



In jewels, he trusts

Mike O'Connor



THE INTERVIEW

IT WAS the demise of the Christopher Skase empire that gave John McKinney the chance to seize the keys to Australia's most prestigious chain of jewellery stores.

"My wife and I were on a plane going to Hong Kong and I read that Hardy Brothers was for sale.

"Christopher Skase had it and he was divesting himself of his investments and I said to my wife: 'Why don't we buy Hardy Brothers?'

"She thought I was crazy but we actually bought it.

"They had stores in Melbourne, Sydney, Brisbane, Gold Coast and Port Douglas and they were the premier jewellery stores in Australia.

"There's no doubt about that. It was a fantastic business."

McKinney relates the story as we sit at the desk he now occupies in his shop at The Emporium centre in the Valley where BMWs, Mercedes-Benz and Audis compete for too few parking spaces outside frock shops and shoe stores.

On the wall behind him hangs a black-and-white photograph of a shopfront, the Toowoomba store founded by his grandfather in 1884.

He was born in Toowoomba in 1930 and lived there until 18 years ago. I do the sums quickly as he speaks and realise that he is either 79 or 80. I'd picked him to be 10 years younger and wonder if it's due to that clear Toowoomba air.

"After prep school my two sisters and I were all sent to school in Sydney," he says. "These were the war years and the government had drawn a line from Brisbane west and decided that if the Japanese invaded, they'd fight them from there so my father wanted to get us south of Brisbane.

"I finished school on a Friday and started work at the Prouds jewellery store in Sydney on Monday. There was only one Prouds store in Australia at that time and it was a beautiful store on the corner of King and Pitt streets."

He returned to Toowoomba to join his father in the business which sold everything from china, crystal, cutlery and Winchester rifles to Parker pens, tobacco, cigarette lighters and hair clippers.

McKinney has watched as mass production swept away old values.

"We used to have a one-day, half-price sale every year and sell around 200 imported English fine bone dinner sets at \$1200 to \$1500 each. In the year we left, in 2004, we sold two," he says.

"The ethos has changed. People don't buy fine china dinner sets now because they're about \$2000 to \$3000. They buy a 24-piece set for \$30 or \$40. You can buy six wine glasses now for \$29.95. We were selling Waterford crystal glasses for \$100 each. Young marrieds now might buy a stainless steel cutlery set for maybe \$150.

"We still import English silver-plated cutlery. It sells for about \$3200 for an eight-piece setting. Younger people don't spend their money on quality now." In the 1970s McKinney decided to expand into Brisbane and opened a store at Indooroopilly Shoppingtown, a decision still tinged with regret.

"That was in 1970. We had a big shop selling furniture and electrical goods. Oh God, but we burnt our fingers there and we were locked into a lease indexed to the Consumer Price Index. The first year I was there, the CPI went up 10 per cent.

"I was paying \$110,000 a year in rent and it was just at that time that the electrical and furniture discount warehouses were starting and we were old-time retailers. There were Kennedys and The Bunch of Softies and they made mincemeat of us."

McKinney switched strategy and remodelled the shop to sell china, gifts, glassware and jewellery.

"I used to run half-day sales there too. I remember one day I took half a million dollars selling jewellery and strands of pearls. A guy would come up from Sydney for the day and bring me two suitcases of pearls."

He says that when he bought the Hardy Brothers stores, they were linked with Sheraton because Skase also owned the hotels. "They were in the foyer of Sheraton Port Douglas and at Marina Mirage on the Gold Coast.

"Soon after we took over Hardy Brothers, we sold a piece for over a million dollars. It was a pink diamond and there were always lots of \$20,000 and \$30,000 sales."

He sold the stores, he says, when he ran out of family to run them.

"We opened a second store in Sydney and kept them for 10 years with my three daughters working in the business.

"Then my eldest daughter got married and moved to Kuala Lumpur, then another got married and moved to Singapore and my other daughter had a baby and was busy being a mother, so we sold Hardy Brothers and moved to Brisbane and opened this shop at Emporium," he says.

McKinney waited until 2004, the 120th anniversary of the opening of the Toowoomba store, before he closed its doors. "I didn't sell it. I just closed it. I had a staff member, Miss Gleeson, who'd been there for 60 years. She sat in that chair you're sitting in when I told her and the tears started to run down her cheeks. It was time for her to retire anyway. She was 80," he says smiling.

He and his wife still travel widely, visiting international jewellery and diamond fairs buying stock for their one remaining store. "I just got back from one in Basle in Switzerland buying jewellery, pearls and diamonds. We've been here six years. This is my only store now and I'm well enough to enjoy it. I take a lot of pride in it."

Diamonds, he says, are the one great constant in the jewellery trade. "Women's tastes still run to diamonds. Every woman wants to have at least a one-carat diamond on her finger.

"Some," he says looking at me over the rims of his glasses, "get a lot more than one carat. That's what they all aspire to."

I ask how much you would pay for a one-carat diamond in a simple setting and he says from \$4000 to \$20,000, depending on the quality of the diamond.

The demand for diamonds, he says, never stops. "It might slow a little but it never stops."

And synthetic diamonds? "I think their day is gone. You can test stones very easily now and I can tell if a stone's a fake in two seconds flat."

As they say in the song, "A kiss may be grand but it won't pay the rental, diamonds are a girl's best friend."

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DIAMOND LIFE: John McKinney at his sole remaining store at The Emporium centre in Brisbane's Fortitude Valley.

Picture: Mark Calleja

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