

RNA News

The official journal of the Rochester Numismatic Association

July - August 2012

The Peter Blaisdell Medal Arrives!



Thanks again to Bill Coe for his work on the medal committee. Get your medal at a meeting or send \$3 for postage to the treasurer to have it mailed.

Looking ahead: The ANA World's Fair of Money, August 7-11
We will hold a regular RNA meeting at 10 am on Friday, August 10 in room 104A
RNA Picnic August 26

This issue: A Tale of Two Auctions - Part 2: Analysis; Where can I find the Answer (a review of online numismatic sources); and more....

“A Consistent Theme of Integrity”



Francisco Perez & Michael Wells accept delivery from USPS carrier Brian

17 January 2012

To Coin World Readers:

I, like many people, have observed and noted Mr. Nachbar's many interesting testimonials in full page ads in *Coin World*. When I decided to sell my collection of over 40 years, I went back and reviewed the last dozen years of *Coin World*. I realized I 'dog-eared' Richard Nachbar's ads consistently. Why? I took away a consistent theme of integrity. In addition to the testimonials, his contrary-to-mainstream advice on gold & silver and his coin market analysis also stood out. When it came time to trust a total stranger with my collection – which valued well into six figures and approached 5,000 coins – I called Richard Nachbar. I was still somewhat nervous. Yet, Richard handled those long calls as a professional: explaining the time he expected the process to take; what he expected to get given current market conditions; how to maximize the value if I wasn't in a rush to sell; and he gave an excellent overview of the current market. So, I shipped all the coins to Richard in December. He paid me the full agreed to amount, then two additional \$10,000 checks due to receiving better than expected prices on some items. Just as in the ads I had read for many years, Richard didn't keep the upside for himself, but gave me the larger payout instead. I would definitely recommend Richard Nachbar when it comes time to part with your collection.

A Satisfied Collector from Nevada



Toll Free 1-877-622-4227 www.coinexpert.com

NACHBAR

SATISFYING SERIOUS COLLECTOR SELLERS SINCE 1973

RARE COINS



5820 Main Street, Suite 601
Williamsville, NY 14221, Fax 716-635-9762
Email: nachbar@coinexpert.com

NEW FROM THE PRESIDENT

Greetings – I hope everyone is anticipating an enjoyable summer with family and friends, appreciating those activities that we, in the Rochester area, can only participate in for a brief period of time. We can then turn an eye toward the World’s Fair of Money in August for those willing to make the relatively short trip to Philadelphia, followed by the RNA picnic and another round of always interesting and informative meetings.

As the RNA’s 101st president, I would like to give you a brief bio for those that do not know me. My career was in IT services beginning back in the dark ages when computers were behemoths with very little processing power. I retired from the business in 2008 after several years supporting new IT contracts, traveling around the U.S. and the world. I have been married for 37 years and have a son at Hewlett-Packard in Dallas TX and a daughter in Chicago, a

graduate from the University of Rochester with an MS in Psychology. Both are RIT graduates.

My interest in coins began when I was around 7, with Disney’s Scrooge McDuck as my role model. My interests grew over time to embrace world coins in addition to my growing U.S. collections. Over time, I settled on just the U.S. Many friends and family supported my collecting needs with 19th century coins which I still cherish today. Filling a hole in an album always gives me a lot of enjoyment while completing an album is always a celebratory event. Coin collecting is in my blood, as I am a direct descendent of John Conrad Lighthouse and cousin to Charlie Ricard (RNA Member #1). I also have been a lifelong stamp collector and am currently a member of the Rochester Philatelic Association.

I look forward to fulfilling my duties as your next president; have fun, for without fun, life is boring.

John Lighthouse – 101st President of the Rochester Numismatic Association

We need your Article for upcoming newsletters. Earn Fame; win a writers medal. Tell us a numismatic experience; write about a favorite coin or series. How about a biography of a worthy numismatist? Send articles to Gerry (and email them to Ted).

* * * * *

A Tale of Two Auctions—Part II: Analysis

By **Steve Eisinger**, RNA President, 2010

I hope that you enjoyed my presentation of hard data on the RNA and Hessney Auctions, published in the March - April issue of *RNA News*. I will now attempt to analyze the data.

The RNA Auction

The material presented for sale at the RNA Auction is pretty mediocre. Some of it is good; some of it is junk. Numismatic rarities in great condition are - well - rare. But it is a coin auction, and there are coins. There is a mix of old and new, foreign and domestic, sets and singles, some currency, even stamps occasionally. Slabs are a relatively subdued presence. Maybe 10 or 15 percent of the auction is exonomia: books, medals, Rochesteriana, etc. Some of it gets a little far-fetched such as porcelain and jewelry.

Prices are generally low. This is partly because the material is not high end, and partly because the consigners want to sell. I estimate that the average price is maybe one-third of the difference between wholesale and retail for date and grade. Every consigner’s pricing policy is a little different. Some items seem overpriced but often one can find real bargains in the material.

Volume of material is good, surprisingly. We often have eight trays or more, and it takes at least a half-hour to get through all of it for most auctions. In fact, it is my impression that more material is being offered than in years previously, although I don’t have data to back that up.

So what is wrong with the auction? There just isn’t much bidding. The 39 percent sale rate, of which almost two-thirds is sold at the minimum bid, just isn’t very good. (I recognize that a certain amount of “side

action” occurs during or after the auction, which probably raises the actual sale rate by 5 percent or so.) Why is the sale rate so low? I think it is mainly because of the age of the membership. Most members are “mature” (euphemism for old), and they are not in the acquisitive stages of their collecting careers. Their collections are mature as well, and they don’t have a lot of holes in their albums to fill. This has certainly happened to me; I buy less at the auction than I used to. Some members are so highly specialized in their collecting preferences that material that interests them hardly ever appears in the auction. Furthermore, many members are undoubtedly operating on a limited budget and are financially constrained from enthusiastic buying. We probably have a lot of members whose collections are fabulous but who are cash poor.

The market for any particular type of material is thin. About three to five people ever bid on ancient material, for example. Currency, foreign, American copper, etc. - every kind of material has a couple of interested members, and if they don’t happen to show up of an evening, then no one bids. American silver and generic foreign might be the best sellers.

Whatever the reason may be, almost everyone acknowledges that the auction is pretty dead—so much so that when an actual bidding war breaks out over an item, it invariably attracts humorous commentary (usually the same moldy old joke).

Furthermore, the best-selling items are the cheap ones. The average sale price is \$12-\$13 dollars, which is pitiful for a coin sale. The data clearly show a big differential in the average price of unsold items (\$33) to items that sell by a factor of about 2.5. Big ticket items just don’t sell well. I have personally tried to sell expensive items. I did succeed in selling something for \$850 once, but other items, mainly gold coins or the occasional album full of silver, have not sold. During my data collection period nothing sold for over \$100. The total average take per auction was a paltry \$483.

I have offered over 600 items over the last few years, and I have tried a variety of pricing tactics. Stuff that I really want to get rid of, naturally, I try to price low. Stuff that I wouldn’t mind keeping, or have another buyer in mind, or that seems like premium material, I price a little higher. Sometimes I price nice material low, with the hope that bidding will be stimulated. With that strategy you run the risk of only one bidder who then gets away with a real bargain and you, the seller, have made a nice contribution to charity. Some items just don’t seem to sell at any quality or price. Nobody seems to buy Indian Head cents regardless of quality or price, for example. Regardless of my strategy, my results are stunningly equivalent to the general experience—40% sale rate, year after year. One strategy that doesn’t seem to fly any time is to expect to extract the last dollar in worth from an offering.

The RNA Auction definitely favors the buyer.

Hessney’s Auction

The material at Hessney’s is OK; lots of American copper and silver; some currency; lots of Morgans. There is a relative lack of ancients and foreign material. Probably 50 percent is slabbed. Some of the slabbed material is from generic slab companies whose grades are fanciful. Coins in 2 X 2’s are graded too, and I find my grade not always in agreement—by a wide margin sometimes. Bidding is lively on probably 95 percent of items, and almost everything sells. Guys go there to buy, and the crowd is big enough to generate genuine auction action.

Some real money changes hands. The average price per item of \$100 (\$88 if a \$10,000 coin is excluded) is impressive—eight times greater than the average per item at the RNA Auction. Lots of items go for over \$500, and I myself paid over \$1000 for a lovely dollar gold piece. The total average take per auction is about 55 times greater than the RNA Auction. I have had a good experience as a buyer and a mixed experience as a seller at Hessney’s. I have bought carefully and I think I got some bargains and mostly fair value. It is wise to go into the auction with a clear idea of what you are after, and how much you want to spend, and then lay out a strategy for bidding. Set a max bid, and then DO NOT GO OVER YOUR MAXIMUM. Do not get caught up in a bidding war. If you lose the coin, another beautiful coin will come along. This has happened to me of course, and when I saw the final hammer price I was usually glad that I had the good sense to drop out of the bidding. There are, however, occasional outrageous bargains. Don’t forget that Joe adds 10 percent to the hammer price for buyers.

As for selling, I have to report that Joe Hessney has been a little loose in his business practices (let me be clear—no issues involving money). I took a bunch of coins to his place in July of last year, and he told me that they would be in the next auction. Despite my several inquiries, they did not go up for sale until November, three auctions later. He also does not always return phone calls. Aside from these little problems, my experiences have been OK and stuff generally sold well. As a test I carefully selected items to span a range of value and material type, and I have to say that everything more or less met my expectations. My gold (a modern commemorative set) went for more than I expected. So did my one cent pieces and my Morgans. I even sold some Proof sets! My slabbed classic commemoratives were a little undervalued, but not by much. I did place an item that embarrassingly failed to sell at all—a roll of BU Canadian nickels—but that was the only item that didn't sell. Since a lot of my material had failed to sell at the RNA auction, I was pleased, even with the 15 percent bite that Joe adds on to one's hammer prices.

I plan to sell more coins at the Hessney Auction. I think that really high end material is a bit of a risk, and I definitely would not try to sell valuable foreign material, especially gold. He is not interested in the cheap items that appear at the RNA auction for a buck. But for medium value American copper, silver and currency (and by "medium" I mean from \$20 on up to \$500-800) Hessney's should do well for you.

Hessney's Auction is good for the careful buyer and the careful seller.

So the question is: what is wrong with the RNA auction, and how can we fix it? Is there something to be learned from Hessney? I will try to answer those questions in the next and last installment of this series.

Share your ideas with me at a meeting or email me at: eisinger@rochester.rr.com.

RNA 2012-2013 MEMBERSHIP DUES ARE PAYABLE BEGINNING IN JULY!

Dues: Family or individual (life member none)	\$ _____	If you like, copy this section & mail with your check
Please mail my Presidential Medal (add \$3)	_____	
Donation*	_____	
Total amount enclosed	\$ _____	

* RNA is a tax exempt organization under Section 501(c) (3) of the Internal Revenue Code
 -- Pay the Treasurer at the picnic or at a meeting in September --
 Please make checks payable to RNA; mail to PO Box 10056, Rochester, NY 14610-0056

**Where Can I Find the Answer?
 Reported by Gerard Muhl, RNA Historian**

But where can I get more information on that coin? Have you ever asked yourself that question after turning to your numismatic library and still not being able to find a sufficient answer to your coin problem? Here are some websites suggested to me that you might find helpful. (By the way, if you have found other useful internet sites you can share them by sending them to our newsletter editor - include a paragraph or two about the site for the newsletter).

- * Coin Facts (www.coinfacts.com): Created by Ron Guth, who wrote *Coin Collecting for Dummies*, it is self-proclaimed the "Internet Encyclopedia and Price Guide of U.S. Coins."
- * American Numismatic Association (www.money.org): This deals with the activities of the Association and its money museum (which is a must see if you are in Colorado Springs). If you like pioneer gold and Vermont Copper coins, this is a site to try.
- * United States Mint (www.usmint.gov): It really is a coin selling site for Mint products. Look for the kids section for some neat things elementary school kids will enjoy.
- * Numismatic News (www.krause.com/coins/nn): Look for their "Question and Answer" section and information on coin news and shows.

* Numismatic Bibliomania Society (www.coinbooks.org): This site deals with books, auctions and sales, but also contains interesting facts, news and some of the strangest coin trivia you may find anywhere.

* University of Notre Dame (www.coins.nd.edu): Here is a site designed to help find information about U.S. colonial era coins.

* Coin Clubs (www.coinclubs.com): Gives links to coin clubs throughout the country. If you are traveling and need a coin club fix, check out this site.

* Rochester Numismatic Association (www.the-rna.com): Check it out, as there are new items appearing all the time, and it's in color!

Finally, check out back issues of the Numismatist from the RNA library for Michael E Marotta's monthly section, "Internet Connections." Each month he lists and describes several coin related websites from the United States and from all over the world.

The saying used to be, "Buy the book before you buy the coin." That now has to be amended to "Still buy the book but keep your list of numismatic websites handy."

	RIDGE COIN & STAMP LIFE MEMBER ANA – RNA – FUN ridgecns@aol.com FULL SERVICE DEALERSHIP SPECIALIZING IN RARE COINS – BANK APPRAISALS – GOLD/SILVER ESTATE LIQUIDATIONS – CONSULTATION 585-342-8206 –2064 East Ridge Rd., Rochester, NY 14622 MICHAEL OMELUCH, Professional Numismatist
---	--

Club News and Notes

Since the **March - April issue** of *RNA News*, the following people have joined RNA: We welcome Thomas Taylor of Highland Lakes, NJ; Enzo Romano of Rochester, NY; and Terrence Byrnes of Penfield, NY.

RJNA member Joshua Buchiere won the **Meinhart Speaking Contest**. The title of his talk was: *\$4 Gold Stella*.

RNA is planning a meeting at the ANA **World's Fair of Money** in Philadelphia on Friday, August 9, 2012. Let us know if you will be going so we can plan for the event. See - or call - Gerry Muhl at 585-336-9459 to let us know you hope to be there.

RNA Picnic - Mark your calendar for the annual RNA Picnic on Sunday August 26 from 1-4~ at White Brook Nature Park (Perinton). Take Ayrault Road east to Aldrich Road, or take Route 31 east (just past Lollypop Farm) and turn north on Aldrich Road (about 4/10 mile, entrance on right). The fun starts at noon; board meeting at noon. This year we guarantee good weather (the lodge is air-conditioned). This year Dr. Steve (Eisinger) promises a dry nature hike. :-) If you didn't sign up at a June meeting, call or email VP John Vicaretti (jpvdds@aol.com). The cost is \$10 per person (bring a dish to pass and a white elephant item to auction).

Redeemed Wooden Nickels

By **Ed Quagliana**, RNA President, 1963

Oddly enough a Rochester rarity is the redeemed wooden nickel issued for the Rochester Numismatic Association's 1000th Meeting of May 23, 1958. Only 5,000 pieces were made and 22 were redeemed on May 23 at the East Avenue Office of the Genesee Valley Union Trust Co. Edward F. Meinhart, a former RNA president and a bank officer had charge of redemption. A rubber stamp that read "PAID by the Genesee Valley

Union Trust Co. Loan Dept." and the same size as the wooden nickel was used to cancel them. All 22 pieces were redeemed by the same individual. One specimen is in the club collection and the remaining 21 are at large.

The obverse was a map of New York State with a star to locate Rochester in prominent purple type. The designer was Burt Nash.

A large quantity of the unredeemed nickels (was) painted in bright colored enamels, and now serves as poker chips for one loyal, patronizing member!

Edward F. Meinhart passed away in 1960 and the Genesee Valley Union Trust Company has become the Marine Midland Trust Co. of Rochester. *From the 30th semi-annual convention booklet of the Empire State Numismatic Association, held at Rochester's Manger Hotel and featuring a two-day auction; 1965: Editors.*

RNA News

Established January 1912

One of America's oldest local coin clubs

American Numismatic Association,

Branch #2, Life Club #8

Meetings:

Rochester Museum & Science Center

Member:

American Numismatic Society

Royal Canadian Numismatic Association

Token and Medal Society

Editor and Reporter at Large:

Gerard Muhl

Production and Assoc. Editor:

Ted Vaccarella

tedvacc@yahoo.com

2011-2012 Officers:

President: John Lighthouse
jlighthouse1@rochester.rr.com

Vice Pres: John Vicaretti
jpvdds@aol.com

Treasurer: Jerry Vaccarella

Secretary: Sharon Miller
samiller07@rochester.rr.com

Curator: John Zabel

Librarian: Michael Luck

Historian: Gerard Muhl

Board of Directors:

Jim Ford, Paul Taylor
(2010-2013)

Steve Eisinger, Scott Fybush
(2011-2014)

Roger Kuntz, Andrew Mantione
(2012-2015)

Visit the RNA Web site:

www.the-rna.com

P.O. Box 10056

Rochester NY 14610-0056

Material published in **RNA News** is Copyright by its authors or by the Rochester Numismatic Association, and may not be reproduced without permission of the author or the RNA. All rights reserved

In 1964, 3,950,762 ninety percent silver proof Kennedy half dollars were struck in Philadelphia. Of that number it is estimated that 100,000 were what is known as the "heavily accented hair" variety. Steven Roach reports in Coin World that a proof 65 deep cameo by PCGS of the coin sold for \$825!

An image of the v-shaped hairlines above Kennedy's ear is shown in the Red Book. An easier way to spot the difference between common and rare varieties is by studying the "I" in Liberty. Bill Fivaz advises: look for a weak or broken lower left serif.

How many of these were melted when silver hit \$40 an ounce is not known. Take a closer look, and happy hunting. Gerry Muhl, RNA Historian



BLACKJACK MORGAN COINS

**BUYING & SELLING ALL
COINS & PAPER MONEY**

Hours:
January - April

Monday - Friday
10:00am - 7:00pm

Saturday
1:00pm - 5:00pm

794-0939

1530 Elmwood Avenue
Rochester, NY 14620

www.blackjackmorgan.com

Hours:
May - December

Mon, Wed, Thurs,
10:00am - 4:00pm

Tuesday
10:00am - 7:00pm

Regular RNA meetings are held on the first and third Thursdays of every month, except July and August, at the Eisenhart Auditorium of the Rochester Museum & Science Center, 657 East Avenue. The auditorium is the glass front building behind the Museum. Enter through the Eisenhart or Gannett School doors and follow the signs downstairs to the lower-level meeting room. All are welcome! If you have difficulty with stairs ask the receptionist in the auditorium for elevator directions.

Rochester Junior Numismatic Association (RJNA) meetings are also held in the lower level meeting room at Eisenhart Auditorium; for more information, call RJNA advisor Joe Lanzafame at 585-314-1240 for more information.

The Calendar July - August 2012

- **Friday, August 10:** 10 AM - RNA Meeting: *during* the ANA Convention, Philadelphia, in Room 104A
 - **Sunday, August 26:** RNA **Annual Picnic:** 1 PM to 4 PM; White Brook Nature Area Park (Perinton); there will be a *Board meeting* before the picnic at **noon**.
 - **Thursday, September 6:** 8 PM - RNA Meeting: What I did this summer in Numismatics
 - **Thursday, September 20:** 8 PM - RNA Meeting:
 - **Friday, September 21:** 7:30 PM - RJNA Meeting: What I did this summer in Numismatics; the RJNA is completing design on their 65th anniversary medal-hope to have it available at the November RNA Coin Show.
 - **Saturday-Sunday, November 3, 4:** 40th RNA **Annual Coin Show & Sale**, Saturday 10-5; Sunday 10-4; US Post Office staff will be selling stamps with a special **RNA 100th Anniversary cancellation** on *Saturday only*.
- * Rochester Area Coin Expo: next show is September 23, 10-3, Double Tree Hotel, 1111 Jefferson Road.
 - * The Ontario County Coin Club meets at 2 pm on the first Sunday of every month at the Canandaigua Elks Club, 19 Niagara Street. Doors open at 1 pm.

The Calendar welcomes meeting notices from other area clubs. Send to Gerry Muhl or email Ted at tedvacc@yahoo.com.

The *John Jay Pittman Memorial Library* is available at every regular meeting. There are over one thousand titles to pick from. See the RNA Librarian to sign out materials you wish to borrow.

Rochester Numismatic Association
PO Box 10056, Rochester NY 14610-0056