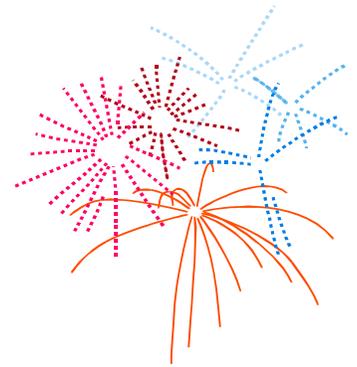


The Monthly Planchet



a publication of the

Indianapolis Coin Club

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Newsletter

July 2004

Membership numbers: ANA C-131170, CSNS L-600, ISNA LM 243

The Meetings of the Indianapolis Coin Club are held the fourth Monday of each month at the Nora Library at 8625 Guilford Avenue 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.

The next meeting will be Monday, July 26, 2004



July's meeting is Exhibit Night!

Every member is invited to bring an exhibit to show at the meeting. There will be prizes for the best exhibits and a participation prize for all exhibitors. There will be different categories for exhibits: US coins & Currency, World Coins, Exonumia, and Juniors. Your exhibit does not have to be expensive or elaborate, just bring in something you have enjoyed collecting and you will have an opportunity to tell us about it. This has been successful in the past and is a great opportunity to show off some of your collection.

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Twenty Cent Pieces (1875-1878)

by
Michael Schmidt

The twenty cent piece, so the story goes, was the result of a lack of the smaller denominations in circulation in the western states after the end of the Civil War. The smallest coin in regular use appears to have been the silver ten cent piece. The complaint normally went that when someone purchased a drink at a bar and offered a quarter for the ten cent drink all they would receive in change would be a dime, thus cheating the buyer out of five cents. (Or half of his next drink!) Somehow, the powers that decided the solution to this lack of small change was to create a new large denomination! To keep that bar patron from being cheated out of his nickel, we shall create a twenty cent piece so that his dime change will be the correct change. Of course, it means he will somehow come up with that special coin to buy his drink with and it doesn't help at all for other purchases where the change is any amount other than a dime. "But at least we did something." (And besides it was one more additional sop to the silver interests.) Well politics won out over common sense and the twenty cent piece was authorized on March 3, 1875. Through a further failure of common sense, this new coin, which was only a half millimeter smaller in diameter than the quarter, was given an almost identical design to that of the rest of the silver coins. (And this was after 26 different pattern designs with different designs were produced.)

The obverse of the new coin bears the same seated liberty design then current on the dime through dollar. The only difference being found on the shield by Liberty's right hand. The word LIBERTY on the banner running across the shield is found in raised letters rather than incuse. (For this reason twenty cent pieces can not be graded

the same way as other seated liberty coins. Normally if three letters are visible a coin would be considered a VG, and a Fine requires a full LIBERTY to be visible. Since the LIBERTY is one of the highest parts of the coin often some of the letters will be missing even on a VF coin.) The date is found below the main device while an arc of thirteen stars surrounds Miss Liberty. The reverse design, by law, was required to have an eagle as part of the design. Rather than follow the pattern set by the quarter, half and dollar though, the twenty cent reverse was based on the design used on the Trade dollar. The eagle is in a standing defiant pose facing to the viewers right. Unlike most eagles on US coins there is no shield on the eagles breast and the image is reminiscent of the "scrawny" eagles found on the very first silver coins of the US. The eagle holds three arrows in its right talon (viewers left) and an olive branch in the left. The denomination is found at the bottom of the coin and the country name is found in its usual place following the curve of the rim across the top of the coin. The mintmark, if any, is found below the overlap of the arrows and the stem of the olive branch. The edge of the coin does not have the reeded edge found on the other silver coins. This was the one concession made to the problem of distinguishing between the quarter and the new coin. To make the coin more identifiable by touch, it was left with a plain edge.

Just two months after it was authorized, the twenty cent piece went into production. Coins were struck at three mints that first year, the scarcest being those from Philadelphia with only 38,500 coins being struck. This was to be expected though since this was a coin intended

to be used "out west". The western mints did have larger mintages. Carson City struck 133,290 coins and San Francisco pulled out all stops striking 1,155,000 coins. Proof coins were also struck with Philadelphia making 1,200 and San Francisco producing 12. These went over like a lead balloon. It becomes apparent when the mintages for the next year are examined. Philadelphia's coinage dropped by more than half to 14,750 coins. Carson City struck only 10,000 specimens, and San Francisco didn't strike any at all! This would be the last of the business strike coinage, and only a further 2,610 proof coins were produced, one thousand five hundred in 1876, five hundred ten in 1877, and six hundred in 1878. Even these small coinages would eventually turn out to be too large though.

The coins proved to be very unpopular (imagine that) and were quickly returned to the banks and there after by the banks to the treasury in exchange for dollars or other coins. Between 1895 and 1954 the mint melted down close to one third of the total coinage, these being twenty cent pieces sent in for redemption. (Yes, the mint was still melting twenty cent pieces as late as 1954! Makes you sick doesn't it.) This unpopularity and melting combined at Carson City to produce one of the major rarities in US coins, the 1876-CC twenty cent piece.



telegraphed back orders to strike a further 10,000 pieces and this was done between May 5th and May 8th. On the 15th of May vault inventory showed 13,315 twenty cent pieces.

Unfortunately requests for the coin continued to decline and over the next ten months only 954 coins were issued. The Carson City mint now had over a ten year supply of the coins! Finally on May 19th director Linderman sent a telegram to Carson City directing the melting of all of the coins on hand and to deduct the loss against the Silver Profit Fund (Seigniorage account). Now since the normal procedure was for disbursements of coin to be done under a First In First Out method of inventory control. This would mean that all of the 954 coins paid out during the previous ten months had been 1875-CC coins and all of the 1876-CC coins should still have been in the vaults when the melting order came in. So where did the dozen or so known specimens come from?

The two main theories have been that they were from the coins reserved out and sent to Philadelphia for the annual assay of the coinage. There are two problems with this. The number of coins held out for assay from a mintage of ten thousand would be less than the number of coins known today, and two, at the time of the assay it would not have been known that a melting order was going to be made so there would have been no reason for the assay commission members to have taken action to save these coins. The other widely accepted route would be through the mint workers replacing specimens with 1875 coins to keep the weight and count right during the melting of the coins in 1877. This would be possible but it brings up two related questions. Why would they be concerned with saving these pieces since coins were also made in Philadelphia including proofs? At that time almost no collectors cared about mintmarks, and most collectors simply purchased a proof coin to satisfy their requirement for current year coinage. Why take the risk when collector attitudes made the

By Jan. 1876 the Carson City mint had managed to issue some 129,000 of the pieces they had produced the previous year leaving only 4,261 of them in the vaults. Most of the disbursement had been early in the year though and during the Jan. to May 1876 period they only managed to average an issue of 247 coins a month. At that rate they had enough coins on hand to satisfy demand through mid 1877. So on May 1st the Superintendent of the mint telegraphed Director Linderman that no coinage of twenty cent pieces was envisioned. But Linderman was being pressured political to continue striking more silver coinage, so he

potential for a profit very small?

To my point of view, the most likely possibility is one that has been discarded by other authors in the past. In the mint archives are letters from local collectors requesting examples of the new years (1876) twenty cent pieces! One has stated that- to remove just a few coins from the keg and not leave traces would have been impossible. But by that time coins were being kept in canvas bags not kegs and it was the count that was important, not the content. At that time the mint officials were much more open to honoring requests of that type as long as the requests were accompanied by payment and postage. There were odd 1875 coins in the vault and I can very easily see an official opening a bag of 1876 coins, replacing them with the same number of 1875 coins and resealing the bag using a wire and lead seal. Then using the removed coins to honor the requests and logging them as normal disbursements.

Earlier I mentioned in passing another great rarity of this series which is almost totally unknown today, the 1875-S proof. These twelve coins were struck to celebrate the striking of this new denomination. They were used as presentation pieces and then disappeared until the first one was identified in 1931. Today six of the twelve pieces are known. Most of them have come to light since 1964 with the most recent discovery being in 1975. All of them have turned up being listed as cleaned uncirculated coins. The dies used to strike these coins were only used for this proof issue and they can be identified by a series of horizontal die file marks in the shield below the BER in LIBERTY, a spine coming off to the left from the pole below Liberty's little finger, the left pendant of the T in cents is broken away as is the lower serif of the S, and there is a file from the leaf above the T to the S. Take a look at your 75-S.



SECRETARY'S REPORT

for the meeting on June 28,
2004

Twenty-one members were present as President Dove opened the meeting. Secretary and Treasurer reports were presented by Jim Goaziou and Tom Ferwerda, respectively. It was announced that longtime member Charles Alber has been diagnosed with cancer. All wish him a speedy recovery. President Dove instructed the Secretary to send a get well card from the Club to Charlie! Also, because of his inability to continue to provide the refreshments for each meeting, a volunteer is needed to do so in Charles' absence.

Jim Goaziou reported on the Mid-America Coin Show at the Stephens Convention Center in Chicago and discussed the upcoming (July meeting) Exhibitors' Night with those present. Each exhibitor will receive a participation award and there will be awards in each of four categories - U. S., World, Exonumia, and Juniors.

Dave Reid presented an excellent education program with slides on Colonial Canadian Tokens.

President Dove reported that most members have paid their 2004 dues and that copies of the bylaws are available for each member.

The regular auction and dealer bourses were both active and exciting. President Dove adjourned the meeting at 8:45pm.

Respectively Submitted,
J. W. Goaziou, Secretary

UPCOMING SHOWS

July 25th "Central Illinois Summer Coin Show" - Springfield, IL Northfield Center I, 3210 Northfield Dr. at Northfield Dr. & Dirksen Parkway (next to Xochimilco Mexican Restaurant). Hrs: 9am-4pm

August

7th "Lakeland Coin Club Show" Syracuse, IN Eagles Lodge 3760 Kern. Hrs: 10am-4pm

8th "71st Street Coin Show" Indianapolis, IN K of C Hall 2100 East 71st St. off Keystone Ave. Hrs: 9am-3:45pm

21st "Comfort Suites" South Bend IN, off of SR 31/33 North and Cleveland Rd. Hrs: 10am-5pm

22nd "Wabash Valley Coin Club" Terra Haute IN, The Hulman Center 200 N. 8th St. Hrs: 9am-4pm