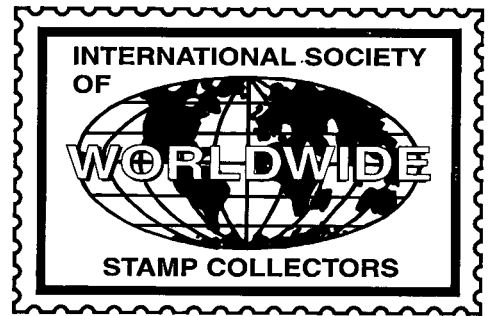


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# The Circuit



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## The Hialeah Forgeries

by Peter Ellas  
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Article courtesy of [www.stamps.org/cac](http://www.stamps.org/cac)

*This article was first published in April 2003 issue of "Stamping Around", the newsletter of the Mid-Cities Stamp Club, Arlington/Irving, TX.*

For those that are in tune with the on-line auction world (meaning "eBay"), you might have heard the term "Hialeah Forgery" before. What is a "Hialeah Forgery"?

For the past year or two, an eBay seller known as "atdinvest" (real name is "Juan Canoura"), based in Hialeah Gardens, Florida, has been selling forgeries of practically every major classic (before 1940) stamp ever issued by any major nation or colony. This includes St. Vincent, and thus it peaked my interest when I saw one offered on eBay (since I also collect and study the fakes & forgeries of St. Vincent stamps, overprints and postmarks).

These forgeries generally carry an opening bid of \$3.99 (plus postage). Most of the time there is just one bidder. Several thousand of these have been sold (based on atdinvest's eBay feedback rating). The lots that atdinvest is selling are always described in a similar fashion, for example, the lot description might read like this: "ST. VINCENT 1921 SCOTT #115 MNH GUM SH FORGERY".

The body of the lot listing generally always says: "ALWAYS SOMETHING DIFFERENT. THE GREATEST FORGERIES THAT HAS EVER BEEN OFFERED. Extraordinary forgery sheet to be used as reference material. THE FINAL SOURCE FOR TRUE FORGERIES. ALWAYS A MASTERPIECE ART-FORGERY FOR THE KNOWLEDGEABLE COLLECTOR. PRINTED IN EUROPEAN A4 PAPER."

The above description is from an actual lot that was listed at the time that this article was being written. "Greatest Forgeries ... ever offered"; that is

not quite true; I've seen much better forgeries.

"To be used as reference material"; of what? Certainly not the real thing!

"Final Source for True Forgeries"; that's pretty scary, and I certainly hope not. It just sounds like another way to make some money. The cost to produce these can't be more than \$1.00 in materials, and selling them for \$4.00 (or more) each is a nice profit.

Since these lots are offered as forgeries, one certainly cannot accuse the seller of being fraudulent or deceptive in their listings; the lots are properly described as forgeries. When I e-mailed atdinvest about the background of these forgeries, I was told that these sheets were printed in Europe (hence the "A4" paper) and that they were produced 20 or 30 years ago. I doubt that this explanation is correct.

First of all, the paper is described as "A4" size. A real A4 sheet measures 210 mm wide x 300 mm tall. The Hialeah forgery sheet measures 214 mm wide x 299 mm tall. A4 paper is standardized; just as the US 8.5" x 11" paper size is always exactly the same size, so the forgery sheet is 4 mm wider than a standard A4 sheet.

These forgeries have 54 stamps per sheet (6 stamps per row x 9 rows). Real St. Vincent stamps of the period generally had 30, 60 or 120 stamps per pane or sheet. The real stamps have dimensions (from edge to edge of the design frame) of 18.2 mm wide x 22.0 mm tall, while the forgery is 18.0 mm wide x 22.0 mm tall. The Hialeah sheets are un-watermarked and imperforate, and are gummed; with what appears to be a "PVA" type of gum (it has a semi-gloss appearance).

The printing quality appears to be that of a color laser printer or color photocopier (which didn't exist 20 - 30 years ago). It is not ink jet printing, nor does it appear to have been printed on a printing press.

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questions about your Circuit mail  
service, please contact Randy Smith, Tom  
Fortunato or Tony Zollo. Thank you!*

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**DEADLINE FOR THE NEXT ISSUE:  
NOVEMBER 20, 2003**

## Swap Circuit Delays Continue; Manager(s) Sought

by Randy Smith (#1111)

**D**espite repeated attempts to get the J-Z Regular Circuits back on track, I am still struggling to get circuits out to members in a timely fashion. Unfortunately, this has left some swap circuit members waiting for months for their next circuit to appear. I apologize for these continued delays.

Recently (at my wife's urging!), I have come to the realization that I am simply stretched too thin between multiple commitments and I must cut back to adequately serve in any capacity! While I have enjoyed managing the Regular and Super swap circuits over the years, I have also found managing a circuit requires the greatest amount of my time – something I seem to have less and less of.

In an effort to reestablish an excellent level of service for the J-Z Regular circuits members, I am seeking one or more individuals to manage the J-Z Regular Circuits. The manager(s) is responsible for the day-to-day operation of the swap circuit. Typical management tasks include:

- Producing circuit routing sheets
- Creating stamp packets
- Maintaining records of circuit participants
- Tracking late/lost circuits
- Responding to miscellaneous correspondence
- Providing feedback and suggestions to the Swap Circuit Coordinator

Access to a computer with word processing is essential and e-mail capability is extremely beneficial. Spreadsheet and/or database software would also be helpful, but is not mandatory. Operating expenses incurred by the manager are reimbursable and circuit managers are exempt from swap circuit fees.

If you would like to be considered for a manager position, or if you have questions about the position(s), please contact me via mail at PO Box 21115; Eagan, MN 55121-0115 or via e-mail at rasmarty4@earthlink.net. Please include a brief description about yourself, including the number of years you have collected stamps, your collecting interests and why you would like to be considered for the position.

FYI, I will continue to serve as Swap Circuit Coordinator and, if re-elected, as President of the ISWSC. By eliminating my swap manager duties, I will be able to focus my attention on overseeing the ISWSC and coordinating the Swap Circuit program (i.e. processing Swap Circuit membership fees, supplying managers with stamps, responding to correspondence, etc.).

I ask for your continued patience as new manager(s) are identified and these changes are implemented.



## Dues/Advertising Policy

### Dues Information:

Single/Dealer/Club membership: \$12.00\*

Youth membership (under 18): \$10.00\*

**Family membership (up to 4 persons in one residence): \$19.00\***

\*Plus 250 large commemoratives for the Youth Program or equiv. donation in US\$. Dues above are for one year and include six newsletters per year. You may sign up for three years at a time. For an application or further information send SASE or IRC to: ISWSC, P.O. Box 150407, Lufkin TX 75915-0407, USA. *There will be a \$2 per year discount if the renewal is received at least one month prior to the current expiration date.*

### Advertising Policy:

For reasons of accountability, only members of the ISWSC, APS or ASDA may place ads. All ads dealing with philatelic concerns are acceptable. We reserve the right to edit out objectionable language. Advertisers are expected to respond to all inquiries, so be sure you can handle the responses before you offer to trade, buy or sell. If you have a bad result from answering an ad, contact the Editor. We will try to resolve the conflict.

### Display Rates (Camera Ready\*) per insertion:

Full page: \$75.00\*\*

Half page: \$40.00\*\*

Quarter page: \$20.00\*\*

Per column inch: \$5.00

Six repeat insertions of the same ad for the cost of five ads (one free). We will also offer a two-sided insertion for \$125 per issue.

\*Camera Ready means ready to paste up or scan and print. Reductions and typesetting extra.

\*\*Discounts for three or more insertions of same ad. Yearly display rates available. Write to ISWSC past president Tom Fortunato (see p. 2) for special rates.

### Classified Rates per insertion:

First 30 words, including name, address, and ZIP code are \$3. Additional words are 20 for \$1.

NOTE: State abbreviations = one word; "P.O. Box 1234" = two words; ZIP code = one word.

**Make all checks payable to ISWSC in U.S. funds. Send text and payment for ads to the Editor. All addresses can be found on page 2.**

# Stamp Pricing

by Stan Fairchild

CuyLor Stamp Club, APS Chapter 601  
napoleon@en.com

Article courtesy of [www.stamps.org/cac](http://www.stamps.org/cac)

This article is a compilation of questions from the Internet stamp group [rec.collecting.stamps](mailto:rec.collecting.stamps@r.c.s.) (r.c.s.) relating to stamp prices. More than a dozen sources were used for this summary, which was strongly influenced by my own experiences and knowledge limits. Much of the information given in the r.c.s. answers was based on personal experience, making great anecdotes but little statistically sound analysis.

The topic of stamp-market pricing mechanisms might serve as a viable master's degree thesis for an economics major. (The newsgroup r.c.s. later split into two groups, [rec.collecting.stamps.discuss](mailto:rec.collecting.stamps.discuss) for philatelic discussions and [rec.collecting.stamps.marketplace](mailto:rec.collecting.stamps.marketplace) for buy and sell postings.)

This document remains a work-in-progress. My summary is below, but the gist of it is that "people really pay" varying amounts for the same material, depending on what stamp "market" they use to get material. What started this project off was this question: "I was looking through my latest Scott catalogue and comparing book value with stamps being traded in an Internet auction. Most stamps were offered at prices well below book value. Judging from the pictures and the few I bought, they seemed to be of decent quality. How can this be? Why would anyone sell for so much less?"

## I. THE MARKET

### A. Market segments

For purposes of discussion, "stamp market" is any mechanism used to legally transfer ownership. The market includes retail shops, mail sales, auctions — including circuit books, bourses, and trading. These segments have fairly little overlap except for the ever-present arbitrageurs known to Pat Herst's readers as satcheleers.

All of these markets need both a willing seller and a willing buyer. If the buyer is a dealer, he expects to resell at a profit. If the buyer is a collector, a selling collector may get a higher price but probably will have to sell the collection item by item.

New buyers come from the outposts in department stores, from advertisers in daily papers and on television, and from post offices. Without the entry-level expensive marketplace, the market from which collectors like to buy cheaply would gradually cease to exist, because it does not reproduce its

customer base from within.

The biggest stamp retailer, Mystic Stamp Company, marks up to about double Scott, because its advertising in mass circulation publications cannot be sustained by intra-hobby prices. Yet Mystic brings more new members to APS than any other recruiter, and sometimes more than all the others combined. Many of those customers, once familiar with the hobby's own marketplace, probably switch to less expensive suppliers. Even so, Mystic does well enough to support a weekly full-color, full-page spread on the back of *Linn's Stamp News*, and other full-page spreads inside.

Meanwhile, all other segments face competition from below-market sellers in *Linn's* classified ads, APS sales circuits, and on-line auctions, usually of retired collectors who are disposing of their personal collections. Each discrete segment has its own value system, which only indirectly affects the others. The value systems can only "only indirectly affect the others" if the buyer, seller, or both are unaware of them, unable to access them, or are uninterested in them for a particular transaction. See my comment on "instant gratification" below.

**1. Retail shops:** The amount of turnover done in any big city, high overhead retail shops has to be a minuscule portion of the world's stamp turnover. Vastly more turnover is gained in auctions, circuits, net sales, trades, shows, etc., than in stores in cities. The value of a stamp can't be set on the value plus costs of doing business, as value in purest terms is the highest amount someone is willing to pay at any given point in time.

Scarcity plus demand drives prices, not a combination of scarcity, willingness to pay, and the other guy's excess overhead. That's why high overhead shops such as Gimbels/Minkus/Robinsons, et al. bit the dust. They had a good run until auctions, shows, small shops, and mail order became well organized and easily accessible.

The key point here is that the alternatives had to get organized and be easily accessible. Big-city downtown stamp shops are still a fixture of the marketplace in the cities such as Chicago, Frankfurt, Hamburg, London, etc., despite their high retail prices.

**2. Mail sales:** These still serve the market for those with limited access to the other sources of stamps (trading, retail sales, auctions) or for those seeking special material.

**3. Auctions:** In an auction, there IS always a seller,

Continued on next page

# Whatzit?

by John D. Pruitt (#121)

Some stamps, though not in Scott, create considerable interest among collectors. An example are those of the Sovereign Military Order of Malta (SMOM). This organization, often called the Order of Malta or Knights of Malta, traces its roots to an order founded in Jerusalem in 1099 during the First Crusade.

In 1291 the order, by then mainly a military organization, left the Holy Land after the Muslims retook the area. They settled first in Cyprus, then Rhodes, and finally Malta (1530) fighting many battles in the Mediterranean area. They ruled Malta until kicked out by Napoleon (1798). The order dwindled until it was reconstituted in Rome, mainly as a charity, towards the end of the 19th Century.

It is recognized as a sovereign entity under international law with observer status at the U.N. The stamps are issued by "Poste Magistrali" in Rome. Though not recognized by the UPU the stamps are recognized by various countries.

A reader recently sent me photos of stamps for identification, including the triangular item pictured. The two outer curves read "Posta Touva" indicating Tannu Tuva. Scott, however, does not list it, noting in a box that triangular and other-shaped items with "postage", "Air-

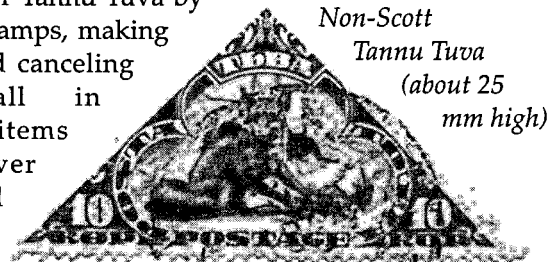
100 POSTE MAGISTRALI  
GRANI



SMOM stamp  
(27 x 37 mm)

Mail" etc. appeared in 1934 and 1935 — the implication being that they were bogus.

In a very interesting article on the Internet (<http://www.geocities.com/ttcsinc/ducklings1.htm>), James Negus outlines how the USSR exploited world collector demand for Tannu Tuva by printing stamps, making covers and canceling them, all in Moscow, items that never reached Tannu Tuva.



Many collectors in other countries sent money to the postmaster in Kazil, Tannu Tuva to get covers sent to them, but the resulting Tannu Tuva covers were actually sent from Moscow. And there were lots of CTO's. But, Negus also shows that some of these stamps had some actual postal use in Tannu Tuva, along with quite rare provisionals that were printed locally.

Tannu Tuva, on the Siberian-Mongolian border, was controlled by the Mongols and Chinese until 1911 when the Russians helped it to declare independence during the Chinese Revolution. Although nominally independent, it was under Czarist and then Bolshevik domination until annexed by the Soviet Union in 1944.

*If you have stamps that need identification, please send photos or photocopies to:*

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## Stamp Pricing

Continued from page 4

but no GUARANTEE of buyers. As a result, an item of little interest may go at a very low price. An item with strong interest may go far above auctioneer estimates or even catalog prices. This is just a matter of economics and a function of supply and demand.

Since the stamp market is very fragmented and inefficient with regards to pricing, price fluctuations can be tremendous. A particular lot or collection in an auction may only be exposed to a limit number of buyers at that moment. If there is a lack of interest at

that moment, or the buyers are not the right bidders for that kind of material, the lot can be sold at substantial discount to catalog.

Dealers have to buy the stamps cheaply enough to make a profit on them. This means dealers often make offers for stamps and collections that might seem like an insult to the average person. Selling at auction gives the collector an opportunity to eliminate much of the overhead. He can get a better price for selling AND a better price for the buyer of the stamp, too, than they might otherwise get.

Most auctioneers say that the majority of their

Continued on next page