



# Tanzanite Gemstone



## Tanzanite History

The actual discovery of Tanzanite remains somewhat of a mystery. Although there are numerous versions as to its finding, it is not known for certain who exactly found the first crystal. According to legend, it was Masai herders who were actually the ones who originally discovered the stone, when a lightning strike set the surrounding grasslands of Meralani (Merelani) on fire.

However the most widely accredited narrative suggests that in July of 1967, Ali Juuyawatu, a local Maasai tribesman, found a piece of translucent crystal near Mount Kilimanjaro and fascinated by its blue-violet hue, he decided to share his find with Manuel D'Souza, a tailor by profession and prospector by passion, who was looking for rubies in the region. (Tanzanite America). Unsure as to what he had been given De Souza initially concluded that the mineral was olivine (peridot). However on further inspection he realised that his assessment was inaccurate and took to calling it 'dumortierite', a blue non-gem mineral.

Shortly thereafter, de Souza showed the stones to John Saul, a consulting geologist and gemstone wholesaler based in Nairobi who was mining aquamarine in the region around Mount Kenya. Saul, with a Ph.D. from M.I.T, eliminated dumortierite and cordierite as possible sources and sent the samples to his father, Hyman Saul, who was vice president of New York firm; Saks Fifth Avenue.

Hyman Saul brought the samples across the street to the GIA who identified this new gem as a variety of the mineral zoisite. Hyman Saul got two of the samples faceted and showed them to Henry Platt of Tiffany and Company, who immediately appreciated the beauty of the gem and subsequently coined the name "tanzanite".

Tanzanite was thus hailed by Manhattan's Tiffany & Company as "the most exciting event of the century" and went on to launch the marketing campaign that has led to Tanzanite becoming one of the world's most popular and exclusive gemstones.

In mid-2002, efforts were begun to include tanzanite as an approved birthstone by U.S. gem associations and by October 2002 the AGTA. Organization made the first change in more than 90 years to the "birthstone list" by crowning Tanzanite as the December birthstone. Indeed, the last time the birthstone list was revised was in 1912, when jewelry industry leaders met to give gems discovered since the formulation of the traditional list a shot at birthstone status. Tanzanite's general popularity has now led to it being marketed by The Tanzanite Foundation as 'the universal birthstone' or the 'birthstone of life'.

Another recent development was seen in June of 2003 (and phased in over the next two years) when in order to protect the Tanzanian cutting industry, the government introduced measures banning the export of rough tanzanite over 1ct. adding an additional strain to the already great demand for heavier goods. This legislation banned the export of unprocessed tanzanite to India and has been rationalized as an attempt to spur development of local processing facilities, thereby boosting the economy and recouping profits. As such this became a serious situation for the city of Jaipur, as one-third of its annual gem exports are of tanzanite. Some members of the industry feared that the ban will set a precedent, leading Tanzania to ban the export of all raw gem materials.

The worldwide market for rough tanzanite is estimated to be worth around US\$100 million per annum and it is estimated that 80% of all rough tanzanite is cut and polished in India, for onward selling to the USA, Europe and, to a lesser extent, the Far East.

The worldwide market for polished tanzanite at wholesale is estimated to be worth between US\$150 million and US\$200 million per annum, with margins between rough and polished typically around 30%.

More recently Tanzanite has become one of the worlds most popular coloured gemstones and in South Africa, it is currently outselling diamonds in many areas. The stone is also becoming a favourite of the Australian market as well as gaining popularity in developing markets such as China and India as the newly rich enter the gem market, further stimulating growth.

The price of Tanzanite has risen substantially since its discovery. However when it was first taken on by Tiffany & Co the price remained low due to little awareness of the stone and no quantifiable demand to drive it upwards. However in the 1980's Tiffany & Co relenquised their exclusive rights to market Tanzanite which opened up the market to the world. Prices peaked before dropping towards the end of the 1980's. However as supply has been thwarted by poor mining infrastructures, coupled with environmental conditions which have reaked havoc on the mines, prices have risen steadily. Indeed between 2002 and 2005 the price of Tanzanite tripled on the world Market, and is expected to continue to rise as demand for



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the stone continues to rise. Indeed by 2009 Tanzanite prices ranged from between \$800 to \$1500 per carat with retail prices ranging to in excess of \$4000 per carat.