

Change May Be a Good Thing For The Trade A Positive Perspective on AGA's Position Paper Urging A Change In The Way Fluorescent Diamonds Are Color-Graded

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I believe that if the trade and laboratory community will take a long-term rather than short-term view pertaining to the way in which fluorescent diamonds are graded, it will become clear that changing what is now done will have significant benefits.

If changes were simply initiated without any announcement—as was the case when labs began to use unfiltered fluorescent lighting to color-grade diamonds in the first place—it is reasonable to expect a similar reaction from the diamond world: **none**. Although there would be the occasional diamond that would come back to a lab for some reason and receive a color grade that might be lower than the original, there are precedents (such as the GIA grading scandal, and media exposes on various gemstones) that suggest there would be no consumer “rush” to have diamonds re-graded. And let’s not forget that there would even be some stones (such as those with yellow fluorescence) which would get a higher grade. Whatever number of stones might be involved, it should not be overly burdensome or costly to the trade, especially when other factors from which the trade will profit are taken into consideration:

- If labs were to change procedures currently used, the result would be increased scarcity for those stones with an “inherent” body color that would be truly *colorless* and *near-colorless*, and as they become scarcer, prices will strengthen.
- In terms of those diamonds that fluoresce blue, wording on reports could help focus on the benefit, and create greater demand than is currently the case (just click on the internet to see how many sites advise against buying 'fluorescent' diamonds!). The curse might be removed simply by adding a comment that "this diamond may appear whiter outdoors during daylight hours or in certain wavelengths of light" or some such thing.
- If labs were to grade fluorescent diamonds using *both* types of light – UV-filtered *and* unfiltered, and were to indicate *two color grades* – the *inherent body color* and *perceived color* when fluorescence is excited -- the consumer would understand that fluorescent diamonds will look whiter in certain lighting environments.

Wording on reports would have to be carefully stated, perhaps with a statement to the effect of “the perceived color grade represents the color of this diamond when graded at normal grading distance from an unfiltered fluorescent light. Based on its fluorescence, this diamond will appear whiter outdoors during daylight hours and in certain other lighting environments.”

- If two grades were to be indicated on reports, diamonds with “strong blue” and “very strong blue” could conceivably become *much* more desirable since they will show a 2-3 grade difference between inherent body color and perceived color.
- As demand for fluorescent diamonds increases, it is reasonable to project that people will be willing to pay a premium for them.

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For example, if there were a blue-fluorescing diamond with an “inherent body color” of H and a “perceived color” of F, many would be willing to pay more for such a stone than for a non-fluorescing stone that was graded H and would appear H color. They would be willing to pay for “value added” – that is, looking whiter in certain lighting conditions. For someone who wants a whiter stone than they can afford, diamonds with “strong” or “very strong” fluorescence might be even more appealing than a diamond with medium or faint fluorescence.

A diamond that fluoresces blue, especially one with an intensity ranging from “medium” to “very strong,” provides an economic and emotional benefit to anyone with a limited budget; it enables them to be able to afford a stone with a rarer color than they could otherwise afford; the fluorescence keeps the price lower than a diamond with a rarer inherent color, but they can still be awed by the rarer, whiter color just by looking at it outside during daylight. For many, this “extra” is worth a premium. Just how much the premium may be will depend upon the strength of its fluorescence and consumer demand and acceptance.

Since diamonds that fluoresce blue represent a significant percentage of diamonds in the marketplace (some estimate 40-50%), being able to charge premium prices will be beneficial to the trade.

Some have said that changing current procedures will only complicate things unnecessarily since, in the end, price differences will be negligible between what is now paid with “discounts” and what would be paid with “premiums.” This is yet to be seen, but even if it is an accurate prediction, changing the current procedure would result in four essential differences within the overall diamond trade:

- The information provided in diamond grading reports, on which many consumers base their buying decisions, will be more reliable—more truthful, accurate, and complete.
- Laboratory reports will become more consistent within labs and between labs.
- The undeserved bias against fluorescent diamonds will disappear.
- Consumer interest in purchasing fluorescent diamonds will increase.

The most important thing for the laboratory community to keep in mind is their responsibility to set standards that result in reliable, accurate, thorough, and consistent grading of diamonds, including those that fluoresce. Furthermore, laboratories have a responsibility to provide information in a way that clearly communicates *all* of the pertinent facts on each report. Only by so doing will buyers and seller be able to *rely* on the information provided on grading reports, and be able to make sound decisions about what they are buying and selling.