



North York Coin Club

Founded 1960

MONTHLY MEETINGS 4TH Tuesday 7:30 P.M. AT
Edithvale Community Centre, 7 Edithvale Drive, North York

MAIL ADDRESS: NORTH YORK COIN CLUB, P.O.BOX 10005
R.P.O. Yonge & Finch, 5576 Yonge Street, Toronto, Ontario, M2N 0B6

Contact the Club :

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Phone: 647-222-9995

Member :

Canadian Numismatic Association
Ontario Numismatic Association

PresidentNick Cowan
1st Vice PresidentBill O'Brien
2nd Vice President.....Open
SecretaryPaul Petch
TreasurerLen Kuenzig
Past PresidentRobert Wilson

Executive Committee

DirectorTony Hine
DirectorRoger Fox
DirectorVince Chiappino
Junior DirectorOpen
AuctioneerBob Porter
Auction ManagerMark Argentino
Co-EditorsPaul Petch/Tony Hine

ReceptionistAlbert Kasman
Draw PrizesBill O'Brien
Social ConvenorBill O'Brien
LibrarianRobert Wilson
Program PlanningPaul Johnson,
Paul Petch, John Regitko

THE BULLETIN FOR NOVEMBER 2007

PRESIDENT'S MESSAGE

Hello again, fellow Members:

Well, it has been interesting summer weather wise and by the most recent forecast, it may continue for a while yet. Makes me think of when I came to Canada for the first time. We often had 15 or 17 inches of snow overnight. Now it seems we don't get that all winter. Maybe this is a good thing, as we get older it seems the snow gets heavier on the shovel.

We had an Executive meeting last Tuesday, and I must say that in my short term of President, it was by far the most productive meeting we have had. Maybe that was because we held it at my house and there were a couple of adult beverages consumed during the meeting.

During the course of the meeting, we, as your executive have made some decisions that I trust will meet with the approval of the membership.

1. Our December 11 meeting will take the form of a Christmas Dinner and will be held at the Canadian Legion # 66, located at: 6 Spring Garden Ave., 2 blocks north of Sheppard, on the EAST side of Yonge Street. We have the entire second floor room. There is ample free parking at the side and rear of the building. We will have a choice of either freshly roasted Turkey or Roast Beef, with all the trimmings and there is a Cash Bar. We will be able to have our traditional Bingo and there will be no interruptions. We will also

NEXT MEETING - TUESDAY, NOVEMBER 27

We start gathering at 7:00 p.m. with meeting start scheduled for 7:30 p.m.

Kenneth Swartz, a Director and past Vice Chairman and Marketing Chair of the Toronto Aerospace Museum is confirmed as our speaker for the next meeting. He will talk on Toronto's aviation history and the Museum's role in preserving it.

The Museum is located in an old de Havilland building at Canada's heritage aircraft factory at Downsview Park in north Toronto. He developed the museum's national media profile and organized many of its acclaimed special events.

He credits his museum involvement and long-time aviation career to a childhood spent below the flightpath of de Havilland seaplanes flying in and out of Vancouver harbour. His career eventually led to Downsview working for Bombardier as a senior member on the US marketing team for Canadair CRJ regional jet which revolutionized air travel in the 1990s. He's also worked as a globe-trotting aerospace journalist and photographer, organized airshows, developed international airline routes, and put Russian heavy lift helicopters to work in the West. After 9/11, he transitioned to the health-care sector and now manages communications and media relations for a major association of health-care professionals.

Ken has authored two books on the Canadian air transport industry and hundreds of magazine articles on aviation industry subjects. He is single father with a 13-year old daughter.

Please Don't Forget: *Bring donations to our supply of draw prize material, and please bring some items for the auction.*

do our usual gift exchange for those who wish, but this year we are facing up to inflation and suggesting \$10 as the value of the gift.

2. **We are asking that all Members who plan to attend place a \$10.00 per person deposit with our Treasurer Len Keunzig at the next meeting.** This is because we have to let the Legion know exactly how many will attend, so they can cook

enough food for us. Also, because we have paid a deposit and need to make sure we are covered. All final decisions as to the number of attendees must be given to the Legion Manager no later than December 3rd.

3. We are also requesting that **each attendee, not each couple** bring 4 items of non-perishable food to the Dinner. We will collect it in special boxes and have our local Councilor

MEETING NEWS OF THE OCTOBER 2007 MEETING

The 528th meeting of the North York Coin Club was held on October 23, 2007 at the Edithvale Community Centre, North York, Ontario. The meeting came to order at 7:40 p.m. with the President, Nick Cowan, in the chair and 27 members and 1 guest in attendance. The mint box was immediately passed to one visiting junior.

Dick Dunn won the on time attendance draw of \$4. We return to a \$2 pot for the November meeting.

The Secretary drew member's attention to the minutes published in the bulletin. The minutes were accepted as presented. The Treasurer was absent but financial information had been provided to the President.

This is an election year for the club. The President announced that David Quinlan will serve as the Chairman of the Nominations Committee. The President responded to a question about the monthly Bulletin by promising to have some printed copies of the Bulletin on hand at future meetings. There was a short discussion on

recent coin shows, including Torex, as well as upcoming shows.

Paul Johnson, acting in his capacity of the Executive Secretary of the Canadian Numismatic Association made to presentations. Jim Heifetz received a certificate recognizing 25 years of continuous membership in the C.N.A. Paul Petch was presented with a medal and lapel pin commemorating his becoming a Fellow of the C.N.A. in 2002.

Henry Nienhuis was the guest speaker for the evening and presented a well-researched talk on the early history of the Canadian mint, when it was a branch of the Royal Mint. Tracing early political activity, the construction of the mint building and appointment of mint staff, he concluded with a study of the trial run pieces struck in November of 1907, almost exactly 100 years ago and a couple of months before the official opening on January 2, 1908. Henry made use of his laptop to present "electronic slides" that made the complex series of

events easier to understand and provided images of the high points, including photographs of his trial run piece.

We thank Bill O'Brien for sitting in as Receptionist and providing and preparing refreshments for the break.

Bob Porter conducted the auction with Mark Argentino serving as auction manager and Vince Chiappino as runner. The auction alternated with the evening's Lucky Draw called by Bill O'Brien. Draw ticket sales were \$26 and the club earned \$10.20 in auction commission. Lucky Draw winners were David Meranda, George Fraser, Italo Villella, Paul Petch (2), Henry Nienhuis, Norman G. Gordon, Dick Dunn, Roger Fox (2), Paul Johnson and Ben Boelens. The Club thanks those who donated draw prize material, and everyone is reminded that more material is desperately needed (and please let the Secretary know so you will receive credit in the minutes.)

There being no further business, the meeting adjourned at 9:45 p.m.

President's Message, continued...

deliver it to the North York Food Bank on our behalf. We are trying to get our name out into the public eye again and by using our City Councilor, we might be able to have a closer ally, when it comes time for help hosting the 2011 ONA convention. Also, it allows the club to be charitable, without tying ourselves to any one cause.

4. We have decided to start a strong Membership drive. There is a week called Coin Week in the early spring. We are looking at setting up a table in the hallway outside the North York Library. If nothing else, we will at least get some attention and maybe some good press. I will be looking to all the members for any suggestions and help in manning the table and also some ideas for advertising, handouts and whatever else you can come up with. I will also be seeking a meeting with Brian Smith of TOREX, with the intent

of asking him, in the interest of our hobby, to donate a table at the next show in February. This table will not just be for us, as I will be asking the Scarborough, Mississauga and Toronto club to join us in this promotional drive. It is good for us, the other clubs, TOREX and definitely good for the organized hobby. That is what I call a win-win situation.

Plans for the new Edithvale Community Centre are coming along nicely. While there are definite plans set for some things, some aspects are up in the air, such as the possibility that tenants like us, will have our own secure storage within our room. These types of decisions will probably come late next year as the building plans progress.

It is Election time again. David Quinlan, who is one of our newer members, has agreed to take the on the respon-

sibility of being our Elections Committee Chairman. David will present a slate of officers at the next meeting and call for nominations from the floor. As you know, this is a daunting task and we must give him all the support that he will need. Some members have not had a chance to play a role in the future direction of the club. Now is the time.

Enough from me for this time. Please aid David and the yet to be formed New Member Committee. They will have a tough job. Some volunteer work is required from each and every one of us. Don't let them flounder with the task.

Finally, please try to bring new people to the club. New members are what it is all about. The club's healthy continuation depends on new members.

Nick

COMING EVENTS

NOV. 24, Niagara Falls, Coin-a-Rama, Our Lady of Peace Hall, 6944 Stanley Ave. Hours: 9 a.m. to 4 p.m. Free parking, \$2 admission, free gold draw. For more information, contact B. Kostyk, 905-356-5006.

FEB. 3, Paris, SWON, Special events Building, Paris Fairgrounds on Silver Street. Hours: 9:00 a.m. to 4:30 p.m. *Admission \$2 includes ticket on gold coin. More than 50 tables of coins, paper money, military and more. Hot and cold food and drinks available at show.* For more information, contact Ted Bailey at 1-866-747-2646 or tedscollectables@bellnet.ca.

FEB. 16, Oshawa, Oshawa & District Coin Club Coin-A-Rama, Five Points Mall, 285 Taunton Rd. E. Hours: 9:30 a.m. to 5 p.m. *Free admission. Free public, dealer and membership draws. Featuring coins, tokens, paper, medals and more.* For more information, contact Sharon, 905-728-1352 or e-mail papman@idirect.com.

FEB. 23 - 24, Toronto, Torex - Canada's National Coin Show, Hilton Toronto Airport Hotel, 5875 Airport Road, Mississauga Ballroom. *Featuring Canada's Finest Dealers.* Hours: Sat. 10 a.m. to 5 p.m.; Sun. 10 a.m. to 3 p.m. *Admission \$6. Official Auctioneer: the Canadian Coinoisseur, Michael Walsh. The Hilton hotel is located directly across from Toronto's Pearson International Airport.* For more information, please call 416-705-5348. Web site: <http://www.torex.net>.

MARCH 7 - 9, Montreal, Nuphilex, Holiday Inn Midtown, 420 Sherbrooke St. W. Hours: Fri. 11 a.m. to 6 p.m.; Sat. 10 a.m. to 5 p.m.; Sun, 10 a.m. to 4 p.m. Admission \$3 per day, Sunday free. *Early bird admission \$25 (\$10 donated to Quebec Autism Society). Coin auction by Lower Canada Auction.* For more information, contact Gabriel Sebag, (514) 842-4411, nuphilex@bellnet.ca. Web site: <http://www.nuphilex.com>.

MARCH 15, Cambridge, 17th Annual Cambridge Coin Show, Cambridge Newfoundland Club, 1500 Dunbar Road. *Free admission. Buy, sell, trade and evaluate at 51 tables. Tokens, trade dollars, coins, paper money, militaria, sports cards, CTC coupons.* For more information, contact Wolfe, wolfe1937@hotmail.com or Vince Nevidon, 519-622-6625.

MARCH 28 - 29 - 30 Kingston, E.O.N.S., Days Inn & Convention Centre, 33 Benson St. Friday Mar. 28 2:00-5:30, Saturday Mar. 29 9:30-5:30, Sunday Mar. 30 9:30-3:00. *Admission \$4.00 includes ticket on gold coin. Early admission Friday \$20.00 from 10:00am to 1:30 good for all weekend. 50 tables of coins, paper money, jewellery and more.* Hotel reservations 1-800-267-7888. For more information, contact Ted Bailey at 1-866-747-2646, e-mail: tedscollectables@bellnet.ca.

APRIL 12, Guelph, South Wellington Coin Society Spring Show, Colonel John McCrea Legion 919 York Rd. Guelph or Hwy 7. *One of Southwestern Ontario's biggest shows, 50 dealer tables, free parking, completely accessible. Large display area, hot meals. Admission \$2 for age 16 and up. Free gold coin draw.* For more information, contact Lowell Wierstra 8 Smart St. Guelph Ontario N1G 4K9 Phone (519) 824 6534.

APRIL 25 - 27, Sudbury, ONA 45th Annual Coin Convention hosted by Nickel Belt Coin Club, Radisson Hotel & Conference Centre, 85 Ste. Anne Rd. Hours: Bourse floor opens at 10 a.m. each day. *Admission \$3. Buy, trade, sell. 56 bourse tables.* Auction 6 p.m. Friday. For more information, contact Tom Rogers, 519-451-2316 or Gerry Albert, 705-523-1778 and check for convention information at <http://www.ontario-numismatic.org/>.

RCM LAUNCHES 25-CENT ALPINE SKIING CIRCULATION COIN

OTTAWA, Oct. 24 The Royal Canadian Mint (RCM) today officially released the fifth of 17 circulation coins to celebrate the Vancouver 2010 Olympic and Paralympic Winter Games. The sport of alpine skiing is depicted on the 25-cent coin.

Up to 22 million 25-cent alpine skiing coins will enter into circulation today, October 24th, and will be available exclusively at RBC Royal Bank and participating Petro-Canada outlets. RBC Royal Bank is a Premier National Partner and Petro-Canada is a National Partner of the Vancouver 2010 Olympic and Paralympic Winter Games. Canadians can also look for these special coins in their change. Participating Petro-Canada gas stations will also sell alpine skiing sport cards, containing a uniquely painted version of the coin. The sport cards, which are now available, sell for \$7.95.

Alpine skiing has been contested at every Winter Olympics since the 1936 Winter Games in Garmisch-Partenkirchen, Germany. The Olympic alpine competition consists of ten events, one each for men and women in the following disciplines: super combined, downhill, giant slalom, slalom and super-G. Canadians have won 10 medals in alpine skiing at the Olympic Games, including four gold medals. The first Canadian to win Olympic alpine gold was Anne Heggtveit in the slalom event at the 1960 Olympics in Squaw Valley.

Designed by Canadian artist Glenn Green of Vancouver, BC, the alpine skiing circulation coin features an alpine skier in the centre, a stylized maple leaf and the words 'Vancouver 2010'. The obverse features the portrait of Her Majesty Queen Elizabeth II, rendered by Susanna Blunt.

Additionally, the RCM is offering a sterling silver collector version of the alpine skiing coin, featuring a stunning hologram. The sterling silver coin was designed by Toronto artist Brian Hughes and retails for \$69.95. The RCM is also offering the first day 25-cent alpine skiing coin (\$15.95) and the 25-cent alpine skiing circulation coin roll (\$16.95).

COMPUTER GRADING REQUIRES HUMAN INPUT

BY MICHAEL FAZZARI

November 7, 2007

It's almost 2008 and there is still no "little black box" to grade coins, but some have tried. This weekend, while looking through some old clippings, I came across an article about "The Expert."

The subject of the article called to mind a joke I'd heard from a former associate, Charlie Hoskins. He used to say that the word "expert" came from two roots, "ex" meaning from or out of and "pert" a little drip under pressure. In this case, "The Expert" in the article was neither a drip nor a human. Read on.

About 20 years ago, one of the grading services developed an expensive gadget to grade coins called "The Expert." Apparently, it was a video camera surrounded by a bank of high intensity lights set up to record the surface of a coin. The coin's image was digitalized as each light flashed in sequence and the resulting image was stored in a computer.

This was one of the first attempts to develop a computer to grade coins. There were several other parties working to develop a computer grading system at the same time. I recall that Charlie Hoskins, director of The International Numismatic Society Authentication Bureau, was a consultant to one of these firms that eventually produced a product under the name "CompuGrade." Since I was not involved with this project, I have no idea how that system worked. That grading service lasted a few years; yet, I cannot be sure if a computer ever generated any of the grades on their slabs.

One thing I did know for sure, at that time, computers could not grade coins. I based my opinion on the problems one firm was having setting up a system to grade Morgan dollars that were toned, and on an interactive demonstration video of how "The Expert" worked that was set up at an American Numismatic Association convention. It didn't work for me.

More importantly, I understood the difficulty of detecting "doctored" and "problem" coins, even for an experienced numismatist. From what I could see at coin shows in the 1980s, there were just too



many altered coins going into slabs while the "new" grading services were in their infancy. If some of the professionals who were programming the computers could be fooled so easily, what kind of results could we expect from a machine? I think the saying goes, "junk in, junk out."

Thankfully, that is not the case today. The major grading services have become one of the best safeguards against "doctored" coins in the marketplace. So where does that leave us? I believe there is a place for "computer grading." Who can say how much better the results will be now with the vastly improved hardware and software? Perhaps a different approach, one that may have worked even 20 years ago, may be tried.

What are the most important aspects of any grading system? As has always been the case, it should be simple, precise and consistent. In an ideal system, a coin would receive the same grade no matter how many times it was submitted as long as its condition of preservation remained unchanged. That is what computer grading was to provide to numismatics. Grade it, put it in a holder and that would be the end. This was possible 20 years ago and is still possible today except it would not be the "true" computer grading as envisioned long ago.

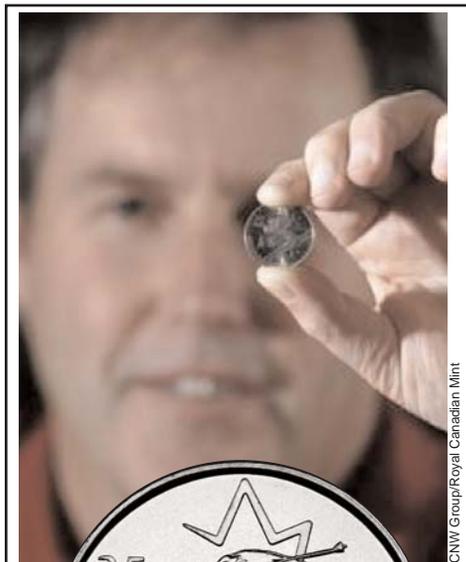
Grading is still too complicated a task for a machine. What if "The Expert" had been set up at the beginning to record the imperfections on a coin, to fingerprint it the way they do for diamonds and then to store that information so that it could be

pulled-up from a database as a "match" if the coin was ever seen again?

With this system, the computer would not be needed to actually grade the coin; yet it would eliminate some of the inconsistencies we find with human graders. Human experts can grade the coin. Then the results, plus a scan of the coin can be stored in a data base. Voila, computer grading!

Each time the coin was submitted, it would be returned with the same grade. End of the grading problem.

Why didn't they take this approach 20 years ago?



CNWI Group/Royal Canadian Mint

On October 24 the Royal Canadian Mint launched the 25-cent alpine skiing circulation coin, the fifth to be issued in celebration of the Vancouver 2010 Olympic and Paralympic Winter Games. Holding the coin is the artist, Glenn Green of Vancouver, British Columbia. Mr. Green has designed all of the circulation coins in the Mint's extensive coin program, featuring designs related to the 2010 Winter Games.

PROPOSAL TO BAN U.S. COINS IN TORONTO SHOT DOWN

BY PAOLA LORIGGIO, STAFF REPORTER, TORONTO STAR

Cost of screening out lower-value currency would wipe out any savings, city advised

Nov 13, 2007

A proposal to ban the use of American coins was met with incredulity, caution and skepticism from the city's transit and parking agencies yesterday, which expressed doubts that doing so would save much money. American quarters, dimes, nickels and pennies are often tossed into fare boxes, slipped into parking meters and traded at concession booths. The city traditionally accepts the coins at face value, partly because of the hassle involved in culling them.

The plan proposed by Councillor Howard Moscoe suggests city bodies refuse the coins, now that the loonie trumps the American greenback. "There's a glut of U.S. coins

being dumped in the economy," Moscoe (Ward 15, Eglinton-Lawrence) said yesterday. "The city's going to lose millions if it continues to accept them," he added.

But transportation officials, who handle much of the city's change, said it would cost more to implement than the meagre savings would justify.

The city's roughly 3,000 parking meters aren't equipped to distinguish the two currencies, said Gerry Daigle, the parking authority's vice-president of finance. Upgrading a single machine to reject U.S. coins would cost \$450, he said. Pay stations would also need reprogramming, Daigle said. That process is easier but still time-consuming and expensive, he said.

"My gut reaction is there would be no payback," he said. "It's not something we

would consider unless the swing in the dollar widens."

Transit union president Bob Kinnear said the measure would be impossible to enforce. City employees, whether aboard a bus or in a tollbooth, don't have the time to inspect each coin, he said. "What does Howard Moscoe propose the collectors do if someone deposits an American quarter in a fare box – stop the bus and fish it out?"

The city isn't losing much as it is, according to TTC chair Adam Giambrone. Once banks take their share, the two dollars are practically at par, he said. (Yesterday's sudden drop in the loonie's value makes that statement even more accurate.)

Besides, it might be worth sacrificing a few cents to draw more American tourists, Giambrone said. A change of policy, he said, "just doesn't make sense for us right now."



ROYAL CANADIAN MINT
MONNAIE ROYALE CANADIENNE

Communiqué

Error - 25-cent Alpine Skiing Numismatic Coins

OTTAWA, ONTARIO – October 26, 2007 – The Royal Canadian Mint confirms that a small number of 25-cent alpine skiing coins produced for collector products issued on October 24, 2007 bear a 2008 date on the obverse, or "heads" side of the coin, rather than the 2007 date. This error is limited to alpine skiing coin sports cards sold exclusively at participating Petro-Canada outlets and a small quantity of Vancouver 2010 Olympic Winter Games coin collections. The 22 million 25-cent alpine skiing coins produced for circulation are not affected.

The Mint is currently investigating the source of this error and will implement the appropriate measures to ensure it does not occur in the future.

It is reported that 40,000 mules of the Alpine 25-cent were made available in the sports card format with an additional 15,000 were included in the coin collections card.

PRINCETON EXHIBIT SHOWS ANCIENTS by Numismatic News

October 25, 2007

A major exhibition on “Numismatics in the Renaissance” will be on view in the Main Exhibition Gallery of Firestone Library at Princeton University from Nov. 9, 2007, through July 20, 2008.

The exhibition will include rare 15th- and 16th-century volumes from Princeton’s Rare Books Division that discuss and illustrate ancient coins, and a display of some of the treasures of the Library’s Numismatic Collection, featuring gold, silver, and bronze coins of Greece and Rome, as well as coins and medals of the Renaissance that were inspired by them. The exhibition will also include manuscripts, prints, and drawings from Princeton University collections and Pirro Ligorio’s monumental map of ancient Rome, made in 1561.

Although ancient coins were found throughout the Mediterranean region in the millennium following the end of the Roman Empire, it was only in Renaissance Europe that they began to be studied systematically; reproductions appear in some of the earliest printed books to carry engraved illustrations. The Princeton collection is particularly rich in these impressive examples of early printing, ranging from the 1517 edition of Andrea Fulvio’s *Images of the Illustrious*, with its highly decorated settings of each coin image, through Hubert Goltzius’s large-scale chiaroscuro reproductions of imperial portraits of the 1550s, to Antonio Augustín’s late 16th-century systematic classification of ancient coinage and guidelines for detecting counterfeits.

The role that the study of ancient coins played in Renaissance culture will be illustrated through the display of art works of the period that depict objects of classical antiquity, most notably a drawing by Parmigianino in the collection of the Princeton University Art Museum with an image of the goddess Minerva apparently derived from one on Roman coins. Selected Renaissance coins and medals will highlight the efforts of rulers of the period to present themselves in the guise of ancient leaders. Coin imagery in Renaissance literature will be shown by the pairing of Tudor coins with early editions of

COIN COLLECTORS SUE U.S. STATE DEPARTMENT by Ancient Coin Collectors Guild

November 16, 2007

The Ancient Coin Collectors Guild (ACCG), an advocacy group for private collectors and independent scholars, announced the filing today of a Freedom of Information Act (FOIA) lawsuit against the U. S. State Department (DOS).

According to Wayne G. Sayles, executive director of the guild, this action became unavoidable due to persistent refusal of the Bureau of Educational and Cultural Affairs (ECA) to provide the guild and others with information relating to requests for import restrictions.

The DOS recently imposed unprecedented import restrictions on ancient coins from Cyprus, requiring importers of even a single common coin of Cypriot type to provide what the ACCG believes to be unfair, unworkable and unnecessary documentation.

The ACCG seeks information relating to requests from Cyprus, China and Italy. In each case, apparent irregularities in the way these requests were handled led to significant concerns.

Members of the U.S. Senate and House of Representatives also requested similar information on behalf of the ACCG and others.

“None of these avenues produced responsive replies,” said Peter K. Tompa, ACCG president. “The reason for this lawsuit is that the DOS has refused to provide meaningful information. We seek transparency and fairness of the process by which decisions affecting the American people are made.”

The ACCG, joined in this suit by the International Association of Professional Numismatists and the Professional Numismatists Guild, is represented by Washington DC attorney Scott A. Hodes. Mr. Hodes is a former FOIA and Privacy Act attorney for the Department of Justice and the FBI.

Shakespeare’s history plays, which are particularly rich in puns on coin names and details.

A daylong symposium, “The Rebirth of Antiquity: Numismatics, Archaeology, and Classical Studies in the Culture of the Renaissance,” will be held on Friday, Nov. 9, to celebrate the opening of the exhibition that afternoon at 4:30. The symposium is free and



Per lucem ad veritatem

The imposition of import restrictions is a remedy made available to DOS by the Convention on Cultural Property Implementation Act (CPIA) enacted in 1983. This law, while providing emergency protection for endangered cultural property, includes detailed and comprehensive safeguards to limit overreaching implementation of the 1970 UNESCO accord. The ACCG believes fair and equitable application of this law is viewed by the coin collector community and associated trade as essential to achieving any measure of protection on a broad and continuing scale.

The ACCG argues that fairness and equity can only be satisfied by a system that is transparent and subject to oversight. They hope that this lawsuit will help encourage the State Department to revamp its procedures to ensure the fundamental fairness to all that the law demands.

To obtain information about the ACCG, visit their homepage at <http://www.accg.us/> or contact ACCG executive director Wayne G. Sayles by email at director@accg.us.

open to the public. “Numismatics in the Renaissance” is free and open to the public. Gallery hours are weekdays from 9 a.m. to 5 p.m., plus Wednesdays until 7:45 p.m., and Saturdays and Sundays from noon to 5 p.m. Exhibition tours will be offered to the public at 3:00 p.m. on Sundays: Nov. 18, 2007, and March 16 and June 1, 2008.

SUNKEN TREASURE ‘OVERVALUED TO LIFT SHARES OF SALVAGE FIRM’

by Daniel Foggo

More news on Odyssey Marine Exploration, their fantastic discovery of sunken treasure, and their dispute with the Spanish government

An underwater salvage company that claimed to have discovered \$500m (about £250m) of sunken treasure in the Atlantic has been accused of inflating the value of its find, so boosting its share price and providing a bonanza for its executives.

The allegation comes amid disclosures in stock exchange documents that some of the bosses of Odyssey Marine Exploration cashed in millions of dollars of shares within days of announcing their recovery of 17 tons of silver coins from the wreck.

Other papers show that the Florida-based company privately estimated the worth of the silver coins at £1.2m. A few days later it claimed publicly that the coins had been valued at more than 200 times that amount.

The identity and ownership of the ship have since become the subject of a court battle and Odyssey has issued a defamation action against Jim McManus, a diver and a director of a UK-based historical website and internet blogger from Florida.

He is one of several people in the online maritime community to suggest that the company pushed up its share price by overstating the value of the find.

Following an announcement by Odyssey to the media on May 18 that it had discovered 500,000 silver coins, the company's share price rose to more than triple its April value as speculators piled in.

Media reports put the valuation of the hoard at about £250m. On May 21 Odyssey issued another press release saying that the figure had come from estimates provided by a coin expert retained by the company and that it was “comfortable” with his calculations.

Instead of retaining the shares once a formal valuation had been carried out and their entitlement to the treasure confirmed, several Odyssey executives and board members started offloading their stock from May 22.

Shortly afterwards, ownership of the treasure was challenged in the Florida courts by the Spanish government, which believes it came from a Napoleonic-era warship, the Nuestra Senora de las Mercedes. That ship was sunk by the British off the Portuguese coast in 1804 while carrying more than 1m silver dollars.

If Spain's claim is upheld it is possible that Odyssey would be ordered to forfeit its haul.

Whatever the outcome, Odyssey's bosses have already profited from their discovery, according to documents filed with the US Securities and Exchange Commission (SEC), the stock exchange regulator.

John Morris, Odyssey chief executive and co-founder, sold £650,000 of shares four days after the issuing of the May 18 press release, while David Morris, the company secretary and treasurer, earned himself more than £343,000 within the following 24 hours. George Becker, then Odyssey's executive vice-president and who has since left the company, also sold shares worth £193,000 within 12 days of the announcement. The commission declined to comment this weekend.

Odyssey has refused to disclose the exact name or location of the wreck from which the haul was taken, giving it only the code-name Black Swan. Following the announcement there was widespread speculation in the media that the treasure had been taken

from the Merchant Royal, a privately owned British cargo ship known as the El Dorado of the Seas, which sank off Land's End in the 17th century. Treasure recovered from so old a ship would have been very valuable.

The Sunday Times disclosed in June that Spain believed the wreck was really that of the Mercedes and it has since become clear that it cannot possibly be of the Merchant Royal.

An export licence, applied for by Odyssey on May 14 when it was seeking to transport its haul to Florida via Gibraltar, shows that it was taken from a location off the Iberian peninsula, rather than Land's End.

It also shows that Odyssey gave the silver coins a valuation of only £1.2m.

The £250m valuation was given by Nick Bruyer, a coin marketer who has sold coins for Odyssey in the past. He is said to have valued the 500,000 silver coins at between several hundred pounds and £2,000 each.

John Morris and Greg Stemm, Odyssey's founders, have previously been prosecuted by the SEC. It accused them of inflating the value of shares in a company of which they were directors by overstating the worth of salvaged artefacts. They were acquitted by a jury in 1997.

A spokeswoman for Odyssey said: “The value put on the export licences was based on an estimate of what we believed to be our cost basis at that time. In accounting for US companies we are required to value artefacts at our cost of recovery, which has nothing to do with retail value.

“The company has not estimated the total potential value of the Black Swan recovery and will not do so until we have conserved and priced them all.

“John Morris, David Morris and George Becker legally sold parts of their positions after the appropriate waiting period as part of their personal financial planning.”

From The Sunday Times
November 4, 2007



PENNY DESERVES TO REMAIN IN CIRCULATION; DITCH A \$5 COIN IDEA — IT'S 'LOONIECY'

An Editorial from the Calgary Herald

Replacing the \$5 bill with a coin is a looney-tune idea that hopefully won't take flight. Canadians should reject outright what the Bank of Canada has considered in two financial models it studied that were obtained by CanWest News Service. Both models conclude a \$5 coin will be inevitable and should be introduced by 2021.

The report found that the elimination of the penny is warranted, but should be replaced with a \$5 coin and the introduction of a \$200 bill sometime between now and 2021.

According to Francois Dupuis, vice-president and chief economist for economic studies with the Desjardins banking group, the country can't have too many coins.

Non-cents.

Coins are a heavy load to carry, the proliferation of which has unduly weighed down purses and pockets.

Their introduction usually leads to instant inflationary pressures, with almost immediate increases in small-ticket items such as parking meters, bottled water or other vending machine offerings. That offsets any savings on maintenance of coins, which in the long run are cheaper than bills because they last longer and don't need to be replaced as frequently.

In theory, five dollars is five dollars. In reality, a coin is spent much faster than a bill, burning a hole in your pocket as the adage says.

Canadians may find the penny bothersome, however, eliminating it is an injustice for both retailers and consumers. For businesses, the marketing strategy of pricing goods a penny short of a dollar—the \$1.99 special as it were—will be lost. Without the penny, prices will be rounded off and that usually goes in one direction—up.

Some argue the penny has already lost its value, reflected by the "take one, leave one" jars on most store counters. Critics say it costs more to produce a penny than it's actually worth.

Maybe so, but not completely. Otherwise, currency traders wouldn't talk in

terms of fractions of a cent. The dollar's worth is in fact measured to the fourth decimal place.

It's a rare day indeed when the value of a currency climbs a full cent never mind exceeds it as it did with Tuesday's record close of \$1.0852 US, up from \$1.0718 US a day earlier.

The penny deserves to remain in circulation, rendering the need for a \$5 coin redundant.



*Let's not forget
Canada's original \$5 coin!*

FIVE DOLLAR COIN NOT A WINNER WITH WINNIPEGGERS

by Jack Branswell and Lindsey Wiebe

Higher allowances, vending machine gouging and overloaded purses—those are some of the doom and gloom predictions from Winnipeggers should a \$5 coin enter circulation.

The federal government has already studied the introduction of such a coin, according to documents obtained by CanWest News Service.

The idea earned few positive reviews from Winnipeggers, many of whom weren't thrilled with the thought of another coin jingling in their pockets.

Harri Vallittu said his fear with a \$5 coin would be vending machine prices rising to take advantage of the extra jingle in customers' pockets, which he saw after the toonie was introduced.

"Boy, they got up to \$2 real quick," laughed the 56-year-old.

The Bank of Canada prepared an "optimal denomination structure" report in 2005 and as part of it, used two different theoretical financial models to analyze our coin and bank note system.

One model, called the D-metric, concluded that by 2005 the elimination of the penny was warranted and recommended the introduction of a \$5 coin and a \$200 bill sometime between 2005 and 2021.

Another model, called Boeschoten, concluded a \$5 coin would be needed between 2009 and 2020 "given the price level and other factors would be consistent

with the historical shift from notes to coins at other denominations."

"We aren't far off (a \$5 coin)," Francois Dupuis, vice-president and chief economist for economic studies with the Desjardins banking group, said.

"Maybe in three to eight years. We will be talking a lot about this in the coming years, but I don't think we are there just yet."

The decision to change any part of the country's currency rests with the finance department, which would consult both the Bank of Canada and the Royal Canadian Mint.

However, Dupuis said, those kinds of decisions can't be made these days. "The current government is very careful in what it does. It's a minority."

The Department of Finance's position is that it has no plans to introduce a \$5 coin. "There isn't an indication at this time that one is needed," said Chisholm Pothier, the press secretary to Finance Minister Jim Flaherty.

Bills are converted to coins for several reasons, including that coins are more convenient as cash payments for small transactions and that bills are more costly to maintain, they wear out much quicker than coins and are costly to replace.

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