

Slowdown hits Hallmarking

Gold, silver and platinum all show falls in first quarter of 2005

Jewellery sales in the U.K. have dropped in the first quarter of 2005 as the consumer slowdown begins to bite. This is obvious in many other sectors too.

Same store sales at two of the leading U.K. chains, owned by Signet Group fell by between 4 per cent and 6 per cent in the last 9 weeks up to the end of March.

Figures released by the 4 Assay Offices of Great Britain show that gold decreased by 11 per cent to just over 4 million articles.

Silver decreased by 22 per cent to 1,810,705 articles. Platinum was down 5.2 per cent at 82,230 articles.

Number of articles

GOLD							SILVER					PLATINUM				
375 9 carat	585 14 carat	750 18 carat	916 22 carat	990	999	TOTAL	800	925 Sterling	958 Britannia	999	TOTAL	850	900	950	999	TOTAL
3,345,379	52,271	434,064	177,365	0	352	4,009,431	619	1,805,078	3,435	1,573	1,810,705	397	162	81,582	89	82,230
-11.6%	18.5%	-10.0%	-9.0%	-100.0%	131.6%	-11.0%	-45.2%	-22.1%	77.2%	59.7%	-22.0%	5571.4%	116.0%	-5.9%	122.5%	-5.2%

Weight of articles

GOLD (Grams)							SILVER (Kilograms)					PLATINUM (Grams)				
375 9 carat	585 14 carat	750 18 carat	916 22 carat	990	999	TOTAL	800	925 Sterling	958 Britannia	999	TOTAL	850	900	950	999	TOTAL
13,483,124	200,931	2,568,163	1,580,458	0	5,320	17,837,996	8	33,479	146	106	33,739	9,157	1,102	708,549	572	719,380
-20.2%	-0.1%	2.5%	-5.8%	-100.00%	16.41%	-16.2%	-57.8%	-21.9%	-31.7%	39.2%	-21.9%	5223.8%	201.1%	6.1%	63.4%	7.6%

Percentage figures show an increase or decrease (-) compared to the corresponding period of the previous year.

25 years Plus at the B.A.O

It is three years since we featured those members of our staff who have served the Office for more than 25 years.

This latest photograph includes those who have now achieved their 25+ status - and we are proud of them all.



Changes to Nickel legislation in September 2005

The regulations restricting the use of Nickel in post assemblies are due to change as of 1st September 2005 as a result of a new European Directive.

The aim of the new Directive is to continue to protect the public against the possible risk of sensitisation to nickel as a result of piercing, but it **replaces the limit on the nickel content of post assemblies with a limit based on the rate of nickel release.**

This will remove the anomaly whereby nickel containing materials such as stainless steels are currently prohibited for use in piercings, but may be used by the medical profession for human body implants. The new legislation will open up opportunities for manufacturers to use a much wider variety of materials for post assemblies.

Once the new legislation is enforced, piercing post assemblies will have to comply to a rigorous nickel release test as opposed to a nickel content test. Post assemblies to be used in any body piercing will be required to have a nickel release rate lower than 0.2 micrograms per square centimetre per week. This will apply to all post assemblies and not only those used during the healing of the wound.

The draft guidelines issued advise that both plated and non plated post assemblies should be tested **before** and **after** a wear corrosion test. The required tests remain as before although a different adjustment factor may be applied, depending upon the outcome of the current consultation document.

The draft regulations stipulate that any items which comply with the current regulations, or which were placed on the market before 20th January 2000 **will be permitted** under the new regulations.

We will be writing to our Nickel testing customers within the next few weeks with more detailed information. Latest news will also be posted in both the Nickel and latest News section of our website, or phone Liz Dawson on 0121 262 1007 for more information.

Argyll comes to Birmingham

The Assay Office recently bought this argyll, made by Matthew Boulton's firm at the Soho Manufactory and Hallmarked in 1806.

An argyll was a gravy jug, in design resembling a coffee pot rather than a sauce boat. It was provided with a device to keep the gravy hot, often an inner cylinder holding a hot iron, or, as in this case, hot water (the hot water container has its own push-on cover). The argyll might also be double-walled, giving a space so that the hot water surrounded the gravy; or there could be a separate water compartment in the base. Most examples date from the 1760s to early 19th century, but they seem never to have been made in large numbers - perhaps because they were not very effective?

Their invention is attributed to the Duke of Argyll, but no doubt many owners of great

houses must have felt the need to prevent gravy from cooling during its long journey from kitchen to dining-room.

The Assay Office example (the only one in our collection) has an attractively plain, tapering cylindrical body, with gadrooning around the base and rim. It is 15cm high and weighs 482g. The arms of the Earl of Coventry are engraved on the body, and his earl's coronet on the cover.



Well done, Luke



We are very pleased to offer our congratulations to Luke Abbey who has recently passed his B-TEC National Diploma in Mechanical Engineering, his City and Guilds Level 2 - 3 and an Advanced Modern Apprentice Qualification. Luke is a member of the Office's Tool Room team and has been with us for just over a year.

His skill and attention to detail makes him a great asset to the Tool room and his pleasing personality makes him very popular with his work mates.



The Anchor

The Newsletter of the Birmingham Assay Office

Spring 2005

New Premises for AnchorCert Gemmological Office, London

Director, Eric Emms and his team at the AnchorCert Gemmological Office are now installed in their new premises at Suite 26, 88-90, Hatton Garden. The gemmologists finally made the move into a purpose built facility within one of Hatton Garden's most attractive buildings in February.

The extra space we have acquired enables us to offer AnchorCert Mini reports on loose or mounted diamonds from our London Office, in addition to the fuller Precious Stone Laboratory reports on diamonds, coloured stones and pearls.

Competitive pricing

The AnchorCert Mini Report is competitively priced with prices starting at only £15.00 per carat. An increasing number of retail jewellers are finding it to be a valuable selling aid as more and more potential customers are looking for the reassurance and verification provided by a Diamond Report, even on relatively small stones.

The team at AnchorCert Gemmological Office are very enthusiastic about the new opportunities they can offer the trade. "We are still in the heart of Hatton Garden, but with increased capacity and a much wider range of services" says Eric Emms. "Our

The purpose built facility - ready for action



focus will always be on the provision of accurate and independent gemmological services and we have the necessary mix of expertise, knowledge and sophisticated testing instruments to deliver a professional and efficient service." The Office is equipped with the latest instruments developed by DTC to screen for HPHT treated diamonds and gem quality synthetic diamonds. We can also complete more complex tests on stones which are flagged by the initial screening, by the use of Raman Spectroscopy.

Marketing support

AnchorCert also offer their customers a range of marketing materials to support the sale of AnchorCert certificated

diamonds. Consumer brochures, diamond characteristics charts and mini leaflets are all available free of charge.

If you would like to know more about our gemmological services in London please call us on 0207 4044202.



Director, Eric Emms



Gemmologist, Erin Brooks



Senior Gemmologist, Ana Castro



Administrator - Lisa Kitchener

Michael Allchin, Freeman of the Goldsmiths' Company

Birmingham Assay Master, Michael Allchin was recently invited to receive the Freedom of the Goldsmiths' Company and the City of London. This honour was in recognition of the major contribution which Michael made to the defeat of the European Commission draft Directive on the marking of precious metals in 2003.

The Worshipful Company of Goldsmiths is one of the twelve great Livery Companies of the City of London. Founded in 1300 to regulate the craft and trade of goldsmiths, it

established the practice of hallmarking as required by a Statute passed by Edward I and has been testing the quality of gold and silver articles ever since. In addition to this statutory function, which is carried out by the London Assay Office, the Goldsmiths' Company also plays an important role in supporting the craftsmen of the jewellery industry.

Michael joins over 1500 other Freeman of the Company as a lifelong member. He is pictured receiving his award from Bryan Toye, Prime Warden of the Worshipful Company of Goldsmiths.



Ghana standards board training



The photograph shows Assistant Chemist, Sue Golding, supervising Fire Assay Testing.

In February, the Birmingham Assay Office was pleased to welcome Samuel Nortey and Kwabena from the Ghana Standards Board in Accra.

In keeping with Birmingham Assay Office policy of exporting its technical expertise globally, we were pleased to be contacted by the Ghana Standards Board in the latter half of 2004, to discuss the possibility of their chemists attending a training programme and series of seminars under the tutelage of Chief Assayer, Dippal Manchanda.

The requirement put to us was that their chemists should receive training in both the theoretical and practical aspects of the assaying and hallmarking of gold and silver, and 'hands on' experience of all gold alloy analysis performed by Birmingham Assay Office.

We were delighted to be able to tailor a course specifically designed to meet these needs, and the subsequent intensive 10 days course covered areas such as analysis of carat gold alloys, high purity gold alloys and high Pt/Pd bearing alloys. Lectures delivered by Dippal Manchanda covered diverse topics including the technical aspects of gold analysis and sources of errors, elements of uncertainty, errors in weighing and calculations and of course 'complexities' of alloy addition.

Both Samuel Nortey and Kwabena, very enthusiastic and experienced chemists, were impressed with the excellent facilities available at the Birmingham Assay Office and broad spectrum of training programme available. They appreciated the opportunity to gain knowledge of techniques which they will certainly build on in the future. They also expressed interest in the newly developed ICP-OES course offered by Birmingham Assay Office and we believe we may be seeing further interest from the Ghana Standards Board in the future.

Mr. Samuel Nortey and Mr. Kwabena proved very popular with those responsible for training at this, the world's largest Assay Office, and we are pleased to include them on our list of 'friends' who take the skills and technology of Birmingham Assay Office to all parts of the world.

The photograph shows Dippal Manchanda, Chief Assayer, presenting the trainees with their certificates.



B.A.O supports 'A Voice for St. Paul's'

St Paul's Church is joining forces with the St. Martin's Guild of Church Bell Ringers, which celebrates its 250th anniversary in 2005, and has launched an appeal, for a brand new ring of 10 bells, and to train a band to ring them.

Birmingham Assay Office is delighted to be able to provide sponsorship for a bell as this is a unique and permanent symbol of the Office's long association with the area.

The Assay Office bell will bear an inscription of the Anchor and representatives of the Office will be able to witness the casting of the bell.



Roger Burman, Chairman of the Guardians of Birmingham Assay Office, signs the sponsorship agreement with Rev. Tom Pyke, Vicar of St Paul's Church.

Relaunch of www.theassayoffice.co.uk

Today's Prices		Hallmarking Figures	
London PM Fix		2004 vs 2003 increases	
Apr 06, 2005	NA	GOLD	+2.2%
Gold	7.03	SILVER	-0.1%
Silver	7.03	PLATINUM	+15.8%
Platinum	858.00	GRAND TOTAL	+17.86%

Every year the Birmingham Assay Office receives hundreds of enquiries about Hallmarking Legislation and our wide range of services from members of the public and our trade customers. In response to this we have upgraded our website to provide more instantly accessible information and answers to as many of your questions as possible.

The new site which can be found at www.theassayoffice.co.uk has many new features.

- up to date information about hallmarking, including a picture story of the entire process, latest hallmarking figures and a statistical summary of the global jewellery market in 2004
- Registration forms, and other documents which can be downloaded immediately
- Previous copies of 'The Anchor' in pdf format
- Latest Press releases from the Birmingham Assay Office
- Full details of our non statutory services including Diamond Certification, Jewellery Valuations, Precious Metal Analysis, Training Courses

- A background to Nickel Legislation, and an explanation of the Nickel Testing Process
- Links to our AnchorCert Gemmological Office in London and the American Assay & Gemmological Office in New York
- Practical details such as our opening times, directions to the Office and contact e mail addresses

Developing and maintaining our new site to make it as useful to you as possible is an ongoing project – please do send us your feedback to info@theassayoffice.co.uk

Birmingham Civic Society plaque to Alexander Parkes

On Thursday, 31 March, The Birmingham Civic Society formally unveiled a Blue Plaque to Alexander Parkes, the inventor of modern plastic materials. The event took place on the site of the old Elkington Works at 144 Newhall Street and was attended by

the Lord Mayor of Birmingham, Councillor Mike Nangle.

After the unveiling a reception was held at the Assay Office at which Professor Jim Hay of Birmingham University delivered an address on Alexander Parkes and his work.



The Lord Mayor of Birmingham, Councillor Mike Nangle, and Simon Parkes, great-great-nephew of Alexander Parkes, are seen with the plaque before its mounting and unveiling

A family business - supplying independent jewellers

Dave Grose and his wife Fran established Davran Jewellery some thirty years ago. The name Davran was created with the first three letters of Dave's name and the last three letters of Fran's name. Since their retirement, their two sons Alan and Andrew have run Davran.



Dave



Fran



Alan



Andrew

Davran started as outworkers, then grew into producing their own ranges. "Fifteen years ago we were a small company in the trade employing 40 people, it seems now that we are a medium sized company with 13 employees" said Andrew Grose. (How the Trade has changed!)

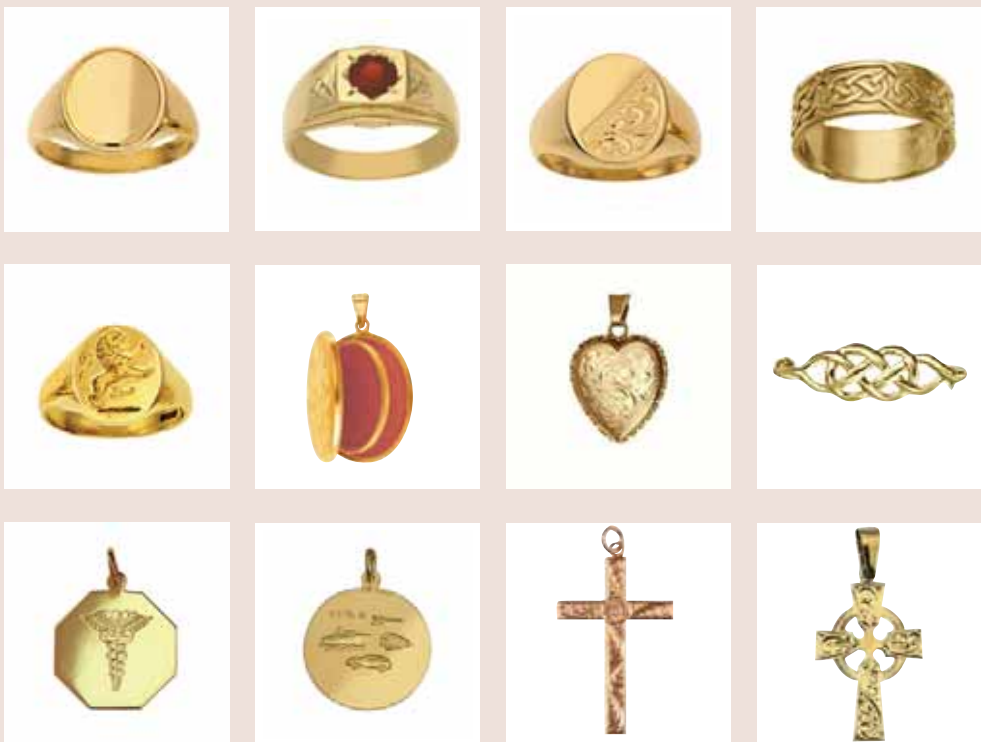
"Dave decided, about 13 years ago that they needed to extricate ourselves from the multi-nationals and go to the independent retailer. This was a farsighted decision and, although the learning curve was steep, we

are much happier supplying over 1,000 independent retail accounts rather than the big boys!"

"Davran is well known in the trade for quality, delivery and service. Our products are often hand made, always hand finished, and unlike many other companies, we have not gone abroad to have our products manufactured. We are one of a dwindling band of traditional Birmingham metal bashers, who still manufacture in Birmingham."



The flagship product from Davran is the flexible snake jewellery illustrated above, which used to be made by Smith & Pepper, whose factory in Vyse Street is now the Birmingham Jewellery Museum. Over the last few years we have reduced the number of products manufactured to a "Core range" of some 2,500 products (500 of which are illustrated in our catalogue). We manufacture these to a stock level, to enable a quick delivery. The principal product areas are signets, Celtic wedding rings, hand made block crosses, hand made lockets, gent's jewellery, pendants, broaches and charms.



DAVRAN JEWELLERY LTD.

INCORPORATING DYSON & HUSSEY

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Our New York Office

U.K. versus U.S.

When a member of the public goes into a jeweller's shop in the U.K. to buy a piece of platinum, gold or silver jewellery, she is already aware of the fact that what she is about to purchase is accurately and authentically marked.

If she wants a ring to be of 18 carat quality, then all she needs to look for is a hallmark. She will immediately know that the ring she has purchased is 18 carat because, in the U.K. (and many other countries too) there exists a system that guarantees the quality - **Hallmarking** - tried and tested in the U.K. for over 700 years.

Different in the United States

Go into a jeweller's shop in the U.S. and what do you find?

Jewellery marked up with all kinds of marks which are not so meaningful. Firstly there is a "maker's mark". These are basically untraceable because there is no official body to offer guidance on their registration and meaning. After these initials come a varied range of other marks - 18k, 14k, STERLING etc - none of which can be trusted as to the **real** quality of the purchase. These marks have been applied by the supplier and, because there is no hallmarking system in the United States, the marks have not been accredited by a third party independently who would have checked the quality of each and every item.

Even when there is an attempt to verify the standard of the piece it is only

checked by guidelines laid down by the Federal Trade Commission (FTC) and even they seem reluctant to enforce them.

The jewellery trade in the U.S. has its own arbitration body.

This is called the Jewellers' Vigilance Committee (JVC) which actively endeavours to advise the trade on Federal Guidelines and how to ensure products stay within them.

Unlike the U.K., the Federal Guidelines allow for regular tolerances of **minus** one whole carat in the quality. So, even if the item purchased is accurately marked, say 18k, you could be walking away from the store with a 17k article - quite legally.

So what can be done about it?

Well, for a start, the U.S. government are not suddenly going to institute a hallmarking system in the USA.

So where does the New York Office of the Birmingham Assay Office come in?

We are providing an accurate testing service for gold, silver and platinum to U.S. companies so that they, at least, know that the quality of the goods they are producing is accurately stated.

In addition to the safeguards given to the consumer of precious metals, all BAO Offices give a complete service of Diamond Certification by teams of highly qualified gemmologists and diamond graders.

AAGO Staff cover the USA

American Trade Shows

Representatives from the American Assay & Gemmological Office have been clocking up thousands of Air Miles and covering the country during the main Trade Show season in the USA. The office showed at the AGTA Show Tucson, the SJTA Show Atlanta, MJSA New York and WJA Wisconsin.

Each of these shows has a different slant, giving us the opportunity to offer our wide portfolio of services to appropriate customers throughout the States. The season is now almost over with just the "big" one to come - JCK Las Vegas from 3rd to 7th June.

White Gold Launch

The MJSA Show included a presentation by Dr Chris Corti, previously of the World Gold Council, which finally formalised all the work done by the UK White Gold Task Force to develop a scientific approach to measure the colour of white gold. As the main researcher on the project, Dippal Manchanda joined Michael Allchin and our colleagues from America at the show.

The numerical grading process developed by our researchers has been debated at Trade Shows around the world during the past twelve months and has now been accepted as an industry standard. The grading structure uses a numerical scale to indicate how white an alloy is. Colour measurements are taken using a spectrophotometer (a camera

which measures the colour of reflected light) and then one of four grades is applied. The launch of the process created a significant amount of interest and several companies have already submitted samples for assessment.

This service is also available from the Birmingham Assay Office and finally provides an answer to the dilemma as to what can be described as white gold. The definition is based on colour values as opposed to metallic composition and is therefore very consumer orientated and beneficial to retailers and manufacturers throughout the jewellery trade.

For more information contact Dippal Manchanda on 0121 236 6951.