

Welcome to the C.N.A. E-Bulletin Vol. 2, No. 30 – October 20, 2006

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INTRODUCTION

Beware of this Scam: Probably more than most, I just hate people who forward too many warnings, but this one is important! Send this warning to everyone on your e-mail list! If someone comes to your front door saying they are conducting a survey on deer ticks and asks you to take your clothes off and dance around to shake off the ticks, do NOT do it! IT IS A SCAM; they only want to see you naked! I wish I'd gotten this yesterday. I feel so stupid now.

WE HAVE MAIL

From Peter McDonald: "Re Nigerian Scams - I have been responding each time with a counter request to send me \$250,000.00 USD to my P.O. Box and I would personally assist in moving the funds out for them. To date, no one has sent me the funds. Odd isn't it." - It's just that they don't appreciate your kindness in wanting to help the poor widows, bank managers, finance ministers and other government types!

From Peter Degraaf: "Thanks for the latest CNA bulletin. In case you haven't mentioned this to your readers in the past, the best thing to do with any 'Nigerian' type letters is to forward them to: wafi@phonebusters.com. This is the Ontario Provincial Police (OPP) department for dealing with this type of crime. Keep up the good work." - Thanks, Peter, good idea, but since I get at least 2 a day, that is sure going to keep the OPP very busy if everyone sends them in.

A LITTLE HELP FROM YOUR FRIENDS

As you know, we are receptive to publishing anything unusual you send us. Here is one that was sent to us at the end of the above e-mail from Peter Degraaf. If it helps a fellow numismatist, why not take the 30 seconds to do it?

"Advertisement: If you insist on doing me a favor, then please visit www.google.com, type in my name (Peter Degraaf), click search and click on the first article that appears. (You don't even have to read the article if you don't want to). This action will serve to keep my name at the top of 61,000 pages, and is a great help when I try to persuade editors to publish my articles. Thanks!"

KAZAKH BANK COULD USE SPELLCHECKER

Kazakhstan's central bank has misspelled the word "bank" on its new notes, officials said on Wednesday, October 18.

But the bank still plans to put the misprinted notes - worth 2,000 tenge (about \$17) and 5,000-tenge (\$42) - into circulation next month. It will then gradually withdraw them to correct the spelling.

That angered the Central Asian nation's politicians, who want the bank to ditch the notes. "The mistake...is not just a spelling problem - it has political undertones," a letter from members of parliament to President Nursultan Nazarbayev says. "We urge you to tell the National Bank not to put out the notes with a mistake in the Kazakh language."

Language is contentious here. Kazakhs were encouraged to speak Russian, which is written in Cyrillic script, during Soviet times. Since independence in 1991, using the Kazakh language is a symbol of national pride, according to an article in The Toronto Star.

Okay, everyone, put up your hand if you know where Kazakhstan is found on the map, and what their old name was.

AUSTRALIAN MINT WORKER SMUGGLED COINS IN HIS BOOTS

The following was sent to us by Stephen P. Woodland. It comes from BBC News at news.bbc.co.uk/1/hi/world/asia-pacific/4882560.stm:

An ex-worker at Australia's mint has admitted stealing tens of thousands of dollars in coins he put in steel-capped boots to avoid metal detectors. Prosecutors said William Bosia Grzeskowiak stole more than AU\$155,000 in new two-dollar coins over a year at the Canberra mint.

Grzeskowiak, 48, was arrested two months ago while trying to change a large number of coins into notes. He admitted theft but will dispute the amount in later hearings.

A police statement read in court said: "He would take the coins from the trays they were placed in after stamping and conceal the coins in his pocket. He would then go to a toilet cubicle and transfer the coins from his pockets to his boots and walk out through security. He stole about AU\$600 in \$2 coins each time he did this."

Workers are not required to remove boots during random screening. However, Grzeskowiak also managed to steal some cash by putting it in his lunch-box and holding it close to his head during screening sweeps, police said. They said they found AU\$100,000 in coins hidden in plastic buckets and shopping bags in the garage of Grzeskowiak's mother.

Prosecutors say the total stolen was AU\$155,000 but Grzeskowiak disputes this. The case triggered a review of security at the mint during which Australian Federal Police found a host of problems. The mint has since upgraded security.

CANADA'S NEWEST 25-CENT CIRCULATION COIN

The Royal Canadian Mint introduced its newest commemorative circulation coin on October 13. The 25-cent coin was engraved by the RCM's Director of Engraving and Master Engraver, Cosme Saffioti and Apprentice Engraver, Konrad Wachelko. Featuring a depiction of the Medal of Bravery, which includes a maple leaf surrounded by a wreath of laurel, it pays tribute to everyday Canadians who risk their lives to save or protect others. The obverse of the coin features the portrait of Her Majesty Queen Elizabeth II by Susanna Blunt.

Up to 20 million 25-cent Medal of Bravery coins, struck on three-ply nickel finish plated steel, will enter into circulation.

The Medal of Bravery is one of three Decorations for Bravery awarded by the Governor General of Canada. Queen Elizabeth II established the Medal of Bravery in 1972 as part of the Canadian Honours System. It is awarded by the Governor General of Canada to recognize acts of bravery in hazardous circumstances.

In addition to the circulation coin, the Royal Canadian Mint is offering a range of 2006 Medal of Bravery collectibles. For a listing, go to www.mint.ca. For more information on the Decorations for Bravery, visit the Governor General of Canada's website at http://www.gg.ca/menu_e.asp.

HUMOROUS/UNUSUAL TELEPHONE CALLS TO C.N.A. - PART THREE

Here are a few more telephone calls that I received when I was C.N.A. Executive Secretary:

21. Someone called prior to the increase in the price of silver and asked how much a set of \$5 and \$10 Olympic coins in the case of issue was worth. I tell him that a couple of dealers I know have them for sale below face value because they could not cash them in at their bank. After a pause, he says "thank you" and hangs up. I wonder how many other calls he will make before he believes us.

22. "I have a real old coin and want to know what to sell it for." She tells me it is a 1947 cent with a blob after the date that is the shape of a maple leaf. She tells me she knows they are not making it any more because it has a King on it. I tell her that they are not making coins dated prior to 2006 any more either but that doesn't make them valuable. I express my regrets that she will not be able to retire early and suggest that she pass it along to her heirs in case it ever becomes worth more than face value.

23. "I have a few 1936 cents that have a dot on them and I heard they are worth thousands." I asked her where exactly the dot was. "Right between the parenthesis," she replies, "how much are they worth and where can I sell them?" I told the caller he can sell them to any coin dealer for about a nickel. The caller mumbles something about a rip-off and hangs up. I wonder if he will call back eventually to apologize when he finds out from other sources that his dots are where they are on every cent and not the location of the rare dot.

24. "I found an over-sized Canadian copper cent dated 1943 that has a "V" design on it and I am wondering what it is worth?" I told the caller that it is actually a Canadian 5-cent piece made out of Tombac that was used in 1942 and 1943 to conserve nickel for the war effort. I was told not to be ridiculous, because everybody knows that not a single gun, bullet, plane or ship was made from nickel so why would they need it?

25. Another gentleman called and told me he found a dime that is missing the date where it always has been. I tell him that his coin would be worth a small fortune if there were a date where he expected it, because they put it on the other side that year...with a second date as a bonus.

LATEST INTERNET SCAMS

While the C.N.A. E-Bulletin has been making you aware of various scams involving money - huge amounts of money - just for sending a few thousand dollars to Nigerians and others, the press has also been attempting to educate the public. Even then, it is estimated that millions of dollars are being sent by greedy individuals who think that a few thousand dollars will get them millions. Your editor was even trying to reduce the loss by gullible people by promising to take peoples' money and sending them back half a year later, a much better deal than that obtained from Internet scam artists.

A recent column by Tyler Hamilton in The Toronto Star mentions the latest Internet scam, called "stock spam" which touts penny stocks from energy and mining companies, that liberally scatter "!!!" and "BUY NOW!" throughout the text. Your editor has received hundreds of these, since these latest spams are sliding past filters.

Hamilton explains how the scam works: "All they're doing is alerting me to a stock I've never heard of and would never think of investing in. You start with a penny stock that the spammer or

its client owns. That stock is typically traded in low volumes, making it more vulnerable to manipulation. If only a few dozen people out of a million decide to buy the stock, the increased trading volume does two things: It drives up the price and the increased liquidity allows the spammer to cash out his shares at the higher price. Once the spammer has cashed out, the stock spam campaign comes to a halt and the price of the shares settles back down. The spamming victims, if you can call them that, usually end up holding shares that have fallen well below their purchase price and are difficult to unload."

The article goes on to state that stock spam, because it works so well, is a growing problem. Sophos, a supplier of Internet security software, issued a report this summer estimating that 15 percent of all junk email is now stock spam, compared to just 1 percent 18 months ago.

And why don't spam filters keep them under control? You may have noticed that more stock spammers are spreading their messages inside digital images embedded in e-mails. This technique makes it easy for stock spam to bypass software filters that only scan e-mail text. As well, by making a small change to the pixels in a digital image, spammers can easily trick image filters. In fact, image-embedded spam is being used in all forms of junk e-mail. Sophos found that 35.9 percent of all spam uses images to convey the message, double the number just six months earlier.

DOCUMENTARY ON SPAM

On October 17 at 10:00 p.m., CBC Newsworld aired a documentary on spam. "If you've ever been spammed, you can't miss this film," said a news release, "It will have you looking at your spam in a whole new light." The Toronto Star, in their A&E section, had a good write-up on the show. We present excerpts below:

"Billybob Einstein holypog Newly Minted pupluck or na mrslunk Female Wayne Modra. Andys Albums singer Taravella. Others vast distance ams of? Fasting Armed of Forces Powrs Afspa Brief Case a Sons Speaking of ree..."

It reads a bit like poetry, but it's really just a collection of words designed to get penny stock spam through whatever firewall is in its way. I get about 10 of them a day. On the upside, the thrilling Viagra offers seem to have died down.

Director David Manning and producer Scott Dobson thought it would be fun to find out where all those offers of watches and miracle creams and bulletins about Nigerian princelings in dire straits were coming from and the result is "Spam: The Documentary,"

In the humorous documentary, they trace the origins of spam (and SPAM), in the process meeting Terry Jones, whose Monty Python skit led to the naming of the nuisance mail. They fail to get an interview with an actual spammer, although not from lack of trying, but do meet a lucky cat that received a degree from a diploma mill.

"I just happened to wonder what would happen if someone actually replied to these things," Manning says of how the two came up with the documentary. "Scott and I spent the night in a bar and talked about this, which is pretty much how every TV project is born."

Says Dobson: "I think it came out of the idea of whether this stuff could improve your life or not. Was there any value to this stuff? Spam is so ubiquitous. It's something everybody deals with every day. And yet we couldn't think of anyone who'd actually ever purchased anything."

Having no luck getting anyone else to own up to having made any spam-prompted purchases, Manning set out to buy a Rolex, lose weight using wraps and ointment and test contraptions that promised to enlarge his, well, you know... The products that they're advertising are so ridiculous we had to go to ridiculous lengths to show them off."

Experts check out whether weight loss has occurred, the quality of the "Rolex" and the ridiculous lengths claimed in the spams. "We have seen products advertised where one wouldn't be able to determine whether they worked or not; magic crystals and things like that," Dobson says. "I mean, how do you know?"

The filmmakers, who went through some 6,500 spams, were invited to check out how AOL fights back, but had little luck getting anyone from Microsoft to talk to them. "The weird thing about Microsoft is that initially they were very keen to be involved in the film and wanted us to fly out there and see the new products and anti-spam measures they were working on," Dobson says. "So we were very surprised when all of a sudden they decided they didn't want to be in the form...they just got cold feet and bailed."

In the Monty Python spam skit, Terry Jones says "spam" 94 times. In the documentary, he opens a tin of the delightful product and tries to bite. Meeting Terry Jones was the highlight, regaling us with great stories. But no way are they greater than the story told by one Kuku Gran, who contacted me just the other day:

"My Dear I am Mrs. Kuku Gran a Zimbabwean, and I have a very sensitive for you (already I'm intrigued)...I have no option than to write you my business proposal, which I wish and request that you forward to me the direct contact of your Establishment...We (Late Mr. Marlon Gran Family) have in our disposal a sum of \$20.5M. (Twenty Million, Five Hundred thousand United States Dollars) that we wish for your ventures co-operation in securing and investing..."

Kuku, say no more. You had me at "United States Dollars."

MINING THE OCEAN FLOOR

I am sure that you have read that the price of copper has reached record levels. If the following article is the beginning of a trend, you will want to dump those worthless gold bars of yours and, instead, invest heavily in precious copper. Read on:

Off the coast of northern Spain, a team of modern-day treasure hunters has decided to ignore, for now, a load of sunken gold sitting hundreds of metres below on the ocean floor.

The team from SubSea Resources PLC knows the gold cargo, valued at US\$12 million, is there, but the deep sea salvage company has its sights set on another kind of precious metal. The London-based company is using sonar equipment and cranes adapted from oil rigs to recover an estimated US\$45 million of copper from more than 1,000 metres below the surface. After costs, the cargo should have a net salvage value of US\$30 million.

The wreck site, dubbed Celia, holds an estimated 5,500 tonnes of copper and 700 tonnes of zinc. SubSea pulled 12 tonnes to the surface already for testing. The recovery, a first for the company formed in 2004, comes as copper is soaring, selling for around US\$3.40 per pound on the London Metal Exchange, about quadruple what it was three years ago. "It's very nice timing," Mark Gleave, SubSea's CEO, said in an interview from London.

The timing is also good for investors in the publicly traded company. In November of 2004, the company issued 44 million shares on the London Stock Exchange's AIM market, raising 11 million pounds at 20 pence per share. Since then, the stock has fluctuated, dropping as low as 22.5p in February, then rising to a record high of 41.25p on August 16.

Eventually, SubSea will recover the gold cargo off Spain, but plans don't stop there. SubSea plans to pull US\$300 million worth of cargo from six sunken ships, including one holding 9,500 tonnes of copper off the West Atlantic coast, from the ocean floor by 2008. There's more, too. "So far we've identified at least 150 wrecks and we think there are many, many, many more," Mr. Gleave says.

SubSea isn't the only company hunting for underwater cargo. A number of others are involved, mainly focusing on treasure in the Mediterranean and off the Caribbean coast. They are also targeting wrecks, but are primarily interested in cargo submerged in shallower water. SubSea's technical edge is that its equipment allows it to hunt in very deep waters - as deep as 6,000 metres. The majority of shallow water wrecks, resting at depths of less than 300 metres, have been picked clean by salvage companies. The deep waters have yet to be exploited.

Another competitive advantage is its huge database of shipwrecks. They have used eyewitness accounts from U-boat captains, private insurance papers, government telegraphs and blueprints of sister ships to compile a list of more than 14,000 vessels resting on the ocean floor. Part of the database comes from one of the most complete copies of Britain's War Risk Insurance database, a detailed record of vessels that sailed and were sunk during the First World War. The company's operating director's grandfather was one of the creators of the policy.

Once the loads are located, SubSea uses a remote underwater vehicle to move a massive metal claw developed by SubSea and capable of hauling 50 tonnes of metal to the surface.

THIEVES HOIST BAGS OF PLATINUM

If you find it hard to fathom that the amount of time spent unearthing (in the above article's case, unwatering?) copper produces more profits than uncovering gold, the following we can understand:

Inco Ltd. Is hunting for thieves who made off with 13 one-tonne bags of powder worth about \$700,000 in Sudbury last month. The global nickel giant has put up a \$10,000 reward for the return of the material, which was stolen on the August long weekend from an offsite storage facility.

"When you're talking about huge one-tonne bags of powder, it's something that doesn't normally attract your run-of-the-mill thief," said Inco spokesman Cory McPhee. "The thieves in this case seemed to know what they were looking for." The thieves would have required a forklift and a truck.

The bags contained material that was destined for a smelter, where platinum and rhodium would have been recovered from the powder.

Thirteen tonnes, for crying out loud. Worth millions. If it's not recovered, you and I will bear the cost when Inco raises the price of platinum to make it up on their bottom line. They will charge the Royal Canadian Mint and the U.S. Mint more and the Mints will pass on the higher costs to us when we buy those pretty platinum collector coins. So let's see if we can help out. Send us

your Top Ten Ideas...or portions thereof...of how we can help the authorities recover the metal. To get you started, here are my Top 10 nominations:

10. They just thought the powder was something you sniff
9. Look for a guy that couldn't go to work for a month due to exhaustion
8. Follow the groove in the road of a truck loaded with 13 tonnes of metal
7. Follow the white trail to the stash
6. Look for the guy with platinum, rather than gold, teeth
5. If you see a new house being built with funny colored bricks, call the police
4. The next time a car stops in front of you and asks if you want to buy genuine imitation watches, jewelry and platinum bricks at a real cheap price, watch out.
3. If the C.N.A. gets a telephone call asking you where they can sell 13 tonnes of precious metals, that might be a clue who might have it.
2. I'll wait until they up the reward before I tell them where I hid it.

And the top reason:

1. Counterfeit platinum collector coins!

MAKING U.S. COINS IS GETTING EXPENSIVE

The following article appeared in the Numismatic News E-Bulletin Newsletter edited by Dave Kranz. It is included here to emphasize the point that is made above about the cost of the metal nickel.

As observer David L. Ganz writes in Numismatic News: "It now costs more to make a nickel than it's worth. Each five-gram coin is 75 percent copper (3.75 grams) and 25 percent nickel (1.25 grams). With nickel on the London metals market at a record \$15.32 a pound and copper at \$3.44 a pound, the base-metal worth of the five-cent piece has just gone over seven cents, to 7.07 cents each. There is an added production cost of about 3.8 cents, making the Mint's loss on each coin almost six cents."

Would you pay \$4.35 (well, \$4.348) for a \$2 roll of nickels? Apparently that's what the U.S. government is doing. I haven't yet asked whether that includes the transportation costs involved in distributing the coins across the country.

Is this a problem? What should be done? Send your thoughts to Numismatic News editor Dave Harper at e-mail david.harper@fwpubs.com.

ERROR AND VARIETY MEETING CALLED FOR TOREX

Henry Nienhuis, the driving force behind starting up a Canadian error and variety organization, has sent us the following press release. I hope that you will take the time to attend what sounds like an informative and fun get-together. I know I will be there!

A general meeting of the Canadian Errors and Varieties Numismatic Association www.cevna.com will be held during Torex taking place at the Radisson Admiral Hotel; 249 Queen's Quay West, Toronto, on Saturday, October 28th 2006. The meeting, starting at 3:00 p.m., will be held in the Rain Dance Room, 4th Floor. Following is the agenda for the meeting:

- 3:00 – 3:30 - Presentation: "Back-Door Jobs from the Royal Canadian Mint"
Speaker: John Regitko
- 3:30 – 3:40 - Announcement of CEVNA Officers
- 3:40 – 4:00 - Discussion of Error and Variety Classification proposal
- 4:00 – 4:10 - Closing comments

We are especially pleased John Regitko has agreed to be our guest speaker. In his presentation entitled: "*Back-Door Jobs from the Royal Canadian Mint,*" John will reveal some of the behind-the-scenes goings-on involving items that could only get out through the backdoor of a Mint, and why there will always be items that get out through the backdoor. John will name names of dealers that were involved in obtaining material from employees at the Mint and reveal the history of how they came to be in his possession. He will also name some of the pieces that collectors should be suspicious of and show slides of these coins. Some of the pieces are obvious backdoor jobs, while others are not so obvious and will be explained by him. John will also tell us about his involvement when some double-struck flip-struck diving goose silver dollars were seized by the RCMP from an auction, why they were seized, those involved and what the ultimate outcome was.

The meeting is open to everyone!

CONCLUSION

In case you haven't heard, I believe today is National Good Looking Persons Day. Send this to someone Gorgeous. Don't send it back to me. I've received hundreds!

Okay, so I lie!

John Regitko
Your C.N.A. E-Bulletin Editor
Canadian Numismatic Association

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