

Newsletter

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US-Philippine VICTORY Notes

By Dave Provost

The Philippine Islands became a territory of the United States in 1898 as a result of the US victory over Spain in the Spanish-American War; Puerto Rico and Guam were also ceded to the US as part of the war's peace treaty.

The Philippines hold a unique place among the territories, protectorates and commonwealths that have been part of the US — it is the only one for which the US produced a local currency. In 1902 and 1903, the US Congress passed legislation establishing a monetary system for the Philippines with the silver peso as the standard monetary unit. The Philippine peso was tied to the US dollar in a ratio of two pesos to the dollar.

The first coins and paper money for the territory were produced and issued in 1903. Coins were issued in denominations of one, five, ten, twenty and fifty centavos as well as one peso. The first paper money issues were Silver Certificates in denominations of two, five and ten pesos.

Between 1903 and the time of

the Japanese invasion of the Philippines in 1942, four different types of notes were produced for the islands by the US Bureau of Printing and Engraving: Silver Certificates, Bank of the Philippine Islands Notes, Philippine National Bank Circulating Notes and Treasury Certificates. Notes were issued in denominations ranging from one peso to five hundred pesos. Assembling even a type set of these notes is a very daunting challenge, with several of the notes falling into the "non-collectible" realm due to their extreme rarity.

The Philippines transitioned from a territory to a commonwealth in 1935, and a plan for complete independence within ten years was prepared. World

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Club Business Page

The Raleigh Coin Club

Editorial Address: PO Box 354
Morrisville, NC 27560
commems@aol.com

Business Address: PO Box 18801
Raleigh, NC 27619

Club Officers

President	Paul Landsberg
Vice President	Bob Schreiner
Secretary	David Provost
Treasurer	Kent Woodson
Sergeant-at-Arms	Thomas Powell

Directors (Term Expiration)

Halbert Carmichael (2003)
Dot Hendrick (2004)
David Boitnott (2005)

Club Affiliations

American Numismatic Association
Member #C-79478
Blue Ridge Numismatic Association
BRNA Member #C-3383
Eastern States Numismatic Association
ESNA Member #0026 (Life)
North Carolina Numismatic Association
NCNA Member #C-14 (Life)

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August Meeting Notes

Formal business proceedings gave way to cool desserts and friendly socializing in August as the club held its annual "Ice Cream Social" on a hot and muggy August evening.

The Social was attended by seventeen RCC members and guests, including seven "young collectors." Kids and ice cream — as natural a pairing as there is!

There was plenty of ice cream and cookies to go around and no one left without having their fill! What wasn't eaten was left in the freezer for the camp kids who would use the clubhouse the following day.

Dave Provost volunteered to bring refreshments for the September meeting.

Show Calendar

Sep 12-14	Charlotte, NC Carolina Coin & Currency Show Show Merchandise Mart 2500 E. Independence Blvd.
Sep 20-21	Greensboro, NC Piedmont Triad Regional Coin and Stamp Show Oriental Shriner's Club 5010 High Point Road
October 3-5	Hickory, NC North Carolina Numismatic Association 45 th Annual Convention and Coin Show Hickory Metro Convention Center (I-40, Exit 125)

President's Message

Hello and welcome to September!

This month, I relay to you a true tale of "pride goeth before the fall." If you recall from last month's newsletter, I was quite proud that I managed to not go to the ANA Convention and thus avoid the "potato chip syndrome" (...just can't stop at one). Well, let me tell you about my downfall!

I have been spending quite a few days in Virginia as of late, and had heard from fellow collectors and dealers that a show in Vienna, VA typically had numerous ancient coin dealers. I thought that I might be close to Vienna, so the show certainly piqued my interest. The ever-helpful <http://www.mapblast.com> told me that where I stay in VA is less than 8 miles from Vienna! Well, to make a long story short, I went and I spent. I have known many of the dealers who attended the show for years and years, so it was quite enjoyable.

In more local news, David Provost informed me that the annual North Carolina Numismatic Association show is coming up in October and that he will be heading up the effort to put together a club exhibit for the show. The exhibit will be focused on "Collecting North Carolina History." Please help the Raleigh Coin Club put together a killer exhibit by contributing some interesting items!

I'd like for us to run the Bid Board again this month, so bring along a few items that you think might interest a club member and see what happens. And since it has been two months since we had a "Show-and-Tell," I hope that everyone brings a few recent acquisitions to share with everyone.

Enjoy the end of summer and see you in September!

Don't forget to bring a few Show-and-Tell items to the September meeting!

A Call for Help!

By Dave Provost

OK, now that I've got your attention!

It is time for the 45th Annual North Carolina Numismatic Association (NCNA) Convention. The show will once again be held in Hickory, NC at the Hickory Metro Convention Center (I-40, Exit 125), October 3rd through the 5th. More than 50 dealers are expected to have tables at the show. The Convention will also feature several educational programs on Saturday and will once again include an educational exhibit gallery.

For the past several years, the Raleigh Coin Club has presented an educational exhibit as part of the NCNA Convention. This year, the RCC exhibit theme will be "Collecting North Carolina History." What coin, banknote, medal or other numismatic collectible do you have that tells an interesting story about some facet of North Carolina's rich history? As in the past, I'm asking all RCC members to check their collections for items that they would be willing to loan out for the RCC exhibit.

Please bring your item(s) to the September RCC meeting. It would also be very helpful if you could jot down a few details about the piece you bring to help me create the information card that will accompany your item in the display. All material loaned for the exhibit will be returned at the October RCC meeting.

November Meeting Notice

The November meeting of the RCC will be held at the North Carolina Gallery on the campus of UNC-Chapel Hill. The meeting will begin at 7:00pm rather than 7:30pm.

Please make plans to attend this very special "off-site" meeting and don't forget to allow yourself enough time to browse in the Gallery prior to the meeting.

Details will follow in October.

The Out of Collar Experience

By David W. Boitnott

This month we continue our look at errors that occur during the striking phase of coin production by examining the third side of the coin. Yes, the third side – every coin has an obverse, a reverse and an edge that, in the case of a quarter, is reeded. This reeded third side is created by the third die or collar.

If you look back at the picture and explanation of the striking process we reviewed in July, you will recall that it is the third die or collar that keeps the planchet in place as it is struck, insures that it remains round and impresses the reeding on the edge as the planchet expands. Also, remember that the collar is designed to float so as to protect the dies should a planchet fail to properly fall into the striking chamber. It is the collar's ability to float or move that sometimes results in unwanted (from the US Mint's perspective) situations that result in defective coins being produced.

As with any mechanical machine, a coining press has the potential for the introduction of what are termed foreign materials into the process. By foreign materials we mean grease, metal filings, dirt, etc. These foreign materials can find their way between the collar and the lower / anvil die and literally "gum up the works" causing the collar to stick and not return to its normal position.

If the collar sticks but part of it is still exposed to the next planchet, we get our first "out of collar" error type – the partial collar broadstrike. When one examines the edge of this type error the reeding only goes partially across the coin as shown in Figure 1. Furthermore, the portion where the reeding is missing tends to be of a slightly greater diameter since there was no collar to retain the metal expansion during the strike. There are two varieties of partial collar broadstrikes, the first is a "straight" that resembles a wheel from a train which is why it is sometimes referred to as a "railroad rim" error. The second is the tilted where as the name implies the collar and resulting effect

are tilted or angled. On the North Carolina quarter of the 25 plus partial collar broadstrikes I have seen they have all been of the tilted variety.

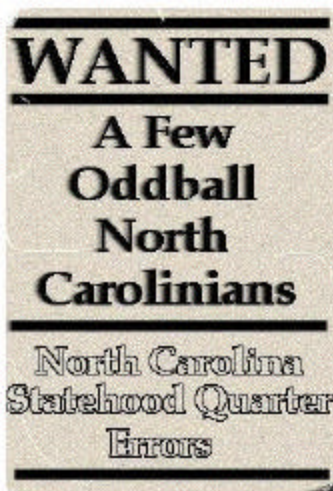


Figure 1. Partial Collar Broadstrike

When the collar sticks but none of the planchet comes in contact with it, our resulting quarter has no reeding at all on its edge. The error classification of these coins is governed by how the design aligns on the coin. If the full design appears on the coin, it is called a "broadstrike." The broadstrike error type is still further classified as centered or uncentered. A broadstruck coin will be of a larger diameter than a normal coin of the same denomination because there was nothing to check the expansion of the planchet as it was being struck. This effect can be quite dramatic, especially on smaller denominations such as the cent and nickel. Of all the error types, uncentered broadstrikes are the most common North Carolina quarter error encountered. I stopped counting them as my census passed 100. It would not be impossible to build a roll of NC quarters with this error.

As the design begins to "slide" off of the planchet or, said another way, is only partially struck on the planchet, the term used to describe the coin changes to "off-center." The point at which a coin crosses the line between broadstrike and off-center is a bit blurry. By definition, to be off-center, the design must be partially missing on both sides of the coin. However, in the area of statehood quarters, many just look at the state or "money" side of the coin in order to charge the premium for an off-center. In my opinion any coin so close that

one begins splitting hairs over whether both sides are or are not both technically off-center does not demand a premium price over a broadstrike. Compare the two coins in Figure 2 and you will see the subtle difference between the two types. The looseness in which many use the term off-center made making my unofficial census of both broadstrike and minor off-centers very difficult. As there were many coins that could have gone either way, I tended to lump them together. That being said, I still counted over 50 that were true minor off-centers in the 10 to 15% range with most at the lower end of the scale.



Figure 2. Comparison of Broadstrike vs. Minor Off-Center

Off-centers are described by the percentage of blank planchet present and the clock direction the design is going. You may recall this is basically the same scheme as was used for clips that we discussed in some detail when we examined the planchet defects. Major off-center North Carolina quarters do not exist (or so I believed!). Every dealer I talked to told me that, with the tightening of security and quality control at the US Mint, the New York quarter (which preceded the North Carolina) was the last to be found with major off-centers.

Well, I gave up on ever finding one but continued my search for a triple clip — a dealer spoke with swore he saw two on the West Coast. Well, I have yet to find either of those triple clips, but I did come across an unbelievable 50% off-center North Carolina quarter (Figure 3) on eBay.

Being the eBay sniper that I am, I sat and watched as the auction ticked to a close with my heart pounding and my trembling index finger on the ENTER key ready to pounce at the last second. Thoughts of “I have to have this coin!” and “I am not going to be denied!” were swirling through my

head. I decided that if I was going to lose, the winner was going to have to pay and pay dearly! So, I entered a “sizable” bid and waited for the final seconds to count down.

Well, I won! Fortunately for me, the final price was well under what I had entered with my last second bid. This episode has me questioning my own sanity! Talk about being willing to spend “stupid” money on a coin! I was there on this one, but to this day it remains the only one I or any of my dealer friends have seen.



Figure 3. 50% Off-center Strike

Well, I think we have pretty much beat this subject to death so we'll close for now. Hey, “beat to death” that could be a hint for next month's installment. Until then – keep searching and let me know if you find anything cool!

New \$20 Federal Reserve Note to be Shown at September Meeting

Well, maybe not an actual sample of the soon-to-be-released note, but a full-color poster with an enlarged view of the new note will be on display at the September RCC meeting for everyone to get a good look at the note's new design and security features.

The poster was produced by the Bureau of Engraving and Printing (BEP) as part of its ongoing public awareness campaign about the note. More information can be found at:

www.moneyfactory.com/newmoney

Victory Notes

Continued from Page 1

War II happened before complete independence could be achieved, however, and the Philippines fell under Japanese control in 1942.



General Douglas MacArthur

General Douglas MacArthur's declaration of "I shall return" is one of the most famous quotes in American history. MacArthur included the phrase in a statement he made to the press in Australia after he was forced to leave the Philippines due to Japanese advances in March of 1942

The full statement by MacArthur is as follows:

"The President of the United States ordered me to break through the Japanese lines and proceed from Corregidor to Australia for the purpose, as I understand it, of organizing the American offensive against Japan, a primary objective of which is the relief of the Philippines. I came through and I shall return."

In October of 1944, MacArthur (along with the US Army and Navy) did return to the Philippines. By February of 1945, the islands were secured and the Philippine Islands were once again under American sovereignty. Carried along with the American forces was a new issue of Treasury Certificates to reestablish the US-Philippine monetary system on the islands.

These notes, while maintaining the designs of the pre-WWII issues, were distinguished from previous notes by the overprinting of "VICTORY" on the back of each note. "Victory Notes," as they have come to be called, were issued in denominations of one, two, five, ten, twenty, fifty, one hundred and five hundred pesos.

I began assembling a set of the US-Philippine



Front of 500 Peso VICTORY Note

Victory notes about ten years ago. What I quickly learned was that finding high-grade examples of the lower denominations (one peso through twenty pesos) would be relatively straightforward. Finding nice examples of the higher denominations would prove to be quite a challenge, however. Among the higher denominations, the 500-peso note was definitely the most difficult to find and, correspondingly, the note that took me the longest to acquire.

While attending the ANA "World's Fair of Money" convention recently, I spent a considerable amount of my bourse floor time at the table of a dealer who specializes in Philippine numismatics. While going through his paper money stock, I came across a 500-peso Victory note in AU condition. It

was among the nicest that I have seen of the note and was thus soon added to my collection. With its purchase, my collection of Victory notes had finally been completed.

The front and back of the note are shown. The portrait on the front of the note is Miguel Lopez de Legazpi, the first Spanish Colonial Governor of the Philippines and the man responsible for establishing Manila as the capital of the colony.

US-Philippine numismatics is filled with interesting stories and collecting challenges. If you're looking for a new collecting venture, I heartily recommend the series!

Happy Collecting!



Back of 500 Peso VICTORY Note

US-Philippine Numismatics: Quick Facts

- US-Philippine coins were struck at the Philadelphia Mint, as well as the branch mints in San Francisco, Denver and Manila — Manila is the only US branch mint ever to be located outside of the continental US.
- All US-Philippine notes were printed by the Bureau of Engraving and Printing (BEP) in Washington, DC.
- To avoid any possible confusion between US paper money and US-Philippine notes, it was decided to produce the Philippine notes in a smaller size — the same smaller size was adopted for US notes approximately 25 years later with the Series 1928 issues.
- A set of three commemorative coins — two One Peso coins and a Fifty Centavos piece — were struck to commemorate the transition of the Philippines from a territory to a commonwealth. All three of the coins featured portraits of living men: Franklin D. Roosevelt (US president), Frank Murphy (US governor-general of the Philippines Territory) and Manuel L. Quezon (president of the Philippine Commonwealth).

Thoughts on the Blue Ridge Numismatic Association Convention — August 15-17, 2003

By Bob Schreiner

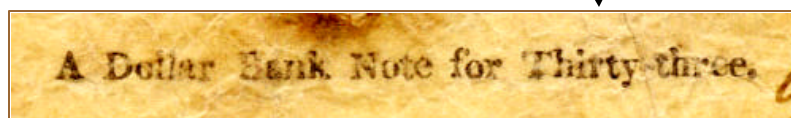
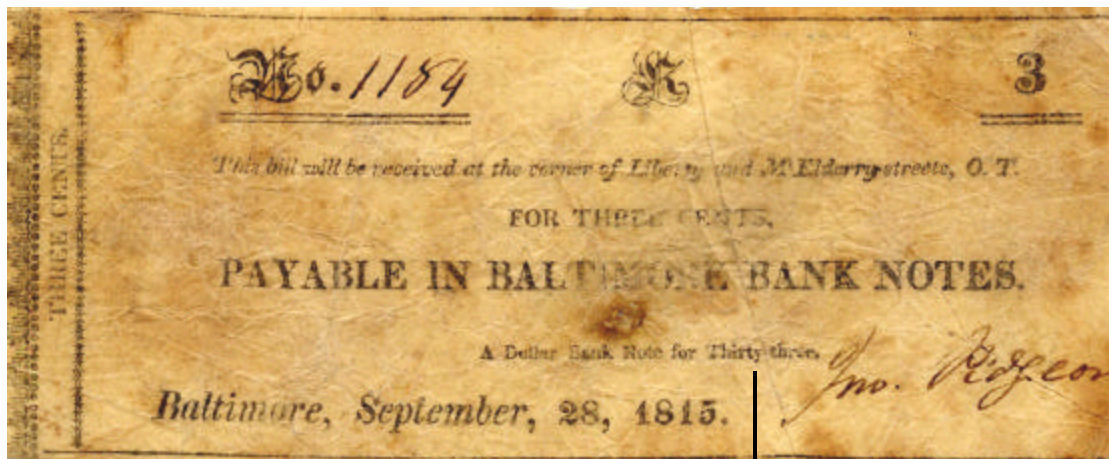
The annual convention of the Blue Ridge Numismatic Association is one I look forward to each year as a friendly, larger show with enough big paper money dealers to ensure I'll find something for my esoteric collections. The show is in Dalton, Georgia, a drive of about 475 miles. That's a long way to go for a three-day show, but the trip is spectacular. I go west on I-40 through Asheville, exit to non-interstates through beautiful mountain scenery to Murphy, then descend into Georgia and west to Dalton. This route avoids all-interstate boredom and Tennessee.

I traveled this year with Paul Horner, a collector of North Carolina paper money and one of the best numismatic scholars working in North Carolina today. The trip allowed me to get to know him better and discuss (mainly learn from him) common numismatic interests. I wasn't disappointed.

The show had about 190 tables and we got in at dealer setup thanks to a dealer friend who was able to add us to his table. With no show

responsibilities, we got to several dealers as they opened. Neither of us found anything great, but we were pleased with a number of acquisitions. I bought a mid-nineteenth century photographic counterfeit for my collection of counterfeit obsoletes and an 1815 3 cent scrip note of John Pidgeon, Baltimore printer, payable in currency if one had 33 of them--"A dollar Bank Note for Thirty-three" (see illustration).

One of the best parts of a big show where you stay for a while is that you can find periods of lesser traffic where you can talk with dealers. Not all are sharing, but most are, especially if you don't pick bad (i.e., busy) times. I got to know Guy Kraus on this trip. A Mississippian and primarily a collector who sells a little on the side, Guy has written a book on Mississippi obsolete paper money. The book is in press now by the Society of Paper Money Collectors (SPMC) and should be out by November. His book will replace and extend the older book by Leggett, published by SPMC in 1975. He explained how he approached the subject and



1815 3 cent scrip note of John Pidgeon, Baltimore, MD

organized his material. He also told me a lot about many of the notes he has for sale at the show. It took a display of only a little interest on my part to get this enthusiastic, dedicated collector on a roll — just what I hoped for.

Publishing a specialized book like this is an interesting proposition. It's a matter a balancing a desire to publish with a desire not to loose a lot of money. I consider Mississippi an interesting state for obsoletes, and it's a book I will readily buy even though I don't collect Mississippi notes. But how many people will buy such a book?

SPMC advertised the book in its journal *Paper Money* and in *Bank Note Reporter*, a Krause monthly publication. Among knowledgeable collectors of obsoletes, it's been known for years that Kraus' work was progressing. SPMC decided to produce just the number of copies that people pre-ordered in response to the ads. That's a long story — SPMC has been burned in the past by producing too many books and having to store them for a long period and tie up considerable funds. Kraus ordered 100 books for himself. Each of two dealers ordered 25. The Society ended up producing 275 copies total. That seems pretty meager to me, but it apparently it will satisfy demand for some years. It provides evidence about just how specialized some aspects of our hobby are. If the book were on Morgan dollars, that would be another story.

I also spent some time talking with Austin Sheheen, a long-time collector of South Carolina paper money. I've known Austin for several years. He's not a dealer, but he hangs out at the table of mega-dealer Hugh Shull and, more recently, at the table of his daughter, Amanda Sheheen. Austin is friendly and gregarious, and remembers who you are. He wrote a short book on South Carolina obsolete paper money in 1960. He's now re-writing that book and expanding it after 43 more years of collecting and learning. He will self-publish it, and I can hardly wait for what will be another great book.

Paul and I spent all day Friday on the floor and part of Saturday, and then headed home, as we had planned. It was enough time. We were each focused, and we got to all the dealers and then some.

These trips are true social and educational events for me, not just acquisition opportunities. I meet people I only see at shows, talk the hobby, always learn, and have a good time. This is what keeps me coming back each year.

RCC Well Represented on NCNA Election Slate

The 2003 election slate for officers and directors of the North Carolina Numismatic Association (NCNA) has been released, and three RCC members are among the ten numismatists seeking election.

Dave Provost, current RCC Secretary and NCNA 1st Vice President, is running for President, Judith Murphy, a current NCNA Director, is running for Secretary and Dot Hendrick, a current NCNA Director, is seeking reelection.

Bob Schreiner, current NCNA President and RCC Vice President, is not seeking another term, but will continue to serve the NCNA executive board as the association's immediate Past President. Halbert Carmichael, current NCNA Secretary-Treasurer and long-time officer of the state organization is stepping down to spend more time assisting his wife Anne with her rehabilitation and recovery.

David Boitnott, a current Director of the RCC, is in the midst of a three-year term as an NCNA Director and is not up for reelection at this time.

Make plans to attend the

North Carolina Numismatic Association's 45th Annual Convention

October 3rd – 5th • Hickory Metro Convention Center • Hickory, North Carolina

September Meeting Notice

Thursday, September 11, 2003
7:30 PM

Program

US Money in the Time of the Wright Brothers

Presented by
Bob Schreiner

Dave Provost
RCC Newsletter
PO Box 354
Morrisville, NC 27560