

For Immediate Release

Contact: Jennie Rosenberg, Media Relations BBB National Programs press@bbbnp.org

National Advertising Division Recommends Agape Diamonds Provide Clear Disclosure of the Origins of its Simulated and Laboratory-Grown Diamonds

New York, NY – August 25, 2023 – The National Advertising Division (NAD) of <u>BBB National Programs</u> recommended that Agape Diamonds, LLC modify its advertising by clearly and conspicuously disclosing the origin of its simulated diamonds and laboratory-grown diamonds (LGDs).

The claims at issue were challenged by the Natural Diamond Council, an association of diamond companies that primarily deal in mined natural diamonds. Agape is an online retailer and manufacturer of LGDs and simulants, as well as a seller of some loose natural diamonds.

LGDs are artificially produced and have similar physical and chemical characteristics to natural diamonds. Simulants such as zircons, cubic zirconia, and moissanite are stones that resemble or are manufactured to look like diamonds but have different physical, chemical, and optical properties than mined diamonds. Simulants, whether mined or manufactured, are visually distinctive from mined diamonds and LGDs and are more susceptible to scratches and abrasions.

The Natural Diamond Council argued that Agape's marketing, including its presentation of its products for sale on its website, violates the Federal Trade Commission's (FTC) Jewelry Guides because it does not clearly and conspicuously disclose the origin of the stones.

In response to the challenge, Agape modified its advertising across its website and social media. NAD reviewed Agape's modified advertising and concluded that its disclosures of the origin of its stones in much of the modified advertising are effective and consistent with the FTC Jewelry Guides. NAD determined, however, that other online advertising from Agape does not include clear and conspicuous disclosure of the stone's origin.

Therefore, to the extent not already reflected in its advertising, NAD recommended that all Agape advertising include the appropriate description (e.g., "Simulated" or "Lab Grown") immediately preceding the word "diamond" or "stone" with equal conspicuousness so as to clearly disclose the nature and origin of the product and the fact that it is not a mined gemstone, consistent with the FTC Jewelry Guides, including in advertising where images of items are used with or without any descriptive text.

In its advertiser statement, Agape stated that it will comply with NAD's recommendations and that it is "committed to accurate and truthful advertising, as recommended by NAD and as codified in the federal regulations and enforced by the FTC."

All BBB National Programs case decision summaries can be found in the <u>case decision</u> <u>library</u>. For the full text of NAD, NARB, and CARU decisions, subscribe to the <u>online archive</u>. Per NAD procedures, this release shall not be used for advertising or promotional purposes.

###

About BBB National Programs: BBB National Programs, a non-profit organization, is the home of U.S. independent industry self-regulation, currently operating more than a dozen globally recognized programs that have been helping enhance consumer trust in business for more than 50 years. These programs provide third-party accountability and dispute resolution services that address existing and emerging industry issues, create a fairer playing field for businesses, and a better experience for consumers. BBB National Programs continues to evolve its work and grow its impact by providing business guidance and fostering best practices in arenas such as advertising, child-and-teen-directed marketing, data privacy, dispute resolution, automobile warranty, technology, and emerging areas. To learn more, visit bbbprograms.org.

About the National Advertising Division: The National Advertising Division (NAD) of BBB National Programs provides independent self-regulation and dispute resolution services, guiding the truthfulness of advertising across the U.S. NAD reviews national advertising in all media and its decisions set consistent standards for advertising truth and accuracy, delivering meaningful protection to consumers and leveling the playing field for business.