

# LEBER JEWELER INC

ESTABLISHED IN 1921

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December 8, 2010

Federal Trade Commission  
Office of the Secretary  
600 Pennsylvania Avenue, NW  
Room H-135 (Annex J)  
Washington, DC 20580

## Introduction

In response to the Request for Public Comment regarding Guides for the Use of Environmental Marketing Claims (Federal Register/Vol. 75, No. 199/Friday, October 15, 2010) we wanted to take the opportunity to offer our perspective and insight in areas related to the gem and jewelry trade that may fall under areas covered by the FTC review of The Guides for the Use of Environmental Marketing. While the examples relate to our specific industry, it is quite likely similar parallels exist on other industries.

In 1999 our company, Leber Jeweler Inc, introduced a collection of fine jewelry, Earthwise Jewelry,, designed to utilize responsibly sourced raw materials and labor for its production. In the ensuing years we have worked on a variety of projects and initiatives throughout the world that work to build on these principles. Simultaneously, as an industry leader in these areas, we have committed ourselves to educating both the public as well as the gem and jewelry trade on issues related to human rights and the environment as it relates to our sector. Lacking any sort of established protocols in the industry or in government to specifically designate what "responsibly sourced" truly means, we have developed a series of protocols to verify that the items we use meet genuinely high standards.

[http://www.leberjeweler.com/educate/responsible/responsibility\\_standards.php3](http://www.leberjeweler.com/educate/responsible/responsibility_standards.php3)

While our company's primary goal was to have our sourcing standards simply be a part of our larger mission of advocacy for a wide range of human rights and environmental issues, in the years since we first started we have seen a number of start-up jewelry companies that are seeking to ride the wave of consumer interest in "eco-friendly" products by marketing, without necessarily backing up their advertised claims with valid practices or published standards. We find this sort of "green-washing" highly unethical and strongly support efforts by the FTC to regulate this burgeoning trend.

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## Gold

The jewelry we fabricate in our US-based workshop utilizes 100% recycled gold. We developed our sources for recycled metal because we were unable to find a gold mine from which to procure raw metal that met our strict sourcing standards we felt that, by utilizing recycled gold we would not be supporting environmentally damaging hard-rock mining and could have greater control over our supply chain.

[http://www.leberjeweler.com/educate/recycled/recycled\\_gold\\_guide.php3](http://www.leberjeweler.com/educate/recycled/recycled_gold_guide.php3)

However, many companies seeking to gain consumer interest by marketing to social responsibility concerns are labeling all gold as recycled, regardless of its actual recycled content. In some instances they contend that "it's like recycled paper", which commonly contains percentages less than 100%. In other cases they contend that since "all gold is inevitably recycled" (when it is scrapped or reused during the manufacturing process) it qualifies as being labeled as "recycled gold." It is common practice for most gold available on the open market to contain approximately 30% recycled content. This percentage is due to the fact that gold is a high value commodity so it is rarely thrown away and, instead, will usually find its way back into the supply chain. Because percentages less than 100% are for economic and not environmental reasons, we believe it is deceptive to label any gold containing less than 100% recycled content as "recycled gold" unless it is made clear that the recycled content is partial.

For the sake of clarity and maintaining standards, it is our belief that the term "recycled gold" should only apply to gold comprised of 100% recycled content using metal derived solely from the reprocessing of finished end-use items that were either produced domestically or previously imported as manufactured items prior to transformation. Any percentage amount lower than this 100% benchmark or any metals containing a combination of recycled gold with virgin gold should be labeled as "contains partially recycled content." As with recycled gold, the same standards should apply to all other precious metals.

Also of note, there are an increasing number of companies marketing the gold they sell as "green". (Sometimes referred to as "ecologically mined.") This is often in reference to the fact they may be sourcing the raw (i.e. unprocessed) materials from smaller, artisanal mining efforts. However, simply because gold or any other metal came from a small supplier rather than a medium or large source, does not mean the mining practices are less harmful.

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## Diamonds & Colored Stones

Today, many marketers brand certain gemstones as “sustainable.” As all mining is reliant on the extraction of raw materials that are by their very nature finite, we feel this is an unacceptable designation for any gemstone. In addition, the use of symbols such as the recycling symbol (arrows in the shape of a triangle) have been used in marketing materials to promote gemstones. As recycling has nothing to do with these gemstones, the use of deceptive or misleading logos, symbols, or images should be prohibited.

## Synthetic Gemstones

While our company does not sell synthetic gemstones, we have seen multiple companies market claims that these lab-created stones are “zero impact.” This is absolutely not the case. To create any laboratory synthesized gemstone you need to start with basic raw materials that only come from nature since the lab is only providing the conditions to grow, not the material. (Everything comes from the earth, in one form or another.) While phrases like zero-impact and eco-friendly make enticing tag words, they run the risk of becoming what is commonly referred to as “green-washing,” which is an attempt to tie into a genuine ethical concern as part of a marketing strategy.

## Conclusion

While any environmental claims related to “green” or “eco-friendly” need to be backed by solid evidence to support these statements, an important consideration for the FTC to understand is that, to consumers, these phrases often are interpreted to mean more than just environmental issues are being addressed. Social issues including topics related to human rights are often assumed to be a part of these rather broad and non-specific statements. In truth, there are multiple examples of “green” sourcing practices that have limited criteria in regards to human rights topics and, in some cases opportunities exist for groups tied to human rights abuses or antagonistic to US interests to benefit from the “green” label.

Because the supply chain that produces a single finished piece of jewelry can include a gold mine in sub-Saharan Africa, a gem mine in Sri Lanka, a gold refiner in Indonesia, a gem cutter in Thailand, and a manufacturer in India, it becomes increasingly complex to create blanket “catch phrases” that truly encompass the supply chain top to bottom. For example, we have seen instances of “fair trade” jewelry made by a women’s co-op in Central America that uses glass beads cut using child labor in India under adverse health and environmental conditions. While one element of the supply chain may be in line with claimed standards related to “fair trade,” if all links of the chain do not

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meet the same benchmark, the validity of the claim of higher standards crumbles.

Without considerable work, careful control of one's supply chain and judicious monitoring of standards, these phrases risk become largely meaningless and are, in many instances, tantamount to "green washing." To our company, upholding high standards is the least we can do to support our work on advocacy issues, but very few companies aspire to the same lofty goals or have the same in-depth foreign policy knowledge to make top to bottom standards effective.

One final point I would like to emphasize is, many companies on the internet use "eco" catch phrases like "ethical jewelers" and "socially responsible jewelry" to market to consumers in a manner that implies all the products they offer meet a certain social or environmental standard. In many instances, some of the products these companies sell are no different than "ordinary" jewelers. (There are instances where a small disclaimer may exist buried somewhere in the site, but for a consumer who does not dig deep enough to uncover this disclaimer, the message communicated is misleading.) Our experience has found that, because most consumers are not fully aware of all aspects of the relevant issues, they are largely reliant on the message a company conveys. When the message is over-simplified with no ancillary information to support it, the consumer is very likely to misinterpret that message and, as a result, is being misled. In many cases this deliberate over-simplification is an attempt to mask less-than-thorough standards. In addition, a company's message that appears to be unqualified puts competitors who choose to be honest and present a more complete message at a disadvantage.

While we encourage all jewelers and all companies in general to move in a direction that promotes environmental and social responsibility, we feel that when "green" becomes a marketing strategy rather than a philosophical principle, a step backwards has been taken. We applaud the FTC for making the effort to address the rapidly evolving issues surrounding "green marketing."

Please feel free to contact me if I can provide any additional information or clarification to assist the FTC in completing their review.

Respectfully Yours,

Brian Leber  
President