 'they are a changin'.' I'll come back to these changes – and opportunities – in a moment. First, I just want to say a few words about the Council, other volunteers and, of course, our excellent Bourse team.

As you know Yossi Roth has stood down from the Council and I have to inform you that Peter Hofer has also signalled his intention to stand down. Both are standing down for personal reasons, but I am happy to report that Peter, will remain as our police liaison officer. I know you will join me in thanking both Yossi and Peter for the work that they have done on behalf of the bourse and hopefully we can welcome them back to the Committee at a later stage.

This seems an ideal moment to thank, in no particular order, my fellow Council Members – Dan Seller, David Joffe, Trevor Sigsworth, Paul Koppelman, Jacqui Larsson, Howard Levine, Kathy Chappell, Menachem Prager, Charles Silverton and David Troostwyk – for all

the many, many hours they have voluntarily given up in order to ensure that the Bourse becomes better and better in every way. Of equal importance to the Bourse, of course, is Stacey and her team of, Ruth, George and Mick. Their dedication, loyalty, patience, and willingness to help is what keeps the bourse running. A huge thank you to them for their work. And last, but not least, thank you to the building management team Bob, Raj, Adrian and their various colleagues.

Over the last year the Council has really been focussed on four key areas.

First, has been the day to day management of the Bourse during the pandemic. There is not much to say about this except that it has certainly been a challenge!

Second, has been making tangible and meaningful improvements. To offer a few examples, we have new viewing rooms, new lighting, new equipment and the new Member Briefing. The Briefings, by the way, have been produced in-house with the help of Kathy Chappell and one of our new Members, Jonathan Self, both of whom I would like to thank. I know that they are always looking for articles and ideas, by the way, if there is anything any Member would like to write about.

The other two areas that the Council has been working on are the Bourse's financial survival, and what we see as a dramatically changing environment brought about by the worldwide drive for transparency and traceability.

I must admit at this juncture that until recently I was not overly concerned about origin. I can remember Harry Levy once saying to me: 'Outside of grading, there are no good diamonds or bad diamonds, just good people or bad people who sell them.' We are in a business that, traditionally, has always been about the price, and the 'hand' not the source.

It is hard to imagine a diamond or, indeed, coloured gemstone dealers buying a stone because of its back story. But whether we like it or not, that's the way our industry is moving. Consumers and governments have turned their attention to the diamond and coloured gemstone trade.

Oval Impression
Your Grading Report Number: USMIK155

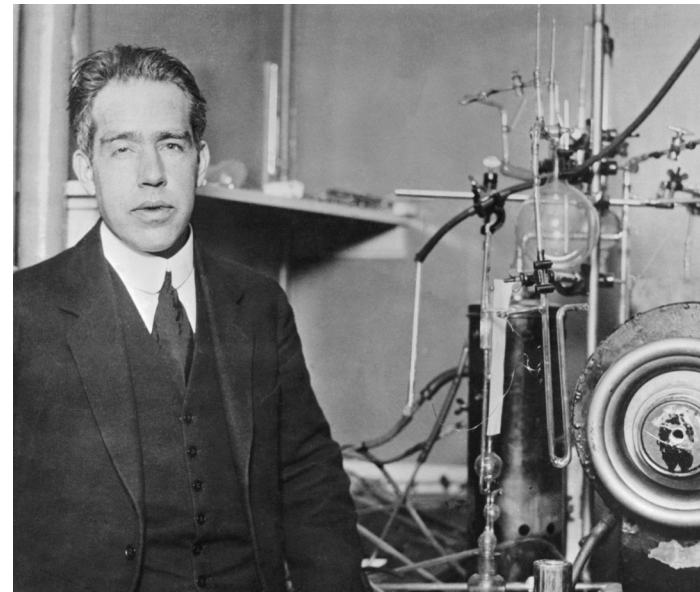
Summary
Girdle Inscription Number : GIA 2386321717
Shape : OVAL
Measurements : 10.13 x 6.82 x 4.42 mm
Carat : 2.010 ct
Color : E
Clarity : VVS1
Cut : -
Polish : EX
Symmetry : EX
Fluorescence : FAINT

THE ARTISANS OF THE DIAMOND TIME LAPSE

- Origin: RUSSIA (4,410 Carats)
- Chosen By: MANISH BHAKDIYA (4,410 Carats) | Color
- Authenticated By: BHARAT KHUNT (4,410 Carats) | OVAL | F | VS2
- Laser-cut By: HIREN BAROT (4,290 Carats) | OVAL | F | VS2
- Crafted By: GOPAL SAKARIYA (2,020 Carats) | OVAL | F | VS2 | VG
- Graded By: YUJAN PATEL (2,020 Carats) | OVAL | E | VS2 | -
- Certified By: GIA (2,010 Carats) | OVAL | E | VS1 | EX-EX | 2386321717

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Already I have noticed that many of the cutters in India now give you the option of having proof of origin. It's not only Canada, you can buy diamonds that show origin in Botswana, Namibia, Russia, South Africa, on GIA reports, Tracer Reports. Some of these even come with a diamond story, about where it was mined, when it was mined, who cut the diamond and more!



As Neils Bohr, the physicist, said: 'Prediction is very difficult, especially about the future.' But of one thing I am certain: traceability and transparency are going to be part of our world sooner than we think. So, part of the Council's work must be to prepare our Members and to provide support and advice. We have started to do this through the LDB Member Briefings, and we have other plans such as to invite experts into the Bourse to come and talk to us in person. This is not the moment to say much more on the topic. I just want all the Members to be aware that we are on to it.

Which brings me, finally, to the thorny subject of money. The Bourse is not under any immediate financial threat, but our position is precarious. The reason for this is that fewer young people have been coming into the trade, costs have been rising and more longstanding Members are starting to think about retiring.

If we all want the Bourse to thrive and prosper, we need to get working on a plan. I think that becoming known for our transparency and sustainability will be a huge part of our plan. But it won't be enough. A number of ideas have been mooted and all need to be

considered and investigated in the coming months. To offer a few examples, maybe the Bourse should turn auctioneer, or run an education programme, start a certification programme, seminars or get into the awards business.

But before we start working on any of these ideas, we need to tackle our declining Membership numbers and reverse the trend. To this end a group, headed by Jacqui Larsson and Howard Levine along with Stacey and other Committee Members have been working on a new Membership structure.

Hopefully most of you have seen the e-mail regarding the tiers. The first thing to say about the proposal is that it all existing Members have a choice. You can continue with your current Membership type and you continue with your current membership fee – AFTER ALL, YOU ARE NOT A NEW MEMBER! Of course, if you want, you can switch to one of the new Membership tiers... but you don't have to. I know there was a good deal of confusion over this, but I hope that it is now clear in everyone's mind. The new Membership tiers are, primarily, aimed at New Members and the fee structure is aimed at them NOT YOU!

The next LDB Member Briefing is going to contain a plain English description of the Tiers. And answers to some of the questions posted in the comments box of the survey. By the way, as soon as we have the new system worked out, we are going to start a membership drive. I want to point out that if every existing Member could find us one new Member our financial problems would be solved. I feel we must all, amongst our many contacts, know at least one person who would benefit from Membership. Maybe a client or supplier or a retailer we do business with. Anyway, we will be producing new literature and will also be trying to get some publicity to help attract new Members.

Before I hand over to David Joffe our Treasurer, I would just like to remind everyone that we are a Membership organisation. We may be small, but we are extremely experienced and have a knowledgebase and set of skills that are difficult to be matched anywhere else in the country. True we have some challenges coming up. But I am confident that if we all work together, we will be able not just to meet them, but to prosper as a result. Anyway, a huge thank you to you all, before I hand you over to David, I wish to inform you that I will not be standing for re-election next year. I will now pass you over to David for the financial report.

New Membership Tiers Q&A

Just before the AGM, we sent out a survey to gather feedback on the proposed new Membership Tiers. Here are answers to some of the questions raised by Members.

- Question:** Good idea to make some changes. Could the lower Tier 1 be more expensive or dropped completely? **Answer:** We are trying to gain 'fledgling Members' We want to make it sufficiently inexpensive for the next generation to join. However, perhaps this option would only be for new members and valid for only one year.
- Question:** I would be interested to know more about international Membership. Could we also have a corporate Membership option? **Answer:** Corporate Membership causes a problem with our current rules. We are looking into what we can do. But if you have more than 4 people wanting to become members from one group, please talk to David!
- Question:** Don't you think it is rather petty to exclude some Members from having use of the equipment. I remember giving a donation to help purchasing the gem light box. **Answer:** Your donation was for the Synthetic Detection machine. Anyone who donated will be free to use it, as long as they remain a Member of the Bourse.
- Question:** Please clarify which Members can ask staff to take calls and deliveries. **Answer:** The two lower Tiers do not have use of our postal address, Fedex or mail delivery. PLEASE REMEMBER: this does not apply to you in your current Membership.

- Question:** Could we have a 'PAYASYOUGO' Membership? A Member could pay a day rate where they would have access to the trading floor and be able to use the Client Rooms. An annual retainer fee could be charged plus the day rate when they attended the LDB. **Answer:** Regrettably that just does not make financial sense for the bourse, every one would change to that and very shortly after the Bourse would close.
- Question:** Could we open the Bourse on a regular basis to selected visitors or groups of visitors including journalists, influencers, celebrities and specialist retailers – perhaps with guest speakers or special presentations? There is sufficient space in the trading floor area (even allowing for an influx of new Members) to remove a section of desks and make space for an informal presentation area separate from the Board Room. **Answer:** Great idea – thank you. We have discussed this numerous times in Council. It would be great if whoever proposed it would come and talk to me privately.
- Question:** Would there be a possibility to keep my desk and draw for a 3-day entry? **Answer:** No. If you change from Full to any of the two Tier 3 options – you give up your desk and drawers.
- Question:** Could Tier 2 should have access to trading floor? My reasoning is if you are not mixing with the Members you will not get to know them, so you are less likely to buy from them. **Answer:** Good point. We are going to try to organise more networking events. Hopefully this way the Members will get to know each other, and a Tier Two Member will find it worthwhile to upgrade to Tier Three!

Comments from the LDB Member Survey

'I am very happy being an office Member. Being part of the World Federation and having the fast track Kimberley Process are very important to my business.'

'Good idea to think about Membership tiers. Important I think to be flexible – everyone's business is different, and their needs will also differ.'

'I think the bourse is excellent value for money and for usage. I will always do what I can to support the Bourse. Always!!'

'As a non-diamond trading Member, I consider the proposed tiers seem logical and progressive.'

'I welcome the new tier system and think it will encourage more to become Members.'

'Appreciate Council's efforts to take LDB forward as the current Membership categories are no longer suitable for the wide range of businesses now required. Standing still is going backwards.'

'With the addition of the Time Limited possibilities, I think that this is a very thoughtful and well-constructed set of tiers.'

New Scales!

We now have a set of Sartorius scales conveniently situated in our main reception. They are for the use of Members only and we ask you do not allow your trade guests to use them. Please also use them with utmost care at all times. We would like to thank Josyfon Diamonds for supplying the accoutrements of tweezers, cloths, scoops, etc. and Menachem Prager for his help in sourcing the scale. *Dan Seller*



Free case of wine offer

To be eligible the completed new Member application must be received between 15th June and 31st July and the candidate must be elected successfully before 31st December 2021. We have had five cases of wine donated to us and they will be given to whoever introduces the first five successful applicants on a first come first served basis. There will be a Kosher option.