

# SELL JEWELLERY IN TORONTO

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Pick up any newspaper, surf the web or turn on the TV and there's a host of companies all desperate to give you cash for your gold.

Driven by a combination of rising gold prices and recession hit households desperate for cash, lots of people are selling. But are you getting a a good deal for your gold?

### **Postal dealers**

Giving your valuables to a complete stranger in a pub who won't tell you how much they are worth until he's taken them home with him, seems like an odd thing to do. Yet, driven by a series of high-profile advertising campaigns, a whole raft of postal dealers have convinced thousands of people around the world to do just that with their gold.

We have all seen the adverts on television: request your pre-paid envelope online, post off your gold and eagerly await your cheque.

The amount you receive is determined by a number of factors: the gold content of your jewellery, it's weight and the current market price of gold. You should be aware that only the weight of the actual gold is counted towards its final value. The weight of non-precious gemstones, clasps etc. are all deducted.

The majority of postal dealers do not publish the prices they pay for gold. This means that the only way to discover the value of your jewellery is to send it off, which immediately weakens your bargaining position. You may find yourself unable

or unwilling to go through all the hassle of getting your gold returned and simply settle for an inferior offer.

As with any transaction, there is no law that says you are duty-bound to accept the first offer. Don't be afraid to haggle, as you may well be rewarded with a much improved offer.

You should also be aware that if wish to reject their offer and ask for your gold back, many companies operate a 7-day return period. You will need to return your cheque within this time-limit if you want to get your gold back. This may also result in you being charged a handling fee for the return of your gold.

Also some company's pre-paid envelopes do not carry adequate insurance for your valuables. The amount of insurance offered by postal traders varies from a maximum of \$1000 right down to zero, so it is always best to find this out first.

If your valuables are worth more than the cover offered then you can get cover up for more at the Post Office. Speaking of which – whenever you are sending off something of value, it is always worth queuing up at the Post Office to get proof of postage rather than putting it straight in the post box.

## **Stranger = danger!**

But a word of warning: with millions of dollars of scrap gold being melted down this year there are more than a few 'rogues' out there. A recent trading standards investigation revealed that some postal traders are paying as little as 20% of an item's true market value.

If you are considering sending any of your valuables to a postal dealer, then a quick check via Google should give you an indication of who are the more trustworthy companies. Simply typing in the company's name should reveal information such as any write-ups in the news or customer feedback. Adding

the word 'complaints' to your search should also help you sort out the bad apples from the barrel. Don't forget to check consumer forums as well as these are often a very good source of information.

If you do ever find yourself torn between two companies then a useful tie-breaker is to always chose the one that actually publishes their scrap prices on their website!

## **Gold Parties**

Gold parties are marketed as a fun and informal way of selling your unwanted gold. Transactions are carried face-to-face with a company's gold expert. They have their own gold testing equipment which is used to weigh and determine the quality of your gold. A cheque will be written for your gold there-and-then if you agree to sell.

Like postal dealers, gold parties base their prices on the 'spot price' or current price of gold being sold in the commodities markets. Hosting a party can earn you a 10% commission on the value of gold sold at your event and \$100 towards your entertainment costs.

Despite the softly-softly approach, remember that this is still a high-pressured sales environment designed to part you from your gold. Care must be taken not to get carried away and accepting an offer for less than the full value of your gold.

However, should you wake up in the morning with a hangover and a few regrets at parting with your treasure, some gold party companies do offer a 14 day money back guarantee.

## **The High Street**

The advantage of a high street jeweller is that they are usually a well-established business and you are less likely to run into any short-term, rip-off merchants attracted by the gold rush.

Also your typical high street jeweller is unlikely to be shelling out hundreds of thousands of pounds for TV adverts featuring perma-tan celebrities, which means that they are operating with far lower overheads and so are potentially able to offer you more for your gold as they are working with higher profit margins.

Even if they are not in a position to buy your gold they can be a good source of information and be able to recommend a trustworthy gold dealer to you. If your heart is set on using a postal dealer then they may even be willing to weigh your gold for you and bag it up divided by carat.

## **Pawnbrokers**

Another destination for your unwanted gold is your local pawnbroker. However, pawnbrokers differ from gold dealers in that they do not buy your gold. Instead they loan you around half of the value of your gold and then charge you a monthly interest rate for the duration of the loan.

This is only really an option for those who are very short of cash and looking for a short-term loan without having to part with their jewellery forever.

## **Seller beware**

If you do have an unwanted gold ring or necklace gathering dust in a drawer somewhere then with gold prices currently running high, now is as good a time as any to sell. But wherever you do decide to sell it, following a few simple steps could help ensure that you get the best price for your precious items.

## **Here comes the 'maths' bit**

Forewarned is forearmed and knowing the approximate value of your gold before you approach a seller will help you determine

whether they are offering the best price.

The quality or purity of your gold is a crucial element in establishing its value and gold's purity is reflected in its karat rating. For example a 10 karat rating means that the item only contains 41.66 % gold, while 24 carats represents gold that is a whopping 100% pure.

You can easily find out what karat your jewellery is by looking at its hallmark. The hallmark is usually found on the inside of a ring or on the clasp of a necklace. The purity mark is represented by a three digit number inside a rectangular shape (375 for 9 kcarat, 750 for 18 karat etc.). Make a note of the purity mark as you will need this to calculate the value of your gold. Next you need to find the current market price of gold. This can be found at a number of websites.

## **Negotiate from a position of strength**

Forearmed with this knowledge of how much your ring is worth, you will now be in a much stronger position when you approach a buyer. If you think that they are offering a bad price then simply walk away and try elsewhere.

Whether you are using a postal trader, attending a gold party or going to a high street jeweller, remember that you will always get a much better price for your gold by shopping around!