



A GOLDEN OPPORTUNITY

You've probably seen the ads: "Now's the time to send your unwanted gold for cash!" Cash4Gold, along with other similar businesses, urges you to mail in your earrings, bracelets, and even gold teeth for appraisal, after which the company offers you a check that you can either accept or reject and get your jewelry back.

As the commercials flicker across your screen, you may wonder: *Do people actually do this?* They do. According to Cash4Gold, 800,000 Americans have used the company's service. Most of them, says company founder Jeff Aronson, earn less than \$40,000 annually. To process about 110 pounds of gold each day and twenty thousand submissions each week, Cash4Gold employs nearly three hundred people at its Florida headquarters.

And these firms do indeed mail checks as promised—though made out for less than customers probably hope. Numerous

investigations by consumer groups have found that would-be customers can often find better deals at their local pawnshops—even after the reseller, when pressed, doubles or even triples its initial offer. Nonetheless, these jewelry buyers are counting on the ravages of a recession and rising gold prices, which reached a ten-year high earlier this year, to build business.

High unemployment and tough times aren't purely American trends, and gullible and desperate people circle the globe, so Cash4Gold has expanded into the United Kingdom and expects to open branches in Spain, Germany, Italy, France, Russia, and Australia by 2010. Of course, some Europeans may stick with their current quick-cash strategy: selling their jewelry directly to refineries. Metals-separating plants, such as Vienna-based Ogussa (pictured above), receive items from people, melt the jewelry, and finally recycle it into new jewelry, gold bars, or—yes—teeth. —VADIM LIBERMAN

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