

My Take On “The Crimes At The Caves”

By Stan Cronwall

Dunno if you have seen much in the news about the manager of the USPS Stamp Fulfillment Services in Kansas City perhaps better known to collectors as “the caves.”

Federal investigators have uncovered what has been termed as a “rogue operation” which sold U.S. Mint stamps overseas at steep discounts.

The Kansas City facility was basically a recycling operation. Manager Khalid M. Hussain was giving away or selling the philatelic products being sent there for disposal or destruction. He headed up this operation from 2005 to 2016.

USPS regulations require that unsold philatelic goods be sent to the Kansas City facility where in theory they are destroyed or otherwise disposed of. (Turns out that USPS likes to sell U.S. stamps to foreign postal administrations. News to me, and probably to you as well).

Stocks of the Simpson stamps, Lunar New Year and the Harry Potter commemoratives were named in the report as being sold overseas.



There are other tidbits in the news release. There was a previous investigation into this operation as regards irregularities in the “Inverted Jenny” stamp scheme.

Seems three of the “Upright Jenny” panes that were given away at no cost to customers of the Stamp Fulfillment Services (SFS) center. This strongly suggests that the “Upright Jenny” panes were somehow handled separately from those printed upside-down.

This triggered a few questions in my mind:

1. In theory, there were only 100 “Upright Jenny” panes produced. How can we certain that this figure wasn’t “fudged” in some way?
2. What happened to the proofs and other “Upright Jenny” pane “printer’s waste”?
3. How was SFS able to identify the “Upright Jenny” panes from vast number of others that were printed upside-down? Obviously, they were segregated or handled separately at SFS. How was this done?
4. The report says that items were sold to SFS employees at a discount, given away to visitors and used as holiday gifts. I doubt it, but were any of these “Upright Jenny” panes?
5. SFS took or perhaps assumed the responsibility for the distribution of the “Upright Jenny” panes. Reportedly, someone made the decision that the allocation would be to the 50 cities/postal areas which in

the past had “sold” the highest dollar volume. Was that based on stamps only or all “philatelic” merchandise sold from the USPS “stores”? Who made this decision?



Were there any panes set aside to be sent out the garden variety collectors who often buy directly from “the caves”?

Keep in mind that if the allocation was made evenly, that means the each city or postal area received less than 2 panes.

When the Reno post office recently gathered in the “Jenny” packets from all their satellite operations, I doubt that this area was among the top 50. It is unlikely that there were any “Upright Jenny” panes sent to our area. Your chances of hitting the “Jenny” jackpot were better if you bought a packet or two when NSSF offered

them at our 2015 Show. These came from SFS.

Now aren't you thrilled to know that you just peed away \$ 12.00 for nothing.

Stan Cronwall is a member and his collecting interests include Germany: Third Reich 1933-45 and the areas it occupied (stamps covers & cards). He also collects U.S. World War II Patriotic Covers and Cards; Civil War Patriotic Covers (both U.S. and CSA); U.S Naval Covers; DDR stamps; and, Post WW II Soviet Zone Hitler Head Obliteration stamps, covers & cards.

Editor: Our stamp club asked the Reno Post Office to collect as many of the Jenny panes from local post offices to sell at the APS AmeriStamp Show in Reno. They eventually collected about 80 panes, 50 were sold to Nadiah Beekun and offered to our members at the \$12 face value. The USPS sold the rest at the stamp show. Nadiah still has a few available. So far nobody has reported finding an "upright Jenny" pane worth about \$75,000. A recent article in Linn's (June 2017) recounts the location of number 32 of the right-side up Jenny pane. Still 68 panes to be found. Also in Linn's is an article that the Los Angeles Post Office has collected a few hundred of the \$12 panes to sell at their philatelic window. No more of these inverted Jenny panes are available at the USPS Stamp Fulfillment Service Center.