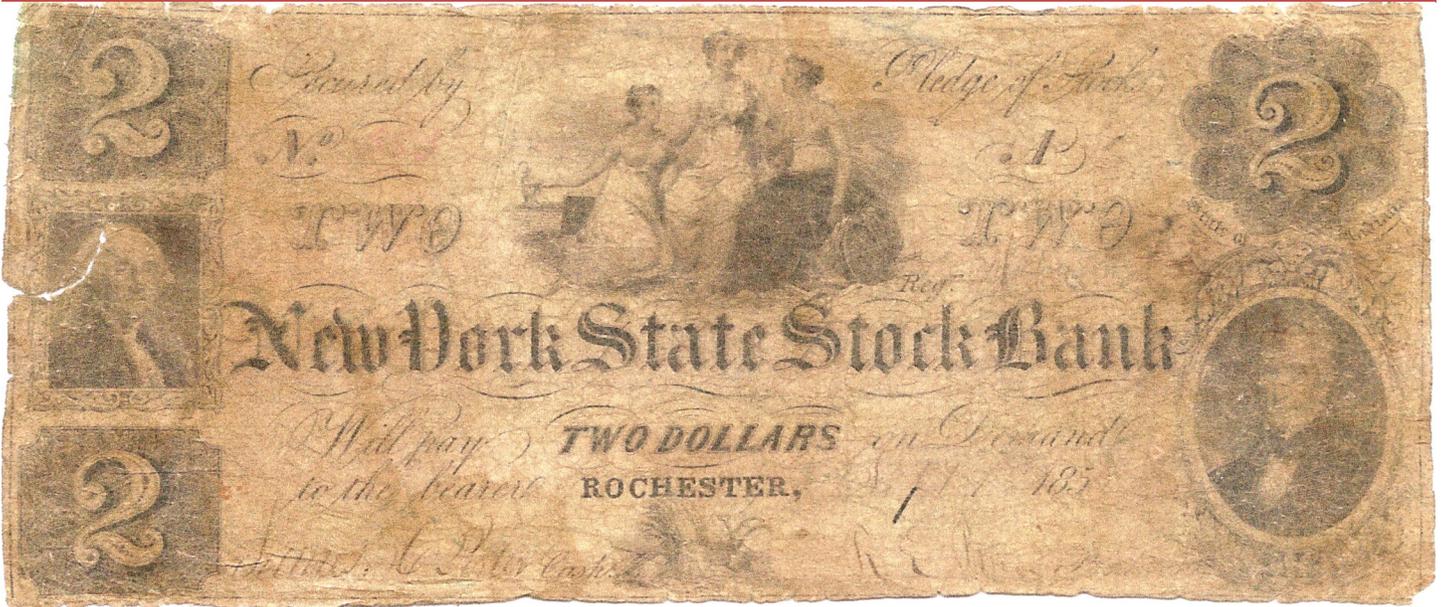


RNA News

January - February 2016



Story starts on page 3; the note reads “Secured by Pledge of Stock” at the top. It reads, “State of Indiana” in very small letter at the top right under the “2.” Under New York State Stock Bank it reads, “Will pay to the bearer *TWO DOLLARS* on Demand” followed by a very faint date, “Sept x 185x” to the right of “ROCHESTER”.

From the President: **page 3**
The Bank That Never Was **pages 3, 4**
Just New York 'Commems,' Please **pages 5, 6**
Club News & Notes: **page 7**
Calendar **page 8**

Visit our website at <http://www.the-rna.com>

The *John Jay Pittman Memorial Library* is available at every regular meeting.

Members may select from more than 1000 titles.

See the RNA Librarian to sign for and borrow materials.



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

2015-2016 Officers:

President: Gerald Vaccarella

gvac7@aol.com

Vice Pres.: George Fekete

gfekete@rochester.rr.com

Treasurer: David Robinson

Secretary: Kerri Klajbor

kerrilh@rochester.rr.com

Curator: John Zabel

Librarian: Michael Luck

Historian: Dennis DeYoung

Assistant Curator:

Michael Luck

Gerard Muhl

Board of Directors:

Sheryl Zabel, Ted Vaccarella

(2013-2016)

Dennis DeYoung, Eric Miller

(2014-2017)

Jason Childers, John Lighthouse

(2015-2018)

Visit us at : www.the-rna.com

Rochester Numismatic Association

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.



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

Individual Service

Honesty

Integrity

E & L Coins, LLC



"Serving the greater Rochester, NY region"

Steve Eisinger, MD John Lighthouse

(585) 385-1684

(585) 507-2227

On the Web: WWW.EandLCoins.com

Email: EandLCoins@gmail.com

Regular **Rochester Numismatic Association** meetings are held from September to June at 7:30 pm on the second and fourth Wednesdays at **Eisenhart Auditorium** of the **Rochester Museum & Science Center**, 657 East Avenue. The auditorium is the glass front building behind the Museum. **Enter and exit through the right-side door** and go down the stairs to the lower level meeting room. For elevator service to the lower level call 271-4552 X 601 to speak with the Eisenhart security desk attendant. Entry for the elevator is through the **Genesee Community Charter School** door.

Rochester Junior Numismatic Association (RJNA) meetings will be held during 2015 at 7:30 pm on the 4th Wednesday of each month at Eisenhart Auditorium on the lower level; for more information, call RJNA advisor Joe Lanzafame at 585-314-1240.

FROM THE PRESIDENT

I hope everyone had a great holiday season. Happy 2016! We had an upscale meeting on December 23 with a good auction and refreshments par excellence thanks to Maria Paris. We really appreciate the effort RNA members make to provide refreshments for meetings. We still need members to sign up for some future 2016 meetings. See VP George Fekete to fill in the blanks for refreshments.

2015 has been a seminal year for us with our endowment endeavor complete and earning interest. Our agreement with Rochester Museum and Science Center has stabilized but we need to keep vigilant in our relationship. We now have restroom facilities of our own and parking problems clarified. Communication between RMSC, the other building renters/occupants and our organization is paramount. As we can see on a national and world wide basis peace is difficult to accomplish and a work in progress, always.

One of the projects we are working on is the RNA web site. The directors meeting in January will include a discussion concerning the RNA website; members are welcome to join us with your suggestions. Alternatively, feel free to email me with your thoughts on what you would like to see. I'm really pleased with the direction we're moving as an organization and the second half of the year 2016 should be just as fruitful as 2015. What am I looking forward to in numismatics for 2016? 2016 is the year the Mark Twain commemorative will be issued. One of America's most famous humorists and writers is on my list of "must buys." Good hunting to all of my fellow RNA numismatists in 2016.

Gerald Vaccarella

The Bank That Never Was

By Gerard Muhl, RNA President, 1979

In 2012 I received an auction catalogue listing a supposed Rochester, New York banknote from a bank that I never heard of. It was a two dollar bill of the, "N.Y. State Stock Bank" of Rochester. Having an interest in western New York banking history I placed a high bid and got the 1854 note. It turned out not to be from New York but from Rochester, Indiana. Now the mystery begins.

I first checked James Haxby's four volume, "Obsolete Bank Notes" and found the note listed for Indiana. The American Numismatic Society in New York City had a photo of a similar bill in better condition on their website. On their specimen the tiny words, "State of Indiana" could clearly be seen. I next called the City Historian of Rochester, Indiana (population 6,228 today).

The City Historian said that no such bank ever existed in her city but that records were sketchy due to various fires in the past. I now thought to seek some history of the area. Maybe it would reveal more information about the bank note.

Rochester, Indiana was founded in 1830 by people from Rochester, New York. The city is about five miles south of Tippecanoe where in 1811 William

Henry Harrison fought the terminal battle with the Indians led by Tecumseh and the Prophet. The Indians were being supplied by the British which was one of the arguments for the War of 1812. The British and their Indian allies faced off against the U.S. After the war the Indians found themselves on the losing side and were finally moved out of the area. Settlers began pouring in. It became obvious that some form of a banking system was now a necessity.

In 1814 the Territorial Bank of Indiana was founded (two years before it became a state). The bank had seven branches, none of which were in Rochester. It was needed in particular to arrange bank loans for infrastructure projects to help develop the state. Roads and canals were envisioned with the state hoping to emulate the great success of the New York State Erie Canal.

In 1836 Indiana passed what was known as the Mammoth Bill. It hired the Morris Canal and Banking Co. of New Jersey to sell \$10 million worth of bonds in England. The proceeds of the bond sale would be used to dig a canal from Toledo, Ohio to Evansville, Indiana. The canal would follow the Wabash River and eventually cut from the northeast border of the state to the southwestern part on the Ohio River. This loan was more than five times the entire state budget for 1836. (Continued on page 4)

(Continued from page 3)

The people of Indiana celebrated the passage of the Mammoth Bill with parties and fireworks for three days. Indiana they felt was on its way to becoming the next New York State. The Ohio River commerce would be opened to the whole state as would that of the Great Lakes.

As an aside and perhaps a bit of folklore, one of the local crews hired on to dig the Wabash Canal was led by a crew-boss by the last name of Hoosier. His crews dug faster and more accurately than any other. When asked who dug a section of the canal the answer was "Hoosier's men." This eventually was shortened to simply, "The Hoosiers." Thus the nickname for the Hoosier State came into being.

All was not rosy, however, for the Indiana economy. The Morris Canal and Banking Co. went bankrupt owing the state over \$2 million. The state went bankrupt as did the State Bank of Indiana due to the series of bad loans.

The State Bank's bonds were worthless by 1841. Since the bonds backed Indiana banknotes much of the state's money supply also became worthless. Work on the half-finished canal came to a halt.

Any banking in Indiana was now done mostly by private bankers or through out-of-state banks. Personal loans could be negotiated through banks in Ohio or even from New York City. Negative feelings about banks were so strong among the Hoosiers that the legislature did not allow for new banks until 1852 with the passage of the Free Banking Act.

Rochester, Indiana opened a bank under the act in 1853. It had a total capital of \$75,000. By comparison Nathaniel Rochester's New York bank in 1824 was capitalized at \$600,000!

The Indiana bank and 68 others opened between 1852 and 1855 were most doomed to fail due to under capitalization. In fact 62 closed their doors within five years. Money from these banks, however, did fuel a short boom. The Wabash Canal finally opened in 1854 but only to face stiff competition from railroads.

Now, what about the New York State Stock Bank of Rochester, Indiana? It was a clever fraud by as yet unidentified individuals. They knew in 1853 that

there was great optimism for the success of the new banks under the Free Banking Act. However, if they tried to circulate their bogus notes in Indiana they would almost immediately be spotted as bad. They had a much better chance to have the notes accepted in Ohio even if merchants there discounted them a few percentage points. The notes probably never saw Indiana. Cincinnati at this time was the counterfeit bank-note capital of the mid-west.

Many German printers settled there while a few of them, down-on-their-luck, turned to larceny. The city also seemed to draw counterfeiters from throughout the northeast. In fact, Harry Cole a counterfeiter from the area of Rochester, New York, was known to briefly operate in that Ohio city.

In 1854 worthless Indiana notes became such a problem that a consortium of Cincinnati bankers was tasked to return their Indiana bank notes to their banks of origin and to exchange them for gold and silver if they could. When the Ohioans appeared at a bank they were often told that the bank had insufficient reserves of specie. Soon word got out and there was a run on the banks. Banks tried to sell their Indiana State Bonds to raise cash, but buyers were hard to find and with so many sellers the bond prices went down. Soon the whole local economy was in a tailspin. To have the unwary accept their notes the counterfeiters implied that their bills were backed not by Indiana bonds but by New York State stock. It was only a matter of time until the fraud was exposed and the counterfeiters had to move on to copying bills of a new bank.

In 1854 the Ohio legislature passed a law prohibiting the passage of any Indiana notes in their state at all. As with Gresham's Law the bad notes drove out the good. Finally in 1855 the State Bank of Indiana was re-chartered to try and reform the monetary system. Slowly, reform did work until the Civil War gave a needed boost to the economy and when the federal government declared a monopoly for itself on printing currency.

All that remains of that earlier colorful period are a few rather rare pieces of obsolete currency in the hands of collectors.

Just New York ‘Commems,’ Please

By Mark Benvenuto, RNA member

When it comes to what is popular in numismatics, certain series of coins seem to come and go, especially if a person observes trends over decades. Sure, some coins appear to be popular forever, such as Morgan and Peace dollars, or Walking Liberty and Franklin half dollars. But others, like those that are now called the classic commemoratives – those issued from 1892 to 1954 – went through a hot period in the 1980’s, and now seem to have settled into a quiet period. Since many of these early commemoratives were not particularly national in theme, it might be fun to examine assembling a type set of those that have some connection to New York.

Huguenot – Walloon Tercentenary

This is one of those wonderful commemoratives that sport images not all that related to the actual theme of the coin. The coin commemorates the 300th year since the founding of New Amsterdam, long since renamed New York. It takes quite the student of history to know anything about Admiral Coligny who lived from 1519 – 1572 and William the Silent – also known as William I, Prince of Orange – who lived from 1533 – 1584, both of whom dominate the obverse of this half dollar. But it doesn’t take a math degree to realize that both of the years of their deaths were quite a bit before the date 1624, from which the tercentenary was based. One can now only imagine why these two made the front page, as it were.

As far as early commemoratives go, this one has a higher mintage than many. That might make it a bit easier to come by than some of those with small mintages. A person could probably land a good example for no more than \$100.

Vermont Sesquicentennial

This one may be a bit of a stretch, but the half dollar issued in 1927 for the sesquicentennial of the founding of Vermont as a state back in 1777 can be considered a New York coin because of a pre-Revolutionary War declaration by the Duke of York that the land was to be part of New York. Vermont’s history at the time of the Revolutionary War is a wonderfully complex one. Mr. Ira Allen, who appears on the obverse

of this piece, was in the thick of the action when Vermont evolved from contested colony to member of the young United States.

Hudson Sesquicentennial

This half dollar, issued during the glut of commemoratives that came out in 1935 and 1936, is about as specific and non-national as a commemorative coin can get. The coin was made to honor the city of Hudson, aptly located on the Hudson River. The city seal dominates the reverse, and Henry Hudson’s ship dominates the obverse.

Unfortunately, even by the standards of the classic commemoratives, this is a pretty rare coin. Only 10,008 were made. One can only guess as to how many have survived time and the spike in silver prices in the 1980’s. They are not impossibly expensive coins today, but a person will need at least \$600 or so to get serious about purchasing one that looks good.

Alas, it would have been neat if someone back then had decided to authorize a commemorative for Rochester.

Long Island Tercentenary

Another of the vast output of 1935 and 1936 commemorative half dollars was the Long Island Tercentenary. This piece is intriguing because it shows on the obverse two heads, one of a Dutch settler, the other of a Native American. It’s intriguing that these are simply anonymous images, as opposed to those of leaders of either the Dutch, or the natives of the area at the time. Lion Gardner, for example, was one of the early Dutch leaders (although he was born in England), and the Lenape people had occupied the island before European settlement. If these seem like pretty obscure facts, let’s circle back to Admiral Coligny and dear, old William the Silent for a comparison.

Since this half dollar had a pretty hefty initial mintage, pieces are not too expensive today. The just-mentioned \$100 will go quite a ways towards landing a decent specimen for any growing collection.

(Continued on page 6)

(Continued from page 5)

New Rochelle, New York

Back when the classic commemoratives were being churned out, folks in Rochester might have been forgiven for feeling slighted, as it seems that commemorative fifty-cent pieces were focused on places close to the Big Apple. New Rochelle is pretty close to New York City, and had its 250th anniversary honored in 1938.

This coin shows a man identified in the numismatic reference, Mr. Yeoman's famous "Redbook," as settler John Pell. Yet interestingly, the website: <http://www.townofpelham.com/history.htm>, for the Town of Pelham, states: "Little is known about the man believed to appear on the New Rochelle half-dollar. On the 1938 New Rochelle, N.Y., 250th Anniversary half-dollar, a man "Three Musketeers"- like grabs hold the lead of a calf. Nowhere on the coin's obverse or reverse is the man identified or is it explained why he appears to be walking a baby cow. "Many people

* * * * *

Numismatic Definitions for the New Collector

About Good - the condition of a coin better than bad but not as good as good.

Bag marks - wounds inflicted upon the head of a dealer by an irate customer upon being quoted a ridiculously low offer for his bag of silver dollars.

Blank Planchet - the expression on our face when your son tells you he paid for his school lunch with two 1932-D quarters.

1955 Double Die - the caption below the only remaining hole in your Lincoln Cent album.

Choice B. U. - a coin certified by the Department of Agriculture.

Double Die - what the jeweler wants to do when he finds his employee used 1877 Indian Head Cents for cut-out jewelry.

Doubled - what coins look like the morning after the night before.... Also, **Micro-Doubled** - the same problem with a near-sighted drunk after a coin club dinner.

Liberty Nickel - any nickel used in emergency for the slot in a restroom door.

believe that the figure in the late 17th century costume is meant for John Pell, but this is unconfirmed," according to Anthony Swiatek and Walter Breen in The Encyclopedia of United States Silver and Gold Commemorative Coins 1892 – 1989. Despite this ambiguity, the man appearing on this commemorative half-dollar is generally assumed to be, in most numismatic texts, John Pell."

The mintage for the New Rochelle half dollar was pretty small, with only 15,266 on the official registers. That means it will cost about \$300 today to break into the ranks of the mint state pieces. Expensive, but not impossible.

Overall? It's interesting to look at the classic commemoratives series and find that there is a fistful of half dollars with some New York connection. It's even more interesting to see that a couple of them are not too pricey. This quiet time might be a very good moment to see for ourselves whether it's worth it or not to assemble a set. If you choose to, enjoy the hunt!

* * * * *

Below is a copy of a bookplate from the collection of RNA member number one, Charles Ricard. The coin of French King Louis XV is signed, "DV" which stands for Benjamin Duvivier, engraver relative of Charles. This might be a new hobby, collecting bookplates of famous numismatists.



Club News and Notes

Have you paid your 2015 - 2016 MEMBERSHIP DUES?

Dues: Family or individual (life member none) \$ 25
Please mail my Presidential Medal (add \$3)
Donation (RNA is tax exempt under Section 501(c) (3) of the IRS Code) . . .
Total amount enclosed \$

- Pay the Treasurer - if dues remain unpaid after January 31, your membership is subject to termination -

Or, pay by mail with a check payable to **RNA, PO Box 10056, Rochester, NY 14610-0056**

- A REMINDER FOR ALL RNA MEMBERS -

Per our agreement with RMSC, access to Eisenhart Auditorium **for all of our meetings** is only via the door to the right side of the building. See page 2 of this newsletter for elevator access to our meetings. Our assigned rest rooms are accessible directly from the lower level: walk up the ramp toward the elevator, and continue straight ahead past the elevator. Please avoid using the first floor rest rooms.

Additionally, parking is not permitted next to the building near our side entrance door.

Numismatist of the Year

Nominations for **Numismatist of the Year** are presently being sought by committee chairperson Sharon Miller. Listed below are the pertinent details concerning nominations, per procedures established in 1988. Send written nominations to Sharon on or before the first regular meeting in February, 2016. Sharon's email address is: samiller07@rochester.rr.com

The nominee must be a member in good standing, and a detailed justification is required, including: Contributes to the science of numismatics; Promotes interest and growth in numismatics; Publish numismatic articles; Presents talks to outside organizations; Contributes to the RNA; Active in the current and previous years; Presents programs; and, Established member.

2016-17 Officers and Board Members

Immediate past President Sharon Miller and the **Nominating Committee** are also seeking nominations for two Board positions and for the position of RNA Treasurer for the 2016-17 fiscal year beginning 1 July. Nominations should be made on or before the second meeting of February, 2016, per our By Laws..

Q & A

In what year was a copper coin issued for Prince Edward Island? 1871
What material was used as a window on encased postage stamps? Mica
What is the only year 1793 to 1857 that U. S. large cents were not struck? 1815



Enzo Romano
Rare Coins

Dealing in Top Quality Eye
Appealing Material

www.EnzoRomanoCoins.com

PO Box 16815
Rochester, NY 14616
(585) 305-8827
romano30@live.com

The RNA Meeting and Events Calendar January - February 2016

Wednesday, January 13: 7:30 PM - RNA Meeting: **Chip Scoppa** - 50 up

Wednesday, January 27: 7:30 PM - RNA Meeting: **John Stephens** - 500 Francs ; Board meeting at 6:45.

Wednesday, January 27: 7:30 PM - RJNA Meeting

Wednesday, February 10: 7:30 PM - RNA Meeting: **John P. Vicaretti** - Just for Fun: 500, 100, 50, 20, 5, 2, 1 Notes

Wednesday, February 24: 7:30 PM - RNA Meeting: **Larry Rausch** - Error Coins

Wednesday, February 24: 7:30 PM - RJNA Meeting

Friday, May 20: 6:00 PM - **Annual Banquet** honoring past President **Sharon Miller**; Red Fedeles Brook House Restaurant on West Ridge Road.

Wednesday, June 8: 7:30 PM - *RNA Annual Meeting*:

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.

Future RNA News publication deadlines: February 22, 2016 for March-April 2016; and April 30, 2016, for May-June 2016.

Rochester Numismatic Association

PO Box 10056, Rochester NY 14610-0056