

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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THE AUGUSTA COIN CLUB MONTHLY NEWSLETTER

April, 2012

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

May 11-12 spring Coin Show Coming up Fast

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

May Club Show Nicest Time of Year

Our spring show is approaching. Here's what you need to know. Show Chairman David Chism has already sold thirty tables and expects another twenty to be sold by show time. This will be our fifth coin and collectibles sale held at Patriot's Park, located at 5445 Columbia Rd. in Columbia County. Our November, 2011 show held during Veterans Day weekend was our best attended of the previous four at that facility, so just maybe, the attractive and spacious Patriot's Park site is beginning to catch on with the public residing in the CSRA. The dates of the show are May 11 & 12. Doors are open to the public from 9 AM to 5 PM both days and admission is free.

There will be five raffle prizes in which the first prize will once again be a one 1/10 oz, US gold eagle coin. Raffle tickets are \$1.00 each or a book of six for \$5.00. These will be available at our April 19 meeting or the day of the show. All sold ticket stubs should have the donor's name and phone number and be returned by 2:00 PM at the show on Saturday, May 12. If each ACC member sells two raffle books the club will raise \$1,000. Please pick up a number of flyers at our next meeting and post them in public places where permissible. The show is being advertised in the local media as well as in Numismatic News and Coin World.

Our show chairman will be asking the membership to help him with the set up before and take down after the show and President Steven Nix would like more members` to pitch in by volunteering to serve at the welcoming desk on Friday, May 11 and Sat., May 12 during the show. Specifics as to when to meet for the set up will be announced at the April 19 meeting. Our two shows are our major fundraisers for the year. They enable us to provide` benefits to our members and to make charitable contributions. Please make every effort to help. Thank you!

Collecting the US Coins of 1812

By Arno Safran



An 1812 Classic Head Large Cent, S-290 graded AU-50 by ICG
[Use 3x magnifying glass or magnify page to 200% to view details.]
The coin image shown is actual size when printed.

The year 1812 is well known in US history as our young nation once again became embroiled in a war with Great Britain. Our democratically elected leader at the time was James Madison, architect of the US Constitution and fourth President of the United States. If one thinks the polarization between our politicians is extreme today, one has only to go back two centuries to discover a president having a bad time of it. Back then it was a young group of politicians known as "the War Hawks" who were giving the president fits. The embargo President Madison tried to enforce against the British navy--which had earlier commandeered a number of our US commercial vessels who the Brits believed, had given safe passage to British deserters--was not working. By 1811, it had become increasingly unpopular with the result that the war hawks in Congress such as Henry Clay of Kentucky and John C. Calhoun of South Carolina were putting pressure on Madison to declare war on the British with the hopes of taking Canada, Florida and Mexico in the bargain. Madison suggested that if they would support him for reelection, he would go to war against Great Britain.

One of the casualties of this unsettling period was our coinage program as only three denominations were issued in 1812; the copper large cent, the silver half dollar and the gold \$5.00 half eagle. The Classic Head cent pictured above is one of a reported mintage of 1,075,500. It is an extremely attractive specimen but rare in such a high state of preservation. Why was this so?

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Collecting the US Coins of 1812

(Continued from page 1, column 2)



The Soho-Birmingham, England Works
[Courtesy www.eicships.info/ships/s815/boulton.htm]

During the early years of our republic, the US Mint obtained its copper blanks for making cents and half cents from the manufacturing firm of Matthew Boulton which was located in Soho-Birmingham, England. At first, the quality was excellent. It has been suggested by some numismatic scholars that as tensions began to increase between America and England after 1807, some of the workers at Boulton's company began inserting the poorer quality planchets underneath the problem-free shinier copper specimens intended for shipment to the US. Another explanation for the poor quality of many of the planchets may have been caused by their storage in porous wooden kegs with the result that during the several weeks voyage from Great Britain to America, the dampness caused the blanks to turn black and corrode. As the copper shortage increased the Philadelphia Mint was compelled to strike cents using these marred planchets with the result that today, many survivors would not pass third party certification due to environmental damage. Classic Head cents grading as low as VG-8 that appear chocolate brown in appearance are worth a considerable premium over dark, corroded or porous coins.



Another attractive chocolate-brown 1812 Classic Head cent, S-291.
This one grades about VF-25 and it is a much scarcer die variety
[Use 3x magnifying glass or magnify page to 200% to view details.]

In the early years of our coinage, the Mint used the screw press, already considered obsolete by British standards. Many of the details were hand punched into the dies. When a die wore out a new one was prepared, each having different characteristics. Coins struck from dies with short life spans are scarce and command higher prices over those with longer spans. The 1812 cent shown directly above comes from a short-lived die variety. It has a small horizontal bar directly below the letter E in ONE on the reverse. This coin was acquired in 2005 at a Whitman show held at the Cobb Galleria in Atlanta.



An 1812/11 O- small 8 Capped Bust Half Dollar graded XF-45 by Anacs
[Use 3x magnifying glass or magnify page to 200% to view details.]

After 1804 the dollar was suspended with the result that our largest circulating silver denomination was the half dollar. In 1807 John Reich was brought into the Mint as Asst. Engraver to Robert Scot and was assigned the task of redesigning all our coinage. The first silver coin Reich designed was the lettered edge Capped Bust half dollar. It would be struck from 1807 thru 1836. The obverse bore the Bust of Miss Liberty facing left, with thirteen stars punched around the figure with the date centered below. The reverse displayed a spread eagle with the motto E PLURIBUS UNUM placed above it and around the sides along the upper portion of the circumference, the legend UNITED STATES OF AMERICA. The denomination 50 C appeared below. Along the edge was etched FIFTY CENTS OR HALF DOLLAR. The coin contained .8924 silver bonded to .1076 copper. The coin weighed 13.48 grams and had a diameter of approximately 32.5 mm, larger than the 30 mm half-dollars produced from 1836 on. In 1809 the coin was slightly modified. Like the Morgan dollar of the later years, Bust halves were used as specie by banks to back business transactions and did not circulate much. They were struck in large numbers with most dates ranging from over one million to six million a year.

The 1812 issue had a reported mintage of 1,628,059 that included ten different die varieties with two overdate subtypes, the 1812/1 with a small 8 that is common, (shown above) and the 1812/2 with large 8 in date which is quite rare and expensive today. A collector armed with this knowledge can sometimes acquire a rare variety of a particular Bust half (or Classic Head large cent) for a common date price from a dealer whose numismatic knowledge is based more on mintage figures.



Another 1812 Bust half, O-104 R1 with normal date, a common variety
This coin was acquired from ACC Past President Glenn Sewell
[Use 3x magnifying glass or magnify page to 200% to view details.]

In 1812, 50¢ had the purchasing power of what \$8.75 could buy today. This is one of the more popular coin types sought by collectors. While assembling a complete date set is possible, many prefer to collect by die variety hoping to find a rare one.

Collecting the US Coins of 1812

(Continued from previous page)



An 1812 \$5.00 gold half Eagle graded MS-63 by PCGS
[Use 3x magnifying glass or magnify page to 200% to view details.]
(Courtesy of Heritage Auction Archives)

In 1812 a \$5.00 gold piece had the purchasing power of \$85.00 but as recently as one year ago a collector desirous of an attractive uncirculated specimen had to shell out \$27,025 at the Heritage Auction in order to acquire one. The 2012 *Red Book* lists its retail value in MS-63 at \$27,500, so the buyer paid close enough to the coin's estimated retail value at the time.

The reasons the 1812 \$5.00 half eagle is beyond the reach of most collectors today can be based on three factors. The first is mintage: The reported mintage for the 1812 half eagle was a scant 58,087, a far lower figure than either the cent or the half dollar which were coined in the millions. Another reason for the scarcity of our early gold coins had to do with a large number of them being transported to European markets because of their higher gold value further reducing the number of survivors. Lastly is the tremendous increase in the value of gold since 2006 when an 1812 half eagle grading MS-63 was listed at \$15,000 then compared with \$27,500 today.

Our early Half Eagles weighed 8.75 grams and were composed of .92.7% gold and .083% silver. They were 25 mm in diameter (or slightly larger than our modern quarters). The 1812 Cap Bust facing left \$5.00 gold piece is a beautiful work of art to behold, but for most of us will not likely find a place in any of our collections. Today it is hard enough to find an attractive 1812 Classic Head large cent paired with a Bust half of the same date that will half to suffice for one's 1812 US year set.



An 1812 Year set (excluding gold), the Cent & Half dollar
[Use 3x magnifying glass or magnify page to 200% to view details.]

How to Grade Early Copper Coins

By Nick D'Amico

It is my opinion, and the opinion of many early copper experts, that the major grading services do not do a very good job of grading the early copper coins they encapsulate for us—that is, Colonial issues, half cents, and large cents. Therefore, laid out before you is the proper way to evaluate the grade and condition of these beautiful copper pieces that we love so much.

The mistake the grading services make is on an overall basis they do not grade early copper taking into consideration the small defects that can bring down the grade and value of a coin. They seem to only grade the coin on a "sharpness" basis or the first glance look of the coin—how much of the coin's design/relief is still left on the planchet. This would be fine if all early coppers came in MS65 condition with absolutely no rim bumps, no gouges, no scratches, etc...But, we know that type of a find is virtually impossible and especially when it comes to early copper.

Simply stated, the proper way to grade early copper coins is to first look carefully at the coins and determine what the sharpness grade of the coin in question is; for example VF-20, XF-40, or MS-63. Be certain to explore the coin for subtle and sometimes not so subtle damage, such as on the surfaces and rims. Does the coin have rim bumps or heavy scratches? Has the coin been cleaned harshly—are whizzing marks or surface hairlines present? Has the coin been dipped in a solvent to brighten it or otherwise re-colored or doctored in some way? Is the planchet granular or corroded? These factors all contribute to the overall grade and value of the coin.

Next, after one has determined the sharpness grade of the early copper piece, taken into account the defects of the coin, and ascribed a numerical value to the defects (a net grade of defects), the astute person then subtracts the numerical value of the defects from the sharpness grade of the coin and comes to the coin's final grade. A simple example is:

Sharpness grade		AU50
Net grade of defects (rim bumps)	-	10 grade points
Final grade		XF40

Now, a relative price can be set for the coin using whatever price guide the purchaser prefers, but early copper experts who purchase and sell these coins on a regular basis use a price guide named "Copper Quotes by Robinson" which takes into account auction prices realized for very rare, and even not so rare, die varieties of half cents and large cents and even private treaty sales when same are recorded in order to find what they call the "real money" or price. For our purposes we should stick to the commercial coin price guides available at our local news stands, book stores, etc...

On a related note, the truth of the matter is when ANACS began grading and certifying Morgan Dollars for collectors and dealers back in the 1970's they used the method of coin grading herein exemplified. They would quite often grade both sides of the coin differently finding the obverse to be MS-63 and the reverse to be MS-65 bringing the NET GRADE

How to Grade Early Copper Coins

(Continued from previous page)

to MS-64. They were on the right track, but this practice (sadly, in this writer's opinion) has been abandoned by the major grading services and we are quite often left with improperly certified, graded, and "holdered" coins.

Generally, the quality of the early copper planchet does not come into play where grade is concerned until a sharpness grade of Fine to VF20 is reached. Planchet quality takes into account surface granularity or porosity, but several of the early coppers we love so much inherently come with these planchet quality issues because many of the 1793 through 1814 large cents were struck on low quality planchets supplied to the Philadelphia mint. Unscrupulous British planchet dealers/makers quite often threw iron nails into the copper mix to "make the weight" of a barrel thus creating a copper/iron alloy, basically stealing from the purchaser, and the quality of the copper planchet was affected. However, and for example, a 1794 large cent with an evenly granular surface is still a very collectible and valuable coin, depending, of course, on its grade.

Honestly, it takes years of experience and looking at many, many coins to become an expert grader. On the other hand, the collector can put into practice this proper system of grading early copper and minimize possible monetary losses when negotiating the purchase price of a coin. Many dollars have been saved by astute copper collectors/purchasers by using this system.

At the risk of being long-winded, noted below is a condition-range of how early copper collectors consider the condition of a coin:

- Choice: Color pleasing to the eye
 Surfaces are smooth
 Rims have no defects
 No significant marks on planchet
- Average: Color is reasonable-looks original-not altered
 If porosity exists it must be uniformly/even
 Porosity must not detract from eye appeal
- Scudzy: A rather ugly piece w/several marks,
 harsh cleaning, wrong color, severe scratches



A 1796 Draped Bust 1c, S-92 R3 graded G-4 Scudzy
[Use 3x magnifying glass or magnify page to 200% to view details.]
[Courtesy CVM Web site]



An 1805 Draped Bust 1c S-269 graded VF-30 average
[Use 3x magnifying glass or magnify page to 200% to view details.]
[Courtesy CVM Web site]

Plainly stated, this grading guide portrayed here is simply a rudimentary glimpse at how serious copper collectors/dealers go about grading their coins. It is strenuously suggested that anyone who is interested in pursuing an early copper collection contact an EAC (Early American Coppers) member for half cent and large cent information or contact a C4 (Colonial Coin Collectors Club) for colonial coin information.

In conclusion, remember that we all truly "get what we pay for" when it comes to coin collecting. Negotiate to the best of your ability but understand truly rare and high grade early US copper coins are quite scarce and carries a huge premium in most cases.



An 1808 Classic Head 1c S-279 VF-30 above an 1811/10 S-286, VG-8
The grades are different but the color and surfaces are choice
[Use 3x magnifying glass or magnify page to 200% to view details.]

On the other hand, that does not mean that an average or even average minus early copper collection cannot be challenging and fun to assemble. Some rarities can still be found on local bourse floors. Happy hunting and keep looking.

(Nick D'Amico is a collector of large cents and a member of the Trenton Numismatic Club of Trenton, NJ., His article first appeared in the March, 2012 edition of *The Coin Chronicles*: Newsletter of the Trenton Numismatic Coin Club, Evan Greenberg, editor and was used with the author's permission and the permission of the author, ED.)

Editor's Note

If you look closely at the reverse of the 1811/10 cent shown directly above you will recognize it is from the same die variety as the 1812 S-291 cent appearing in the previous article on page 2, column 1.

Other Club News



The Thurmond Dam at Clark's Hill

The 2012 Club Medallion is being prepared as this is being written and marks the eighth consecutive year our club has produced medallions based on historic area themes. The 2012 issue is expected to arrive before our May 11-12 show and will feature the Clark's Hill Dam. For years the downtown area of Augusta was seriously damaged by occasional flooding of the Savannah River. The Dam project was established in 1944 and signed into law by President Franklin Roosevelt. The major part of the construction was done in 1951 during the Truman administration and was completed the following year. The medallions are being struck in Antique Bronze, Antique copper and silver wash. The sale price will be \$9.00 each or \$25.00 for the three metal alloy set.

At the March 15 meeting President Steven Nix announced that the 2013 *Red books* should be available at a substantial discount from retail for distribution to members by our April 19 meeting. The annual volume has long become a "must" for the serious collector as it provides information on all our US coin designs including commemoratives as well as colonials and popular US tokens, private issues and some patterns. It also shows actual size photos for most US coins with mintages plus a list of grades and suggested retail prices.

Show Chairman David Chism has sent out 50 applications to dealers for our upcoming show to be held at Patriot's Park scheduled for May 11 & 12; a Fri. & Sat. from 9 to 5 both days.

There were three **Show & Tells** presentations at the March 15 meeting. Jim Barry displayed a Byzantine scyphate (bowl-shaped) coin from the reign of Manuel I (1143-1180). The coin was struck in billon (less than 50% silver or gold bonded to mostly copper). The obverse showed Christ seated on a throne holding the Gospel. The reverse portrayed the emperor Manuel I with the Virgin Mary blessing him.

Rick Owen brought in a 1921 Standing Liberty Quarter graded MS-64 by PCGS. After the 1916, the 1921 is the next scarcest Philadelphia Mint date.

President Nix displayed Unc and proof issues of the new 2012 Star Spangled Banner commemorative silver \$1.00 which is extremely attractive. For those who enjoy collecting commems, this is one worth adding to your collection.

The program featured Part One of a new PowerPoint grading Bee presented by Arno Safran. He will run the second-half of the Grading Bee at the April 19 meeting, so bring pencil or pen. Sheets naming the date, denomination and coin type will be provided at the meeting. All you have to do is grade the coin projected on the screen. The following slide will then show the same coin in the holder label with the assigned grade.

The Prize Winners at the March 15 meeting were Eddie Sleeth and Kyle Bert, each winning a 2012 silver eagle in the first and second attendance drawing and Gordon Britt who won \$76.00 in the 50/50. Congratulations to our three winners.

Georgia State Convention to Be Held in Dalton

The GNA will be holding its annual convention at the Dalton, GA Trade Center on Fri. thru Sun. April 27-29. This is a major show with over 150 tables. Directions are simple: Take I-20 west to Atlanta, turning northbound on to I-75/85, remaining on I-75 after the split. Exit at the Dalton exit at Interchange 333. Turn left and drive up the side of the big hill. The convention center is at your left. The show is free and there is ample parking. Estimated time from Augusta is 3½ hrs. to 4 hrs.

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