

Welcome to the C.N.A. E-Bulletin Vol. 3, No. 20 – March 30, 2007

An electronic publication of the Canadian Numismatic Association
Copyright © 2007, the Canadian Numismatic Association

INTRODUCTION

Oh those deadlines! It was my intention to tell you about the wonderful experience my wife and I had at the MPCFest in Ohio last week, but having just returned from another trip earlier today, I have not written it up yet. You will just have to wait with baited breath until next Friday.

WE HAVE MAIL

From Colin Bruce: "I checked this out and Canada's Gold Reserve is planning on creating a big gold mine in Venezuela. RCM will have a new source for gold bullion for future gold hockey pucks." – If we're talking about our world-famous \$1 million coin, let us not minimize its stature by calling it the size of a hockey puck. A manhole cover would be more like it, both in size and weight. Hey, has our attempt at humor about the coin run its course? Have we given it enough publicity? Should we wait for the Mint's next announcement?

ALL YOU NEED TO KNOW ABOUT CANADA

Now that Vancouver has won the race to host the 2010 Winter Olympics, these are some questions people the world over are asking, according to what numismatist Tony Hine forwarded to us! Believe it or not, these questions about Canada were posted on an International Tourism Website. The questions were really asked, but, obviously, the answers are a joke. Our apologies to our American friends for a couple of them

Q: I have never seen it warm on Canadian TV, so how do the plants grow? (England)

A: We import all plants fully grown and then just sit around and watch them die.

Q: Will I be able to see Polar Bears in the street? (USA)

A: Depends on how much you've been drinking.

Q: I want to walk from Vancouver to Toronto. Can I follow the railroad tracks? (Sweden)

A: Sure, it's only Four thousand miles, take lots of water.

Q: Are there any ATMs (cash machines) in Canada? Can you send me a list of them in Toronto , Vancouver , Edmonton and Halifax? (England)

A: What did your last slave die of?

Q: Can you give me some information about hippo racing in Canada? (USA)

A: A-fri-ca is the big triangle shaped continent south of Europe. Ca-na-da is that big country to your North...oh forget it. Sure, the hippo racing is every Tuesday night in Calgary. Come naked.

Q: Which direction is North in Canada? (USA)

A: Face south and then turn 180 degrees. Contact us when you get here and we'll send the rest of the directions.

Q: Can I bring cutlery into Canada? (England)

A: Why? Just use your fingers like we do.

Q: Can you send me the Vienna Boys Choir schedule? (USA)

A: Aus-tri-a is that quaint little country bordering Ger-man-y, which is...oh forget it. Sure, the Vienna Boys Choir plays every Tuesday night in Vancouver and in Calgary, straight after the hippo races. Come naked.

Q: Do you have perfume in Canada? (Germany)

A: No, we don't stink.

Q: I have developed a new product that is the fountain of youth. Can you sell it in Canada? (USA)

A: Anywhere significant numbers of Americans gather.

Q: Can you tell me the regions in British Columbia where the female population is smaller than the male population? (Italy)

A: Yes, gay nightclubs

Q: Do you celebrate Thanksgiving in Canada? (USA)

A: Only at Thanksgiving.

Q: Are there supermarkets in Toronto and is milk available all year round? (Germany)

A: No, we are a peaceful civilization of Vegan hunter/gathers. Milk is illegal.

Q: I have a question about a famous animal in Canada, but I forget its name. It's a kind of big horse with horns. (USA)

A: It's called a Moose. They are tall and very violent. They roam the city streets eating the brains of anyone walking close to them. Spraying yourself with human urine before you go out walking will scare them off.

Q: Will I be able to speak English most places I go? (USA)

A: Yes, but you will have to learn it first.

RCM PAYS TRIBUTE TO RCMP

The Royal Canadian Mint recently unveiled the first Vancouver 2010 Winter Olympic Games \$75 14KT Gold Coin featuring the musical ride of the iconic Royal Canadian Mounted Police.

"The Vancouver 2010 Olympic Winter Games are about more than organizing world-class sports contests. They are a unique opportunity to showcase Canada's spirit and values on the world stage," said Mr. Bennett, CEO of the Royal Canadian Mint. "I'm very pleased that the Mountie, one of the most powerful symbols of Canadian pride, was chosen to inaugurate this series."

The coin, designed by the Mint's engraver Cecily Mok, features a colour enhanced, scarlet-clad RCMP officer on horseback, flanked by proud members of the Musical Ride. Future coins will feature Canadiana and Olympic themes such as the \$75 14K gold Athletes' Pride; Canada Geese; Four Host First Nations; Home of the 2010 Olympic Winter Games; Inukshuk; Wolf; Olympic Spirit; and Moose.

It retails for \$389.95 and is limited to a low world-wide mintage of only 8,000. It is available from coin dealers or directly from the RCM. The coin may also be purchased through the Mounted Police Foundation.

For more background on the coin, go to www.mint.ca. Visit the Royal Canadian Mounted Police online at: www.rcmp-grc.gc.ca. Visit the Mounted Police Foundation at www.mountedpolicefnd.org.

FAKE "GODLESS" DOLLARS ONLINE

According to www.news-antique.com, buyers should beware of fake error coins. Their most recent weekly e-bulletin advises that soon after recent news stories appeared about mis-struck dollar coins without the motto, "In God We Trust," fake errors began appearing in auctions and elsewhere.

Rare coin experts are warning that 2007 dated Presidential dollar coins, deliberately altered after leaving the United States Mint to remove the edge lettering including the motto, "In God We Trust," are being offered to unsuspecting buyers in online auctions and at swap meets. The Professional Numismatists Guild (PNG) has issued a consumer advisory about the altered coins being sold as genuine errors.

The Mint mistakenly released for circulation thousands of genuine coins without the edge lettering, but the PNG cautions that worthless, fake versions now are appearing in the marketplace, especially Internet auctions.

"The edge lettering on some perfectly-made coins is being intentionally removed in machine shops to fraudulently make the coins appear to have a plain edge without the date, without the mintmark and without the mottos, In God We Trust and E Pluribus Unum. It's the wild, wild West out there online, and it's probably going to get worse before it gets better," said Fred Weinberg of Encino, California, a former President of the Professional Numismatists Guild and an internationally known expert on mis-struck coins. "You run the risk of paying \$100 or more for an altered coin that's only worth one dollar. Unless you know how to determine authenticity, the coin should be certified by a nationally-recognized authentication company or you should know the reputation of the professional dealer you're buying it from."

The normal weight of the George Washington dollar coins is 8.1 grams (125 grains) and the diameter is 26.5 millimeters. Any plain-edge coins that weigh less than 8 grams (123 grains) or with a diameter of 26 millimeters or less should be viewed with skepticism. They may have been deliberately trimmed to remove the edge lettering, according to the PNG. "The altered coins are deliberately machined down until the lettering on the edges disappears. It's also possible for the incused lettering to be filled in, then re-plated or re-colored, and then the altered coin is deceitfully sold as a genuine Mint-made error," Weinberg explained.

Weinberg also cautions consumers to be wary of sale pitches for so-called "upside down" lettering errors. "The relationship is random between the edge lettering and the 'heads' side on the Presidential dollars. Some coins have the letters reading 'up,' and some are 'upside-down' when you view the front of the coin. These are not inverted-lettering errors, only a random method of placing the edge-lettering on the coins. Half the coins will have the letters up, and half will appear upside down."

THREE ARRESTED IN CARD SCAM

Three men accused of teaming up to install a credit card identity theft skimming device at a Pickering, Ontario, gas station face 80 fraud-related charges. Durham Regional Police said the three were arrested last Tuesday before any card readers could be installed. Kanagendra Thirugnanam, 29, of Markham, Krishnamoo Wejeyamoorthy, 25, of Toronto, Galeepan Samba Sivan, 26, also of Toronto, face various charges.

NO MORE TAXES IN TORONTO

Here is a lesson in monetary terminology: “Tax” means paying out money, while “revenue tools” are simply words politicians use not to worry you.

When asked last week how happy citizens and businesses would be to pay “proposed tax increases,” Toronto Mayor David Miller stated: “There are no proposed tax increases. These are potential revenue tools.”

You got that. You might call them taxes, but down at City Hall they realize that the word sounds so unpleasant. “Revenue tools” is much better. City officials even titled a shopping list of new ways for the city to raise money a “discussion of public policy revenue tools.” But, unfortunately for us, in the body of the paper, 7 of the 8 new “tools” are clearly labeled a “tax.” The exception is the “road pricing” option, which would be neither a toll nor a congestion fee charged to vehicles entering traffic-clogged zones.

DISNEY DANGEROUS TO YOUR FREEDOM

The crime wave started small, with a pair of burglaries in October 2003, but gained momentum as the thieves built confidence. Investigators have connected the men to 5 robberies in 2003, seven in 2004, 44 in 2005 and 77 in 2006.

They stayed a step ahead of investigators for three years, hitting at least 145 homes in 29 communities across six northeast Ohio counties, stealing a lot of cash and other items. The crooks typically gained entry by shattering doors in the rear of the houses. Once inside, they swiped pillow cases off a bed and started filling the cloth bags with small items such as jewelry and cash. The men fenced the stolen goods, which were valued at “hundreds of thousands of dollars.” Only a small percentage of the items have been recovered.

The crooks might have gotten away with it all, too. However, during one of the heists, the thieves also stole a pair of tickets to the “Disney on Ice: Princess Wishes” show. They passed them along to some friends. The police followed the trail of the tickets and arrested three men aged 27, 34 and 45, all of whom have criminal histories.

RICHARD HATCH CHASING WATERFOWL

Richard Hatch, the winner of the original “Survivor,” was made famous in these C.N.A. E-Bulletins, getting mentioned a few times due to his involvement with money - money he wanted to hang onto while the taxman wanted a share of it. A jury convicted Hatch in January 2006 on the tax evasion charges, which included failing to declare income earned as a radio talk show host. They acquitted him of everything else. Hatch alleges the prosecutors threw nine charges at him, including the charity fraud, to complicate matters to the point where the jury concluded he must be guilty of something.

His latest appeal was heard on March 8, and a decision was expected within 30 days. His hope is that he will be exonerated from the conviction of tax fraud. His crime? Walking away with the \$1 million prize without paying taxes. Hatch maintains that he caught contestants cheating on the first Survivor – some of them were being supplied with extra food, he asserts – and after he brought that to the attention of producers, they assured him the taxes on his winnings would be paid if he won. He says he refused a plea bargain because he is innocent, according to an article by Francine Kopun in the Toronto Star.

According to the appeal brief submitted by the U.S. district attorney prosecuting the case, Hatch signed a contract before appearing on Survivor that made it clear he would be responsible for all taxes associated with any winnings. After he received his prize, Survivor Entertainment Group sent him an IRS form reporting his income. Prosecutors also alleged that Hatch diverted money intended for a charity he founded into his personal account.

So what is he up to these days while waiting for the appeal? His job is to chase waterfowl off the grounds of the Federal Correctional Institute in Morgantown, W.Va., a minimum security prison in the Appalachian hills, where he has been incarcerated for the past 14 months.

JOB SCAM DRAINS BANK ACCOUNTS

Imagine that you are seeking a job online. Along comes someone promising you a job with a legitimate company. You are asked to open a personal bank account and handed a check, somewhere in the \$10,000 to \$50,000 range, for deposit into the account. You are then told to wire some of the deposited money to another account. What luck to find a job so quickly and get paid upfront, eh?

There is a slight problem, though. The checks aren't worth the paper they're printed on and you could find yourself owing money back to their bank.

Police said the scam involves companies claiming to be based in Tokyo. They use online job search engines to promote their fraudulent job postings.

THE LASQUETI MINT'S HISTORY

Most mints have expensive equipment that turns out those little works of art that we love to collect. Then there is the Lasqueti Mint, which turns out little works of art with equipment that is not exactly state-of-the-art. I will let Tolling Jennings, one of two guys that make artisan, hand struck, precious metal coins at this private mint, tell it:

One must have some understanding of the conditions and equipment at the Lasqueti Mint to truly appreciate the coins we turn out. I don't think one could choose a more disadvantaged situation than that found at the Mint for turning out truly beautiful works of art. Then again perhaps these conditions are exactly what are needed. The Mint is located on an island that is "off the grid," has no road access or car ferry. The buildings the Mint is housed in are primitive by most standards. The tractor shed where our smelting, sheering, and machine maintenance takes place has no south wall.

Most of our actual minting equipment is situated in a wash house/summer kitchen that is heated by the wood stove in the sauna that is a small room in the back of the building. What power there is, is supplied by solar panels, a windmill or a 6 kw diesel generator. The machines used in the actual production of the coins have to be classified as antiques. Our drop hammer was made in the 19th century with non-standard threads on all bolts! Our two fly presses were salvaged from shops that couldn't wait to get rid of them. And our arbor press was made in China and cost \$75.00. Our pantograph was state of the art 50 years ago and the big lathe we use was old in the 1920s.

We do have some small "state of the art" hand tools: very accurate scales, a microscope, and engraving machines. We went to great lengths to assemble these tools much to the amusement of the locals. You don't know what fun is until you load a 2,500 pound fly press off a barge, into a 12 foot aluminum skiff and head out to sea.

Considering the conditions we work under and the equipment we use, each of our coins could be considered a small miracle. I look upon the minor imperfections of our coins as marks of originality. There is an old Sufi saying that "One tries for perfection and settles for what one gets." Each of our coins is unique. The coins from the Lasqueti Mint are truly magical and seem to bring joy and happiness to those who are fortunate enough to possess them.

Thanks, Tolling, for that insight into your operation. Registrants at the 2007 C.N.A. Convention will be able to see your work firsthand. One of the works of art which you are producing for the President of the Canadian Numismatic Association will be included in the Main and Coin Kids registration kits of the upcoming Convention.

SCRAP THE GREENBACK

Nick Cowan sent us an article from "Slate" magazine written by Christopher Bonanos, senior editor of New York Magazine.

So the United States is introducing dollar coins, again. Earlier this month, the Treasury put George Washington's face on a golden coin, the first in a limited run that will eventually include almost every American president. (Only presidents who have been dead two years will be depicted, so if Jimmy Carter, Bill Clinton, and the Bushes are still healthy when their turns arrive, the series will end with the Gipper.)

This is the government's fourth attempt to move American spenders from dollar bills to dollar coins, after three flops that satisfied nobody but coin collectors. But these quite sensible efforts are destined to fail unless the Treasury finally does what it should have done long ago: Stop printing dollar bills.

There's no reason the United States shouldn't be using dollar coins right now. Canadian and Australian dollars are made of metal. So are the British pound sterling and the euro. That's because coins are vastly more durable than paper money. Though a coin costs about three times as much to produce as a bill, it will circulate for an average of 30 years, whereas a dollar bill lasts 22 months, and for the last few of those, has all the charm of a grimy, germey handkerchief. In 2002, the United States General Accounting Office (now called the Government Accountability Office) said we'd save \$500 million a year in production costs if we shifted to coins; another GAO document puts the savings even higher, at \$747.5 million.

Shoppers won't use dollar coins till they see businesses taking them; businesses won't use them until banks give them out routinely; and the banks aren't going to invest in infrastructure changes, like new coin-counting machines, until they see the public using the coins. Everyone's waiting for someone else to move first.

Coins would be accepted in a matter of months, maybe weeks, if Congress phased out the dollar bill. In the early '70s, the Eisenhower dollar arrived, failing to circulate much because it was huge and heavy. The next push came in 1979, with the infamous Susan B. Anthony dollar. It failed because its size, thickness, and reeded edge made it far too easy to mistake for a quarter. The next try, in 2000, produced the Sacagawea dollar, which encapsulates the '90s culture wars in one neat little golden tableau. Liberals insisted that we not go back to dead white men; conservatives wouldn't allow another radical like Anthony. So we got a Native American (oppressed peoples!) carrying a baby (family values!) who led Lewis and Clark (proto-feminist?) but also bore a child as a teenager (not so feminist, and faintly pro-life).

The actual portrait of Sacagawea is mushy and shapeless, but the object itself is a fine piece of industrial design. The coin's smooth edge and thick border feel good in the hand, and well-thumbed specimens aged to a nice mellow bronze. They do feel heavy when you get too many in your pocket, but that just means it's time to do your laundry. After two years and one huge ad campaign, a General Accounting Office report put the Sacagawea's use at 1 percent of all cash transactions. The coins are mostly stockpiled, with almost none produced in 2003 or 2004 because they just weren't needed.

And now here come the presidents, four per year, each on a coin that's the same size and heft as the Sacagawea. (Some of them must be very excited, out there in the great beyond. Grover Cleveland, this is your moment: Your two non-consecutive terms mean you'll appear twice.) The official rationale for the new limited series? Producing coinage for collectors is lucrative. Since the Treasury spends about 12 cents to make a dollar coin, it makes 88 cents profit whenever one is pulled from a pocket and stashed away. Collecting anything manufactured in huge numbers like this is a little silly, but it's fun for kids, and certain obsessive adults. The Mint has raked in \$4.6 billion thus far on its similar State-quarters program. Making money, it seems, is a decent way to make money.

But back to dollar bills: Why keep producing them? The Bureau of Engraving and Printing pumps out 3.4 billion fresh singles every year. Pressure from bill partisans at the BEP even kneecapped the Sacagawea ad campaign. According to the GAO, "an informal Treasury restriction" prohibited the Mint from suggesting that a coin was superior to a bill—it could say only that a coin was also available. One TV spot showcasing a frustrating vending machine moment (*vvmvmp-vvvvmp*, *vvmvmp-vvvvmp*) was scotched, after a combative meeting at the Treasury, on the grounds that it "negatively portrayed the dollar bill."

Who on earth thinks like this? People who have a vested interest in producing dollar bills, that's who. They come, principally, from three groups: the folks at the BEP; Mississippi cotton farmers, whose fibers make up the 100-percent-rag currency paper; and Crane & Company, a Massachusetts paper mill known for excellent stationery and a century-old papermaking contract with the government. Around the time the Sacagawea was proposed, they formed a lobbying group called Save the Greenback, which, according to press accounts, had the ear, back when he was in Congress, Rep. Joe Kennedy of Massachusetts. Save the Greenback's annual lobbying expenses average a couple of hundred thousand dollars. The group's archenemy is a pro-dollar-coin lobby called the Coin Coalition, backed by vending-machine and carwash interests.

The public is slow to accept new currencies, but that same public has a mercifully short memory. Get rid of those dirty handkerchiefs tomorrow, and you'll have forgotten about them by the time the first Martin Van Buren dollar lands in your palm.

For the complete article, go to <http://www.slate.com/id/2161901/>

CONCLUSION

We have prepared a special Tuesday bulletin dealing exclusively with "Other Money" such as Exonumia, play money, money that has been created by people that wanted to be kings of their own little island and some teaser articles entitled "What exactly is Zango Cash" and "The value of a New York Dollar." Look for it in your e-mail box this coming Tuesday.

John Regitko
Your C.N.A. E-Bulletin Editor

Canadian Numismatic Association

The Canadian Numismatic Association is a not for profit organization devoted to serving those who enjoy coin collecting/numismatics by promoting fellowship, communication, education and providing advocacy and leadership for the hobby.

If you have a comment to make, or would like to submit an item for publication, email:
cnanews@look.ca

To subscribe to the E-Bulletin email:
cnanews@look.ca

Back-issues of the C.N.A. E-Bulletin are available from the C.N.A. Website at
<http://www.canadian-numismatic.org/ebulletin.php>

If you have questions about our privacy policy, email:
privacyissues@canadiannumismatic.org

To learn about the benefits of membership or to join the C.N.A. visit our website at:
www.canadian-numismatic.org

For a complimentary copy of The CN Journal, email your name and mailing address to:
cnainfo@look.ca

Any submissions, comments or information sent to us will be shared with subscribers unless indicated otherwise. We reserve the right to edit submissions for publication.