

Greater Houston Coin Club
Member
TNA, ANA

Founded 1955

Sponsor: Houston Money Show

**DOUBLE
SHIFT**



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

April 2015 Meeting

The regular monthly meeting of the GHCC will be held on Thursday, April 16th, 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

"GHCC Financials"
by **Claude Mathes**

Gathering Begins About 5:45 p.m.

Calendar Snapshot

May 12 Directors meeting at IHOP 5:00 p.m. Money Show Coordinators 7:00 p.m.

May 21 GHCC monthly meeting at HCC, The Eagle Room

May 29-31 Texas Numismatic Assoc. Convention, Irving, Texas

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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 June or later.

The election of officers took place at the March meeting; Installation will be at the April meeting. We welcome Jack Domurat as our new president and welcome Barbara Prinsen to the Board.

The GHCC will observe and commemorate the founding of the club in 1955 with a 60th anniversary medal. The medal was recently produced by Daniel Carr in Loveland, Colorado. Distribution of one “free” bronze medal to each member of the club will begin at our April meeting. Invoices for additional ordered bronze or silver medals have been sent by Claude. Delivery of ordered silver and extra bronze medals will be at the April meeting. You can mail in a check or bring it to the meeting.

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

April -- “GHCC Budget and Financial Results” by Claude Mathes

May -- “Guerilla Coin Collecting” by Richard Hyde

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:

None (Regular)

Minutes from the March Meeting

Called to Order – by Alan M. – President at 6:30 PM, March 26, 2015

Welcome of guests and visitors

Jeff S., Larry, Visitors

Show-N-Tell (Tom S.)

Benton M. – Native American Issued coin with image of a buffalo – Sioux Indian tribe

Larry R. – Commemorative issue - 1928 Hawaii Commemorative – And other issues -

Bruce B. – Book on artist rendering of historical site and then picture of it now.

Michael C. (Young Numismatist)– Capped bust lettered edge Half Dollar 1818/17.

Sebastian F. – Challenge Coin – From his new job without a bad memory.

S-N-T Winner – Sebastian

Bill W. Introduced Sebastian F. for the Program, ...”Shield Nickels”

He gave a historical perspective of uses of a Nickel - mostly humorous.

Then followed an in-depth survey of the “Shield Nickel.”

Discussion of proofs, circulation issues and patterns.

Five new Members elected to membership – Scott B., Melissa B., Michael J. T., Michael C., Tracy C. by voice vote with no dissents.

Nominations opened for officers and directors – proposed slate elected with no other nominations

All officer and directors stood and were recognized. Jack D. – President, Bill W. VP, Claude M. – Treas., Rick E.-Sec., Barbara P., Mike G., Larry R., John T., John B., Past Pres Gail B.

Rick E. – ANA Report, ANA Club Bucks, and membership report, and 60th medal Report
Claude – Money Show report – 90 booths sold

Door Prize – Jack D

Adjourned.

Club auction to follow.

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"

During the American Civil War one of the greatest challenges on the home front, particularly in the South, was that of finance. All available funds were needed for the war effort including every form of tangible fiscal items. This practice resulted in very little coinage in circulation therefore even basic commerce became a challenge. Because of the distance of Texas from the seat of Confederate government, even Confederate paper money, which was printed in abundant quantity especially during the last years of the war, was not to be found.

A majority of the states in the Confederacy had laws allowing for the printing and issue of state currency. Today notes from states such as North Carolina, Alabama, Louisiana, Mississippi, Florida, and Georgia can be found at reasonable, even low prices. But the legislature of Texas, probably in part remembering the fiasco of Republic of Texas paper money, a recollection of only fifteen years prior to the founding of the Confederate States of America and the start of the Civil War, made the decision to keep Texas away from any official state currency.

In order to cover basic needs the congress did allow for the printing and distribution of "Treasury Warrants." These pieces of paper were issued, as we would write checks, to pay for various claims against state government for both "civil" and "military" purposes. The catch came down to the fact that there was no way for these paper "checks" to be redeemed except for more paper. So the practice developed early during the war years for these Treasury Warrants to pass from person to person, starting with the first payee and moving forward from hand to hand, and thus becoming a de facto form of circulating fiscal paper, aka currency.

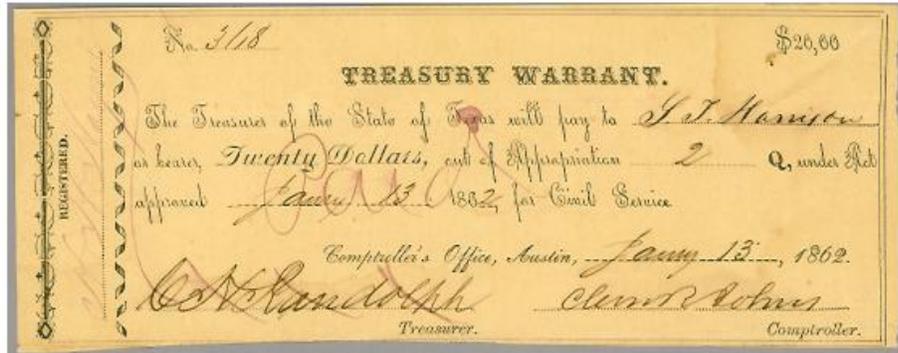
It is interesting to note that even though each note does carry a line for payment these are never seen with payee endorsement signatures on the back. Your editor wonders if this was by intent so that the warrants looked more like currency and less like checks.

Texas Civil War era Treasury Warrants exist in three distinct series. Each one has a blank for payee, for date of issue, for the appropriation which granted approval for the covered expense, and a blank for the appropriation date. In all three series there are notes which have set denominations as well as one in each in which the denomination is intentionally left blank in order to fill in odd amounts in dollars and cents.

Texas Treasury Warrants are available in a reasonable quantity today. Even though in proportion to other types of Texas scrip these are relatively inexpensive, the value of Civil War era Texas Treasury Warrants is on the increase as they are being discovered by collectors.

Following are examples of one note from each of the three unique series of Texas Treasury Warrants plus a piece of lagniappe. These images are smaller than full

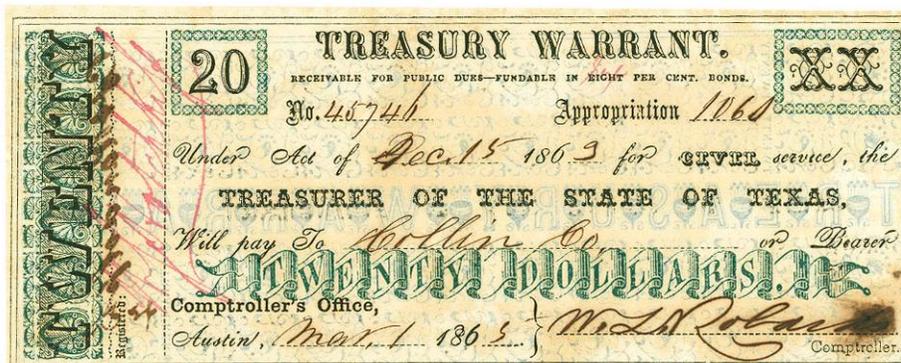
size. In actuality Texas Treasury Warrants from the Civil War era are the size of large United States paper money.



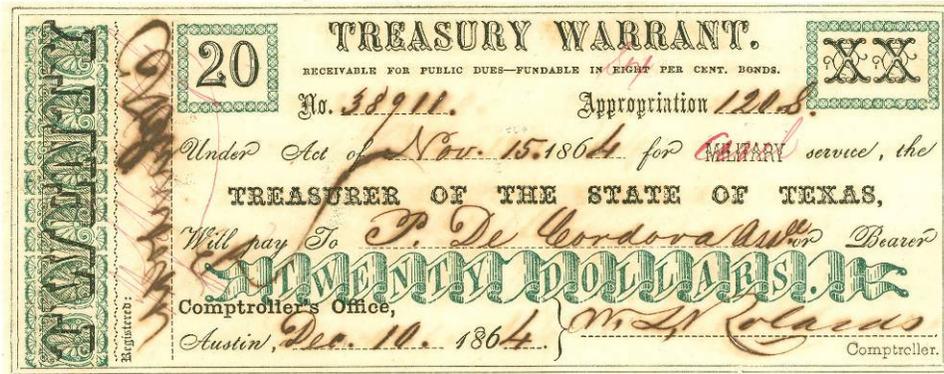
(First Series of Treasury Warrants were hastily printed using simple type-set procedure. Note the lines for payee, appropriation, appropriation date, and warrant issue date. The above example, for Twenty Dollars, was issued for "Civil" purposes. All Civil warrants are countersigned in red ink.)



(The Second Series features notes with colorful overprint. The warrant pictured above is for "Military" purposes. All Military notes are countersigned on the left in blue ink.)



(Notes of the Third Series bear basic features in black type along with some figures and design features in green overlay. The reader can see a shadow of a reverse design. Note the blue shadow images just under "Treasurer of the State of Texas." Also notice the adjustment on the promise of interest to be paid from "eight" to "six" percent.)



(And just about the time you've got the pattern sort of figured out here comes a hybrid. Note the adjustment on the purpose for issue. On this piece of obsolete paper a warrant for "Civil" purposes was needed and one was not available. The solution was taking a "Military" warrant and making a minor adjustment from "Military" to "Civil" with the convenient stroke of a pen. Hybrids such as the note above command a premium when collector value is considered. The heavy endorsement at the left is that of the government's redeeming officer and signals the return of each warrant to the treasury.)

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 “railroad rim” and how does it occur?
- 2) Did the U.S. ever have a copper coin whose intrinsic value was equal to or greater than its face value?
- 3) Are there Deep Mirror Proof-like Morgan Dollars available for all years?
- 4) What is a “Mega” Red Book?
- 5) Which issue is generally regarded as the most beautifully engraved U.S. paper money ?
- 6) Do the Third Party Grading companies charge a fee if they “body bag” my submission?
- 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?

No. It is a dealer's store card

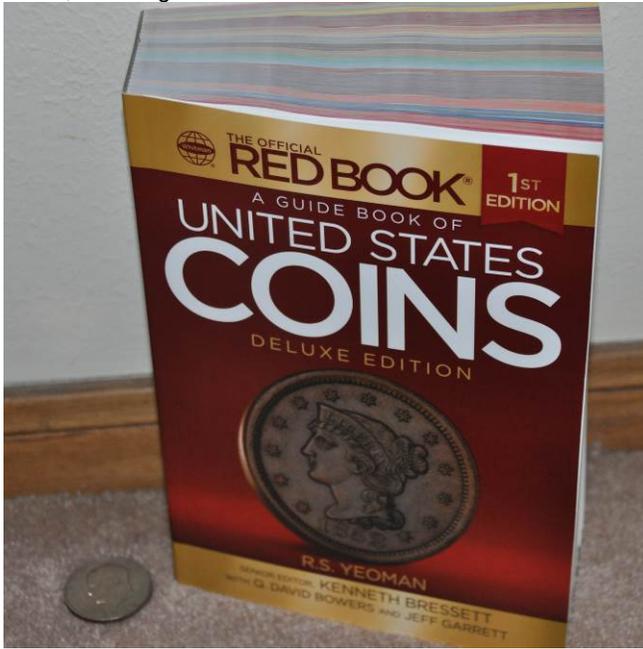
advertisement

Dr. Coyne responds:

- 1) A railroad rim is a type of striking error. It occurs when a planchet fails to fully enter the collar surrounding the coining chamber in the press. The part of the planchet outside the collar (usually above it) is not constrained by the collar and remains unstruck as the obverse and reverse designs are impressed. The coin is thus a bit oversized, and the profile of the edge looks something like the profile of a railroad track.
- 2) This is somewhat of a trick question; the most recent example of a U.S. coin where the intrinsic value is above face value is the current Lincoln Cent. The price of zinc and copper has increased to the point where there is negative seigniorage – the cost of metal plus the costs of striking are more than the one cent face value. This is part of a long term trend. The amount of copper in earliest Large Cents had to be reduced to avoid the same situation in 1794. It happened again at the end of the era of the Large Cent in 1857 and again in 1864. History repeated in 1982 when the current mostly-zinc cent was adopted. In the 21st century, even the copper-plated zinc coins are worth more as metal than in face value. Discussions on what should be done with the cent are ongoing.
- 3) Deep mirror proof like Morgan Dollars come only in certain years and are scarce compared to coins with regular business-strike uncirculated surfaces. About two thirds of the dates/mints in a set are known by at least one encapsulated DMPL coin. No coins reaching DMPL standards are known for the other one third of the set.
- 4) The “Mega” Red Book, formally to be known as the Deluxe Edition, was introduced at the March Baltimore Coin Show by Whitman. It seems to verify the claim that the Red Book is the go-to one-volume library for U.S. coins. Per

Dennis Tucker,

Billed as the “biggest, most useful Red Book ever,” the *Deluxe Edition* measures 7 x 10 inches and has 1,504 pages. The larger size and increased page count combined make the *Deluxe Edition* five times bigger than the regular-edition Red Book. It prices 8,018 items in up to 12 grades each, with 50,205 individual values and 16,667 auction records covering circulated, Mint State, and Proof coinage. The book is illustrated with 5,753 images.



Whitman has the list price at \$49.99; seems like a bargain for the contents!

- 5) Most U.S. coin collectors would agree that the St. Gaudens \$20 piece is the most beautiful coin design. The paper money collectors seem to favor the “Educational Series” of \$1, \$2, and \$5 notes of 1896 as the most beautifully engraved.



6) The Third Party Grading companies have long had the policy of keeping the full fee if they find it necessary to return a submitted coin without slabbing it. Up until around five years ago, the most common reason for “body bagging” was evidence that the coin had been abrasively cleaned (“improper cleaning”). At that point, the TPG firms began slabbing these and other minor problems in “details” slabs which gave an opinion on degree of wear, but also listed the reason for not placing the coin in an unqualified slab. Lately, even holed and plugged coins make it into “details” slabs. Now, the usual reason for body bagging is that the TPG does not believe the coin is genuine. Modern Chinese counterfeits are returned bagged, though some vintage “circulating counterfeits” are slabbed with full identification on the tags.

7) The illustrated piece is not a federal U.S. coin, but it is a Colonial issue. It is a “1652” Oak Tree Shilling, made in 1660-1667 in John Hull’s private mint just outside Boston. It is one of the earliest silver coins struck in lands that would later become the United States. This issue was made before the more famous Pine Tree Shilling, but all the “tree” shillings show the same date, 1652, as that is the date the mint was established and also the date when England had no king to object to a colony making its own coinage.

Coins-For-A’s Program Progress Report

The CFA Program was on Spring Break in the last half of March as the mail brought CFA applications from individual students and teachers acting on behalf of whole classes. In March, the total of students served was 48, including a large package for Lynn Lucas School in Willis. 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.

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Publisher’s Editorial Page

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

The Third Side

At the recent Baltimore coin show, your editor found the table of his favorite Texas numismatic couple and began to study the offerings in their case. The material shown had the mark of a superior “eye” in inventory selection by the couple. It centers on the classic U.S. type collector pieces which your editor usually finds irresistible. Their inventory this time was heavy on half dollars. There were multiple examples of 1807-1836 lettered edge coins. There were many of the comparatively scarce reeded edge models of 1836 to 1838. It was time to recognize the importance of that “third side of the coin” – the edge -- for its importance.

From ancient times through the experience of Europe, and continuing to Colonial and post-Colonial times in America, authorities noted that there were always those in society that would seek to profit from shaving, clipping, abrading, or otherwise removing metal from silver or gold coins which passed through their hands. They would then spend the now-lightened coin at face value. The shavings or clippings were then melted and sold for profit. Authorities sought to make this crime harder to pull off by making the edge of the coin tamper-evident. A good way was to impress an edge device, such as lettering or reeding, which if removed would signal that the coin had reduced diameter – without having to measure it with tools! The earliest coins of the infant U.S. mint had incuse lettered edges on all denominations with planchets thick enough to accommodate it, and reeded edges on planchets that were too thin to allow lettering. This included even the copper coins of 1793-1795, and all silver and gold coins.



The edge treatment in those days had to be applied in an operation separate from striking the obverse and reverse. This occasionally gave rise to an error coin made with doubled or partially missing lettered edge.

It was a technological breakthrough and a genuine productivity enhancement for the mint when in 1836 the first U.S. coins were struck on steam powered presses with a close collar which could be engraved to make a reeded edge. The half dollars of late 1836 were the first to have this.



It is unclear why the Gobrecht Dollars of December 1836 were struck in a plain close collar, but by 1837, all U.S. silver and gold coins (except the tiny trimes and the short run of twenty cent pieces) were being made with reeded edges from a close collar.

If we now flip the pages of history to 1907 when the St. Gaudens double eagles were being designed, we see an innovation: The edges are lettered, but the lettering is in relief and not incuse as it had been in 1793-1836. Furthermore, these coins had to be made in a coin press with no subsequent operation for applying the lettering. This requires that the collar (engraved with the lettering) must split apart and withdraw from the edge of the coin a moment after striking so that the now-struck coin can be ejected from the press without scraping off the lettering. Evidence that there was a mechanism for doing this comes from the "witness marks" or faint joint lines that are left on the edge of the coin, showing where the collar split.



The use of this engineering feature ended on U.S. coins with the production of the last \$20 pieces in 1933.

In the modern era (not the focus of your editor's collecting!), we have seen the return of edge lettering on the Presidential Dollars and the Sacagawea Dollars. In this case, however, the lettering is applied in a separate operation from the impressing of the obverse and reverse designs. This leaves open the possibility of coins released without having the edge lettering applied (bypassing this step in production by accident).



[Geo. Washington Dol.]

It takes one of the new-style prong holders to be able to see this in a slab. Perhaps it was the discovery of these modern error coins which prodded the grading companies to invent this kind of holder. But collectors of classic-era coins also appreciate being able to see the edge in a mostly unobscured way.

They say the obverse is the “money side” when appreciating coins and attempting valuation, but your editor says: don’t ignore that third side when considering a purchase. It can hold many interesting keys and may help you unlock value.

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**