

All That Glitters Is Not Gold: FTC Updates Jewelry Guides

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The FTC recently finalized updates to its [Guides for the Jewelry, Precious Metals, and Pewter Industries](#), which provide the FTC's interpretation of the jewelry marketing rules found in 16 C.F.R. §23. The FTC hosted a roundtable in 2013, which we wrote about [here](#), and considered stakeholder comments prior to finalizing the new Guides. The updated Guides address a number of topics, including the surface application of precious metals, below-threshold precious metal alloys, gemstone products, and "cultured" diamonds.

What's Changed

Some highlights of the changes include advising that jewelry marketers may:

- Qualify if a coated product only has a service layer of a precious metal;
- Advertise a product's precious metal coating to assure reasonable durability;
- Disclose the purity of coatings made with precious metal alloys;
- Qualify a product's gold karat fineness or a parts per thousand (PPT) designation for silver products that have less than 925 PPT;
- Use alternative words and phrases for man-made stones (where it shares the same properties as the named stone) if they clearly and conspicuously convey that the product is not a mined stone.

What's New

The updated Guides also include some new sections to address particular issues, including advising how jewelry marketers can:

- Use the term "cultured" to describe a diamond that is not mined to indicate that the product provided it is made clear either through context or express disclosures that the product is not a mined stone;
- Accurately represent the quantity of each precious metal in a product that contains more than one;
- Accurately describe particular gemstones (such as "composite" or "hybrid" gemstones) to indicate that a gemstone product does not have the same characteristics as another stone;
- Use the correct varietal name to mark or describe a product (*e.g.*, do not use "yellow emerald" to describe a golden beryl);

- Disclose treatments to pearls and cultured pearls that: (1) are not permanent; (2) create special care requirements; or (3) significantly affect value.

Finally, the FTC also eliminated some provisions regarding the misuse of the word “gem,” misleading illustrations, and eliminating the word “natural” from the definition of “diamond” to indicate that lab-made diamonds are also diamonds. Jewelry marketers should take the time to review their advertising guidelines to ensure they comport with the updated Guides.