



Gem Talk

by Michael S. George

MSG Jewellers

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Appraisals

In this issue I would like to discuss appraisals. This is often a very misunderstood and sometimes misused area of the jewelry industry, however when used correctly can be a very important tool for the consumer as well as the jeweler.

Many are not aware of the fact that jewelry actually increases in value over time, based on historical evidence over the past forty or more years. Should this trend continue, and I see no reason why it will not, it is my advice that your jewelry appraisals should be updated at least every two years. The purpose for this is to keep the replacement value, in the event of loss or damage, at the current market value. By doing this you will be protecting yourself from inflation and market conditions that can fluctuate month to month at times.

Let's explore for a moment what a good appraisal should contain and it's purpose:

- It's purpose should be to identify the item in such a manner as to be able to rebuild the jewelry item , or replace it by listing it's clarity, color, cut, carat weight and describe in detail the piece including it's karat weight and quality. In many cases it is advisable to have a picture taken of the jewelry item to capture the details that may not be described completely. There are some fine professional cameras on the market today that take a one to one ratio picture. Ask your jeweler for this option and expect to pay a nominal fee for this service, of approximately \$ 5.00. The fee for the appraisal should be based upon the time it takes to complete it

and this can vary from store to store, however there should be no charge for items purchased from that store.

- The appraisal should be dated, signed and have a corresponding number associated with it. The original should remain in a safe place and a copy given to your insurance company at the time of scheduling a writer.

Another recommended suggestion is to mark your calendar one year from the date of scheduling to have the jewelry cleaned, inspected and the value updated by your professional jeweler. By doing this you will not only have your jewelry looking new again, but also find any wear or potential problems that can be corrected before they become a major concern, or loss.

I would much rather see my clients spending their money on new beautiful jewelry rather than on repairs that may be avoided. If your jewelry hasn't been inspected or the appraised value updated in the last two years your long overdue for this service, which we will gladly assist you with.

It has been my experience too often seeing people be under the misconception that their jewelry is insured and then a loss occurs and they find that they have been underinsured. This results in them getting far less than what they originally had and in some cases merchandise that is totally unacceptable to them in quality or size, yet the limit of liability to the insurance company has been reached. Remember, we live in a consumer beware society and the more informed you are the less likely you will be caught by any of these traps.

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