

EUROSTAR DIAMOND TRADERS

A CUT ABOVE THE REST



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Even in the face of challenging market conditions the sheer quality and unmatched excellence of Eurostar Diamond Traders products mean that it remains a leading global force in the diamond sector

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The diamond industry has been on something of a rollercoaster ride since the global financial crisis of 2008, with prices plummeting in 2008 and 2009, before rebounding to reach historically high levels in 2010 and 2011. This pattern of extremes was replicated in 2012, with retail sales of diamonds growing 1.8 percent from 2011 to \$72.1 billion at the same time that overall prices for rough and polished diamonds declined by 14 percent and 13 percent respectively.

Reassuringly, given that we are fast approaching the November/December period that is traditionally the healthiest for diamond retailers in any given year, the market has shown signs of continued improvement during the first half of 2013. “The main positive we can take from this year so far is that we have seen business levels remain slightly higher than those recorded in 2012,” explains Kaushik K. Mehta, Chairman of the Eurostar Group. “The real litmus test for the sector will come during the pre-Christmas months which are typically the busiest on our calendar.”

Mehta has been at the helm of Eurostar Diamond Traders ever since he founded the business as a diamond processing plant in Belgium back in 1978. In the 35 years since he has witnessed all manner of economic events and successfully guided his company through both good times and periods of uncertainty. As such you would be unlikely to find a business in this field of industry better prepared for what the next couple of months hold.

“We have already undertaken the work

\$72.1 BILLION

Global diamond retail sales in 2012

necessary to set ourselves out for the busy period that will be upon us shortly and for the sudden increase in consumer demand that we have come to expect," Mehta states. "The Christmas buying season has always proven to be one of the most crucial times for us, if not the most crucial, and because of this we prepare many weeks in advance to ensure that our inventory levels and processes are up to scratch, thus making us perfectly positioned to satisfy consumer demand."

As one of the world's leading diamond wholesalers and manufacturers, it is Eurostar Diamond Traders' expressed aim to help in shaping and leading the global diamond market. In order to do so it has expanded its own operations into some of the most important regions for diamond sales, namely the United States, China and India, and this fact continues to reap considerable benefits to this day.

Indeed, looking at the market's performance over the first half of this year, some of the most encouraging trends have originated from the US, Japan, China and India, with sales in the first two rising particularly strongly on the back of accelerating GDP growth, a trend that looks poised to continue during the remainder of 2013.



Every Eurostar diamond undergoes 32 meticulous quality checks before reaching your doorstep

"While demand from key markets across Europe has slowed compared to that of previous years, this has been supplemented by the increase in demand we have been receiving from the US, China and India," Mehta continues. "It is these parts of the world that we expect will go on to be the

driving force behind our sales throughout November and December."

The emergence of China and India as important growth centres for Eurostar Diamond Traders and the diamond market as a whole is an event that has taken on even greater significance in the last five years or

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Facetting



Marked rough diamonds, ready for sawing

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so, and Mehta has a pretty good explanation for this. “Higher average incomes in these countries certainly seem to be one of the main factors driving demand,” he says. “Higher incomes have resulted in growing middle

class populations and it is these people who are now being able to demand a better quality product when it comes to the diamonds they purchase compared to those which they were able to afford previously.”

Fortunately for Eurostar Diamond Traders, the foresight of its management and owner has enabled it to be extremely well geared towards the growth it is experiencing in these developing nations, as well as in the US which remains a vital marketplace in its own right. Today it retains a strong presence in these markets with offices in New York City, Shanghai, Hong Kong and Mumbai respectively.

While Eurostar Diamond Traders’ peerless commitment to quality products and service has enabled it to retain what Mehta refers

to as its ‘bread and butter business’, the fact remains that growth across the greater part of the world has come to something of a standstill. This makes attracting new business the biggest challenge facing companies in the diamond market today.

“From an infrastructure and business model standpoint we are confident we have the tools in front of us to overcome such difficulties,” Mehta highlights. “In addition to the hugely important sales and marketing centres that we have in places like China and the US we also have a number of teams made

“WHAT IS AS TRUE ABOUT THE COMPANY NOW AS IT HAS ALWAYS BEEN ... IS THE FACT THAT IT HAS NEVER LOST SIGHT OF THE NEED TO CONTINUALLY IMPROVE FROM WITHIN”



Sawing quality control

up of highly experience professionals whose job it is to remain in direct contact with all of our key retailers. This allows our brand to maintain a sizeable presence in our core markets, thus we are able to retain our existing business while also making every effort to attract new growth as and when it appears.”

What is as true about the company now as it has always been, even during those first years following the economic crisis when the diamond market suffered greatly, is the fact that it has never lost sight of the need to continually improve from within. This has meant that investment has continued to be poured into its facilities and polishing centres to ensure that they follow the latest international standards and are adequately equipped with innovative, state-of-the-art technologies.

If diamond market data from the last five years has highlighted anything it is the unpredictable nature of the business in what are uncertain economic times. In spite of this Mehta does have a theory as to how the market, and as such Eurostar Diamond Traders, will evolve in the short-to-medium term.



Sorting rough diamonds

1978

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The year that Kaushik K. Mehta founded the company

“The diamond market of today is very much a fragmented one,” he concludes. “The reality is that there are too many players at present and I believe that in the long run this number will diminish, especially if economic conditions remain much as they are at present.

This will leave behind a scenario where only the very best players are left and we will continue to do our very best to prove that we remain one of these players.” **BE**

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