

RNA




News

The official journal of the Rochester Numismatic Association


National Coin Week
Celebrate April 16 - 22, 2006

The munitious




Ben Franklin said, "A penny saved is a penny earned."

The American Numismatic Association says, "A penny saved is history learned!"




Benjamin is the only non-president ever depicted on currency and coined money. He worked for a while at the business of printing money and even devised a method to prevent counterfeits. Franklin would capture the image of a leaf - its veins as distinctive as a fingerprint - and include it on the printed bill.



Benjamin Franklin
Born 300 years ago on January 17, 1706

Come to a coin club meeting!!!



Free! Everyone welcome!!! Refreshments!

Where and when:
RNA meets the first and third Thursdays of each month
RJNA meets the third Friday of each month in the Eisenhart auditorium at the Rochester Museum and Science Center 657 East Avenue, Rochester NY
Adults come to an RNA meeting April 6th or April 20th
Kids join the fun at the RJNA meeting April 21st, 7:30pm to 9pm

Rochester Numismatic Association (RNA)
Rochester Junior Numismatic Assoc. (RJNA)

National Coin Week Issue

RJNA Poster Contest winners • Ken Traub fights deceptive ads • PLUS: Ready for Edie's big banquet?

April 2006

Attention Coin
Collectors:

I recently contacted Mr. Nachbar about selling my coin collection. I have been collecting coins since 1962 as a teenager. Over the years, I have met the Good, the Bad and the Ugly. No, not the actors in the Clint Eastwood movie, but coin dealers. If you are interested in selling to (or buying from) the good, contact Mr. Richard Nachbar. He's the good. He just bought my early gold coin and paper money collection.

Sincerely,
R.M., Florida

“THE GOOD, THE BAD AND THE UGLY”



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Richard Nachbar

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RNA News

The official journal of the
Rochester Numismatic Association
Established January 1912

One of America's oldest local coin
clubs

ANA Branch #2
Life Club #8

Member: American Numismatic
Society, Empire State Numismatic
Association, Canadian Numismatic
Association, Token and Medal
Society, Rochester Museum &
Science Center

Newsletter Editor: Scott Fybush
rnanews@fybush.com

2005-2006 Officers:

President: Tom Kraus
585-241-3807

tkraus1@rochester.rr.com

Vice President: Steve Lanzafame
585-288-1932
unpub@aol.com

Secretary: Tim Corio
585-624-5323

tcorio@rochester.rr.com

Treasurer: Ted Vaccarella
585-538-6945
tedvacc@yahoo.com

Curator: John Zabel

Librarian: Mike Luck

Historian: Robert Doty

Board of Directors:

John Bixler, Scott Fybush
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Visit the RNA Web site:
www.the-rna.com

P.O. Box 10056
Rochester NY 14610-0056

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FROM THE PRESIDENT

Spring in the Air

March weather lived up to expectations, with roaring winds throughout the month.

Snow flurries and wind chills don't feel like spring, but honking geese overhead, sightings of fat robins around town and a bunny in my front yard confirm spring's arrival.

The calendar also signals spring, and that means the start of the fourth quarter of the RNA fiscal year and the start of the final three months of my presidency. Time flies when you're having fun.

Looking ahead, it's going to be a busy time for the RNA. Over the next three months, our program is full and promises some intriguing talks.

In April, we celebrate National Coin week from April 16 to 22. We welcome guests to our meetings. It is a time to share our joy and pride in numismatics with our community. We are displaying our presidential medal collection in a large display case on the third floor of the new addition to the RMSC. Be sure to check it out.

Eleven members of the RJNA made posters for National Coin Week (please see pictures on the cover and page 6 of this edition).

The posters will be displayed in local schools and libraries. They proclaim National Coin Week, the Benjamin Franklin theme and invite guests to our regularly scheduled RNA and RJNA meetings in April.

In reviewing the posters, I learned some new facts about Benjamin Franklin.

One of our young numismatists reported that Franklin

incorporated the veins from a leaf into paper money as a means to identify counterfeit bills. Another young-un, a second grader, used Franklin's words "an investment in knowledge pays the best interest" on his poster.

On behalf of the RNA, I extend thanks and praise to our young numismatists for a job well done. I suggest we consider bringing in displays and exhibits of any numismatic material featuring or related to Benjamin Franklin to our April meetings.

On May 18, we have the annual Meinhart speaking contest, and on May 26, the annual RNA banquet, which will once again be held at the Green Lantern Inn in Fairport.

We sponsor the Meinhart speaking contest to give RJNA members a chance to make a presentations subjects such as *My favorite coin*, *What I like to collect* or *How I got started in coin collecting*, among other topics. It is a fun night. Save room for pizza. Finally, the second meeting in June is slated for our annual meeting.

Our country and the rest of the world have recently been experiencing lots of strange weather (devastating storms and floods and milder winters). Global warming? I think so.

I hope Old Man Winter doesn't get the last laugh on us with a snowy blast for spring break. That's all for now.

I hope to see you at a meeting soon.

Sincerely,
Tom

Saving new collectors from an ad scam

By Scott Fybush

I like to think of myself as a fairly placid person. I don't get worked up easily. But my blood pressure went soaring a while back when Ken Traub sent me an e-mail with copies of the correspondence he'd been exchanging with the *Democrat and Chronicle* over the ad shown here, which ran in the paper on January 9.

For me, these ads have become almost like white noise – one look at the ridiculous prices being charged for junk silver, worn Buffalo nickels or Indian Head cents, and I immediately dismiss it as a ripoff and move on.

But Ken looked at this particular ad and saw something else: a threat to our hobby.

Here's the letter he wrote to the newspaper:

Whenever the price of gold and silver jumps, misleading ads begin to appear in the D&C and other newspapers extolling the investment potential of purchasing "Bags of Vintage US Silver Coins Saved From Govt. Melt-Down" [Monday 1/9/2006 D&C P. 4A] or some similar hype. [...] A \$1000 face content bag weighs approximately 55 avoirdupois pounds and contains approximately 715 ounces of pure silver, therefore one pound (less than \$20 face) which was advertised in the D&C for \$359 plus \$11.95 postage can be purchased at your local coin shop for around \$140. This advertised price is fully 250% too high. In my opinion, the statements made in the ad (e.g. "100% of the coins in each bag are valuable U.S. collector coins..." are patently false advertising at worst and misleading at best as is the name of this private company (First Federal Mint). The D&C should not accept such deceptive advertising that preys on the innocent public.

A sensible letter, right? But if you don't remember seeing it in print, there's a good reason for that. It never ran. That's the newspaper's call, of course, but what happened next violated pretty much every code of journalistic ethics known to practitioners of the business.

The next correspondence Ken received was from the advertiser, after the *D&C* editorial page – which is supposed to be completely separate from the advertising department –

4 RNA News

sent Ken's letter, complete with his address, to the "First Federal Mint" in Minnesota.

Here's what they had to say:

The Rochester Democrat and Chronicle publication notified us that you had expressed concerns regarding our advertisement placed in the January 9, 2006 edition. We appreciate the opportunity to provide our perspective.

Actual customers buying these coins for their own enjoyment and collections have responded in record numbers, and our customer satisfaction levels for this offer are way above industry standards. The bottom line is that, while a dealer might think of these historic coins as "junk silver," the average coin collector on a budget does not. Instead, they appreciate getting a wide array of coin denominations, year dates, mint marks, etc. all of which are 40 - 90 years old.

You also mention the face value of these coins. Please keep in mind, that the face value of vintage coins has absolutely no bearing on their current collector value. For example, a Morgan Silver Dollar has a face value of only \$1, and yet even the most common circulated Morgan's (sic) currently have market values 10 - 20 times above their face value. The world's most expensive coin sold a few years ago for \$7.5 million dollars, and yet has a face value of only \$20.

As to where one could find bags of such coins, there are a number of dealers offering similar silver bags at a very wide range of prices. Such price ranges are not the result of deception, but instead merely reflect the realities of the retail vs. wholesale marketplace.

There's a reason that the low-margin wholesalers appearing in trade publications such as Coin World can't afford to take out retail ads in mainstream newspapers & magazines: they'd go out of business selling at wholesale prices to the retail public. If the coin marketplace was exactly as you depict in your letter, then it begs the question: why don't the dealers you favor advertise themselves in the Rochester Democrat and Chronicle?

Ken's blood pressure must have been ticking steadily upward at this point, too, because he made some calls to several local coin dealers (and RNA members) and had more to say to the folks at the newspaper. Here's an excerpt:

**BAGS OF VINTAGE US SILVER COINS
SAVED FROM GOVT. MELT-DOWN!**



For the first time ever the First Federal Mint is releasing bags of historic U.S. silver coins not seen in circulation for decades. They're priced not by their rarity, but by weight: quarter-, half- and one-pound bags.

VALUABLE COLLECTOR COINS – GUARANTEED!

100% of the coins in each bag are valuable U.S. collector coins with a large premium value beyond the silver! Every coin will be graded Very Good or higher with full dates and mint marks – GUARANTEED!

Every coin was struck in silver. You will receive:

- 1916-47 Walking Liberty Half Dollar
- 1948-63 Franklin Half Dollar
- 1965-70 Kennedy Half Dollar
- 1946-1964 Roosevelt Dime
- 1932-64 Washington Quarter
- 1916-45 Mercury Dime
- 1892-1916 Barber Dime

LONG-LOST SILVER HIDDEN FOR DECADES

Millions of U.S. silver coins were officially melted down by the government decades ago. Now

there is nothing but copper, nickel and zinc. Hidden from the melting pots, the surviving silver coins are becoming more sought-after each day.

CASH IN ON THE SILVER MARKET NOW

The demand for vintage U.S. silver coins is at an all-time high. What's more, silver has soared to prices not seen in years. Will it rocket past the \$50 per ounce mark it set in 1980? Time will tell, but thousands of savvy coin buyers are stashing away vintage U.S. silver coins, anticipating a bright future.

ORDER TODAY BEFORE PRICES GO HIGHER

Our supply of historic U.S. silver coins is very limited as the supply continues to shrink. They're sure to be appreciated in years to come and will make a treasured gift or legacy for your children, family and friends.

BONUS MORGAN SILVER DOLLAR FOR FIRST 50 CALLERS

The first 50 callers will also receive a BONUS Morgan Silver Dollar with each half or full pound bag of silver coins!

SATISFACTION GUARANTEE

You must be 100% satisfied or return your US silver coin bag via insured mail within 30 days of receipt for a prompt refund.

ORDER MORE & SAVE

Quarter Pound Bag US Silver Coins \$99 + \$11.95 S&H

Half-Pound Bag \$182 plus \$11.95 S&H SAVE \$16 (Plus BONUS Morgan Dollar)

Full Pound Bag \$359 plus \$11.95 S&H SAVE \$37 (Plus BONUS Two Morgans!)

NOTICE: Due to the recent increase in silver, this advertised price cannot be guaranteed and is subject to change without notice. Supplies are limited, call now to avoid disappointment.

**TOLL-FREE 24 HOURS A DAY
1-800-721-0383**

Promotional Code BC3826-01
Please mention this code when you call.

We can also accept your check by phone. To order by mail call for details.

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Dupel, BC3826-01
Burnsville, Minnesota 55337

1-800-721-0383

www.FirstFederalMint.com

Note: The First Federal Mint is a private distributor of government and private coin and medals issues and is not affiliated with the U.S. Government.

The offending ad

With spot silver today (Jan. 19) at \$9.06 per troy ounce, John Cooper and McLeod both quoted me a sell price of 6.50 times face value for pre-1964 silver coins, and Ridge Coins quoted me 6.50-6.60 times face, depending upon quantity purchased. All were willing to sell virtually any quantity, small or large, that I desired. Two of the dealers that I spoke with agreed that it is the people who buy from companies that are selling at 18 times face (\$359 for \$20 face) who will be angry at the local coin shops that will ONLY pay the true worth (5-6 times face assuming that silver prices remain stable) when it comes time for these "collectors" to sell their overpriced treasures obtained from fly-by-nights.

It's obviously your call whether to print my letter, but I think the more important call is whether or not the D&C will accept this type of advertising in the future. I urge you to speak with local coin dealers and other experts and to do the right thing!

That was the end of the conversation, apparently, since Ken hasn't heard back from the newspaper.

A Call to Arms

So what does this all have to do with National Coin Week? Plenty, I'd contend. After all, National Coin Week is all about education, and especially about educating newcomers to the world of numismatics. Even the sales pitch from "First Federal Mint" acknowledges that it's the history behind these coins that draws buyers to them. That's a good thing, of course – someone who's curious about the story behind a Walking Liberty half or a Barber dime is also someone who might be interested in attending an RNA meeting and learning a little more. And in general, we should be supportive of anything that draws new blood into our hobby.

But Ken nails the issue right on the head in his follow-up letter: a budding interest in the story behind these old coins can be shattered all too easily when an honest local dealer offers a legitimate buy price for coins that were purchased at three times that price from one of these newspaper advertisers.

That puts the local dealer in an uncomfortable spot, and it almost certainly leaves the would-be collector with a bad taste in his or her mouth about the world of coins. It's a pretty good bet we won't be seeing *that* person at an RNA meeting, or at a coin shop, after that sort of experience. The only

winners are the national advertisers, who don't have to pay for storefront rent or make the sort of community investments (in hiring local employees and supporting local institutions like the RNA) that the local dealers do. And of course, the distant owners of papers such as the *Democrat and Chronicle* cash the checks for the advertising space and don't give the matter a second thought.

Is your blood pressure up now, too? Here are a few things you can do, just in time for National Coin Week, to help get the word out about the many ways that newcomers to the hobby can experience the enjoyment of coin collecting without getting fleeced by overpriced junk:

- **Strength in numbers:** It's easy for a newspaper to ignore one letter. It's much harder for them to ignore many letters on the same topic. And if the *D&C* still won't print any letters, it's hardly the only paper in town. Write to your local suburban weekly, outlying daily papers or even the "Pennysaver" – and be sure to mention that there are plenty of friendly local coin dealers who'd be happy to give new collectors a fair price *and* an education. Be sure to mention that the RNA welcomes visitors to our meetings, too!

- **Knowledge is power:** Nobody would respond to a newspaper ad offering a "rare, no longer made" 1989 Yugo for \$15,000, because most people have at least some idea of what cars are worth. But the "First Federal Mint" can get away with its prices because most people don't know what old coins are really worth. Do you have an opportunity to be an educator? Talk to your co-workers, your kids' school group, your church group or *anyone* who'll listen.

- **Offended by a misleading ad? Complain.** Let the newspaper's publisher know. Let the advertiser know. Let the Attorney General's office know. If you're really bothered, you should know that newspapers take subscription cancellations very seriously.

It's not an easy task, but don't we owe it to the non-collecting community to share our knowledge, especially during National Coin Week?

Opinions expressed are those of the author, and not of the RNA.

DON'T MISS OUT! The Edie Coe Presidential Banquet – Friday, May 26

Green Lantern Inn, Fairport, NY – Cocktails 6 PM – Dinner 7 PM

PRIME RIB! \$26/person if paid by May 19, \$30/person at the door

Send payment to PO Box 10056, Rochester NY 14610, or call Joe – 288-1932



RIDGE COIN & STAMP

LIFE MEMBER ANA – RNA – FUN

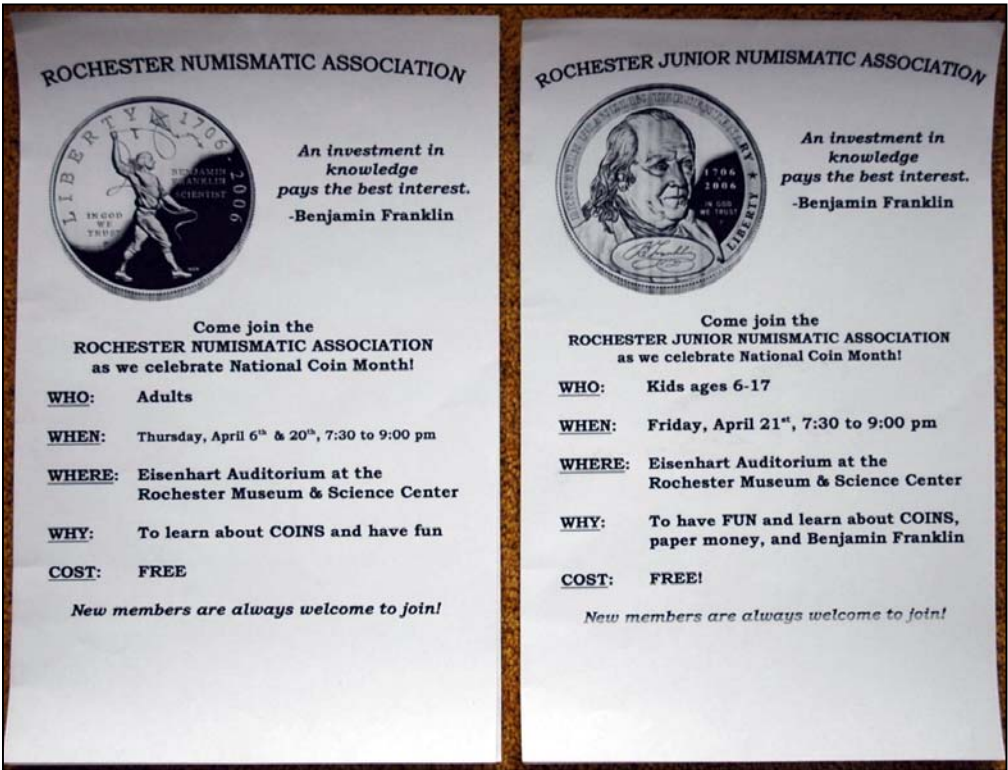
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MICHAEL OMELUCH, Professional Numismatist

Junior Club members create amazing artwork



In preparation for National Coin Week, the Rochester Junior Numismatic Association held a contest to design posters promoting the educational event.

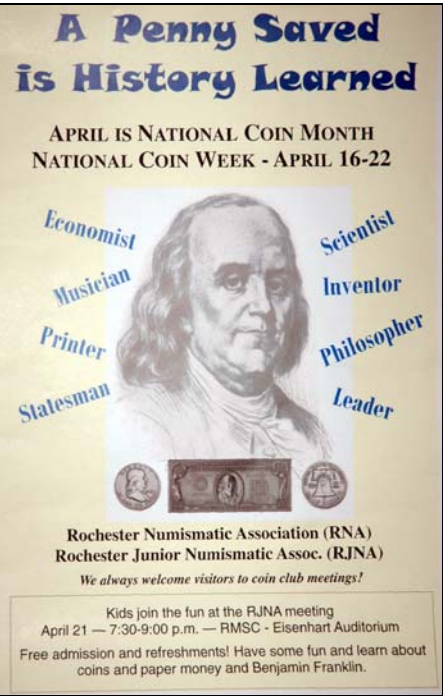
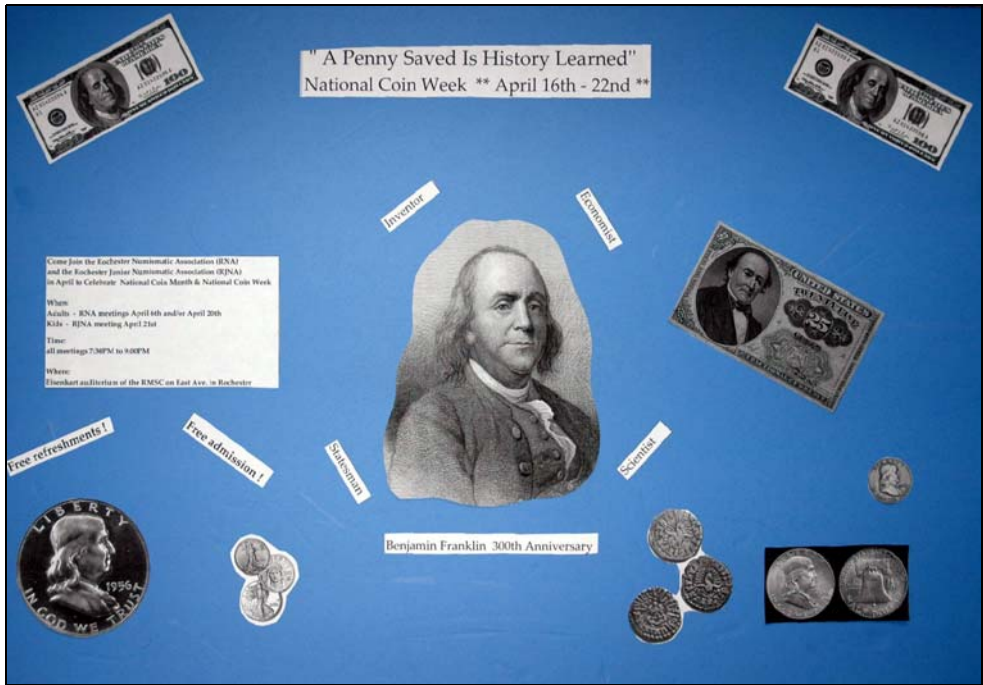
This year's National Coin Week has a Benjamin Franklin theme, with the slogan "A penny saved is history learned," and the juniors came up with some exciting ways to share their love of coins with the public.

The posters will be displayed in local schools and libraries leading up to National Coin Week, and the winners of the contest received gift certificates to McLeod Stamp and Coin.

First prize went to **Ryan Conrad**, whose poster is on the cover. Second place went to **Thomas Coene**, whose posters are shown at left. Third place went to **John Poulter**, whose poster is shown below at left, along with a poster by

Sam Kashtan, below at right. We'll print additional posters in next month's *RNA News* and on the RNA website. (And if you're not getting the online version of *RNA News*, you're missing out on the chance to see these posters – and the rest of the issue – in full color! Visit the RNA website at www.the-rna.com and click on "Newsletter" for the electronic edition!)

Thanks to all the RJNA members who entered the contest – and to Tom Kraus for sponsoring it! And be sure to look for some of these posters at your local school or library this month!



My Collection

By Ryan Conrad

I began collecting coins when I was three years old. My mom says that she could give me a jar of pennies and it would keep me entertained for hours. I would rather sort pennies any day than play with baby toys. She says I probably would have started collecting coins sooner, except that you're not supposed to let kids under 3 have pennies because they might choke.

When I was 3, I had already figured out that not all pennies were the same. I would sort out the ones that were different and keep them, like the wheat pennies. By the time I was 4, I was sorting them by date and I could tell which ones were really old. I was already really good at math and numbers. By the time I was 5, I was so fascinated with money and collecting it that I told my mom that someday I wanted to be president of the United States. The only reason was because, like Lincoln and Washington, I wanted to get my face on a coin or a dollar bill!

I now collect all kinds of domestic coins and even some foreign coins. In my collection I have most of the Lincoln cents from 1941 to the present. I have some that date back to the late 1800s. There is also one made in 1825 in my collection. I also have an assortment of old dollars and 50-cent pieces. There are also a few old nickels, dimes and quarters. In my state quarter collection, I have every one up to 2005. I also have a lot of foreign coins, such as Mexican, and many people have given me foreign coins from their travels.

My rarest coin is my oldest cent. It is an 1825 large cent. There were only a million and a half made. This is also my most valuable coin. It is worth close to 20 dollars.

My favorite collection that I own is the Lincoln cent set, because I have almost all of them, but there are

still some rare ones to be found, such as the 1970-S with a small date. There is also a "high 7" on this coin. There are also hard-to-obtain coins such as the 1909-S with the initials VDB on it. I would also like to complete my Lincoln cent collection from 1909 to 1941.

The reason I like to collect coins is because I know that they will have more value someday. I also like

math, so I was interested in the numbers and symbols on the coins. I tried to figure out what they meant.

I like to go to RJNA meetings because I get to learn about different coins and where they were made. I like playing "stump the advisor" and I like the prizes. In my future, I hope to complete collections of nickels, dimes and quarters. I might move on to dollar coins after that. I'd like to travel to each mint and see how they make coins.

Thank you very much!

• • •

Ryan Conrad is in the seventh grade at Cosgrove Middle School in Spencerport.

The Meinhart Speaking Contest, named for past RNA

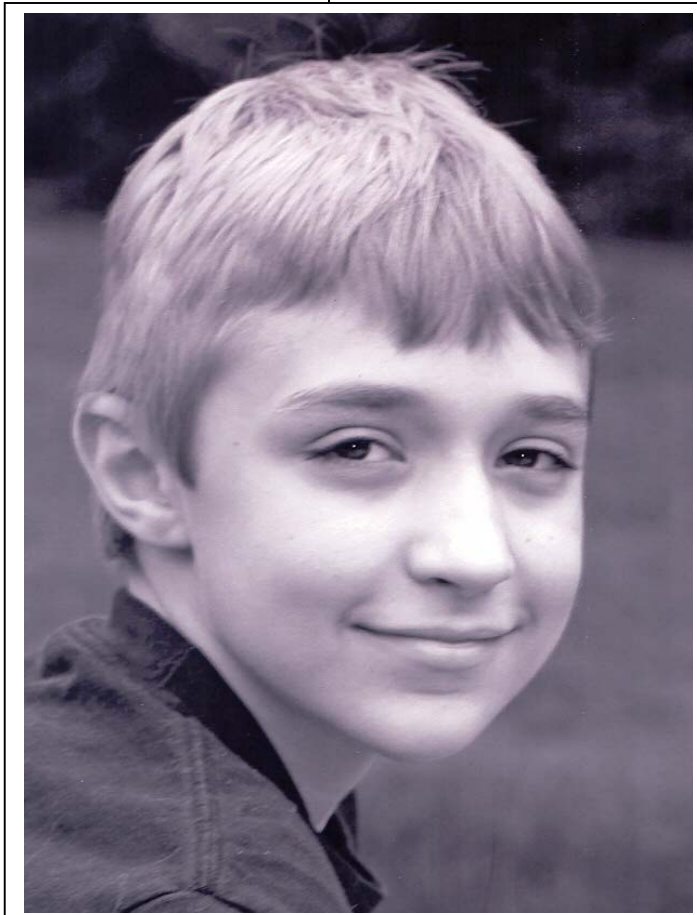
president and Rochester Junior Numismatic Association founder Edward F. Meinhart, brings RJNA members before the RNA each May to present talks on topics of numismatic interest.

The 2005 Meinhart contest, held at the May 19, 2005, RNA meeting, featured talks from ten RJNA members.

Throughout 2005-2006, RNA News will feature talks presented during the 2005 Meinhart competition.

And don't miss the 2006 Meinhart Speaking Contest, which will take place at the RNA meeting on Thursday, May 18, 2006!

Talks presented during that meeting will be featured in 2006-2007 issues of RNA News.



The Calendar **April - May**

- **Thursday April 6 - 8 PM - RNA Meeting: Jason Childers** speaks on “Non-Presidential Medals of the RNA”
- **Thursday April 20 - 8 PM - RNA Meeting: Dan White** speaks on “A Topic to be Announced”
- **Friday April 21 - 7:30 PM - Rochester Junior Numismatic Association** Know someone 17 or younger who is interested in numismatics? Why not bring them to an RJNA meeting? Or just show up and join in the “Stump the Advisor” fun.
- **Thursday May 4 - 8 PM - RNA Meeting: Donovan Shilling** speaks on “A Numismatic Salute to Lewis and Clark”
- **Thursday May 18 - 7:30 PM - RNA Meeting: Meinhart Speaking Contest** Come cheer on the juniors as they present their numismatic knowledge! *(Note earlier start time)*
- **Friday May 26 - Edie Coe Presidential Banquet** at the Green Lantern Inn, Fairport. See details, page 5
- **Thursday June 1 - 8 PM - RNA Annual Meeting: Alec Ollies** speaks on “Birmingham with an H”
- **Thursday June 15 - 8 PM - RNA Meeting: Year-End Auction**

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. Enter through the Eisenhart or Gannett School doors and follow the signs downstairs to our lower-level meeting room. All are welcome! Call Dave Gottfried at 738-0908 if you need a ride or directions.

RJNA meetings are held in either the ballroom of the Eisenhart Auditorium building or an upstairs classroom at the Gannett School; follow the signs posted on the building's doors or call Steve Lanzafame at 288-1932 for more information.

The Calendar welcomes meeting notices from other area clubs. Send them to rnanews@fybush.com or PO Box 10056, Rochester NY 14610.

National Coin Week - April 16-22!

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PO Box 10056
Rochester NY 14610-0056