



CBI
Ministry of Foreign Affairs

CBI Product Factsheet:

Bridge Jewellery in Spain

Introduction

The recent economic slowdown in Spain has had a major effect on the willingness and ability of local consumers to spend on luxury items such as fine jewellery. This brings about an increased demand for bridge jewellery which costs less and is well worth the price. Given their edge in production costs, improved technologies and the skills of their goldsmiths and jewellery craftsmen, bridge jewellery exporters from developing countries (DCs) have a good chance of success in Spain. DC exporters should bear in mind that Spanish consumers are increasingly on the lookout for well-designed jewellery and are rather price sensitive.

Product definition

Bridge jewellery fills the gap between fine and costume jewellery. It offers better value than costume jewellery, at a slightly higher price. Most bridge jewellery is artisan-made, but mass-produced versions are also available.

The metal of bridge jewellery consists of relatively affordable materials:

- gold-filled
- sterling silver
- vermeil - a blend of sterling silver, gold and other precious metals
- rhodium
- various alloys (such as Silvadium, Heraeus, and Argentium Silver).

Bridge jewellery is typically made with:

- semi-precious gemstones such as amethyst, turquoise, peridot, citrine, spinel, garnet, aquamarine, cubic zirconia, faux stone, freshwater pearls and Swarovski Elements,

The four precious stones (emerald, diamond, ruby and sapphire) tend to be too expensive for bridge jewellery.

Bridge jewellery is priced between costume jewellery and pricy fine jewellery. It ranges approximately from € 100 to € 400 depending on metals, stones and product type (earrings, necklaces, rings etc.). Jewellery made of silver, alloys and gold-plated silver is more affordable than that using gold and more precious stones.

The bridge jewellery sector in Spain comprises numerous Spanish companies. The roots of this sector can be traced back to the Middle Ages. One well-known Spanish designer is [Elena Carrera](#), with its Elena C brand that offers affordable luxury jewellery for daily use. Many international jewellery designers have also built up successful positions on the Spanish jewellery market.

Bridge jewellery and fine jewellery are grouped together under [Harmonised System](#) (HS) codes 711311, 711319 and 711320 established by the World Customs Organisation (WCO).

Photo examples:



Bracelet, [Alexandra Plata](#)

Necklace, [Alexandra Plata](#)

Product specifications

Quality

The choice of metals and gemstones determines the robustness of jewellery and its resistance to scratching and other damage. Precious metals and stones are, no doubt, more robust and damage-resistant. The intrinsic value of jewellery is characterised by the quality of the metal and gemstones used. The final price depends, however, largely on the brand positioning, the design, the reputation of the designers and the craftsmanship used in production.

To enter any European market, including the Spanish jewellery market, DC exporters must comply with all European quality standards such as EU Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH), and the EU Restriction of Hazardous Substances Directive (RoHS). The use of lead, cadmium, nickel and other hazardous metals is strictly regulated in Europe.

In addition, each wholesaler or retailer may have specific requirements. Apart from providing detailed specifications of the quality of the jewellery materials they use, DC exporters may need to document the requisite quality control at each step of the handcrafting process.

For further information, see [Buyer Requirements](#) in this document.

Labelling

Generally speaking, compliance with EU product labelling rules is sufficient for DC exporters wishing to trade in Spain. However, it is important to pay attention to any additional rules and regulations that apply only in Spain because EU legislation does not cover all products.

As a rule, product labelling for goods marketed in Spain should provide information on the identity, quality, composition and conservation of the product in question. The Spanish Government permits multilingual labelling, but one of the languages must be Spanish. Some basic labelling requirements in Spain are:

- Name of product,
- Net and gross weight (in kilograms),
- Name and location of supplier/manufacturer (optional),
- Serial number,
- Environmental logos if applicable.

The information on the label must also be provided in the form of electronically readable [barcodes](#).

Apart from mandatory EU schemes, DC exporters should also find out about voluntary labelling schemes that may be highly appreciated by Spanish consumers. For example, the labelling may inform consumers that the product they are buying contains no conflict minerals.

Some Spanish wholesalers or retailers may re-label products under their own brand. It is therefore advisable to confirm all labelling requirements with Spanish buyers to ensure compliance with all local requirements as well as their own specific preferences.

Photo example:



Labels

Packaging

Jewellery is often imported in bulk to Europe in exclusive plastic bags or cardboard boxes. Once jewellery has been shipped to Spain, it is then packaged in exclusive premium jewellery boxes, textile or organza bags. (Organza is a thin, plain-weave sheer fabric.) Manufacturers or exporters must not offer gift boxes unless these are specifically ordered by European buyers. If retail packaging is already available, please check whether your buyers need it. European buyers, however, often want to have their own brand on the packaging.

Packaging must protect the product from damage and the buyer from possible injury. Packaging for products imported to Spain must meet EU requirements, such as the [general European requirements for packaging](#). DC exporters must ensure that the packaging:

- has the specified minimum weight and volume;
- does not exceed the maximum permissible levels of hazardous substances;

- is recyclable (optional, but greatly appreciated by Spanish consumers) and is labelled with a recycle symbol.

Photo examples:



Gift box, [link](#)



Organza bag, [link](#)

Buyer Requirements

All products exported to and sold in Europe must comply with all relevant EU regulations and standards. All jewellery exporters must comply with 1) mandatory requirements, 2) common requirements and 3) niche requirements. The mandatory requirements are the minimum requirements to be met by exporters. Products that fail to meet these requirements are not allowed on the EU market. Common and niche requirements are additional requirements that are typically set by the European buyer and are increasingly demanded by consumers too.

Requirements you must meet

General product safety

General product safety requirements are applicable to all consumer goods that are not explicitly described in other legislation directives. Jewellery should not have any sharp edges. Furthermore, the product should not break easily or pose any other risk in normal use. You may consult the EU Export Helpdesk for a more detailed overview of these requirements.

Tips:

- Study the General Product Safety Directive in the EU Export Helpdesk.
- Ensure that your products are safe for consumers.
- Check the RAPEX database used by EU Member States to exchange information on unsafe products and to be aware of possible non-compliance.
- Consult your buyer about specific requirements in terms of product safety. Some buyers may expect your products to comply with EU legislation while others may have additional wishes of their own.

Chemicals

As mentioned above, manufacturers must comply with the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulations for nickel release, lead, cadmium and phthalates to gain access to European markets. The use of chemicals such as *lead*, *cadmium*, *nickel*, *AZO dyes* and *Chromium VI* is restricted by the EU and is regulated through several Directives and Regulations.

The use of lead and its compounds in jewellery is restricted by REACH (Registration, Evaluation and Authorisation of Chemicals). Jewellery with a lead content equal to or greater than 0.05% by weight is not allowed on the EU market. The regulation applies to metallic and non-metallic parts of jewellery and hair accessories, including bracelets, necklaces, rings, piercing jewellery and earrings, wristwatches, wrist-wear, brooches and cufflinks.

The use of cadmium and its compounds is restricted by REACH. Jewellery with a cadmium content equal to or greater than 0.01% by weight is not allowed on the EU market. The regulation applies to metal beads, metal parts of jewellery, other metal components for jewellery making, imitation jewellery articles and hair accessories, namely bracelets, necklaces, rings, piercing jewellery and earrings, wrist-watches and wrist-wear, brooches and cufflinks.

The use of nickel and its compounds may cause allergic contact dermatitis and is therefore restricted by REACH. Nickel and its compounds shall not be used in any post assemblies which are inserted into pierced ears and other pierced parts of the human body unless the rate of nickel release from such post assemblies is less than 0.2µg / cm² / week (migration limit); and in articles intended to come into direct and prolonged contact with the skin such as: earrings, necklaces, bracelets and chains, anklets, finger rings, wrist-watch cases, watch straps and lighteners, rivet buttons, lighteners, rivets, zippers and metal marks, when these are used in garments, if the rate of nickel release from the parts of these articles coming into direct and prolonged contact with the skin is greater than 0.5µg/cm² / week.

The use of AZO dyes and Azocolourants is regulated by REACH. AZO dyes are a group of synthetic nitrogen-based dyestuffs that are often used in the textile industry. Leather and textile components used in jewellery articles made of coloured leather or other synthetic materials should contain less than 30 mg/kg (0.003% by weight) of the AZO dyes listed in [Appendix 8](#) and [Appendix 10](#) of REACH. Azo dyes and Azocolourants that are listed in [Appendix 9](#) of REACH shall not be used for colouring textile and leather articles in concentrations higher than 0.1% by mass. No other toxic substances than Azo dyes should be used when colouring the jewellery.

Chromium VI in Leather: if your jewellery pieces have leather elements, make sure that the chromium VI content does not exceed 3.0mg/kg. This new legislation was adopted in March 2014 and came into effect on 1 May 2015.

Tips:

- Ensure the content of lead, cadmium, nickel or Azo dyes does not exceed the permitted level in all your jewellery products, and in the metal parts and beads used in the final product. Many European buyers even require nickel-free jewellery articles.
- Verify compliance with the Chromium VI in Leather legislation using the test method described in [EN ISO 17075](#).
- Gather more information on relevant REACH requirements. Note that REACH applies to several sectors; the following regulations are of prime importance for jewellery exporters to Europe:
 - [Regulation EU No. 836/2012](#) for lead content in jewellery;
 - [Regulation EU No 494/2011](#) for cadmium content in jewellery;
 - [Regulation EC No 552/2009](#) for nickel content in jewellery;
 - [Annex XVII of REACH](#) for Azo dyes use in jewellery.
- Consult European buyers on the need for test reports. Smaller buyers usually refer to standard chemical requirements, while some major retailers may require additional tests they perform themselves.

CITES

Parts of wild plants and animals such as shells, coral, leather and wood used in bridge jewellery may not be from endangered species and must comply with the restrictions listed in the Convention on International Trade in Endangered Species (CITES).

Tips:

- Check that your products do not contain any elements prohibited by CITES.
- Refer to the [EU Export Helpdesk](#) for more information on CITES, and consult the list of restricted species in [Annexes A, B, C and D of this regulation](#). The EU Export Helpdesk also provides information on different procedures applicable to such products.

Hallmarking

The hallmarking of jewellery is obligatory by law in Spain. There is a hallmarking system and a control system which is used to verify the content of precious metals (gold, platinum and silver) in relevant products. Spain also makes use of the international hallmark known as the Common Control Mark (CCM), which was introduced by the Hallmarking Convention. Please note that the rules on the control of precious metals are not harmonised in the EU.

Tips:

- Read through the summary of compulsory and voluntary hallmarking systems for precious metal jewellery in Europe given [here](#) for further details.
- Discuss hallmarking with your Spanish buyers to ensure that you thoroughly understand and meet all their specific requirements.

Common Buyer Requirements

Sustainability

Sustainable product offerings range from recycling to the choice of sustainable materials and improved social conditions for the original jewellery-makers (see Niche Buyer Requirements below). EU buyers increasingly support products that are manufactured with respect for human rights, labour conditions and the environment.

Sustainability is particularly important for the textile and apparel industry, in mining and jewellery, but also in many other industries. Two retail initiatives that have gained ground in Western European countries are the [Business Social Compliance Initiative \(BSCI\)](#) and the [Ethical Trading Initiative \(ETI\)](#).

Larger EU companies even develop their own Corporate Social Responsibility (CSR) policies and require their suppliers to conform to them. In particular, workers' health and safety are sensitive topics in Europe. DC exporters must thus ensure proper working environments for their workers to avoid losing their reputation.

Tips:

- Aim to improve your sustainability performance. This includes not only obtaining the necessary certification without delay but also undertaking new initiatives.
- Consult the [Standards Map database](#) for relevant labels and standards.
- Consider performing a company self-assessment with the aid of the [BSCI website](#) to develop some guidelines on how to build an ethical supply chain.

Niche Buyer Requirements

Fairtrade labelling

Fairtrade labelling of products is an initiative that supports fair pricing, improved social conditions for producers and a guarantee of fair and responsible practices in the entire jewellery supply chain. Such sustainability initiatives are fundamental for manufacturers of jewellery that contain precious metals and precious stones, as the welfare of miners and the effect of mining activities on the environment are key issues in this industry.

There is a growing awareness that the jewellery sector should be more transparent and accountable for the materials used. Many jewellery manufacturers highlight their transparency and accountability by entering into a partnership with Fairtrade, the Responsible Jewellery Council and other international organisations to demonstrate their ethical practices. For further information refer to [EU Buyer Requirements for Jewellery](#).

Tips:

- Keep up to date on the status of Fairtrade labels, which are still a niche segment in Spain but may become more popular in the future. One useful source of information on this topic is [Fair Trade International](#).
- Familiarise yourself with the programmes offered by the [Responsible Jewellery Council](#), [Fairgold](#), [Fairmined](#) and similar initiatives.
- State your ethical principles clearly in all marketing materials.

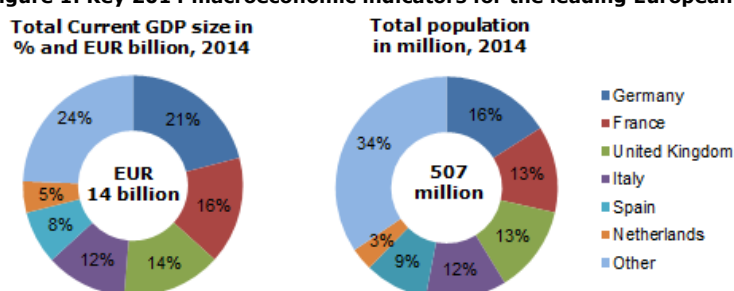
For further details, consult the [EU Buyer Requirements for Jewellery](#) on the CBI Market Intelligence Platform.

Macroeconomic Statistics

According to the Bank of Spain, Spain is recovering from its dreadful property crash in 2008. Domestic demand is expected to improve gradually in the coming years, offering entry opportunities for DC exporters.

- **Population:** Eurostat estimated the population of the EU-28 to be 506.8 million in 2014. Spain accounts for slightly over 9 per cent of the total EU-28 population (close to 47 million).
- **Economy size:** Spain is the fifth largest economy in Europe (after Germany, the United Kingdom, France and Italy) according to the IMF. In 2014, its GDP was over €1 billion, close to 8 per cent of the total for the European Union.

Figure 1: Key 2014 macroeconomic indicators for the leading European countries including Spain

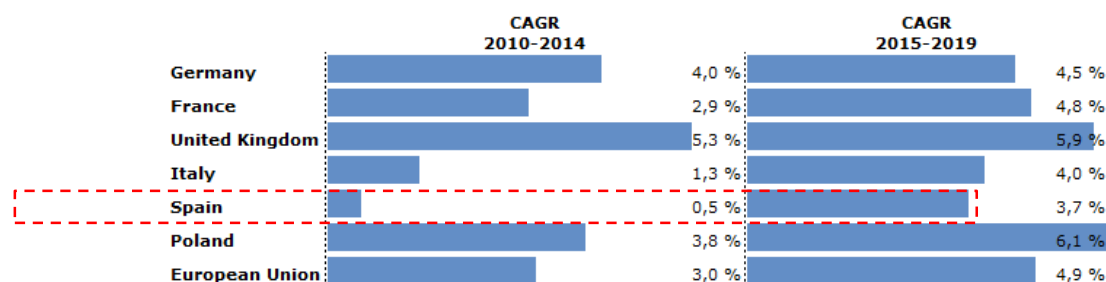


Source: IMF and Eurostat 2015

Economic growth:

Despite negative growth between 2008 and 2013, Spain still reported an average annual growth of 0.5 per cent for the period between 2010 and 2014. The country is expected to return to stronger growth (3.7 per cent per annum) over the next five years, which is below predicted GDP growth of 4.9 per cent for Europe as a whole. According to the forecast of the European Commission, Spain will achieve 2.8 per cent GDP growth in 2015. The country is expected to enjoy higher private consumption and improved domestic demand in this period.

Figure 2: Compound Annual Growth Rate (CAGR) for 2010-2014 and estimated CAGR for 2015-2019 for the leading European countries including Spain

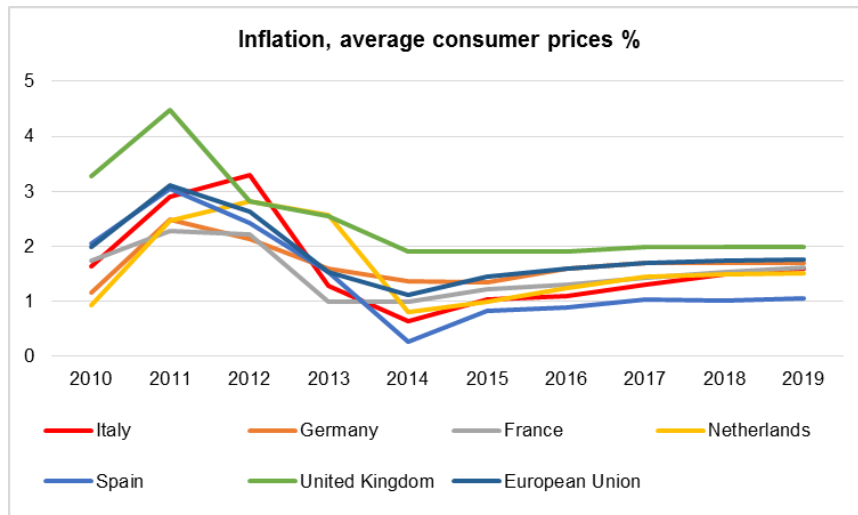


Source: IMF 2014, World Economic Outlook Database

Consumer prices and inflation:

The average annual inflation rate in Spain was close to 1.9 per cent in the period 2010-2014. After peaking at close to 3.1 per cent in 2011, Spanish inflation started to drop to the lowest recorded level of 0.3 per cent in 2014. Prices are expected to rise by 1 per cent per annum on average in 2015-2019, below the average EU inflation rate of 1.6 per cent, thus improving the country's competitiveness.

Figure 3: Consumer price inflation in 2010-2014 and expected inflation rate for 2015-2019 in the leading European countries including Spain, in %

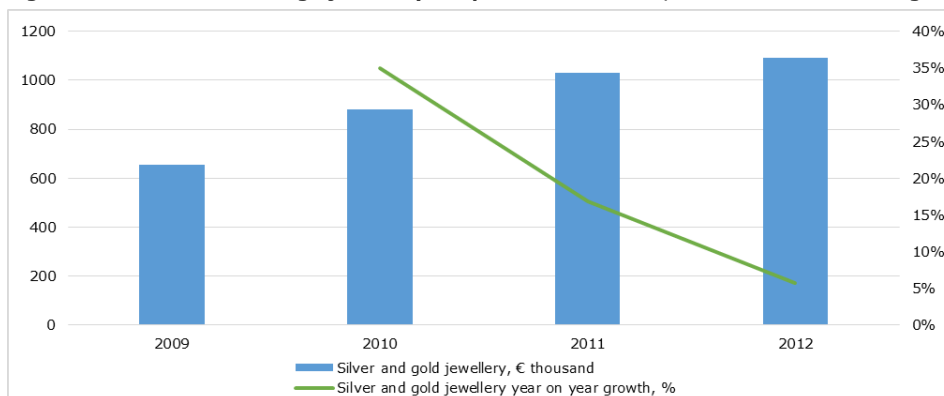


Source: IMF 2014

Trade Statistics

Production and consumption

Figure 4: Production of bridge jewellery in Spain in 2009-2012, value in € million and growth in %



Source: Eurostat and Istat

Spain has over 4,000 bridge jewellery production units, most of which are small workshops with fewer than five workers. Major production sites are located in Barcelona, Córdoba in Andalucía, Galicia, Madrid and Valencia. Improved design skills and cheap labour in developing markets give DC exporters numerous advantages in the Spanish jewellery sector.

The production of bridge jewellery in Spain amounted to slightly over €1 billion in 2012. Jewellery production grew fastest in 2010, at a rate of around 35 per cent. The economic crisis led to a drop in national purchasing power and exports in Spain. As a result, the production growth rate fell to 17 per cent in 2011 and to 6 per cent in 2012.

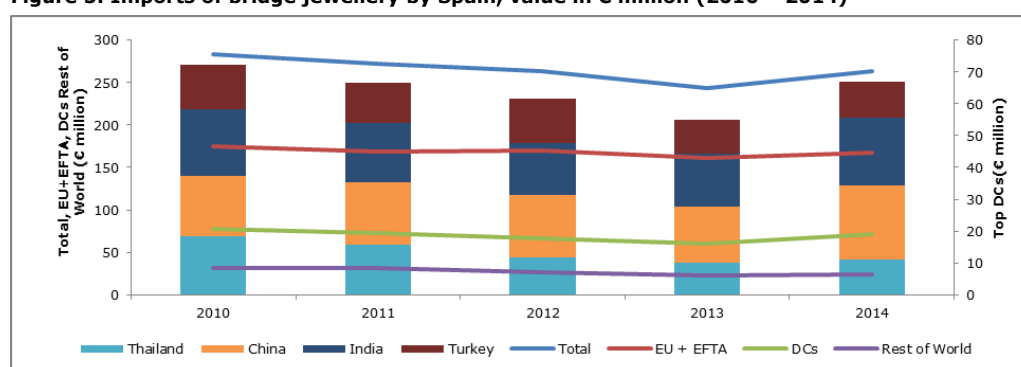
However, industry experts are confident about the future outlook for the Spanish bridge jewellery sector. Spanish consumers are currently refraining from excessive expenditures, as the labour market is still poor despite some improvement. Hence, bridge jewellery is regarded as a smart choice given its good quality and affordable price.

Tips:

- Control and reduce total production costs to offer a better price than other Spanish players offering comparable products as well as exporters from other countries.
- Understand consumer demand and preferences as well as the market positioning of existing players in the Spanish bridge jewellery market.
- Make as much use as possible of economical materials such as silver, rhodium/gold plate/rose gold plated silver and various alloys for innovative and bold designs.

Import and export

Figure 5: Imports of bridge jewellery by Spain, value in € million (2010 – 2014)



Source: Eurostat (May 2015)

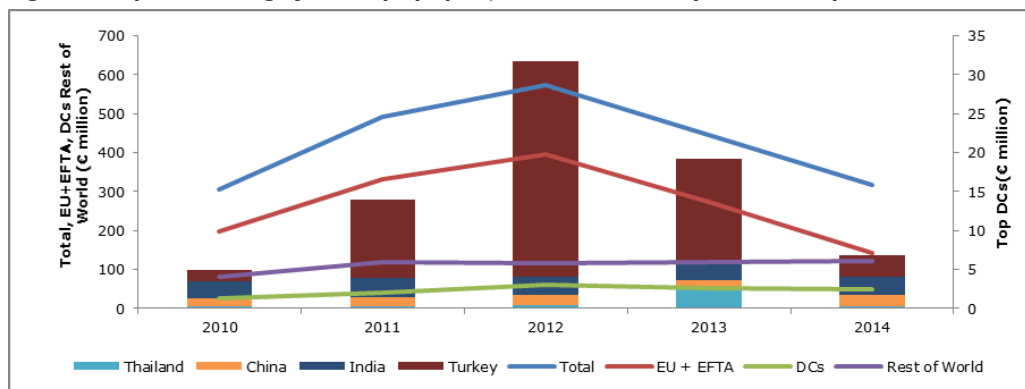
In value terms, total imports of bridge jewellery in Spain fell slightly (by around €39 million) between 2011 and 2013. 2014 was a better year, with around €263 million of imports, equivalent to an 8 per cent increase compared with 2013. On average, 64 per cent of all imports in this sector came from Europe in 2014, while around 26 per cent came from developing countries. DC exporters reported a growth of 17 per cent in this year, while their counterparts in Europe only saw 4 per cent growth.

A variety of major players worldwide export bridge jewellery to Spain. India, China, Thailand and Turkey are the leading exporters among developing countries, holding a cumulative share of around 25 per cent on average of total shipments. Whilst other countries suffered from negative CAGR between 2010 and 2014, China and India achieved CAGRs of 5 per cent and 1 per cent respectively. In addition, both successfully proved their strength in Spain with a roughly 29 per cent year-on-year growth in 2014, reflecting a growing demand for affordable bridge jewellery.

Tips:

- Facilitate purchase trials and capture mass demand for affordable jewellery by offering reasonably priced silver and gold jewellery.
- Stay ahead of fashion trends with frequent launches of intriguing designs supported by effective, convincing marketing campaigns.

Figure 6: Exports of bridge jewellery by Spain, value in € million (2010 – 2014)



Source: Eurostat (May 2015)

After peaking at around € 573 million in 2012, the value of bridge jewellery exported from Spain fell to € 316 million in 2014.

Spanish exports are highly concentrated. On average, almost 62 per cent of bridge jewellery exports are bought by European consumers. Exports to developing countries accounted for 11 per cent on average.

Spain's jewellery manufacturers and exporters face fierce competition. Spanish jewellery seemed to lose its power of attraction in Europe over the period 2010-2014, as reflected by the negative 8 per cent CAGR. It performed well in developing countries in this period, however, with a CAGR of 19 per cent.

Tips:

- DC exporters should consider setting up indirect exports to other European countries after getting a foot in the Spanish market, as Spain still plays a major role in the European jewellery sector.
- Build and retain a good relationship with Spanish buyers. This may lead to close co-operation resulting in assistance and advice on product design, materials, trends and quality requirements in other neighbouring countries.

Market Trends

The unfavourable economic environment and high employment rates have encouraged Spanish consumers to switch to affordable fashion. Well-known Spanish fast-fashion brands like [Zara](#), [Mango](#) and [Desigual](#) have been very active in launching new jewellery products in the past few years. Likewise, many leading designers and fashion houses such as [Angel Schlesser](#), [Antonio Pernas](#) and [Devota & Lomba](#) have extended their field of operation into bridge jewellery.

Consumers want to match their jewellery with the latest fashions, and bridge jewellery is an appealing alternative to fine jewellery here because the price is reasonable and this type of jewellery can still be used for special occasions such as parties, dates, and even formal evening events. DC exporters should come up with frequent new distinctive designs to capture the growing demand for bridge jewellery.

The ongoing global personalisation trend has raised consumer interest in customisable jewellery. Spanish consumers love to have their own individual designs. Moreover, much Spanish bridge jewellery is inspired by art and architecture which are widely regarded as national treasures in Spain. The - [Majoral](#) collection, inspired by the sights and cultural heritage of the Spanish island of Formentera in the Mediterranean, for example, has aroused great interest in Spain.

Like their counterparts in other European countries, Spanish consumers are attracted to products that meet higher ethical standards. Many Spanish jewellery brands and retailers are trying to win Fairtrade recognition or some similar status. [Hissia](#), for instance, is a Spanish jewellery brand that really believes in giving something back. They are committed to employing expert craftsmen from West Africa and India to make their jewellery, and to paying them fair wages for their work. DC exporters can use similar messages about social responsibility to gain consumer support.

Furthermore, many Spanish consumers collect information online before making in-store purchases. They study all available sources in order to compare product qualities and prices. Many also consult social media for new trend updates

and most importantly product evaluations by other consumers. DC exporters would thus be well advised to embrace digital media as an advertising platform.



Earrings, [Hissia](#)

Tips:

- Keep up to date with fashion trends and fashion icons in target markets.
- Continuously introduce new designs and expand product offerings.
- Create a unique selling proposition and personality to stand out from existing strong players. Customisable jewellery can be a potential winner in this respect.
- Sign up to social responsibility and environmental initiatives to influence the purchase decisions of Spanish consumers in your favour.
- Consider social media as a platform for brand information and promotion.
- Visit important trade fairs like the [International Fashion Jewellery and Accessories Trade Fair](#) to keep in touch with changes in styles and in the market.

For further information on market trends, please refer to CBI Trends for Jewellery.

Market Channels and Segments

For further information, please refer to CBI Market Channels and Segments for Jewellery.

Price

Figure 7: Price structure



Your Free On Board (FOB) price must cover all the following basic costs: production costs (raw materials, labour), administration costs (rents, electricity and other fixed costs) and marketing costs (expenditure on marketing materials, catalogues, website, travel costs to European trade fairs and other related costs). If you decide to work with Alibaba, Google, Amazon or other online marketing platforms, be prepared to absorb additional costs.

Understand the various costs and value chain margins that add to the product price. Logistics costs for bridge jewellery are relatively high as the total order value is typically lower than that of other products such as fine jewellery.

Tips:

- Do your homework carefully before deciding on the price.
- Select long-term European buyers who are willing to buy in bulk to reduce transport costs.
- Choose wisely between retailers and wholesalers as your trading partner. The former may offer higher profits but their logistics costs are normally incredibly high.

Field of Competition

For further information, please refer to CBI Field of Competition for Jewellery, as the market competitiveness of Costume jewellery in Spain does not differ much from that given in the general overview.

Main Sources

- Eurostat, URL: <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>
- International Monetary Fund (IMF), URL: <http://www.imf.org/external/index.htm>
- Market research company Euromonitor, URL: <http://blog.euromonitor.com>
- Feria de Madrid (IFEMA), URL: <http://www.ifema.es>
- BBVA Research, URL : <https://www.bbvaresearch.com>
- Organisation for Economic Co-operation and Development in Spain, URL : <http://www.oecd.org/Spain/>
- European Commission, URL : <http://ec.europa.eu/>

Trade Fairs

- International Fashion Jewellery and Accessories Trade Fair, URL: http://www.ifema.es/Institucional_01/



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