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Star Spinel

Showing

Four Six-Rayed Stars

by

GEORGE SWITZER, Ph. D.

U.S. National Museum, Washington, D.C.

A very unusual phenomenal stone from the Ratnapura District, Ceylon was recently submitted to the writer for identification by William T. Collison, of Collison Brothers, Philadelphia, Pennsylvania. The stone is a star spinel which exhibits four different six-rayed stars.

Positive identification of the stone was made by scraping from the girdle by means of a diamond point a minute amount of material, which was picked up on the tip of a very fine, vaseline coated glass fiber. The fiber, with some of the powdered gem adhering to it, was centered in an X-ray diffraction camera and a photograph taken. The resulting X-ray diffraction pattern was identical with that of spinel in the museum's file of standard X-ray patterns. The specific gravity of the stone is 3.550. No measurement was made of its refractive index because it is cut as a double cabochon.

The stone is black in color, weighs 11.80 carats, and is cut as an oval cabochon meas-

uring 12 x 14 mm. When viewed from the top it shows a sharp, well-centered six-ray star. When viewed from various directions nearly parallel to the girdle, three additional six-ray stars are distinctly visible, placed around and slightly above the girdle and at 120° angles from one another.

A sketch to show the appearance of the stone is given in figure 1, as it would appear if simultaneously illuminated by four different point light sources, each one directed at a different star. This sketch very closely approximates what may be actually observed if the stone is held in the fingers and viewed from various directions. All four stars are sharp and clear, and each has its full compliment of six rays. It is also apparent that all are crystallographically related, because each of the three girdle stars has a ray in common with the main star.

The stone is a single crystal, hence the presence of more than one star is not due to twinning. However, the existence of the four stars may be readily understood by reviewing certain features of the crystallog-

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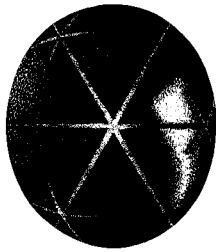


Figure 1

• Star Spinel from Ceylon Showing Four Six-rayed Stars.

raphy of gems which crystallize in the isometric crystal system.

Among the symmetry elements present in an isometric crystal such as an octahedron are four three-fold axes¹⁾ of symmetry.

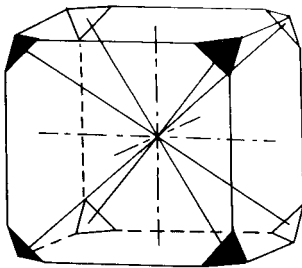


Figure 2

• A Cube Modified by an Octahedron (black triangular faces). The Four Body Diagonals of the Cube are axes of 3-fold symmetry.

Referring to figures 2 and 3 it will be seen that the four three-fold symmetry axes are the body diagonals of a cube, or are axes passing through the center of an octahedron from the center of each octahedron face to the center of the opposite, parallel face. In the stone under discussion there are appar-

1) A three-fold symmetry axis is an imaginary line through a crystal about which the crystal may be revolved and repeat itself in appearance three times during a complete revolution.

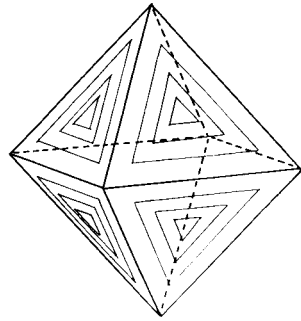


Figure 3

• An Octahedron, each Face of which is an Equilateral Triangle. Inclusions oriented parallel to the edges of an Octahedron Face would produce a Six-ray Star.

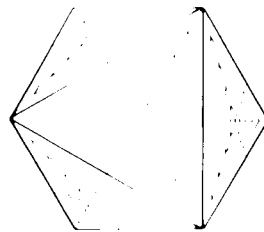


Figure 4

• The Octahedron of figure 3 rotated so that it is being viewed Perpendicular to one of the Octahedron Faces. Dotted lines represent the Positions of the Rays of Four Six-ray Stars that would be Produced by Four Triangular Sets of Inclusions Oriented Parallel to each of the Four Octahedron Faces shown.

ently four different triangular sets of needle-like inclusions, lying in planes parallel to each of the four pairs of octahedron faces (see figure 3). Each of these sets of inclusions will produce a six-ray star, if the crystal is cut cabochon and viewed in directions at right angles to each octahedral plane.

If the stone is rotated so that one of the three-fold symmetry axes is upright, then the other three axes emerge just above the girdle of the stone, and at 120° intervals about

(continued on page 190)

Diamond Selling Practices

by

RICHARD T. LIDDICOAT, Jr.

Note: The following article summarizes remarks made to the 1955 Conclave of the American Gem Society.

For the past three to four years the Gemological Institute has been engaged in an analysis of the diamond marketing structure from the point of sale of rough by the Diamond Trading Company to its purchase by the retail jeweler.

This investigation was initiated to provide a means of appraising exactly the effect of make on price. It was necessary to be able to put this on a dollar and cents basis to make it clear that those retailers who believed they were buying diamonds at ten, twenty, or even thirty percent savings when cutters paid the same amount from their rough source were getting proportionately greater weight at the expense of fire and brilliancy.

The need for such a study was pointed up by some of the diamond-selling methods employed by many jewelers. Specifically, we wondered if some of the best-trained jewelers weren't being persuaded unwisely to muzzle some of their most effective weapons:

i.e., those based on their superior knowledge of diamonds. Out of this study came our new diamond correspondence course, the diamond evaluation class, and a number of convictions regarding the sale of diamonds at retail.

Many signs point to the conclusion that interest in diamonds is high—but few jewelers seem to take utmost advantage of this interest to increase their sales to a maximum. Diamond sales seem at best to represent a small part of their potential.

As a proof of high interest in diamonds, we have results of the diamond contests. Of recent developments probably the most harmful to the reputation of all jewelers were these farcical affairs. However, the tremendous interest they developed, despite the readily apparent "hole in the doughnut," certainly proves the existence of a great desire to own diamonds.

Another practice of promoters which reliable jewelers dislike is the diamond-studded wedding and engagement set which is pushed in newspapers and television at \$29.95 or a similar price. They may cheapen diamonds and jewelers but it does prove to

John Q. Public that anyone can own a diamond. In this, as in many other instances, we find the promoter attracting customers while the prestige store may be frightening them away.

Although many fine firms have an average diamond sale of under \$200, they persist in creating an impression that only sales in four or five figures interest them. Window displays and ads feature very high-priced merchandise but the ever-present single stone at \$200 to \$250 is made to look insignificant beside the "big-ticket" items. The viewer wonders if it is the only stone of that size in the store and would be ashamed to ask for it.

Every jeweler must believe that diamonds bring pleasure and beauty into their owners' lives. Therefore, the jeweler who sells a diamond to a person who wouldn't otherwise buy one is performing a valuable service.

In certain respects fine jewelers seem to have oriented their diamond selling more to what other jewelers will think than to serving the public taste.

This is demonstrated by the manner in which diamonds are offered and the jeweler's interpretation of grading standards. First let us examine the methods by which diamonds are sold by many fine jewelers and the direction of recent trends in this field.

There are still many fine jewelers who offer basically one grade only. They may obtain a heavily flawed stone, if requested, or have a price line which is offered almost reluctantly—but basically they contend that they offer one grade.

This grade may be called top color, flawless; "blue-white, perfect"; "the finest money can buy"; "a good value"; or "the famous Jones & Jones quality."

Firms handling one grade only meet price competition either by more effective selling or by hedging their established standards for that grade. Standards are hedged through forcing the grader to be less particular on color or clarity or to buy spread stones. If

these stores sell more effectively, they could be adding sales without the handicap of having only one price to offer in each size. If they hedge, the reputation of the firm is threatened, if and when qualities sold as the finest are demonstrated by competitors to be misrepresented.

If its grade is really top quality in all respects, the firm earns a reputation for high prices. A single grade at highest to fairly high quality gives the fake discount man and the high-markup house a beautiful screen behind which to operate. Perhaps the fact that so many jewelers have offered diamonds in only one grade is responsible for the common question, "What is a one-carat diamond worth?"

Thus the single-grade diamond house is condemned if it maintains the standards it claims and condemned if it doesn't. In the face of this, it is amazing that so many fine firms have continued to emphasize one grade only.

To better their competitive position, other firms have added an extra grade or more to be able to offer lower prices. In our opinion, this is a step in the right direction. The question that arises immediately is how far a fine store should go.

A satisfactory solution is one which preserves the reputation of the firm and keeps inventory within sensible bounds. A thorough analysis of the reputation question suggests a review of the development and meaning of both trade and American Gem Society diamond quality standards.

Inclusions not visible to the unaided eye and poor proportions are not considered important by jewelers in many countries. Many years ago jewelers in this country and Canada started using watchmaker's loupes to examine diamonds. Gradually more powerful ones were used. This trend to more careful grading was culminated in the Jewelry Trade Practice Rules of the Federal Trade Commission and the American Gem Society Rulings. Such standards are wonderful if they are interpreted in the way they

were intended; that is, that no stone should be sold when described by the highest quality terms unless it meets these certain standards. However, it does not mean anything less is undesirable, which is the interpretation applied to quality terms by many ethical jewelers.

Diamond grades and diamond standards from the customer's angle are much different than from the jeweler's. What do the terms perfect mean to a layman? When they understand what is involved, how many would choose a larger stone for the same money?

The Institute's imperfection system employs a standard nomenclature; flawless; very, very slightly imperfect; very slightly imperfect; and imperfect; with each grade below flawless divided into two categories for pricing purposes.

is there in the stone represented to him as flawless. In any event, confidence is inspired by the fact that inclusions present are pointed out. When flaws are invisible and have no effect on beauty, what is their importance to the layman who wants a larger stone than he could afford in a flawless, top-color stone of fine make? The perfect and flawless standards were written to protect him from misrepresentation—not to force him to buy only flawless or perfect goods.

In color standards, a somewhat similar situation exists. How far down the color scale must one go before color is visible face up? Of course, the size of the stone governs to a degree the point at which color becomes visible.

In the diamond-color picture, grading terminology and color scales tend to present a somewhat misleading picture, in that

FLAWLESS	VVS	VVS	VS	VS	SI	SI	IMPERFECT
	1	2	1	2	1	2	

Figure 1

• A Clarity Yardstick

In this system flaws are not visible to the unaided eye in any grade above SI₂, and even then are difficult to see. In fact, stones of that grade contain no visible flaws face up in the mounting. An SI₂ of the finest color and make has a value between 50% and 60% of a flawless stone of the same color and make.

Unless the flaws are cleavages they do little if any harm to the stone. To the customer, inclusions which make a stone unique and reduce its price could well add to its desirability if presented positively. The fact that a flaw is shown to him under magnification surely adds to his confidence. In fact, the skeptic may well prefer the inclusion he has seen to the one he fears

grades at the very top of any scale differ in transparency rather than in color. On the American Gem Society's Colorimeter Scale, it takes a keen eye to detect any color whatsoever above I.5, even under the controlled conditions afforded by the Diamondlite. It takes a keen eye to note color in a 2.5 face up in a mounting. On the Institute's letter color scale, this would be about I, and roughly a top crystal in the old terminology. The lowest color not visible face up in a mounting will usually cost about 80% to 85% of an otherwise similar stone of top color.

This discussion so far assumes that yellow is considered ugly by the average customer. Some layman like topaz and golden sapphire

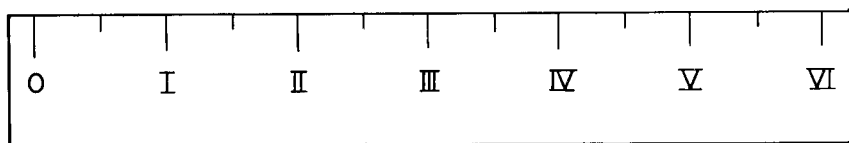


Figure 2

• The American Gem Society's Color Yardstick

and would like a yellow diamond unless told that a yellow stone is inferior. Topaz quartz is one of the more popular stones with the buying public, indicating that many people find yellow an attractive color. When he consistently directs customers away from yellow colors in diamonds, the jeweler is stressing rarity rather than what some who find yellow attractive will consider beauty. In view of all this, how vital to the potential owner are the jeweler's quality standards in clarity and color?

How many jewelers who handle genuine stones are interested in wearing or owning synthetics? Very, very few. Yet how often have layman friends said to you, "why buy a real stone when the synthetic is hard to tell from the real and a lot cheaper?" If some customers feel this way how can they appreciate the jeweler's feeling about such intangibles as River versus a Wesselton — or even a Top Cape? If anything, this lack of appreciation of differences not visible to the unaided eye is most common in the well-educated and wealthy groups the prestige jeweler is seeking to sell.

Oddly, many jewelers lay great stress on clarity and color in grades the layman can't distinguish, yet make, the easily distinguishable characteristic of diamonds, is often disregarded. It was interesting to note that when Omnibus, the television program, did a story on Winston, they demonstrated the difference in appearance between well-made and poorly cut stones. That was the only quality factor that could

be shown effectively. When it is a factor so obvious as to be demonstrable even under those conditions, it is odd it is so rarely emphasized. Obviously, then, make should be stressed and minimum acceptable standards for his finest quality set by any jeweler seeking to do right by his clientele.

The American-Cut proportions were worked out and offered originally as the compromise, giving maximum fire consistent with maximum brilliancy at a decent weight yield from the octahedral crystal. Considerable departures from the highest clarity standard — flawless — and the highest color can be made without change in a diamond's appearance. However, more than slight deviation from either the proportions or the angles of the American Cut affects the stone's beauty. Although price reductions of up to 50% are possible with make discrepancies alone, it seems to be the last quality factor which should be lowered to meet price competition.

However, if size is the only concern of an individual, make quality reductions added to those in color and clarity give the jeweler a wide range of sizes to offer at a given price. The trained jeweler can select make deviations, such as the thin crown and spread table with correct pavilion, so that at least the brilliancy remains high in the quality which offers maximum size per dollar invested.

Taking these prices versus quality standards into consideration, how can the overall diamond situation be improved?

It will never improve until fine jewelers

take a realistic attitude in offering diamonds to the public. The real potential has never been reached in selling diamonds. True, more engaged couples declare their intentions with diamond than at any time in the past, but this represents a small part of what is possible. Most wedded couples own a car on that happy day, but that doesn't mean it is the only one they will own. What would happen if auto men gave up their planned obsolescence approach?

If jewelers make it clear that a customer can have a stone which he would like at a price he can afford, much as he can when purchasing the items which compete for the consumer's dollar, half the battle is won.

The average person knows nothing about

diamond quality. To the layman, the size of the price tag is what determines quality. Anything which clarifies diamond grading without befuddling is sure to aid the ethical jeweler. Unless the trained man takes advantage of his training to help his customer, he fails to perform a duty and fails at the same time to make the customer aware of the real advantages to him of the jeweler's knowledge. It is constantly amazing how fearful many fine jewelers are of giving customers any information whatsoever—this is to prevent boredom, they say. Yet a short exposition of how to grade diamonds and the care used is often the one item that brings customers.

Figure 3 demonstrates graphically how

C L A R I T Y A N D C U T T I N G G R A D E S	AGS COLOR GRADES		0-1.4	1.9-2.4	2.4-2.8	3.5-4.0	4.5-5.0
	Colorless	Color visible					
Flawless	Fine Cut	Face-Up	\$1000	910	860	670	390
	Good Cut	Face-Up	925	840	795	630	360
	Fair Cut	Face-Up	800	730	690	535	310
	Poor Cut	Face-Up	615	560	530	410	240
V.V.S ₂	Fine Cut	Face-Up	820	750	710	550	330
	Good Cut	Face-Up	760	695	655	510	305
	Fair Cut	Face-Up	655	600	570	440	265
	Poor Cut	Face-Up	505	460	435	340	260
V.S ₂	Fine Cut	Face-Up	670	640	590	450	280
	Good Cut	Face-Up	620	590	545	415	260
	Fair Cut	Face-Up	535	510	470	360	225
	Poor Cut	Face-Up	410	395	360	275	170
S.I ₂	Fine Cut	Face-Up	550	510	480	380	230
	Good Cut	Face-Up	510	470	445	350	210
	Fair Cut	Face-Up	440	410	385	305	185
	Poor Cut	Face-Up	340	315	295	235	140

Figure 3

• Assuming a Retail Value of \$1000.00 for a Diamond which is Flawless, of Finest Color, and Cut to the Standards of the American Cut, the other Figures show comparable Retail Values depending on Quality. In no Imperfection Grade listed would a flaw be visible to the unaided eye when the Diamond is mounted. Note that there are Gaps between both the Color and Imperfection Grades shown. Fair and Poor Cuts represent Degrees of Spreading.

a customer who has been given a very brief account of the three C's and how diamonds are graded may be shown how he may choose quality desired at the price he wishes to pay.

One simple way to convey a complex story without boring the listener is by diagram. By showing the ruler by which each quality factor is judged and his careful grading methods, the jeweler establishes himself as an expert and gives the layman a better idea of what is important in buying a diamond. A diagram such as that shown in Figure 3 may be used to demonstrate the range of possibilities in quality and size variation at a given price. It is clear that the price of a stone with the finest make can drop over 50% with reductions in color and clarity grades insufficient to affect the appearance of the mounted stone. Few customers understand this. If clarified by diagram, the customer's choice may be different and it is sure to be made with greater assurance. A simple, logical presentation establishes the confidence that produces immediate sales or brings "lookers" back.

When a jeweler handles one grade only, X dollars buys one size only. That size may seem too small. The same problem exists when only two or three qualities are handled. Why not increase the size range by adding grades? Some jewelers say, "We will never reduce our standards." In effect this is saying, "We will continue pushing our own ideas and tastes on our customers." In other words, such a jeweler uses his training and the keen eye he has developed with years of practice to force on his customer a more expensive stone because it has a quality requiring the jeweler's training and keen eye to appreciate. Is this realistic or is it fair to the average customer?

What seems to stand between such jewelers and offering any or all grades is pride. This is often a natural unwillingness to give outside appraisers grounds on which to criticize merchandise. How can a

firm's reputation be impugned if the customer has been told in detail exactly what he is getting and the same information appears on the sales slip? If a customer wants a 1-carat stone in a platinum mounting and wants to pay no more than \$500, what valid reason is there for not supplying such a stone?

When asked this question, some jewelers say, "Even if I tell him what it is, he may tell his wife or another jeweler it is "blue-white and perfect." Often firms which sell nothing but flawless, fine-colored diamonds cut to exacting standards have their merchandise criticized by the unethical. Unwarranted criticism of other's merchandise or prices is one of the banes of the jewelry industry. However, no need nor desire for another's appraisal exists if your customer has been given a clear story of the quality of the merchandise (and if the grading is listed on the sales slip).

Maintaining high standards can be done regardless of the qualities which are sold. To the layman, standards have to do with business ethics; in other words, the manner in which merchandise is presented and represented. This has nothing to do with specialization, which is what is carried out in one-quality policy.

So long as goods are represented honestly and each grade is listed on the sales slip, why not offer the customer the stone that will give him the most satisfaction? The average customer will take more pride in a stone 30% or 40% larger for the same price if he cannot see a quality difference. It seems somewhat more important to satisfy customers than to try to silence appraisers.

One other argument against many grades is more logical. It refers to firms which have difficulty selling their top merchandise and who feel that adding grades will reduce their average sale.

First. It should be emphasized that adding grades is not suggested only as an answer to price competition — these suggestions

are offered in the belief that they will increase customer confidence as well as satisfaction and increase the diamond sales potential. If grades are added and the result is nothing more than a lower average sale, the diamond salesmen are not selling effectively or qualities and grading are not explained effectively.

A West Coast jeweler has been highly successful in maintaining sales of his finest quality while stepping up the sale of somewhat lower-priced goods. His simple system makes clear graphically where every stone falls on each scale. This is carried out on price tags by a color code. This system makes the finest seem most desirable and keeps the jeweler constantly in an open-to-buy condition in many sizes of his top quality while increasing the sale of lower priced goods as well. This firm handles a range permitting stones to be offered as low as half the price of their finest, while keeping make fine, and color high. With little effect on appearance, a considerably wider range is possible and seems desirable.

To summarize: We at the Institute are convinced that the full potential of diamond sales possibilities has not approached realization. We feel that one reason is that some of the quality standards imposed by many fine jewelers are unappreciated by the average person. As a result, for those who can neither appreciate nor afford the finest in a good size, prices are much higher than they need to be. Why force such people into establishments where they will be "taken" by failing to offer what they want at a price within their reach? By giving the customer a clear picture of just what is available to him for the amount he can spend, and showing him that a stone

of a size of which he will be proud is well within his budget, the jeweler can increase his diamond sales tremendously.

By offering a wide range of qualities and prices and letting the public know about it, the legitimate jeweler removes the protective screen behind which the long-markup man and so-called discount man operate.

Why continue to force on the customer an appreciation of quality gained only through long training and experience, when that appreciation of the very finest quality is not shared by the average customer? Why rob that customer of the pleasure of owning a diamond or reduce his pride of possession by selling a smaller stone than the size he would enjoy most?

One of the major factors tending to limit diamond sales is the public's fear of being "taken" when making a purchase without knowledge of the product. The trained progressive jeweler is in a position to dispel that fear without either boring his prospective customer or using a technical approach.

The greater knowledge possessed by gemologists means diamonds can be presented to customers more excitingly and displays and advertising can be better planned to attract favorable attention to diamonds — that is how diamond knowledge best serves the jeweler.

It is the retailer's function to *serve* the public to the best of his ability, but not to use his ability to convince customers that what they want is not the best for them. The trained jeweler who will merchandise diamonds realistically will increase customer satisfaction, as well as his success in business.



Why Make Appraisals?

by

LESTER B. BENSON, Jr.

Perhaps one of the most controversial subjects in the jewelry industry is that involving appraising and appraisal policies. The average jeweler tries to avoid this service and some totally refuse to consider it under any circumstances. Consider the following arguments which are all too frequently advanced for avoiding appraisal services: 1) lack of standardized markups make it almost impossible to render appraisals consistent with original selling prices; 2) the average jeweler's appraisals are nothing more than rough estimates due to his lack of familiarity with qualities, etc.; 3) appraisals can lead to legal entanglements; 4) the time required can be put to better use in the store; 5) if appraisals involve checking stones offered by competitors, unfavorable results offend the competitor, causing friction in the trade and between the trade and the public. To the trained gemologist much of the reasoning behind this negative analysis of appraising is based on false premises.

Actually, these arguments against appraising involve problems no more difficult to overcome than those encountered in other services the jeweler renders practicing the sale of jewelry. The "exclusive" attitude presented by many large firms in their refusal to consider a problem regarding appraisal or similar services for any but their own customers and even then often only for merchandise sold by them, has resulted in a

tremendous number of lost sales and lost customers for these firms as well as for the jewelry industry. Individuals come frequently to the GIA laboratories hoping to obtain information they felt they should have been able to secure from a qualified jeweler. It is the large, well-staffed jewelry firms which are the logical sources for technical information pertaining to gemstones, and yet for the most part they have been the firms which have consistently refused to render such service.

VALUE — WHAT IS IT?

In the face of present-day interpretations of what constitutes an appraisal service, the attitude of many of these fine firms may seem justified. However, this brings up the question as to whether appraisals have actually been considered in proper perspective. Of greatest importance in the discussion of the function and advantage of proper jewelry appraising is the analysis of the term "value." Jewelers have used the word in discussions over the counter as well as in their limited appraisals, with little regard for the exact meaning conveyed to the customer. The term "value" in itself is ambiguous, since there are many values which can be attributed to a given piece of jewelry; i.e., retail value (from a given firm), immediate cash value, wholesale replacement value, esthetic value, historical value, intrinsic value, etc. A piece of jewelry which

actually has no resale value may, because of personal, historical or intrinsic value placed on it by the individual, be expected to return a rather large cash settlement from a jeweler if the piece is damaged or destroyed during a repair operation.

Similarly, with the tremendously wide variation in retail markups, a so-called retail value in itself is meaningless, since it states only one jeweler's replacement figures from his stock and his suppliers and has no relationship to actual cash value or what some other jeweler might sell it for. An appraisal based on the undefined use of the word value or retail value will constantly subject the appraiser to criticism from both the trade and the public. Obviously, the term value will carry different meanings to different individuals, depending on their training and on the specific need involved in the request for the appraisal. To the average layman, "value" signifies immediate cash return.

THE COMPETITOR

No mounted colored stone nor diamond can be graded accurately; therefore, replacement costs cannot be determined precisely. This fact, combined with differences in markups used by different types of firms, means that a totally acceptable retail selling price for any piece of jewelry cannot be determined by an appraiser. Thus, an appraisal service, when properly conducted, cannot be used as a means of criticizing or otherwise reflecting upon the merits of a competitor. No appraisal should be rendered under the impression that it can be used as a means of comparing offerings of different firms, since, as stated above, accurate grading of mounted stones is impossible. On the other hand, an appraiser can estimate qualities and other characteristics of a piece of jewelry, and from that he can estimate a replacement cost through his facilities which will be adequate and acceptable to an insurance company. This is not meant to imply that such an estimated re-

placement cost could not or would not be used by an individual to compare prices of different firms. But when properly presented, the firm issuing the report will not be subject to criticism.

MISREPRESENTATION

The great problem facing jewelers is that of misrepresentation, and yet the solution is not insurmountable. Many jewelers who render open appraisals request that any stone brought to them from a competitor be accompanied by a report from the seller which covers proportions, colors, imperfection grade, quality of metal, etc. The theory behind this is that the seller has had access to the stone prior to their setting, or at least information pertaining to their quality from his suppliers. Thus, he alone is in a position to know the quality of the stones and a customer is entitled to this information. In fact, the only protection a customer has in a jewelry purchase is in the extent to which the quality of the stones are indicated on the sales slip or appraisal accompanying them. With this information on a report or on a sales slip, a quick analysis of the piece will reveal whether flagrant misrepresentation is involved particularly in reference to proportioning and major imperfections. If so, it can be pointed out and if the piece has already been sold, the person can be directed to the local Better Business Bureau to have the situation clarified. There are very few of the so-called unethical houses who handle anything even approaching a fine-quality stone. Thus invariably stones which are sold by such firms as "blue-white and perfect" or other similar descriptive terms are sold in violation of Federal Trade Commission nomenclature recommendations.

In view of this, when confronted with a request for an appraisal other than for insurance or estate purposes, jewelers should realize that actually it is a rare occasion where a dollar evaluation is really needed to fulfill the customer's needs. Although it would seem at first that an appraisal involv-

ing a quality analysis only would offer little to a customer, this is not the case. Few people buying diamonds realize that stones in various size ranges can be purchased in almost any price range depending on color, imperfections, and proportions. Thus in the absence of a detailed quality analysis price is of no consequence, since it does not indicate either a good or bad purchase. Trained gemologists today are in a position to demonstrate easily the factors involved in grading diamonds and thus to show the average customer that the customer himself can decide the quality and size of diamond he would like for a given amount of money. At the same time if the form then shows the customers that all stones sold through the firm are graded in detail to permit this kind of buying, the chances of the customers buying "blindly" elsewhere will be reduced.

Pointing out the impossibility of assigning a precise "value" to mounted stones but offering to analyze and describe the jewelry in accordance with normal insurance procedures and charges accomplishes three important things: First of all, it is obvious that the jeweler is ready to render every possible service to his potential customers; secondly, any firm selling merchandise not graded and described in detail on a sales slip is failing to render the protection to a customer which he deserves; thirdly, it brings to light that misrepresentation rather than price is the major problem in competitive jewelry sales. Clarifying these problems obviously builds confidence.

If misrepresentation is not involved in a competitive sale, then a firm should not hesitate to say as much. At the same time, if a customer has purchased a stone which has been correctly represented but priced out of reason, the very fact that it will have been graded will permit him to observe the prices of similar grades of stones in other stores. Thus the price analysis can be handled by the customer and the appraiser need not become involved. The number of firms which refuse to grade their diamonds in a manner

which permits the customer to know what he is buying is almost unbelievable. At the same time most of these firms are wondering why they are losing so many sales to the "discount houses." The prevailing attitude seems to be that unless the customer is willing to buy "blindly," he should not consider jewelry. Is it any wonder that the jewelry business is one of the poorest business risks in the country?

Failing to recognize the tremendous potential underlying an appraisal service has resulted in jewelers deliberately limiting their service to isolated cases where they felt they were forced to give the service. Furthermore, in most of those cases they have made the appraisals so brief and inadequate that they served only as a foundation for the unethical jeweler to build his sales through misrepresentation.

A recent survey of approximately 500 jewelers representing every type of retail firm, including some of the largest in this country, shows that over 95% actually had enough training and equipment to handle routine identifications. This survey involved mainly firms represented in the GIA student body as well as members of the American Gem Society, this reflecting for the most part firms who had some personnel with gemological training. Yet of these firms approximately 16% stated they refused to do appraising of any kind. The general reason was that they felt it was "bad business." Of the remainder, only approximately 10% had a consistent policy of charging for the limited appraisals they made. Most of the other firms limited their appraising to regular customers and even then on a very sketchy basis.

It should be noted that these firms do not actually represent average firms but instead they represent top firms, the personnel of which have had some or considerable gemological training. Such jewelers are the logical sources for appraisal information, at least in the eyes of the layman. Yet the above percentages show that not only did

most of these firms fail to see that they should carry any responsibility insofar as appraising is concerned, but, for the most part, they tried to discourage it.

Appraisals, however, are available to the public. People who own jewelry must have an appraisal service and there are those in the industry who recognize the necessity and value of the service. For the most part, though, these firms represent the professional appraiser, the wholesale-retailer, or the discount operator. It is possible that failure on the part of the average jeweler to recognize the necessity of an appraisal service has contributed as much toward the growth of the unethical jeweler operator as any other single factor.

THE CUSTOMER

Where does all this leave the customer? Many jewelers have stated that jewelry should not be purchased as an investment; instead, its only function is as an ornament. Thus the issues of value, appraising, etc., are of little consequence and should be avoided. If this were true, there would be no reason for anyone to buy anything other than synthetics or imitations, since what is available in these classifications is perfectly adequate to cover almost every ornamental need.

Many jewelers seem to be unaware of the tremendous importance that the average person places in his jewelry. The GIA laboratories are constantly confronted with individuals who want to have their jewelry appraised or analyzed in order to secure general information pertaining to its quality, design, history, etc. Invariably, they have already gone to jewelers but have received the typical reply, "Sorry, but we do not make appraisals." It is interesting to note that in the majority of these cases the GIA has been able to help these people, in spite of the fact that its laboratories do not render dollar evaluations.

One fact that cannot be overlooked is that jewelry does not deteriorate. It may be damaged or worn, but most stones are

more than lifetime investments. People want fine jewelry and they want it protected by insurance, and if the time comes when they no longer have need for the jewelry, they want to know that there is a means of disposing of it at a fair market value. Actually, the sale of fine jewelry is made possible by the fact that people recognize its inherent value as well as its beauty. Naturally, they expect the jeweler to recognize this fact too. Should not the jeweler, then, look at appraising and related services as a *required function of his profession*, and give it the attention and importance necessary to create an advantage from the service for both his customer and himself? After all, these services are to jewelry what watch cleaning and repairing is to the watch. Eliminate the extra services and soon you eliminate the sales. Any jeweler who renders appraisals reluctantly will surely end up with a service which is a problem to him and which rarely ever benefits the customer to the fullest extent. In contrast to past methods of analyzing the success of a business—methods which are based merely on the appearance of the business in the eyes of the owner—a business can only be as successful as is the customer's opinion of it. Therefore the customer viewpoint is paramount.

THE DEPARTMENT

What is required to establish appraising as a departmental service? First, it must be recognized that there is more to appraising than just looking at a stone and deciding that it could be replaced for a given number of dollars. An open appraisal service would better be called a Gemological Appraisal and Advisory Service, and people utilizing the service should be able to obtain general information of any nature regarding their jewelry. Verbal expressions cannot be charged for since a permanent record is not supplied; therefore, proper forms should be prepared to cover identification, grading, and replacement estimates. A definite policy should be established to cover fees for re-

ports which are issued. No statements regarding replacement costs or qualities should be made unless they are written.

In a few instances firms have stated that they offer an open appraisal service; however, they will not look at new jewelry purchased elsewhere. If this is the case, the appraisal service is actually limited rather than open and it will not be possible for the department to attain maximum effectiveness. Failure to recognize the privilege of an individual to shop for the "best buy" by telling him that you will have nothing to do with him unless he buys from you, seldom results in a new customer; such an attitude really promotes unethical competition. Actually, no jeweler would tolerate such an attitude on the part of other businesses or professions serving him. Going to the other extreme (i.e., looking at the merchandise and telling the customer point blank that it has been misrepresented or that it is not of the finest quality, etc.) also is not the answer. Firms which have consistently turned the "shoppers" into new customers have done so by approaching the problem in a positive manner.

First of all, they have recognized an important point already discussed here: namely, it is not possible for anyone, regardless of experience, to determine precisely the color, imperfection, and proportion grade of a mounted diamond. They explain this to the customer easily and quickly. Thus if the customer's purchase is dependent entirely upon what another jeweler tells him, he will never know exactly where he stands until the stone or stones have been unmounted. To do that and issue a complete report will require considerable time and the resultant charge is quoted to him. More practical advice, however, consists of telling the person that if he purchases the jewelry he should get a sales slip or a separate report containing a complete description of the stone (measurement, weight, color, imperfection and proportion grades) in terminology which can be interpreted in terms

of Federal Trade Commissions recommendations for nomenclature. With such information he will have recourse through the Better Business Bureau if misrepresentation is involved. Although checking jewelry described in this manner cannot be done precisely, a cursory check, which can be made quickly, will usually show up any serious misrepresentation. The customer can be shown the discrepancy and he can either return it or present it to the Better Business Bureau. Today it is unnecessary for any jeweler to become entangled in a situation of this type, since a diamond-grading report can be obtained from the GIA laboratory by any Better Business Bureau. Such a report will be issued also for a jeweler, but under no circumstances will it contain evaluations.

BASIS FOR FEES

If appraisals are confined to their true function, (that is, specifically to analyze and record as nearly as possible the design and quality of merchandise accompanied by reasonable replacement cost estimates), the work required to do all this satisfactorily will require considerable time and merits a fee which will pay for the time. Few people are willing to pay a fee for a detailed report if they desire nothing more than a "yes" or "no" statement that the jewelry offered by a competitor is a "good buy." Therefore, a properly conducted appraisal service will, in itself, eliminate the undesirable situations and still make technical advice available to anyone.

One of the main faults of present-day appraisal policies concerns the antiquated system upon which fees are based; i.e., the percentage-of-appraised-value system. It is surprising that this has been continued as a standard procedure in the industry when it is not applied in any other jewelry department. As a matter of fact, the repair department, for example, in any store would fail almost immediately if its system of charges were based upon a percentage of value of merchandise handled. Yet respon-

sibility and potential liability are much greater in the repair department than over the appraisal counter. People having fine jewelry resent strongly the attitude on the part of jewelers that a jeweler should be entitled to a percentage of the value of their jewelry in exchange for technical advice. Actually, it is not the amount of money which is important but rather the method by which it is determined.

It is logical that charges for any professional service should be based upon the amount of training and time required to render it. In the repair department, for example, the customer pays no more for the cleaning and servicing of a \$5,000 diamond wrist watch than for a \$100 standard watch. Yet if the two were appraised, the \$5,000 item would rate a much higher fee on a percentage value basis.

Converting to a system of determining fees based on time rather than on appraised value will be a complete about-face for many jewelers; however, it will permit rendering adequate reports at a consistent profit to the firm.

In attempting to establish a logical basis for fees based on an hourly rate, it is necessary for each firm to consider this individually from the standpoint of personnel involved, time required, facilities set aside for this purpose, etc. Thus to establish a profitable hourly rate and yet one which is not out of reason will necessitate different charges for different firms. This certainly does not present a disadvantage, since in no other professional field, including medicine, law, etc., are there standardized rates for identical services. Under this system it is entirely possible for a \$500 diamond-set watch to require much more time for adequate description and appraisal than for a single large diamond solitaire of \$10,000 to \$15,000 value. But such a system of charging is consistent with almost every other business or professional activity and can be explained without difficulty to any customer. It permits rendering a complete

service to the customer while at the same time putting the appraisals immediately on a profitable basis. Further, these detailed reports give a jeweler an opportunity for periodical followups to the people requesting that the jewelry be returned for comparison against the original report, thus making it possible to detect damage if it has occurred. This rechecking, of course, gives the jeweler constant contact with the customer, and it not only creates good will but continually keeps the door open for additional services or sales. Most customers who receive this type of service will feel little necessity to go elsewhere for their jewelry needs.

INSURANCE ANGLE

It is surprising how few jewelers realize that insurance coverage for most jewelry includes payments for damage as well as for total loss. As a result, the average appraisal does not contain sufficient information for the insurance company to determine the extent of damage. Nearly all of the work done in GIA laboratories for insurance companies involves this problem of trying to determine whether existing damage was present at the time the stone was sold or appraised, or whether it is of recent nature, thus meriting a percentage settlement. Obviously, a customer will not feel that a jeweler has given him any assistance if an appraisal leaves him without the necessary protection to cover such a possibility. In addition, the jeweler himself loses business with an inadequate appraisal because a general description alone can be used by an adjuster to go through any type of firm which he wishes for his replacement. The customer has no means of checking as to whether the replaced items are consistent in quality with the original appraisal. On the other hand, a detailed appraisal, even though it may permit an adjuster to secure a replacement from a source other than the original appraiser, still gives the customer the opportunity to request that the replaced piece be sent to the

original appraiser for a comparison against his appraisal and quality statements to insure similar qualities. The usual practice of insurance adjusters of replacing lost or damaged items directly through wholesale establishments is hardly to be condoned, since customers pay premiums which are based on retail costs rather than on wholesale costs. Since insurance companies are not gem dealers, they should logically go through standard retail establishments for such replacements. The fact that the jewelry industry itself has been so determined to avoid the issue of appraisals has not only made it easy for insurance adjusters to establish wholesale connections, but in many cases it has been necessary for them to do so to receive satisfactory services.

FORMS

The survey mentioned earlier failed to reveal a single appraisal form that was considered really adequate. The reluctance to render appraisals and the subsequent lack of profit resulting from the little service rendered has resulted in an unwillingness to spend money for attractive appraisal forms that would assist in making the service more valuable in the eyes of the customer. Moreover, these same jewelers have consistently spent as much as \$1 to \$4 for a box to sell a \$30 or \$40 birthstone ring. They would not dream of presenting a piece of merchandise in other than an attractive package. Yet an item as important to the average person as an appraisal is frequently presented as nothing more than a brief type-written comment on a blank piece of paper or usually, at best, on a letterhead of the firm. In this form it becomes little more than a bit of correspondence or a note and it hardly supports any charge made for the service. Something more is required to give appraisals the needed degree of importance. Much can be learned from insurance companies along these lines, in that insurance companies actually render a similar service to individuals when they prepare an

insurance policy. Formerly, policies of insurance companies were printed as very simple reports, but today it is a consistent practice among all of the major companies to issue policies which are beautifully prepared and presented in attractive folders. The more expensive policies are often contained in genuine leather portfolios. The purpose for this is two-fold. First of all it creates a favorable psychological reaction and constantly impresses upon the insured the importance of the policy and the necessity of keeping it in a safe place with other valuables. In contrast to this, the typical jewelry appraisal, if a copy is given to a customer, is seldom retained—it is more often lost simply because it becomes mixed with other papers and eventually thrown away. In line with the idea that appraisals are as important a service as any rendered by the jeweler, the appraisal should be presented in an attractive "package." This package should be one which advertises the firm and which is sufficiently attractive and detailed to instill the conviction that the firm has trained personnel who are anxious to render maximum service to their customers. Such appraisals will definitely be stored among the individual's valuable papers, since not only is a lifetime record of his jewelry necessary in case of damage or loss, but it represents a service so detailed and adequate that it would never again have to be duplicated as long as the report is retained. Furthermore, such appraisals are always available to be included in wills, thus not only assisting in the proper disposition of the jewelry but additional protection against error on the part of the executors.

Assuming that such an attractive appraisal is issued, adjusters, insurance companies, or private individuals who may later have occasion to observe the appraisal will be impressed by it and their attention will be called to the name of the firm which issued the report.

Many insurance agents, in an effort to secure additional business, have taken ad-

vantage of the jeweler's reluctance to make expenditures for appraisal forms and have had standard forms printed. These will have the jeweler's name imprinted, supposedly as a service to him. The theory is that the jeweler will be more or less obligated to recommend the agent to these customers who request insurance information and the name of a reliable company to handle the policy. The jeweler then simply fills in the information in the proper spaces, signs the appraisal, retains a copy for himself, and gives one to the insurance company. Usually no copy is presented to the customer—the person most vitally concerned in the appraisal. Such a form is obviously inadequate, in that the jeweler receives little or no advertising and it does not convey any degree of prestige for the jeweler. Also, forms of this type, at least those observed to date, have not been prepared adequately to cover the specific requirements of jewelry appraising. Most of them are quite general in nature and are usually more applicable to furs, paintings, chinaware, furniture, etc., than to jewelry. Again, in the case of loss or damage, the original appraiser has less opportunity to be asked to replace the items or to check the quality of suggested replacements.

Several questions arise in this discussion:

- 1) Assuming that it is desirable to present an impressive appraisal, how can it be done at other than considerable expense for each appraisal?
- 2) How can a form be adapted to cover the numerous types or various quantities of jewelry which may be encountered?
- 3) How can forms be prepared which will be flexible enough to permit adding extra copies of the jewelry descriptions when required? (This is frequently the case in estate appraisals or some insurance appraisals where more than one party is involved.)

Perhaps the simplest method of overcom-

ing these problems is to stay away from appraisal forms which have specific places for the measurements, descriptions, identities of stones, etc. Usually such forms will result in inadequate information. Although a diamond solitaire might be described adequately on such a form, a 15- or 20-stone diamond bracelet could not be described, since there seldom is sufficient space for describing more than one to three stones on each page. Considering the wide variation in types and quantities of jewelry which can be encountered, the logical procedure is simply to use a fine-quality paper, imprinted perhaps in the upper lefthand corner with the name of the firm and a statement similar to the following:

Description of Jewelry for
(insured's name)
 Appraisal #.....

The report then can be typed according to the requirements of the individual piece and signed by the appraiser. In some cases this may involve several pages, if many pieces of jewelry are being appraised. This appraisal, which in itself is rather simple, would then be enclosed in an attractive appraisal folder or portfolio. It is the folder or portfolio which is the key to the proper appearance of the service and it can be designed in any manner desired by the firm, the main prerequisite being that it should be attractive and sufficiently expensive looking to fulfill the requirements which have been discussed in this article. Many ideas can be obtained from typical insurance folders. Actually, folders of this type are very inexpensive in relation to the tremendous prestige and importance which they lend to the appraisal itself. It is not necessary to have printed on the appraisal the method of determining fees or other statements reflecting conditions under which an appraisal is made. Each appraisal is an individual problem and should be treated as such.

(continued on page 187)

GEMOLOGICAL INSTITUTE OF AMERICA
(UNITED STATES AND CANADA)
Established 1931

541 SOUTH ALEXANDRIA
LOS ANGELES

5 EAST FORTY-SEVENTH STREET
NEW YORK

No. _____ Date _____

The Gemstone described below, which is presented for examination by

_____ ,

_____ has been tested in this laboratory.

Results of our tests, described on the opposite page, indicate the gem
to be _____

GEMOLOGICAL INSTITUTE OF AMERICA

By _____

DESCRIPTION

Style of Cutting _____ Length _____

Weight _____ Depth _____

Color _____ Width _____

Mounted in _____

• The above form represents a type of report formerly used in the GIA Laboratories for identification reports. This form has been discontinued because of the limitations imposed by the fixed spaces for description and tests performed. Although it is suitable for a single stone, mounted or unmounted,

TESTS MADE

Refractive Index _____ by _____
Pleochroism _____ by _____
Optic Character _____ by _____
Specific Gravity _____ by _____
Hardness _____ by _____
Inclusions _____ by _____

OTHER TESTS

_____ by _____
_____ by _____
_____ by _____
_____ by _____

REMARKS: _____

KEY: D—Dichroscope; S. G.—Balances; E—Endoscope; F—Fluorescence; H. L.—
Heavy Liquids; H. Pl.—Hardness Plates; H. Po.—Hardness Points; L.—10x Loupe;
M—Microscope; P—Hand Polariscopes; P. I.—Pearl Illuminator; R—Refractometer;
S—Spectroscope; X—X-ray Unit

it is not applicable for a multiple stone-set piece of jewelry or several loose stones. The latter classification involves the majority of pieces of jewelry encountered in appraisals and identification services. Many jewelers have copied or adapted the above form for appraisal purposes and have encountered these limitations.

DESCRIPTION OF MOUNTING

Type _____ Quality of Metal _____

Type of Setting of Center Stone _____

Decoration _____

Quality of Decoration _____

DESCRIPTION OF DIAMOND

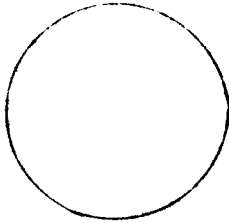
Color Grade _____

Weight _____ Table _____ Culet _____

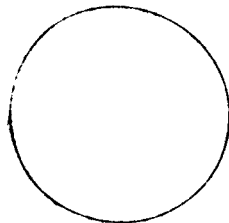
Depth _____ Diameter _____ Girdle _____

Quality of Cutting _____

Perfection as examined under 10 power _____



CROWN



PAVILION

Value of ring at retail including all taxes \$ _____

• The above form comprised the appraisal certificate of one firm and was mimeographed on their letterhead. Here again is a standardized, fixed form which would not be adequate for covering multiple stone-set jewelry. Also, the statement at the bottom, "Value of ring at retail," is meaningless because of the various interpretations of the term "value" and the different retail mark-ups employed in the jewelry industry. If at all possible, appraisals should include diagrams or photographs to show both the type and location of imperfections, at least for the principal stones in the piece of jewelry. However, these are usually best added as a supplemental attachment to the appraisal form, since in many cases more than one illustration will be required.

APPRAISAL

List each article separately. Give a detailed description of each

Property of.....

Residence Address.....

Item No.	Article and Description	Valuation
----------	-------------------------	-----------

Sample

None of the above articles are in need of repair except as follows:

I hereby certify that the above named have submitted the above listed.....
for appraisal and that the values are in accordance with my best knowledge and belief.

.....Appraiser

.....Address

Dated.....

FORM IM 15
89323-3 03-200

• This form is a typical appraisal provided by an insurance agent with the insurance company's name at the upper left and the jeweler's name imprinted at the upper right. Basically, this form would be adequate for almost any type of jewelry description. However, the form adds little prestige to the firm rendering it. Again, the use of the terms "value" and "valuation" are subject to various interpretations.

The following appraisal was typed on a firm letterhead and shows a typical report issued by the firm.

	Date
To whom it may concern;	
Valuation of Mrs.....Diamond Ring	
One diamond of about 1.10Ct. (By Moe Gauge)	
Perfection - VS12	
Color - C	
Cut - Brilliant - Fair	
Mounted in 14 kt. yellow gold mounting with two (2) .20 Ct. full cut side diamonds.	
Total - three diamonds.	Value \$848.00
This value is based on estimates of weights and quality of diamonds, considering that diamonds are mounted.	
This value does not include Federal or State taxes.	

Although the above center diamond is described fairly adequately from the stand-point of evaluation, there is nothing here that would permit the checking of the stone in case of suspected damage later on, and a stone of this size certainly warrants this service. Although the center stone weight is shown as an estimate by the Moe gauge, the weight of the two 20-point stones has no such qualification. It would be better to place after each weight figure the term "estimated" to clarify this point. In many instances people have ended up with replaced stones of different weight — usually less — than the weight of their original stones, because the appraisal statements were so limited that the insurance company was able to adjust it to their advantage. At least the center diamond in any ring should show, in addition to estimated weight, at least one or two basic dimensions to facilitate future verification of the estimates. The term "value" again is misleading since to the layman it will designate in his mind what he should have paid for the stone as well as what it is actually worth on the market to him.

		Date
Insurance Appraisal		
For		

<p>One loose diamond measuring 8.3 x 8.2 x 4.81 m.m., weighing 195/100, color grade by Colorimeter Master Diamonds "AA" (2.00), top crystal, clarity grade three, having minor bubble in center of table and two pin point bubbles above and below, small chip on girdle extending into tip of crown bezel facet, on same location in pavilion portion of stone a distinct natural extending across pavilion girdle facet and into adjoining pavilion girdle facets, 180 degrees from above, elongated white inclusion on edge in crown girdle facet, also in same location only in pavilion portion of stone a pronounced natural or flat surface covering portions of two girdle facets, also feather in one of same girdle facets. Cutting proportions fine but not exceptional, having shallow crown, large table, decentered, measuring 4.95 x 4.86 m.m. or 59% compared to ideal of 53%; girdle wavy, thin to medium, slightly oval in diameter, average pavilion, small culet, brilliancy fine but not exceptional, dispersion or fire reduced due to shallow crown and slightly out of angle as defined by large table - under ultra violet light 2500 Ang., exhibits intense bluish fluorescence.</p>		
Value of 195/100 Loose Diamond		\$2,340.00
10% Federal Tax		234.00
Total Value, Federal Tax Included		<u>\$2,574.00</u>

This is another appraisal typed on a firm letterhead and, although rather detailed in description, it was subjected to criticism in the wholesale trade. The criticism was not that the comments were incorrect, but the lengthy description of the imperfection and other discrepancies as compared to an ideal stone was interpreted by the owner as meaning that the stone was of extremely poor quality. The same information could have been provided by plotting the imperfections on the diagram and covering the proportion ratios and percentages by measurements and percentage figures. A diagram to illustrate the inclusions and blemishes in a stone is most ideal in that it simplifies the preparation of the report. Of course, a verbal description should be maintained in the jeweler's files so that when he requests the jewelry to be returned periodically he will have access to both a diagram and a verbal description of the symbols used, thus permitting him to check for possible damage. When plotting imperfections in a diagram it is imperative that the imperfections be shown in proper proportion. Many times the Institute's laboratories have observed diagrams on appraisals, which were completed with heavy lines or dull pencils and which created the appearance of a highly imperfect stone, when actually the imperfections consisted of very fine pinpoint. (Any imperfection that cannot be plotted in a manner that will indicate its actual size in relation to that of the stone should be covered by a comment underneath the diagram.) This is particularly true of such imperfections as minor surface scratches, polishing marks, clouds, very tiny pinpoints, etc.

(continued from page 179)

Actually it is not difficult to write up an appraisal since the best procedure will involve the use of a folder or portfolio to contain the appraisal itself. The latter can be on fine-quality paper but not the typical letterhead stationery. It should be imprinted, however, with the jeweler's name and a place for the appraisal number to facilitate proper filing. The copy, whether typed or hand written, should be divided as follows:

- 1) A complete description of the stone or jewelry.
- 2) A statement indicating instrument tests performed to verify the identification of the piece. (This is a vital step in any appraisal. It is very disturbing to see the number of appraisals submitted by supposedly qualified firms which actually involve misidentifications. The GIA laboratories have encountered extreme cases involving doublets and glass imitations which have been insured for thousands of dollars over a period of many years.) In the case of a loss where the jewelry is no longer available for verification of identity, an insurance company would actually be liable for replacement of a genuine stone. But if such a case involves damage to such a piece, the insurance company is liable only for the replacement of a like piece. This type of appraising brings discredit to both insurance company and the jewelry trade.
- 3) Identifying characteristics which would include damage or imperfections. If photographs or diagrams are available they should be referred to by a comment such as, "see attached diagrams or supplement."
- 4) This division will comprise an area for comments pertaining to the design, method of manufacture, or

other interesting characteristics of the piece which might later be of value in verifying replacement costs.

- 5) The last entry will be the estimated replacement costs through the firm's own facilities or suppliers as of that particular date. The report is then signed and dated.

An appraisal set up in this fashion should be numbered, and detailed information pertaining to the insured's name and address secured to permit maintaining a complete file on the customer's jewelry. Stressing the reason for this—namely, that the company check without charge this jewelry periodically to protect the customer in case of unknown damage—will usually result in stimulating a desire on the part of the customer to bring in other jewelry. This permits the jeweler to maintain constant contact with the customer to keep his jewelry in top condition. Since replacement costs will be revised from time to time as noticeable changes in costs occur, this will also be included as part of the rechecking service. When such changes are made, the jeweler can then send an appropriate notice to the insurance company.

The usual procedure today is for the jeweler to sit back and wait for the insurance companies to request a reappraisal of merchandise, and in the majority of cases these new appraisals are requested through a different firm than the one which originally appraised the jewelry. The jeweler should take the initiative to protect the customer and provide his jewelry needs and services; he should not wait to be pushed into it haphazardly by the insurance company. Because of the recent innovation of the "package" insurance policy (i.e., the type which permits a person to include automobile, home, jewelry, personal possessions, liability insurance, etc., under one complete policy with prorated premiums), jewelers have a tremendous potential in this new type of insurance. If they will contact

the local insurance companies and secure the appraisal business for this kind of policy, they will receive appraisals which are much less susceptible to change and periodic competition than the type which covers jewelry only.

SUMMARY

The discussion and illustrations thus far have necessarily been somewhat critical of current appraisal procedures and of the prevailing attitude of the jewelry industry regarding this all-important service. Actually, there are many firms in the country today which are doing an outstanding job of appraising and reaping the benefits of this service. In the face of the tremendous competition from other businesses (such as automobiles, furs, appliances, etc.), accompanied by an ever-present distrust of jewelers, the time has arrived when jewelers should re-evaluate appraising and related services to make certain that they are utilizing every possible means of maintaining their importance in their community and competing effectively for their share of the consumer dollar. A little study will show that there is nothing offered by any industry in the world which has such universal appeal, prestige, durability, and value as fine jewelry. Yet these very qualities are the ones used, for example, by automobile manufacturers to promote their products in competition with jewelry. How many jewelry advertisements does one see in which the importance of jewelry is stressed? Actually, very few jewelers stress the importance of jewelry as a purchase, since they themselves have not recognized it; instead, they treat it as just another commodity. Until jewelers acknowledge the fact that jewelry has many uses besides basic ornamentation and begin to stress these advantages in their advertising and services, they can hardly hope to gain any degree of success in their jewelry departments. The days when the prestige firm could glide along merely on its

reputation are passing. Many of these older firms have already gone out of business and many more are declining because by their "exclusive" attitude they see the store and not the customer as the first consideration. The fine jewelry firms should be the outstanding sources of gemological information and technical service, but they can hardly achieve such an objective by inferring to their customers that the only thing they want to do is sell a piece of merchandise.

Perhaps one of the biggest problems encountered by these firms is the misinterpretation of the term "appraising." If it is assumed that appraising is nothing more than assigning a dollar value to a piece of jewelry, then the service has a very limited application. However, such an attitude would be comparable to a doctor who decided that he could not render service to a patient unless the patient would consent to an operation. Doctors, lawyers, and psychologists all find that a high percentage of their business consists of nothing more than friendly discussions, helping to ease a person's mind, or otherwise assisting them with some basic problem. The average person who owns fine jewelry needs similar assistance from his jeweler or from the jewelry trade. Firms which recognize this will find it much easier to create a feeling of importance for jewelry—a feeling which will result directly and indirectly in more jewelry sales.

To summarize the recommendations offered for an appraisal service which covers these various activities, a firm should first decide to place appraising in a departmental category, with the objectives of increasing the store's sales as well as realizing a profit from the department itself. Personnel should be trained for this specific purpose. It does not have to be limited to one or two people, but certainly the current practice prevailing in many stores wherein appraising is done either by a salesman on his own time (if he wants to do it) or by the store owner (only if and when he has time to do it) is not the answer. In addition, salesmen who are

qualified appraisors but who work on a commission basis must necessarily limit the time they spend on appraising. In many cases, then, a firm's salary structure would have to be reviewed and revised to permit gaining the maximum from appraising.

The importance of suitable demonstration equipment cannot be overemphasized. Many jewelers feel that it is impossible to convey to a person the various technical problems encountered in the grading of diamonds and other stones, using the typical theme that the customer has to rely on the integrity of the jeweler. This fallacy has driven many potential customers into the hands of the unethical jewelry operator, the man who can talk the loudest and make the biggest initial impression. A more constructive attitude is in the realization that with proper equipment (i.e., a suitable set of master diamonds consisting of three to five stones ranging from colorless to yellow and from flawless to highly imperfect, a means of magnification which can be used by the customer, and a source of illumination under which the color of the diamonds can be observed) it is possible for the customer to see exactly what the jeweler is talking about in terms of imperfection, color, and proportion grades in a matter of minutes. Hours of discussion without such equipment will seldom prove of value. Once a customer has an opportunity to see color and imperfections himself, the whole aspect of appraising and evaluation takes on a different light, since he is then the one to make the decisions and his jewelry purchases are no longer blind transactions. It is in these demonstration media that is found the logical answer to the competitive sale or the jewelry shopper. This is true because it is not necessary for the jeweler to make statements in the hope that the customer will believe him rather than someone else. Instead, if the stone is flawed, he can be shown the flaw; if color is present, he can observe it for himself. In this manner the advisory service, aside from the dollar evalu-

ation, becomes a reality. The customer begins to realize that there is a sound basis upon which jewelry sales may be made.

When it comes to actual insurance appraisals a detailed description of jewelry is all important, particularly in reference to plotting or otherwise indicating the present characteristics or blemishes in an existing stone. At least 50% of the value of an adequate appraisal lies in the use of that appraisal at a later date to check the merchandise for damage, verification of identity, or the design and construction of the piece in the event of loss. Many jewelers who are now rendering this type of appraisal have stated that they were previously totally unaware of the importance and potentialities of detailed appraisals. They have further expressed their amazement at the increase in the number of contacts they have had with individuals for whom the appraisals had been made and the resultant increase in sales from these individuals as well as from their friends. However, only a small number of this group of jewelers has taken full advantage of the possibilities underlying beautifully prepared portfolios. Such a portfolio can contain other jewelry records as well as the appraisal form. Thus when requested to return the portfolio periodically along with the jewelry involved, the customer immediately has access to a greater degree of specialized service. This will benefit him because he knows his jewelry problems are in good hands. This is no different than the confidence experienced on the part of the automobile owner who has found a service department which will take the responsibility of keeping his car in tip-top condition.

As for the fees necessary to cover a service of this type, it is interesting to note the differences in opinion as to the fee people will and will not pay. All the surveys made show that there is no doubt but that people will pay any reasonable price, provided the service received is of value to them. A charge based on a percentage of the property

of an individual, on the other hand, cannot be related to the benefit received by the person. Even though the charge would be much less than a charge based on some other system, people will still resent it. If a jeweler quotes a figure higher than the person feels an appraisal is worth, even when accompanied by a very detailed lifetime report, he cannot say that the jeweler refused to render service to him. It is the latter complaint which is a serious problem with the common appraisal policy. On the other hand, the idea of preparing a lifetime report which will never have to be redone as long as the jewelry remains intact and is handled and inspected periodically by the jeweler who makes the appraisal, immediately brings any reasonable appraisal fee into proper perspective and makes it both worthwhile and acceptable without cross checking with other jewelers. This eliminates the main bugaboo for those who still refuse to appraise.

In the past few years during discussions of appraising in GIA resident classes there have been numerous requests for sample forms, portfolios, etc., along with recommendations for fees which could be adopted by a jeweler. The Institute has not prepared anything along these lines, having in mind the thought that maximum value in an open appraisal service lies not only in a detailed service but a distinctive service as well. Thus the folders or portfolios should be designed by the individual jeweler, taking into account his own personality and that presented by his store. His fees should be determined on the basis of his own experience and facilities and they should be adjusted to give him a reasonable return for every minute spent on the service.

Most important of all, a jeweler who wants to take full advantage of appraising and the subsequent jewelry sales resulting from it, should first of all develop an appreciation for jewelry. This will make it possible for him to praise it, knowing that it does have value and is competitive in

that respect with any other commodity available to his customer.

STAR SPINEL

(continued from page 164)

the girdle (see figure 4). Theoretically the angle between the upright star axis of any one of the three other stars will be $70^{\circ} 32'$. The angle between adjacent axes lying near the girdle will be 120° . This is borne out by actual measurement on the stone, although it was not possible to determine the angles accurately.

Star spinels are rare and ordinarily show a single four-rayed star, caused by a rectangular set of oriented inclusions lying in planes parallel to a cube face. As far as the writer can determine, the gem described above is unique.

Gemological Digests

PROFESSOR SCHLOSSMACHER HONORED

With the beginning of the 1955 summer semester the Gemstone Research Institute in Idar-Oberstein was included as an associate Institute in the University of Mainz.

Professor Dr. Schlossmacher, continuing as Director of the Institute, was honored by being nominated to the order emeritus Professor.

The Institute is subject to a board of trustees in which the Department of Education and Culture in the Rhineland-Pfalz area, the Dean of the Faculty of Science, the Director of the Institute of Mineralogy, the District President of the County of Birkenfeld, and a representative of the Idar-Oberstein gemstone Industry are represented.

On this basis the Institute will find new possibilities for research and instruction opened to it.

Gemological Digests



British Association in New Home

The Gemmological Association of Great Britain has moved into new quarters at St. Dunstan's House, Carey Lane, London. The structure, which is located right on the edge of a bomb site, has been virtually rebuilt recently as this area was one of the worst blitzed during the War.

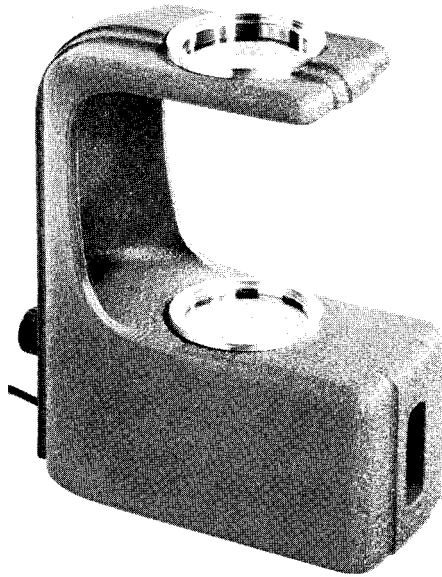
The building will also house the National Association of Goldsmiths and the British Jeweller's Association.

The Gemmological Association's library, a section of which is pictured here, is on the

second floor and is jointly occupied with the National Association of Goldsmiths. The library is fitted in Agba wood, a West African hardwood, and space has been left in the shelves to accommodate more books as these are acquired.

The Gemmological Association's collection of books on gemstones together with the N.A.G. comprehensive collection of books on horology, jewelry, silverware and kindred subjects will comprise one of the best libraries in the trade.

THE
ILLUMINATOR
POLARISCOPE



- ★ Equally efficient for mounted or unmounted stones
- ★ Built-in light source – with switch
- ★ Provides illumination for other instruments
- ★ Lightweight aluminum construction



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