

Cultured Pearl Experts Describe a Changing Market

By Jaime Kautsky

Though late-afternoon sunlight filled the S. Tasaki Student Lecture and Graduation Hall, GIA students were basking in the glow of cultured akoya, South Sea, freshwater and Tahitian pearls before a recent lecture at the Institute's world headquarters.

"This is luxury," sighed one student, carefully fastening a 20-inch strand of black Tahitian cultured pearls around his neck.

The gems made their way to GIA via Avi Raz, president of Los Angeles' A&Z Pearls, Inc., and Dora Fourcade, president of Pacific Perles in Tahiti. The two were in Carlsbad to present "The Pearl Industry: New Treatments, Varieties and Production," to a capacity crowd in the lecture hall.

Raz, a former airline executive with more than two decades of experience as a cultured pearls importer, reviewed the varieties of cultured pearls before discussing important new developments in the trade.

One of those recent changes is the emergence of new markets. Akoyas long dominated cultured pearl sales in volume but have experienced stiff competition from the Chinese freshwater pearl market in the last several years, he said.

"The pearl farms were one of the first private enterprises allowed by the Chinese government," he said. "As China is becoming a major economic force and expanding rapidly, other industries – like rice production – are also growing. In an effort to maximize freshwater resources, the Chinese government has recently taken some lakes and other bodies of fresh water away from the pearl farmers."

Raz said that because of those dwindling resources, predictions call for freshwater cultured pearl production to fall from 1,500 tons in 2005 to 1,200 tons in 2007.

"But don't get scared – that's still a lot of pearls, and they are putting a lot of effort

into improving their product."

Until four or five years ago, the largest high-quality Chinese freshwater cultured pearls were up to 10 mm in diameter. But with improved cultivation techniques and the development of bead nucleation, the Chinese have managed to produce 14-15 mm round cultured freshwater quality pearls.

Mexico's Sea of Cortez is another newcomer to the market; Raz said farmers there use the rainbow-lipped oysters (*pinctada peria sterna*) and are producing mostly baroque cultured pearls with "beautiful" color.

Raz introduced his friend and colleague, Fourcade, as one of the female pioneers in the field of Tahitian pearl cultivation. Fourcade owns one of the nation's largest cultured pearl farms, located on the island of Aratika.

Tahitian-born Fourcade, who founded Pacific Perles with her brother, Jean Pierre, in 1978, described the life cycle of a cultured pearl and the rigors of operating a farm.

"It's hard work," she said. "It takes three years before you can graft (implant a nucleus and piece of healthy mantle tissue into) oysters, then technicians can graft 400 oysters in a day. But on the average farm – from collection to harvest – you've lost 50 percent of what you seeded."

She cited fish and turtles as common predators of the baby oysters. "Those turtles just love the oysters," she laughed.

Fourcade, also board director of the nation's promotion group Perles de Tahiti, said the cultured pearl farmers take their role in the industry seriously.

"We don't want inferior-quality pearls to leave Tahiti, so it's very strict," she said. "We are the only



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– Avi Raz
President, A&Z Pearls, Inc.

country in the world imposes a minimum. If it is inferior to 0.5 mm nacre thickness, they are not approved for sale and are later destroyed.

The Tahitian Inspection Office formed by the government at the request of

pearl producers, and ensures quality control by inspecting every cultured pearl leaving the islands.

Fourcade said the new laws regulating cultivation and export of pearls were discussed and voted on beginning in 2000 at meetings of the "Comité de Suivi de la culture," which is composed of members of Perles de Tahiti and representatives of the pearl industry and Tahitian pearl farmers. Cultured pearl prices had begun to drop a year after more than 30 years of steady growth.

"People saw that cultured pearls were profitable and a lot of them entered the industry. Production started increasing and demand couldn't follow. People also started producing low-quality pearls. Many went out of business, and there was a 40 percent drop," she said.

"In a way, it was good. Those who did a good job didn't stay; those who did not were focused," she said.

Fourcade said the goal of stabilizing the market with new laws was, "to regain the confidence of our consumers."

Raz echoed the importance of gaining consumer confidence and reminded students that continuing education is an important part of achieving it.

"When you earn your G.G., it is a proud moment. But you should keep learning," he said. "Gemology – and pearls – are things that change very rapidly. You are the few ones who will influence what's sold. It's designed, and the public will look at jewelry experts."



A student investigates Tahitian cultured pearls brought by Dora Fourcade.

Jaime Kautsky/GIA