

The Augusta Coin Club Meets on the 3rd Thursday of the Month at America's Best Value Inn on Washington Road

The Augusta Coin Club since 1959

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Volume 12, Number 1

THE AUGUSTA COIN CLUB MONTHLY NEWSLETTER

January, 2012

Our Next Meeting is Thursday, January 19, 2012 from 6:30 to 9:30 PM

2012: Collector Coins vs. Bullion Hoarding

Club Meeting Calendar for 2012

Jan. 19	May 17	Sep. 20
Feb. 16	June 21	Oct. 18
Mar. 15	July 19	Nov. 15
Apr. 19	Aug. 16	Dec. 21

Type vs. Bullion: Does the Market Care?

The Editor's take

As we begin the twelfth year of the 21st century, seasoned collectors are beginning to see some discouraging signs in the numismatic marketplace. One of these signs has been the disappearance of quality type coins from the shelves of many dealers' shops due to the extreme rise in bullion during most of 2011. As a result of massive speculation in numismatic bullion products, shop dealers have not had the time or inclination to stock up on type coins since the patrons who used to bring in coins for sale have been replaced by persons who wish to either sell or buy silver and gold eagles along with other bullion related items. It was thought that the higher unemployment rate might bring more coin collections on to the market but there is little evidence of that having occurred on any large scale since the supply of eye appealing type coins regardless of the grade has continued to decline. So far, the better date US coins grading MS-64 to 65 are doing well because only the very wealthy can afford to acquire them but finding an attractive pre-1900 brown XF-45 Indian Head cent or that elusive Barber half date grading VF or better is becoming increasingly difficult for the serious moderate income collector.

At the recently held FUN show in Orlando, I decided to certify a group of "raw" coins from my personal collection purchased before 2000. Those that I considered to be cleaned I sold and used the cash to pay for the certification service, but later when I attempted to replenish some of the sold items, finding attractive certified replacements grading VF-30 thru AU-58 were very difficult to fruitless. The specific dates were nowhere to be found. Instead, numerous common date gold and silver coins could be seen in virtually every dealer's case, certified and "raw" because at even \$1,600 an ounce--*despite a drop of \$300 since gold hit over \$1,900 a few months ago*--many dealers are making more money selling strictly bullion items; not type.

Collecting Eye Appealing Coins: Part 1

Pocket Change (½¢ thru 10¢) By Arno Safran



An 1814 Classic Head Large Cent graded AU-58 19 mm
(Reported mintage: 357,830), S-294, the Crosslet 4 in date variety
[Use 3x magnifying glass or magnify to 200% to view details.]

Some years ago, a dealer who had an excellent eye for grading and evaluating coins came up with the adage, "Eye appeal is buy appeal." His comment was not intended for mint state coins only, but represented almost the entire spectrum of the Sheldon grading scale, (i.e.VG-8 or better). For collectors primarily interested in obsolete US type coins there are some classic examples of coins grading only VG-8 that can look "original" in color displaying smooth surfaces with even wear.



An 1811/10 Classic Head Large cent, S-286 grading VG-10
[Use 3x magnifying glass or magnify to 200% to view details.]

With a reported mintage of only 218,025 the 1811 dated cent is a scarcer date than the 1814 shown atop. The overdate variety seen directly above is rarer still. This VG specimen of the 1811/10 cent may lack the exquisite detail of the 1814 graded AU-58 but its smooth surfaces and natural "original" copper color are still pleasing to the eye. Furthermore, upon magnification, the important diagnostic on the reverse, the small dash under the left side of the E, in ONE is plainly visible.

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Collecting Eye Appealing Coins Pocket Change: ½ cents to 10 cents

(Continued from page 1, column 2)



An 1899 Indian Head cent grading MS-65 Red 19 mm
[Use 3x magnifying glass or magnify to 200% to view details.]

Shown above is an attractive mint state copper coin; a well struck 1899 Indian Head cent displaying full red color grading MS-65. Because the date is fairly common it is far less expensive than one dated 1866 through 1878 in the same grade. A short set of Indian Head cents from 1900 to 1909 inclusive could be assembled similar to the grade shown above at a moderate cost.



An 1827 Capped Bust dime JR-4 R2 18.8 mm
[Use 3x magnifying glass or magnify to 200% to view details.]

For years, the early Capped Bust dime series has been neglected by collectors who favor the larger lettered edge Capped Bust quarters and half dollars. This has kept prices fairly low up thru Fine-15 (except for the key dates). The series was struck from 1809 thru 1837 and is divided in two sections based on size. From 1809 thru 1827 and part of 1828, the diameter of the dime was 18.8 mm. but from 1828 through 1837 the size of the coin was reduced to 18.5 mm. The 1827 shown above was graded as Fine by the dealer at the time of purchase. Today it is listed at just \$65.00 in Fine-12 in the 2012 *Red Book*. If the specimen shown were certified today, it might make a VF-20 which would cost about twice as much.



An 1845 Liberty Seated with stars dime grading VF-30 18.5 mm
[Use 3x magnifying glass or magnify to 200% to view details.]

1,755,000 Liberty Seated dimes were struck at the Philadelphia Mint in 1845. While not a record, it was still considered a large amount by mid 19th century standards and is ranked as one of the more common dates of the Liberty Seated dime series. As a result the date hasn't risen in price very much and in VF, the 2012 *Red Book* lists it at only \$35.00. The specimen shown above is completely original, fairly well struck and a pleasing example for type, another eye appealing coin. In 1837 the dime was again reduced in size from 18.5 mm to 17.9 mm, the same size as the clad Roosevelt dime of today.



An 1865 two cent piece grading AU-50 Brown 23 mm
[Use 3x magnifying glass or magnify to 200% to view details.]

During the Civil War, the nation, now split in two, underwent a severe coin shortage. One of the ways the Union government dealt with the crisis was to enact legislation calling for a bronze alloy for the Indian Head cent, authorizing a new 2¢ Bronze coin (23 mm) beginning in 1864, a new 3¢ copper nickel coin (17.9 mm, same size as our dime) in 1865 and finally a new 5¢ nickel coin (20.5 mm) in 1866. While Chief Mint Engraver Longacre's designs weren't exactly inspiring, the new additions proved to be successful in restoring circulating small change. There are a number of dates for the 2¢, 3¢ and 5¢ that are common and inexpensive up thru the grade of AU-55. The 1865 2¢ had a mintage of over 13,640,000 and in AU-50 is listed at only \$75.00 according to the 2012 *Red Book*. Upon magnification, the example shown has a nice coppery color, fairly strong details with all the letters of the motto IN GOD WE TRUST appearing clearly.



An 1865 Coronet copper nickel 3¢ piece graded AU-55 17.9 mm
[Use 3x magnifying glass or magnify to 200% to view details.]

Upon magnification, this attractive high-end AU specimen reveals most of Longacre's design clearly except for the lines on the three bars of III on the reverse. The absence of clarity is not due to wear but represents a common failure for the 1865 date as the first year of issue. The Mint corrected the problem for the later dates. Over 11.3 million were issued at the Philadelphia Mint in 1865, the largest mintage of the 25 year run for the Coronet 3¢ nickel piece. AU's are listed at \$65.00.



An 1869 Shield 5c nickel piece grading AU-55 20.5 mm
[Use 3x magnifying glass or magnify to 200% to view details.]

With a mintage of 16,395,000, the 1869 shield nickel is considered quite common and affordable to most serious budget-conscious collectors. During the 1890's when the above example was acquired an AU cost only \$50. Today it is listed in the 2012 *Red Book* for \$110 in AU-50 but when taking into consideration the inflation during the past twenty years, the coin has not risen in value based on today's economy.

Collecting Eye Appealing Coins: Part 1 Pocket Change

(Continued from previous page)



An 1835 Classic Head 1/2¢, C-2 R1 graded AU-50
[Use 3x magnifying glass or magnify to 200% to view details.]

This is a nice copper toned example of the 1835 Classic Head half cent. With a mintage of only 398,000 one would think the coin was scarce today. In actuality the date is one of the more common in the series and surfaces quite often at shows and internet web sites. Attractive examples are available for around \$175 in AU-50 according to the latest *Red Book*. With Extra-fines listed at \$140, selecting a chocolate toned AU-50 is a better buy. The half cent series was never popular with the public although it was needed to make change for the dime-sized Latin American silver *real* worth 12 1/2¢ in exchange at the time. There were four basic types struck between 1793 and 1857, the Liberty Cap (1793-1797), the Draped Bust (1800-1808) the Classic Head (1809-1836) and the Mature Head Coronet type, (*AKA, Braided Hair*) (1840-1857). Unlike the Large cent, there were many gaps in half cents production. Examples from the two later types are more available and less costly. Despite lower mintages for some of the later dates (1849-1857), the Coronet 1/2 cents are slightly more expensive than the 1835.



An 1849 Coronet Mature Head type 1/2¢ grading AU-50 23 mm
[Use 3x magnifying glass or magnify to 200% to view details.]

After the striking of the 1835 Classic head 1/2¢, the Mint only struck a limited number of proofs in 1836, then decided to suspend the denomination altogether. But only a few years later, an undisclosed number of proof 1/2¢s employing Chief Engraver Christian Gobrecht's Mature Head version of the Coronet large cent were coined ostensibly for collectors. These were dated from 1840 thru 1849. No mintage figures are available. There is still some doubt as to whether the 1840, '41 and '42 half cent proofs were actually struck in the years shown on the coin. In prior practice, the Mint made trial pieces (*AKA patterns*) on the higher denominations of a particular metal alloy before using them on the smaller ones. Since the new Mature Head design did not appear on the large cent until 1843, some believe the 1840-42 half cents may have been backdated. In 1849, the half cent was again placed into circulation with a large date to distinguish it from the proof only version. While the proofs are all rare and expensive the 1849 large date is available to the collector for around \$150 in XF-40 and \$240 in AU-50; this despite a small mintage of only 39,864 pieces.



An 1859 Indian Head Cent grading MS-63
[Use 3x magnifying glass or magnify to 200% to see details.]

Long before the age of third party certification collectors acquired coins "raw". They either had to take the seller's word for the grade listed on the holder or learn how to grade. In addition, one had to be able to examine the subtleties involved with a coin's surface; namely the color, the strike and effects of any distracting marks on the coin's appearance. The 1859 copper-nickel cent pictured above was acquired "raw" twenty years ago graded simply *Unc.* by the dealer and sold for a nominal sum. At the SCNA convention held in Greenville, SC last October the writer, thinking it have a chance for a '64, submitted the coin along with some others to one of the grading services. When the shipment arrived, the 1859 cent came back certified MS-65. Eye appeal played an important factor.



N 1817 Coronet Large Cent, N-16 (15 stars) graded Fine-15
[Use 3x magnifying glass or magnify to 200% to view details.]

We conclude this article with another large cent; this one grading just Fine-15. The Coronet design-type shown above was struck from 1816 thru 1839 although the modifications made by Gobrecht from 1835 on were subtle and extend to 1843 when the Mature Head type was initiated. Many large cent enthusiasts are less interested in type per se but collect by die variety. A date within a specific type may be considered common yet a specific die variety can be scarce to rare or so popular due to an anomaly in which collector demand forces up the price. The 1817 cent shown displays 15 stars on the obverse instead of the usual 13 and is an example of a popular variety within a common date issue. Finding pristine examples of the N-16 is tough, so collectors on a moderate income budget must satisfy themselves procuring a well circulated specimen. The coin shown has nice color and decent surfaces for a lower grade coin displaying enough eye appeal to satisfy the collector.

Many hobbyists are drawn to adding key date coins to their collection. An 1877 Indian cent or 1916-D *Mercury* dime represents quite a prize. Unfortunately, for most, affordable popular key date examples usually surface in very low grades such as Fair-2 to AG-3 and coins in these grades seldom have eye appeal. Imagine a complete *Mercury* dime collection with most of the common dates averaging MS-63, the less common, XF-45 with the 1916-D grading AG-3. The set is complete but the "key" is an eyesore and in AG-3, not really rare at all. When it comes time to sell, "Eye appeal is Buy appeal".

Club News

On Dec. 15, the club held its annual meeting which included the election of club officers and Board members for 2012. Nominating Committee chairman, J.C. Williams read aloud the slate of nominees which included ten members, For President, Stephen Nix, 1st VP, Glenn Sanders, 2nd VP, Howard Black, Recording Secretary, John T. Attaway, Treasurer Mike Joesbury, 1st Sgt. In Arms Bryan Hoyt and 2nd Sgt. In Arms, Joe Burt. The three nominees for the ACC Board were Larry Lucree, J.C. Williams and Arno Safran. As no other nominations were forthcoming, Committee Chair J.C. asked the Secretary to cast one ballot for the slate. The club welcomes Mike Joesbury as our new Treasurer who replaces Xavier Pique, who after ten years in that position tendered his resignation. During that period Xavier not only performed the Treasurer's duties but took on the tasks of arranging for our annual club medallion and web site while also creating outstanding articles of numismatic interest for our monthly newsletter and presenting numerous PowerPoint programs at our meetings.

For **Show & Tell**, member Rick Owen displayed some numismatic items most local clubs are not likely to see in their lifetimes; a complete group of certified US proof sets from 1900 thru 1916 plus an eight piece 1881 proof set. Rick selected the various coins from viewing specific pieces over the Internet or at public auctions. Congratulations Rick on an outstanding numismatic achievement.



Helen Barry and Arno Safran looking at Rick Owens's display of United States Proof Sets struck from 1900 through 1916
Also included in lower left corner is the 1936 Proof Set

The Program included a PowerPoint presentation by Arno Safran on "the Collecting the Coins of James Barton Longacre" who served as Chief Engraver of the US Mint from July, 1844 thru Jan. 1, 1869. During his almost quarter of a century tenure Longacre produced more new coinage designs than any other US official to hold that post. Arno displayed examples based on the chronological order they were issued, the 1849 gold Type 1 Coronet Liberty \$1.00, the 1850 gold \$20.00 (courtesy of *Heritage Auction Archives*), an 1851-O 3¢ silver "trime", the 1856 FE copper nickel small cent (courtesy of *Heritage Auction Archives*), an

1859 Indian Head copper-nickel cent, 1860 copper-nickel cent; the three Indian Head cent sub-types of 1864, (*CN, Bronze no L & with L*), the 1864 Bronze 2¢ pieces (*including both the sm. motto & lg. motto*.) the 1865 3¢ Coronet copper nickel piece and finally the 1866 Shield nickel. Also shown were special varieties such as the 1853 *arrows and rays* quarters and halves and just *arrows at date* half dimes and dimes as well as the transitional 1866-S *no motto* and *with motto* Liberty Seated half dollars. Other slides in the presentation included photos of Longacre, his wife Eliza and daughter Sarah along with sketches for some of the various cent and gold coin designs.

For the January 19 meeting we will have a new guest speaker; Mike Brown, a retired US Marine and active Deep Sea diver who will give a PowerPoint presentation on "Deep Sea Treasures of Numismatic and Historic Interest" You won't want to miss this one.

Meanwhile, bring in a numismatic Show & Tell of your own for our next meeting, at America's Best Value Inn; starting time 7:00 PM; early arrivals, 6:15.

The Prize winners for the door prize at the Dec. 15 meeting were Gary James and Elmer Singley, each winning a silver eagle. John Attaway won the 50/50 - \$80.00. Congratulations to our three winners.

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