



# Beginner's Guide to Coin Collecting

Presented by



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# INTRODUCTION

The old saying goes, "Money makes the world go 'round." We use it every day. We can't acquire many necessary items needed in daily life without it. We almost always want more of it, but for coin collectors, money is much more than a piece of metal. It's a hobby, a learning experience, and can be a lifelong obsession.

There really are no hard statistics on the amount of people who collect coins in the world. Some people suggest that 1 out of every 10,000 people is an active coin collector. That's pretty staggering when you think about the population of the world.

People have been collecting coins for years. At one time, it was called the hobby of kings, but today people from all walks of life and of all ages are maintaining coin collections.

Their reasons are varied. Some like the history behind coinage. Some do it to amass a collection worthy of handing down to future generations. Still others are simply businesspeople buying and selling coins to make a living. Collecting coins can be somewhat of a treasure hunt for many. The quest for that one coin to complete their collection can be an obsession.

Whatever the reason, coin collecting is a very popular hobby – one that can be pursued by all age groups. There are actually educational benefits to getting children started as coin collectors.

The practice of numismatics – that is, the collection and study of coins, paper money, tokens and medals – offers the collector many different areas to specialize in. With the many specializations of coins, there is a wealth of material

out there for coin collectors to concentrate on which makes it such an interesting and diverse hobby.

In this book, we'll explore the phenomenon of coin collecting and give you ways to get started on your own collection. There are many, many nuances of the hobby and it's almost impossible to give you all the information you'll need to become a seasoned collector. What we have done is give you enough to get started in this rather enjoyable activity.

Let's look at "A Beginner's Guide to Coin Collecting."

## **SOME FUN FACTS ABOUT COINS**

There are approximately \$8 billion worth of coins circulating in the U.S. today. In the past 30 years, the U.S. Mint, who is responsible for designing and producing the nation's coins, has minted over 300 billion coins, worth about \$15 billion!

Since its creation in 1792, the U.S. Mint has grown into a large enterprise with more than \$1 billion in annual revenues and 2,200 employees. It is by far the world's largest manufacturer of coins and medals, producing coins not only for the U.S. but on behalf of several other countries as well.

It can be interesting to know how coins are minted. In order to make coins, the U.S. Mint purchases strips of metal (rolled into coils) in the proper dimensions and thicknesses.

Zinc metal strips coated with copper plating are used to make pennies. Strips used for nickels are comprised of a 75% copper, 25% nickel metal alloy. Dimes, quarters, half-dollars and dollar coins are produced of strips consisting of three metallic layers fused together. The outer layers of

these strips are comprised of the same alloy as that used for nickels with the third (core) layer being comprised of copper.

The first step in the coin making process involves the feeding of the metal strips through what is known as a "blanking" press. This press punches out cut round discs (blanks) about the same size as the finished coin. These blanks are then heated in a furnace to soften them. Subsequently, the softened blanks are placed in rotating barrels of chemical solutions to clean and polish the metal. The cleaned and shiny blanks are then washed and dried.

Next, the blanks are sorted to remove any defective ones and the rest are put through an "upsetting" mill which raises a rim around their edges. The rimmed blanks then go to the coining or stamping press where upper and lower dies stamp the designs and inscriptions on both sides of the coin simultaneously. At this point, the blanks become genuine U.S. coins.

Finally, the finished coins are mechanically counted and placed into large canvas bags for shipment to the Federal Reserve Banks. From there they are shipped to local banks on an as-needed basis.

When the U. S. Mint was established the law required that all coins be made of gold, silver or copper. For a considerable period of time afterwards, gold was used in the \$10, \$5 and \$2.50 pieces, silver was used to make the dollar, half-dollar, quarter, dime and half-dime while the penny and half-cent coins were made of copper.

In 1933, during the Great Depression, the U.S. Mint stopped making gold coins altogether. In 1965, as a result of a severe silver shortage, Congress dictated that silver no longer be used in making quarters and dimes. In addition, the silver content of the half-dollar (previously 90%) was reduced to 40% in 1965 and then eliminated entirely in 1971.

As previously mentioned, all of these coin denominations are now composed of copper-nickel clad with an outer layer of a 75% copper, 25% nickel alloy and a pure copper core. Nickels are made of the same copper-nickel alloy but without the copper core.

The penny's composition was altered in 1982 from 95% copper 5% zinc, to the current 97.5% zinc, 2.5% copper mix. This was done as a cost cutting measure and to make the penny lighter in weight.

The 25-cent (quarter), 10-cent (dime), five-cent (nickel) and one-cent (penny) pieces are the coin denominations commonly in use today in the U.S. Half-dollar and dollar coins continue to be issued but rarely circulate in everyday commerce. Foreign coins exist in all sorts of denominations, so it's impossible to list them all here.

U.S. coin denominations issued in the past but no longer in use include the half-cent, two-cent, three-cent, and 20-cent copper pieces and a small silver coin called a half-dime. Gold coins in denominations of \$1, \$2.50 ("Quarter Eagle"), \$3, \$5 ("Half Eagle"), \$10 ("Eagle"), and \$20 ("Double Eagle") were issued from time to time from 1793 until 1933.

Silver half-dollars have been minted in large quantities since 1793 and peaked in popularity with the introduction of the Kennedy half-dollar in 1964. Silver-less half-dollars were first introduced in 1971.

Silver dollars have been issued at various times since 1793, were discontinued in 1933, and then re-introduced in 1971 in the form of the silver less Eisenhower dollar. The Eisenhower dollar was replaced in 1979 with the silver less Susan B. Anthony coin, in honor of the famed women's suffrage pioneer.

A new dollar coin replaced the Susan B. Anthony coins. That coin portrays Sacagawea, the Native American woman

who contributed to the success of the Lewis and Clark expedition. The coin is golden in color and made from a manganese brass metal alloy.

In addition to the above, various so-called "commemorative" coins have been issued from time to time in various denominations to honor a particular noteworthy person, place or event. The first such coin was issued in 1892 to commemorate the World Columbian Exposition in Chicago. These coins are usually made in limited quantities, sell at a premium and rarely circulate as normal coinage.

With the exception of commemorative coins and the Susan B. Anthony dollar, U.S. coins currently minted portray past famous U.S. Presidents. These coins are the Lincoln penny, introduced in 1909, the Washington quarter, first issued in 1932, the Jefferson nickel, adopted in 1938, the Franklin D. Roosevelt dime, introduced in 1946, and the Kennedy half-dollar, which was first minted in 1964.

In 1792, Congress required that all American coins show on one side "an impression emblematic of Liberty, with an inscription of the word Liberty, and the year of coinage". This requirement has been followed since.

The phrase "In God We Trust" was first used on U.S. coins in 1864. This motto now appears on all U.S. coins.

In 1999, the design of the U.S. quarter changed. Reverses of circulating quarters will be replaced with designs representative of each of the fifty states. Each year from 1999 through 2008, five different quarters, commemorating five states will be issued in the order in which the states ratified the Constitution or were admitted to the Union. These "State Quarters" are intended for general circulation but special silver proof coins will also be sold to collectors.

The coins of other countries can reflect many different images including animals, scenes, famous buildings, and more. They often reflect the history of the country and are

interesting for the novice collector because of their uniqueness.

The first international convention for coin collectors was held in August of 1962 in Detroit, Michigan. It was sponsored by the American Numismatic Association and the Canadian numismatic Association. It was estimated that over 40,000 people attended this first convention

As you can easily see, this hobby is a very popular one and the numbers are sure to be growing every day as interest is piqued. Now that we've got some facts about coins in general, let's look specifically at the art of numismatics beginning with the terms you'll need to know.

## **COIN COLLECTING GLOSSARY**

As is the case with most hobbies, coin collecting has its own specialized terms or "lingo". The following, while not an exhaustive list of all the coin collecting terms that you may encounter, provides definitions for the most commonly used terms.

### **Alloy**

a combination of two or more metals in a coin such as cupro-nickel or cupro-zinc.

### **Ancient**

refers to any coin minted before 500 A.D.

### **Bag marks**

nicks, marks and scratches resulting from coins in a mint bag being in contact with each other.

### **Bi-metallic coin**

a coin with the center made from one metal with its outer portion being comprised of a different metal.

**Blank**

a round piece of metal made for subsequent minting into coinage.

**Bullion**

a coin made of gold or other precious metal with little numismatic value apart from the current value of the metal from which the coin is made.

**Cameo**

a coin with a frosted appearance.

**Circulated coin**

a coin which has actually been used as money and shows some degree of wear.

**Commemorative coin**

A coin with a design struck in honor of some historical or current event, famous person or special anniversary.

**Error coin**

a coin minted by mistake or with a design different than intended.

**Grade**

the condition of a coin determined by a set methodology.

**High points**

the highest part of a coin's design where the first signs of wear and tear generally appear.

**Legend**

the words that are inscribed around the outer edge of a coin, for U.S. coins, the legend inscription is *E Pluribus Unum*

**Mintage**

the total number of coins of a particular denomination, date and/or type produced by a mint

**Mint mark**

a symbol identifying the particular mint which produced the coin

**Mint state**

an un-circulated coin in the same condition as when it was originally minted showing no signs of wear

**Numismatics**

the study of coins, paper currency, tokens, medals, and other similar items

**Obverse**

the "heads" side of the coin where a portrait of a president, king, queen or other national leader appears

**Proof coins**

coins that are struck with greater pressure than normal using specially polished dies to make the design more highly polished or mirror-like

**Reverse**

the back or "tails" side of a coin, the opposite side to the obverse side of a coin

**Rim**

the outer edge of a coin.

**Un-circulated coin**

a coin that has never actually been used as money and has no visible signs of wear

**Variety**

any change in the design of a coin results in a new coin variety

There are many, many more terms which we will try to define as they come up in this book, but this is a good start for the beginning collector.

So, you may be wondering – where do I start? The choices are varied.

# **BEGINNING YOUR COLLECTION**

There are few people who do not have at least the beginning of a coin collection. Many of us own at least one or more "good luck coins", a large penny, an old Indian nickel or silver dollar, a medal or a souvenir token. Any one of these items has often led to the start of a large coin collection and a new hobby.

Acquiring a coin collection of scope, interest and value takes some time and effort. This is due to the fact that there are many branches of the numismatics hobby to explore and study. Some of these take years to master but this is part of the secret of this hobby's interest and charm.

Coins are fascinating because they often reflect stories of royalty, great leaders, history, power and patriotism relating to their respective countries of issuance. Famous figures become real and alive when depicted on an old coin. For example, Julius Caesar and Alexander the Great, in ancient times; Henry VIII, Napoleon, George Washington and Abraham Lincoln are all portrayed on coins just as they appeared at the time.

It's best to start your collection by choosing WHAT you want to collect. It's difficult to say "I just want to collect coins" because there are hundreds and hundreds and hundreds to choose from. If you want to just amass a few stray coins for your own pleasure, by all means, do so, but this is not really coin collecting.

True collectors strive to complete sets of coins. That's part of the allure – hunting out the coins that will fit into their set. Do not try to specialize in too many categories as it can become time consuming and expensive. You may want to attend a coin show to see some of the specialized collections often on display and find one that interests you.

It's important to study the hobby – a lot. This book is a great start, but there are many other publications out there to familiarize yourself with coins and what you will be collecting. If you don't study the hobby, you risk investing a lot of money on over-priced and counterfeit coins.

Collecting coins from circulation is a great place to start. The risk is negligible (you can always spend the coins), and you can learn a lot examining your coins carefully and seeing what a reference book says about them.

This is the easiest and least expensive way to begin collecting coins. You must do so systematically, however. Otherwise, you will let too many good coins get away. Every day, put aside any coins you receive in change. Keep them either in a separate pocket or in a separate spot inside your purse. Do this with every coin you receive.

Then, in the evening, go through the change, keeping the coins you don't have. Also compare your day's catch with the coins in your collection, and exchange the poorer coins in your collection for better ones from the change. By consistently checking your change every day, you not only add to your collection, but also upgrade its condition. Upgrading a coin is almost as much fun as finding it.

Let's look at some different ways numismatists organize their prizes.

## **WHAT TO COLLECT**

What to collect is entirely up to the collector. It will normally be a specialization that holds some interest for the collector and is within his or her budget.

Among the most popular types of collections are world coins (coins from several countries), ancient coins, and coins of a particular country. Some specialization within these

categories is ordinarily helpful. If collecting from a particular country, you can work on one or more series, a type set, commemoratives, errors, die varieties, paper money, etc. You may also want to set bounds on the grades of coins you collect, e.g. all G-VG, VF or better, or un-circulated.

You could collect an entire series. The goal of a series collector is to acquire one of each date and mintmark made, usually including any major design differences. For example, the U.S. Standing Liberty quarter was produced from 1916 to 1930 at the Philadelphia, Denver and San Francisco mints (coins were not made at all three mints every year, and none were produced at any mint in 1922); a major change to the obverse was made in 1917, and the full set is generally considered to include both designs for that year from each mint.

A collector building a type set seeks to have one of each series and major design variation within each series. Examples would be 20th century Canadian coinage or U.S. gold coins.

You may choose to focus on ancient coins. That is coins that were minted prior to 500 A.D. Many of these are in a theme and that is one way to focus your collection. Experts say that the gold, bronze, and silver coins of the ancient world are actually quite readily available today and can be had for not a huge investment.

Tokens are also popular with collectors. When the government ignored the needs of the people and refused to issue sufficient low value coins the traders took matters into their own hands and issued tokens. In Great Britain this took place in the mid 1600's, the 1790's and the 1810's. These formed a local currency and it took several acts of Parliament to ban them. The bans were never completely successful and 'advertising tickets' continued to be issued through the mid 1800's. These were conveniently the same

size as farthings, the coin still in very short supply, and undoubtedly circulated as such.

By the end of Queen Victoria's reign the need for tokens had gone but there were all sorts of other similar pieces being used. Pubs issued checks but because they were such an everyday occurrence nobody thought the record how they were used!

The co-operative societies used checks to record the value of purchases made so that the correct amount of dividend could be paid. Fruit pickers received tallies to depending on the quantity of fruit picked. The most recent use of tokens is probably the ones used in gaming and vending machines, as well as the one used by the many transport undertakings.

Although less valuable than coins, tokens are nevertheless much more interesting if you are interested in local history and like to do research.

You may want to look into collecting proof sets. Proof coins are specially manufactured for sale at a premium to collectors and sometimes for exhibition or for presentation as a gift or award. Proofs are generally distinguishable from ordinary coins by their mirror-like fields, frosty devices (especially in recent years) and extra sharp details.

To obtain these qualities, each proof coin die is polished to produce an extremely smooth surface and used for a limited number of coins. Planchets are hand fed to the coin press, where they are struck at a higher than ordinary pressure. Struck coins are removed by hand with gloves or tongs. Modern proof coins are usually packaged in clear plastic to protect them from handling, moisture, etc.

For many years the U.S. Mint has sold annual sets of proof coins. These "regular" proof sets usually contain one proof coin of each denomination minted. In 1983, 1984 and 1986-97, Prestige Sets were also sold. Prestige Sets include

all the coins in the regular set, plus one or two commemorative coins issued the same year.

Since 1992, the Mint has also offered Silver Proof Sets, which include 90% silver versions of the proof dime, quarter(s) and half dollar.

From 1992 through 1998, the Mint also offered a Premier Silver Proof Set. The two types of silver proof sets contain the same coins, with the premier set housing them in fancier packaging.

You could also collect slabs. A certified coin, or *slab*, is a coin that has been authenticated, graded and encased in a sonically sealed, hard plastic holder by a professional certification service. The holder affords protection from subsequent wear or damage but is not airtight and therefore will not prevent toning. Because any tampering with the holder will be obvious, it also prevents replacing the certified coin with something else.

Counterfeit and altered coins slabbed by major certification services are not unknown but are uncommon. The authenticity of a coin may be guaranteed by the company that slabbed it. Therefore, a coin slabbed by a major certification service offers some protection, especially when fakes are known to exist and the prospective buyer is not able to reliably determine its authenticity.

As we will discuss later, grades are opinions. The same coin may receive different grades if submitted to different services or even if "cracked out" and resubmitted to the same service. Furthermore, grading standards for some uncirculated coins have changed since slabs were first produced (1986), so a coin in an early slab may receive a different grade if resubmitted now.

The grade indicated on a slab represents the opinions of no more than a few persons who examined the coin at the time it was submitted, and not the final word on the subject.

As a result, slabbed coins given identical grades may have different market values. Whenever possible, buy the coin, not the holder.

Prices range from \$7.50 to \$175.00 per coin, depending on the service and turnaround time, plus shipping costs in both directions.

The skills and equipment needed to encapsulate coins in slab-like holders can be acquired more easily than the expertise needed to accurately authenticate and grade coins. Holders from the services listed above are not the only types that appear in the marketplace.

However, slabs from some "services" may not be regarded by experienced numismatists as legitimate and may not even be backed by a guarantee of the coin's authenticity. Learning about the service's reputation and soliciting other opinions about a coin's condition may save you from paying considerably more than its true market value.

Some collectors concentrate on world coins. This is the term given to collections of relatively recent modern coins from nations around the world. Collectors of world coins are often interested in geography. They can "travel the world" vicariously through their collecting.

A popular way to collect world coins is to acquire representative examples from every country or coin issuing authority. Some collect by subject. This could be finding coins from around the world that feature animals.

Because world coins are usually very inexpensive, this may be a good starting point for children. Many children find foreign coins by looking under change-to-cash machines where customers throw away assorted coins found in their penny jars. Some of these can be from Canada, South Africa, or Mexico.

We do have a section on getting kids started in coin collecting, so there's much more information there about this aspect of coin collecting.

Here are some other suggestions on ways to categorize your coin collection and focus your efforts.

- Collect coins of a specific country or group of countries.
- A collector by type or series aims to acquire one of each type or series of coins, for example, U.S. gold eagles or Lincoln pennies.
- You may wish to concentrate on coins made of a particular metal such as gold or silver coins.
- Consider collecting coins with a particular theme such as coins with animal designs, boat designs or various commemorative coins such as Olympic coins.
- Some collectors focus on coins issued with some error in the coin's design, composition, date or inscription.
- Another specialty is the collection of non-monetary "coins" such as war medals and commemorative tokens.
- Save a penny, nickel, dime, and quarter from the year you were born. Try to find one from each mint. Coins from the Denver Mint in Colorado and the Philadelphia Mint in Pennsylvania are different.
- Create a coin set from every year since you were born. Try to find them from both mints.
- Find coins from around the world. Locate their countries on the map. Learn what the coins' pictures mean to that country.

It's all really up to you what and how you collect your coins, but as we've said before, don't start by collecting in

too many styles – it could be overwhelming. Start small with one kind of collection and expand as you become more proficient.

There are various ways you can store your collection.

## **STORING YOUR COINS**

Boxes, jars and bags may be used to store less valuable coins but are not generally adequate for more valuable coins. There are specially made coin envelopes made from acid free paper that hold a single individual coin provide a suitable and cheap storage method for most coins.

Plastic re-sealable bags or "flips" is a good storage choice because they let you see the coin without removing it from the cover. Mylar-lined cardboard sleeves (usually 2"x2") are similar to plastic flips and are a good way to store and package coins for shipment. Cardboard or plastic coin albums are great for storing a series of coins related to a particular country or theme.

Tubes are plastic containers good for storing several inexpensive coins of the same size together. Very valuable coins are often "slabbed" or encased in hard plastic holders as this offers the greatest protection of any storage method.

A couple of things to remember with storage: If you live in a very humid area add some silica gel to your storage container and keep your coins in their storage containers in a secure place such as a safe or fireproof box.

Along these lines, you'll need to have some basic supplies to start your collection. Let's look at some of the tools you'll need to be a coin collector.

# TOOLS OF THE TRADE

Luckily, there's not much you really need in order to collect coins – aside from the coins, of course. Because you might be handling valuable coins, you should have a few specific items to protect their integrity.

Obviously, it will depend on the material being collected and its value as far as what you need to have in order to start out. The very minimum that you will need is a magnifying glass to pick out detail on your coins. All sorts of magnifiers are available. For grading, 4-10 times magnification is sufficient, with 7x magnification considered by many to be ideal. Collectors of die varieties need 10x magnification or more.

You will also need a reference book in order to identify your coins and assess their value. Anyone purchasing coins should own at least one general reference book with information on dates and mintmarks, major varieties, grading guidelines and prices.

Additional references examining topics in more detail (e.g. grading, counterfeit detection or die varieties) are often useful. Periodicals will have more recent pricing information and news. Good reference works can pay for themselves several times over by helping you avoid bad decisions.

Experts consider the five listed below as the top ones in the industry. You may want to pick one of these:

## 1) Red Book" - A Guide Book of United States Coins

This is the standard catalog of retail prices for U.S. coins including colonial issues. The prices are the most a collector might be expected to pay a dealer for a

particular coin. This publication has a wealth of information about the coin collecting hobby and every collector should probably own a copy. It is published annually.

## 2) Coin Collectors Survival Manual

This book provides many interesting insights into the coin collecting hobby from the perspective of an experienced coin dealer. Many coin collecting topics are covered in an entertaining way

## 3) Standard Catalog of World Coins

This catalog provides values for 20th century world coins. This is a very comprehensive source of information on world coins.

## 4) Blue Book - Handbook of United States Coins

This book provides average prices that dealers will buy coins, in a particular grade or condition, from collectors or other dealers. It is published annually as well.

## 5) A Basic Guide to United States Commemorative Coins

This is a guide to the identification and values of U.S. Commemorative Coins with photos.

These books can be found in most bookstores or at online outlets like Amazon. You can also try looking on an auction site like e-bay for the best prices.

That's really about it for the bare minimum. You may also want to get some coin holders. A multitude of choices are available when it comes to coin holders. This includes Envelopes, Fold & Staple Holders as well as the popular Coin

Flips. For more valuable coins you might consider some of the higher priced plastic holders which are available for single coins and sets.

Coin folders are also a suggestion. Coin Folders, or sometimes referred to as Coin Boards by the old time collectors, are by far the most economical way to assemble a series of coins into a set. Jake's highly recommends Coin Folders for lower price and circulated coins. Coin Folders are great for youngsters as well as beginners just starting to collect coins.

If you choose coin pages to display your collection, choose quality vinyl pages with plenty of slots for your coins. Most coin pages will fit in a standard three-ring binder.

As you become a more seasoned collector, you will probably find more supplies that will make your job easier like a coin gauge and material to preserve your collection. This a good list for the beginner.

You may be wondering where you're going to get your coins. There are many sources.

## **AMASSING YOUR COLLECTION**

As we've said before, the easiest way to start collecting coins is to focus on those coins that are still in circulation. This is probably the easiest way of obtaining coins since we use them every day. We've outlined some ways you can use in-circulation coins to start your collection.

You may, however, want to branch out into out of circulation coins. If that's the case, finding them requires a little more work. But don't worry – the sources are out there!

Dealers with their own coin shops can be good resources for information as well as coins.

Attend some coin shows. Here you can shop from several dealers at once. The selection will obviously be better than at most shops, and you may be able to get better prices due to the presence of competition.

Coins can be purchased from many dealers through the mail. Check any of the periodicals listed below for advertisements. Unfortunately, it is all too common to receive over-graded and/or problem coins from some mail order sources. Make sure the source has a reasonable return policy before ordering, examine the coins carefully on receipt to ensure they're satisfactory (get an opinion from a more experienced collector/dealer if you are unsure), and return them if they are not.

Hundreds of dealers offer coins on the Internet and online services, including many of the conventional mail order advertisers. Again, make sure the source has a reasonable return policy before ordering, examine the coins carefully on receipt to ensure they're satisfactory (get an opinion from a more experienced collector/dealer if you are unsure), and return them if they are not. Also, watch out for the occasional scam artist who may pocket your money and not send anything in return.

You will also want to try auctions. This will include live auctions as well as those conducted online such as on e-bay.

The rarest and most expensive coins are often available only at auctions promoted by major specialty auction firms. These are generally in larger cities.

Numerous auctions are conducted online. In some of them anybody can offer coins to the highest bidder. Before bidding, check feedback on the seller, if the auction service makes it available.

Make sure the seller has a reasonable return policy, examine coins carefully on receipt to ensure they're satisfactory (get an opinion from a more experienced collector/dealer if you are unsure), and return them if they are not.

It is not uncommon for bids in these auctions to go considerably higher or lower than prices for comparable coins from other sources. Check prices in shops, mail order ads and/or web sites and limit your bids to those prices to avoid paying too much.

Relatively common collector coins are sometimes included in auctions of antiques, other collectibles, etc. as well as estate auction. The collector is forewarned that material in these auctions is more likely than usual to be over-graded, have problems not mentioned (if even known) by the auctioneer, and/or to garner inflated prices. Better material at lower prices can often be readily obtained from other sources.

You can try and either trade or buy from another collector. However, it's not often easy to locate another collector selling what you want. When it happens, you may get a better price. Post what you're looking for in "rec.collecting.coins" or attend some local coin club meetings. There are also other coin collector message boards you can use to make contacts. Just look around or Google and you'll find them.

Coins are sometimes available at flea markets, antique shows, craft fairs and other events where they are not the primary focal point. Because there is little if any competition for the seller and many potential buyers are not well informed about the hobby, these venues can be used to move problem coins and prices may be inflated. While the collector always needs to be able to evaluate the quality of potential purchases and fairness of their prices, extra caution is warranted in these situations.

So you've got some coins now, let's look at the proper way to handle them.

## **HANDLING YOUR COINS**

If your coins are still in circulation, they probably aren't extremely valuable, but that doesn't mean you can handle them just any old way. You do, however, have to take special precautions when handling more valuable coins.

In general, collectible coins should be handled carefully to avoid the possibility of causing wear or introducing substances that may lead to spots or color changes. Many holders will provide adequate protection for ordinary handling. Before removing a coin from its holder, consider whether it's really necessary.

Never touch an un-circulated or Proof coin anywhere but the edge. Fingerprints alone may reduce the coin's grade and consequently its value. Handling on the edge only is mandatory when examining another person's coins, regardless of grade. Get in the habit of picking up collectible coins by their edges, and it will soon become routine.

Avoid holding numismatic items in front of your mouth. Small particles of moisture may eventually cause spots.

When setting a coin down outside of a holder is necessary, place it on a clean, soft surface. A velvet pad is an ideal surface and essential for regular handling of valuable material. A clean soft cloth or clean piece of blank paper may be sufficient for less valuable items. Do not drag coins across any surfaces.

If you will be handling very valuable coins or lots of uncirculated and/or higher grade circulated coins, wearing

clean white cloth or surgical gloves and a mask may be advisable.

Some people – especially beginners – wonder how to clean coins.

## **CLEANING COINS**

In most cases, you **SHOULD NOT CLEAN COINS**. While you might think they'll look nicer if they are shiny, collectors prefer coins with an original appearance. Cleaning a coin may reduce its collector value by half or more.

Cleaning coins is similar to restoring works of art - they're both jobs best left to professionals who have the knowledge and experience to know when it's advisable, what techniques will work best and how to use them properly.

If you do want to undertake this effort, never abrasively clean coins. Even wiping with a soft cloth will cause small but undesirable scratches, which will reduce the coin's value.

If the surface of a coin appears to be tarnished, it is best left alone. The color change is the result of a natural process, which collectors call toning. Atoms on the surface of the coin have reacted chemically, often with sulfur compounds. The reaction cannot be reversed.

"Dips", which strip molecules from the surface, are available. Dipping is the quintessential example of a technique that should be used only by professionals, if at all. Additionally, natural toning sometimes increases the value of a coin (i.e. when it's considered attractive).

Dirt and other foreign substances adhering to a coin can sometimes be safely removed. You can try soaking the coin for a few days either in olive oil or soapy water, followed by a thorough rinse with tap water. Dry the coin

with compressed air or allow it to air dry. Do not rub the coin. Commercial coin cleaners may also be carefully used to more quickly loosen foreign substances.

Cleaning coins can affect their value in some cases. You will need to tell if a coin has been cleaned in order to assess its condition.

If the coin has been cleaned with an abrasive, the coin will have hairlines. Also, abrasive cleaning often leaves some crud in the recesses of the coin (untouched dirt or left over abrasive).

If the coin has been dipped, it may or may not be detectable. Although it is possible for such an original coin to exist, it is unlikely. Also dipping can strip the luster off of the coin, with the end result that there is no luster where you would expect it to be for a coin in said condition (XF and better coins).

A natural coin has a particular appearance which reflects the history of its storage. Haphazardly stored coins tend to have a "dirty" appearance to the toning. Coins that have lived for a long time in a coin cabinet tend to have spectacular colored toning.

Coins stored in a clean metal vault (such as an old style "piggy" bank) may stay white (or red) for a long time. Coins stored in albums develop either the familiar "ring toning" (slide type albums) or the much less desirable "one sided toning" (all cardboard albums). Coins stored in mint bags often show spectacular rainbow toning, similar to that seen on coins stored in coin cabinets.

Copper/bronze/brass coins that have been cleaned have an unnatural color, often looking like a toned gold coin. Even after they re-tone, they tend to be uneven and a slightly odd color (watch out for dark areas). Red in the recesses of that VF copper coin is generally not a good sign! Naturally toned, \*circulated\* copper tends to be very uniform in color, although they might be dark and dirty

around the lettering and similar protected areas. Uncirculated copper may tone very unevenly (especially proofs), so do not automatically count this against such a coin.

Exactly the other way around, silver coins that have been cleaned tend to be extremely uniform in color after they re-tone, including the tops of the letters and protected areas. Silver coins with natural toning will usually show some variation in the color at these places. Be aware that a uniform slate gray color can be produced on silver very easily with a number of chemicals. Finally, a heavily toned and subsequently dipped silver coin will tend to have a gray appearance caused by surface roughness rather than tarnish. This can be detected by careful examination with a strong magnifier.

The ANA advises that sudden "hard line" changes in color do not occur on naturally toned coins. Naturally toned coins exhibit a gradual change in color or darkness. In any event, it's mostly a matter of looking at a lot of coins and forming your own opinions. Assuming that you are buying coins for your personal collection, in the final say, it is your opinion that really matters.

Now that you've got your coins, grading them will help to assess their value. This can be confusing for most beginners, but it doesn't have to be. It just takes patience and time.

## **GRADING YOUR COINS**

Coin grading is a term used to refer to the process of determining the condition or quality of a coin. It is essential to know what the grade of a particular coin is, because, as a general matter, the higher the grade of a coin, the higher its numismatic value.

Coins are most often graded these days on a 0-70 point scale devised many years ago by Dr William Shelby and documented at some length in the "Official ANA Grading Standards for United States Coins" published by the American Numismatic Association. Under this method of grading, the higher the point scale accorded a particular coin, the better its quality.

The process of coin grading, being somewhat subjective, is more of an art than a science. While accurate grading requires skill and experience, determining an approximate grading is possible for even a novice coin collector.

The following sets out the basic characteristics and most commonly assigned point scales that define coin grading, starting from the highest grade to the lowest.

- **Mint State Perfect Uncirculated (MS-70)**

This coin is a mint state un-circulated coin in perfect condition, showing no traces of wear, blemishes, scratches, handling or contact with other coins. This is the best quality coin possible.

- **Choice Uncirculated (MS-65)**

An above average un-circulated coin which retains all of the original mint brilliance or luster but has a very few contact marks on the surface or rim which are barely noticeable.

- **Un-circulated (MS-60)**

An un-circulated coin having no traces of wear but which has a few contact marks, surface spotting or lacks some of its original luster.

- **Choice About Uncirculated (AU-55)**

This is a coin having very light wear on only the highest points of the design, but no other defects and with most of its luster remaining.

- **About Un-circulated (AU-50)**

Coin has evidence of light wear on many of the high points but at least half of the mint luster is still present.

- **Extremely Fine (EF-40)**

The coin design is lightly worn in most places but all the features remain sharp and well defined.

- **Choice Very Fine (VF-30)**

Light even wear on the surface and highest parts of the design but most major features and the lettering are sharp.

- **Very Fine (VF-20)**

Minor features such as some of the finer hair detail, feathers, etc. will be moderately worn. Shows moderate wear on high points of design. All major details are clear.

- **Fine (F-12)**

Moderate to considerable even wear over most features and the lettering. A lot of the details are worn through but you can still see a good deal of the design.

- **Very Good (VG-8)**

The entire design is weak, but a few details are visible. Well worn throughout but coin rims still visible.

- **Good (G-4)**

The coin is heavily worn but design and legend still visible although quite weak in spots. Many details are gone.

- **About Good (AG-3)**

This coin is very heavily worn with portions of lettering, date and legends worn smooth and barely discernable.

When there are significant differences between the obverse and reverse sides, a split grade may be assigned. Split grades are denoted with a "/". For example, "F/VF" means that the obverse is F and the reverse is VF.

The overall grade is often determined by the obverse. An intermediate value may be appropriate when the difference is significant, especially if the reverse is lower. A coin graded MS-60/61 would be considered to have an overall grade of MS-60 and another at MS-65/63 could be considered to have an overall grade of MS-64.

Grade is only a small portion of determining a coin's value. Other factors do come into play.

## **DETERMING YOUR COIN VALUES**

Obviously, a coin will never be worth less than its face value. A one-cent coin will never be worth less than a penny; however it could be worth much more! You may want to remember that even if a coin isn't especially valuable, that doesn't mean it doesn't have a place in your collection. As with anything, often value increases over time, so keep that in mind as well.

The value of a particular coin is influenced or determined primarily by the following four factors:

1. Scarcity or rarity is a major determinant of value. As a general matter, the rarer a coin the more it is worth.

Note that rarity has little to do with the age of a coin. Many one thousand year old Chinese coins often sell for no more than a few dollars because there are a lot of them around, whereas a 1913 Liberty Head Nickel may sell for over \$1,000,000 because there are only five known specimens in existence.

2. The condition or grade of the coin will influence its value. The better the condition a coin is in, the higher will be its assigned grade and the more it will be worth. An un-circulated coin that is in flawless mint state might be worth hundreds times more than the same coin in good condition but which has been circulated.
3. Many coins have a bullion value determined by the value of the precious metals it contains. A gold, silver or platinum coin does not generally sell for much less than its melt value.
4. The demand for the particular coin, or how many collectors want it, will also greatly influence coin values. Some coins that are relatively plentiful may command higher prices than scarcer coins because the former are more popular with collectors.

For example, there are over 400,000 1916 D dimes in existence as compared to only about 30,000 1798 dimes. However, even though the 1798 dime is much rarer than its 1916D counterpart, the 1916D coin sells for significantly more. This is because many more people collect early 20th century mercury dimes than dimes from the 1700's.

Once you've determined the grade, you can check in your reference book or any other publication to obtain the general value given certain coins by experts in the field. These will be the approximate retail selling prices as they have determined through their own research.

Coin prices are a function of supply and demand. Market prices decline when inventories cannot be moved at current levels and eventually rise when insufficient quantities are available to meet current demand. Of course, if the buyer or seller is unaware of current trends, a transaction may occur outside the normal range of prices.

Dealers will usually pay less than wholesale when buying coins from the public. Therefore, collectors and investors should be aware that it is difficult to "get their money back," should the need arise to sell their holdings.

Of course, they may do better by bypassing a dealer altogether, but it is seldom easy to find another collector or investor looking for the specific coins one wants to sell, and even then the potential buyer will consider it an opportunity to acquire the coins at a discount. In addition, there are some advantages to purchasing coins from a dealer.

A reputable dealer will guarantee the authenticity of the merchandise. He or she will be knowledgeable enough to form reasonable opinions on grades, to detect problems that may be missed by less experienced persons and will usually be willing to share knowledge with the public, especially customers.

Just because a coin has a certain value assigned to it doesn't necessarily mean that's what you can expect to receive for it if you sell it. This is especially true if you try to sell on e-bay. On e-bay, people are looking for bargains, so be prepared to sell your coin for less than what the price guides say it's worth.

On the flip side, you may have a gem in a certain coin that people will go crazy for. That is why e-bay is such a popular marketplace for the collector. Even you can find bargains for your collection online, so don't rule it out!

Probably one of the most common questions that come from collectors is "What's my coin worth?"

# PRICING COINS

This isn't always an easy question to answer since a coin's value can be subjective. In general, like anything else, a coin is "worth" what someone is willing to pay for it. There are some factors that potential buyers will take into consideration when deciding how much to pay for a coin. Some of this information may be repetitive, but if you want to know how much you can expect to receive when you sell your coins, it's valuable information that you'll need to know.

- **Identification:** What country issued the coin? What is the face value, the date and the mintmark (if any)? If more than one design was used that year, which one is it? Usually, this information can be determined without much difficulty. Note that if no denomination (face value) is indicated, your coin-like object is, in fact, probably a token or medal.
- **Authenticity:** Counterfeits and alterations of many, many coins have been made by unscrupulous persons looking to part collectors from their money. An expert opinion may be needed to determine whether or not a coin is authentic and is mandatory for more valuable coins.
- **Grade:** A grade summarizes the overall condition of a coin. Fair market value often varies by orders of magnitude for the same coin in different grades. This topic is covered in detail in Part 2 of this FAQ.
- **Cleaning and other damage:** In general, collectors prefer coins which have not been tampered with, such as by cleaning or polishing. A coin that is corroded, scratched, holed (drilled through so that it can be hung on a chain), altered, artificially toned, "dinged" on the

edge, or simply unattractive for the grade is less desirable than a problem free specimen. "Problem coins" are still bought and sold but generally at a substantial discount compared to problem free examples.

Grade and damage may have little or no effect on prices of coins which have little numismatic (collector) value but often result in major price differences for coins of interest to collectors.

You can find online price guides for U.S. coins at numismedia.com, but they list their prices at the upper end of retail so you can expect to receive less for your coins than what they list. There are other online price guides out there, so just look for them. However, this is what your reference book is also for!

Experts have amassed a general list of the most requested coin values they receive. We have listed these in the next section.

## **MOST REQUESTED COIN VALUES**

### **Circulated U.S. wheat pennies (1958 and earlier)**

Most dated 1940 or later are purchased by dealers for less than 2 cents each. Some of the earlier dates are worth more (a few cents to several dollars), and checking a price guide is a good idea if you have them.

The current design replaced the wheat stalk reverse in 1959, and this is also the dividing line between normal pennies and those worth more than a cent. A handful of the wheat pennies are quite scarce and command large sums of money. This design was first used in 1909, and any penny from 1909 will be worth several dollars at

least. A few of the rarer 1909 varieties, however, are worth anywhere from hundreds to thousands of dollars.

There are other scarce dates in the series, too, all the way up to the standard-issue 1932 pennies and some of the World War II era error coins. A 1942 over 41 (the 1942 on the coin appears to be written over 1941) penny will be worth hundreds of dollars in any condition. You never know, it may be worth it to take a closer look at your pocket change once in a while.

### **1943 "steel pennies"**

Zinc plated steel cents were minted only in 1943. A syndicated radio program incorrectly reported in early 1999 that these coins are rare and valuable. In fact, more than one billion were minted. What is rare and valuable is a 1943 cent struck on a normal bronze planchet.

Any 1943 cent that appears to be bronze should be tested to determine if it is attracted to a magnet - if so, it's a steel cent that has been copper plated. Steel 1943 cents, with or without a mintmark, may be worth less than 5 cents up to about 50 cents if circulated, and up to a dollar or two if un-circulated. Steel cents that have been "re-processed" (given a new zinc coating) are not worth un-circulated prices.

### **Silver dimes, quarters and halves**

U.S. dimes, quarters and half dollars dated 1964 or earlier are 90% silver and were made with 0.723 ounce of silver for each dollar in face value. As some metal may have been worn off from circulation, 0.715 ounce/dollar is often used to estimate the amount of silver still present.

Even if the coin is a common date (and most dated 1934 or later are), it's still worth more than face value because of its silver content. The amount varies with the spot price of silver.

Precious metals spot prices are available at Kitco Inc. Multiply the current spot price of silver by 0.715 and by the total face value. For example, if spot is \$4.00 per ounce, the bullion value for \$100 face value is  $\$4.00 \times .715 \times 100 = \$286$ .

Many un-circulated silver coins and some circulated ones may be worth a premium over the silver value. Check a price guide to see if you have any better dates. U.S. half dollars dated 1965 through 1970 are 40% silver.

## **Silver dollars**

U.S. silver dollars (1935 and earlier) were made with 0.77 ounce of silver each. These coins are popular with collectors and, unless damaged or severely worn, can usually be sold for more than their silver value. Less common dates and higher grades can be sold for considerably more. Check a price guide to see if you have any better date(s).

## **Susan B. Anthony dollars**

If you received it as change, it's most likely worth one dollar. Proof SBA dollars are worth more, but proof coins are rarely found in circulation.

## **Bicentennial quarters, halves and dollars**

Because billions of these coins were made, they're generally worth only face value. A few dealers pay about 10% over face for rolls of lightly circulated

bicentennial coins and a bit more for un-circulated ones. Special 40% silver bicentennial coins were also minted for sale to collectors (they're easily detected by the absence of copper on the edge). They're worth more than face value but are unlikely to be found in circulation.

### **Coin commemorating the wedding of Prince Charles and Princess Diana**

Many millions were made by several British Commonwealth nations. The current price range for most is \$5-25.

### **A coin with two heads, two tails or designs of two different coins**

With few exceptions, these pieces are novelty items sometimes called magician's coins. They're created by hollowing out one coin and trimming down another to fit inside. A seam can be found along the inside edge of the rim on one side. Because they're altered coins, they have no value to coin collectors.

However, a small number of legitimate error coins known as "mules" were discovered in 2000. A mule is produced when dies intended for different denominations are paired to strike the two sides of a coin. The recently discovered mules include:

- At least one specimen of a 1999 Lincoln cent with the reverse of a Roosevelt dime
- At least six specimens of a Sacagawea "golden dollar" with the obverse (portraying George Washington) intended for a state quarter

- A single Indian cent struck by two obverse dies, both dated 1869

If you have a coin like one described in the previous paragraph or cannot find a seam even under magnification, a coin collector or dealer in your area may be able to assist you in determining if it's genuine. Once professionally authenticated, you would be well advised to offer or consign the coin at auction to get the highest price.

### **An un-struck coin**

Un-struck blanks or planchets are relatively common. Most retail for a couple dollars or less.

### **A "mis-struck" coin**

There are many types of striking errors. Additionally, a lot of coins look unusual because they have been altered after striking. Altered coins have no value to coin collectors.

Prices for legitimate striking errors cover a broad range. Minor errors, such as a raised crack, will generally bring little or no premium. Incomplete planchets (known as clips) and off center strikes typically sell for a few dollars.

Rare, dramatic errors may sell for several hundred dollars. The first step towards determining the value an unusual looking coin is to have it examined by one or more professionals.

There are some very rare and expensive coins out there. Are you curious to find out what they are? If not, skip the next section!

# **SOME VERY EXPENSIVE COINS**

The most prominent of these, the 1804 Silver Dollar, is known as the King of Coins. Only 15 examples exist today, and it is considered a very beautiful coin as well. There are few coins as rare that are also as popular, and that combined with the fact that most of the surviving specimens are in very good condition makes them probably the most desirable coin in the world.

The 1907 ultra-high relief \$20 gold piece is considered by many to be the most beautiful coin ever made. It was designed by sculptor Augustus St. Gaudens, and the ultra-high relief prototype coins produced in 1907 are extremely scarce and also the most beautiful of the series.

There are two coins on that are extremely rare, which is the primary reason for their great value. But both of these coins have a bit of an interesting history, both cloaked in scandal and suspicion.

The 1913 Liberty Nickel is one of the most famous coins in the world, thanks to its extreme rarity and a devoted publicity campaign by one of the industry's great marketers, B. Max Mehl. It is believed the five coins were produced illegally, in secret, and unusually for such a coin, the government has made no attempt to confiscate these rare coins.

By contrast, the 1933 \$20 gold piece, which currently holds the record for highest price paid at auction, is a coin that has been vigilantly hunted down and confiscated by the FBI. The lone piece that tops this chart is the sole example allowed to exist by the government, as the rest were ordered to be melted down by FDR in 1933. According to

government records, none survived, and as this is the official position, the Treasury enforces it.

The sole example that is safe survived by virtue of the fact that during its time as a fugitive, it was given as a gift to King Farouk of Egypt, an avid collector. Since its return to the world in the wake of Farouk's death, the US government has maintained the position that that coin alone is legitimate, as it was a possession of foreign royalty as a gift from the US. The spectacular sum commanded by this coin is due in part to its mysterious and intriguing history and the likelihood that it will remain unique.

The 1917 Type One Standing Liberty Quarter is one of the truly beautiful U.S. coin types, it was made for only two years. The exposed breast of Ms. Liberty caused such uproar that they radically changed the design halfway through 1917. Since the 1916 is a five-figure rarity, this coin is effectively a one-year-only type coin. It makes the rare coin price list thanks to its collective beauty, popularity, importance and rare top condition.

From 1795 to 1834, the U.S. minted \$2.50, \$5, and \$10 gold coins. In 1834, the gold content of our coins was lowered slightly and most pre-1835 gold coins hit the melting pot. Today, these early treasures of American financial history are rare in all grades and super rare in Gem condition.

Today the Mint strikes millions of proof coins a year and sells them to collectors all over the world. In the 19th Century, the Mint struck a few thousand proof coins each year and only a handful of proof gold coins. Proof gold coins are the caviar of the numismatic marketplace... the beachfront property of rare coins. They are expensive, but they are super rare and demand is always sky high in both good and bad markets.

Barber Half Dollars were minted between 1892 and 1915. They are one of the coin market's most important

issues. They are collected both by date and by “type” collectors. They are the rarest of the 20th Century silver type issues. They are beautiful and important rare coins, and both Gem quality circulation strikes and proofs are wonderful.

Twenty-Cent Pieces were odd coins made for just four years – 1875 through 1878. The coin looked too much like a quarter to catch on with the public and there really wasn’t a commercial need for the denomination. Today, twenty-cent pieces are highly prized collector’s items. The design is the beautiful Liberty Seated type and all twenty-cent pieces are rare in top condition.

Coin collecting is a satisfying hobby for many adults. But what about getting children into coin collecting? This is a tremendous opportunity for you to open a whole new world to a child. There are a multitude of educational opportunities available for kids in the world of coin collecting.

## **KIDS AND COIN COLLECTING**

The hobby of coin collecting requires very little skill at all. All that is really needed is an interest in coins! Wow, I’m Captain Obvious! At any rate, there are many things to be learned just from holding the coins and taking care of them.

Many kids start by picking up a coin they have never seen before and continue collecting. Because coin collecting requires so few supplies, it makes a great hobby for a child to start and carry with them throughout their life. Children of any age can start and gain great knowledge from these little pieces of metal.

As we have touched on before, there are many educational opportunities that await a child who becomes interested in coin collecting. Let's look at those advantages!

### **They can improve their reading ability.**

Most general references on coins are written in fairly simple language so the child can accept a reasonable reading challenge. Visiting Internet sites dealing with coins will again challenge a child to read. It's a necessary skill if you want to be a serious coin collector. Most children improve their reading ability when reading becomes personally important to them.

### **It will improve their comprehension.**

Coin collecting has its specialized vocabulary. Even at the entry level, the collector will want to remember many specialized terms. To get the full meaning from an article the child may need to consult a dictionary. For coin collectors there is a need and a good reason to remember what you've read. The moment a child realizes information is important they will find a way to remember it. You need only watch them play video games to see this!

### **They can hone their organizational skills.**

Coin collectors are always checking references, price lists and information provided on the Internet. The collector must be organized, as this trait is an important part of the hobby. Necessary information must be readily available and kept up to date.

### **Self-confidence will rise.**

Kids know the difference between learning and spending time in school. Learning about coins can be a life-long hobby and a continual process. The child will know they are making progress and gathering knowledge that is both

interesting and obviously valuable. It is difficult for any child to feel in control and in charge. Coin collecting provides this opportunity.

### **Coin collecting will instill a sense of pride inside them.**

A feeling of genuine pride is not easy for a child to obtain. Receiving praise for schoolwork or sports accomplishments is often seen as a superficial pat on the head. Pride must be generated from within. Coin collecting is not something everyone does and knows about. The child can take pride in independently learning about coins and being involved in a special activity that is obviously important to adults and will baffle peers.

### **They can develop an interest in history and culture.**

One can hardly collect coins without learning about the people who produced them. Even if a child doesn't continue with the hobby, they will be exposed to many other interesting subjects and develop an appreciation for their importance!

### **They will learn neatness.**

A coin collector must be neat. They can't have valuable coins getting lost! The coin collector will organize their collection and reference materials. Once the value of neatness is recognized it is usually applied to other aspects of life.

### **The ability to set and reach goals is stressed.**

Coin collectors are always making short and long term plans. Few collectors are content to have a casual assortment of coins. There is a good reason why every coin

is added to the collection. Coin collectors wish to build sets and acquire certain important coins. Completing a set of coins, even a small one, is seen as an important accomplishment. The collector gains much satisfaction from attaining goals.

### **It builds self-esteem.**

Perhaps the greatest benefit coin collection offers a young person is the opportunity to legitimately participate in the adult world. There are no age restrictions and there are a number of teenagers who quickly became knowledgeable numismatists. Knowing about coins is knowledge that is appreciated by adults and the child can find themselves in a position to teach and inform adults about the hobby. Often a little success can grow into lots of ambition.

### **They will have to establish priorities.**

Determining priorities is often difficult for children. There is so much going on and often their time and activities are planned for them. When it is their turn to decide what to do with time they seldom have creative ideas. Coin collecting can be a very exciting hobby. A child will want to spend time with their new endeavor—reading, learning and looking at the coins in their growing collection. We all must learn how to plan our time. Coin collectors know how to use leisure time wisely.

### **Obviously, they will better understand the value of money.**

A common complaint among adults is that kids don't understand the value of a buck. The moment they have money they find a way to spend it. The young coin collector must learn how to save for that special coin. They may be prompted to think of ways to earn extra money by getting

better grades in school, working around the house, babysitting, or mowing the neighbor's yard. Children should have fun and money often seems as a necessary part of this. Any young person could make a far worse choice than spending their money on books and coins.

### **They will gain specialized knowledge.**

If you have a computer around the house do you notice how the kids take great pride in knowing how to operate this machine? It's not the computer that's important. Rather, they can do something worthwhile that you can't do! Coin collecting offers this same rare opportunity. It also prompts children to investigate other ways to be considered an important person in the adult world.

So, you can see that coin collecting for children can provide much more than just knowledge of coins. This hobby can extend into other areas of their lives and give them opportunities to learn in various ways. So how do you get a child interested in coin collecting?

## **GETTING A CHILD INTO COIN COLLECTING**

Coin collecting isn't always for everyone. It takes patience, time, and an interest before the seed can even be planted. However, showing your own love for the hobby is probably the first step toward getting young people involved in this hobby.

My great-grandfather, grandfather, and father were/are all avid stamp collectors. When I was 10 years old, my father gave me my first stamp album and some starter stamps.

For awhile there, I was the ultimate stamp collector. My young life revolved around finding that elusive Great Britain Queen Elizabeth purple cover, or ordering a mixed bag envelope advertised in the back of my comic books. Time prevents me from continuing this hobby, but I still love stamps and appreciate what it has taught me over the years.

One of the nice things about kids and coins is that a little exposure to the hobby is usually all it takes to kindle an interest or show that, at least for now, there is none. If your family has saved a few old and perhaps curious coins you already have the "starter kit".

When looking at an Indian cent, silver dollar, or even a few world coins, the child should at least be curious. If you have no old coins, spending \$20 or less at the local coin shop and giving these assorted coins as a birthday or holiday present is another good way to make the introduction.

An ideal choice would be a set of coins minted in the child's birth year. Anyone would appreciate this gift. Even if they have no interest in collecting coins, this set is something that will be saved.

It is also wise to have a copy of some coin related publication on hand to offer the child who shows some interest. The most common mistake when introducing children to coin collecting is initially doing too much. Many would be chemists have been discouraged after receiving a chemistry set before they were ready for it. The last thing we want to do is create the impression that collecting coins is all your idea and something you want them to do.

Every child already has too much of this type of guidance. How many boys and girls do you think there are who hate playing soccer, but continue with the game

because they don't want to disappoint their parents? Coin collecting should not be made to seem like a required activity. Our purpose in gently exposing kids to the hobby is to help them discover it on their own.

Be prepared for your initial spark to light the collecting fire. Don't let it go up in flames. New coin collectors of all ages have the common tendency to want to do it all right now. They often feel a sense of urgency. All sorts of supplies are purchased. Every extra dollar they can find is spent on coins. Then, sometimes after only a few months of collecting, they become disenchanted and abandon the hobby. Please don't allow this to happen. It would be far better if the child only took a mild, but sustained interest. What follows is a list of suggested ways to keep a young collector's enthusiasm under control.

Encourage the child to share their new interest with you—on their terms. Be there to enjoy the hobby when the child wants to get you involved.

Help the child develop a coin buying budget and see that it stays in place.

If possible, establish a system of rewards for research. Don't lay down the law, but with the child involved develop some rules. For example, if they wish to add a coin to the collection can they write 100 words about why it should be included? If they have read an article on the Internet can they answer a few questions about it?

Absolutely discourage any ideas the child may have about making money by buying coins. Most coins any young collector can afford will be worth less, perhaps far less, should they wish to dispose of them. This should be explained as soon as the youngster shows any sustained interest in the hobby. At that point they should begin to understand the real benefits coin collecting has to offer.

Kids and coins go together. It's a great hobby for young people. Collecting coins is also a very individual pursuit. It is extremely important to be receptive to the abilities and interests of every collector should they be nine or ninety.

## **CONCLUSION**

People collect all sorts of things for all sorts of reasons. Some of us aren't the least bit interested in amassing a salt and pepper shaker collection that takes up a whole room. However, some of us can't understand why people just don't see the beauty in Batman paraphernalia.

The point of collecting something is to spark interest and learn more about something you're passionate about. My husband doesn't understand why I just won the autographed "Brady Bunch" cast photo off of e-bay, but I was so eager to add it to the rest of my Brady Bunch collection.

Along those same lines, I just can't understand why he insists on amassing a ridiculous amount of golf tees and golf paraphernalia (even though I love to golf). How many scorecards does it take before he'll stop?

Collecting is subjective, but it all has something to offer! Coin collecting is no different!

People collect coins for various reasons. Some collect because they find the historical nature of the hobby to be interesting. Each coin is an actual piece of the everyday life of people who lived decades, even centuries ago. These coins were worn by the hands of thousands of people, some of whom may even be people you've heard of.

Others collect for profit or investment. Coins are a commodity, and business in coins is a huge industry. Coin collections grow in value with time, due to the ever-increasing popularity of the hobby and the increased scarcity afforded by age. One of the great attractions even for hobbyists with no interest in investing is that a box of coins straight from your bank could in a generation or two be a treasure trove of immense value.

This aspect of collecting as a hunt for buried treasure is actually what brings many people into the hobby for the first time, as loose change can hide some surprises. There are still coins in circulation that are old enough to be worth more than their face value, and in rare cases, can be worth quite a lot.

Some people think coin collecting is boring. If so, then it's not the hobby for them! However, others find themselves fascinated by the simple receipt of change at the grocery store.

A big part of becoming a successful coin collector is to study the subject and always find out new information as it becomes available. Join a local coin club if there is one available in your area. You will make friends and gain new knowledge about numismatics you never knew you could find!

Look for coin collecting groups on the internet. This can be a tremendous networking opportunity for you and the chance to find someone who has a coin you want. The more people you know who are into coin collecting, the more opportunities you will have to add to your collection and perhaps make a little money as well.

Don't discount researching on e-bay either. E-bay can be a great wealth of information about what's hot in the area

of selling your coins on e-bay. It can help you identify some potentially valuable coins that are already in your collection.

So the next time you're walking down the street and look down to find a shiny penny, pick it up! Look at it closely. Do you find anything special about it? Someone else might!

Kind of gives new meaning to the phrase "Find a penny pick it up, all day long, you'll have good luck!" If you've found an early issue wheat penny then that would truly be good luck, indeed!

Happy collecting!

The following websites were referenced in researching this book:

[www.numismatica.com](http://www.numismatica.com)

[www.wikipedia.org](http://www.wikipedia.org)

[www.about.com](http://www.about.com)