## Diamonds: a laboratory's best friend?

Millions of years old or 5 weeks in a petri dish – either way, can you tell the difference between one diamond and another?

aboratory-grown diamonds have expensive than the natural pro-supplier that this was the case. ■duct and some have appeared in so and prices have therefore dropped con-qualities and increase prices? Despite adver- see a sparkling man-made single stone at siderably.

factory in Oregon with a production target of the ones in Canada nearly 20 years ago. 500,000 carats a year. They have indicated a retail price of \$200 for a ¼ carat and \$800 for a 1 carat stone which, despite sounding low, will still provide them with a larger profit margin than for their natural products. A reasonable ¼ carat natural stone would reble 1 carat natural stone from about £3,500.

As opposed to a natural diamond which takes millions of years to form deep in the bowels of the earth, there are 2 very high-teweight in about 5 weeks.

Man-made stones are not all totally flawless; internal flaws in natural stones are normally specks of uncrystallised carbon, whereas in man-made stones the flaws are caused by slight production glitches and variations in conditions can influence the colour and clarity qualities.

De Beers have said that they will laser mark every stone they produce, then ticket and retail it accordingly. The question is, will all producers of laboratory grown diamonds and retailers be as honest and transparent?

Another consideration is the practice of 'diamond sights' which take place during the early stages of the production of a piece of diamond jewellery. This is where a few very select bulk diamond buyers are offered large quantities of stones in huge 'lots' by the big diamond suppliers.

Will these laboratory-grown stones drag years. very unnatural colours. Techni- the price of natural stones down or will it ques have improved and will continue to do be an opportunity to promote their natural buyer looking for a 2-carat diamond ring will De Beers have just launched their own rare and although some new mines have at £7,500. Most will buy on price in my opibrand of laboratory diamonds called their opened in Middle Africa there have been no nion, but I sincerely hope I'm wrong. 'Lightbox' range – and are building a new major new diamond field discoveries since

Will these laboratory-grown stones drag the price of natural stones down tail for £500 + today in the UK and a reasona- or will it be an opportunity to promote their natural qualities and increase prices?

De Beers calculate that there are only ch' processes which can grow the diamond about 50 established legitimate diamond tory will also prove helpful guidance factors. from a pure carbon 'seed' to over a carat in mines operating throughout the world. They

Currently, a first-time engagement ring tising to the contrary, diamonds are not that £1,500 and a visually identical natural stone

> de stones are real diamonds - i.e. pure carbe very important to be as sure as possible ver, the age of the piece and its 'family' his- the accuracy of their classifications.

When appraising client's new jewellery,

Recently in India, a 'sight' was found to predict that the effect of relatively cheap the need to see a certificate and receipt from been around for about 20 years include only 10% natural against 90% man- man-made diamonds on stone prices in ge- the supplier stating the stones' origins or but they have always been more -made stones - with no indication from the neral could mean the number of producing even better an independent laboratory cermines could drop by half in the next twenty tificate for the principal stones, is becoming increasingly more important to both valuers and insurers.

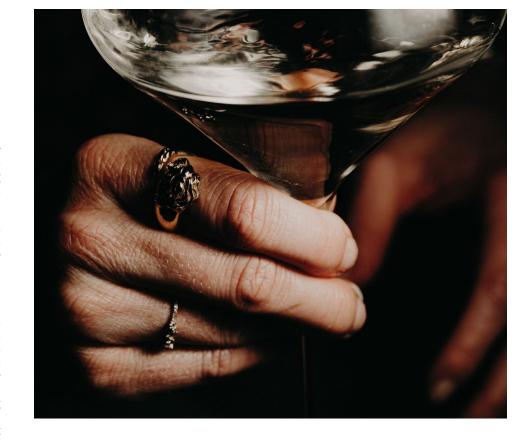
Currently, the most recognised worldwide laboratory Gemmological Institute of America (GIA) are saying it will carry out stone inspections and will state if a stone is natural or man-made. In the case of a man-made piece The problem for retailers, manufacturers they will state the carat weight, but they will and of course valuers is that these man-manot at this stage classify its colour or clarity.

The other main laboratories like HRD, bon – and will test as such when examined Europe's leading authority in grading of diaby hand held diamond testing machines. monds, and International Gemological Insti-So, with this size of price gap, it is going to tute (IGI), the world's largest independent laboratory, have not yet made their positions about the stone's origins for both the insuclear but I would think they would follow red and the insurer. The type of inclusions GIA's position. It is to be noted that there (flaws) in a natural stone do look different have been quite a few new ones emerging from those in a man-made specimen so that in the Middle and Far East, out of which have will help when making a judgement. Howe- come some rather disturbing stories about

> well-known and established laboratories. It have an impact, but for sure there's uncer-GIA do not currently have a UK laboratory.

> enormously over the past 20 years with De of where they foresee the market heading. Beers no longer in virtual 'sole control' and the Canadians and the Russians going their case of natural mined stones becoming raown way in marketing their diamonds. The rer and rarer, it will therefore lead to a price monthly diamond Rapaport and Index re-increase. Whichever way the market goes, ports, which list the average trade prices in the need for regular valuations of your dia-US dollars of millions of loose diamonds of monds is becoming increasingly more imall sizes and qualities on offer throughout portant. the world, are still used by the trade as their

It may be too early to be certain which way the market will go. There are obviously wider and more general factors such as



Our recommendation is to stick to the the economy and politics which may also is claimed that a 1 carat stone, E colour and tainty and nervousness in some areas of the VS1 clarity with a GIA certificate for instan- market. The fact that De Beers have commice could be worth 10% more than an almost tted to their own production of stones, toidentical stone with a less high-profile labo- gether with their prediction that the relative ratory certificate. However, unfortunately 'cheapness' of the man-made stones could halve mining and production of natural sto-The diamond trading market has changed nes in the next 20 years, gives an indication

The other side of the coin is that in the

**Courtesy of Doerr Dallas Valuations** 



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