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The brave new WORLD of Hallmarking

Assay Office London has been hallmarking for 700 years. Repeated cycles of renewal have been essential to ensure that it has remained relevant for such a long time



Changes to the hallmarking system, as it has evolved to stay one step ahead of those who cheat, have undoubtedly helped. However, these changes alone cannot be fully responsible for the Assay Office's continued relevance as evidenced by the demise of the large number of regional offices; the steps taken by the Assay Office itself to change must also have made an important contribution.

It is for the historians to characterise those important activities which have contributed to the Assay Office's success at any particular time in the past. However, throughout its long history, it has become clear that the values of integrity, quality and expertise have permeated the organisation and now lie at the heart of everything that it does. The activities which embody these values for the modern-day assay office, and how these are being shaped by increasing globalisation, are explored in this report.

The Global Challenge

A paradigm shift has occurred in the United Kingdom jewellery and silverware industry. The importation of articles has increased rapidly over the past few years to the extent that they now represent over 70% of all articles hallmarking by the Assay Office. This change has had a large impact on hallmarking because the imported articles are often shipped in a finished condition and are therefore heavily packaged for protection. This makes it more time-consuming to prepare the articles for hallmarking and more careful handling regimes are required.

Coming largely from the Far East, the lower manufacturing costs and improvements in product quality make imports an attractive commercial proposition. Many domestic producers have scaled down or stopped their domestic manufacturing, essentially switching status from manufacturer to importer. Furthermore, the ready availability of the imports is well suited to the changes in the retail structure of the jewellery market. Jewellery is no longer the preserve of the high street jeweller but is now sold in department stores, supermarkets, on television channels and on the internet.

A consequence of the popularity of imports is that the nature of the expertise within the industry is changing rapidly. The specialist knowledge of the traditional manufacturer and retailer is becoming lost as they are replaced by, or become, an importer or wholesaler. Filling this void in knowledge and, perhaps, in credibility, of the importer and wholesaler has become an opportunity for assay offices, which have expanded their range of services appropriately. They are well able to do this because of their unique position in the supply chain; each article must be handled by an assay office when it is hallmarking, whether an article is imported or not. A typical example of the services offered is nickel release testing where an assay office may carry out a nickel release test for an importer to check that his imported products will not cause nickel allergy. In the past, a specialist manufacturer would not have needed to do this because he would have sourced a nickel-free alloy.

The political systems which control hallmarking on an international basis are moving to encourage greater globalisation. The number of countries which have ratified the International Convention on

Hallmarks has increased from seven, when the organisation was first formed in 1972, to eighteen this year. These now already include countries outside the European Economic Area; indeed Sri Lanka, Malaysia and India have signalled their intent to join. There is a debate within the International Convention on whether hallmarking is a service activity which should be liberalised according to the General Agreement on Trade in Services (GATS), a legally-binding agreement on services under the World Trade Organisation (WTO). Within the European Union (EU), the Services Directive should permit an assay office from one EU country to operate in another EU country. The matter is causing considerable discussion within the British Hallmarking Council on the practical aspects of the implementation of this Directive.

The Assay Office has an ambivalent view on the increase in number of offices from overseas. On the one hand, it is pleased to see the concept of hallmarking, which started in London, expanding across the globe. On the other hand, each new office increases the potential to lose business because hallmarking will be carried out in the host country of the overseas company instead of in the UK.

Integrity

History has shown repeatedly that when compulsory independent hallmarking is replaced by manufacturers' marking or voluntary schemes then the number of low-standard goods in the market increases markedly. One of the prime ways in which the Assay Office ensures integrity is because it remains totally independent from manufacturers and retailers. It fought fiercely to maintain this 'arms' length' approach from the trade during the negotiations when the EU tried to harmonise hallmarking, a concept which was finally defeated.

In the modern context, further trust and confidence in the Assay Office's services are provided by adherence to internationally recognised quality standards which ensure that rigorous procedures are adopted in its operations. Its laboratory is accredited to international standard ISO 17025:2005, while its general activities, including marking, are certified to ISO 9001:2000.

BRAVE NEW WORLD

Quality

The concept of quality as it applies to hallmarking refers not only to the quality of the hallmark but also to the quality of the service provided by the Assay Office. The key aspects of service that the modern assay office must deliver are convenient access to the hallmarking services, security, fast turnaround times and easy access to information on packet progress.

A 'right first time every time' approach cannot be more appropriate when describing hallmarking because a hallmark cannot be removed easily once it is applied. To help to achieve this aim, all new customers are invited to visit the Assay Office to generate a mutual understanding of hallmarking requirements. The Assay Office is building a relationship with its customers that lasts a lifetime. Catching those at the start of their career is a key objective, so a range of Student Hallmarking Packages has been developed for both part-time and full-time students.

The application of the hallmark, whilst relatively simple in concept, is far from easy in practice. Specialist training is required to develop the skills, techniques and knowledge to become a master hallmarker. A master-apprenticeship approach has been the vehicle traditionally used to develop these skills. This practice continues today and apprenticeship schemes are offered for hallmarking and for the manufacture of punches and tools in the Assay Office engineering workshop.

As hallmarking is a statutory requirement, the Assay Office must service all types of customers whether they are large, small, importers or domestic manufacturers. Ensuring that convenient facilities are available for all of its customers has been an area of considerable activity over the past year or so. The solution was found by creating two new sub-offices. The first of these offices was opened at 17 Greville Street in December 2006. It was designed to provide customers in the Hatton Garden area with a priority service, including a same day service. These customers are generally small in terms of the numbers of items submitted but they produce higher value articles. The second

sub-office was opened in January 2008 in the secure premises of the Global Services Division of Brink's Limited at Heathrow Airport. This facility was designed to offer a premium service for importers and exporters, allowing them to rationalise the number of steps in the supply chain by offering through-packet services from plane to distribution under highly secure conditions.

The change in market structure over the past few years is matched with changes in technology. The main office at Goldsmiths' Hall and the sub-offices are each equipped with state-of-the-art hallmarking and IT equipment and these play a crucial role in helping to reduce turnaround times and provide information to the customer. For hallmarking, there has been a huge growth in the use of X-ray fluorescence (XRF) spectrometry for sampling and assaying. The technique is non-destructive and accurate, making it ideal for use with finished articles. Laser marking has also grown considerably and it too has found favour for use with finished articles because laser marked articles require little or no post-hallmarking finishing.

Further improvements in productivity, turnaround time and customer experience will be afforded once the major refurbishment of the Assay Office is completed in the summer of 2008. The refurbishment will create a new public counter, new offices and an improved working environment for staff. The current gold and silver departments will be changed to operate by function, eg hand-marking department, press marking department etc., rather than by metal type. Space will also be created for the increased unpacking required for imported goods.

The commitment to innovation in hallmarking also extends to the other products and services offered by the Assay Office. It is an objective to become a complete solution provider by offering relevant services to the trade in addition to its core hallmarking service. It already offers grading of white gold, silver dating, special assay, gem testing and laser engraving. In 2008, a valuation service and nickel testing service will be launched.



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Expertise

Any company with seven centuries of history is likely to possess a huge corporate memory. The Assay Office has made use of this and, in so doing, has earned a reputation as a global centre of expertise. In addition to adjudicating the coins of the realm as part of the Trial of the Pyx, it is the arbitrating voice in the authentication of antique and modern silverware and jewellery.

For nearly a century, the Assay Office has run the Antique Plate Committee, the leading authority for authenticating antique silverware. The Committee's members include renowned silver experts. The conclusions reached by the Committee are based on a combination of scientific methods, connoisseurship and referral to the Assay Office's considerable archives.

Assay Office London's reputation in antique silver is further enhanced by its Fakes and Forgeries seminars. It is able to present these events because of the Office's ownership of the largest collection of fake antique silver that exists worldwide and its use of the most advanced silver dating techniques. The past year has seen a huge expansion in its activities and the seminars, formerly solely held at Goldsmiths' Hall, have been taken on the road. A seminar was held in Edinburgh and a major tour with seminars and lectures took place in the USA. Venues included the Bard Graduate Centre and Christie's in New York, the Virginia Museum of Fine Arts in Richmond and the Colonial Williamsburg Foundation. In April 2008, the Assay Office was a major contributor to the very successful 18th Annual Decorative Arts Symposium at the Royal Ontario Museum in Toronto.

In terms of providing expertise for modern articles, the Assay Office works closely with the trading standards organisations and the police to assist their enforcement activities relating to breaches of the Hallmarking Act. It regularly holds lectures on hallmarking for the Trading Standards Institute, colleges and other interested parties.

The Future

The brave new world of hallmarking is characterised by the need to respond to the rapid changes in the market led by globalisation. Traditional methods for assaying and hallmarking are complemented with leading-edge methods which harness the latest technologies. These and the investment in customer service through provision of new services to form a 'one stop shop of services', use of the latest IT systems to improve efficiencies and security, and the opening of sub-offices to increase convenience are the modern embodiment of its core values of integrity, quality and expertise. Taken as a whole, they should allow the Assay Office to prosper for another 700 years. ■

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