

THE SRSC NEWSLETTER

*The Santa Rosa Stamp Club: Promoting the study,
knowledge, and enjoyment of stamp collecting.*

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Editor's Note

Dennis Buss

As our readers know, Steve Brett channels the philatelic insights of Phil A. Tellick giving us access to odd bits of information that few stamp collectors are even remotely aware of. In a more serious vein, Steve has assembled his presentation notes on *Trends in Stamp Collecting* into a two-part article, the first part of which appears in this newsletter. It is an important topic that deserves serious study and reflection. For those of you who have made presentations in the past or plan to do so in the future, I would encourage you to consider writing a follow-up article on your presentation topic for the newsletter. Time limitations often cause the presenter to skim over the topic leaving much information unspoken. Here is your chance to tell the full story. I hope others take Steve's contribution as encouragement to submit future articles for our newsletter.

Ask Phil A. Tellick

Steve Brett

(This month I've been guilty of procrastination and I've allowed questions from collectors to pile up. The delay is justified! I have formed an exploratory committee and may, based upon their findings, become the 26th Democratic Candidate for President. My motive is pure: We need another President of the United States to be a philatelist. The hobby flourished under F.D.R. Why shouldn't it have another renaissance under P.A.T.? We've already picked a winning slogan: *Vote for Tellick. He Can Perforate Trump!*).

Dear Phil: As Vice President of the Oshkosh Stamp Club I am responsible for Club charitable programs. What message is Boys Town trying to send our club when they continuously return our stamp donations?

J. Benny.

Dear J: Boys Town is trying to tell you that they also have a charitable program.

Dear Phil: I purchased an off-paper stamp mixture from Herrick's and found something unusual in the mixture. It is a Kiribati stamp with diagonal lettering in "caps" that reads: SPECIMEN. Have you ever come across a SPECIMEN?

Myron Tinkles

Dear Myron: So-called "specimen" stamps are those that are either overprinted or perforated with the word "specimen" or a foreign language equivalent. Some authorities include in the definition stamps produced by security printers and submitted to postal



administrations, but these would appear to be more accurately termed essays or samples. Specimen stamps are so marked to prevent their use for their intended purpose. At the Universal Postal Union meeting in Paris, in 1878, it was ruled that each country should send three copies of each new stamp to every member country for reference purposes. While it wasn't a requirement that the stamps be marked "Specimen" some countries, especially those of the British Commonwealth, did mark them. Most US stamps issued from 1851 to 1904 can be found with a specimen overprint. Spain uses "MUESTRA" and Germany uses "Muster." Fernando Po, a stamp-issuing island off the coast of the African Cameroon Republic has the easiest job of all - they simply add an "o" to their Specimens thus Fernando Poo overprints are extremely sought after by collectors.

Dear Phil: What does Après le depart mean?

Chuck Boyer

Dear Chuck: This inscription on a French postal marking indicates that the item was too late to catch a particular mail, and it means "after departure." In the 1860's a French service was begun whereby, for an extra charge, such a "too late" letter would be forwarded the same day when received after the normal closing of the mail.

Dear Phil : I am trying to decipher an advertisement in a German stamp magazine. Perhaps you can help me. The word is MARKE.

A. Schicklegruber

Dear A. When the word MARKE appears in a German publication it means "adhesive stamp." It is used as a prefix for a large number of words relating to stamps and stamp collecting, some of which follow:

Markenanordnung. A German word referring to the arrangement of stamps in a sheet. Markenheftchen is the German word for "booklet stamps." Lastly, Markenschnooken is the German word for a collector who buys Trucial States stamps at more than 5% of catalogue value.

Yours in Philately, Phil

Trends in Stamp Collecting: Past, Present & Future

Part 1

Stephen Brett

Much research went into my May 7, 2019 "Trends in Stamp Collecting" presentation to our club. This two-part article represents a supplement and expansion of that presentation. At the end of Part 2 you will find a detailed list of my sources, the intent being to both attribute the information to the authors identified and to provide club members and other readers an with an opportunity to read more than what I can summarize here.

Many of us, if not all, have wondered from time to time about the state of our hobby that appears to have health issues and this alone has a bearing both on the monetary value of our collections as well as the cost of purchasing philatelic material. The intent of the presentation was to provide answers to the questions we have about the survival of stamp

collecting (growth in the United States being inconceivable to most philatelists) and the drivers behind the rise and fall of the stamps and philatelic material values in our personal collections. For sure, many of the assumptions we made 40, 50, 60 years ago when we began collecting have gone by the boards. To understand why our hobby is in its current state, the following information will address two major and some minor historic areas of collecting beginning with its roots and then the market dynamics over time that have a direct effect on the value of our collections. While I am not a technology expert (and it may show as this article develops), it is conclusive that technology has played a huge role in denting the enthusiasm amongst the youth of our country for a hobby that requires patience, scholarship, attention to detail, reflection and, dare I say, intellectualism. It is critical to any hobby to enlist the youth in order to grow and to replace hobbyists who pass on. But, as we will soon discover, it is the application of technology to this hobby that will likely save it and even re-popularize stamp collecting. This phenomenon will be described later with supporting examples.

To accomplish the objectives of this article I will review the evolution of the hobby with a focus on eras in collecting that many of us can recall as we developed our strong attachment to the hobby. I will conclude this review with a survey of present conditions with a particular emphasis on technology as basis for predicting the future of stamp collecting.

Here are some key historical events of our hobby:

- The Term "Philately" first appeared in 1864. Its creator was a Frenchman, M.George Herpin. The word is of Greek derivation: "Philos, " or friend or aficionado; "atelia," or something prepaid or exempt from tax.
- World's first philatelic club, 1869, London.
- Royal Charter for the club in 1906.
- Collectors Club of New York founded in 1896.
- American Stamp Dealers Association, 1914.
- British Philatelic Association, 1925.
- First Stanley Gibbons Stamp Catalog, 1865
- American Scott Catalog and numbering system, 1868.

Stamp Collecting Trends Through the Decades

The Collecting Boom of the 1930's:

- Thousands of stamp collectors hoarded stamps newly issued by the U.S. Postal Service.
- This kicked off a positive feedback loop that prompted the U.S.P.S. to design and print more stamps to meet the increased demand.
- The net effect is that virtually all U.S. stamps produced since the 1930's are available in quantities that far exceed collector demand causing collecting values to suffer.
- With mail use down, stamp values also suffered.



- For many stamp collectors this means that their stamp nest egg is worth only a fraction of what was originally paid.

Collecting in the 1940's -The War Years:

- Fundamental changes occurred in the geopolitical landscape.
- Increasingly propagandistic designs appeared on stamps issued by the Nazi's and the Russians, Japanese, Rumanians and more.
- In the build-up to war many people fled Germany. Valuable stamps retained their value when currencies did not.
- Special U.S., British, French and Soviet stamps were used in occupied zones of Germany.



The Stamp Boom of the 1950's:

- Stamp collecting experienced its greatest popularity in America's postwar years. The relative peace and prosperity made the hobby accessible to millions of people, young and old. National pride instilled a kind of patriotic significance to U.S. stamps. Stamp collecting was considered a reflection of everything that was right in America.

U.S. Stamp Collecting Reaches Its Peak in the 1970's:

- Over a thousand prominent dealers were in business in the U.S.
- These dealers primarily serviced the hobbyist market that they called "album fillers."
- The predominant trend involved amassing complete country collections.
- There was a de-emphasis on stocking rare or mint stamps that commanded high prices.
- The emphasis was to help others round out their collections with the best quality issues.
- The "album filler" was the king during the heyday of the 1970's. They rarely bothered to be picky -- especially with used stamps. "Mint Never Hinged" ruled. That was the only important thing.

The Stamp Bubble Burst in the Early 1980's:

- Some of the most desirable stamps actually went down in value. The Graf Zeppelins [Scott C13-C15] were, interestingly, more valuable in 1980 than today. Most stamps and stamp collections lost value by the mid 1980's and thereafter.



Greatest Changes Over the Decades:

- The greatest change over the past 60 years has been the skyrocketing values commanded by some of the rarest stamps. For example the British Guyana One Cent Black-On-Magenta set the record price at \$9,500,000 to an anonymous buyer.
- The desire for rare and collectible stamps has increased worldwide.
- At the same time, values for complete collections are dropping.
- The market has shifted from the hobbyist to the serious collector, more willing to invest in unique one-offs than comprehensive sets or collections.
- Stamp collecting has found new audiences thanks to emerging overseas markets and the passionate interest of long-term philatelists in the United States.



Stamp Collecting - The Survival Challenge

There is general acceptance to the proposition that those who have been exposed to stamp collecting early in life often circle back to philately once they reach middle age or retirement. That circle of life in the stamp collecting community is now in terminal decline. Richard Lehman in his popular blog states, "Now, let me be clear. I don't think that stamp collecting is going to completely disappear. Yes, the number of active philatelists will decline dramatically in the future. And, if you are hoping to make money investing in stamps or selling your existing collection you should probably reconsider." Lehman continues, "Here's the silver lining. If you love stamps for the pure joy of collecting them, then you're chosen hobby is likely to become significantly less expensive in the future. Just don't expect a lucrative financial return from your vintage collection."

The bottom line, then, is that the survival problem comes from the fact that the number of collectors dying is greater than number of new collectors entering the hobby. The album fillers, sadly, are dying off faster than the newcomers taking it up. The newcomers and the returning retirees shy away from average material. Many are attracted to more interesting philatelic fields. This may explain the growth in popularity of topical collecting, which adds diversity to collecting and may be the ticket in attracting youth to the hobby.

Now, nearly all collectors are looking for specific stamps that require a bit of searching and are not easily found on a standard price list. This explains the strong demand for better items and less for the readily available stamps the supply of which is increasingly available because so many of those 1970's album collections are coming on the market.

Today Who Collects?

The current estimate of stamp collectors worldwide is between 60 million and 200 million. That's a pretty broad estimate that may be explained by the inclusion or exclusion of casual collectors. The average age of the collector is now 60 plus. Paul Dauwalder, a serious philatelist and writer adds, "but what is interesting is that every year we see a new

crop of 60-somethings starting to collect." The booming market for rare stamps has attracted serious collectors from all corners of the world; this topic will be discussed a little later.

The Most Current Collecting Trends:

- Stamp condition matters more now than ever before.
- Buyers demand mint issues with prices falling precipitously for used or average condition stamps.
- Rare stamps are becoming more difficult to find and they are fetching record prices.
- Specialized single country collections have limited appeal.
- The price of a 'perfect stamp' can be hundreds of times the price for the exact same stamp that is slightly off center or has some minor condition problem, e.g. a small crease that you can't even see without a magnifying glass.
- At the single stamp level, there are many factors that can dramatically affect stamp collecting values, but for the most part, it comes down to supply and demand. Many stamps are rare but not valuable because there is not enough demand to drive the price up. But find a rare and high demand stamp and watch out! A handful of the crown jewels of philately have sold over the past decade for multi-million dollar sums.
- And, there are further supply and demand factors at work affecting ranges of stamp collecting values for unique copies of the same stamp. For example, classic U.S. stamps have a high demand from the stamp investors for perfectly centered and faultless stamps that drive values up exponentially.

The stamp collecting market is not uniformly weak. There are many areas of dramatic strength. It seems to be a matter of demographics and global demand. Average material of many previously popular countries has been consistently dropping in price for many years. The meaning of average: the type of material that average country collector fills an album with - not sub-quality material. In other words, mint never hinged sets from the last 40 years and medium quality used stamps that are not particularly scarce - the kind of material that is easily found in the stock of any dealer. Most of the aforementioned - North American and European mint stamps trade on their face value. On the other hand, earlier, better material of these countries is in strong demand. "Better" means any stamp that one cannot reasonably expect a dealer to have in stock (unless that dealer caters exclusively to the elite collectors). These are the stamps that require considerable effort to be "found" either because of scarcity or condition.

In any article about collecting trends, specifics by country or area are generally the most interesting and pertinent to active collectors. The following reflects the consensus of the many articles I read.

Stamps most wanted in order of demand are:

- British Commonwealth pre -1935
- French Colonies
- Mint U.S.A. pre-1940
- Asia with China and Hong Kong
- Independent India

- South America
- Russia
- Eastern Europe years 1945 -1965
- Post Independence India

Stamps least wanted are:

- Any stamps in poor condition
- UN and Europa issues
- Israel
- Scandinavia
- East Germany and Berlin
- Caribbean Islands
- Diana Topic
- Boxes of loose used stamps are usually worth very little
- Stamp albums that are sparsely filled are usually worth very little
- Stamp albums for children or beginners are worth very little
- Used U.S. postage stamps in the last 70 years are worth little
- Mint with original gum U.S. postage stamps printed in the last 70 years, with few exceptions, are worth less than their face value. Stamp dealers offer to buy at 50% to 70% of face value depending on their customer base. They sell it at 75% to 90% of their face value.

Other factors:

- A well-organized collection brings more than a haphazard one.
- Worldwide collections of mint stamps are in demand and prices are good.
- Some specialized collections are very hot but the demand is thin.
- Any stamp collection with a market value over \$1,000 can be sold if the price is realistic.
- The stamps of China, Southeast Asia and Latin America previously underappreciated are doing very well. Why? Twenty years of improving economies created a middle class with more money and the desire to collect. Added to which is the impact of the internet (see Lingens.com for more information).

Part 2 of Steve Brett's Trends in Stamp Collecting will appear in the next edition of the Santa Rosa Stamp Club Newsletter.

ATTEND THE GREATER RENO STAMP & COVER SHOW
SATURDAY, JULY 27, 10AM – 6PM AND
SUNDAY, JULY 28, 10AM – 4PM
NATIONAL BOWLING STADIUM
300 N. CENTER STREET, RENO, NEVADA
FREE ADMISSION



SRSC

The Santa Rosa Stamp Club meets on the first Tuesday of the month from 6:45 pm to 9:00 pm at the Finley Community Center, 2060 W. College Road, in Santa Rosa. Membership dues are \$20 per year. Following a discussion of club business matters, the meetings feature a philatelic presentation and a member auction. For further information about the club visit our website at <http://www.santarosastampclub.org/home.html>

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Members are encouraged to submit articles for the Newsletter. Whether it is a short piece about an interesting stamp or cover in your collection, a more extended article on some aspect of philately, a follow-up article on a presentation, or your stamp collecting autobiography, your submissions are welcome. See Dennis Buss, the Newsletter editor.