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DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

BARBARA ANTHONY
UNDERSECRETARY

Contact:

CONTACT:
Jason Lefferts
(617) 973-8767



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Patrick-Murray Administration Survey of Gold Buyers Finds Disparity in Prices Offered to Sellers; Check of 10 Boston outlets by Office of Consumer Affairs finds offer range of \$485 to \$1,000

Officials encourage consumers selling gold to shop for best price

BOSTON – July 8, 2010 – With gold prices at historical highs, many consumers are considering turning that broken necklace or single earring into cash, but a survey of downtown Boston jewelers buying gold conducted by the Patrick-Murray Administration's Office of Consumer Affairs and Business Regulation shows consumers should shop around for the best price.

The survey, conducted the week of June 7 when gold prices were at about \$1,200 an ounce, included 10 jewelry stores in Boston's Downtown Crossing and Chinatown neighborhoods. Jewelers were presented a bag of gold jewelry and were asked for an estimated purchase price. The offers ranged from \$485 to \$1,000.

“Our survey shows significant differences in the prices various jewelers will pay average consumers for their gold. It takes a little legwork and a little time for consumers to make sure they are getting best price for their gold. A few hours of work can mean hundreds of extra dollars,” said Barbara Anthony, Undersecretary of the Office of Consumer Affairs and Business Regulation. “Going to a number of jewelers to get a price quote is the best way to maximize the value of gold being sold.”

The survey included a rope chain, rope bracelet, two rings, and a pair of earrings. Jewelers weighed the gold, checked the karat value of the jewelry, and offered a price. The amounts offered were \$485, \$550-\$600, \$600, \$650, \$680, \$700-\$750, \$706, \$803, \$810, and \$950-\$1,000.

In the last year, the price of gold has significantly increased, up about 30 percent from a year ago, and jewelers and other entities have increased their advertising to buy gold. In most cases, gold bought by a jeweler or other entity is melted down as scrap, although some outlets turn around and resell the jewelry.

The high price of gold has led many consumers to consider selling jewelry. Before someone sells jewelry, he or she should consider these tips from the Office of Consumer Affairs and Business Regulation:

- Know what you have. Know the karat value of each piece and have the gold weighed in advance. Your community's weights and measures department will weigh your gold for you.
- Get an appraisal. A local jeweler can tell you how much a piece is worth. But don't take that appraisal to the bank. You are unlikely to get that amount when you sell because the buyer has to make a profit margin in the transaction.
- Research who you are doing business with. Deal with legitimate gold buyers that have been in business for some time. Check their status with the Better Business Bureau.
- Shop around. The first price quote might sound good, but a place nearby may offer you more. Depending on your time available, try to get four or five estimates so you have a good handle on what you should be getting.
- Avoid mail-in or "expo" programs. An entity that sets up shop at a local hotel for a weekend may not offer you the best deal. The mail-in offers you see on television have a history of low-balling payments, and in some

cases having jewelry lost in the mail.

“Gold jewelry is a valuable commodity, and consumers shouldn't be overly casual in their efforts if they are selling it,” Undersecretary Anthony said. “A little sweat equity can pay off in both the pocketbook and as peace of mind.”

The Patrick-Murray Administration's Office of Consumer Affairs and Business Regulation is committed to protecting consumers through consumer advocacy and education, and also works to ensure that the businesses its agencies regulate treat all Massachusetts consumers fairly. Follow the Office at its blog, [Consumer Connections](#), and on Twitter, [@Mass_Consumer](#).

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