

[16:52] Guest (~Guest@63.194.242.159) joined #yg.
[16:52] <Frank> Pearl is still not in #questions
[16:52] <africanuck> have signed you into it JB
[16:52] <africanuck> ok?
[16:52] <Alain> People Cos is here
[16:52] <Alain> Welcome Cos
[16:52] <africanuck> hello Cos, welcome
[16:52] <Annie> Hello Welcome Cos
[16:52] <Guest> Welcome
[16:53] <Frank> welcomeand hi
[16:53] <Jen_> hello Cos
[16:54] <Alain> Guest, you are Cos Altobelli am I correct?
[16:54] <YourGemologist> As you all know, Cos Altobelli is the main Guru for appraisal knowledge. His book is the ultimate reference source
[16:54] <Guest> yes
[16:54] Nick change: Guest -> Cos
[16:54] <YourGemologist> for appraisals. I had the pleasure of studying with him on by CGA exams in Tuscon
[16:55] <YourGemologist> Cos, we appreciate your taking time to join us,
[16:55] <YourGemologist> And please know that we do not count for spelling here
[16:55] <Cos> ok
[16:55] <YourGemologist> Alain, I will turn this over to you for the questions.
[16:55] <Alain> Thank you
[16:56] <Alain> Cos, I'll be taking questions from another channel to regulate the chat a bit and to make sure you will need be bombarded with questions
[16:56] <Alain> not be that is
[16:56] <Cos> ok
[16:57] <Alain> Before I do that, is there anything in particular you want to share?
[16:59] <YourGemologist> Alain, whenever you are ready let's go with some questions for Cos
[16:59] <Alain> Ok
[17:00] <Alain> Cos, a question from africanuck: what are the biggest problems in the appraisal side of the industry these days?
[17:02] <Cos> Am I missing anything?
[17:02] <YourGemologist> Cos, Alain will post the questions for you so that you do not get inundated. I think the first is regarding the current problems in the appraisal industry that you see
[17:02] <Alain> these questions are given to me in another place and I'll be asking them on their behalve
[17:03] <africanuck> keeps us in line Cos, LOL
[17:03] Cos (~Guest@63.194.242.159) left irc: Ping Timeout
[17:07] Guest (~Guest@63.194.242.159) joined #yg.
[17:07] <Alain> Welcome back Cos
[17:07] <africanuck> woohoo
[17:07] <Annie> Welcome back Cos,
[17:08] <Guest> what happened?
[17:08] Nick change: Guest -> Cos
[17:08] <africanuck> your computer timed out, probably
[17:08] <Alain> There was an internet connection problem apperantly Cos
[17:08] <Alain> Shall we start over Cos?
[17:08] <Cos> ok
[17:09] <Alain> I'll take questions from the members and then ask them on their behalve

[17:09] <Cos> ok

[17:09] <Alain> The first question comes from africanuck

[17:09] <Alain> Question from africanuck: what are the biggest problems in the appraisal side of the industry these days?

[17:11] <Cos> there are many, but one is lack of formal education, another is misrepresentation by retailers on all levels, as well as intentional misgrading and valuations.

[17:12] <Alain> What are ,in your eyes, the best traing facilities?

[17:14] <Cos> I'm somewhat prejudiced, but the APPA program offered by AGS is the most thorough, current formal education program in the country today. Authored by Bill Hoefer and edited by me, it is similar to the ISA core courses, but way beyond it. APPA stands for Advanced Personal Property Appraiser. Other Appraisals orgs have credible courses but not like this one.

[17:15] <Alain> A follow-up from africanuck: why are there no rules about who can and can't appraise? Does the insurance industry have rules about who can or can't do appraisals for their purposes?

[17:17] <Cos> There is no federal or state legislation or licensing that regulates personal property appraisers. USPAP covers real estate and although they don't have regulations for pp appr, they have guidelines. As it now stands, anyone can appraise anything without certification or anything else. Just hang a shingle on the wall and you're in business!

[17:18] <africanuck> no qualifications, no knowledge, no nothing at all?

[17:19] <Cos> some ins. co's require a certified gemologist. Most of them require nothing. they may balk at a handwritten doc or something that obviously lacks any substance, but for the most part there are no req.

[17:20] <africanuck> so what's the point of getting an appraisal at all? It's not worth much if it's done by someone who doesn't know what they are talking about

[17:26] <Alain> Cos, are you ready for another question .. it's hard for me to judge if we are going too fast or too slow

[17:26] <Cos> ok

[17:26] <Alain> Question from rockdoc: What is the current status of the APPA courses at AGS, and is AGS persuing any legislative efforts in concert with the insurance companies?

[17:28] <Cos> You can call the AGS office for info re the course and they will send you the material. There are no leg. efforts being made by anyone that I know of. You are not going too fast and I will say o.k. at the end of my comment so you'll know when to ask another. o.k.

[17:29] <Alain> Thank you

[17:29] <Alain> Question from YourGemologist: How much impact is the J-Bar having on the jewelry appraisal industry.

[17:31] <Cos> I believe there are a number of innocent ignorant people out there that have enrolled in this farce, but hopefully there has been enough trade press articles to make most people aware that it's a joke!

ok

[17:32] <YourGemologist> Well said! Thank you.

[17:32] <Alain> Question from gemma: is there is a good book, reference etc about how to ID mounted stones using gemmo equipment?

[17:33] <Cos> I know of nothing other than what GIA offers in their courses and pub. ok

[17:34] <Alain> Question from Cattrix: I have been seeing a big increase in Tension set Stones, are they inherebtly more prone to damage and if so how does this affect the value?

[17:34] <gemma> no follow up on that alain. thanks

[17:35] <Alain> oops sorry gemma

[17:36] <Cos> It doesn't affect value at all. You are supposed to place a value on it based on what it would cost to replace a similar item from the same source if available or a from another mfr. Being vulnerable to damage should be the concern of the vendor selling it to the client, informing them of that fact and the possibility of easier loss that being set in another mode. ok

[17:40] <YourGemologist> Alain, next question please

[17:40] <Alain> ok

[17:40] <Alain> Question from anatase: How do you feel the online giants like BlueNile impact diamond prices and retail values?

[17:42] <Cos> ?

[17:42] <Alain> anatase, could you clarify?

[17:42] <YourGemologist> I think the question is regarding the potential downward pressure on diamond prices.

[17:45] <Alain> Rehrase by anatase: Blue Nile is offering AGS and GIA certified stones at prices far below most retailers can afford to offer them. Has that brought down prices retailers can charge for diamonds, thus affecting retail replacement values?

[17:45] <Cos> They don't affect diamond prices with re to DeBeers, etc., however, they do have an impact on all the ethical retail merchants in the country. we have had to recognize that they're here to stay and become more competitive. However, when it comes to appraising a diamond purchased from one of these "giants", it has to be done after having asked the all important question "do you want it replaced identically and possibly from the same vendor"

[17:46] <anatase> OK, would the replacement value be substantially different if they said, "no"

[17:48] <Cos> It's a very competitive world in selling diamonds. With the advent of Blue Nile and others, we have had to reduce our prices to stay alive. HOwever, most of these people do not stress or even cover symmetry, polish and fluorescence. It makes it easier to get better prices when you know what you have to offer may not be as low in price but a better stone. ok

[17:48] <Alain> Question from Frank: If asked to appraise a piece of jewellery in which the stones have been certified by the GIA or other respectable lab would you accept their classification or would you re-grade all the stones yourself?

[17:50] <Cos> even if it is a gia or ags report, i ALWAYS check the diamond. after all, they are human and it is a subjective call. i NEVER accept other lab reports, particularly EGL. I have never seen a report yet that is accurate- AT ALL! ok

[17:51] <Frank> Thanks

[17:51] <Alain> Question from YourGemologist: Is the AGS APPA program available to non-AGS members?

[17:51] <Cos> yes ok

[17:52] <YourGemologist> Followup: Could we offer it as part of the ISG curriculum?

[17:53] <Cos> i don't see why not. however, that would have to be negotiated with ags. ok

[17:53] <YourGemologist> Thanks, I will look into that. Could be good for everyone.

[17:53] <Alain> Frank likes to know if the courses are available for distance students?

[17:53] <Cos> that's the only way it's being offered now ok

[17:54] <Alain> Another question from Frank: In Average how many pages do your appraisals run to...and how much of this is leagalese to protect yourself?

[17:55] <Cos> my cover letter is 3 pgs ok

[17:55] <Cos> it is in the book! ok

[17:55] <Alain> Question from africanuck: is there legal recourse when you receive a vastly inflated appraisal being used as a selling tool for an item of jewelry or a gemstone?

[17:58] <Cos> yes, however, the disparity has to be substantial, i.e., more than 50% of the norm. most states have a provision calledk "unconscionable pricing" in the UCC. BBB and consumer affairs agencies can be quite helpful in this regard. don't look for the jvc to give you much help. they are practically worthless. as a matter of fact, due the the JBar and other issues, last year was the first in decades that i did not renew my membership. ok

[17:59] <rockdoc> Rockdoc is in Boca Raton FL...

[17:59] <africanuck> thanks Cos

[17:59] <YourGemologist> Cos, how are you doing for time?

[17:59] <Cos> i'm fine ok

[18:00] <YourGemologist> Excellent. I think Alain has some more questions

[18:00] <Alain> Question from rockdoc: For AGS Members....Is APPA currently a requirement for those members doing appraisals.. and will that or is it a requirement for CG's CGA's and/or ICGA's?

[18:01] <Cos> it is only a requirement for someone applying for ICGA membership, however we highly recommend it to all ags members, particularly CGAs ok

[18:03] <Alain> Cos, could you tell us what your main sources of pricing information is, esp. when it comes to precious stones.

[18:03] <Cos> it would help if i could get the questions at a faster pace ok

[18:04] <Alain> Question from Sniz: I was just wondering what advice he would have for a new G.G. who wanted to do appraisals and the store they worked for was not AGS? Will the AGS education ever be available for non AGS store employees?

[18:07] <Cos> I use The Guide for insignificant stones. If more important and we can't do it in house, i will call dealers that i nnow specialize in those specific stones. we have a good transfer of color and quality communication. also use gem dialogue descriptions with dealer that have gem dialogue. there a lot of them. if i encounter something of great significance, i will hand carry to dealers in the L.A. area or even ship them if I have to. ok

[18:08] <YourGemologist> Cos, can you tell us how to order your book

[18:09] <Cos> anyone can attend my two seminars (2 hrs ea) without being ags ok

[18:09] <YourGemologist> Everyone who can should attent these seminars. They were the best I ever attended

[18:10] <Cos> you can order the book from ags hdqtrs 702/255-6500 ok

[18:10] <Alain> Cos, would you like us to pen up the chat .. so anyone can ask questions directly?

[18:10] <Cos> sure ok

[18:11] <anatase> Where are your seminars held?

[18:11] <Alain> Ok people go ahead, just don't bombared our guest with too many questions

[18:11] <Frank> What is the most memorable piece you ever appraised

[18:12] <Cos> at annual conclaves. you don't have to pay the reg fee to attend if that is all you will be doing. i also give them in las vegas in conjunction with the jck show and sometime in tucson if feb if we get enough sign ups. ok

[18:13] <africanuck> If the disparity between the appraisal and the actual value has to be 50% in order to have some legal ground to stand on, yet many appraisers are not qualified, how do you actually go about proving the variance to the satisfaction of the courts?

[18:13] <Cos> a 23.65ct. marq dia d/if. a long amazing story behind it. someday, buy me a dring and i'll tell you all about it. ok

[18:13] <Frank> ok your on

[18:13] <africanuck> I have a bottle of wine open now if you like, it's 7:15 pm here in Cairo

[18:13] <africanuck> want a glass?

[18:14] <rockdoc> next conclave is in orlando FL

[18:14] <Cos> by market comparables. it takes time, but i will have anumber of sales receipts will lab reports that establish what the modal average is. you have to go in "loaded for bear!" ok

[18:15] <Cos> would love one, bring it with you to conclave! ok

[18:15] <africanuck> LOL, you're on

[18:15] <YourGemologist> Cos, Frank had a good question. What is the most memorable piece you appraised?

[18:15] <Frank> he answered RJ...marquis d if

[18:15] <Alain> Cos, I would like to know your thoughts on a mandantory hallmarking system for precious metals .. or maybe even a system for gemstones.

[18:15] <africanuck> he answered that YG, we were trying to bribe him with wine to tell us about it ;)

[18:15] <YourGemologist> Oh, sorry. Trying to read too faast

[18:16] <anatase> Do you think the Rapaport list is a help or hinderance to the industry?

[18:16] <Frank> Another on the same vein...what is the most valuable piece you ever appraised

[18:16] <Alain> not too fast people

[18:16] <Annie> Cos, can you give us a short summary of your 23.65 ct marq. story

[18:17] <Cos> that would have to be the job of the ftc. they have done a pretty good job with that subject, but need to enforce it. gemstones could be lasered or plotted, i don't know what else would work. ok

[18:18] <Cos> rapaport is definitely helpful, however it seems to find its way into the consumers' hands. I fight that with sym, poll & flour ok

[18:18] <YourGemologist> Cos, how do you feel about DeBeers going into retail

[18:19] <africanuck> good one YG

[18:19] <Cos> that was the most valuable. it was 1.5million and that was 20 years ago ok

[18:19] <Frank> thanks

[18:19] <Cos> couldn't do an abbrev acct of the story- too complex! ok

[18:20] <Frank> you'll have to help get him drunk Annie :)

[18:20] <Annie> ok, thanks, good enough

[18:20] <Annie> you wana nother drink

[18:21] <Cos> i think debeers sucks for doing it, but i frankly don't think it will affect smaller retail operations. they will definitely have an affect with tiff, cart, fred, etc. ok

[18:21] <Annie> thanks Cos, i like stories and i am sure there is a good story attached

[18:21] <Frank> Cos, I'm in France...Annie is in Australia etc etc....does the value change as a stone is taken around to different countries?

[18:22] <Cos> absolutely- it's all based on the modal average of comparable in that specific market place. natually, there always exceptions. ok

[18:22] <Alain> Cos, what do you think of the new GIA diamond grading system .. will it be too complex for the average appraiser, or do you think they will need better education if they can't master the system?

[18:23] <anatase> Do you think that the GIA's new policy will make old cert without a cut grade obsolete?

[18:23] <Cos> it will take more than a knowledgeable jlr, and an aver gemol. it's not easy ok

[18:24] <Cos> in time, the consumer will be educated enough to know that cut has as much of an affect on cost as do the other elements. i don't believe they will be obsolete, at least in my lifetime! ok

[18:25] <Alain> Cos, you trained a lot of appraisers during a long timespan, so I think you will have a nose as to who will make it whom not. What is in your opinion the prime asset in a person to become a good appraiser?

[18:28] <Cos> Formal education is a strong prequisisite. Belonging to a credible and active appr org is a must, reading trade press pub, attending seminars wherever they are attainable, and simply networking. ok

[18:29] <Frank> How do you deal with some of the newer diffusion treatments...do you have equipment to diagnose it or do you send them elsewhere?

[18:29] <Sniz> If an appraiser doesn't work for an AGS store - what is the second best appraisal organization for education and credentials?

[18:30] <Cos> i have five gemologists on staff that are quite knowledgeable. rarely do we require sending anything off premises. it becomes more of a concern if it happens to be litigious situation. they we go the "extra mile" ok

[18:30] <Frank> thanks

[18:31] <africanuck> how much of your business is jewelry and how much of it is appraising?

[18:31] <africanuck> and do you appraise your own jewelry for insurance purposes?

[18:32] <Cos> isa and naja are both very good, however the current isa course needs some editing- a few errors and contradictions. asa is somewhat credible as well. ok

[18:32] <Sniz> thanks

[18:32] <Cos> about 10% of my business is appr ok

[18:32] <Alain> Cos, do you also appraise on site (at a customers home) or do you require people to come to your office/shop?

[18:35] <Cos> we don't appraise them! we do "statement of replacement" or you can use other words to that effect. an appr is a reflection of market activity in your geog area and dictates the use of market comparable to formulate the modal average. there is a precedent setting case in which the retailer that sold the item called it an appraisal and along with other factors, the client was denied the claim because of the non-disclosure ok

[18:36] <Sniz> 10% sounds like a low number for appraisals - is there a reason for it being this low?

[18:37] <Cos> we go on site whenever it is impractical to do otherwise. when we advise them the cost will be substantially more and tell them how we conduct the take-in with a full detailed description (plotting major dias) and assigning a value to ea item for ins coverage while in our possession, we rarely do not come in. ok

[18:37] <africanuck> have you ever been an expert witness? What do the courts require for this?

[18:38] <Cos> 10% is our gen'l ins appr bus. my litigating work, which occupies 90% of my time is a substantial part of the gross receipts ok

[18:39] <Sniz> thanks

[18:39] <africanuck> you can ignore the first part of my two questions, you just answered that bit

[18:40] <Alain> Cos, appraisers love books. Which books belong to your all time favorites?

[18:40] <Cos> i have been an exp wit for more than 40 yrs. I'm in court frequently. it requires a cv that indicates that you have the knowledge required for that particular suit or case and indicate what those credentials are. ok

[18:41] <Cos> mine! actually, there are many, but too numerous to list now. ok

[18:41] <YourGemologist> Cos, I'm glad you were there for that jeweler regarding that David Atlas appraisal that was covered in JC/K

[18:41] <YourGemologist> I don't remember the name but it was good that you were able to offer some common sense

[18:42] <YourGemologist> Cos book is the ultimate appraisal book. It is what we used as a reference at USAA

[18:42] <Frank> If you sold a jewellery piece with a sratement of replacement value instead of an appraisal...how long would such a statement be valid for?

[18:43] <Cos> thank you. david could have been a gentleman and have had a moral obligation. it was pretty easy to see that this couldn't have been a switch. why could anyone swith a e for a d color and just go to a vsi from an if. i've been involved in many switch cases and there has never been one that wasn't at least k color and an si2 clarity. ok

[18:44] <africanuck> How often does that sort of thing happen?

[18:45] <Cos> as long as it doesn't have an update. we should all be maintaining a calendar file as to when to contact our clients, at least every 3 yrs or when there has been a major change in one of the mkts. brings in other business as well ok

[18:46] <Cos> it's not rampant, but i would say if it's going to happen- 47th st. hill st and samsom st ok

[18:46] <Alain> New York?

[18:46] <Cos> i have about 10 more minutes and i'll be happy to do this again soon. ok

[18:47] <Frank> After three years or so would you then issue an appraisal on a stone who's statement of replacement had expired?

[18:47] <Cos> yes 47th and the vicinity in ny ok

[18:47] <Alain> Okay Cos, we really appreciated that you took the time for us.

[18:48] <africanuck> thank you so much

[18:48] <anatase> Yes, this has been really enlightening. I really enjoyed this!

[18:48] <YourGemologist> Cos, will you be doing your seminars in Tucson this year

[18:48] <Cos> a st of rpl doesn't expire. it's like an appr you have executed for someone to obtain insurance. it doesn't expire, it just becomes outdated. ok

[18:48] <africanuck> YG wanted you to get an idea of where everyone is before you go. I'm in Egypt

[18:48] <Alain> I'm in Holland

[18:48] <YourGemologist> Yes, before we end let's let Cos know just how far we reach

[18:48] <Sniz> I'm in Maine

[18:48] <anatase> I'm in San Francisco

[18:49] <gemma> michigan

[18:49] <Annie> Thank you, Cos, very enjoyable listening to you

[18:49] <Catrix> I am in Portland OREGON

[18:49] <Frank> I'm as I said in France

[18:49] <Annie> Iam in Australia

[18:49] <YourGemologist> San Antonio...well Ft. Worth today

[18:49] <YourGemologist> Cos, I would like to thank you for sharing your excellent knowledge with us.

[18:49] <rockdoc> Kudos to you Cos, and will be looking forward to seeing you in orlando...

[18:50] <Cos> if we have enough people signing up for the cga exam, which is when i offer the seminars. however, if you can contact the ags office if you are not going to take the exam, i'm sure they plan just the seminars alone if we get enough inquiries. love to do it. ok

[18:50] <Catrix> yes Thank you So much for your time,, :)

[18:50] <Frank> I would like to thank you too Cos..you've made a scary subject easier for me.

[18:50] <Cos> got time for a couple more questions- ok

[18:50] <Sniz> Thank you - it was an honor and a priviledge to have you here.

[18:50] <rockdoc> plus I owe you a few drinks, as it's been a while...

[18:50] <africanuck> I too would like to thank you

[18:50] <africanuck> what kind of wine do you like? LOL

[18:51] <gemma> i learned a lot about a subject i knew nothing about. so thank you very much. by the way, i enjoy your expert witness type articles on your website :)

[18:51] <Cos> preferably reds. i was in stellenbach 16 yrs ago and had a fabulous experience. ok

[18:51] <YourGemologist> I will look into the courses for ISG students. We now have almost 700 students in 40 countries, and the APPA course would be ideal for us

[18:51] <africanuck> I loved Stellenbach

[18:51] <Frank> whats your favourite coloured stone?

[18:52] <Cos> well, i guess i will say "ciao" let me know when you want to do it again cos ok

[18:52] <africanuck> thank you so much

[18:52] <Frank> bye and thanks

[18:52] <anatase> bye

[18:52] <Annie> thank you, Cos

[18:53] <Alain> Ciao Cos, we are soo grateful that you wanted to do this with us, thank you very much and BRAVO

[18:53] <Sniz> Thank you! Ciao!

[18:53] <YourGemologist> Thank you Cos. Well done!

[18:53] <Cos> lazulite. i owned the largest in existence and sold it to a collector about 3 yrs ago. up until that acquisition, the largest was 1.53ct in the smithsonian. this was 6.46.ct and "perfect" in every way. ok

[18:53] <Cos> bye again ok

[18:53] <YourGemologist> Thank you Alain, Annie and Africanuck for hosting. You all did a wonderful job

[18:54] <Frank> thanks :)

[18:54] <Cos> i'm gone!

[18:54] Cos (~Guest@63.194.242.159) left irc: Cos