



GLITTERING ARRAY: A scene at jewelers' trade show at the New York Hilton Hotel

## JEWELERS ASSESS BATTLE OF BRANDS

Debaters Say National and  
Private Labels Are Vital

By LEONARD SLOANE

The country's retail jewelers tackled the thorny question yesterday of national brands versus private labels—but neither style of distribution emerged victorious.

Instead, all five panelists at a seminar at the Convention and National Jewelry Trade Show of the Retailer Jewelers of America agreed that both national and private brands are necessary for a successful jewelry store operation.

The seminar, held at the New York Hilton Hotel, pitted a jewelry manufacturer and a retailer favoring national brand names against a similar pair inclined toward retailer brands. A fifth speaker presented the pros and cons of both sides.

While the debate was marked by a precise balance in presenting the two opposing views, the audience may have been slightly puzzled by the placement on the dais of a sign that said, "Brand Names — Confidence, Satisfaction."

### A Timely Issue

Yesterday's seminar drew a large crowd of jewelers because of the timeliness and controversial nature of the subject. With retail jewelry sales last year at the \$2 billion level, and with a 7 to 10 per cent increase expected in 1964, the type of product sold over retail counters is of great importance to all segments of the industry.

Jay Kay Lazrus, executive vice president of the Benrus Watch Company, Inc., emphasized one key aspect of the problem when he noted that his company, as well as other major brand-name watch manufacturers, also produced private-label merchandise.

"We must look to both sides of the question in order to determine our future policies," he said. "To ignore private labels would be [tantamount to] being an ostrich with its head in the sand."

An effective argument for selling brand-name merchandise was presented by Leonard H. Friedson, vice president of Shaw's Jewelers of San Antonio, Tex.

"Our economy is based on brand dominance," he said. "National advertising has pre-sold 95 per cent of your customers."

Continued on Page 48, Column 3

# JEWELERS ASSESS BATTLE OF BRANDS

Continued From Page 38

By offering brand names, the jeweler can build an image of quality, fair value and customer satisfaction."

Mr. Friedson also noted that "private-label retailers can't live without the brand names. Usually national brands start a trend and private brands get on the brand-wagon."

In taking the opposite point of view, Harry Rosenzweig, president of Rosenzweig's Jewelers of Phoenix, Ariz., observed that he was filling "the unpopular or minority position." But he asserted that "we prize our name above all others" and "we do not want to merely execute rubber-stamp policies concocted far away."

## 'Integrity and Identify'

Mr. Rosenzweig added, "If any brand name were as important as the integrity, the identity and the reputation of the retailer, the simple laws of business and competition would result in brand-name manufacturers operating their own string of shops under their brand names from coast to coast."

This was a reference to dual distribution, a system whereby a supplier of an independent retailer is also his competitor. Dual distribution exists on a wide scale in the paint, tire and men's clothing industries. In the men's wear, however, store names are usually different from those on the manufacturer labels.

In discussing the advantages of national brands, Harry Lynch, president of J. R. Wood & Sons, Inc., said, "A brand name hastens the death of a product that the public does not want."

But Leo Kaplan, president of Lazare Kaplan & Sons, Inc., noted, "Despite considerable money spent on brand advertising, a considerable backlash has been developing." Private brands, he said, "give your customers a better buy plus more profit for you."

## \$25 Million Display

When the seminar on brands ended a short time after noon, jewelers flocked to the trade show, where some 300 exhibitors had \$25 million worth of merchandise on display.

For example, a number of cultured-pearl manufacturers and importers showed clasps, necklaces, rings and other items in a wide variety of price ranges. One such concern, Imperial Pearl Syndicate, Inc., presented diamond and pearl rings retailing for \$700 and gold-filled diamond and pearl jewelry selling for \$12.50 to \$30.

Among the new products introduced at the show by the Ronson Corporation was a food blender with a 48-ounce food container. The blender, retailing for \$54.95, has extra large blades and five push-button speeds for selecting food textures.

The Bulova Watch Company showed a 3-inch, 2½-ounce electronic clock that it said it had no immediate plans to market. The battery-powered desk clock is called the Accuquartz.

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