
Federal Trade Commission Guides for the Jewelry, Precious Metals and Pewter Industries

Colored Gemstone Products

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The opinions expressed today are mine and do not reflect the official position of the FTC.

FTC Jewelry Guides



- One of Commission's oldest Guides
- Published in the Code of Federal Regulations at 16 C.F.R. Part 23
- Available on the FTC website, www.ftc.gov

Basis for the Guides

- Jewelry Guides are based on Section 5 of the Federal Trade Commission Act
- Section 5 provides:

“Unfair methods of competition in or affecting commerce, and unfair or deceptive acts or practices in or affecting commerce are hereby declared unlawful.”
15 U.S.C. § 45.

Jewelry Guides Cover “Jewelry Industry Products”

- Gemstones -- natural, lab-created and imitation
- Pearls -- natural, cultured and imitation
- Metallic watch bands (not attached to watches)
- Jewelry made from precious metals
- Articles made from pewter, precious metals, precious metal alloys, and their imitations

STANDARDS APPLY IN ALL ADVERTISING MEDIA

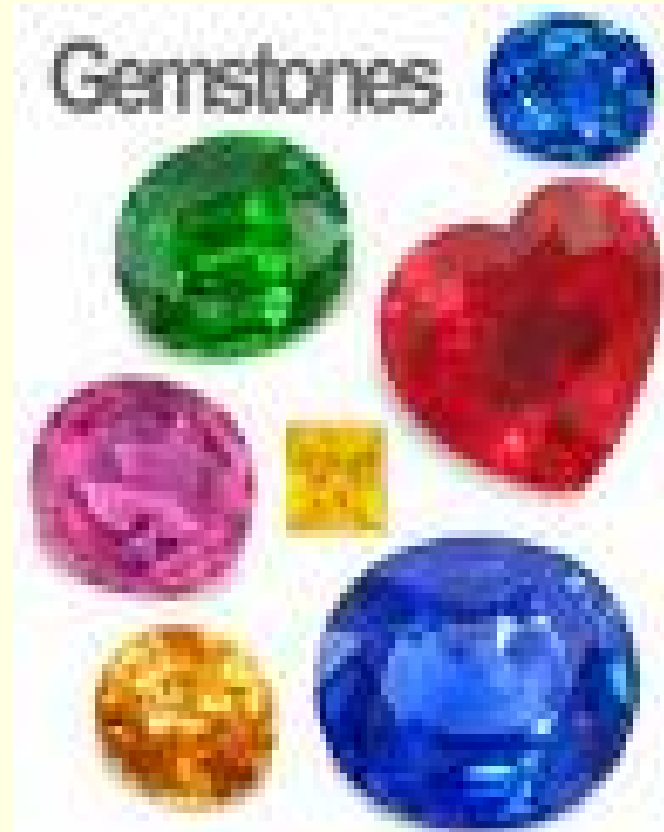


Colored Gemstone Provisions

- **Deception (generally):** Unfair or deceptive to misrepresent any material aspect of a jewelry industry product
- **Misleading Illustrations:** Unfair or deceptive to use illustrations or depictions that misrepresent any material aspect of jewelry
- **Material aspects listed include:**
 - Type, kind, grade, quality, quantity, metallic content, size, weight, cut, color, character, treatment, substance, durability, serviceability, origin, price, value, preparation, production, manufacture, or distribution

Gemstone Identification

- Marketers must truthfully identify their colored gemstones
- For lab-created or imitation stones, the marketing or descriptions should disclose clearly the nature of the product and the fact that it is not a natural gemstone



Gemstone Treatment Disclosures

- Unfair or deceptive to fail to disclose that a gemstone has been treated if:
 - The treatment is not **permanent**
 - The treatment creates **special care** requirements for the gemstone
 - The treatment has a **significant effect** on the stone's value

Timing of Treatment Disclosures

- Disclosures may be made at the point of sale, prior to purchase
- For Internet, direct mail catalog, and TV shopping programs, disclosure should be in the solicitation or description
- Disclosures are applicable to sellers at every level of trade



Thank You!

www.ftc.gov

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