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A scam with GIA certified colorless diamonds.

A scam with international ramifications concentrating on colorless diamonds of high color grades.

End September 2013, GGTL Laboratories received two colorless diamonds for analysis from an honorable dealer who had just acquired these stones. The two stones were laser-inscribed with the report numbers on the girdle (Fig. 1) and, after verification on their website, it was apparent that the GIA has effectively issued two reports describing stones that were, *a priori*, identical.

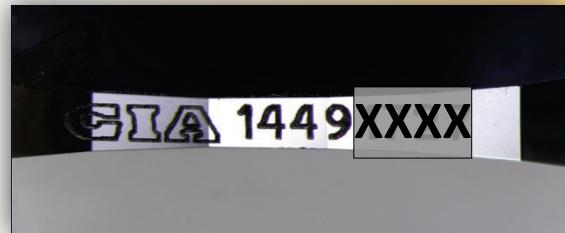


Fig. 1: Number engraved on the girdle of stone N°1 (the last four numbers are masked). © GGTL Laboratories - 2013

Characteristics of the two stones:

- Stone 1: Color: D, clarity: VVS1, weight 3.33 carats, GIA report N° 1449XXXX.
- Stone 2: Color: D, clarity: VS1, weight 3.17 carats, GIA report N° 214583XXXX.

As for all colorless diamonds submitted to GGTL Laboratories for certification, the infrared spectra were carried out and showed that both diamonds were type IIa. In such a case, additional analyses are performed and these showed that the two stones had been HPHT treated (High Pressure, High Temperature).



Fig. 2: Inclusion modified by the HPHT treatment (discoid fracture), stone N° 2, dark field illumination. © GGTL Laboratories - 2013

The photocopies of the reports initially received did not allow to clearly see the distribution of the inclusions on the plotting diagrams, but, these seemed to be reported in a different manner than in the received stones. This said, it is notorious that certain laboratories still do not report inclusions with precision on their diagrams... Some of the inclusions of the 3.17 cts stone showed modifications that could be the HPHT treatment. (Fig. 2).

The results of the proportion scan correlated quite well with the ones indicated on the reports, with deviations which could be explained by instrumental variances typically encountered.

Having received the original reports we paid more attention to these. Their cover jackets were authentic, but the reports were quickly identified as fake, of moderate quality and with a certain care to several details.

Having said this, we noted that the counterfeiters used a printing method (evidently a laser printer) which did not allow reproducing the quality of the traditional printing technique used for the original reports (micrographs on following page).

Shortly after, the scheme of the scam was apparent. The counterfeiters searched, probably in the GIA database for examples of diamond reports of stones with high color grade and which had weights and measurements close to HPHT treated type IIa diamonds that they owned or that they could obtain.

The treated stones were carefully recut to correspond as closely as possible to the characteristics mentioned on the existing GIA reports.

Then the counterfeiters found the way to laser-inscribe the girdle of the recut stones with the initials of the GIA and the number of the referenced report. Finally, all they had to do was to imitate the original reports and offer the stones at an interesting price, but without being too low in order not to appear suspect.

Here we must clarify something very important, and that is that the counterfeiters have copied existing reports and that, consequently, the original stones certified by the GIA actually exist. The two original stones were identified, the stones belonging to the original report are indeed natural and untreated and are the property of an honorable company that has strictly no involvement in this fraud, but who is indirectly a victim. It is for this reason that we partially masked the reference numbers of the reports.

Shortly after, one of the people, *a priori*, implied in this scam returned to Geneva to offer stones for sale again. Since a lawsuit has been filed, this person was cross-examined by the Geneva judicial authorities and two other HPHT- treated type IIa diamonds with fake GIA reports were found in his possession and were confiscated by the justice.

It rapidly became evident that this scam had international ramifications and that this con game had been established since some time.

Finally, and it is an interesting detail, everyone who had these treated diamonds and their fake certificates in their hands first checked the data, then the laser inscription on the girdle, but... nobody noticed the enormous error on the header of the reports, where it was written "DIMOND GRADING REPORT" instead of "DIAMOND GRADING REPORT"...

Numerous other errors of this type were found both on recto/verso sides of the fake reports, which were all created based on the same model and hence contain the same errors. (Fig. 7).

In fact, many professionals do not pay attention to the "cosmetic" details of a report, since they immediately seek the physical and qualitative characteristics of the stone that are indicated on the document.

If additionally the stones are laser-engraved with the numbers of the reports, all can appear normal...

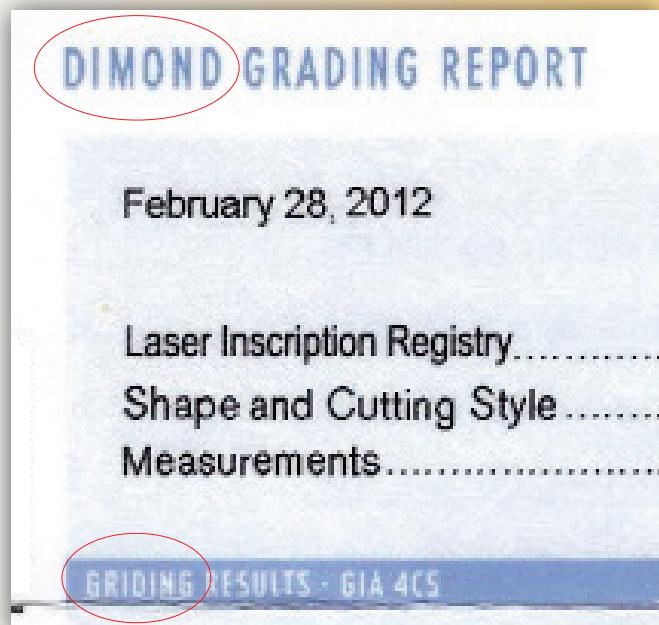


Fig. 7: Detail of the scan of one of the four fake reports. Two orthographic errors are visible, "DIMOND" instead of "DIAMOND" and "GRIDING" instead of "GRADING". © GGTL Laboratories - 2013

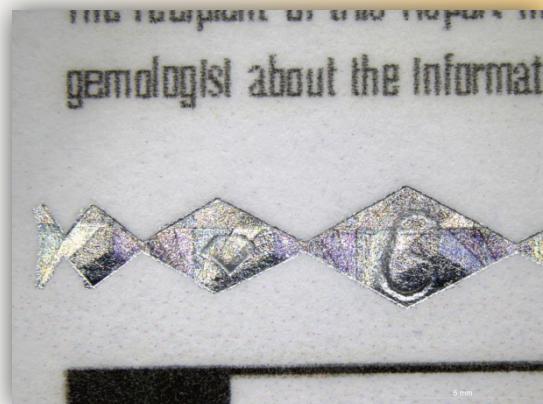


Fig. 3: Imitation of the metallic security film on one of the fake reports. © GGTL Laboratories - 2013

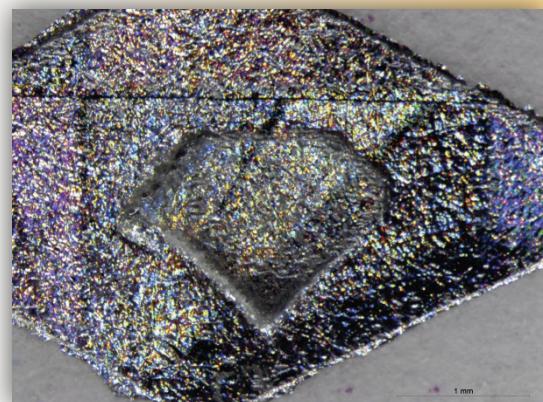


Fig. 4: Gravure printing diamond motif of poor quality on the metallic security film of one of the fake reports. © GGTL Laboratories - 2013

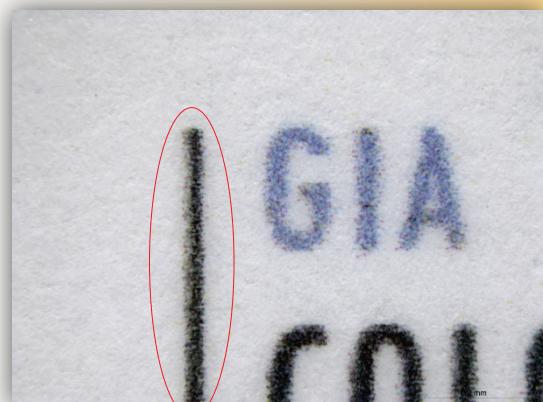


Fig. 5: Printing details show that the color scale bar is a simple line on the fake reports. © GGTL Laboratories - 2013



Fig. 6: Imitation of the GIA logo on one of the fake reports. © GGTL Laboratories - 2013

The metallic security film is not of the same nature and does not show the same design as the one on original GIA reports. Also note the bad printing quality of the text above the security film (Fig. 3).

The embossed engraving on the metallic security film is of poor quality and not precise. On the original GIA reports this diamond design clearly shows the facets of the stone, which is not the case here where only the outline of the stone is visible (Fig. 4).

After closer examination, through a magnifying glass or with a binocular microscope, one can see that the printing is not sharp, and the vertical bars (encircled), of the color and clarity scales, are not composed of characters (GEMOLOGICAL INSTITUTE OF AMERICA) but consist only of a simple black line (Fig. 5) unlike the original GIA reports).

The printing of the GIA logo on the fake reports has not been done by a professional printer, but has been realized by a laser printer. Observed under magnification, it appears blurry, while the original print used by the GIA is perfectly sharp (Fig. 6).

It must be noted that the two first stones had already been identified in London at a time when we were still bound by confidentiality requirement related to the judicial investigations, and that were mentioned in the October 2013 issue of the journal "The Jeweller", on page 50. In this article, it was revealed that the stones had been offered to a client, but that the reports had been identified as fakes and the deal was not concluded. The swindle of the recut stones had hence been unveiled. A test performed on one of the stones, using a "DiamondSure" instrument by the DTC, had shown that it was type IIa. From this result it was concluded that the diamond had probably been HPHT treated, but this could not be formally demonstrated.

When GGTL Laboratories received the four stones, including the two diamonds published in "The Jeweller", we were able to proceed to the required analyses, and hence, we formally demonstrated that the four stones had been HPHT treated.

It turns out that the stones initially offered in London and then Geneva were not an isolated case, but they are part of a scam of larger scale. Legal action against this swindle is currently being taken in Geneva and we strongly recommend all professionals to be very careful since it is very likely that several of these treated diamonds have already been sold and that they are now in circulation.

Conclusion:

The laser inscription on the girdle of a diamond is in no way a formal guarantee of authenticity. The accompanying reports must be examined with a lot of attention and, if possible, they should be compared with reports of unambiguous authenticity (never rely on photocopies or scans). If you have the slightest doubt, do not hesitate to have the stones and the reports verified before the finalization of a transaction, either by the laboratory who issued the report, or by another gem testing laboratory.

Your team of GGTL Laboratories

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Contact: laboratory@ggtl-lab.org

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