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All That Glitters

Chris Del Gatto's business plan is based on the premise that money can grow on trees — in the form of unworn jewellery. The certified gemologist and diamond-cutter from New York realised early

on that jewellery buying could offer instant liquidity — “like a stock market for securities.” Seeing an opportunity to develop an upscale estate brand based on purchasing jewellery from the public, he founded CIRCA in 2001.

Business was so brisk that the brand quickly expanded into various locations in the United States. When it came time for CIRCA's first international expansion, Hong Kong was the natural choice.

“Hong Kong is a sophisticated market with a vast amount of wealth; the world's most important collectors are there,” said Mr. Del Gatto, who opened an office in Central in 2006. “Many of CIRCA's Hong Kong clients were coming to our offices in New York or San Francisco to see us, so we decided to bring the business to them.”

Modern Way to Trade

CIRCA markets its model as “the modern way” to sell diamonds, fine jewellery and watches. “We look to acquire jewellery made by famous makers such as Cartier, Van Cleef & Arpels and Tiffany, and for watches made by Rolex, Patek Philippe, Vacheron, Breguet and others, as well as pieces without identified pedigree,” said Mr. Del Gatto. “However, we buy jewellery of all type and value. No item is too large or too small.”

People sell their jewellery for various reasons, he said but, among CIRCA clientele, it's rarely because they need the money.

Fashions change; more women now prefer to choose their own jewellery; or people simply make a practical decision to make better use of a valuable item that's been sitting in a box for years.

When a customer brings an item to CIRCA, the seller sits down with a knowledgeable professional, who assesses the piece and makes an offer. If it's accepted, a cheque is issued on the spot. Mr. Del Gatto said CIRCA is typically able to pay more than the auction houses, at far less expense to the seller, and payment is instant.

The pieces are then offered to CIRCA's coterie of collectors worldwide, among whom there is “tremendous demand” across all product categories, he said. Any not-so-precious piece has a market, too, particularly among fledgling jewellery businesses in Eastern Europe and beyond.

Mr. Del Gatto stressed that CIRCA doesn't just trade at the top end. “We can buy a 10-carat diamond or a US\$800 gold bracelet, as we have unique distribution channels.”

Cash Flowing Again

People assumed the buy-side of his business was brisk during the recession or that jewellery prices went down but, in fact, the opposite was true. “People were scared to invest,” he recalled of the 2008 slowdown. “They



Chris Del Gatto,
founder of
estate jewellery
brand CIRCA

felt that if they traded their jewellery for money now, they wouldn't know what to do with it. And so they held out.” The tide began turning mid-2009, though, as confidence returned.

CIRCA's Hong Kong office will serve as the brand's entrepôt to Asia, said Mr. Del Gatto. “We are excited to be in a dynamic part of the world where the growth potential is unprecedented.”

He's more than impressed with the results so far, projecting a “conservative estimate” of US\$10 million turnover in 2011 from the Hong Kong office alone.

Further expansion in Asia and Europe is planned, but Hong Kong will “always be our headquarters in the region,” he said. “It's such an international city, with great access, and all the infrastructure lends itself to conducting business.”



Art deco bracelet
from CIRCA



Bird brooches
from the CIRCA
estate collection



Brooch and earrings: a matching set by Van Cleef & Arpels