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THE CYBER SHOP

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Bench jewelers and trade shops may not think they need a computer for much, even now.

But using a computer in the shop can increase your profitability by enabling you to track your jobs, send invoices on time, design more flexibly, and connect you to a world of other jewelers buying and selling goods and services.

by

Sharon Elaine Thompson

Because you work at the bench, you may think you have no need for a computer in your business. Oh, sure, you may use recordkeeping software such as Quicken or Quick Books; you may check your e-mail. But of what possible use are these bit-byting, data-gobbling, cyber wonders in the day-to-day running and profitability of your shop?

Plenty, it seems. Whether it's accounting, buying, check-writing, communication, customer service, design, invoicing, or job tracking, computers can make your business more efficient, more professional and more profitable. After the initial time spent in learning the systems and entering data, the consistent use of a good computer system can actually give you more time to do what you do best--work at the bench.

Accounting and Organization Chores

Whether you work alone or have a busy trade shop, keeping jobs organized so that they get out on time can be a major headache. It's too easy to set a job aside to wait for findings, then forget about it until the customer comes in. With a good job management program, you can, at any time, pull up a report of all the jobs due for the next day or the next week. You can prioritize the work on the bench, call and follow up on special orders, and notify the customer in advance if there are going to be delays.

When a customer does come in to pick up a job, says consultant David Geller of Jeweler Profit, in Atlanta, Georgia, the sales person often interrupts as many as five other employees while looking for a misplaced job. "That's a waste of time, costs money and looks unprofessional," says Geller. With a job management program that lets you track the location of jobs at any given time, you or a salesperson can look up the job on the computer, find out exactly who had the work last and interrupt only that person to find out where the work is.

If you run a shop with several employees, being able to track the jobs helps you reassign jobs when someone gets behind, and tells you who the more productive jewelers are in your shop.

You can use your job management program to pull up the accounts payable; you can see when the bills are due, what discounts are available. If your system allows you put time and material costs into a data base, the programs can help handle accounts receivables. If each jeweler enters the parts used, and the time the work took, the system can automatically compute the charges. When the job is complete, the system prints out customer invoices. Some programs automatically print out the checks to your vendors.

Using a computer program to monitor the work in the shop is much more professional, less time consuming and far less stressful than having a customer walk in to collect a job, see you looking everywhere for it, and finally being told it's not finished. In addition, if a customer comes in to complain about a repair job, or damage to a piece of jewelry that she says is due to your repair job, you can look it up, see what was done to the piece and determine whether or not you were responsible.

Expand Design Possibilities

If you would like to increase your custom design business, or start one, you might do well to look at some of the 3D design software. These programs are not the terrifying

first generation CAD systems that required an inordinate amount of programming to draw a circle. These are user friendly, and some, such as JewelSpace by Caligari and Digital Matrix by Gem Vision are designed just for jewelers. "We tailored the program to what jewelers can do and understand. We put in functionality that helps them design jewelry. We anticipate what they need to do during the designing process and give them the tools to do it," says Jeff High, Gem Vision president and creator of Digital Matrix.

These systems, which can be self taught with time and application, or more quickly with training, can benefit a bench jeweler in a couple ways, says Randy Hayes, of Jewelscapes in Tucson, Arizona; Hayes uses JewelSpace, a system he helped design. First, because these programs are easier to use, over the next few years more retailers will have them in their stores to produce custom designs for their customers. They'll need a skilled bench jeweler to make those designs, and it won't matter if you're across the street or across the country. They can send the images to you digitally, and you can create them in precious metal and gemstones. But there will be an equal number of jewelers who are too busy running a store to do the designing. They will look for a bench jeweler who has the skills to do both the designing and the work. In fact, says Hayes, who has taught many people how to use 3D software, "bench jewelers have a distinct edge in training," due to their experience working in three dimensions every day.

The 3D design software used for jewelry, explains Hayes, came from two different backgrounds: the animation field and the engineering/architecture fields. Engineering-based software tends to produce what Hayes calls the "German" style of design--a great deal of precision, and a mechanical and technical appearance. Designs made with an animation-based program are more fluid, expressive. And they're fast.

The design programs have streamlined the use of these CAD systems. They may use simple, understandable icons to designate tools. They gang together certain

functions--for example, in Digital Matrix, explains High, the channel builder function helps you design channel set stones into the piece. You choose the size, shape and number of stones, and indicate where the channel is to be placed. "The program calculates the volume of the channel, the size and shape it needs to be, and punches the holes underneath the stone. If you change your mind and want to change the number or size of stones, you undo, change the parameters and the program redraws it."

Design programs may show different views of the piece on the screen at the same time, so you can look through the finger, at the side and down from the top while you work; the changes you make are reflected in all three views. You can rotate the entire design to see what it will look like from all angles. And when you're done, you can get an estimate of what the piece will weigh, in pennyweights, of your choice of metals.

"You don't have to be a skilled draftsman," says Hayes. The design programs have digital libraries of mountings, stone shapes and colors, and setting types so you don't have to design everything from scratch. You can add other images to your libraries so they are available for future designs. And everything can be cut, pushed and altered to suit your vision. "You can create designs that rival anything that can be done by some of the finest craftsmen in the world."

Both Digital Matrix and JewelSpace allow jewelers to design, then send the digital file to another company for rapid prototyping (a type of computer-aided manufacturing or CAM). Depending on the company you use, you may have them do only the wax, or cast the wax as well.

The basics of the design programs can be mastered in a few days of training with the software manufacturer. It will take probably another four to six months of daily work to begin to feel comfortable with it. But how long did it take you to learn to use a torch?

"The exciting part is that you can really try something new and deal with every aspect of the design process. You can afford to try things you might not ordinarily try because they're too time consuming or expensive," says High.

Connect

In the jewelry industry, where price is often the difference between a sale and no sale, buying right is the name of the game. If you are a small jeweler, without the buying power of large manufacturers, it's difficult to compete on price. But if you need just one of something--one diamond, one size, shape and color topaz, or even a particular tool for the bench--one way to find it at a good price is through Polygon.

Polygon is like an on-line swap meet, where you might find offerings from retailers who have just taken the stone you need in trade. They may be overstocked on an item or closing it out. Low-overhead wholesalers--without the costs to field reps or advertise--compete solely on price and service.

Polygon works for bench jewelers, too. If you have stones that have come in to your shop in trade, good-quality platinum mountings from which you have pulled diamonds to make a new pendant, or special services--all these can be advertised to a specific market on Polygon.

Polygon is also the place to stay in touch with what is going on in the business discussion channel. "The people who are on Polygon say that it's those discussion forums that are the most invaluable on Polygon," says Jacques Voorhees, founder of Polygon. Whether it's pricing, equipment repair, or employee problems, "there is no question you can ask that won't get an immediate response."

Shopping for single items through Polygon saves time, says Voorhees. "No one has time to play telephone tag with diamond dealers." And it increases your sources. Because you're automatically in contact with thousands of people selling merchandise,

you'll quickly find what you want at the price you want. "You never have to tell a customer you don't have something, because you have everything," says Voorhees. He likens the network to the diamond offices in Ramat Gan where brokers write what they want on boards outside their offices. Other brokers write down what's wanted by whom and run around trying to find a match. "It's the most low-tech thing you can imagine," says Voorhees. "On Polygon we've just done it electronically."

And then there's plain old e-mail to keep you in contact with others in the trade, where you can keep track of scams, new products and so on. Faster and cheaper than a phone call.

Cost versus Benefits

Costs for jewelry management programs vary with the company: Jewelry ShopKeeper costs \$2300 for a single user, and additional \$600 for up to five users. This includes support and updates for six months. After that, a maintenance contract of \$550 ensures you get updates and unlimited support; CAMS gives you free 60-day trial during which there is full e-mail and phone support and upgrades. If you purchase the program, the cost is \$3995 including one year of support and upgrades; after that, the annual fee for support and upgrades is \$500.

Gem Vision's Digital Matrix costs \$4995 for the software; the four day training, covering everything from getting started to complex designs, is \$1200. A support contract is \$250 a year; upgrades are priced per upgrade and vary depending on the extent of the upgrade.

Caligari's JewelSpace is priced at \$1995, which includes the software libraries, and the training program on video CD-ROM disk; some jewelers find that the tutorials are all they need to learn the program, says Hayes. Those who want live training can get three-

day intensive workshops for \$995. If you want to have access to one-on-one support via the streaming video FAQs, additional libraries, upgrades, there is an annual fee of \$1200.

Are the programs worth the cost and the time? David Geller, who has worked on the bench, owned a trade shop, and a retail store doing \$1.8 million a year, gives three examples.

In 1986, Geller's sales staff was still writing receipts out by hand. Every week when his accountant totaled the receipts, the arithmetic mistakes made by sales people cost Geller an average of \$300 a week. "It was always in the customers' favor," says Geller, "never in my favor." His accountant talked him into getting a computer--\$1500. The computer eliminated the mistakes and paid for itself in less than two months.

You probably know how many jobs are in your shop at a given time, but you may not know the value of those jobs--how much you'd earn if every job was picked up on a given day. By using a report generated by Jewelry ShopKeeper, Geller could tell that. On average, he had \$140,000 worth of repair charges sitting on his jewelers' benches on any day.

One Christmas, during an economic down turn much like that in the US today, Geller checked the value of the repairs in the shop: \$100,000. That meant his sales figures were going to be way off for the month. Geller put together a simple flyer telling customers that now was the time to "make jewelry," and offered them a one-time discount during the season. It brought in enough sales to save the sales for Christmas. "This is something that is not possible if you're not looking at your repairs this way, and tracking them with a computer," says Geller.

Lastly, just after Geller put Gem Vision's Digital Goldsmith design software in his store, he had a customer looking at a diamond. It took an hour to sell the \$6500 diamond; then the customer asked what it would look like in a mounting "like that one" in his case.

Geller pulled the mounting up from the Digital Goldsmith library of images along with the image of a diamond of the same size, "set" the diamond in the mounting and showed the customer. "I'll take it," she said. Time elapsed: six minutes; upgrade to the sale: another \$3500. Oh, this was the first time Geller had used the software to make a presentation to a customer. "The presentation is awe-inspiring," he says. "Just doing this on a screen with the customer puts you above everyone else. You can get your price without any problem."

In a time of softening economy, says Geller, putting computers to work in the shop may be what saves a business. He estimates that the economy for buying jewelry for the next six months to a year will be weak. But, he says, "If they have a strong shop and charge right, they'll weather the storm."

What Do You Look For?

A computer program is nothing more than another tool on your bench. You've bought good tools and bad ones and you can do the same with computer programs. You'll get a good computer program the same way you get a good piece of equipment: by checking them out thoroughly and finding the one that suits you. Not every program will do everything the way you want it.

Most inventory management programs handle inventory the same way, says Geller. For the shop, he says, you're most interested in being able to find a job immediately, see what jobs are due on given dates, which are waiting for parts, and which jewelers are working on the jobs (if you don't work alone). These functions let you keep on top of the work so that jobs move through the shop smoothly and efficiently.

You want a program that saves you time; if two programs offer the same features, which lets you complete the function with the fewest number of key strokes? Geller, who put 9000 jobs through his trade shop each year, often had to move up to 30 jobs from one place to another. Two programs let him enter that information. One used 12 key strokes

for every entry--360 key strokes to update the entry. Another let him enter all 30 jobs into the screen at once--30 key strokes--then move them all with just five key strokes. That's a lot of time saved when a shop is doing a large volume. However, if you turn out fewer jobs, and another aspect of the program is more important to you, you may be quite happy making 12 key strokes to move jobs from one location to another.

Learning Curve

Oooh that ugly concept. Some folks approach learning new technology like they would the prospect of meeting their favorite entertainer: with bright-eyed and gleeful anticipation. Others of us view new technology like a venomous snake, the bite of which has no antidote. But everything we do in life has a learning curve. "You can't tell someone that getting to the point where the system is useful will be really easy," says Mark Kanim, partner in The Jewelry ShopKeeper. "With most new things you buy, you get to enjoy them that day. With software, that's when the work starts." You have to set up the system by entering all the vendors, all the customers, tag and enter all the inventory. "It takes a couple of months at the beginning of tedious entry," says Kanim. "Once that's done, it's daily maintenance."

Yes, it takes time to learn the software, enter your inventory, client and vendor names, retrain yourself and your staff, but it took time to learn your jewelry skills, too. In a time of growing competition and soft economy, shouldn't you look into any skill that can help your business not only survive but grow?