

Greater Houston Coin Club
Member
TNA, ANA

Founded 1955

**DOUBLE
SHIFT**

P.O. Box 79686 ~ Houston, Texas 77279-9686
Incorporated under the laws of the state of Texas, 1971

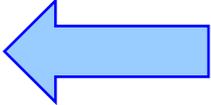
Sponsor: Houston Money Show



June 2015 Meeting

The regular monthly meeting of the GHCC will be held on Thursday, June 18th, at Houston Community College Spring Branch (BW-8 and I-10 West). There will be a normal business meeting, show & tell, committee reports, and door prize drawings. The official meeting will begin at 6:30 p.m. An auction of numismatic items will begin ten minutes after the meeting is adjourned. This time there can be EIGHT lots maximum. There will be an opportunity to set up a mini-bourse before the meeting. We are aiming to leave the building by 9:30.

Program this Month



"How To Do Coin Photography"
by **John Barber**

Gathering Begins About 5:45 p.m.

Calendar Snapshot

July 7 Directors meeting at IHOP 5:00 p.m. Money Show Coordinators 7:00 p.m.

July 16 GHCC monthly meeting at HCC, The Eagle Room

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The DOUBLE SHIFT is sent to GHCC members monthly, giving those unable to attend meetings information on the activities of the club. It is also sent to clubs across the nation on an exchange basis. Information and articles may be taken from this publication and used in other publications, giving credit to the DOUBLE SHIFT. Further information about the GHCC or the Houston Money Show may be obtained from the club's web site at <http://www.houstoncoinclub.org>.

Announcements:

All meetings except December will be in the Eagle Room. Sodas and water will be available at the GHCC meeting. Snacks are also welcome, as long as we leave the place clean.

Please consider volunteering to do a program at an upcoming GHCC meeting. Tell Bill Watson you will be able to help with a program for July or later.

The GHCC is observing and commemorating the founding of the club in 1955 with a 60th anniversary medal. The medal was recently produced by Daniel Carr at the Moonlight Mint. Distribution of one “free” bronze medal to each member of the club began at our April meeting. If you have not picked up yours, do so at a GHCC meeting through July. Plans for a second and final production run of the medal in silver and copper are being made, but the schedule is not yet firm. Actual distribution of the medals will be before the call-to-order of the meeting and during the break after adjournment but before the auction. See Barbara Prinsen as you come in the door to claim yours.



Future Educational Presentations

June -- “How To Do Coin Photography” by John Barber

July -- “What I learned at Summer Seminar” by our scholarship recipients

August -- “Ancients” by Gene McPherson

New Applications for Membership

The following applications for membership have been approved by the EC and need approval by the membership at the next meeting:

Don Whaley (Regular) Oded Paz (Regular) Albert Schoen (Regular)
John Murray (Regular)

Minutes from the May Meeting

Called to Order – by Jack D. – President at 6:30 PM, May 21, 2015

Welcome of guests and visitors – Bill K, Al S, John M

Show-N-Tell – **Tom S**, Chairman

Bruce B Book by friend of Marvin Zindler about Marvin. The book belongs to Mike G.

Ricardo D American coin – American/Mexican war coin to celebrate the unique event. Depiction of an American battleship; originally made in silver and copper. Bronze was made by a moonlight minter in the same size as the silver & copper given to sailors. Dec 1846 event. Passed around the bronze version.

Andrew C passed around 1921 mercury dime bought as 192x coin and he identified the 'x' as a 1.

Benton M commemorative issued by the Canadian Mint – United Nations commemorative for an animal sanctuary. It has a bison and a panda on it.

Ralph R. – Talked about national coin week, which was about a month ago. He brought some of the 92nd anniversary tokens that were struck to commemorate and left enough to share with everyone. He also talked about the annual TNA coin show next weekend ; he is also up for ANA board of governors reelection.

Sebastian F - brought Guatemalan coinage. Discussed 1808 Charles the 4th; updated with new King Ferdinand the 7th. Discussed how coins continued to be minted with the improper king depicted. It wasn't until 1812 they went back and made the coins with the proper portraits for 1808 and 1809.

Show-N-Tell Winner: **Andrew C.**

Program: Introduction- Bill W

Program – Richard Hyde - "**Guerrilla Coin Collecting**"

Key points – how to collect outside normal route. Where to look for coins. Collecting ideas. Real world examples.

1. Make friends with your banker. Get to know them – they can help get collectibles.
2. They can help keep an eye out for things you are looking for.
3. Some things I've received: 1922 silver dollar; commem JFK 50 cents; bicent lke; roll of Franklin halves for 20; candy striped treasury rolled coins; silver certificates; weird money as the bank calls it.
4. Bring donuts to the tellers☺
5. Coin roll hunting! Massive amounts of coins. Forget nickels dimes and quarters –probably poor quality anyway. Handled too much. CRH – multiple coins for silvers, proof and error coins. Need a bank who will order boxes of rolled coins for you.
6. Order coins ahead of time. Pick up from one bank... drop off at another bank.
7. Have a wide working area, lay cloth down, use hand sanitizer;
8. In the one box he found a 1968-D, 1967, 1964, and 1992 proof
9. Showed his coins found, vs time spent, vs value. Easily worth his time to spend time going through the rolls. The more the collector does, the easier and quicker it is to go through the rolls and boxes.
10. Does do cents as well... has found a couple nice au early cents.
11. Coinstar.. check the hoppers for kickouts; check old furniture, desks, couches; check your clothing pockets... etc. garage sales; check your yard – buried coins.
12. Sheets passed out for evaluation

Other Business

Bill W. Wendy R showed up from Thailand and wishes to renew her membership; Bill W. gave check and membership application to Claude M. **Melvin N.** did wheat back study – to be published in *The Numismatist*. **Claude M.** shared his coin finds when getting coins for the toll booth

Regular Business Meeting:

Members were urged to pick up 60th anniversary medals if they haven't done so already

Annual TNA convention is in Arlington, 5/29-31 several of us will be there

Secretary **Barbara P.** filling in for **Rick E**

Mintage amounts of club coin – we ordered 80 silvers and 170 copper medals. We will be ordering a 2nd and final order to fill requests and a couple extras.

Thank you to **Scott B.** and **Jack P.** for manning the booth at the San Jacinto event

Election of Proposed Members:

Ian Fenn, John Connolly, Jeff Scholtz (Regular members) –

Jack D. made motion to admit new members.

Sebastian F seconded;

All in attendance confirmed.

New business:

Report of Houston Money Show –

Heritage is signed for Dec 2015 show. Table sales are comparable to last year. Some reluctance in early signups so they can delay sending in cash due to personal economics.

Also looking for volunteers for the money show – Claude invited to the meeting at the lhop. Jack would like to see more volunteers. June 9th is next money show meeting. Will be one hour.

Report of Treasurer – passed out 2015 membership list for review; 2014 who have not paid for 2015

We are still taking suggestions for alternative places to meet outside of here. The current lease is up in September. We may sign on again, but we would still be interested in alternative places to keep in mind.

Attendance Door Prize -- **Mike G.**

Adjourned. Club auction to follow.

Road Trip

Several GHCC members attended the Texas Numismatic Association's annual convention in Arlington May 29-31. Some received exhibit awards and some received literary awards. All appreciate the good job TNA officials do....



Guest Article, with permission

Grading for the Rest of Us by Tyler CC member Lane B.

A Sticky Situation



In the early to mid 1980s the rare coin market was in a frenzy. Fresh on the heels of the meteoric rise and fall in precious metals pricing, rare coins were promoted as the investment of the future. During this time it became clear there was a problem with grading coins consistently. The American Numismatic Association Certification Service (ANACS) was the only accepted third-party grading service and their coins graded at higher mint state levels were now being discounted in the marketplace.

While this grading problem was well known amongst dedicated collectors and dealers, the casual observer could easily be confused. What officially graded and stated as an MS-65 was now being traded as an MS-63. This was so potentially destructive, that the ANA Board of Governors issued a statement alerting its membership how the grading standards in the hobby are changing. The ANA grading standards were no longer keeping pace with the hobby's grading practices.

In late 1985, a few months before the startling ANA announcement, a group of expert coin dealers gathered in California to address the grading problem in numismatics. These dealers, led by David Hall, formed the Professional Coin Grading Service (PCGS) forever changing how we approach coin grading. This new company would encapsulate the coins and assign a single grade (ANACS used a separate grade for the obverse and reverse) and, most importantly, would guarantee the coin's grade. Around the same time, some similar-minded folks gathered in Florida to form the Numismatic Guaranty Corporation (NGC), which followed many of the same principles of PCGS.

Coins in these slabs, as the holders were called, were traded more readily as sight unseen commodities and the grading problem in the marketplace was somewhat dampened. As a result, all was well in the Kingdom of Numismatics, or so we thought.

Over the next couple of decades, PCGS and NGC would become the leaders in numismatic certification. But the problem of changing grading standards remained. PCGS and NGC did much to standardize grading during the timeframe when a coin was graded. However, it was well known that a coin graded and encapsulated years earlier might not grade the same in the current market. In fact, most of us have probably heard the pitch that a coin in an "old" holder will be a sure thing for an upgrade if submitted for grading today.

We also have the variability associated with people grading coins, even if those people are the paid grading professionals at our most trusted third-party grading companies. If the same coin is submitted over and over to the same grading company, there is a chance it may be assigned a different grade each time. This is so well understood in the hobby that "cracking out" and resubmitting a coin is a way to "improve" the coin's grade so the coin can be sold for more money. Of course, sometimes the coins are return at lower grades much to the disappointment of the submitter.

The promise of coins as commodities never materialized. One reason is not all coins graded the same are equal. As an exercise, take a look at a dozen uncirculated Morgan dollars of the same year and mint, graded by the same grading company, and assigned the same grade. It's very likely, if you have a keen eye, that you can rank them into "low," "medium," and "high" quality categories for the grade. Some coins are really nice examples of the grade and some are not so nice. So prevalent is this difference of a grade within a grade that someone ought to do something to help collectors and dealers wade through this mess. One dealer had such an idea, and it stuck [please forgive the pun].

In 2007, John Albanese, who was part of the original dealers who started PCGS,

recognized the market was not supporting those “high” categories within a grade and allowing the “low” category coins to suppress values. He started the Certified Acceptance Corporation. (CAC) His company places a sticker on already certified coins that meet or exceed the current grading standards. In other words, CAC verifies the grades assigned by PCGS and NGC. Coins that CAC determines meet the standards receive a green sticker and those far exceeding the standards earn a gold sticker. The market has responded positively and coins with CAC stickers generally sell for higher prices than similarly graded coins without stickers.

While there is much lore in the hobby as to exactly what determines whether CAC “stickers” a coin or not and what that sticker means, it is safe to say that coins with green stickers are nicer coins that are graded appropriately and those with gold stickers are very nice coins that, if resubmitted, would likely grade higher.

CAC is not the only independent grade verifier, but they are the most recognized in the hobby. Others, such as the World Identification and Numismatic Grading Service (WINGS) specialize in a particular segment of the marketplace. Also keep in mind that some folks put random stickers on their coins just to draw attention, so it’s important to know what those little stickers mean.

Next time you see those colorful stickers on your favorite PCGS or NGC coins, take a moment to appreciate that a lot of history and knowledge has lead to the sticky situation we are in now.



(Sticker on the left: Certified Acceptance Corporation
Sticker on the right: World Identification and Numismatic Grading Service)

A Perspective on Collecting . . . Thoughts From the Former President

Reprinted from the current issue of the Tyler Coin Club Newsletter

A Visit to Your Editor’s “Coin Cabinet”

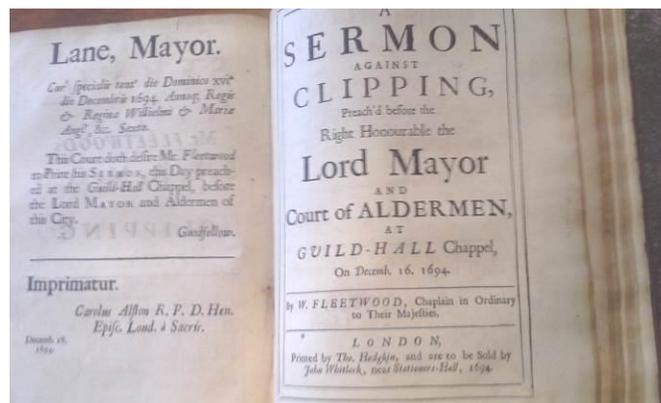
A Visit to Your Editor’s Coin Cabinet



(Above is a clipped Kennedy Half Dollar from the 1976 “Bicentennial” Series. Clipping is a result of the minting process whereby pieces of the planchet are separated by cutting error during production at the mint.)

A few years back my Houston – based friend Dan Canterbury presented me with an item which touched on three of my primary areas of life’s interests: being a bibliophile, numismatist, and a Christian servant professional, aka a United Methodist pastor. Dan gave me a “book,” actually a series of late seventeenth and early eighteenth century pamphlets, which he had bound together on an ancient book press he had acquired and learned how to use. All of these pamphlets were true to the Christian tradition of using mass media to spread the word. These bound pamphlets are printed sermons preached and then distributed starting as early as 1682 and ending with a sermon preached as late as 1712. The fruit of the printing press was the best mass media available three and a quarter centuries or so ago.

Strangely enough, I didn’t, until just a few months ago, dig through the complete volume of more than a dozen individual works in pamphlet form bound into one. Honestly these sermons are all quite wordy and theologically deep when compared to preaching in the “Bible Belt” of East Texas. When I looked over the volume again I noted one sermon in particular by a fellow named William Fleetwood, a leading figure and the most popular preacher in the Church of England during the day. The title of the work in my collection, courtesy of Dan, is a “*Sermon Against Clipping*,” which was preached on December 16, 1694. In this work Fleetwood, who was also known as an economist shared thoughts on the “clipping” of gold coins, on the function of money in general, and the “mischief of corrupting and debasing money.”



(The picture above shows the title page from a 1694 sermon preached by William Fleetwood on “Clipping.” Your editor has this work in pamphlet form. This nearly ancient document touches upon three areas of your editor’s life priorities.)

We are all familiar with the practice of “clipping.” Not clipped coins we encounter today which have pieces missing around the edges owing to the process of minting. An example of this sort of “clip” is pictured at the beginning of this article. I speak of numismatic items the clipping of which occurred when unscrupulous individuals took coins of specific intrinsic value in gold or silver, and shaved or clipped a small piece off of the edge before returning the coin to the market place. The small clippings accumulated over a period of time and would be melting down, by the before mentioned individuals of “mischief and corruption,” resulting in a gradual profit for the perpetrator one clip at a time.

The premise of the sermon mentioned above deals with honesty. Pastor William Fleetwood reminded his target audience that one of the visions for people of faith is to

maintain a life of purity and as best as possible one which promotes the “Golden Rule.” As you know that means treating others in the way in which each of us would choose to be treated. The sermon shares that the act of clipping is cheating someone out of his or her due, albeit the coin’s next recipient, or a merchant who offers his services or wares in good faith receiving the coin for the value expected. Clipping devalues labor and thus cheats the person next in line as the coin travels from hand to hand and person to person.

For us this is a bit extreme perhaps since we no longer have silver or gold in our pockets, bags, or purses. But we do understand the nature of value and do trust that when we have a dollar it is worth a dollar, in our case as legal tender, in the case of more ancient times, in intrinsic value.

The language in the pamphlet is definitely time bound. From the experience of a twenty first century student the read was difficult, yet very interesting. We recognize that much of the way in which coins are minted now come as a result of those who chose to “clip” back in the day of Fleetwood. As I understand it “reeding” and other features on the edge of coins, including the raised patterns found along the edges, were originally included as hedges against the practice of clipping. Just image how different coinage would be without those design factors.

Even though the practice of making coins differs, along with the metallurgy, there is still the basic message of the sermon in place; we do our best when we remember to give others their due, not only in basic business transaction but also in the business of life. I am pleased to be part of an organization which keeps those ideals. It is rare to be in a group, outside of the church, where we start our time together with prayer and concern for others. In the thoughts of William Fleetwood, pastor and later bishop of the England in the late seventeenth and early eighteenth century, such care involves even the most minute, and nearly undetected practice of “clipping,” because clipping is a sign of disrespect and results in cheating someone else.

I recognize that these are a few odd thoughts here from your editor. Thanks for your time.



(Reverse of Medieval British Silver Penny. Note the edge from approximately 9 to 10 o’clock as the coin has been shaved or “clipped.” The practice of clipping was a major issue in England during the 18th century. This illegal practice resulted in safe guards on coins including “reeded” edges and more definitive, raised edges on the coin’s field. Such a practice was even considered “sinful” by pastors of the time such as William Fleetwood who preached a sermon titled, “*Against Clipping*”, on December 16, 1694.)

Regards and God Bless . . . Richard

UPCOMING SHOWS



**59th ANNUAL
HOUSTON MONEY SHOW**

Thursday December 3, 2015 1 pm – 6:00 pm

Friday December 4 10 am – 6:00 pm

Saturday December 5 10 am - 5:00 pm

GEORGE R. BROWN CONVENTION CENTER

1001 Avenida de Las Americas

Houston, Texas

Gail Brichford, Show Chairman

Claude Mathes, Dealer Relations Chairman

Questions for Dr. Coyne:

- 1) What is a “milled coin”?
- 2) Did the U.S. Mint ever do any work for Canada?
- 3) When did Canada transition to a non-silver circulating coinage?
- 4) What is the “Population Report”? Who uses it?
- 5) What is the most recent issue of red seal U.S. Notes for our currency?
- 6) Which coin series are primarily associated with these terms?
-- full bell lines

- full head
- near date
- full steps

7) Is this piece a U.S. coin?



[If you feel Dr. Coyne has slipped up on any of the responses, please tell Bill Watson.]



A worthy type coin?
Indeed. A genuine proof.

Dr. Coyne responds:

- 1) The term “milled coin” has at least two meanings in numismatic. The general meaning is that the coin was produced using “machinery”, such as a screw press or modern hydraulic press and not “hammered” by hand between dies. The other common use is to describe the edge of the coin as “reeded” or having grooves across the edge, originally as a deterrent to clipping or shaving.

- 2) The most recent U.S. Mint work for Canada came in 1968 when the Canadian mint was unable to keep up with demand for domestic coinage, particularly quarters. They asked our Philadelphia mint to produce dimes for them using Canadian-made obverse and reverse dies. Many millions were made. We can distinguish the Philadelphia-made ones from the Canadian-made ones because Philadelphia used the regular U.S. collar dies, and they have a different shape to the edge reeding than the Canadian ones. The U.S. dime also has more closely spaced reeds (118). Side by side comparison shows up the difference.
- 3) Canada transitioned to a nonsilver circulating coinage at approximately the same time as the U.S. Their pre-1967 10 cents, 25 cents, 50 cents, and dollar were 80% silver, with 0.6 fine ounces per \$1 face. The 10 cents and quarters dated 1967 came in both 80% and 50% silver versions. The 1968 10 cents in silver continued for a small part of the production. The end of silver halves came in 1967. Later pieces of each denomination were nickel, and are magnetic, making them easy to distinguish from the silver ones.
- 4) A "Population Report", such as that issued periodically by PCGS, NGC, and ANACS shows how many "grading events" have taken place for each coin (by date, mint, variety, etc) by that firm. Over time, this valuable data has exposed which coins are truly rare and which more common. But a "grading event" is a submission which resulted in a slab tag being issued. Thus it suffers the defect of failing to account for prior submissions of the exact same coin. We know that some coins have been submitted multiple times (after being broken out of the prior slab) in an effort to "score" an upgrade. Also, there is no accounting in the population reports for coins submitted and rejected for cleaning or other defects in the time period before the slabbing companies began issuing "details" or "qualified" slabs.
- 5) The most recent issues of a Red Seal U.S. Note came with the Series 1966A \$100 note, showing Ben Franklin in the traditional "small portrait". For many years now, all we have seen on new notes of all denominations has been green seal Federal Reserve Notes.
- 6) Full bell lines is associated with Franklin halves as a measure of good strike.
Full head is associated with Standing Liberty quarters as a measure of strike.
Near date is associated with Anthony Dollars as a die variety.
Full steps is associated with Jefferson nickels as a measure of strike.
- 7) The illustrated piece is not a federal U.S. coin, nor an official pattern for one. It is a 1925 commemorative Norse Centennial medal, authorized by Congress, and coined at Philadelphia on the presses that usually struck half dollars. But unlike the rest of the classic commemorative series, this piece is not a coin as it has no denomination and was never intended to circulate as money.

Coins-For-A's Program Progress Report

The CFA Program was quite busy in May as the mail brought CFA applications from individual students and teachers acting on behalf of whole classes. In May, the program reached 185 students, including groups in three schools. The administrator is now in her eighth year with this program. The CFA inventory is being continuously restocked. It is now adequate in most areas, but donations are always appreciated! The administrator continues to receive a stream of "thank you" notes to GHCC for this program. Students apply for awards individually and through their teacher at schools.

Publisher's Editorial Page

(Views here may not reflect the views of the GHCC or its officers)

Your editor is about to go away for the best week of the year to Summer Seminar in Colorado Springs. Since preparation time is short, the publisher's editorial this month needs to be a carefully selected reprint from the archives – February 2006.

Insidious GradeFlation

This is a diatribe against what your scribe sees as the biggest abuse perpetrated by the professional grading services (including all of them, but especially PCGS and NGC).

At a local coin store the other day, and again in the aisle at our recent Money Show of the Southwest, there were conversations overheard that went something like this:

New collector (or Collector/Investor): "What's the hottest thing in U.S. numismatics now? What should I be looking to collect?"

Dealer or professional grading service: "Look at the auction records on these modern coins with super-grades of MS-67 and higher. They are bringing huge money. And think of the fame you can get by putting together a 'Registry Set'™."

Now my beef with this whole scenario is that the coins they are touting are basically common coins that are indistinguishable from millions of look-alike coins which have not been slabbed (and thus have market values of only a few dollars, if that). It may

be true that the 'Population Reports' which are the census of coins so graded shows only a few graded, but there are sure to be more all the time, and an early investor can thus only see his once "rare" slabbed modern coin joined by more and more. This cannot be good for the market value of the ones slabbed early.

Even this outlook would not be so troubling if grading were truly stable and reproducible, but the facts suggest that even the top grading companies cannot consistently grade a given piece. Resubmissions are very common, especially by those seeking "super-grade" marks on coins with a very steep price curve as you go from MS-65 to 66 to 67 or higher. This makes any finding of, say MS-68, on a given Jefferson nickel a thing to "value" only while it is in the slab --- seeing only the coin, different observers or even the same observers on a different day might think it only MS-67, and thus unworthy of any high market value. Is this a rational basis for investing in coins? To me, it isn't even investing in coins --it is betting on "plastic opinions".

These troubling conditions are present even while "grade-flation" is impacting all coin grading -- even that of issues old enough that they are not modern. Grading interpretations have been cyclical for a long time, but in the most recent two or three years we have seen a verifiable loosening in the standards for a given grade. Many coins graded several years ago would now upgrade (using the new terminology). This includes such items as buffalo nickels in fine-15 condition as well as Morgan Dollars in MS-64. I have no evidence that this gradual loosening is sponsored by the professional grading services, but it certainly serves to enhance their revenue stream by encouraging a steady flow of resubmissions. But GradeFlation reaps a particularly vicious cost on the inexperienced buyer of super-grade modern coins, because it makes so many more of the almost identically appearing pieces that are still out there in the raw state eligible for slabbing. I'd say this does not bode well for the future market value of the some of the modern pieces we have seen bring big money at auctions.

John Barber

Meeting Reminders

- Arrive early to socialize with other members.
- Bring an item and a MAXIMUM 3-minute story for Show and Tell.
- Consider volunteering to bring snacks for a meeting.
- Bring a guest to the next meeting.

GHCC EXECUTIVE COUNCIL 2015-2016

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These terms end April, 2016

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The **HOUSTON MONEY SHOW**