BOARD OF DIRECTORS

PRESIDENT ......................................................... Joseph W. Tenhagen, A.S.A., M.G.A.
SECRETARY ......................................................... Thomas E. Tashey, Jr., G.G., F.G.A., M.G.A.

REGIONAL GOVERNORS

REGION 1
(412) 344-5500
Donald A. Palmieri, M.G.A.
Pittsburgh, Pennsylvania

REGION 2
(203) 966-2227
T. William Benedict, G.G., M.G.A.
New Canaan, Connecticut

REGION 3
(703) 280-2169
Marvin D. Miller, G.G., P.G., M.G.A.
Fairfax, Virginia

REGION 5
(305) 644-9088
Winter Park, Florida

REGION 6
(713) 485-1606
Anna Miller, G.G., A.S.A., M.G.A.
Pearland, Texas

REGION 9
(213) 398-2567
Barbara Taylor-Sandys, G.G., F.G.A.
Redondo Beach, California

REGION 12
(907) 563-3003
Charles A. Zawacki, G.G., M.G.A.
Anchorage, Alaska

REGION 15
(212) 935-0060
C.R. "Cap" Beesley, G.G., M.G.A.
New York, New York

COMMITTEE CHAIRMEN

INTERNATIONAL BOARD OF EXAMINERS
(412) 344-5500
Donald A. Palmieri, M.G.A.
Pittsburgh, Pennsylvania

ADMISSIONS AND MEMBERSHIP
(301) 663-9252
Frederick, Maryland

CHAPTER FORMATION
(801) 582-8277
Robert L. Rosenblatt, G.G., M.G.A.
Salt Lake City, Utah

CONSTITUTION AND BY-LAWS
(305) 644-9088
Winter Park, Florida

EDUCATION AND ACCREDITATION
(617) 449-2579
Dr. Arthur H. Brownlow, Ph.D., F.G.A.
Needham, Massachusetts

ETHICS AND GRIEVANCES
(305) 678-7788
James D. Coker, G.G., M.G.A.
Winter Park, Florida

NOMINATIONS
(703) 280-2169
Marvin D. Miller, G.G., P.G., M.G.A.
Fairfax, Virginia
PRESIDENT'S MESSAGE. .................................................. Page 2
J. Tenhagen

1984 ELECTION RESULTS. .............................................. Page 2
T. Tashey

ASSOCIATION DUES ...................................................... Page 3
J. Hurwitz

AGA COLOR COMMUNICATION TEST .................................. Page 4
D. Palmieri

PRESS RELEASES

AGA BACKS TWO COLOR GRADATION SYSTEMS. .................. Page 7

GEMOLOGISTS CREATE GEMS AND JEWELRY APPRAISER CERTIFICATION. Page 7

CHRISTMAS BUYERS BEWARE. ............................................ Page 9

MEMBERSHIP MEETINGS

CHAPTER FORMATION. .................................................. Page 10
R. Rosenblatt

SAN DIEGO CHAPTER - OCTOBER 27, 1983 ........................ Page 10
S. Anderson

TUCSON 1984 - FEBRUARY 4 - FEBRUARY 12

1984 ANNUAL MEETING AND CONFERENCE SCHEDULE. ........ Page 12

CONFERENCE & SPEAKER SCHEDULE. ................................. Page 13

A THOUGHT PROVOKING STORY. ...................................... Page 14
J. Kelsey

BROWN IS BEAUTIFUL .................................................... Page 16
D. Federman

MEMBERSHIP UPDATE. .................................................. Page 24
From the President...

The Elections are over and a good portion of our members voted. I would like to thank all those who voted and encourage those who did not vote to do so next time. The results of the election are being covered elsewhere in the Publication.

The Color Test has been completed and the results are in this issue. I would like to thank all those members who participated in this important program. They volunteered their time, effort, and expertise and it is greatly appreciated, along with our warmest thanks and appreciation for the system designers.

The Master Gemologist Appraiser's program is functional; we have 30 M.G.A.'s including all of the Board of Directors. We, the Board, took all exams both academic and practical and proudly use our M.G.A. designation after our names.

I would like to thank the Membership for all their support, help and suggestions this year. It is this two way communication that keeps the AGA strong, productive and responsive to its members needs.

We welcome back the Northern California Chapter of the AGA and wish them all continued success and support from the National Office.

I hope to see and talk to all of you at our Tucson Conference again this year.

From the Secretary...

On December 15, 1983, the polls were closed for the Election of 1984 Association Officers, and the results were tabulated by the following three people: Tom Tashey, Secretary, Myriam Tashey, Associate Member, and Darold Aller, Member. The results were as follows: 216 ballots were mailed to members of which 2 were returned by the Post Office as undeliverable. 141 ballots were received from members and of these 14 were declared invalid as they voted for more than one candidate for the Office of 2nd Vice President. Of the remaining 127 ballots,

Joe Tenhagen received 123 votes for the Office of President;
Neil Cohen received 123 votes for the Office of First Vice President
James Seaman received 60 votes for the Office of Second Vice President;
James Jolliff received 36 votes for the Office of Second Vice President;
Ben Gordon received 29 votes for the Office of Second Vice President;
Tom Tashey received 125 votes for the Office of Secretary;
Jeff Hurwitz received 124 votes for the Office of Treasurer.

There was one write-in vote for the Office of President and one write-in vote for the Office of First Vice President.
Therefore, the Association's 1984 Board of Directors, who will be installed in their respective offices at the annual Membership Meeting this February in Tucson, are as follows:

PRESIDENT: Joseph W. Tenhagen, A.S.A., M.G.A.
SECOND VICE PRESIDENT: James S. Seaman, G.G., M.G.A.
SECRETARY: Thomas E. Tashey, Jr., G.G., F.G.A., M.G.A.
TREASURER: Jeffrey I. Hurwitz, A.S.A., M.G.A.

From the Treasurer...

DUES

1984 Association dues are again due and payable as of January 1st. After reviewing fiscal year 1983, the Board of Directors has voted to maintain the present dues structure as follows:

RENEWAL OF MEMBERSHIP:

NORTH AMERICAN MEMBERS: $100.00
MEMBERS FROM OTHER COUNTRIES: $110.00
ASSOCIATE MEMBERS: $50.00

ADDITIONAL, FIRST TIME APPLICATION FEE: $25.00

Members who live within 75 miles of an established Chapter will have 20% of their fees rebated to that Chapter for its support.

Timely payment of dues is appreciated, and Members whose payments are not received by March 12, 1984, will not be listed in the 1984 AGA Directory, to be published in April. Check should be made out to AGA, and sent to:

Jeffrey I. Hurwitz, A.S.A., M.G.A.
Treasurer, AGA
9 West Patrick Street
Frederick, MD 21701

***Included in this CornerStone is a form for each of you to fill in and mail back to the AGA Editorial Office, to show how you wish to be listed in the Directory.
AGA Color Communication Test

<table>
<thead>
<tr>
<th></th>
<th>Availability</th>
<th>Functional Training Time</th>
<th>Portability</th>
<th>Cost of System</th>
<th>Total Visual Communication</th>
<th>Long-Term Stability</th>
<th>Average Time Spent Per Stone by Graders Tested</th>
<th>Average Consistency Among Graders Tested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Color Scan</td>
<td>LATE 1983</td>
<td>UP TO 1 HOUR</td>
<td>YES</td>
<td>$22,500</td>
<td>YES</td>
<td>UNK.</td>
<td>4 MINUTES</td>
<td>66%</td>
</tr>
<tr>
<td>ColorMaster</td>
<td>YES</td>
<td>40 HOUR</td>
<td>NO</td>
<td>$2,000</td>
<td>YES</td>
<td>UNK.</td>
<td>2 MINUTES</td>
<td>49%</td>
</tr>
<tr>
<td>Gem Color Guide</td>
<td>YES</td>
<td>UP TO 3 HOURS</td>
<td>YES</td>
<td>$300</td>
<td>NO</td>
<td>UNK.</td>
<td>6 MINUTES</td>
<td>49%</td>
</tr>
<tr>
<td>Gem Dialogue</td>
<td>YES</td>
<td>UP TO 3 HOURS</td>
<td>YES</td>
<td>$295</td>
<td>NO</td>
<td>UNK.</td>
<td>7 MINUTES</td>
<td>27%</td>
</tr>
</tbody>
</table>

* THESE COLUMNS REPRESENT STATISTICAL DATA
FROM THE ACCREDITED GEMOLOGISTS ASSOCIATION COLOR COMMUNICATION TEST

Prepared by
DONALD A. PALMIERI, MGA
CHAIRM. INT. BOARD OF EXAMINERS
NEIL H. COHEN, MGA
VICE PRES.
JOSEPH T. TENHAGEN, MGA
PRESIDENT

The Accredited Gemologists Association, a non-profit organization composed of approximately 250 gemologists in 13 countries, dedicated in their common goal to develop and promote professional standards in the practice of gemology, conducted a test of four independent commercial systems designed to communicate the color grade and appearance of colored gemstones. The testing began in early February, 1983, in Tucson, Arizona and was recently concluded at AGA international headquarters in Miami, Florida, November 20th. Research and testing of these systems took AGA officers and test coordinators to New York, Philadelphia, Miami and Los Angeles, during the nine months of research, preparation, testing and grading.

There were no less than thirty of the country's most dedicated, professional gemologists and appraisers involved. They were selected for their knowledge and experience in the colored gemstone field. All gave unselfishly of their time and considerable personal expense to see this monumental task to completion. Of the twelve testers, ten were Master Gemologist Appraisers, the highest, most meaningful appraisal designation in the gemstone and jewelry industry.

The systems tested are briefly described as follows:

Color Scan - a portable visual simulation of master stones composed of 300 oval ports in 50 cards with layers
of optical filters over a reflective radian grid to give a three dimensional effect or stone-like appearance. It is patented and produced by American Gemological Laboratories and is expected to be available for delivery by the end of 1983.

Color Master - is an electronic tri-stimulus colorimeter that simulates the appearance of most gemstones. Although the instrument can be safely moved, it is shock sensitive and is not considered a portable system. It is patented and produced by Gem Instruments Corporation.

Gem Color Guide - a notebook containing 183 Munsell color standards (paint chips) with a page containing 9 tonal standards (white to black). Provided with the standards are instructions for use in communicating hue (color), chroma (intensity of color) and value (tone). Gem Color Guide is a portable, non-simulating component system. The notebook and system are copyrighted and distributed by California Gemological Laboratories.

Gem Dialogue - is a bound booklet system containing painted acetate pages with 21 colors. Each color has its own page and is broken down into 10 color bands called zones (varying degrees of color intensity) with two tonal masks in gray and brown, also with 10 zones on each (light to dark). The colors are produced by Pantone, and the system is patented and distributed by Howard Rubin.

The accompanying chart shows practical and statistical data derived from the AGA Color Communication Test held in Santa Monica September 30 thru October 3, 1983.

Those test data sheets were sealed and sent to Philadelphia where they were tabulated and statistically analyzed by a color scientist retained by AGA. Upon completion, the results and data sheets were returned to AGA International Headquarters where they were compared, analyzed and interpreted with the actual test stones by the color communication test committee.

November 18-20. This committee was comprised of Joseph Tenhagen, President; Neil Cohen, 1st Vice President; and Donald Palmieri, Chairman, International Board of Examiners.

Important -- the last column on the AGA Color Communication Test chart is labeled "Average Consistency Among Graders Tested." This lone column is of paramount importance, as it is a culmination of all the test data. This percentage is based upon the number of graders who agreed on the closest acceptable grade per stone. Example...

- 12 graders - 8 acceptable color matches = 8/12 or 66% Ave. Consistency

After each stone was checked, the acceptable grades were totaled for each system and divided by the total number of possible consistent grades to arrive at the "average consistency among graders tested."

Special Note: As of test time no Color Scan sets had been available to the graders, nor to the trade. In fact, only 21 cards of the complete 50 card set were available, thus only 126 simulations of master stones were used in testing. There were no matches for some of the test stones and therefore no grades were applied by the graders. Since the statistics were compiled based on correct grades only. The incompleteness of the Color Scan system gave Color Scan a negative factor in the resultant consistency average.

The following is an alphabetical listing of the graders who participated in the color communication test.

- Suzanne M. Anderson, GG, La Jolla, CA
- Antonio C. Bonanno, MGA, Silver Sprg, MD
- Frank C. Bonham, FGA, GG, Newport Bch, CA
- Neil H. Cohen, MGA, Hartford, CT
- James T. Dolleslager, MGA, Houston, TX
- Jeffrey I. Hurwitz, MGA, Frederick, MD
- S.D. Jack Kelsey, MGA, Winter Park, FL
- Donald A. Palmieri, MGA, Pittsburgh, PA
- Thomas E. Tashey, M GA, Los Angeles, CA
- Joseph T. Tenhagen, MGA, Miami, FL
- Thom Underwood, MGA, San Diego, CA
- Charles A. Zawacki, MGA, Anchorage, AK

AGA CornerStone - January 1984
The following three press releases (in addition to the preceding article on the results of the Color Communication Test) have been sent to the Jewelry Trade magazines, as well as to the national media. We thought you would be interested in seeing how we are promoting the AGA.

THE ACCREDITED GEMOLOGISTS ASSOCIATION BACKS TWO COLOR GRADATION SYSTEMS FOR APPRAISING VALUE OF COLORED STONES

New York, NY, December 9, 1983 - The Accredited Gemologists Association, a voluntary group of gemologists from around the world, has selected two independent color gradation systems to be presented to the International Regional Governors for acceptance for use in the organizations' MGA designation program, and for use by its' members, in communicating quality of colored gemstones. The recommendations were made after extensive testing and study.

In announcing the recommendation of the two systems, called Color Scan (the overall winner) and Color Master, AGA President Joseph W. Tenhagen said, "This is the first time in the history of our industry that a gemological organization has conducted such a testing and endorsement program, but it is a program to which we are deeply committed.

"Essentially, we have to keep our members, and the jewelry industry overall, as informed as possible. And to be informed, they must have some guidelines, which will help them to evaluate stone quality. If a jeweler is a good appraiser he will be, in turn, a good buyer of stones and consequently he will have greater success selling stones. Ultimately, having an informed trade is good for business.

The AGA conducted extensive testing of four independent commercial systems designed to communicate the color grade and appearance of colored gemstones. The overall testing took nine months, and involved some thirty of the most highly-qualified gemologists and appraisers in America. Ten of the testers hold the title of Master Gemologist Appraiser, the highest appraisal designation it is possible to achieve in the jewelry and gemstone industry.

Of the four systems tested, two were selected for future recommended use in AGA programs. They are:

- COLOR SCAN - This system is composed of 300 oval ports made in fifty cards with layers of optical filters over a reflective radian grid. This patented plan created a three-dimensional effect or stone-like appearance against which the gem being evaluated can be compared. The system is produced by American Gemological Laboratories.

- COLOR MASTER - This system, produced by Gem Instruments Corp., is an electronic tri-stimulus colorimeter which is able to simulate the appearance of most gemstones.

The AGA, the sponsoring organization for the testing and endorsement program, is composed of approximately 250 gemologists from 13 countries, and is dedicated to developing and promoting professional standards in the practice of gemology.

GEMOLOGISTS CREATE FIRST-EVER STRUCTURED AND POLICED GEMS AND JEWELRY APPRAISER CERTIFICATION

Consumer to Benefit from New Standardization

New York, NY, December 9, 1983 - The Accredited Gemologists Association (AGA), a non-profit international organization of gemologists, has developed a structured designation system to be used in appraising gemstones and
jewelry, and in enforcing standards throughout the world. Such a policing system has never before existed.

In announcing the new Master Gemologist Appraiser (MGA) Program, which can be awarded through participating in an AGA-sponsored course of study, Donald A. Palmieri, Chairman of the program's International Board of Examiners, said, "We expect this forward-looking program to have impact beyond its effect simply within the appraisal industry. For one thing, the insurance community is greatly interested. Secondly, it will set up a framework within which the professionals and consumers can identify qualified appraisers in small towns and remote areas as well as metropolitan areas, with complete confidence. Finally, we believe the consumer needs honest and reliable appraisal information more now than ever before, due to higher values and ever-changing property and tax laws."

"Prior to this," Palmieri explains, "there were few organization regulations, and policing jewelry appraisers was non-existent. Determinations were left up to the individual gemologist's conscience. In addition, there was never any scale against which knowledge could be measured. Hopefully, we are coming out of a time when fraudulent appraisals for tax shelter and gem investment scams were reasonably routine. We of the industry want to see this stop. And we have developed this course of study and system to ensure that it does stop."

The insurance industry has long had

CHRISTMAS BUYERS BEWARE

Gemologists Association Offers Timely Tips on Purchase and Appraisal of Colored Gemstones

New York, NY, December 9, 1983 - When it comes to buying those emeralds, rubies and sapphires so often given as Christmas gifts, far too many consumers trust to Lady Luck.

More than 1/3 of all colored stone to deal with the problems resulting from fraudulent, or simply unskilled, appraisals. They are now looking to the new program as a solution to longstanding issues.

At a seminar for Aetna claims representatives in Hartford, Connecticut in November, AGA Vice-President, Neil Cohen presented the MGA designation program. According to Cohen, "The claims representatives were unanimously impressed with the depth, detail and requirements for the MGA designations. They told me they were pleased that a much needed qualified designation program for jewelry appraisers was being implemented and self-policed." Cohen plans to conduct future seminars for Aetna underwriters beginning in January 1984.

Gemologists who participate in the program, which involves both study and passing a stringent practical and academic test, receive the title of Master Gemologist Appraiser, and can use the letters M.G.A. after their name. An initial group of thirty, representing sixteen states has passed all the requirements. All officers of AGA and the MGA program have undergone and face the same testing as well.

The AGA, the sponsoring organization, is composed of approximately 250 gemologists from 13 countries, and is dedicated to developing and promoting professional standards in the practice of gemology.

A complete list of the Master Gemologist Appraisers is printed on the inside back cover of this CornerStone.

CHRISTMAS BUYERS BEWARE

Gemologists Association Offers Timely Tips on Purchase and Appraisal of Colored Gemstones

New York, NY, December 9, 1983 - When it comes to buying those emeralds, rubies and sapphires so often given as Christmas gifts, far too many consumers trust to Lady Luck.

More than 1/3 of all colored stone
himself. According to Joseph W. Tenhagen, President of the Accredited Gemologists Association, being informed, being cautious, and taking the time to do a little research are the answers.

"We want to protect consumers from fraud or lack of gemological expertise on the part of the person selling the stone," Tenhagen notes. "To that end, the AGA has prepared the following guidelines to protect shoppers and to help them get the best value for the money they have to spend."

THINGS TO DO BEFORE YOU BUY:

- KNOW YOUR JEWELER - The first concern in purchasing gemstones must be finding a qualified, knowledgeable and honest jeweler or dealer. After all, in this type of purchase as in few others, the man-in-the-street is really at the mercy of what the seller tells him.

- LEARN VARYING STONE QUALITIES - Take the time to examine what is available from several sources. This can be done by asking the jeweler to show you the very finest stone he has in your category. Look at that one in terms of color, clarity, and overall beauty, and you can make a better informed judgment about your particular stone. This should also be done in terms of price. Find out what first quality costs, and it will help you to discern the kind of quality you can get for the money you want to spend.

- VISIT MUSEUMS AND LOOK AT BOOKS - Often, the best gem a merchant will have to show you is still from the lower end of the quality scale. In that case, it can be beneficial to pay a visit to the local museum and look around the gem collection. Ask the curator to show you the best in the collection and to tell you its value, and develop your relativity scale from that. If there is no museum in your area, the same can be done, although less effectively by visiting the library and examining the books they have on gems.

- LEARN ABOUT SUBSTITUTIONS - Very often, while you can only afford a lesser quality gem of one kind, you can afford the very highest quality of a substitute stone of the same color. A red stone, for example, doesn't always have to be a ruby. If your research shows that you can afford a gem from the lowest end of the spectrum, the best way to go may be to find a viable substitute. For example, the finest rubelite can be obtained for the same price as a low quality ruby.

- GET IT IN WRITING - When the time comes to make the actual purchase, ask the merchant to put anything he tells you about size and quality in writing.

- BEWARE OF TELEPHONE SOLICITATIONS - Many busy executives and professionals have been talked into large investment purchases of gemstones, sight-unseen, usually accompanied by a "phony, independent-looking" appraisal, only to find their purchase worth only a small fraction of its cost.

- GET IT APPRAISED - Again, just as in selecting a jeweler, reputation and experience are key to finding a good appraiser. Try to find one who has obtained the M.G.A. certification and shows its letters after his name. If that is impossible, look for a gemologist who has years of experience with appraisals and again who will be willing to put his statement in writing. Make sure that the appraisal you get covers both identification and evaluation of stones.

Simply following these tips will result in a purchase which not only provides delight for today, but which may prove to be a good investment for the future.
CHAPTER FORMATION

Robert L. Rosenblatt, G.G., M.G.A.
Chairman, Chapter Formation Committee

As chairman of the Chapter Formation Committee, I would like to encourage those of you who have contacted me for information on forming local chapters to push ahead and get those chapters organized.

I would like to re-state for those of you who are not familiar with the constitution and by-laws, that you only need ten current or active AGA members to form a chapter. Also, remember that you receive $20.00 per each active chapter member from the general AGA treasury to use in conjunction with local chapter activities. Further, you have the full support of the international headquarters in matters of finding speakers, resolving grievance matters, contacting local and trade press to highlight your activities and help in any membership drives to increase your membership.

We are delighted to announce that after a brief period of problems and reorganization, the AGA members of the northern California area have re-grouped to form a new chapter. Known as the "Northern California Chapter" of the Accredited Gemologists Association, the group is now operational and met for the first time in late September. The elected officers are:

- President: Steven Injayan
- Vice President: Courtney Balzan
- Secretary: Starla Turner
- Meeting Secretary: Lise Wurm

Again, our congratulations. We know the reorganization process was a labor of love. We wish you luck with your new start.

For any of you wanting information or having questions on how you might get a local chapter going, please do not hesitate to contact me. I will also be available to meet with any of you wishing to discuss chapter business in Tucson '84. Our intentions are to distribute chapter charters to those chapters currently in place at the Tucson meeting.

SUN DIEGO CHAPTER

Suzanne Anderson, G.G.

The latest meeting for the AGA, San Diego chapter was held on the 27th of October, 1983. The meeting was held at the Harbor House Restaurant at 7:00 P.M. It was a dinner dedicated to a dear friend of the AGA, Elaine Baker.

Elaine has decided to pack up her laboratory, Associated Gemologists and move back to her home town of Boise, Idaho. Elaine will be missed dearly by everyone, and we of AGA wish her the best of luck.

NEWS ITEM

Five (5) stone, GIA graded, Diamond Master Comparison sets are available to AGA Members for as little as $1,700.00 in 1/3 carat sizes. For more information contact:

Mr. Joseph Weinreich
K & W Enterprises
20 West 47th Street, Suite 908
New York, NY 10036
Phone: (212) 869-9640
The 1984 AGA annual Meeting and Conference should prove to be another richly rewarding experience for all serious gemologists. It will commence on Sunday evening, at 7:00 P.M. in the upper terrace of the Holidome, with a welcoming Cocktail Reception. The AGA will be providing drinks and hors d'oeuvres, and the opportunity to meet with your fellow members and to talk with leaders of the industry.

On Monday morning at 7:00 A.M., there will be a Breakfast Meeting of the AGA's Board of Governors.

Registration for the Conference will begin at 8:00 A.M. The cost for the two days of lectures is $175.00 for AGA members and $225.00 for non-members. The AGA has extended the reduced rate member fee to members of the following organizations: American Gem Society, American Society of Appraisers, Appraisal Association of America, Association of Women Gemologists, Canadian Gemologist Association, Gemological Appraisal Association, and International Society of Appraisers.

The Conference will begin on Monday, February 6th and will run from 9:00 AM to 11:30 AM in the morning, and from 1:00 PM to 6 P.M. in the afternoon.

Luncheon will be from 11:30 A.M. to 1:00 P.M., and the guest speaker will be Helene Huffer, from the Jewelers Circular Keystone.

On Monday evening at 8:00 P.M., will be the AGA annual Membership Meeting open to all members and other interested persons.

On Tuesday morning there will be an installation Breakfast for the Master Gemologist Appraisers. Mr. Glen Nord, President of the Gemological Institute of America, will be on hand to offer his congratulations and encouragement to this new breed of Professional Appraisers.

Tuesday's sessions will run from 9:00 A.M. to 11:30 A.M. in the morning, and from 1:00 P.M. to 5:00 P.M. in the afternoon.

Luncheon will be from 11:30 A.M. to 1:00 P.M. with guest speaker Mr. Glen Nord, President of the Gemological Institute of America.

Tapes of each Conference lecture will be made available to attendees for a minimal fee.

On Tuesday evening, from 6:00 P.M. to 10:00 P.M., there will be a special class given on Country of Origin and Gem Identification, by Mr. C.R. "Cap" Beesley, president, American Gemological Laboratories, New York. The cost of this practical class will be $50.00 for members and $75.00 for non members.

On Tuesday and Wednesday evenings, from 5:00 P.M. to 10:00 P.M. there will be on display Gemological Equipment for members to observe, test and ask questions about, directly with the manufacturers. Companies who have reserved space thus far include: Gem Lab, Inc., New York; Gemological Products Corp., California; Kashan, Inc., Texas; and S & T Electro Optical Systems, California.

On Wednesday through Friday the AGA will be giving the Master Gemologist Appraiser Class and Testing Program. Cost for the program, which includes the Accredited Laboratory and entrance exam fees is $550.00, and is good for three years. Members interested in attending this program should request applications from: Mr. Donald Palmieri, M.G.A., Chairman, International Board of Examiners.

We will also be able to offer a One Day, GIA instructed, Gemologist Update Workshop on Saturday, February 10, for $100.00, provided we have at least 30 people who are able to attend it. If you are interested, please fill in the enclosed coupon and mail back to International Headquarters.

Coupons are also enclosed for you to sign up for the Conference, Room Reservations, MGA program, and the special class given by Mr. Cap Beesley.

We hope to see you all there!
ACCREDITED GEMOLOGISTS ASSOCIATION
1984 ANNUAL MEETING AND CONFERENCE

SUNDAY, FEBRUARY 5, 1984
7:00 PM - 10:00 PM WELCOMING COCKTAIL RECEPTION
MONTEREY, HOLIDOME

UPPER TERRACE, HOLIDOME

MONDAY, FEBRUARY 6, 1984
7:00 AM - 8:45 AM BREAKFAST FOR BOARD OF GOVERNORS
LA RIOJA ROOM
8:00 AM - 9:00 AM REGISTRATION
MARABELLA ROOM (E.C.C.*)
9:00 AM - 11:30 AM CONFERENCE
MARABELLA ROOM (E.C.C.*)
11:30 AM - 1:00 PM LUNCHEON, WITH GUEST SPEAKER
SEVILLE ROOM
1:00 PM - 6:00 PM CONFERENCE
MARABELLA ROOM (E.C.C.*)
8:00 PM - AGA GENERAL MEMBERSHIP MEETING
MARABELLA ROOM (E.C.C.*)

TUESDAY, FEBRUARY 7, 1984
7:00 AM - 8:45 AM BREAKFAST FOR MASTER GEMOLOGIST
APPRAISERS
8:30 AM - 5:00 PM M.G.A. CLASS
MARABELLA ROOM (E.C.C.*)
5:00 PM - 10:00 PM EQUIPMENT DISPLAY
CORTAZ/BALBOA ROOMS

WEDNESDAY, FEBRUARY 8, 1984
8:30 AM - 5:00 PM M.G.A. CLASS
MARABELLA ROOM (E.C.C.*)
5:00 PM - 10:00 PM EQUIPMENT DISPLAY
CORTAZ/BALBOA ROOMS

THURSDAY, FEBRUARY 9, 1984
9:00 AM - 5:00 PM M.G.A. CLASS
MARABELLA ROOM (E.C.C.*)
7:00 PM - 9:00 PM M.G.A. ENTRANCE EXAM
CORTAZ/BALBOA ROOMS

FRIDAY, FEBRUARY 10, 1984
9:00 AM - 3:00 PM M.G.A. EXAM
CORTAZ/BALBOA ROOMS

*E.C.C. = Executive Conference Center.

Special group accommodations at the Holidome have been arranged at the following nightly rates, and must be made before Wednesday, January 25, 1984.

<table>
<thead>
<tr>
<th>Accommodation</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single (one person)</td>
<td>$52.00</td>
</tr>
<tr>
<td>Double (two persons)</td>
<td>$60.00</td>
</tr>
<tr>
<td>Triple (three persons)</td>
<td>$68.00</td>
</tr>
<tr>
<td>Quad (four persons)</td>
<td>$72.00</td>
</tr>
<tr>
<td>Suite (one person)</td>
<td>$70.00</td>
</tr>
<tr>
<td>Suite (two persons)</td>
<td>$80.00</td>
</tr>
</tbody>
</table>

[State sales tax of 3% to be added to rates]

To guarantee your first night of arrival, a major credit card number is all that is required. Reservations should be made through:

AGA Editorial Office, Myriam or Tom Tussey, 608 South Hill Street, Suite 1013, Los Angeles, California 90014, Phone: (213) 623-8092
ACCREDITED GEMOLOGISTS ASSOCIATION

1984 TUCSON CONFERENCE

THE PALO VERDE PLAZA
HOLIDAY INN/HOLIDOME
4550 South Palo Verde Boulevard
Tucson, Arizona 85714
Phone: (602) 746-1161

MONDAY, FEBRUARY 6, 1984

9:00 AM - 10:00 AM GEMS AND TECHNOLOGY, George R. Rossman, Ph.D. - California Institute of Technology, Pasadena, California.


11:30 AM - 1:00 PM LUNCHEON - Helen Huffer, Special Projects Editor, Jewelers Circular Keystone, Radnor, Pennsylvania.

1:00 PM - 2:00 PM THE CORUNDUM MARKET - RUBY, SAPPHIRE AND FANCY SAPPHIRE, Reginald Miller, Reginald Miller Company, New York, New York.

2:15 PM - 3:15 PM THE KASHAN PROCESS, Truehart Brown, Ph.D., Robert Mallas, Earl V. Anderson, Ph.D., Kashan, Inc., Austin, Texas

3:30 PM - 4:15 PM GIA COLOR GRADING SYSTEM, Janice Mack, G.G., Gemological Institute of America, Santa Monica, California.

4:30 PM - 6:00 PM PANEL DISCUSSION ON THE AGA COLOR COMMUNICATION TEST WITH THE 12 TESTERS.

TUESDAY, FEBRUARY 7, 1984

9:00 AM - 10:00 AM POLITICS AND PRICING OF GEMSTONES (SRI LANKA AND THAILAND), J. Michael Allbritton, G.C., Park-Allbritton International, Santa Monica, California.


11:30 AM - 1:00 PM LUNCHEON - Glen Nord, President, Gemological Institute of America, Santa Monica, California.

1:00 PM - 2:30 PM PEARLS OF THE WORLD - NATURAL AND CULTERED, John R. Lantendresse and James L. Sweeney, G.G., American Pearl Company, Camden, Tennessee.


4:00 PM - 5:00 PM NATURAL FANCY COLORED DIAMONDS, Charles Meyer, Henry Meyer Diamond Company, New York, New York.

A THOUGHT PROVOKING STORY

It had been a long day at the Accredited Gemologists Seminar in Tucson, so a bunch of us were in the bar mellowing our attitudes. The conversation drifted around to the isolation of the gemologist and the appraiser. Sort of like the Rabbi who was punished by hitting a hole-in-one on the Sabbath -- "who can I tell?" Nobody to talk to except at one, two, maybe three seminars a year.

Someone asked about Jim Neff, a very knowledgeable fellow -- lots of experience, lots of knowledge up in his head and an excellent, though stubborn, gemologist. He didn't like all these new terms for color and clarity of colored stones and the "fake scientific" approach to grading them. "Messes a fellow up," he said. "Experience is the difference." I hadn't seen Jim in a year or so, but someone volunteered to tell Jim's story.

"Jim hasn't been very active since he lost that malpractice suit. It really upset him badly and it cost him a bundle of money to boot."

Well naturally, our corner of the bar grew very quiet. We wanted to know more about Jim Neff's malpractice suit -- you don't hear of many of them and who knows, it might happen to us.

It seems someone brought Jim a 1.28 carat corundum they'd purchased as a ruby and they wanted an independent appraisal. Jim looked at that stone under Veri-Lux and he looked at it under Dura-Lite. He looked at it under incandescent light and with penlights. He looked at it in north daylight and he looked at it -- warily of course -- under the sun. No matter how he looked at it, that 1.28 corundum didn't look red to Jim. It looked purplish.

Jim checked all his conference notes -- and he was a real note-taker too -- notes on everything important, and he couldn't escape the conclusion that this was not a ruby but a purple sapphire. So Jim made his call -- purple sapphire -- and valued the stone accordingly.

You just never know what kind of dice fate has in mind for each of us. Jim's customer sued the vendor of the stone and Jim was called as an expert witness for the plaintiff.

Jim's credentials are very impressive -- all sorts of experiences, buying and selling, conferences, memberships, boards, etc. -- and the cross-examination proceeded very respectfully.

First, great compliments on Jim's obvious expertise. Then a routine question: "For what purpose did the plaintiff bring this stone to you?" Would you agree that it was to call upon you as an expert gemologist, for your expert testimony, in grading and valuing this gemstone?" Sounded logical and Jim agreed that that was probably so. Upon further questioning, he also agreed that he did consider himself qualified to grade and value gemstones and that he had a properly equipped laboratory for the same purpose.

Things began to tighten down then.

"May I ask the date of your last optical test using the Ishihara or Munsell or other equivalent color perception test?" asked the defense attorney.

Wait a minute, thought Jim, what's this? He tried to explain his years of experience, his unchallenged record and the fact that he had no need for such testing. It didn't wash too well -- a seed of doubt had been planted.

"Mr. Neff," continued the defense, "will you please tell the court how you go about determining the color of a stone?"

"Delighted," said Jim, once more sure of his ground. "I examine the stone under Veri-Lux and Dura-Lite bulbs, under incandescent light and in daylight in order to determine under a
variety of light spectra just what color the stone is. I am looking for the hue, the tone and the saturation of the stone under those lights and I am also very much looking for color constancy or variableness."

"That does sound complicated and difficult, but the answer I am looking for is a little bit different. If I may rephrase my question: after you have used these lights -- while you are using them -- what is it that makes you say 'purple' or 'red'?"

"My experience, Counsellor," Jim responded without a pause, "I have been looking at and naming the colors of gemstones for twenty-seven years. I know color."

"Mr. Neff, are you aware of the color designation devices called: ColorMaster, Colorsan, Gem Color Guide, and GemDialogue?"

"Yes sir, I know of them."

"Are you aware that a major gemstone association has sponsored one of those four, that your own association is evaluating them all for their potential for association members, and that one is the basis for a major system for grading colored stones?"

"Yes sir, that is correct."

"Have you used any of these systems or compared them against your own subjective judgment?"

Jim was worried at this point, but he did stand up to the lawyer by pointing out that "these are very new systems and they are still subject to improvement and debate over their merits, while my color grades have never been challenged."

The lawyer wasn't to be put off: "But you have never made such an attempt to evaluate them, have you?"

"No sir. It is too soon." Jim is sure hard to budge from a position.

"Then it seems that your color determination stems solely from your own vision, which has never been tested. It also seems that you have never tried to determine whether these clearly important color grading devices may be more accurate than your untested eyes. You have, in fact, not subjected the gemstone to color tests which might have concluded that the stone was, in fact, red and not purple, and hence was a ruby and not a purple sapphire."

The defense rested at that point. Jim didn't lose his case, technically speaking. The defense argument wasn't strong enough to overthrow his testimony entirely, and it was not rebutted, just ignored. The judgment was in favor of the defense.

We still didn't understand malpractice in this story and wanted a connection. It seems the connection was that the plaintiff lost so much money from the suit and a countersuit that he sued our Jim for malpractice. It was adjudged that Jim failed to use all appropriate testing facilities, even though they were not immediately available, while representing that the facilities of his lab were adequate to his client's needs.

The bunch of us were awfully quiet for a while. Who ever heard of professional malpractice against an appraiser? I don't know about the others but I seemed to hear Jim saying something to me.

"No fee as an appraiser, expert witness or otherwise, is large enough to keep you from telling a customer that you do not have all of the appropriate facilities that that individual might require and to provide him, upon his or her request, with at least three recommendations to competent and qualified individuals and laboratories."

Believe me, Jim Neff has been much on my mind lately. How about yours?
BROWN IS BEAUTIFUL:  
A report on fancy color diamonds  
David Federman  
Executive Editor, Modern Jeweler

Today $1,500 buys the average jeweler a one carat diamond that is grayish, often tinged with yellow and visibly imperfect. Throw in another $500 and maybe he can get a whiter but no less imperfect stone. A truly white, eye-clear stone will cost at least $3,000 per carat.

It is the same story across the entire diamond price spectrum. White, clean stones cost more than most jewelers and their customers want to pay--whether itsy-bitsy fullcuts or full-grown solitaires. As a result, jewelers are stuck selling lower grade diamonds than they might wish to.

So a small, daring vanguard of jewelers flirts with a more advantageous diamond replacement.

Natural fancy color diamonds.  
Not the $60,000 per carat pinks or the $30,000 per carat blues. Not even the $12,000 per carat "canaries."  
But the $3,000 per carat golds. And the $1,500 per carat fancy browns.

These jewelers have discovered one of the best-kept secrets in the diamond world--namely, that there are ample supplies of fine, affordable fancy color diamonds available from the much maligned brown family.

It's a secret that De Beers would like let out of the bag. The company's rough stockpiles brim with browns. But De Beers has got a fight on its hands. Except for a few forward-looking enthusiasts in the trade, the mere mention of the color brown in connection with diamonds turns most dealers off. Even stones that yield fine fancy shades usually sell dirt cheap to industrial diamond buyers.

"Brown is generally perceived as a color killer," says David Hargett, head of gem identification at the Gemological Institute of America's New York Gem Trade Lab. "But describe a stone as having a 'champagne,' 'coffee' or 'cognac' color and suddenly the idea of buying a brown diamond doesn't seem so bad after all. The word brown itself is all that is holding back greater attention to these stones."

That's a simple truth that some fancy color diamond marketers are taking note of as they launch a counter-offensive against the decades of prejudice toward brown stones. This is the story of a battle-in-progress to win belated jewelry recognition for brown and hybrid-brown fancy color diamonds, the most abundant stones in the fancy color family.

A foot in the door

Due mainly to the fact that the cost of diamonds has risen far faster than the cost of living in the last decade, the average diamond sold today is smaller, less white and more included than that sold 10 years ago. This relentless downgrading is something that diamond cutters concede and bemoan.

"So much of what the industry sells are bluff stones that face up white and hopefully hide their inclusions," says cutter Eddie Ben-Dor, M. Ben-Dor Diamonds Inc., New York. "The emphasis is on appearance and look."

And if De Beers has its way and forces prices up further for currently popular off-white pique stones, the dilemma will deepen. Meanwhile, with the emphasis on illusion, jewelry manufacturers seek a way to give what Ben-Dor calls "more bluff for the buck."

One way to give more bluff, according to Ben-Dor, has been to use what are called "top light brown diamonds," especially in small sizes. Contrary to what people think about the color brown, some jewelers have found that an ever-so-slight brownish tint actually has a positive effect on diamond color when mounted in yellow gold. That is why Indian dealers, the principal source of top-light brown melee, have been doing a boffo business in these goods. Indeed, prices for them have risen up to 25% in the past year. But even though they cost more, they still lag 10% to 25% behind their J-L yellow

[Reprinted with permission of the publisher from the July 1983 issue of the Modern Jeweler (Vance Publishing Corporation, Shawnee Mission, Kansas).]

Page 16  
AGA CornerStone - January 1984
(or top cape--"cape" is a traditional trade term for yellow) diamond counterparts, despite their often superior appearance. A growing number of jewelers have discovered that top light brown stones often look whiter than top silver cape diamonds. "It's one way the brown diamond has got its foot in the door as far as retailer acceptance goes," explains Donald A. Palmieri, publisher of the Pittsburgh-based Diamond Market Monitor, which tracks prices for these stones. "Top light browns have shown people that brown is not necessarily the big bad negative it's made out to be."

What is more, Palmieri continues, some of what GIA calls "faint browns" (equivalent to K-M on the GIA cape diamond scale) often impart a very desirable "whiff of pinkishness" to a larger stone when mounted in yellow gold. Although frequently priced as much as 20-25% below their cape diamond counterparts, these faint brown stones are far preferable to stones with yellowish overtones, Palmieri thinks. "It's only a matter of time before more of the market wakes up to this fact," he says.

Some jewelers already have, claims Chuck Meyer, Henry Meyer Diamond Co. Inc., New York City. "We've got customers who will pay 10% premiums for those faint brown stones that suggest or hint at pink," he says.

However, some purists object to including top light and faint brown stones in the brown family. As they see it, these stones are really white diamonds.

Famed fancy color diamond specialist Eddy Elzas-Friedberg, Rainbow Gems International, New York City, disagrees. He calls faint browns "the precursors of coming commercial acceptance of all brown stones and members in good standing of the brown family." Elzas-Friedberg believes dealers may deny family membership to top light and faint browns because "these browns challenge the notion that this color is the kiss of death for a diamond."

Brown is beautiful

As top light and faint brown diamonds make increasing headway with jewelers, fancy browns are beginning to vie for serious attention. Here the battle for acceptance is tougher.

Fancy brown diamonds are roughly equal in amount of body color to what GIA calls fancy light, fancy, and fancy intense yellow diamonds--although GIA denies any brown stone the value-enhancing label of "intense." Says GIA's David Hargett, "Brown is by definition the opposite of intense."

Even without that golden adjective, fancy brown diamonds run a rather spectacular gamut of color resemblances to things like cloves, coffee, cinnamon, tobacco, champagne, cognac and chocolate--and are often described in these appealing terms. Nevertheless, in sizes between 3/4 and 1 1/2 carats, fancy brown diamonds without modifying hues rarely ever command more than $1,500 per carat in the wholesale market.

To command greater sums, brown diamonds must contain strong secondary colors such as yellow, orange or pink. No matter how attractive a straight-brown stone, the presence of a modifying color is imperative to boost value! As a rule, the greater the strength of that modifier, the higher the stone's value. In fact, a strong orangy-brown (called variously "cognac," "copper" or "bronze") 1 carat diamond with a deep but not too dark tone can easily be worth double what a fine fancy brown is. Moreover, should a diamond cross over into what GIA calls a brownish-orange ("burnt orange") stone, the price could be $7,000 per carat--or more. Once brown is a secondary instead of a primary color, then a diamond becomes very desirable.

But it is at this point that both price and rarity place fancy diamonds out of reach for most jewelers.

De Beers' brown sights

Up to this point, however, there is a vast range of brown and hybrid-brown diamonds that can provide jewelers troubled by the low-grade white stones they are selling with a real alternative. This alternative must be catching on because De Beers now offers a special sight in what it calls "polishable brown stones."
Cedar Diamond Co., New York City, is one of the handful of firms that have regularly taken this sight. But with prices for this particular rough up from $300 to $500 per carat in a year's time, Cedar depends on its industrial sight taken by its affiliate from Henri Polak Inc., for most of its fancy brown stones. So convinced is Cedar of the future of fancy brown diamonds that it has recently been marketing what it calls "fun stones." These are brown diamonds of various shades, cut mostly in exotic fancy shapes, which generally sell to jewelers for between $1,000-$1,500 per carat.

"When you tell someone you are polishing brown diamonds, they invariably think of drab, dull stones," says Nicole Polak of Cedar Diamond as she opens a paper of several hundred carats of "fun stones." "Is what you see here drab or dull?"

Hardly. The paper is filled with deep-toned stones, most of which exhibit attractive golden and orange highlights. The majority are cut in very exotic shapes such as kites or shields--but a good many more common fancy shapes can be found. Interestingly, two jewelry pieces using Cedar's "fun stones" won this year's coveted Diamonds Today Award, sponsored by De Beers. One is a pair of earrings from Cedar itself and the other a men's ring from Rainbow Gems International. Since only 24 pieces are given this award, and the winners are winnowed from hundreds of contenders, the awards support Nicole Polak's contention that brown diamonds are inherently attractive and unique.

"The idea," Polak continues, "is to let a colored diamond be itself. These stones shouldn't have to apologize for not being white. To the contrary, they should be proud of what they are. Cutting them in unusual shapes only heightens their uniqueness."

But it is precisely this uniqueness that can make them, in Chuck Meyer's words, "saleable only to a narrow market."

"Is that a topaz?"

Every fancy diamond specialist MJ talked to for this article admits brown diamonds frighten off all but a few jewelers.

"Brown diamonds exist in a kind of no man's land between colorless and fine fancy," says Alfred Montezinos, F.M. Precious Stones Inc., New York City. "The person who wants the unusual will buy a fine fancy color diamond. The average person wants the white stone. No one seems to want the in-between brown diamond."

What is worse, lack of familiarity with brown-family diamonds often leaves jewelers helpless to combat consumer resistance. As Hank Frydman, Facets International, New York City, puts it: "Jewelers live in dread of a customer reacting to a brown diamond with a question like, 'Is that a topaz?' They may personally like the stone but they are reluctant to stock it because they don't know how to overcome that kind of resistance."

That's understandable. Many a jeweler might even have that reaction himself. A case in point. When Montezinos was president of Cartier eight years ago, he sent a fancy golden-brown stone to a jeweler on memo. The jeweler's customer asked if he could get an independent appraisal. The so-called appraiser identified the stone as a zircon!

"Despite a letter from me on Cartier stationery assuring the man that the stone was a diamond, the deal was dead," Montezinos says. "The seed of doubt had been planted."

Given such experiences, it is easy to see why dealers like Montezinos doubt that fancy brown family diamonds have much of a future. "What does not get talked about does not get sold," he shrugs.

**How to sell brownies**

But if the right sales talk is the only hurdle to greater exposure for colored diamonds, it shouldn't be that difficult for jewelers to learn how to anticipate -- and overcome -- customer puzzlement.

So says Alfred Durante, head of design at Cartier Inc., New York City. He believes jewelers can just as easily talk consumers into brown stones as out of them.

"Why live in fear that a pretty
brown diamond will be compared to a topaz or citrine?" he asks. "After all, it is a colored stone. But tell the customer this colored stone has a great big plus. It's also a diamond. Yes, it has a color reminiscent of a topaz, if that's what he or she compares it to, but it's also got the brilliance, fire and hardness of a diamond. Then, after you tell him that, ask the customer what other gem gives him both the attributes of a colored stone and a diamond."

This sales approach, Durante insists, has helped Cartier sell many colored diamonds, even those supposedly unsellable "brownies."

"Around here," the designer continues, "you'll always find the client who wants their diamond to look like no other. Such a customer is usually thinking something like, 'Anyone can have a white diamond. But who can have a fine golden-brown or bronze one?' That's an attitude more jewelers should be cognizant of and cater to. Don't be afraid to sell the unusual. It's a chance for someone to stand out."

Chuck Meyer also tells his jeweler customers to appeal to non-conformists. "Not everyone wants their diamond to look like everyone else's" he says. "Some want a diamond that has no equal and makes them feel special. Many fancy brown diamonds can give consumers that kind of individuality without it costing them an arm and a leg."

Another strong selling point is the brown diamond's appeal to men. Says cutter Mayer Gross, Michael Gross Inc., New York City, "Many of the strong yellowish and orangy browns make ideal men's stones. Just walk around 47th Street and note how many dealers are wearing better brown diamonds. They're very masculine-looking and very affordable. Dealers may badmouth brownyes but without them many wouldn't be able to wear diamonds."

Hank Frydman says the trade's rapid discovery of brown diamonds as an ideal men's stone will eventually spread to the public. "My advice to jewelers who hear put-downs of brown diamonds from suppliers is this: Watch what they wear not what they say."

Brown put-downs

Jewelers can be excused for their resistance to fancy brown and brown family diamonds. Many of their own suppliers don't carry them and market sources are few and far between. "Most cutters still live in the past when a 'brownie' was automatically considered reject material," comments Eddie Ben-Dor. "You won't even see these goods in ordinary Syndicate boxes--unless specifically requested."

Even today, when acceptance of fancy color diamonds has mushroomed, many brownies are still sold in parcels of industrial rough. (Better browns, however, are parcelled out to traditional manufacturers for jewelry.) As a result, the rough is generally very inexpensive, although dealers buying second-hand may pay a premium to cherry pick a parcel.

Because brown rough is so inexpensive, weight retention is not as critical a concern as when cutting white and yellow roughs. Therefore dealers feel free to experiment with odd-ball cuts. (Some of the odd shapes of industrial rough also lend themselves to fanciful cutting.)

However, many cutters who buy brown roughs in the first place don't necessarily do so out of love for these stones or a desire to experiment with them. Often they buy on speculation, hoping that the brown is only skin deep and that another more valuable color lurks below the surface.

"There is always the chance that you might find a pink diamond and make a lot of money," says Mayer Gross. "I've seen people buy a paper of brown Venezuelan rough, hit it lucky and cut a marvelous pink. Unfortunately, once that happens, you can get hooked on buying parcels of brown rough. There are a lot of gamblers in this industry."

A spectrum all their own

Because jewelers are used to selling mostly white diamonds, the color variation in brown diamonds can seem overwhelming. GIA implicitly recognizes this variety because it grades these stones using the identical color
grade continuum used for yellow diamonds. Indeed, GIA has what is called a "brown series" grading system that runs parallel to its yellow or "cape series" grading system. Stones as high as H on the GIA scale have been identified as "browns." All that is noted on the certificate, however, is H, not the trace of brown.

But it is only from K down that GIA notes the presence of brown on its grading reports. When a brown is equivalent to any grade from K to M, it is called "faint brown," N to Q "very light brown" and R to Z "light brown." Most of these stones, in the lower letter regions especially, are strongly off-white. The brown, which like the yellow in cape stones is increasingly detectable, is considered unattractive. Once past Z, however, the brown is judged to be a plus as stones move progressively from "fancy light brown" (beige, clove and champagne colors) to "fancy brown" (cinnamon, coffee and chocolate colors). Occasionally, some very dark stones which need strong infusions of penlight to show color, are rated by GIA as "dark brown," considered a negative rating.

For the most part, stones graded pure fancy brown have to somehow live down this grade. Although many fancy browns show fine highlights of orange, yellow and, occasionally, pink and red, the fancy brown rating does not disclose--or even intimate--that. "So jewelers and consumers are left with an erroneous mental image of yesterday's coffee grinds," quips Eddy Elzas-Friedberg.

Step up to hybrid browns

However at least 50% of the fancy brown stones submitted to the lab are given hybrid-brown ratings--a far higher percentage than for yellow diamonds, according to GIA's Hargett. Such diamonds show undeniably strong secondary color and are so noted. Although GIA's dividing line between fancy brown and fancy combination browns is arbitrary, Hargett maintains it is uniformly applied. "There are three of us who grade fancy colors independently and we almost always agree," he says.

Once in the realm of hybrid colors, brown is no longer a color that dealers make excuses for. And prices show it. Nonetheless, many hybrid-brown stones remain affordable despite the rarity of some color combinations (see chart).

Big bargains abound in the fine brown family hybrids. These stones, whose array of colors remind dealer Hank Friedman of an "autumn hillside," combine yellow and orange with brown to make "gold," "cognac," "copper" and "bronze" shades. Prices for these stones range from $1,500-$3,000 per carat. However, as the orange intensifies, stones skyrocket in value to around $7,000 per carat and break $10,000 when they become pure orange. With a rare red tinge it is very easy for prices to hit $25,000 per carat.

Even so, the great majority of better-to-fine brown, yellow, and brown-and yellow-hybrid diamonds cost under $10,000 per carat. And the lion's share of fine browns and hybrid browns, which account for most fancy color diamonds, costs less than $4,000 per carat.

That brown stones can command double and triple the price with the addition of a single modifying color is both a boon and a bane. On the one hand, the plain fancy brown is victimized--on paper, at least--by its isolation within the brown spectrum. On the other hand, such isolation keeps the stone very inexpensive.

"So forget the paper. That's just words," Friedman urges. "Show the stone without the cert and let it sell itself visually instead of verbally."

Fancy yellow forerunners

Much of what is happening in the brown goods market today is a replay of events in the fancy yellow market during the late 1960s and early 1970s.

Eddy Elzas-Friedberg remembers buying a cigar box full of beautiful fancy intense yellow diamonds for next to nothing in the late 1960s when he first decided to specialize in fancy color diamonds.

"The stones had been accumulated over decades by South African dealers, the principal recipients of cape diamonds from De Beers, and were
considered useless for jewelry,” Elzas-Friedberg relates. "How, I asked myself, could such lovely diamonds be so ignored?"

Around the same time, colored diamond manufacturer Gary Gershoni made the same discovery.

"Fifteen years ago, colored diamonds were undervalued and underappreciated," he says. "It was obvious to me that this market had lots of room to grow. So I decided to capitalize on its great growth potential.

History has vindicated both men. Both are stalwarts of the fancy color diamond community--albeit different sectors of that community. Gershoni is known for commercial grades. Elzas-Friedberg is known for top grades. Gershoni is known as a cutter, Elzas-Friedberg is known as a connoisseur.

"From the very start," says Alan Bronstein, manager of Rainbow International's New York office, "it was more than a business decision for Eddy. It was an obsession. He didn't care if he ever saw a white diamond again."

Elzas-Friedberg isn't alone in his single-minded devotion to fancy color diamonds. Alfred Montezinos got hooked on fancy colors back in the mid-1940s--by sheer chance. He loves to tell the story of the day his father brought home an 8 carat golden-brown emerald-cut for which he had paid an extravagant $275 per carat.

"He considered it a curiosity," Montezinos recalls. "But my mother fell in love with the stone and wouldn't let him part with it. Today that stone would easily be worth $5,000 per carat.

Such price appreciation is normal for fancy yellow and combination yellow diamonds. In fact, Montezinos estimates that a 20 carat fancy intense yellow marquise that he sold for $2,400 per carat in 1973 would be worth 10 times that now.

Thankfully, prices for smaller fancy yellow diamonds are far more down to earth. According to dealers MJ talked to, jewelers could probably buy a good-color 1 carat flawless fancy intense yellow stone for under $14,000 per carat (top colors cost more). This is far less than the current price of the more abundant D/Flawless diamond, as well as a confirmation of how undervalued these stones are. And if $14,000 still sounds too high, bear in mind that decent fancy intense 1 carat yellows with lower clarity grades are available for under $8,000 per carat. Moreover, the best non-intense fancy yellow stone is not likely to top $6,000 per carat at present.

The news gets even better when you price hybrid-yellow diamonds. Because all but a few are versed in these combination-color diamonds, their prices are often well within the average jeweler's reach.

Take, for example, those orangy-yellow stones which have what is called an "apricot" color. In sizes between 3/4 and 1 1/2 carats, these stones can sometimes be bought for under $5,000 per carat--although prices have hit $8,000 per carat. This may sound steep, but such stones are always in very short supply.

**Fabulous fancies**

Pink and blue diamonds are another matter. These stones are so rare and so coveted that their prices routinely eclipse those paid for any other gem--including Burma ruby and Kashmir sapphire. It just may be that fancy color diamonds have built their fabled reputation on the price prowess of fine pinks and blues in the last decade. Dealers who have little or no use for colored diamonds will talk almost reverentially about a great pink they once owned or were offered.

"I get calls from all over the world," says Eddy Elzas-Friedberg, "from dealers who tell me I must come and see their incredible pink diamond. And when I finally see the stone, the caller has almost invariably overstated his case. But it is such a great honor and blessing to have one that the pressure is there to believe great things about it."

MJ price surveys show that a good-color 1 carat pink diamond will sell to jewelers today for around $50,000-$60,000 per carat--down only 20%-25% from the heights hit in 1980/81. (Top colors, however, still cling to the heights.) In larger sizes, it is not
uncommon for a stone to scale the $100,000 per carat mark.

Prices may be blasted further into outer space. According to Elzas-Friedberg, De Beers has released almost no fine pinks in the last five years. That's not to say some pinks haven't hit the market (most from Brazil). But few are what Elzas-Friedberg calls "important."

Blue diamonds are being uncovered with far greater regularity than pinks. It is said De Beers Premier Mine alone yields around 10 blues a month. (The same South African mine is a major source of fancy brown stones.) These diamonds usually are given to South African sight holders who also cut the majority of cape and fancy yellow diamonds. At present, dealer-to-jeweler prices for good-color carat fancy blue diamonds average $25,000-$30,000 per carat. Prices for these blues were also about 20% higher in recent boom times.

Although relatively common compared to pinks, exceptional fancy blues are hard to find. Most have a strong gray content which gives them a steely appearance. Few have a sapphire-blue. One that did, a 1 carat round, cost Elzas-Friedberg $200,000 last year. Like the finest pinks, prices for the finest blues have remained at stratospheric levels. These stones, though, are as rare as Rembrandts and lie outside of our consideration here.

Elzas-Friedberg paid $400,000 per carat for a red marquise diamond—a tribute both to the rarity of the fine red diamonds and the seriousness with which Elzas-Friedberg takes them. "Eddy is a market unto himself," says Hank Frydman. "But he stands for something that is common to every dealer and jeweler who has cultivated a passion for fancy color diamonds.

"While a diamond should be prized for its fire, brilliance and hardness, to fancy color diamond dealers, like myself, it's still only half a diamond. But once you add fine color, then you're talking about something you can't find elsewhere in the gem kingdom. And the fact that the ordinary consumer could afford some of these stones is something he hasn't been told yet. That's the message of the '80s as far as diamonds go."

How to buy a Fancy Color Diamond

There's a saying among colored stone dealers that goes, "Buy by light, sell by night." It means that when buying a stone, do so under the best light, and when selling it, do so under the worst. That saying holds for fancy color diamonds. Buy them as if you were buying a ruby or emerald.

Here are some tips on how to look at --and what to look for in--fancy color diamonds, courtesy of dealer Hank Frydman, Facets International, New York City.

One: Color is the most important factor in determining the value of a fancy color diamond. So never judge one during a cloudy day or at night. Wait for a sunny day, then inspect the stone in north daylight—never in direct sunlight.

Two: When evaluating color, remember your first impression. Any colored diamond will tend to look better the longer you look at it. So rely on your gut and not on your gaze.

Three: Clarity is not as important with fancy color diamonds as with colorless ones. Unless very visibly included, imperfections are tolerated in stones with fine color. Nevertheless, study the stone for flaws from the back under a fluorescent lamp. If you look at it from the front, you could be distracted by the color. Interestingly, black imperfections, which can't be seen from a face-up position, are considered a plus because they enhance color.

Four: Make is not nearly as important with a fancy color diamond as it is with a white one. However, bad cutting can influence the homogeneity of color in a stone. Uneven color (called color zoning) can be a detriment to value. Also be aware that many fancy color diamonds are cut in fancy shapes and tend to have bow ties. Bow ties are usually acceptable unless they change the color dramatically.

Five: Never buy a fancy color diamond on the basis of a certificate—no matter how respected the laboratory that issued it. The language of certificates identifies only the
presence of base (primary) and modifying (secondary) colors. This description is general and not truly quantitative or qualitative. Let your own eye be the judge of color in a fancy color diamond.

However, rely on the certificate to tell you whether the color of the stone is natural or not. Treated stones are worth far less than natural.

Natural vs. Treated Diamonds

He could have stolen a 19 carat D/Flawless diamond. Or a fabulous 14 carat Colombian emerald.

But one day before Sotheby's gem and jewelry sale of April 15, 1983, a thief made off with a 9 carat fancy pink diamond. Estimated value: $500,000—and then some.

In its place he left a white diamond painted with nail polish to fool auction personnel long enough to get away.

Painting diamonds is an old trick and, as color treatments go, a very unsophisticated one, especially when compared to modern irradiation techniques. But this time it worked.

Actually, the thief had no choice but to paint the stone. Pink is the one color that can't be produced via irradiation. Using either cyclotrons, nuclear reactors, electron accelerators and gamma cells treaters induce permanent green, blue, gold, orange, yellow, brown and black colors. But never pink.

Since the stones subjected to nuclear bombardment invariably start life as inexpensive tinted or discolored diamonds, and since irradiation can endow an endless number of mediocre diamonds with lovely deep hues, their prices tend to be a fraction of their natural color counterparts.

For instance, a decent but not superb flawless 1 carat fancy intense yellow diamond costs around $14,000 per carat. Its irradiated next-of-kin costs $2,000 per carat. That's a 70% difference.

The price ratio explodes to 1,800% between a medium-color natural fancy blue flawless 1 carat stone and its deep-blue nuclear cousin—$36,000 vs. $2,000 per carat!

Jewelers worried about detection of irradiated stones need not lose sleep. Although color is altered, the original color absorption lines remain unchanged and can be read using a spectroscope. So, for example, a fancy intense yellow will show a 4,155 absorption line (indicative of a strong cape spectrum) while an irradiated stone will show a 5,920 line (indicative of a weak cape spectrum).

That's why GIA gem identifications are so important to dealers. These reports function as pedigree for natural color. Unfortunately, GIA won't certify green stones as natural. These stones defy the spectroscope test.

The Australian Incentive

It is ironic that diamonds are prized for a colorlessness that few of them possess. Technically speaking, diamonds are a colored stone. Just look at the huge number of brown and yellow stones. Estimates vary but it is safe to say that less than 20% of the diamond caratage mined every year is what cutters would call "white."

And that percentage will decrease even more sharply around 1986 when Australia begins to contribute 20 to 25 million carats of diamonds to annual world output—swelling it by a minimum of 33% from around 40 to 60 million carats.

Based on present projections, the overwhelming majority of Australia's stones will be industrial quality. That means most will be brown or in the brown family. Although brown is usually identified with industrial diamonds, a significant number of these brown diamonds sold to industrial users are suitable for jewelry purposes and often make their way back into this market. Many of them, in fact, are considered fancy color diamonds. A great deal more are borderline. Industry attitudes toward such stones are still largely negative.

Australia may force all that to change.

First, says fancy color diamond specialist Hank Frydman, Facets International, New York City, the Australian find comes at a time when "there is a
new awareness of color among jewelers. This awareness has to do with increasing fashion consciousness but also economics." White, clean diamonds are very expensive relative to other gems. Fancy browns are still relatively inexpensive—and prices could stay that way if Australia comes through as a major source.

Second, according to Frydman, diamonds provide essentially conservative jewelers with an affordable stone, allowing them to stay with the mainstay gem of their business. "Fancy color diamonds permit the jeweler to stay in the world he knows best—that of diamonds," Frydman concludes. "It's only a matter of time before De Beers begins to promote diamonds as a colored stone, too."

### Fancy colors at not so fancy prices

<table>
<thead>
<tr>
<th>GIA Description</th>
<th>Color</th>
<th>Price per ct. (3/4–1½ cts.)</th>
<th>Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fancy Light Brown</td>
<td>beige, clove champagne</td>
<td>$750–$1,000</td>
<td>fairly common</td>
</tr>
<tr>
<td>Fancy Brown</td>
<td>cinnamon, coffee, tobacco, chocolate</td>
<td>$1,000–$1,500</td>
<td>fairly common</td>
</tr>
<tr>
<td>Fancy Light Yellow</td>
<td>pale yellow</td>
<td>$1,000–$2,500</td>
<td>fairly common</td>
</tr>
<tr>
<td>Fancy Yellow</td>
<td>soft yellow</td>
<td>$3,000–$5,500</td>
<td>fairly common</td>
</tr>
<tr>
<td>Fancy Intense Yellow</td>
<td>stoplight yellow sulphur</td>
<td>$7,500–$13,000</td>
<td>available</td>
</tr>
<tr>
<td>Yellowish-Brown</td>
<td>golden</td>
<td>$1,200–$2,500</td>
<td>available</td>
</tr>
<tr>
<td>Orangy-Brown</td>
<td>cognac, copper, bronze</td>
<td>$1,500–$3,500</td>
<td>available</td>
</tr>
<tr>
<td>Brownish-Yellow</td>
<td>gold, ale, brass</td>
<td>$1,500–$3,500</td>
<td>available</td>
</tr>
<tr>
<td>Brownish-Orange</td>
<td>burnt orange, auburn</td>
<td>$2,500–$8,000</td>
<td>limited</td>
</tr>
<tr>
<td>Orange-Yellow</td>
<td>apricot</td>
<td>$4,500–$8,000</td>
<td>limited</td>
</tr>
<tr>
<td>Orange</td>
<td>cantaloupe</td>
<td>$7,000–$12,000</td>
<td>very limited</td>
</tr>
<tr>
<td>Pinkish-Brown</td>
<td>pinkish-brown</td>
<td>$2,000–$4,000</td>
<td>limited</td>
</tr>
<tr>
<td>Brownish-Pink</td>
<td>salmon</td>
<td>$4,000–$5,000</td>
<td>rare</td>
</tr>
<tr>
<td>Reddish-Brown</td>
<td>port wine</td>
<td>$10,000 plus</td>
<td>rare</td>
</tr>
</tbody>
</table>

### MEMBERSHIP UPDATE

#### RENEWAL OF MEMBERSHIP

- David Ascher, G.G.
- 201 Civic Center Drive East, Santa Ana, CA 92701

#### NEW MEMBERS

- Jim Sharp, G.G.
- Lloyd Arron, G.G.
- 3200 Bristol, Suite 705, Costa Mesa, CA 92626
- 1706 N.E. Miami Gardens Drive, North Miami, FL 33179

#### ASSOCIATE MEMBERS

- Mrs. Doris Jeanne Strope
- 3410 Mansfield Road, Falls Church, VA 22041
- Mrs. Tracie K. Solovey
- 8801 Potomac Station Lane, Potomac, MD 20854
- 201 Civic Center Drive East, Santa Ana, CA 92701
ADAMS, Marshall, GG, MGA
MARSHALL ADAMS' GEMS
1464 East Highland Avenue
San Bernardino, CA 92404
(714) 883-8463

BALSAN, Cortney G., GG, MGA
BALSAN'S GEMOLOGICAL LABORATORY
1050 Northgate Drive, Suite 500
San Rafael, CA 94903
(415) 479-7230

BASE, Ronald L., GG, MGA
THE GEM CONNECTION, INC.
P.O. Box 5536
Upland, CA 91787
(714) 982-7304

BEESLEY, C.R. "Cap", GG, MGA
AMERICAN GEMOLOGICAL LABORATORIES
665 Fifth Avenue, Suite 1500
New York, NY 10020
(212) 966-2227

BONANNO, Antonio C., FGA, PG, MGA
NATIONAL GEM APPRAISING LAB.
8600 Fenton Street
Silver Spring, MD 20910
(301) 588-7770

BOWER, Susan Graham, GG, MGA
GEMOLOGICAL APPRAISAL ASSOC.
666 Washington Road, Suite 102
Pittsburgh, PA 15228
(412) 344-5500

CALDWELL, Brenda Joyce, GG, MGA
7225 North Oracle Road
Tucson, AZ 85704
(520) 742-3687

COHEN, Neil H., GG, ASA, MGA
NEIL H. COHEN, GEMOLOGIST
99 Pratt Street, Suite 211
Hartford, CT 06103
(203) 247-1319

COKER, James D., CC, MGA
CENTRAL FLORIDA GEM LAB, INC.
2950 Aloma Avenue, Suite 303
Winter Park, FL 32789
(305) 678-7788

DOLLESLAGER, James T., GG, FGA, MGA
DIAMOND APPRAISAL BUREAU
6355 Westheimer
Houston, TX 77057
(713) 780-2334

FORD, Karen, FGA, MGA
NATIONAL GEM APPRAISING LAB.
8600 Fenton Street
Silver Spring, MD 20910
(301) 588-7770

FORDE, Dayna Marie, GG, MGA
FORDE'S APPRAISAL SERVICE
630 Grand Avenue, Suite G
Carlsbad, CA 92008
(619) 434-4240

GINSBERG, Mark C., GG, MGA
THE BAILEY BANKS & BIDDLE COMPANY
2196 Northbrook Court
Northbrook, IL 60062
(312) 272-8655

HURWITZ, Jeffrey I., GG, ASA, MGA
COLONIAL JEWELERS COMPANY
9 West Patrick Street
Frederick, MD 21701
(301) 663-9252

KELSEY, S.D. "Jack", GG, ASA, MGA
FLORIDA GEMOLOGICAL LABS., INC.
226 Park Avenue North
Winter Park, FL 32789
(305) 644-9088

LAURIT, John P., GG, MGA
HAFFNER JEWELRY COMPANY, INC.
308 West Fourth Street
Royal Oak, MI 48067
(313) 399-5656

LEVISON, David M., GG, MGA
GEMOLOGICAL LAB. SERVICE CORP.
22 N.E. 1st Street, Suite 101
Miami, FL 33128
(305) 371-6437

MERRELL, Charles E., GG, MGA
OREGON GEMOLOGICAL LABORATORY
6318 S.E. Aldercrest Drive
Milwaukee, WI 97222
(503) 654-4719

MILLER, Anna M., GG, ASA, MGA
A.M. MILLER & ASSOCIATES/APPRAISERS
P.O. Box 1179
Pearland, TX 77581
(713) 485-1606

MILLER, Marvin D., GG, PC, MGA
H. D. MILLER, GEMOLOGIST/APPRASIER
3050 Covington Street
Fairfax, VA 22031
(703) 280-2169

PALLMIRE, DONALD A., GG, MGA
GEMOLOGICAL APPRAISAL ASSOC.
666 Washington Road, Suite 102
Pittsburgh, PA 15228
(412) 344-5500

RICHARDSON, Dana Lynn, GG, MGA
SPECTRUM GEMS
3194 South 1100 East
Salt Lake City, UT 84106
(801) 466-9458

ROSENBLATT, Robert L., GG, MGA
DIAMOND SPECIALIST, LA BELLE'S
6000 South State Street
Salt Lake City, UT 84107
(801) 266-4242

SEAMAN, James S. GC, MGA
MIDWEST GEM LAB OF WISCONSIN, INC.
15700 Bluemound Road, Suite 7
Brookfield, WI 53005
(414) 784-9017

TASHEY, THOMAS E. JR., GG, FGA, MGA
INDEPENDENT GEMOLOGICAL LABORATORY
608 South Hill St., Suite 1013
Los Angeles, CA 90014
(213) 623-8092

TENHAGEN, Joseph W., FGA, GG, ASA, MGA
JOSEPH W. TENHAGEN JEWELSTONES, INC.
36 N.E. 1st Street, Suite 419
Miami, FL 33132
(305) 374-2411

UNDERWOOD, Thom, GG, MGA
SAN DIEGO GEMOLOGICAL LABORATORY
520 "E" Street, Suite 703
San Diego, CA 92101
(619) 231-1147

ZAWACKI, Charles A., GG, MGA
ZAWACKI'S JEWELERS
1535 East Tudor Road
Anchorage, AK 99507
(907) 563-3003

ZIBMAN, Michael, GG, MGA
GEMOLOGICAL LAB. SERVICE CORP.
311 S.E. 3rd Street, Suite 402
Dania, FL 33004
(305) 371-6437
AGA REGIONAL CHAPTERS

WASHINGTON, D.C.  (301) 588-770
PRESIDENT.............................Antonio Bonanno, F.G.A., P.G., M.G.A
VICE PRESIDENT......................Bill Dougherty, F.G.A.
SECRETARY..............................Ginger Morgret, G.G.

SAN DIEGO  (619) 231-1147
PRESIDENT..............................Thom Underwood, G.C., M.G.A.
SECRETARY..............................Suzanne Anderson, G.G.
TREASURER..............................Ray Mink, G.G.

LOS ANGELES AREA  (714) 675-7460
PRESIDENT..............................Frank Bonham, F.G.A., G.G.
VICE PRESIDENT........................Stuart Malkin, G.G.
SECRETARY/TREASURER..............Michelle Jeand'Heur, G.G.

NORTHERN CALIFORNIA  (415) 982-1468
PRESIDENT..............................Steven Injayan, G.G.
VICE PRESIDENT......................Courtney Balzan, G.G., M.G.A.
SECRETARY..............................Starla Turner, G.G.
MEETING SECRETARY..................Lise Wurm, G.G.