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Chatham Is Entering The Diamond Business

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New York—The San Francisco-based creator of laboratory-grown colored stones will soon unveil its new Chatham Created Diamond, announced company



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president Thomas H. Chatham at a press conference here Monday.

"Few people know what Carroll Chatham's original dream was," said Chatham about his father. "The crystal he wanted to grow most is what my an-

nouncement is about today—Chatham Created Diamonds."

In June Chatham started Chatham Siberian Gem Co. in Russia with a number of private investors there. He said he has an office in Moscow and a lab under

construction in Siberia. Chatham said the cost to manufacture his product there is less than in the

States and the Russians have been growing crystals for years.

Initially, Chatham said that about 100 carats of rough material per month will be produced using the same method as his flux

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Chatham Enters the Diamond Business With New Lab Grown Product

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grown gems. He said the growth time is 40 days, which he noted is faster than his emerald, ruby and sapphire production. He said that his diamonds will be produced in a range of quality, as his colored gemstones are.

"It's not a simulant like cubic zirconia; it's lab grown, possessing all the physical properties of a diamond," said Chatham. "But because of the environment it's grown in, slightly different characteristics will set it apart."

Chatham Created Diamonds will be sold to the industry in cut form, said Chatham, in 1 carat to 1.5 carat sizes at this time. He said it hasn't been determined whether the stones will be cut in Russia or Thailand. The product will probably be sold at about "10% of the cost of natural," said Chatham. It will be available not only in white, but in fancy colors, also, predominantly yellow at this time. "Right now, we don't have total control of what color comes out because of trace impurities."

Chatham said the process used to create the lab-grown diamonds

is not as efficient or productive as his emerald, ruby or sapphire production at this time. Eventually the company would like to produce created diamonds on the same level it does its other gemstones.

"We're not the first to venture into lab-grown diamonds," said Chatham. "General Electric in

1954, even De Beers. This product has been around for a while in other industries. Up until now, the research has been aimed at growing larger crystals for the electronic industry. We're pioneers to bring it in as a commercial venture to the jewelry industry."

Steve Feldman, vice president of sales and marketing for

Chatham, said that it's in the best interests of the industry that Chatham bring this product to the industry because of its reputation and expertise with lab-grown gems.

Feldman said that he does not see Chatham Created Diamonds competing with natural diamonds. "We do believe that it may have an effect on the CZ market. People out there who can't afford a quality diamond will now have another alternative."

As word about this new development spread among the trade late in the day yesterday, the general reaction was one of surprise. Most were looking for more information, such as how distinguishable the lab-grown stones would be from natural diamonds, how the new product would affect the diamond market and how it might affect the CZ business.

Said Preston Foy, National Director of the Diamond Promotion Service, a division of Ayer, De Beers' U.S. marketing agency, "There's a place for everything in this industry, as long as we remain ethical in our distribution. But how romantic can a man-made diamond, or whatever he calls it, be compared to a natural diamond? Would a woman want to receive a man-made diamond

as an engagement ring, or a diamond made by the Creator?"

Unfortunately, Chatham did not have any product samples to display at the JA Show. "This announcement is sort of premature," said Feldman. "We did it because it was convenient to catch all the press here. But the industry should know it's coming. We hope to have product samples by the San Diego show in August."

Chatham said he'd like the Gemological Institute of America to grade his new stones. ■