

HOW TO BUY A DIAMOND ENGAGEMENT RING WITH CONFIDENCE AND KNOWLEDGE

By John Tavlin, President
Nebraska Diamond

At Nebraska Diamond we have perfected the Art of making the purchase of engagement and wedding rings easy, comfortable and fun. Over the years our most important business has been producing tens of thousands of happy, satisfied customers, one at a time. A major reason for our success is the basis we give to providing consumers with the confidence they need to buy a diamond engagement ring with confidence and knowledge.

UNDERSTANDING CLARITY, COLOR & CARAT WEIGHT

Serious shopping for diamonds begins with an understanding of the Gemological Institute of America (GIA) and its diamond grading terminology. The GIA is a non-profit organization dedicated primarily to the pursuit of gemological education. The GIA is considered by the diamond industry to be the final and most authoritative word on diamond grading standards and its diamond grading terminology is, by far, the dominant terminology used by diamond cutting firms and jewelry manufacturers throughout the world today.

GIA diamond grading terminology describes the clarity and color of diamonds. The GIA clarity terminology classifies diamonds based on the number, size, location and description of markings which may be present in or on the diamond. These markings range in size from pinpoints so tiny that they can barely be seen under magnification to markings which are large enough to be seen with the naked eye. The GIA color terminology classifies diamonds based on the amount of color saturation present in the body of the diamond.

The accompanying chart shows GIA diamond clarity and color grading terminology. A diamond of a specific clarity can occur in any of the colors. A diamond of a specific color can occur in any of the clarities. Accordingly, the chart shows 240 possible clarity/color combinations. Within any specific budget there is an enormous range of choice in size, clarity and color combinations.

"Flawless" clarity and "D" color are the only grades which represent a singular, unwavering, exact and objective standard. All of the other clarity and color grades represent subjective classifications of qualifying gemological characteristics. This subjective nature of diamond grading results in the potential of somewhat differing degrees of interpretation by two or more graders. In other words, multiple graders can examine the same diamond and disagree on the clarity and color grade of that diamond. As a result, a diamond which is assigned a GIA grade by a jeweler who grades on the basis of lenient subjective criteria may actually be significantly inferior to a diamond, with a seemingly lower GIA grade, which has been graded by a jeweler who adheres to strict subjective criteria. This means that although a diamond in one jewelry store may "sound" like a better quality than a diamond in a second jewelry store, the diamond in the second jewelry store may actually be better quality and substantially more valuable.

Furthermore, except for "Flawless" clarity and "D" color, all of the other clarity and color grades represent ranges of qualifying gemological characteristics. This means that within all of the other clarity and color grades, there are many versions of each grade, each different from all others within the same grade, with some versions being considered better, more desirable and more valuable than other versions. For example, if internal markings consistent with a specific clarity grade are located on the edge of a diamond where they can be covered by prongs when the diamond is set, this version of the clarity grade is considered better, more desirable and more valuable than a version with the same internal markings located in the center of the diamond where they cannot be covered by prongs. Similarly, a version of a specific color grade which is almost the next higher color grade is considered better, more desirable and more valuable than a version which is almost the next lower color grade. This means that although two diamonds may each be within the same clarity and color grade and, thus, "sound" like equal quality diamonds, one of the diamonds may, in fact, be substantially more valuable than the other.

Most consumers are aware of the fact that "carat weight" is a standard of measurement in the diamond industry. Few consumers are aware of the fact that "carat weight" and "size" are not the same thing. "Carat weight" denotes the weight of the diamond as measured by a scale. One carat equals 1/5 gram. "Size" denotes the millimeter dimensions of a diamond as measured by a millimeter gauge.

Two diamonds can have the exact same carat weight yet have greatly differing millimeter dimensions. Whether two diamonds of the same carat weight have the same millimeter dimensions depends on how the weight of each diamond is distributed. For example, if one round diamond weighing 1 carat has a great proportion of its carat weight distributed in its depth, it will

appear to be much smaller in "face-up" appearance than another round diamond, also weighing 1 carat, which has a great proportion of its carat weight distributed in its diameter. This difference can be very substantial: Some 1 carat diamonds face up smaller than some 1/2 carat diamonds. So if two diamonds are exactly the same carat weight, exactly the same clarity and exactly the same color, the two diamonds "sound" the same, yet one can appear to be twice the size of the other. Even though the two diamonds are identical in carat weight, identical in clarity and identical in color, the millimeter size difference can make the larger appearing diamond worth as much as 300% more than the smaller appearing diamond.

When consumers fail to understand that, except for "Flawless" clarity and "D" color, clarity and color grades are based on subjective, and not objective, criteria, and constitute ranges of qualifying gemological characteristics, and when they fail to understand that "carat weight" and "size" are not the same thing, they make costly buying mistakes. As a result of these failures, these uneducated consumers, in effect, make their buying decisions with their ears, based only on what the diamond "sounds" like. Educated consumers do not purchase diamonds with their ears. Educated consumers understand that although one diamond may "sound" equal to or better than another, the truth may be otherwise. Educated consumers buy diamonds with their eyes, on the basis of a visual examination.

At Nebraska Diamond our staff of Certified Diamontologists* will show you your diamond under laboratory grading conditions so you can see your diamond under the exact same conditions our Diamond Buyer used when he selected it for our store. No other area store provides this service. Accordingly, you do not have to take our word for the fact that our diamonds are clearly superior. You will see it for yourself. Our incredible diamond inventory is one important reason why Nebraska Diamond will sell more diamond engagement rings than all of the other area jewelry stores combined.

UNDERSTANDING CUT

The "cut" of a diamond is divided into two components: (1) "Shape" and (2) "Make". "Shape" is a two dimensional concept consisting of length and width in which the outline of the outer edge of the diamond in its "face-up" position is described. Typical shapes include round, oval, pear, marquise, heart, radiant, princess, emerald and trillion. Each "Shape" is subdivided into various versions of that "Shape". For example, some marquise diamonds are long and narrow, others are short and fat, and others are in-between. Some versions of "Shape" are considered in the diamond industry to be considerably better, more desirable and more valuable than other versions.

"Make" is a much more complicated concept than "Shape". "Make" involves the entire geometry and all of the cutting proportions of the diamond. The "Make" of a diamond is defined in terms of how the physical dimensions and angles of cutting interrelate, and how each and all of these factors affect the physical appearance and optical light handling capabilities of the diamond.

The optical light handling capabilities of a diamond produce two primary results: (1) Brilliance and (2) Fire. Brilliance is "reflected light" and fire is "refracted" light. In simple terms, brilliance is "white" light and fire is light which has been broken down into the primary and secondary spectral colors (red, blue, yellow, and their secondary combinations).

Reflected light (brilliance) plus refracted light (fire) equals 100% of the light you see. As an increment of one type of light is increased, the increment of the other type of light must decrease, because the total of the two cannot exceed 100% of the light you see. These are the laws of optics. Accordingly, if the cutter fashions a diamond to increase its brilliance, the co-result has to be a reduction in fire. Conversely, if the cutter fashions a diamond to increase its fire, the co-result has to be a reduction in brilliance. This is why there is no such thing as a diamond cut to maximum brilliance and maximum fire simultaneously. Accordingly, there is no such thing as a single "best" cut. Any jeweler who tells you otherwise is giving you a sales pitch.

The most important characteristic in light handling capability that is affected by "Make" is the improvement of the efficiency with which the diamond handles light. When light enters a diamond three things happen: (1) Some of the light is reflected back out from the diamond as brilliance, (2) some of the light is refracted back out from the diamond as fire, and (3) the remainder of the light leaks through the diamond and is lost. The more efficient a diamond, the less light it leaks. The less light a diamond leaks, the brighter its overall appearance.

A superior "Make" increases the efficiency with which the diamond handles light because a diamond of superior "Make" suffers a comparatively small amount of light leakage/loss. An inferior "Make" decreases the

NEBRASKA DIAMOND		
GIA Color	GIA Clarity	Carat Weight
Colorless	Flawless	*1 ct. = 90 to 110 pts.
		7/8 ct. = 80 to 89 pts.
Near Colorless	Very Very Slight Imperfection	3/4 ct. = 70 to 79 pts.
		5/8 ct. = 56 to 69 pts.
Faint Yellow	Very Slight Imperfection	1/2 ct. = 45 to 55 pts.
		7/16 ct. = 40 to 44 pts.
Very Light Yellow	Slight Imperfection	3/8 ct. = 36 to 39 pts.
		1/3 ct. = 29 to 35 pts.
Light Yellow	Imperfect	1/4 ct. = 23 to 28 pts.
		1/5 ct. = 18 to 22 pts.
Fancy Yellow		1/6 ct. = 15 to 17 pts.
		1/8 ct. = 12 to 14 pts.
		1/10 ct. = 9 to 11 pts.

*1 Exact Carat = 100 Points

GIA Diamond Color and Clarity Terminology

efficiency with which the diamond handles light because a diamond of inferior "Make" suffers a comparatively large amount of light leakage/loss. Accordingly, since a superior "Make" returns to the viewer a larger total volume of light, it appears brighter and shows correspondingly larger volumes of reflected (brilliance) and refracted (fire) light.

As noted above, in addition to affecting the optical light handling capabilities of a diamond the "Make" also affects the physical appearance of the diamond. Diamonds of superior "Make" face up the size expected for their carat weight and show exceptional brilliance and fire.

UNDERSTANDING THE DIFFERENCE BETWEEN RARITY AND BEAUTY

As you move up the clarity scale toward "Flawless" you move into clarity qualities that are increasingly rare. As you move up the color scale toward "D" you move into color qualities that are increasingly rare. It is important to understand that an increase in rarity does not inherently or automatically translate into an increase in beauty.

To the naked eye, there is no difference in beauty between a diamond graded "Flawless" and the same diamond if it was graded "SI-2", because neither "Flawless" nor "SI-2" diamonds are considered to show markings visible to the naked eye. "Flawless" clarity and "SI-2" clarity are different versions of beauty. The diamond will cost more if it is "Flawless" clarity than it will if it is "SI-2" clarity, but that higher cost is primarily a function of rarity, not beauty.

Similarly, one color is not inherently and automatically more beautiful than another. "D" color is icy in appearance compared to "M" color. "M" color is warm in appearance compared to "D" color. "D" color and "M" color are different versions of beauty. The diamond will cost more if it is "D" color than it will if it is "M" color, but that higher cost is primarily a function of rarity, not beauty.

Rarity is a fact of nature. Beauty is in the eye of the beholder. When consumers assume that higher clarity diamonds are automatically more beautiful than lower clarity diamonds, or assume that higher color diamonds are automatically more beautiful than lower color diamonds, they make costly buying mistakes. Paying extra for rarity does not guarantee you a more beautiful diamond. It bears repeating that educated consumers buy with their eyes, on the basis of a visual examination. Uneducated consumers buy with their ears, on the basis of what the diamond "sounds" like.

UNDERSTANDING THE TRICKS OF THE TRADE

Consumers should be aware of various trade practices in the jewelry industry which are used to unduly influence buying decisions. The three most prominent "tricks of the trade" are (1) Deceptive showroom lighting conditions, (2) fake sales, and (3) misdirection.

Promoting diamond jewelry by showing it under special showroom display lighting is considered normal practice in the jewelry industry. This lighting is recognizable by its "hot", "bright" or "intense" appearance, and includes spot lights, flood lamps, reflector lamps,

tubular display case bulbs, chandeliers and similar light sources. This type of display lighting is unfair to consumers because it artificially enhances the appearance of diamond brilliance and fire and, in addition, such lighting makes it impossible to reliably determine diamond clarity and color grades. The effect is so extreme that even very poor quality diamonds shown under such lighting will sparkle like they belong in the Crown Jewels of England.

Professional diamond buyers never purchase diamonds under such lights. Professional diamond buyers purchase diamonds only under laboratory grading lights. Laboratory grading lights are "Tubular fluorescent color corrected daylight bulbs rated at 5000 Kelvin". Laboratory grading lights neutralize brilliance and fire and render colors accurately. Only under laboratory grading lights do you see exactly what you are buying, with no surprises later.

At Nebraska Diamond our Diamond Buyer insists on laboratory grading lights and our customers deserve nothing less. We use laboratory grading lights in every overhead fluorescent fixture in our store. Our customers purchase their diamonds under the exact same lighting used by our own Diamond Buyer. No other area jewelry store provides its customers with the strict 100% laboratory lighting conditions we have at Nebraska Diamond.

Fake sales have reached epidemic proportions in the jewelry industry. In the fake sale scheme the store places a fictitious and exorbitant "regular" price on the merchandise and then advertises it at some seemingly giant "discount". In reality the store has never sold the item at the "regular" price and has simply marked it up to mark it back down to give the consumer the illusion of a "bargain".

At Nebraska Diamond our pricing policy follows the no nonsense philosophy of "lowest price every day". This means that you never have to wait for a "sale" at Nebraska Diamond. We are very serious about fulfilling our commitment to offer our merchandise at the lowest prices in the market every day. That commitment is an important reason why Nebraska Diamond has grown to completely dominate Lincoln's diamond jewelry market.

"Misdirection" is the Art of getting the consumer to make a buying decision on the basis of something other than the product itself. In the jewelry industry "misdirection" takes two primary forms: (1) Using a "gizmo" to "prove" that the diamond meets a standard, and (2) using third party "authentication" to "prove" one diamond is better than another.

Analyzing brilliance and fire in a diamond is such a complicated subject that to properly study diamond light handling characteristics the GIA has utilized computer technology to create a computerized "virtual diamond" with 20,122 different proportion combinations. The GIA has studied the way light travels through these 20,122 combinations, has compared those results with 67,621 actual diamonds, and still does not have sufficient information to develop a scientifically proven cutting grade scale. GIA research is still in progress.

In spite of the foregoing, some jewelers show consumers a gizmo, place a diamond inside and, by

virtue of some otherwise invisible pattern in the diamond revealed by the gizmo, announce that the diamond cut is perfect in every way. This diamond could be the ugliest diamond of all time, but because the gizmo is a mechanical thing which the consumer assumes must be correct, the consumer mindlessly lets the gizmo define "beauty". In fact, whether the gizmo reveals concentric circles, five pointed stars, hearts and arrows, or a picture of Mickey Mouse, the gizmo does not measure beauty. The gizmo is not a gemological instrument. The gizmo is a misdirection tool.

Similarly, some jewelers present "certificates" containing third party descriptions of the diamond to "prove" that their diamond is better than the diamond at the other store. The objective is to get the consumer to choose a diamond on the basis of what a piece of paper says about it, and not on the basis of actually visually examining the diamond. After all, if these "certificates" are prepared by independent third parties they must be unbiased and correct, right? Not quite. What the consumer is not told is that all these certificates contain accuracy disclaimers and, further, that some third party providers grade diamonds using lenient subjective grading standards so that their "certificates" read better and the diamonds described in them "sound" better than if they used strict subjective grading standards. No "certificate", regardless of its detail, tells you whether the diamond is beautiful. "Certificates" are misdirection tools.

IN SEARCH OF BEAUTY, STYLE AND VALUE

Every year at Nebraska Diamond we make thousands of engaged couples happy they came to see us. The couples who have the easiest, most comfortable and most fun time purchasing their engagement ring all share the same three objectives: (1) They want a diamond that is beautiful, (2) they want a ring style they both love and (3) they want the diamond and ring to be within their budget.

The most beautiful diamond to one person may not be the most beautiful diamond to another. At Nebraska Diamond our Certified Diamontologists* are educated and trained to listen to you so that they can show you a selection of diamonds having the characteristics you find the most beautiful. Our tremendous diamond inventory guarantees that we always have the correct diamond on hand to satisfy all of your requirements for beauty.

When it comes to ring style selection, Nebraska Diamond is Nebraska's only Engagement & Wedding Ring Superstore. All the other area jewelry stores combined cannot show you the ring style selection you will see simply by coming to Nebraska Diamond. We guarantee that no matter where you have been or what you have seen you will be absolutely astonished by the selection at Nebraska Diamond.

You, and only you, know what budget is comfortable for you. Our advice to you regarding the topic of budget is very unusual for a jewelry store: (1) Set a budget. (2) Stay within that budget. At Nebraska Diamond we show respect for our customers by honoring the budget limitations they set. One of the advantages of being the Engagement & Wedding Ring Superstore is that we have beautiful engagement and wedding rings to fit every budget.

Any jewelry store can claim to be the "best", but the proof is in the performance. Any jewelry store can claim to have "the biggest and best selection", but the proof is in the performance. Any jewelry store can claim to have the "lowest prices", but the proof is in the performance.

Our performance record speaks for itself. Nebraska Diamond will sell more engagement and wedding rings than all of the other area jewelry stores combined.

We look forward to serving you.

*The distinction of Certified Diamontologist is awarded by the Diamond Council of America, a non-profit educational organization, only after a comprehensive course of study and proficiency proven by testing. Copyright © 1999 Nebraska Diamond Sales Company, Inc. All Rights Reserved.



NEBRASKA DIAMOND

8th Floor, NBC Center
13th & O Streets
Lincoln, Nebraska 68508
(402) 474-6400
USA 1-800-334-GEMS

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