

Palm Beach Coin News

THE MONTHLY NEWSLETTER OF THE PALM BEACH COIN CLUB

July 2010

Volume 20, Number 7

July 2010 Events

July 4

Gold Coast Coin, Stamp & Collectible Show
David Park Recreation Center, Hollywood

July 8-10

4th Annual Summer FUN Convention
Orange County Convention Center, Orlando

July 11

Coin, Stamp and Collectible Show
Eau Gallie Civic Center, Melbourne

July 14

PBCC Meeting: Doors open at 5:30PM
Begins at 7:00PM

July 18

Coin and Stamp Show
Volunteer Park Community Cntr., Plantation

July 25

PBCC Coin Show
Knights of Columbus Hall, West Palm Beach

**** Randy Campbell from ICG ****

July 28

PBCC Meeting: Doors open at 5:30PM
Begins at 7:00PM

SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Presidents Message

At the June 9th meeting all 66 lots in the estate auction sold. The average increase over the beginning bid was 11%. The club raised \$156. The June 19th picnic saw 65 club members and their families in attendance. 89 year old Ed P. had games such as *Bobbing for Dentures*, *Guess the Highest Blood Pressure*, *Wheel Chair Races*, and *Who Takes the Most Pills*. A good time was had by all who stayed awake.

Summer FUN is July 8-10th in Orlando. We currently have 42 signed up for the 57 seat club bus trip to *FUN* on Friday 9th at 7AM leaving from Jog Road Baptist Church, 855 Jog Road, near the NW corner of Summit Blvd and Jog Road. RSVP Tony at 561-964-8180, M-F, 9-5.

We will discuss the *Summer FUN Show* at our July 14th meeting. Randy Campbell from ICG will be at our July 25th coin show to give free verbal opinions and take coins in for grading. The July 28th meeting will be "*Other Hobbies Night*" where club members set up exhibits and show other hobbies that they collect.

Our 50th anniversary club medals are available for \$1 or you can buy an ICG slabbed one for \$5. There are only 100 slabbed medals, numbered #1 to #100.

We currently have 275 paid club members. Our contest to bring in new club members continues through the end of the year. Tim Morley is leading with three new members. We prefer not to have any convicted felons however every person will be reviewed on a case by case basis.

Tony Swicer
VP - FUN

Grading Mint State Coins

By Tony Swicer

Grading a coin is the description of the coins state of preservation. Grading coins is an art, not a science. There are national standards that are used at coin shows based upon experience and market conditions. When the market is hot, grading is somewhat loose. When the market is cold, grading is tighter. Dealers who regularly submit coins to the grading services can tell when there is a subtle change in grading, looser or tighter.

There are several books on grading U.S. coins: *A Guide to Grading U.S. Coins* by Brown and Dunn, *Official ANA Grading Standards for U.S. Coins*, *Photograde* by Bowers and Merena, *NCI Grading Guide* by James Halperin, *PCGS Grading Guide*, and the *ANA's Grading Mint State Coins* - the correspondence course and video by J.P. Martin. All these are available thru the ANA Money Market.

Coin grading was originally described using adjectives such as "a trifle bit of wear" or "a hint of circulation". In 1949 William Sheldon devised a numeric grading system for large cents. 1 thru 55 was a circulated coin and 60 thru 70 was uncirculated, 70 being a perfect coin. This system was adapted for use in grading all coins in the late 1970's. As price differences between two grades widened, new grades were developed. AU-58 is such a case. If AU-55 was worth \$100 and MS-60 was \$500, what was a coin worth that was better than AU-55 but not quite a MS-60. The coin was worth \$300 and the new grade AU-58 was adopted. Standard grades were MS-60, MS-63, and MS-65. We now have MS-61, MS-62, MS-64, and MS-66 and up.

Next let's talk about lighting. Consistency in lighting is important when grading coins. A 60 to 100 watt light bulb is the best. Fluorescent lighting is bad. It makes the coin look better than it is. Different lighting gives a coin a different look. Many large convention centers use fluorescent lighting, be aware of this and only look at a coin under a table light.

Most professionals use a 5X to 7X magnifying glass with as wide a lens as possible to get a good over all view of the coin.

Grading mint state coins involves four areas: luster, bag marks, strike, and eye appeal. Luster is most important when determining the grade of a coin. Luster is fine lines on the coin from the minting process that reflect light. By rotating the coin as you look at it, you get a better feel for the coins luster and if there are marks, hairlines, or wear on the coin. There are three types of luster, proof-like luster, frosty luster, and satiny luster.

Proof-like refers to a mirror-like image in the fields of the coin from highly polished dies. As the dies wear down, they produce a frosty luster. Dies that have not yet struck a lot of coins, or die preparation, produce a satiny luster. A proof-like coin with reflective fields that can be seen 2" to 4" is called proof-like. A coin with a mirror that is seen greater than 4" from the coin is called deep mirror proof-like. The frosty luster coin has luster in an hourglass shape. As you rotate the coin the luster rolls in a cartwheel effect. Satiny luster has an even look like a Peace dollar. The luster does not roll like it does on the Morgan dollar.

Factors affecting luster are: rusted dies, die erosion or wear, a defective planchet, polished dies, or a strike thru foreign material such as metal or grease. Post strike factors affecting luster are PVC flips, coin storage in the wrong climate, cleaning or dipping disrupts the luster and damages flow lines that reflect the light.

Bag marks, or contact marks, are judged by location, severity, and quantity to determine the grade of a coin. All coins have their "prime focal area", that is the main area your eyes are drawn to on a coin. You do not want marks in this area. On a Morgan dollar the prime focal area is the face and just in front of it. It is much better for a mark to be in the hair than on the face or in the open fields. Severity or how deep a mark is, lowers the grade. Quantity of marks hurt a grade. The more marks you have, generally the lower the grade. Always check the rim for dings or cuts.

The Strike, or amount of detail, helps determine the grade of a coin. Many "O" Mint silver dollars were weakly struck over the ear and on the breast feathers and can grade no higher than MS-64. Many "S" Mint Walking Liberty halves were poorly struck,

specifically 1940 - 1946. Full bell line, split bands, and full head all are referring to the strike of the coin.

The last factor determining the grade of a coin is Eye Appeal. How pleasing is the coin to everyone? Does it have exceptional luster? Is it beautifully toned with wild rainbow colors? Is it dull? Is it cleaned or has it been artificially toned? Most rainbow colored coins are Morgan dollars from original bags of 1000 coins. The bags had sulfur in them that toned the coins touching the burlap over a period of time, sometimes 50 or 60 years. Many beautifully toned coins came from original Mint sets from 1947 to 1958. Learning the difference between real toning and artificial toning takes a lot of practice looking at many coins. Real toning usually flows gently from one color to the next. Artificial toning tends to be blotchy with abrupt changes in color. If a copper coin is dipped, it looks skin color or pinkish. The grading services will not grade artificially toned coins although some slip thru the cracks. Copper coins are designated "Red", "Red & Brown" and "Brown". Red is the most desirable and worth the most money.

Artificial enhancements include artificial toning (as above), whizzing, chemically treating a coin, and artificial frosting. Whizzing is using a wire brush on a motor to move metal on the coin. A whizzed coin has an unusual satiny glow that is not natural looking. Whizzed coins can grade no higher than AU-50. Chemically treating or "thumbing" a coin hides bag marks. You can see the bag mark but no light reflects off of it like it should. Artificially frosting a coin is to try to achieve a "cameo" affect. On a Morgan dollar the frost is not only on the portrait but it should also be on the date and the stars to be a genuine cameo coin. Sometimes the fake frosting falls down onto the fields of the coin which is not natural except for "CC" dollars.

AU vs. BU coins is probably the most difficult thing to learn. This is where a good magnifier comes into play. Every type of coin has its specific high spots where it gets its first wear. Looking at the high spots of the coin with a magnifier, you can determine if the coin has hairline scratches. The NCI grading guide shows the first points of wear on all U.S. coins. Also,

by rotating the coin in the light, the wear spots will show up as gray or dull areas.

Portrait coins vs. non-portrait coins. A portrait coin is just what it says; the head on a Morgan dollar is a portrait. The most important area on this coin is the face and the field in front of the face. Other portrait coins are the Lincoln Cent, Buffalo Nickel, Mercury Dime, etc. 70% of the coins' grade is the obverse. A non-portrait coin would be a Walking Liberty half dollar. The prime focal area on this coin is the center of the obverse and the right field. Other non-portrait coins are the Seated Dimes, Quarters and Halves, Standing Liberty Quarter, and \$20 St. Gaudens.

Gold coins are graded more leniently.

In conclusion, we have given you all the theory. Now you need practice, practice, practice. Go to coin shows and look at as many coins as possible. Take advantage of auction lot viewing when possible. Be cautious when purchasing. Everyone makes mistakes. Get second opinions from other dealers on the grade.



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ANA Member Club

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West Palm Beach Garden Club Hall
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PBCC MEMBERSHIP APPLICATION

Dues are \$10 for the year

NAME _____

ADDRESS _____

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DATE _____

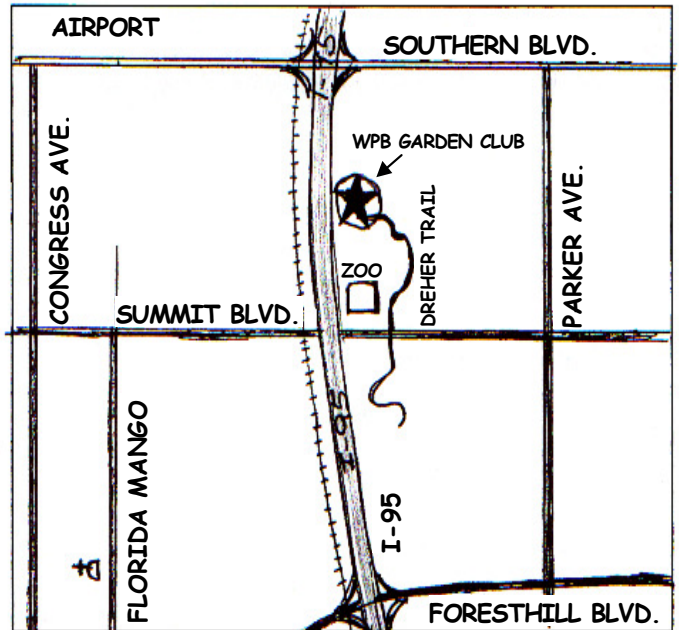
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