



# WHERE CREDIT IS DUE!

## SOUND CREDIT PRACTICES FUEL COMPETITIVE ADVANTAGE



Jewelry suppliers face many challenges in the search for good, sustainable business. One such issue is the contraction in potential 'doors' or retail outlets that has occurred over the past 10 years. We often hear the questions: 'Who is left to sell to?', 'How do I grow?', 'How do I make well-informed decisions that lead to sound transactions?' and 'How do you avoid the bad ones?'

The Jewelers Board of Trade (JBT) has been assisting jewelry industry suppliers in finding the best answers to these questions for over 135 years now. Founded, owned and operated by the industry, we strive to be the credit services resource of choice for our membership. From marketing lists and credit

reports to collection of delinquent accounts, we are all about delivering the right information, when and how it is needed, cost effectively.

With the government's focus on prevention of money-laundering schemes and knowing who you're doing business with, it's necessary for everyone in the industry to practice a thorough vetting of current and potential business partners. The basics of trade credit analysis and accounts receivable management includes careful due diligence on new accounts and regular monitoring of existing accounts, accompanied by a healthy dose of common sense.

The following is an overview of some of the factors you should consider in this process and tools available to assist you.

### Evaluate Your Credit Risk Tolerance



Look at the net worth of your company (your investment at risk) and compare it to the amount of high credit you will need to grant to do business with a new prospect. The rule of thumb is a maximum of 10 percent of your net worth extended to any one account: The theory is that you can afford to lose this and still survive. It is simply dangerous to gamble a significant portion of your capital base with one account, which is painfully evident in the toll that major retailer bankruptcies have taken on the supplier population.

Consider the parameters of your banking arrangements if you are borrowing to finance your receivables. What limits does this impose on the amount and age of credit you can extend? Let these considerations, among others, factor into the credit policies you set.

### Do Your Homework on New Accounts



Once you've obtained a new lead, **take advantage of two critical tools to help you accomplish this:** the credit application and credit report. Credit applications should include business name, fictitious names (dba), date and place of origin, legal structure, address, phone numbers, principals and officers, business type, authorized buyers, federal tax ID, trade and bank references, and the authorized signature of a principal who can commit the company to payment. Order a credit report on all new customers. We refresh our payment database constantly, and just last month our members submitted over \$591,571,700 of trade payment information. Our Collections Department posts new claims to these credit reports as received. Take advantage of this resource to evaluate new 'faces' and lower the risk of preventable credit losses. After you've done your homework, reconcile the credit application and credit report – both technically and intuitively.

### Monitor Existing Accounts



Put the signed application, credit report, trade and bank reference checks, and any other relevant data in their file.

At least annually, update the file by ordering a new credit report, or subscribe to our CreditWatch monitoring service that alerts you to significant changes in a report. Review the JBT Weekly Alert to identify potential problems. This report provides ratings changes, financial embarrassments, ownership changes, collections claims, frequent inquiries, and other items of interest. Note any relevant information in the company's credit file and adjust your credit strategy accordingly (e.g. change credit limit, intensify collection efforts) and call the investigative staff at JBT should you have any questions. These are some of the fundamental procedures that can help jewelry industry suppliers acquire and maintain good business in an intensely competitive environment.

# WHERE CREDIT IS DUE!

SOUND CREDIT PRACTICES FUEL COMPETITIVE ADVANTAGE



## CREDIT REPORT SUMMARY ACME CARLTON JEWELERS



D/B/A GASTON'S JEWELS

MEMBER OF JBT

JBT ID 91430834

JBT OPS CLASS RETAIL JEWELRY

LISTED SINCE

FULL REPORT UPDATED 05/02/2019



### CONTACT

95 Jefferson Boulevard  
Warwick RI 02888-6602  
www.gastonsjewels.com

Tel 401-467-0055 Fax 800-490-5268

Email jeremy@gastonsjewels.com

### PRINCIPALS

**Rocchio, David** President

Born 1968, Married

**Adams, Jeffrey P. (Jeff)** CFO

Born 1977, Married

**Morgan, Kathleen** VP Marketing

Born 1957, Married

**Bellimi, Nadia** VP Merchandising

Born 1961, Divorced

**Lundberg, Adam** Store Manager

Born 1963, Married

### OPERATIONS

No of Employees 123

No of Branches 12

Lease/Own Leased

Square Feet 9,500

Insurer Jewelers Mutual

Alarm System Yes

### BUSINESS RELATIONSHIPS

Parent Company

DBA Gaston's Jewels  
Lundberg & Morgan

### LEGAL

Business Type Corporation

State of Incorporation Delaware

Date of Incorporation 04/21/1994

Registration ID 2654323B

Tax ID 010843231

Type Private

Ticker

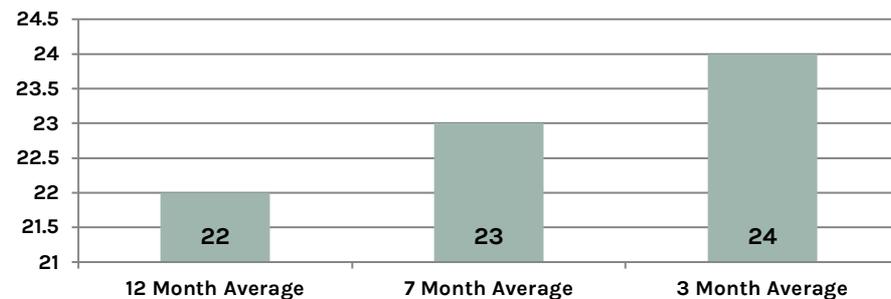
NAICS Code 448310

NAICS Description Jewelry Stores

<b>JBT RATING</b>  <b>1A21</b>	RATING UPDATED	10/1/2018	
	STATUS	1A2	\$1,000,000 to \$5,000,000
	PAY SCORE	1	Prompt
	PREVIOUS RATING	1A22	

### PAYMENTS

DAYS OUTSTANDING BASED ON AGREED TERMS

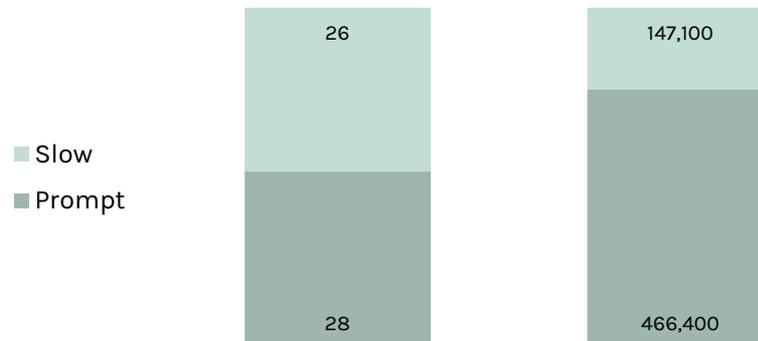


REPORTED TRADES NUMBER OF TRADES AMOUNT DUE (\$)

Prior 7 Months

54

\$613,500



### CLAIMS

JBT COLLECTIONS 0 Open, 0 Closed

### CREDIT

NUMBER OF CREDIT INQUIRIES

Past 90

Days

6

HIGHEST CREDIT LINE (\$)

147,200