

# The Term “Cultured”

CIBJO 2019 | Education Initiative Update

Presented by Jeremy Shepherd, CPAA Board Member



مؤتمر الإتحاد العالمي للمجوهرات  
THE WORLD JEWELLERY CONFEDERATION CONGRESS

مملكة البحرين 18 - 20 NOVEMBER 2019 KINGDOM OF BAHRAIN



# Agenda

## 1. Mission

Pearl industry's future toward increased sustainability

## 2. Pearl Education

Understand how people are currently being educated on pearls

## 3. Regulation History

Historical snapshot of various pearl nomenclature regulations

## 4. Current Problem

Understand current problems with pearl nomenclature system

## 5. Proposed Solution

Discuss a proposed solution that is focused on sustainability

# About Me

- Founder of world's largest online pearl company
- Board member of the Cultured Pearl Association
- Producer of "The Tahitian Pearl" and "Power of Pearl" award-winning documentaries
- Created Pearls as One, the Cultured Pearl Association of America's Pearl Specialist Certification Course and the most popular pearl education course in history

PEARL  
PARADISE<sup>CO.</sup>

  
CULTURED PEARL  
ASSOCIATION

*of America, Inc.*

PEARLS AS ONE



Jeremy Shepherd

*Global pearl expert with  
20+ years of industry experience*



<https://www.linkedin.com/in/jeremypshepherd/>

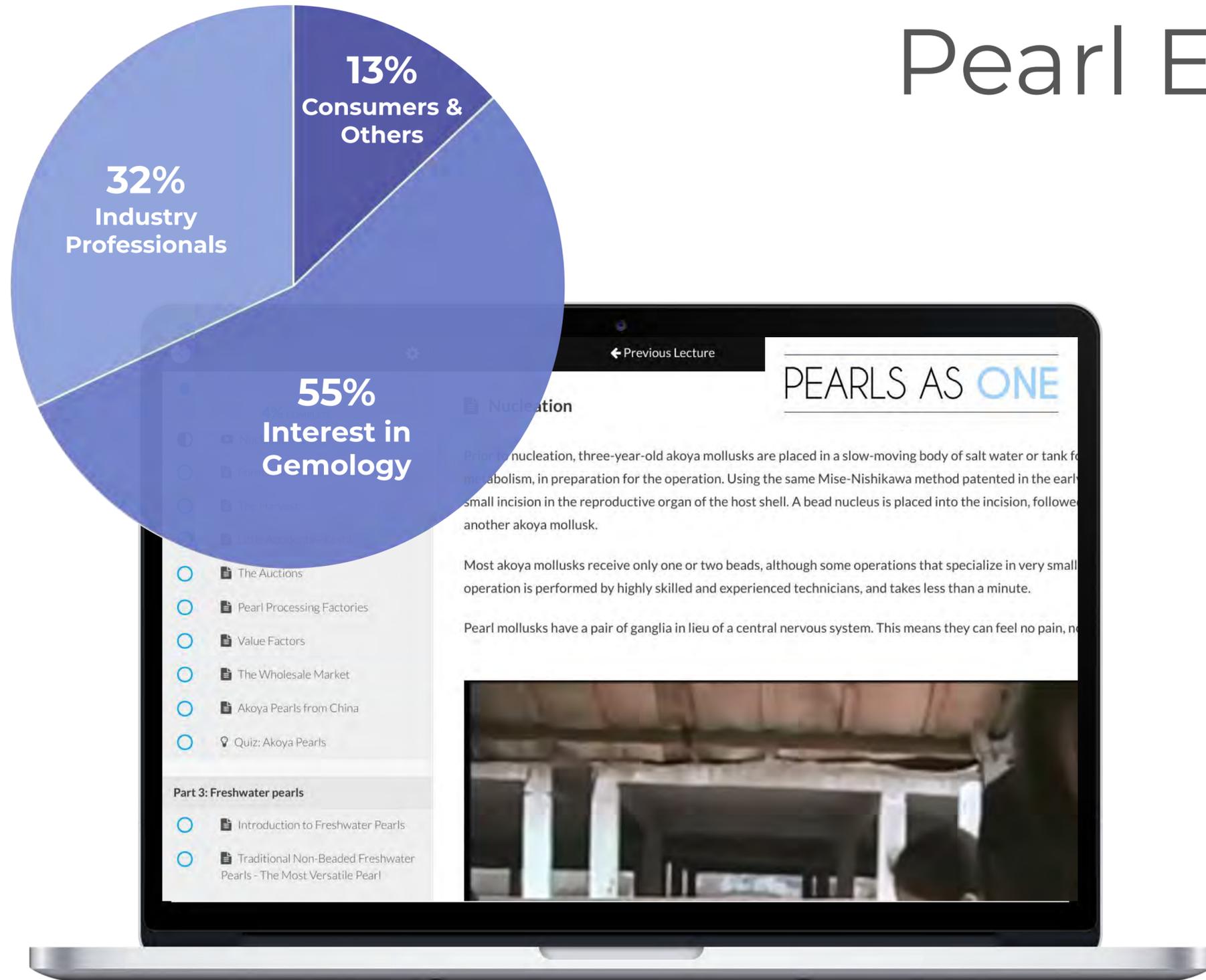


# Mission

Empower the pearl industry to become even more **socially and environmentally friendly.**

# Pearl Education Platform

*Pearls As One* is currently the most popular pearl education course in history



Available in 10 Languages



4 Pearl Professional Instructors



~80,000 Students



50,000 Questions & Comments



63k Newsletter Subscribers with 24.4% Open Rate.

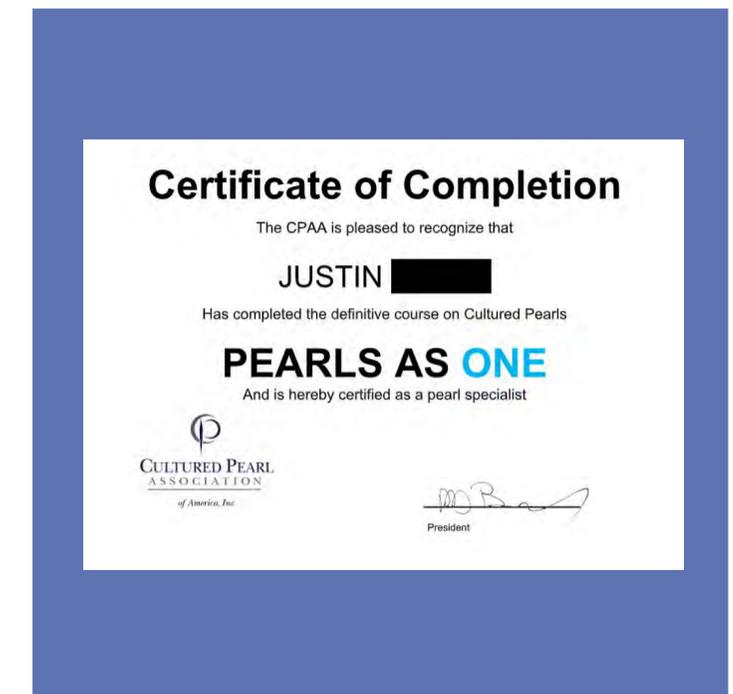


30k+ New Newsletter Subscribers just within the past year

# Pearls As One Course Impact

Thousands of retailers, organizations and publications are utilizing the *Pearls As One* course to educate their readers, members and teams.

Retailers	Organizations	Publications
<ul style="list-style-type: none"> <li>● David Yurman</li> <li>● Assael Inc</li> <li>● Neiman Marcus</li> <li>● Imperial Pearl</li> <li>● Mastoloni</li> <li>● Many more</li> </ul>	<ul style="list-style-type: none"> <li>● WJA</li> <li>● Gem-A</li> <li>● NAJA</li> <li>● Gemmological Association of Australia</li> <li>● Many more</li> </ul>	<ul style="list-style-type: none"> <li>● JCK</li> <li>● Instore Magazine</li> <li>● National Jeweler</li> <li>● Forbes</li> <li>● Many more</li> </ul>



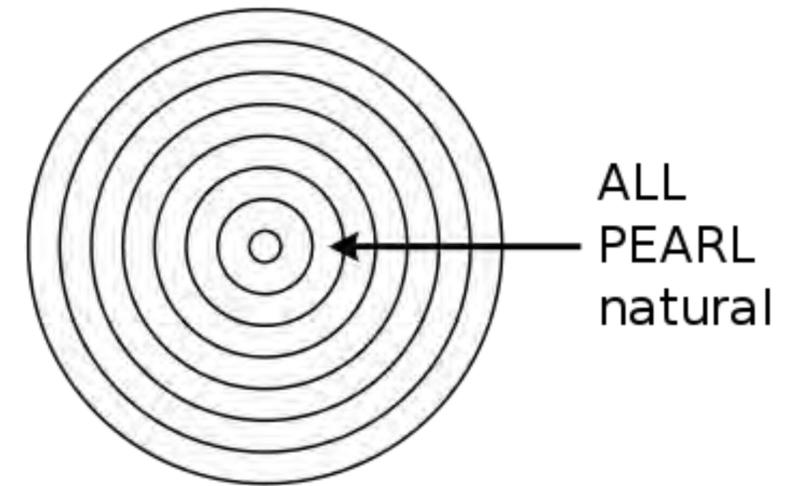
*Every graduate receives a Certificate of Completion*

# Cultured vs. Natural

Natural



Organic gem created in a mollusk **without any human intervention.**

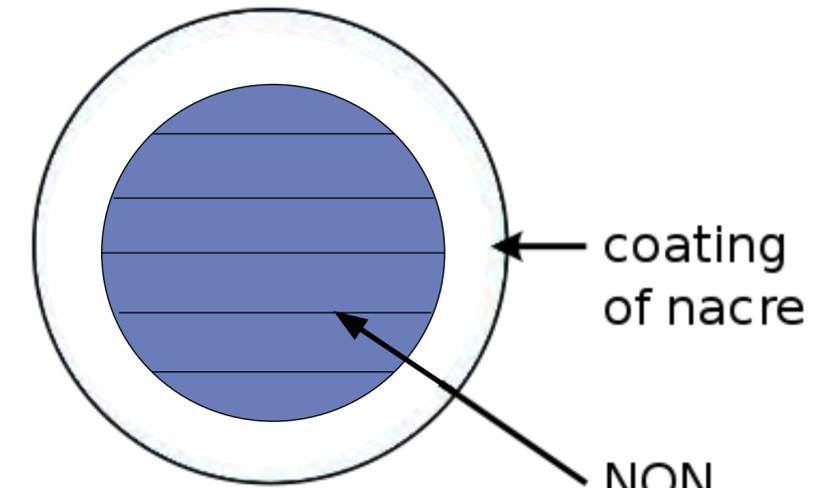


Natural

Cultured



Pearl produced by the **human insertion** of a bead, a tissue graft, or a bead and tissue graft in a freshwater mussel or saltwater mollusk.



Cultured

# Nomenclature History



## 'Cultured' Term Etymology

The Japanese invented Yoshoku Shinju which translated to "aquaculture pearls" meaning pearls cultivated in water. At the time, the English adjective term to describe 'aquaculture pearls' (farmed pearls) was 'cultured'\*\*



## Cultured vs. Natural

The term 'cultured' was applied to eliminate confusion in the market



## There's Still Confusion

The confusion has only increased due to today's definition of the word 'cultured' as well as ongoing debates within the diamond industry

## 1906

### Invention of Pearl Culturing\*

The Japanese invented Yoshoku Shinju which translated to "aquaculture pearls" meaning pearls cultivated in water

## 1919

### First 'Cultured' Pearls

Kokichi Mikimoto brought his first pearls to Europe to be sold as cultured

## 1924

### Cultured Pearls Proven to be Real

Mikimoto proved in court his pearls were real pearls and, in fact, a natural product

## 1957

### Cultured vs. Natural

The FTC published rule that said retailers and sellers needed to clearly distinguish between cultured and natural pearls

\*Nagai, Kiyohito. "A History of the Cultured Pearl Industry." *Zoological Science*, Zoological Society of Japan, October 1, 2013  
\*\*Source: <https://www.etymonline.com/word/aquaculture>

# Areas impacted by nomenclature



## Retail

Impacts the way in which retailers are allowed to talk about their pearl products



## Social

Impacts the way consumers participate in online discussions and share pearl content



## Adjacent Industries

Impacts consumer perception of precious gem characterization in other categories



## Sustainability

Increased ability to distinguish various farming methods can lead to increased sustainability



## Farming

Specific farming techniques determine how farmers can label their products before sale



## Education

Consumers, retailers and farmers must be consistently educated on naming rules

# Problem

## **There's a current need to create new standards for pearl nomenclature**

The pearl industry has drastically changed while the regulations surrounding pearl nomenclature have not

## **Consumer understanding of the word 'cultured' doesn't match intended definition**

Today's definition of the word 'cultured' is not generally understood to mean the same thing as the original 'cultured' term, which was derived from the English word 'Aquaculture'

## **The growth of the cultured diamond industry further confuses consumers**

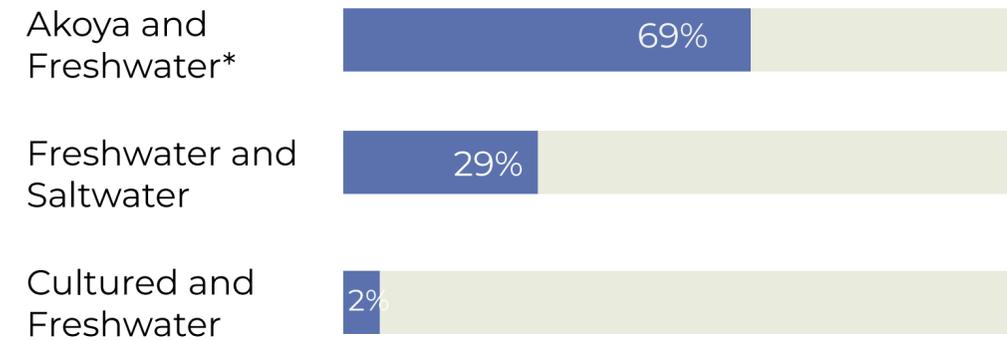
The ongoing terminology debate within the diamond industry is having an impact on consumers' ability to differentiate pearls



# Problem Evidence

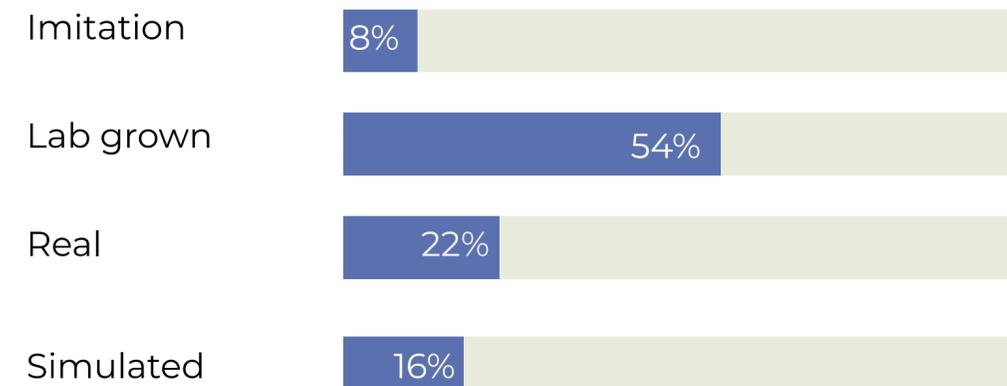
What are the two main types of pearls on the market today?

*Poll conducted by Kathy Grenier, Imperial Pearls and CPAA (n = 154 Independent Jewelers)*

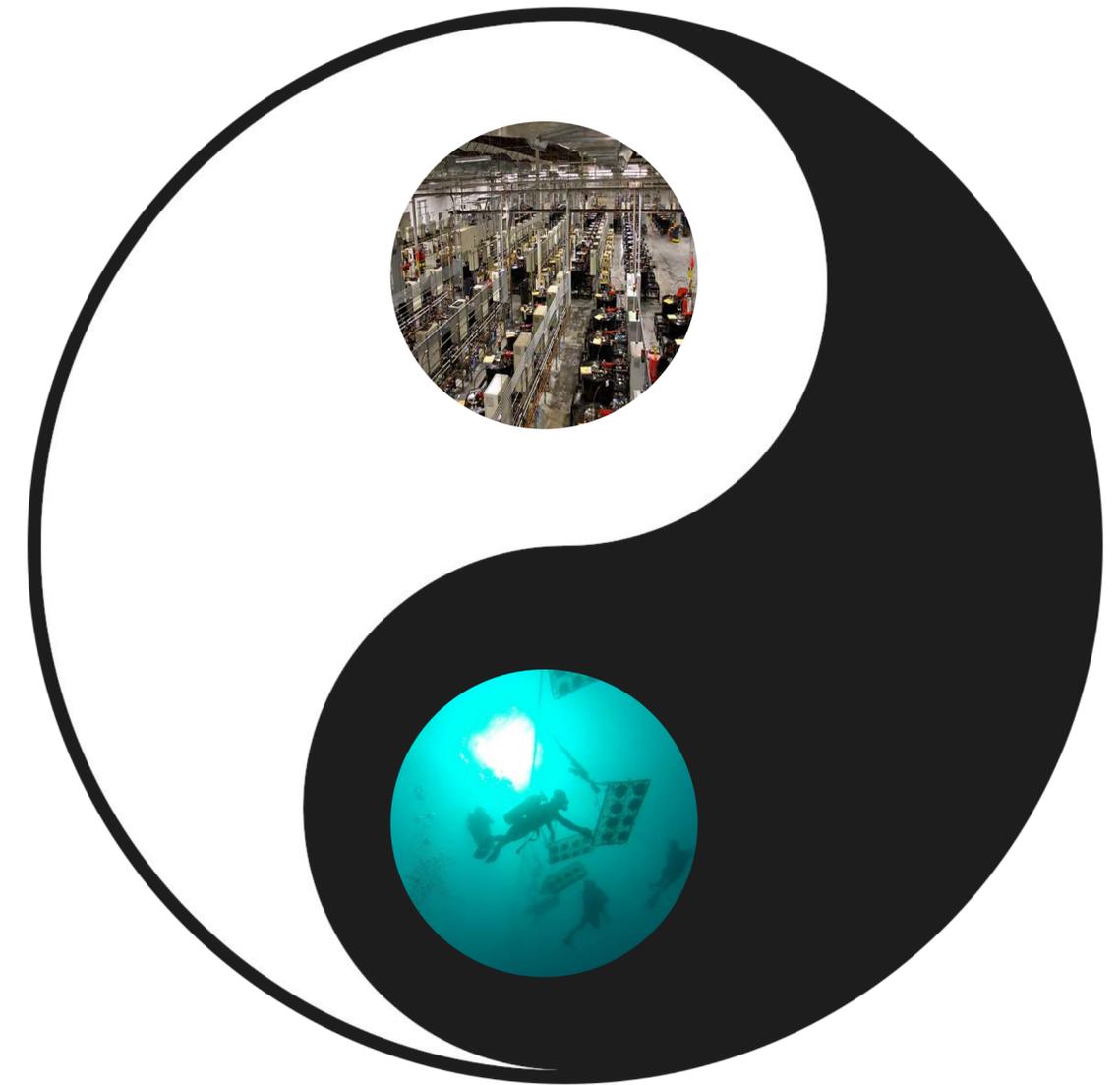


No responses included 'natural pearls'

What does 'cultured' mean? *Facebook Poll 2019 (n = 10,000)*



Only 22% responded with correct answer



*\*Most jewelers consider akoya to be cultured, and freshwater pearls to be freshwater. Potential data interpretation: they believe those are the two types of pearls: Cultured Pearls and Freshwater Pearls*

# Cultural Impact of Diamond Debate

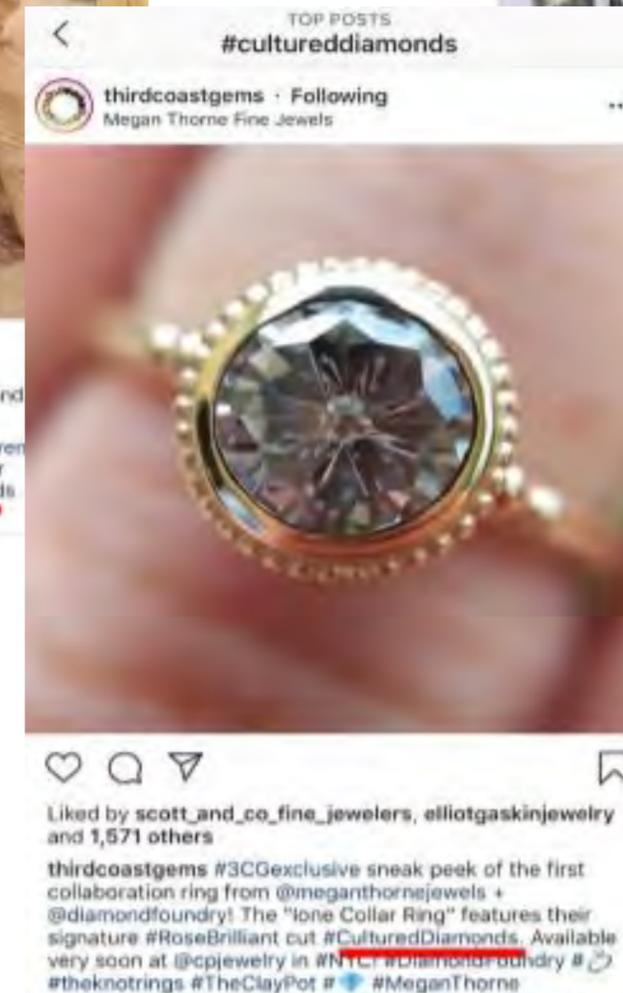
The diamond industry has co-opted the term 'cultured'. This is impacting the pearl industry.

Various parties in the diamond industry are fighting about the term 'cultured' replacing the term 'synthetic'

This ongoing debate has led to [increased consumer use](#) of the term 'cultured' when describing synthetic diamonds

**All outcomes of this debate are extremely damaging to the pearl industry**

This ongoing battle is already damaging the entire pearl industry. The debate is negatively affecting the confidence of consumers and confusing the market



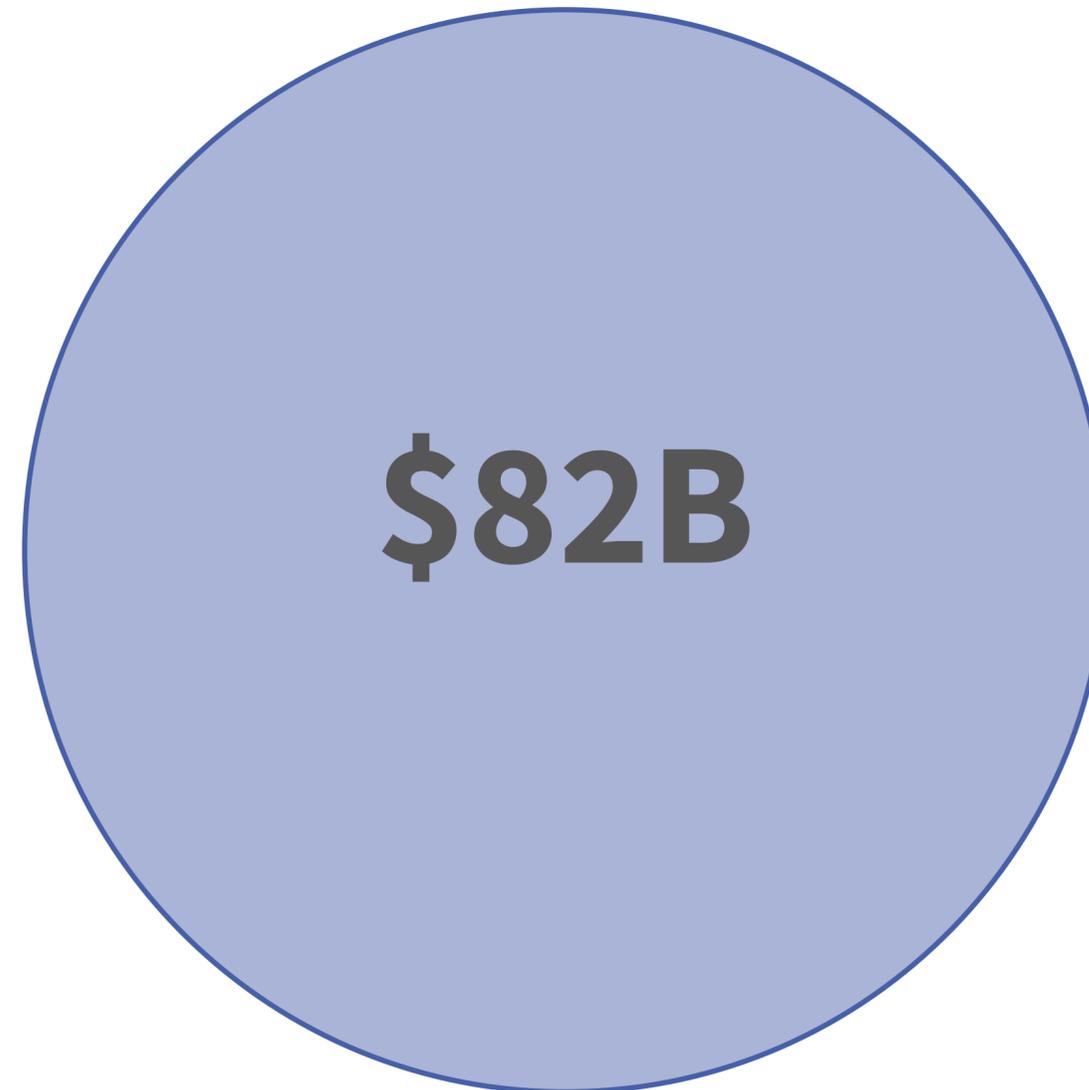
# Negative Impact on Global Pearl Market

The global pearl market is significantly smaller than the global diamond market and therefore suffers tremendously from the ongoing debate

Global Pearl Market



Global Diamond Market





# Proposed Solution

Removal of the term 'cultured' while reinforcing clarifying terms to accurately distinguish pearl types

**1 Remove 'Cultured'**  
Adjust existing regulation that requires the addition of the term 'cultured' when describing pearls

**2 Focus on Clarifying Terms**  
Focus on the importance of using clarifying terms to accurately distinguish pearl types

**3 Educate Consumers & Retailers**  
Utilize education platforms and social media to educate consumers and retailers on nomenclature system

# Understanding Clarifying Terms

Removal of the term 'cultured' allows for an increased focus on more effective clarifying terms

Use of correct terms can help eliminate confusion in various areas

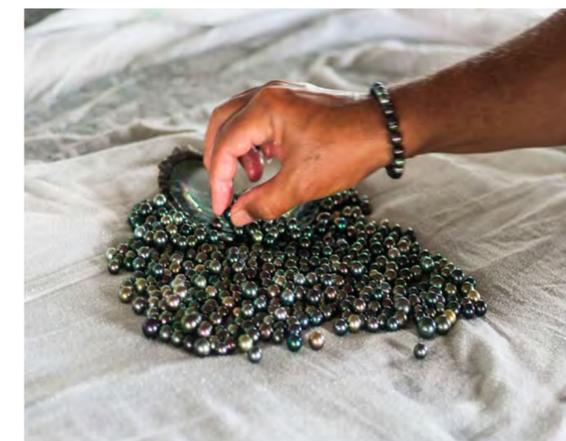
- Wild vs farmed subcategorization underneath natural (outside lab-grown)
- Difference between saltwater and freshwater pearls
- Separation of imitation products

## Common Terms



### Natural

Organic gem created in a mollusk without any human intervention



### Saltwater Pearls

A pearl produced by a saltwater mollusk in a saline environment



### Freshwater Pearls

A pearl grown in man-made lakes and rivers differing in growth style and chemical makeup



### Imitation

Man-made objects (often beads) designed to resemble real pearls

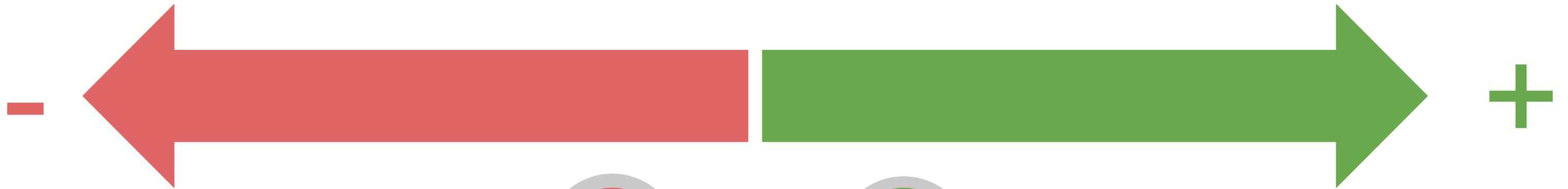
# Proposed Classification System

The below classification system is a proposed solution intended to **decrease confusion in the market, accurately differentiate and increaser sustainability.**

1	2	3	4
<b>Pearls</b>	<b>Wild Natural</b>	<b>Freshwater Pearls</b>	<b>Imitation</b>
Any pearl produced by a saltwater mollusk in a saline environment	Any pearl grown without human intervention	Any pearl grown in a man-made lake or river	Any man-made object designed to resemble real pearls



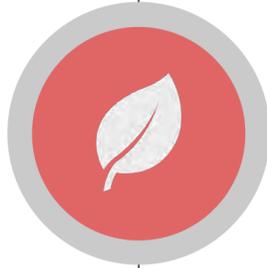
# Removing 'Cultured' Industry Implications



Learning curve required to educate consumers and retailers about change



Potential challenges surrounding natural pearl distinction



Efforts required by CPAA to lobby FTC for desired change. CPAA will change its name to PAA



Less confusion for consumers when it comes to pearl differentiation



Less damage to pearl industry as a result of diamond debate



Ability to distinguish between farming methods (oceanic vs freshwater) leading to increased sustainability

# Implementing Proposed Solution

- CPAA will lobby the FTC to remove the 'cultured' requirement
- CPAA will change its name to Pearl Association of America
- CPAA will inform industry newsletter and student databases
- CPAA will initiate a Facebook and Instagram marketing campaign
- A Natural Pearl education module will be added to Pearls As One



# Summary

## **There's a growing need to remove the 'cultured' term addition requirement**

- The current definition of 'cultured' no longer means the same thing as the initial intended definition
- Ongoing battle in diamond industry poses a threat to the pearl industry if naming rules are not changed

## **The pros of rule change outweigh cons**

The pros of removing the 'cultured' term requirement outweigh the cons of having to reeducate consumers, farmers and retailers

## **There's potential for increased sustainability**

Introducing this rule change will allow for increased differentiation between farming methods, which will lead to increased sustainability



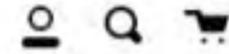


Q & A

A pair of hands is shown from a top-down perspective, cupping a large quantity of pearls. The pearls are mostly white and cream-colored, with some showing a slight pinkish or yellowish tint. The hands are positioned over a blue tray that is filled with a large amount of small, light-colored beads or pearls. The background is a solid, bright blue color. A semi-transparent blue rectangular box is overlaid on the center of the image, containing the text "Thank You!".

Thank You!

# Appendix



JEWELLERY >

FINE PIERCINGS >

ENGAGEMENT

DISCOVER >

LUXURY REWARDS >



THE FUTURE IS CULTURED

**Jewellery made with cultured diamonds type 2A-  
the rarest type of diamond. Never mined. Always  
guaranteed conflict free.**

## #SHINEDIFFERENT LUXURY REWARDS

Sign up and receive £100 (\$120 USD) credit .

CREATE ACCOUNT NOW

# Disrupting Cultured Diamonds Luxury Jewellery Brand Lark & Berry Featured Twice in the 'Our Royal Baby' Book

Disrupting luxury jewellery brand Lark & Berry featured twice in the 'Our Royal Baby' book charting Prince Harry and Meghan Markle's journey from romance and engagement, through to marriage and new parenthood.

NEWS PROVIDED BY

[Lark & Berry](#) →

Sep 23, 2019, 21:00 ET

SHARE THIS ARTICLE



LONDON, Sept. 23, 2019 /PRNewswire/ -- Sustainable luxury jewellery brand Lark & Berry is celebrating the release of *Our Royal Baby*, a book commemorating the birth of Prince Harry and Duchess Meghan Markle's first child, baby Archie. *Our Royal Baby* twice features Lark & Berry in articles entitled 'Cultured Elegance' and 'Faultless Beauty.' The book is available in hardcover.

[Home](#) > [Lab Grown 'Cultured' Gemstones \(Sapphire, Ruby, Emerald and Alexandrite\)](#)

## Lab Grown Cultured Gemstones

### Real Colored Gems, Lab Grown

We currently offer a variety of lab-grown sapphire, as well as cultured Colombian emerald, cultured Ruby and cultured Alexandrite.

Please note that we are in the process of moving to our new, in-progress but live website, and you may wish to shop there as well in order to use the dynamic inventory and other features.

<http://betterthandiamond.com/newstore>

Ready to ship jewelry

Earrings

Asha Diamond Simulant

Takara Cultured Diamonds

Natural Diamonds

Cultured Colombian Emeralds

Cultured Rubies

Rings

Prongs

Necklace & Pendants

Care Products

Weekly Special

Pearls

Amaral Shell Pearls

▶ [Lab-grown 'Cultured' Sapphires](#)  
(Custom cuts are available for all sapphire colors [here](#))

Dark Ceylon Blue Lab Sapphire



Kashmir Blue Lab Sapphire



# Survey Casts Doubt on the 'Realness' of Lab-Grown Diamonds

May 24, 2019 by **ROB BATES**



A new survey finds that consumers have doubts about the "realness" of lab-grown diamonds, while another poll found that



younger shoppers are increasingly open to the concept.



The first, a **Harris Poll** sponsored by the Diamond Producers Association (DPA), the diamond mining group, says that many consumers associate lab-grown diamonds with

