



Nevada Stamp Study Society Post Boy



N.S.S.S. meets the 2nd & 4th Saturday of each month at 10:00 am in the NNMC at 1855 Oddie Blvd. in Sparks

<http://home.earthlink.net/~renostamp/>

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July 14, 2012

Nevada Stamp Study Society

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Editor's Byline

Red, White and Blue to you!

Casey Macken

Secretary/Editor

July 7th, 2012

Well. July is here and Art Town has begun. Each night when I come home through downtown, there are lots of people. If the Fourth of July holiday is any indication there should be a lot of people in town. Are you working on your exhibits? I have the stamps for my exhibit I think but now I need the time to write up the script and oh a thousand of other things. If you have not done a "My Favorite Things" try it! It is easy and it will help with the show.

The show is just a week away so get your lists ready to shop.

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YES, IT'S TIME FOR ANOTHER GREAT NEVADA STAMP STUDY SOCIETY MEETING! AND SIGN UP FOR OUR STAMP SHOW BANQUET!

Our regular meeting will be held this coming Saturday, July 14, 2012, at 10 a.m. at the NNMC Bldg. at 1855 Oddie Blvd. in Sparks. If you choose to come earlier, like about 9 a.m., you will always find some of us there to socialize, help set up and do some trading and talking.

This Saturday's meeting is Auction day. You may bring up to 5 lots for sale. There is no limit on the number of lots you can purchase. Just use the club's Auction Sheet for those items you wish to bring to sell, get your lot numbers from the Treasurer and prepare yourself for a grand time of auction entertainment, brought to you by Mike Potter, Dick Simmonds and George Ray, and others.

As usual, there will be lots of news regarding our forthcoming Stamp Show at the National Bowling Stadium on July 21-22, 2012, plus the latest on a variety of philatelic topics.

Please come prepared to select your dinner option and pay for our banquet on July 21, 2012, in conjunction with our Stamp Show. Here are the details:

1. The banquet will be held July 21 at the

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Are you coming to the show, how many times? Are you dragging, I mean bringing your friends and family? Set up is Friday in the afternoon. Do you have any younglings to help the dealers? Bring them too! Depending on whether we get the supplies to fix the frames there might be time to repair those broken frames while we wait for the dealers to arrive.

The banquet is Saturday at the Siena. It sounds like it will be a lot of fun. Well, I cannot think of anything else to say except make sure you send in your ballot. See you Saturday for the meeting.

Stamps Pricing By Stan Fairchild

"I was looking through my latest Scott catalogue and comparing book value with stamps being traded in an Internet auction. Most stamps were offered at prices well below book value. Judging from the pictures and the few I bought, they seemed to be of decent quality. How can this be? Why would anyone sell for so much less?"

I. THE MARKET

A. Market segments

Just for the purposes of discussion, "stamp market" is any mechanism used to legally transfer ownership. The market includes retail shops, mail sales, auctions-including circuit books, bourses, and trading. These segments have fairly little overlap except for the ever-present arbitrageurs known to Pat Herst's readers as satcheleers.

All of these markets need both a willing seller and a willing buyer. If the buyer is a dealer, he expects to resell at a profit. If the buyer is a collector, a selling collector may get a higher price but probably will have to sell the collection item by item.

New buyers come from the outposts in department stores, from advertisers in daily papers and on television, and from post offices. Without the entry-level expensive marketplace, the market from which collectors like to buy cheaply would gradually cease to exist, because it does not reproduce its customer base from within.

The biggest stamp retailer, Mystic Stamp Company,

marks up to about double Scott, because its advertising in mass circulation publications cannot be sustained by intra-hobby prices. Yet Mystic brings more new members to APS than any other recruiter, and sometimes more than all the others combined. Many of those customers, once familiar with the hobby's own marketplace, probably switch to less expensive suppliers. Even, so Mystic does well enough to support a weekly full-color, full-page spread on the back of Linn's Stamp News, and other full-page spreads inside.

Meanwhile, all other segments face competition from below-market sellers in Linn's classified ads, APS sales circuits, and on-line auctions, usually of retired collectors who are disposing of their personal collections. Each discrete segment has its own value system, which only indirectly affects the others. The value systems can only "only indirectly affect the others" if the buyer, seller, or both are unaware of them, unable to access them, or are uninterested in them for a particular transaction. See my comment on "instant gratification" below.

1. Retail shops

The amount of turnover done in any big city, high overhead retail shops has to be a minuscule portion of the world's stamp turnover. Vastly more turnover is gained in auctions, circuits, net sales, trades, shows, etc., than in stores in cities. The value of a stamp can't be set on the value plus costs of doing business, as value in purest terms is the highest amount someone is willing to pay at any given point in time. Scarcity plus demand drives prices, not a combination of scarcity, willingness to pay, and the other guy's excess overhead.

That's why high overhead shops such as Gimbels/Minkus/Robinsons, et al. bit the dust. They had a good run until auctions, shows, small shops, and mail order became well organized and easily accessible. The key point here is that the alternatives had to get organized and be easily accessible. Big-city downtown stamp shops are still a fixture of the marketplace in the cities such as Chicago, Frankfurt, Hamburg, London, etc., despite their high retail prices.

2. Mail sales

These still serve the market for those with limited access to the other sources of stamps (trading, retail sales, auctions) or for those seeking special material.

CALENDAR OF EVENTS

REGULAR MEETING

NNMC

JULY 14TH

10:00AM

Auction meeting

NNMC

JULY 28TH 10:00AM

Consignment Sales with Presentation

Stamp Shows

NSSS STAMP SHOW

July 21-22 Reno, NV

One the Road Course

August 16-19 Sacramento

APS STAMP SHOW

August 16-19 Sacramento

WINEPEX

Oct 5-7 San Rafael

EAST BAY COLL CLUB STAMP SHOW

Oct 27-28 East Bay

FILATELIC FIESTA

November 9-11 San Jose

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November 9-11 San Jose

PENPEX

December 1-2 Redwood City

Sienna Casino/Hotel in the Charlton Heston Room on the 2nd floor. Cocktails are at 6 p.m. and dinner at 7 p.m.

2. Two choices for dinner:

Chicken Breast Portofino - \$25.00

Grilled New York Steak - \$45.00

(This is a house specialty)

The meal will be served with Field Green Mixed Salad, Bakery Fresh Rolls and Butter - Dressing to be presented on the side: Ranch and Balsamic Vinaigrette. The Entrees will be served and presented with fresh vegetable of the day and Chef's Potatoes. The meal will be finished with Chef Conrad's customized dessert designed especially for the event. The meal will be presented with Iced Tea, Coffee and Decaffeinated Coffee with all suitable accompaniments.

3. Drinks will be available at the main bar on the first floor and can be brought up to the dining room. House wine will be available at \$6.00 per glass with the dinner service.

The banquet promises to be a lovely event in a private room overlooking the Truckee River. Please consider joining your fellow NSSS members at this Awards Banquet.

So, we will be looking forward to seeing you this Saturday. Do plan on coming out and enjoying a few hours of stamp collecting pleasure and camaraderie, not to mention the coffee and tasty snacks. And don't forget the raffle! Any questions, please call me at 775-425-8939.

Looking forward to seeing you all there!

Paul Glass

NSSS Membership Chair

3. Auctions

In an auction, there IS always a seller, but no GUARANTEE of buyers. As a result, an item of little interest may go at a very low price. An item with strong interest may go far above auctioneer estimates or even catalog prices. This is just a matter of economics and a function of supply and demand. Since the stamp market is very fragmented and inefficient with regards to pricing, price fluctuations can be tremendous.

A particular lot or collection in an auction may only be exposed to a limit number of buyers at that moment. If there is a lack of interest at that moment, or the buyers are not the right bidders for that kind of material, the lot can be sold at substantial discount to catalog. Dealers have to buy the stamps cheaply enough to make a profit on them.

This means dealers often make offers for stamps and collections that might seem like an insult to the average person. Selling at auction gives the collector an opportunity to eliminate much of the overhead. He can get a better price for selling AND a better price for the buyer of the stamp, too, than they might otherwise get.

Most auctioneers say that the majority of their lots are sold to dealers for resale to customers at a profit. This point became contentious when Scott switched to retail valuations. At first, Scott relied on auction realizations to calculate those values. Dealers howled, claiming that such were actually wholesale prices, from which they marked up substantially.

The previous collector's comments on the pricing mechanisms within the US market are interesting and useful, but not entirely paralleled in Europe. This is particularly true in regard to the destination of most auction lots. It may well be true in relation to collections and/or other "mixed" lots, but then these are of no use in indicating market prices of individual stamps.

Internet auctions became very popular after this article was first written. They seem to be provide buyers with a range of material broad in price and quality. The exposure to a world-wide audience

tends to help good material to draw reasonable bids, albeit usually well below full Scott values, except for items having some special feature not recorded by Scott.

A. Live

Buyers have a chance to examine the material in detail, but the auction exists at one moment in time. Unlike a retail shop or mail order house, the buyer probably has no chance to try for the same lot tomorrow or next week.

B. APS Circuits

Collectors always should sell below retail, because they do not have dealer overhead costs, yet other collectors will readily pay more than dealer buy prices. Despite that rather obvious point, collectors often don't "get it." Looking at circuit books submitted to the APS Sales Division, most dealers price their material to sell at about half Scott, and it tends to move quickly, so they get their checks after just a few months. I have grouped APS circuits under "Auctions" because any one circuit book gives a one-time chance at a particular stamp.

C. Mail/Internet

There is a web site, <http://www.stampfinder.com>, which lists thousands of stamps for sale. The listing gives both centering and catalog price, as well as the sale value. Because the deal must be finalized with the owning dealer, whose name and address I think one gets, there may be room for negotiation. But it could be fairly close to a real open market and should drive catalog prices to the same values. The Internet is helping collectors to learn about the real stamp market.

4. Bourses

These are a convenient way to examine material up-close-and-personal, and with a range of dealers available. The buyer has a chance at instant gratification.

This is an inexpensive way to convert duplicates or unwanted material into wanted material. Trading range has been expanded by Internet listings of others interested in trading. E-mail makes for quick correspondence and decisions.

B. Sellers

If the buyer is a dealer, he expects to resell at a

profit. If dealers don't stay in business, the collector loses access to supplies and has access to stamps only through trading and new issues. Thus, the collector has an interest in having dealers make enough profit to stay in business. Dealers have to move inventory to do that. A dealer may also have a few show stoppers on display that are priced at full CV.

Often these show stoppers are actually part of the dealer's personal collection and he or she actually doesn't want to sell the items. They are just there to impress customers with the depth of the inventory.

C. Buyers

If a buyer is a collector, a selling collector may get a higher price but will probably have to sell the collection item by item. A collector who has a wide range of interests in reality plays dealers off against one another. A buyer with \$20 to spend on stamps from any one of half a dozen readily available countries can get more catalog value for the \$20 than a collector with a very narrow interest--especially if there are other potential purchasers competing to buy the same material.] I've noticed that virtually all of the buyers of auction lots I've sold have lived in tiny towns--presumably people with no other easy access to a steady supply of stamps. Because the market is the way it is, one collector has gone to the "shotgun" approach to collecting. He buys lots of wholesale lots, and resells just enough to recover his costs and collect the parts he wants. His goal is to have \$0 invested in his collection.

1. Psychology

My feeling is that collectors want to feel they got a "deal." The easiest way to feel they get a deal is to get a discount off the catalog price. Many collectors also want instant gratification. The Internet doesn't give that, but retail shops, bourses, and live auctions do.

II. CATALOG PRICES

Scott catalog values are not literal "retail values." They should be used as an approximate indicator of relative value between different items. The catalog only serves to place an item in relative magnitude of worth. The dealer uses

the catalog as a reference to help him/her make sure he doesn't pay too much for an item and also sells it for its maximum benefit.

The last part doesn't necessarily mean top dollar. The catalog value is a guide, not an absolute. It is the price a buyer will pay an informed seller when the buyer must have the particular stamp immediately. Three things determine stamp value (covers, etc, too): rarity, condition and popularity/desirability/fame.

It doesn't pay to put too fine a point on the question of price when the asking price is a few dollars. Save haggling for buying a White Plains souvenir sheet or other large item. Dealers will be happier to see you coming and will respect your knowledge and sense of worth much more.

Prices can legitimately vary from one dealer to another. It depends on what the dealer paid for a stamp, how quickly he wants to sell it, what his overhead costs are, whether he or she specializes in that area and therefore puts more effort into organizing his stock and looking for unusual items, etc. In fact, most of the widely used general and specialized catalogs are not retail price lists either, and usually overstate the actual values.

The only exceptions are actual dealers' price lists, such as H. E. Harris and Brookman, and even these prices tend to be somewhat higher than those you can find by shopping carefully, because those companies have high overhead costs (for producing their catalogs, for one thing!). If half Scott is about right for easy sales through low-overhead sales circuits, then full Scott is about right for high overhead storefront stamp shops in big cities, and somewhere in between is about right for bourse purchases. Note that companies that advertise heavily in the mass media have to sell at about double Scott to make money.

Philatelic Biography

Remember answer in complete sentences; add why even though I did not ask. Send to me by email, snail mail (use a nice stamp) or hand it to me and wait to see it in the PB.

1. Name
2. What do you collect?
3. How long have you been collecting?
4. What item are you most proud to have?
5. How do you organize your stamps? Albums boxes etc.
6. How many containers of stamps do you have?
7. What do you want to sell the most?
8. Where do you get most of your stamps?
9. Have you ever exhibited? Would you?
10. What is your biggest pet peeve about the post office and collecting stamps?

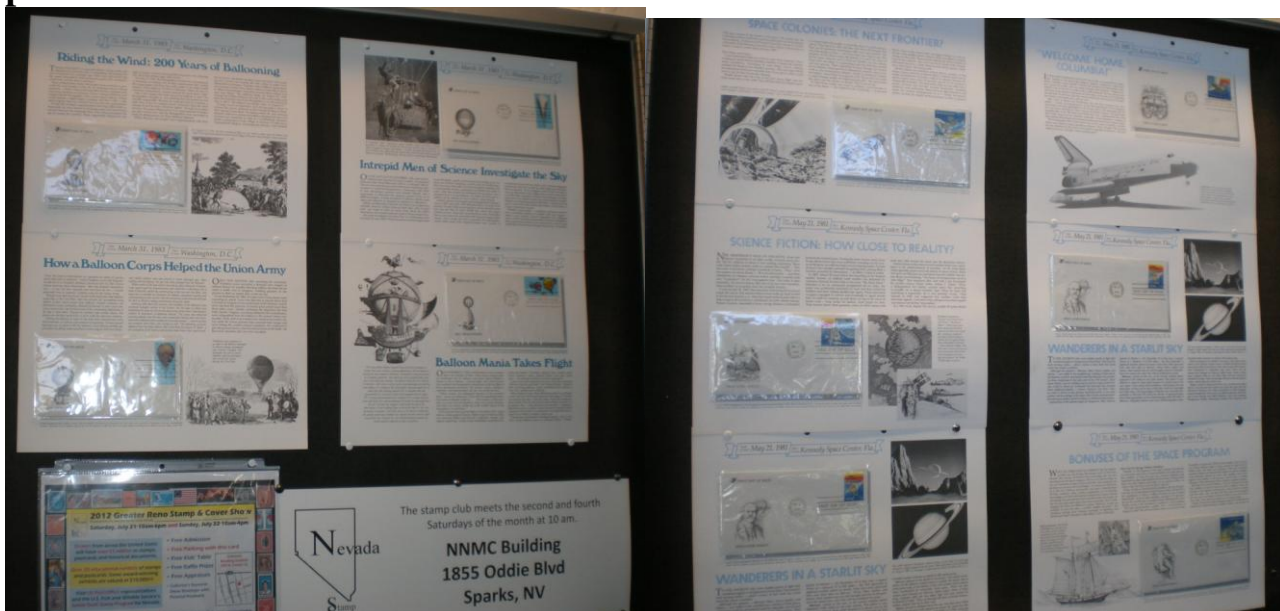
NEVADA STAMP STUDY SOCIETY

July 28, 2012 Election

<u>Office</u>	<u>Candidate</u>	<u>For</u>	<u>Against</u>	<u>Abstain</u>
Vice President	John Walter			
Secretary	Casey Macken			
Board Member	Nadiyah Beekun			
Board Member	Charles White			

.....

No write-in candidates are permitted without their prior agreement to serve in that position.



ADVERTISEMENTS

For Sale; Stamps and Covers at my online store at Wensy.com. Type "[artfulputz](mailto:artfulputz@aol.com)" in the search box click on "user" then "go". You'll have to join but it's easier than eBay. Most prices start at 1/3 of Scott. Contact Howard at artfulputz@aol.com

ClassicNevada

Stamp & Supplies

Buy & Sell Stamps, Postcards, FDCs and Photos and Documents of Mining + Western interest **Nadiah Beekun - Philatelist**
151 N. Sierra, Reno, Nevada 89501 inside the Antiques & treasures Mall, Check out our website; Renostamps.com (775) 762-4905 classicnevada@yahoo.com

WANTED: Germany Third Reich postcards from the **Eric Gutjahr Studios** - B/W or color, photo or illustrated mint or used. Paying \$35.00 and up depending on subject matter and condition Stan Cronwall 849-7850 or stlaine@aol.com

Wanted; the 1949 Silver Wedding issue. Have you seen this stamp? There are several like it from other British colonies. I need about half of them to complete my collection. Contact Howard at (775) 677-7143 or artfulputz@aol.com



WANTED: Germany Third Reich postcards from the **Carl Werner Studios**- B/W or color, photo, or illustrated mint or used. Paying \$35.00 and up depending on subject matter and condition. Call Stan Cronwall 849-7850 or stlaine@aol.com

WANTED: Germany Third Reich "**Kinder Cards**" mint or used-these are cards showing children "playing at war" usually with some junior sized weapon, helmet and/or uniform. Most are color but some can be B/W. Most are illustrated, but some are photography. Paying \$35.00 and up depending on subject matter and condition Stan Cronwall 849-7850 or stlaine@aol.com.

WANTED: Germany Third Reich illustrated postcards by the **artist Wolfgang Willrich** -B/W or color, mint or used Paying \$35.00 and up depending on subject matter and condition. Stan Cronwall 849-7850 or stlaine@aol.com

WANTED: Germany Third Reich postcards from the **Heinrich Hoffmann Studios** (Hoffmann was Hitler's personal photographer) B/W or color, photo or illustrated, mint or used. Paying \$ 45.00 and up depending on subject matter and condition. Stan Cronwall 849-7850 or stlaine@aol.com

BENNY'S BIN

Art Deco Jewelry

One of a kind Odds & Ends Victoriana
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inside the Arts & Antiques Mall

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Stamps2go.com.com,
Stamporama.com
eddavies@sbcglobal.net

WANTED - US Aerogrammes addressed and used to overseas locations. Needed: UC42, UC44, UC44a, UC46, UC49, and UC52 to UC62, UC63a and UC64 Paying up to 100% of SCV John Walter john@walter-us.net

Post Boy Quiz-Ghana

July-_____

Your Name

1. By what name was Ghana formerly called?
A. Gold Coast B. Dagomba C. Volta
2. On what continent is Ghana located?
A. Asia B. Africa C. Americas
3. On which date did Ghana become independent?
A. April 26, 1957 B. June 30, 1947 C. March 6, 1957
4. What American monument appears on a 1959 issue?
A. Statue of Liberty B. Washington Monument C. Lincoln Memorial
5. What animal is shown on the one-pound issue of 1961?
A. Red-fronted Gazelle B. Gnu C. Leopard
6. What major change was marked by the issue of four stamps in 1965?
A. Free elections B. Intro of decimal currency C. Opening man-made harbor
7. What historic event was saluted with a four-stamp issue of 1978?
A. Botha becomes PM B. Smallpox was eradicated C. Landing on the Moon
8. What aircraft appears on the flight anniversary issue of 1978?
A. Wright Biplane B. Space Capsule C. Jet
9. What Christmas carol is featured on the eight-pence value of the 1979 Christmas set?
A. Silent Night B. Joy to the World C. Oh Come All Ye Faithful
10. The introduction of what measuring system was marked by a 1975 issue?
A. Metric B. Apothecary C. British

Answers to June's Post Boy Quiz

1. Apple Green
 2. Black
 3. Blue
 4. Bruno
 5. Claret
 6. Gray
 7. Red
 8. Yellow
 9. Chair
 10. Citron
- Bonus Question -Green

Return Address
NSSS
PO Box 2907
Sparks, NV 89432

ADDRESS CORRECTION REQUESTED

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Street Number and Name
City, State 98765-4321

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