

Welcome to the C.N.A. E-Bulletin Vol. 3, No. 4 – January 19, 2007

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INTRODUCTION

I attended a country auction the other day. Bidding was preceding furiously, when the auctioneer received a note from an assistant: "A gentleman in this room has lost a wallet containing \$5,000. If it is returned, he will pay a reward of \$1,000."

There was a moment's silence, and then from the back of the room came a cry, "One Thousand Five Hundred!"

WE HAVE MAIL

From Elmore Scott: "I would like permission to reprint the section "The Healing Power of Hobbies" from your last newsletter (Vol. 3 No. 3). I have been a reader since Vol. 1-1 and enjoy your style very much. The article may be published in our monthly Bulletin "Numismatics International". (www.numis.org)." – Just a reminder to all publishers as well as editors of all local, regional, national and international bulletins, we would be tickled pink if we see our creations reprinted. Everyone has permission to reprint anything they want at any time from the C.N.A. E-Bulletin, with the usual expectation that you will mention its source ("C.N.A. E-Bulletin, the free electronic publication of the Canadian Numismatic Association"). If the article is credited to someone else, you should also give credit to the original source.

From Sean Isaacs: "Enjoying your e-bulletins (and continue to be dumbfounded at your level of productivity!!)." – Congratulations on your perception. Most people are just dumbfounded by me!

CANADIAN SPY COINS UPDATE

It seems there's no danger of your spare change spying on you after all. Or is there? Or isn't? Or is?

A U.S. government defense agency has suddenly retracted its claim that Canadian coins containing tiny transmitters were planted on at least three American contractors who visited Canada. It's the latest twist in an intriguing cash caper.

Canadians began carefully scrutinizing their loonies following the Virginia-based Defense Security Services' claim that specially doctored coins were a new tool of the trade for shadowy figures out to steal sensitive U.S. military technology.

In a statement posted on its website, the Defense Security Service said the coin claims were based on a report provided to the agency. "The allegations, however, were found later to be unsubstantiated following an investigation into the matter," the statement said, adding that "the 2006 annual report should not have contained this information." The service's acting director has ordered an internal review of the circumstances leading up to publication of the information "to prevent incidents like this" from recurring. As recently as Wednesday, the Defense Security Service insisted the risk was genuine.

"What's in the report is true," agency spokeswoman Martha Deutscher told The Associated Press. "This is indeed a sanitized version, which leaves a lot of questions.

The above is a portion of the article written by Jim Bronskill of Canadian Press and posted at http://ca.news.yahoo.com/s/capress/070113/national/spy_coins.

Well, there you have it! Denial, denial, denial. I think the Defense Security Services will have to issue a press release denying their denial. Or else, to regain their credibility, indicate how they came across the information about the spy coins.

We all trust our governments. We all believe what they say. My only problem is that I don't know whether to believe the Defense Security Services that says they stand by their report of spy coins existing, or the Defense Security Services that says the allegations are unsubstantiated, or the U.S. government defense agency that says they don't exist after all.

But the report also underscores clandestine means of acquiring secrets from U.S. employees, particularly those traveling abroad. "It is important to recognize copiers and shredders can contain built-in scanners to copy the data." Other common methods include placing listening devices in rooms, searching hotel rooms, inspecting electronic equipment and eavesdropping on conversations. The report, which first came to light in a U.S. newspaper, has since been posted on the website of the Federation of American Scientists, an organization that tracks the intelligence world and promotes government openness.

As to the question of which Canadian Coins might be involved, if any, I would think the \$2 coin would be the most obvious suspect, since the center core could be removed, the outer rim hollowed out and the center core re-inserted. Alternatively, look for a Toonie with a little antenna sticking out of the Queen's ear!

Does anyone care to answer this: If the three Canadian Spy coins turn out to be for real and indeed were proven to be genuine Canadian \$2 coins in which one of the world's spy agencies skillfully embedded transmitters, how much would you bid for one? The only so-called "spy coin" I can afford is my poor man's piece costing \$2.00 which I made myself. It is a genuine coin to which I have soldered a short piece of copper wire to imitate an antenna!

A NEW KIND OF BI-METALLIC?

It would appear that the biggest news in numismatic in the past week has been the story of the three coins supposedly containing transmitters.

The Worldwide Bi-metallic Collectors Club (WBCC), edited by Martin Peeters of The Netherlands, picked up the story in their e-bulletin, of the three Canadian "spy" coins. Because of their interest in bi-metallic coins, they are speculating that the coins in question are the bi-metallic Canadian \$2 coins, the same conclusion I reached (see previous article). Their e-bulletin states: "This is of course not a serious issue for numismatists. But for conversation's sake, could this be considered a new kind of bi-metallic? Maybe called "Bi-metallic bug coins"?

The Worldwide Bi-metallic Collectors Club article, as well as a listing of new bi-metallic coins issued around the world, can be viewed at <http://www.wbcc-online.com>.

NUMISMATICS IN FILM

We all know of a number of movies that feature, directly or indirectly, money of one sort or another. One recent example that sure got our attention was "National Treasure." I recently saw "Invaders from Mars" that had a kid save the world from the bad aliens by using the cent he had in his pocket for its copper content to power the ray gun (unfortunately, his copper coin was an uncirculated 1916-D cent, if memory serves me right). Not an episode of CSI (be it Las Vegas,

Miami or New York) goes by without a plot involving counterfeit money, bank robberies or financial fraud. Following is Sean Isaacs' report as to his involvement with a new production that will be coming to your TV screen shortly. Remember, you read it here first!

We were visited in our store one day by four well-dressed gentlemen who looked keenly around the store with a purpose. I remember clearly my expectation that we were about to be audited, robbed, or presented with a free subscription to the "Watchtower." Alas, to my pleasant surprise, turns out they were the producer, director, and set director (etc.) for a production company. They had rented a local mansion, and were preparing to film a made-for-television production starring Tori Spelling and others. The two prevailing themes of the film were murder and coin collecting (at last!!). Without spoiling the plot, it involves a wealthy and reclusive family who works an addition to coin collecting. Parents get slaughtered, and when a young struggling artist takes a job house-sitting the Mansion....people start to die.

After some discussions, we were thrilled to become the "official supplier of coins & cabinetry" to the film. They borrowed most of our antique cabinets, and I spent several hours filling them with coins. Centerpiece of the film surrounds a unique pair of ancient Roman gold coins that the family spent generations seeking out. Two pairs of "dummy coins" were specifically cast for the production, and I was able to acquire these after the wrap. The film will be called "The House Sitter" and is expected to hit the tube sometime early this year.

A neat experience - and how many times does numismatics get to take a front seat in any film plot?

USA MILITARY MEDAL COLLECTING

The C.N.A. E-Bulletin tries not to involve itself in politics (government or numismatic), however, we should all be concerned about the following events. I was at a loss to decide what heading to use for this. "The thin edge of the wedge" and "Is this just a foot in the door?" came readily to mind. The other one had to do with "Big Brother." Our respondent used the phrase "Our bone headed leaders in action." We thought we would stick to a more normal headline. If this continues, however, we might have to drop the word "Collecting" in future and simply run the headline as "USA Military Medals."

On December 6, 2006, the House of Representatives passed their version of the Stolen Valor Act. On December 21, 2006, President Bush signed it into law. Militaire Promotions sent the following e-mail, under the subject of "FJP February auction is cancelled" to their auctions clients:

"With disappointment and deep regret, we announce the cancellation of our live-mail sale scheduled for Thursday evening, February 22, 2007, at the Show of Shows in Louisville, Kentucky. Recent passage of the Stolen Valor Act makes it clearly illegal to solicit for sale, to sell, or to ship US decorations and campaign medals. The mailing of the catalog constitutes solicitation such that FJP and each client consigning a US federal medal becomes liable for prosecution. Therefore, in order to protect our clients, and upon advice of counsel, we have decided to cancel the sale. Go to the OMSA web site forum (www.OMSA.org) for a good presentation of the law and its impact on collectors."

One of our American e-mail correspondents, who we will identify as "A Disappointed Voter," sent us an e-mail about the following story. The wording of the e-mail shows that it is obviously causing major concern to the individual:

“Please go to the OMSA website and check out our dodo government's latest debacle: Lost Valor Act. FJP Orders and Medals Auctions out of Chicago cancelled their next sale. In England the firm of Morton and Eden had a fantastic sale of Russian orders and medals and they were contacted by Russian Government dudes that they were not to sell certain top end orders. By the way, Russian orders and medals cannot be exported out of Russia nor from the Ukraine, the latter considering them "national treasures" even though issued under the Communist iron fist. That is a twist for sure. Wouldn't that be like Latvia, Estonia and Lithuania declaring all Nazi awards as "national treasures"? I just wonder how many of those draft avoiding politicians in Washington D.C. even served to get a Good Conduct Medal???”

Because of its importance to the hobby, we are publishing a portion of Dave Winther's analysis from the Orders and Medals Society of America website. For the full story, go to <http://www.omsa.org/forums/showthread.php?t=1332>

The actual title of Part 507 is important: “Manufacture and Sale of Decorations, Medals, Badges, Insignia, Commercial use of Heraldic Designs and Heraldic Quality Control Program.” This suggests that the intent of Part 507 is to regulate the commercial manufacturing and sale of these items. The Heraldic Quality Control Program was established to maintain high standards in the manufacturing of medals and decorations purchased by the Government and to ensure that they are uniform in how they are made and are of high quality. The only items which may not be manufactured or sold are The Medal of Honor; the service ribbon for the Medal of Honor; the Rosette for the Medal of Honor; service flags; the Army seal; commercial articles for public sale that incorporate designs or likenesses of decorations, service medals, and service ribbons; and, commercial articles for public sale that incorporate designs or likenesses of designs of insignia listed in 32 CFR 507.8, except when authorized by the Service concerned.

Its goals include maintaining the high standard of military medals and decorations by setting specific requirements on the commercial firms that are authorized to manufacture and sell them. When this was first written, it was intended to apply to companies that manufacture and sell medals to the Federal Government, not to the public. It was not written to address the sale of medals and decorations by and among private individuals or dealers. The thrust of all of this is to make sure that medals and decorations may only be made by authorized manufacturers and commercial outlets may only sell medals and decorations that have been made by those authorized manufacturers. Nothing in these provisions speaks specifically to private individuals, one way or another.

The limitation on the Medal of Honor was added after a scandal in which Lordship Industries, an authorized manufacturer, was convicted of selling a large number of Medals of Honor “out the back door.” With this change a major shift in the law enforcement approach also took place: private individuals caught selling Medals of Honor were arrested and charged with violating 18 USC §407. This effort was spearheaded by FBI Special Agent Tom Cottone. This new emphasis raised some very important questions that are yet to be answered.

First, what is a lawfully owned Medal of Honor? Can (or should) the law distinguish between an awarded Medal of Honor and one that was illegally manufactured and sold out the back door? The FBI apparently does not make that distinction. Second, can Congress prohibit the sale of an item of personal property without declaring that property to be contraband? Under common law, the owner of an item of personal property has the unrestricted right to dispose of it in any manner he or she sees fit. The new enforcement approach, in effect, denies a person lawfully possessing a Medal of Honor the right to dispose of it by selling it (and now by mailing it, etc, etc) thereby establishing a “taking” by the Federal Government. Although there have been

several arrests for selling Medals of Honor, the legal basis for doing so has not been challenged at the appellate level and thus remains an open question.

The addition of the new wording in part (a), “purchases, attempts to purchase, solicits for purchase, mails, ships, imports, exports, produces blank certificates of receipt ... attempts to sell, advertises for sale, trades, barter, or exchanges for anything of value....” is highly problematic. That wording was added by Special Agent Cottone and is not addressed anywhere in 32 CFR §507. Although this wording will give the FBI greater authority to track down, arrest, and prosecute impersonators, it also opens a very real possibility that the law can be “interpreted” at the working level as opening the door for enforcement action against collectors and commercial firms because it can be read to prohibit buying and selling a large proportion of the military’s medals and decorations.

If the sole intent of the changes was to facilitate the prosecution of impostors, that could have been accomplished more effectively and easily by simply adding the words “with intent to defraud” in subsections (a) or (d). The failure to do so suggests that Mr. Cottone’s actual goal may extend beyond the role of impostors and include collectors and dealers.

My interpretation of the law as it now stands is that dealers and collectors may not purchase, attempt to purchase, solicit for purchase, mail, ship, import, export, produce blank certificates of receipt, attempt to sell, advertise for sale, trade, barter or exchange for anything of value any of the following: any Medal of Honor; any Distinguished Service Cross; any Air Force Cross; any Silver Star; any Purple Heart; all Department of Defense military decorations and ribbons; all U.S. Navy (including USMC) medals, decorations, and ribbons; and all U.S. Coast Guard medals, decorations, and ribbons.

It is unlikely Congress will change the law because it “feels good” - its main thrust is to deal with impostors (hence the name Stolen Valor). As a result, the answer lies in changing the CFR, which the Institute of Heraldry must now do in any case. Our best hope is that in doing so the Institute of Heraldry will speak to the issues I have raised and offer a policy that enables the Government to vigorously prosecute impostors, protect personal property that has been lawfully obtained, and that will clarify the roles and responsibilities of who can buy and sell what items. I am confident this will happen, because the law as it is now modified will have an enormous adverse impact on a large number of honest and well-meaning people.

There you have it, faithful C.N.A. E-Bulletin readers. What do you think of the U.S. government’s action? Care to tell us at cnanews@look.ca? And what do you think might be next? Ordinary service medals? Length-of-Service medals awarded to individuals?

FRANK FESCO (1919-2007)

Frank Edward Sorensen passed away on January 8, 2007. He was known throughout the numismatic world as “Frank Fesco” (a pseudonym adopted many years ago to shield his family from the risks involved in being known as a serious collector). Although I made a decision to usually provide only brief highlights when reporting passings in the C.N.A. E-Bulletin, I know that many hundreds of recipients of this e-bulletin knew Frank and would appreciate knowing details of his background. Even if the rest of you never met or knew Frank, you should be touched by Sean Isaacs’ write-up below (the full version has been submitted by Sean to the C.N.A. Journal and Canadian Coin News):

When I reflect on Frank and his life, I tend to remember him in the following three contexts, each tied together by his enduring traits of humility, dedication and compassion.

The Distinguished Veteran - Captain Frank Sorensen (ret'd.) served his country in both World War II and Korea, first enlisting in the Royal Canadian Army Artillery as a Bombardier in 1933. His long and distinguished career spanned two and a half decades and three continents. Frank retired from the army in 1958 with the rank of Captain. He was a fixture at our National War Memorial each and every Remembrance Day. It always amazed me where Frank's face would pop up - in newspaper front pages, press photos, being respectfully acknowledged by the Prime Minister of the day, peering out from a televised parade of vintage military vehicles, etc. I retrieved friends from the airport as recently as last summer, and was only half surprised to look up and see Frank during a Veterans' Affairs message on the massive LCD screen that graces the wall of the grand new arrival hall. Frank's quiet empathy for those he fought against struck me in our few conversations referencing the War.

Frank the Humanitarian & Teacher - He retired after many years with the Bell Telephone company, during which he and Joyce raised their family. Sometime after retirement, Frank began volunteering his time teaching English to new immigrants, ultimately in preparation for their adoption of Canadian citizenship. Not limited to "classroom" confines, Frank assisted many with the completion of bureaucratic paperwork and regularly accompanied these individuals and their families to the Ceremony of Citizenship (indeed, I was delighted to unexpectedly bump into Frank when my wife Nana took her own Oath of Citizenship several years ago). It was not unusual for Frank to pass by the home of a struggling family of new immigrants with a bag of milk to help them get by. Quite aside from his endless willingness and pleasure in presenting topical discussions on the history of coins, Frank gave freely and generously of his time and advice. I remember one especially poignant exchange he shared with me between himself and a person of Chinese origin he was tutoring. In expressing such gratitude and appreciation for his time and patience, Frank simply replied that he [Frank] had been somewhat responsible for the death of many of the student's countrymen during the Korean War, and this was his small way of giving something back.

A "Humble Prince" of Numismatics - I first met Frank when I was about 14 years old, while setting up a small coin & banknote display during "hobby weekend" at the Lincoln Fields shopping centre here in Ottawa. He also was setting up a display representing the City of Ottawa Coin Club, and encouraged me to become involved with the club and see what it was all about. Thus began an informal "mentoring" that I would come to fully appreciate in adulthood. It was Frank who brought me back into the club in the early 1990s and encouraged me through clever passive persuasion to take the helm as president (which I did, for two terms). Previously phobic about public-speaking, I now credit this experience with allowing me to become at least semi-comfortable in speaking to groups on a subject that interests me.

Frank began his life-long passion for the collecting of coins in the 1950s, and it is difficult to overstate his quiet impact on the hobby when one looks back on his accomplishments. Frank was a true "Numismatist" in the classical sense of the word. True, he amassed one of the largest, most diverse, most beautifully organized collections of coinage I have encountered. But well beyond this actual collecting of coins, Frank was above all a researcher of coins. He didn't let trivial barriers like language get in the way of solving a good mystery. Long closest to his collecting heart, Frank studied Chinese at McGill University in order to feed his passion for Numismatics of the Far East. I further submit that he could interpret and attribute a medieval coin of the Islamic world better than most native Arabic speakers, due to both his self-taught grasp of written Arabic script (supported by classes at Ottawa's Carleton University) and his hard-learned understanding of the artistic layouts of these legends as they were used on coinage. Hundred upon hundreds of scholarly papers emanated from the pen of Frank Fesco,

countless of which almost single-handedly propped up the Journals of the COCC during “leaner” times.

A Fellow of the Canadian Numismatic Research Society, Frank was also appointed an Honorary President of the City of Ottawa Coin Club on July 6, 2002, in recognition of his outstanding contributions and service to both the Club and numismatics. A lesser-known legacy is Frank’s co-editing of “Numismatic Ottawa” in 1982, a 137-page bound “anthology of articles from the C.O.C.C. Bulletin, published in honor of J. Douglas Ferguson for Coin Week Canada.” Some of Canada’s most renowned numismatists, including Fred Bowman, Major Sheldon Carroll, Ruth McQuade, and J. Douglas Ferguson himself, all called Frank a colleague, and could likely add delightful notes to this eulogy, were they still with us today.

Frank will be dearly missed by collectors, institutions, and chat-groups throughout the collecting world. The library of our National Currency Collection will long remember his clockwork Thursday visits, where he would conduct his scholarly research on behalf of his own curiosity or perhaps that of a fellow collector such as myself, whose coin he would always graciously add to his own list of “mysteries to solve” for the day. A Gothic Crown warranted no greater admiration or attention from Frank than his fondly-assembled collection of Italian telephone tokens, and “value” was far more an aesthetic & historical assessment to him than a monetary judgment. This, in my own view, is what clearly set Frank apart as a humble yet profoundly accomplished “Prince of Numismatists.”

I believe I will continue to feel Frank’s presence through exposure to the legacy of his writings and his collection. Yet whether I think of him as colleague, friend or mentor (all of which he was to me), I join his family in saying he will be very dearly missed. – Sean Isaacs.

RCM HONORS CANADIAN NATIVE HERO

I had the pleasure yesterday, Thursday, of attending the official unveiling of the 2007 Silver dollar coin honoring Canadian native hero Thayendanegea (Joseph Brant) at the Joseph Brant Museum in Burlington, Ontario.

Other than the usual professionalism shown by Mint personnel and the perfect location for the unveiling considering the subject of the coin, the one thing that really stood out was that the people involved with heritage and history were front-and-center. The various speakers made us aware of the local history surrounding Joseph Brant in an interesting way. We can forgive the number of politicians, both elected and hoping-to-be-elected-soon at both the local and provincial levels, that decided to show up for the photo opportunity.

Burlington is the site of the 3,450 acres granted to Thayendanegea by King George III for his dutiful service to the Crown during the Seven Years War and the American War of Independence.

Born in Ohio in 1742, Thayendanegea received an English education and was conferred the Christian name Joseph Brant. As a war chief of the Six Nations and a British military Captain who first fought alongside the British as a teenager, Brant earned the respect of both sides. As a man of vision, he quickly understood that his people faced irreversible changes and took action to protect their interests. In 1783, following the American War of Independence, Brant negotiated land for the Six Nations people in Ontario’s Grand River Valley and built a settlement where native sovereignty and British commercial practices and public institutions were uniquely merged. Through his leadership, Brant shaped much of native Canada, an achievement to which the town which bears his name (Brantford, Ontario) pays permanent tribute.

The Joseph Brant Museum was built to commemorate Joseph Brant and his original homestead. Construction began in 1937, culminating in the official opening of the Museum to the public on May 23, 1942. Over the years, the Museum has added a number of important acquisitions to its collection, including personal artifacts owned and used by Joseph Brant. For more information on the Museum's programming, visit www.museumsofburlington.com.

"Thayendanegea stands out as an enduring symbol of bravery and leadership to all Canadians," said John Moore, Acting Vice-President of Sales and Marketing at the Royal Canadian Mint. "We are delighted that his proud effigy graces the newest of our highly collected commemorative silver dollars," he added.

The design is adapted from an original artwork by Laurie McGaw. It features the stately portrait of Joseph Brant wearing a traditional native headdress and a gorget bearing the British Royal Coat of Arms. With a limited mintage of 65,000 it is also available with a proof finish, with a brilliant uncirculated finish and with selected gold plating as part of the Proof Set. For full details on the coin, go to:

<http://www.mint.ca/royalcanadianmintpublic/index.aspx?requestedPath=/en-CA/Home/default.htm>

CONCLUSION

As I withdrew \$60 from a bank machine the other day, a memo I wrote to myself fell out of my wallet. I picked it up, placed it and my bank machine card in my wallet, got in the car and drove off. When I realized that I had left the \$60, I rushed back to the machine. To my surprise, the cash was in the slot. I counted the bills: twenty, forty, sixty, eight, one hundred. Then a woman came running towards me. "Wait!" she shouted. "I left \$40 in the machine!" As I handed her the cash she thanked me, saying, "Nobody else would ever be so stupid." Yea?

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

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