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To: Compbureau: #CB - BC
Subject: Diamonds and "Made in Canada" Representations
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1. When should a diamond be deemed to "come into being"? Why?

According to the Bureau's requirements "mined in Canada" is the only identifiable one; "cutting and polishing" constitutes a less substantial operation in the overall value of the diamond; though it leads to a new product it is not easily identifiable as such.

2. What do consumers and trade buyers perceive the terms "Canadian diamond" and "Diamond of Canada" or equivalent Canadian typical symbols or words to mean?

At the moment the market appears to be ambivalent to the perception of the term "Canadian Diamond". Buyers may base their buying decisions on facts other than the origin of the diamond. Consumers, however, often buy "Canadian" to support the local economy because they believe that a substantial part of the manufacturing to have occurred in Canada.

3. What are purchasers' expectations when they seek out a "Canadian diamond"? Are they looking for a diamond that is: (i) mined in Canada; (ii) mined, cut and polished in Canada; or (iii) cut and polished in Canada?

I believe that purchasers want to buy a diamond mined, cut and polished in Canada when they are offered a "Canadian Diamond".

4. Is it industry practice to refer to the origin of the diamond, gem or other stone as the place where it was mined? Provide details.

In many cases, yes. However, there are examples such as "Indian Diamonds" which are not mined in India (there are no diamond deposits in India) but processed there. Terms such as "Indian Diamond" and "Russian Diamond" have also emerged as quality marks in the jewellery trade.

The origin of a gemstone is often very difficult to verify. The origin of rough Canadian Diamonds could be traced with proper documentation and control. However, after cutting and polishing the diamond verification will be almost impossible.

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