



NOTICE OF CHANGE IN MEETING DATE: OUR NEW MEETING DATE GOING FORWARD WILL BE THE THIRD MONDAY OF EACH MONTH.

In this issue of our newsletter, we have another great article from Jeff Garrett on the subject of the Eric Newman sale. **Our next meeting will be held on Monday, February 17, 2014 at 6:30 PM in the Bronte Bistro at Joseph-Beth Booksellers in Lexington Green. As a reminder, they have asked that we not bring in outside food or drink when attending the meetings. Instead, we are welcome to stop by the bar on the way into the meeting room to purchase soft drinks, coffee, or food items.**

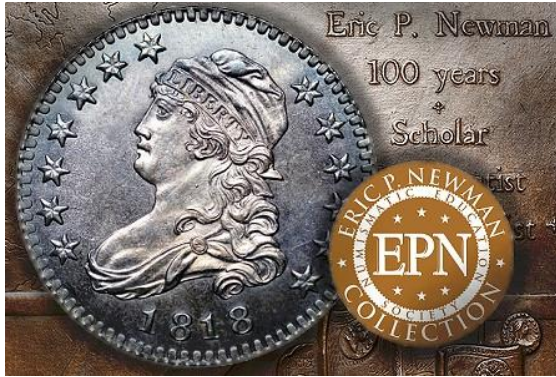
DOOR PRIZE TO BE GIVEN AWAY!

You won't want to miss this meeting! Jeff Garrett at Mid-American Rare Coin will be donating another door-prize item to be given away. Also, Jeff has a really nice deal for any club members who would like to become members of the American Numismatic Association. Jeff will pay half of the first year's basic membership dues for any club member who wants to become a new ANA member. Several of our club members have already taken Jeff up on this deal. The ANA offers members many outstanding benefits including discounted coin insurance, life insurance, library use, on-line delivery of The Numismatist Magazine, and a great convention each summer.

ERIC NEWMAN SALE SCALES NEW HEIGHTS!

By Jeff Garrett

The sale of the Eric Newman collection has been touted by many serious coin dealers as one of the most important numismatic events that have occurred during their career. Many great collections have been sold in the last thirty years.



Why are so many serious numismatists entranced with the Newman collection? The prices realized set records for many issues that will probably stand for our lifetimes. Some coins which can be considered Type coins, sold for prices that many would think should be reserved for major rarities. A million and one half dollars used to get you a 1913 Liberty Nickel, not a 1796 Draped Bust Quarter!

Why did this collection attract so much attention and sell for prices that would have been considered insane a few years ago? ***In my opinion, the sale of the Eric Newman collection is the clearest ever demonstration of the rare coin markets insatiable desire for quality.*** The quality and breadth of the Newman collection is simply astounding! When I received the catalogue, it was hard to put it down. It was like experiencing a numismatic dream come true. Page after page of beautifully matched, incredibly toned numismatic delicacies. The careful notations of provenance (mostly Colonel E.H. Green) and original cost only add to the charm! When computed, his original cost for this section of his collection was estimated to have been around \$7,500. The final hammer prices added to over \$23 million when sold in November, 2013.

Interestingly, the sale lacked most of the classic, top 10 or 20 U.S. numismatic rarities often associated with landmark auction sales. There were no 1894-S Dimes, 1838-O Half Dollars, or 1804 Bust Dollars. I have been told that Eric Newman executed this numismatic strategy on purpose. He saved his limited funds for amazing examples of coins which could be purchased for relatively little. An 1804 Bust Dollar was still thousands of dollars in the 1940's. Eric paid \$100 for his 1796 Draped Bust Quarter. I would say this worked pretty well, as his coin graded NGC MS67+ * and sold for \$1,527,500!



Many wonder if the prices realized for the sale of the Eric Newman collection was a one-time event or the new price levels for amazing quality rare coins. The answer is obviously complicated. There will probably never be another auction like the Newman sale in our lifetime. Eric Newman started collecting in 1912, and did not sell his coin collection until he was over 100 years old. I think it would be safe to say that there are no more collections of this quality and magnitude left in the United States. To be sure, there are many great coin collections in the United



States, but none that are so completely fresh and original from start to finish. There are however, individual coins of similar quality that are offered for sale on a regular basis. The prices for these coins would probably be less, as they are not being offered as part of a magnificent collection that has been heavily

marketed. They would also lack the pedigree trail that many collectors value considerably. Great collections, such as the Newman sale, bring out serious collectors. The collectors understand that they are being given the opportunity to purchase something special that might not be available again during their collecting careers. The price paid is almost secondary to the chance to acquire an awesome numismatic trophy.

The huge prices many collectors paid for coins in the Newman sale should be considered long term investments. If any of the important coins were to be re-offered on the market relatively soon, the price realized would probably be less. It is hard to duplicate the intense floor and internet bidding that occurred during the original sale. Most collectors probably realize this and did not purchase the coins for quick resale. The sale of the fabulous Eliasberg collection in the 1990's contained many great coins of similar quality to those in the Newman collection. At the time, the prices realized seemed quite high. Today, many of the great coins from the Eliasberg collection break new price records when offered. The prices are often many times the original selling price from the 1990's.

Another factor to consider when analyzing the results of the Newman auction is the impact on coin prices in general. These record levels have a clear impact on the price of similar quality coins. Not all superb Seated Quarters in Proof have a chance to sell for over \$100,000, but the prices realized in the Newman sale does rise all boats for owners of great coins.



R. Tettenhorst & Eric P. Newman

Collectors and dealers will forever be comparing prices of superb coins with those that were sold in the Newman sale. The extremely successful sale of the Eric Newman collection was without a doubt a clear positive for the numismatic market.

Sometime this week Heritage will be offering the World Coins from the Eric Newman collection. It will be interesting to see if these coins sell for similarly fabulous prices. My suspicion is that the World Coin market is about to have a big boost!