

# The Planchet

A Publication of the  
Indianapolis Coin Club

May 2009 Issue 504

## **THE NEXT MEETING WILL BE MONDAY, MAY 18TH 2009**

The Meetings of the Indianapolis Coin Club are held  
the fourth Monday of each month at the  
**Northside Knights of Columbus**  
**2100 E. 71st Street in Indianapolis, Indiana.**

The Meetings consist of a business session, an intermission, educational program,  
and a numismatic auction. Doors open at 6:00pm, meeting will begin at 7:00pm.

## **PLEASE NOTE THE MEETING HAS BEEN MOVED TO MAY 18TH This Months Discussion Topic**

**Flying Eagle Cents**  
2009 Meeting Dates:

June 22nd  
July 27th  
Aug. 24th  
Sept. 28th  
Oct. 26th  
Nov. 23rd

December is our banquet there is no meeting.

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The Monthly Planchet is the official publication of the Indianapolis Coin Club. It is published monthly in Indianapolis, Indiana. All inquiries should be sent to ICC, P.O. Box 2897, Indianapolis, Indiana, 46206.

**The 2009 Indianapolis Coin Club Officers and Board Members**  

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# PRESIDENT DOLLARS 2007 - ?

by  
Michael Schmidt

By 2005 the small size dollar was now in its sixth year of its second attempt to succeed as a circulation coin. And it was failing miserably. The government had thought after their first failure with the Susan B Anthony dollar that they had solved the problem by changing the color of the alloy. With this new golden color there couldn't be complaints that the coin could be mistaken for a quarter. But fail it did, big time. By 2002 the new dollar was already scrapped from circulation production and was being made strictly for collector purchase. Three years later new ideas were being tossed around as to how to get the coin to circulate. The new solution was to take clue from the state quarters. If you change the design on a frequent basis it will keep interest stimulated in the coin, the public would then want to get it and use it. The problem was they neglected to consider that changing the design on a coin people never used would mean that they never saw the changes. And if they never saw the changes interest in the coin couldn't be stimulated. They had put the cart before the horse. The coin had to be circulating before their design changes could stimulate its circulation. Still in December 2005 the legislation was signed to produce beginning in 2007, four new coins each year bearing each of the Presidents in order in which they served in office.

As a further novelty the legislation provided that several of the inscriptions normally found on the faces of the coins should be moved to the edge. This would allow for larger, bolder, more impressive designs. So In God We Trust, E Pluribus Unum, the date, and the mintmark were all moved to the edge of the coin. Turned out to be a good thing, because the extra inscriptions of the Presidents name and his order of office were added. The new coin has a three quarters view of the President with his name above the bust, his numerical term of office, and the years he was in office below him. On the reverse is a view of the Statue of Liberty, the inscription United States of America and the denomination \$1. This was the first time the denomination had been expressed on a dollar coin as a number rather than written out. The composition remained the same as that used for the Sacagawea dollar. (Complaints from the Native American community resulted in the mandating of the continuation of the Sac dollar.) The release of the first President dollar, George Washington, in February of 2007 came with great fanfare. There was decent interest, and a fair number of coins were distributed by the banks. And then the rush on the banks really began when large quantities of error coins were reported. Seemingly thousands of Washington dollars managed to miss the edge lettering that was supposed to be applied after the coins were struck. (The mint has had a lot of trouble with the lettering on the edge of these coins.

After the very large number that were created for the Washington coins, the mint changed procedures so that the coins went automatically from the coining press to the edging machine, and there have still been plain edged coins for every President plus other edge errors.) In the aftermarket these plain edged coins jumped to hundreds of dollars (They quickly dropped down to less than \$50), and seemingly every bank in the country was descended upon by collectors buying up boxes of the new dollars. And then the dollars came right back after the rolls were searched. Then when the later dollars in the series came out fewer and fewer banks were willing to stock boxes of the new coins because they still had large quantities of the previous issues. Production levels fell precipitously. Before the second year of production a slight change was made to the edge inscription. The first year they had problems with the coins slipping in the edge dies resulting in variable spacing between the mintmark and the beginning of the motto E Pluribus Unum. To correct this, the 2008 edge dies have an extra dot placed halfway between the mintmark and the motto.

Another change was legislated in 2007 as well. Congress again bowed to pressure and voted to restore the motto In God We Trust to the obv. Taking its place on the edge would be 13 stars The 2008 coins continued to be released at an ever decreasing trickle with the final issue of the year only about a sixth of the number of the original Washington issue, and no real prospects for an increase in 2009. In an attempt to try and get more of the coins into circulation the mint began a new program, the Direct Ship Program. The US mint would now allow anyone to order \$250 face value in dollar coins (Later raised to \$500), pay just the face value, and the Mint would pick up the shipping cost! Many people took advantage of this deal using their credit cards that had cash back options and effectively were able to buy the dollars for less than face value.

While this got the coins out of the Mint vaults, it still had little effect on getting the coins to circulate and may have even been counterproductive. Collectors were ordering the boxes, searching them for high grade coins or edge errors, and then depositing the coins back in the banks so they could pay the credit card bill when it came in. The banks were now swimming in dollar coins they did not want or need, so they were shipping them back to the Federal Reserve. And with their vaults filling up with dollar coins, the Fed now had no reason to order more from the Mint. The final result? Decreased orders from the Fed, pretty much the elimination of orders of bags of dollars at a premium that had been a source of profit to the mint, a big shipping expense to mail out the Direct Ship boxes, and declining mintages. All with no real increase in circulation of the coins.

# May Auction Highlights!

1849 Large Cent XF  
1867 Indian Head Cent F  
1868 Indian Head Cent VF  
45 Different Buffalo Nickels  
1921 S Buffalo Nickel G  
1931 S Buffao Nickel XF  
1936 Buffalo Nickel UNC  
1950 D Jefferson Nickel Unc  
1924 P Standing Liberty Quarter XF  
1927 S Standing Liberty Quarter G  
1826 Bust Half Dollar VF  
1952 Proof set in original box  
1954 Proof set in original box  
1956 proof set

If you would like to have your items included please make sure to EMail Matt at least a week prior to the meeting at [matt@ldrcoins.com](mailto:matt@ldrcoins.com)

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**Because of the short notice on the newsletter,  
the secretaries report will be read and accepted  
at the meeting and included in next months  
newsletter.**

**Indianapolis Coin Club**  
**Treasurer's Report for May 2009**

**Income:**

|                                     |          |
|-------------------------------------|----------|
| 50/50                               | \$39.50  |
| Members Renewal – 2                 | \$24.00  |
| Dealer Rent – 1                     | \$20.00  |
| Planchet Ad – 1<br>(Vinton G. Dove) | \$35.00  |
| Auction Slip – 18 (\$1.00 ea)       | \$18.00  |
|                                     | -----    |
| Total                               | \$136.50 |

**Expenses:**

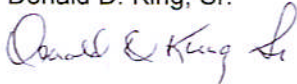
|               |         |
|---------------|---------|
| May Room Rent | \$50.00 |
|               | -----   |
| Total         | \$50.00 |

|                         |            |
|-------------------------|------------|
| April Checkbook Balance | \$3,493.90 |
| May Checkbook Balance   | \$3,580.40 |

I.C.C. CD Balance                      19075.52  
@ Maturity

Respectively Submitted

Donald D. King, Sr.



It is possible the Direct Ship program has run its course now. The first President Dollars of 2009, Benjamin Harrison, were not made available for Direct Ship orders. Still the President series can be judged at least slightly more successful so far than the previous two small dollar series. The mintage has been slightly greater and it has managed to make it into its third year without being relegated to being minted for collectors only. How much longer it can hold that off is to be seen. A final question for this series is how and when it will end. The legislation states that it will end when the last eligible President has been honored. Since no living President may be depicted, to be eligible the President must have died at least two years before his coin comes up. But it also says that the presidents are to be honored in the order in which they served. This leaves the problem about what to do about Reagan. Currently the series can run through Ford. But does the series then end because to skip Carter would honor the Presidents out of order, or can you skip him because he isn't eligible? The law is unclear. Current opinion seems to be that it is OK to skip, but the list of when the coins for the Presidents would come out that the Mint published in 2007 ended at Nixon. (Ford was still alive at the time.) Now it ends with Ford. Of course since both Carter and George Bush are over 80 years old now, the whole question may become moot. The next question is whether or not Congress will ever let the series end. Since the dollar is to honor the Presidents, how can you let it honor some but not all of them? I can see special bills in the future to allow another coin each time another President becomes "eligible". Since by then the coin will probably be for collectors only, this series could go on forever.