

Ladies and Gentlemen, friends and colleagues, a personal and very warm welcome to the inaugural World Pearl Forum;

Today is indeed a very proud moment to see so many industry leaders in the room together having made the commitment to travel from all parts of the pearl globe.

As Ahmed mentioned earlier, globally the economic outlook has changed considerably since we originally conceptualized this forum quite some months back. The world is a very different place today. Interestingly (and I know we have several colleagues from China here today) when you translate the word for crisis in Chinese it becomes Danger plus Opportunity. It is evident from your presence here today that you recognize and believe in the opportunities.

Over the past months we have enhanced our speaker programme and topics to address the realities of today's market place. The current business climate facing luxury products has challenged the norms in industry practice calling for change and positive action through industry collaboration. Your enthusiastic response for this dedicated forum, which is possibly the first jewelry conference since the onset of the financial crisis, encouraged our further commitment as clearly we all share the vision for industry development. Later this morning you will be hearing from management consultant McKinsey and learn how we can identify opportunities in times of crisis.

All is not doom and gloom . . . Karl Lagerfeld the Chanel designer, who is currently designing luxury homes for the World Islands development here in Dubai, famously stated a few weeks ago that "Bling is dead", referring to more subdued trends and a "New Modesty"—this is an ideal climate for the subtlety and discreet charm of pearls. We, as an industry have the opportunity now to better educate our target consumer and effectively promote the beauty and value of the pearl.

Understated wealth may well be the key for 2009; the consumer is still buying; but in a different more informed way. So now would be an ideal time to focus on the best way of positioning the pearl within the luxury market to ensure that pearls are a first choice for the discerning jewelry buyer.

As a relative newcomer to this industry it strikes me that the pearl industry has not yet reached its full potential. As a uniquely organic gem in nature you have a beautiful story to present to today's brand conscious, luxury minded yet increasingly ethical consumer.

My own visits to pearls farms mainly in Western Australia have been incredibly inspiring – to be able to observe the cultivation process which is perfected to a fine art and the passion with which the industry spurs the creation of this gem in partnership with nature. Whilst not everyone is fortunate enough to share the same experience, surely we can find a way to encapsulate that essence and portray it to better inspire and motivate our potential consumer?

A few months back I challenged my brand agency to explore this thought further. By researching the quintessential luxury that is diamonds and similar case studies such as Tanzanite; their unique characteristics and associations they were able to apply their learnings to pearls. You'll hear their findings and strategic suggestions on how the industry can use the unique usp's of a pearl to drive a desire for the gem.

The presentation topics and thought provoking panel discussion from our reputed speakers will provide more insight into consumer awareness, education and marketing over the next day or so. There will be opportunities to learn how we can best listen to and inform the consumer and ensure that the pearl is high on their "wish list". According to Bain and company, a leading global business consulting firm, in its 7th annual "Luxury Goods Worldwide Market Study" "Brands that cut overhead costs while investing in their customers and products will be in the best position to recover strong year –on- year growth once the economy improves." "A surge in spending by high net worth individuals on luxury goods over the next five years, ranging from between 20% and 35% in emerging markets including Brazil, Russia, India and China coupled with the strength of several worldwide trends...fuel optimism by the authors of the study for the long-term outlook for the worldwide luxury goods market.

We at the DMCC are committed to leveraging the strength of the Dubai brand as a retail and trade destination to promote the global pearl industry. Our strategic location not only acts as a gateway to one of the world's most affluent consumer markets but also provides a supportive platform for international businesses to target tomorrow's consumer. This slide really says it all.

Allow me to share with you a few of our strategic plans that feature within the comprehensive pearls plan that Ahmed mentioned earlier.

The past week has been a hive of activity at the Dubai Pearl Exchange as we hosted a very exclusive sale of gem quality natural and cultured pearls. Not only a first for the region but indeed a world first in that the tender presented the most rare and unique pearls from leading producers Paspaley, Robert Wan, Jewelmer and Cogent hence presenting under one roof the best possible selection of white, black and golden pearls.

With an approximate value of five and half million, we spent the week dazzled by the beauty of these treasures as did specially invited guests from all over the world.

The tender was hosted in the new premises of the Dubai Pearl Exchange on Level 62 of the landmark Almas Tower – the new jewelry trade centre for the region. The membership based platform enables trade between global players. There are opportunities for you to visit the Exchange tomorrow afternoon – aside from viewing the dedicated services and purpose built facilities – it's worth going for the views alone – an amazing vantage point over the 'new' Dubai developments.

Placing pearls firmly in the global spotlight over the next two years is our comprehensive Pearl Essence pearl jewellery design programme; which not only brings together some of today's top pearl designers and their stunning pearl designs but also gives the young talent of tomorrow a chance to present their design innovations. This effectively puts the spotlight on pearls – encouraging creation of jewellery around this unique gem. This programme effectively encompasses all different categories of cultured pearls and enjoys participation from the global community through sponsorships in kind.

Pearl Essence is composed of two tiers, the designer tier where 10 of today's top international pearl designers alongside 5 regional brands have committed to create a stunning piece of pearl jewellery.

The design theme draws attention to the region's rich pearling heritage to be interpreted in a modern and contemporary fashion

These exceptional pearl pieces will be exhibited in select international cities before being bought back to Dubai to conclude the programme in a charity auction next year.

The student tier of this project is competition based and is well underway with first jury meeting being held yesterday. We had the difficult task of shortlisting 10 designs from over 650 submissions; to

be produced by sponsors into finished jewellery for another round by the jury later this year. The three winning entries go onto win a month's internship with famed designer Stephen Webster in London as first prize, a week's visit to the Paspaley pearl farms in Western Australia for the 2nd prize and a pearl course in GIA's New York campus for the 3rd runner up.

This is an opportunity for me to thank the participating designers, students, sponsors and supporters of this programme.

For those of you who joined us for the official welcome evening of this forum last night, you had an opportunity to experience our vision behind the The Pearls of Arabia project; a project I hold very close to my heart. This destination will offer Dubai visitors and residents a truly unique and immersive experience paying tribute to the region's heritage. Not only will this contemporary complex tell our regional story, it will also go on to entertain and educate the visitor about today's pearl world. Branded retail boutiques and a themed restaurant welcome the visitor to the world of the pearl, which will undoubtedly attract tourists and residents alike.

Bringing us full circle, Dubai has ambitions to once again become a city of pearls – today known for its bustling gold souks and incredible malls as a shoppers paradise it is possible for us to translate the thirst for precious jewelry into a desire for pearl jewellery. Research indicates that a staggering 90% of all visitors to Dubai visit a jewellery store-earning Dubai the title of the "City of Gold". The introduction of pearl standards an active consumer education drive can and will instill consumer confidence in buying pearls in Dubai. We seek the guidance of industry leaders to effectively develop such standards to ensure that all pearl types are represented.

No doubt as you've travelled around the city you have seen the construction of the metro system – the first phase of which is due for completion this year. The design of the stations, whilst incredibly futuristic, has taken inspiration from the pearl shell. A landmark that will integrate throughout the city - can it be the renaissance of the pearl? The revival of Dubai's status as the enduring City of Pearls is well and truly underway.

As I bring this welcome session to a close, I would like to extend a warm welcome to our overseas visitors, a special note of appreciation to our esteemed speakers for their time and support and a big thanks

to our sponsors who's investment in our initiatives is well appreciated. Of course none of this would have been possible without a dedicated team who worked very hard to pull this forum together – to my extended team of organizers – a huge thanks.

I look forward to meeting each and every one of you over the next day or so.

Enjoy the forum.