



**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 selling by private treaty. **Our next meeting will be held on Monday, January 20, 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.

## **SELLING BY PRIVATE TREATY**

**By Jeff Garrett**

My last article discussed strategies to be a successful consignor to rare coin auctions. Auctions have become a much larger share of the rare coin market in recent years, but they are definitely not the only way to sell coins. For



generations rare coin dealers around the United States and the world have bought and sold untold numbers of coins. There are several reasons many choose this route as opposed to auction. Some collectors also choose to deal with fellow collectors they have developed relationships with over the years. Whichever route a dealer or collector chooses to sell their rare coins, some simple advice that follows may

be useful.

One of the greatest benefits of a private sale for rare coins or currency is the certainty of the price you will receive. Selling your numismatic material at auction can be quite successful, but this is not guaranteed. Many do not have the stomach to consign material unreserved and have no interest in repurchasing the coins that do not meet reserves. Selling by private treaty gives the seller a chance to determine by negotiation the final amount received. It also helps to avoid breaking a set of coins and ending up with just a few of the coins that did not meet reserves. Many collectors also like to sell coins in phases, and not all at once, which might be the recommended course of action if selling at auction (to receive the lowest commission rate). I have known many collectors over the years that enjoy selling a coin now and then just to have a better understanding of the market.

Many serious collectors of rare coins have worked with a rare coin dealer to assemble their collection. This is highly advisable for many, as the decades of experience that some dealers have is invaluable. The same advice can be used



when deciding to sell your coins. A reputable dealer will help you sell your coins for the most money. This might mean placing some coins with another serious collector, selling off quality coins wholesale and maybe even advising on what coins should

be consigned to auction. Every collection is different and expert advice is well worth the commission a dealer might charge.

Another major benefit to selling your coins privately is instant cash flow. Selling rare coins at auction can take months, and for many, the reason for selling in the first place is the need for cash. Auction houses will give cash advances, but most charge interest and a set-up fee. Also, the market for your rare coins could change while waiting to be sold. Many collectors and dealers have not seen a down market for many years. I have been buying and selling coins for nearly forty years, and I promise markets do not always go straight up. This can be especially important as the market for top end coins have soared recently.

As mentioned last month, not all coins are ideal for selling at auction. A trusted advisor can help you cull your collection before it is consigned to an auction. Coins with less than ideal market appeal can be sold wholesale. Very common coins such as generic gold coins, silver dollars, and proof sets trade almost like commodities. They can be sold for a much smaller commission rate than most auctions houses would charge. There are dealers around the country who specialize in these areas and will make close buy sell spreads. Again, with bullion prices fluctuating, selling by private treaty will help to avoid an unpleasant swing in the market.

Another reason to use the services of a rare coin specialist is that many markets for rare coins and currency can be rather thin. This applies to everything from ultra high grade coins to tokens and medals. A dealer might know just the right customer for your coin or currency. If there is only one serious buyer in the country for a particular issue, they will face little competition if the item was consigned to auction. Plus, many buyers get very excited when they have an exclusive opportunity to purchase something. I have literally seen fist fights break out on



the bourse floor over first shot at something. This excitement can be used to a seller's advantage if played correctly. Again, expert advice is necessary!

The rare coin auction business is very competitive and so is the rare coin market in general. If you have rare coins to sell, there are hundreds of rare coins dealers willing to buy your merchandise. Every coin and currency publication has ads from companies trying to buy material. Fresh merchandise is the life blood for any numismatic professional. Most dealers are very willing to make offers for coins or collections. If you have not worked with a dealer exclusively in the past, it will pay to get multiple offers for your material. First, try to find dealers who specialize in the area that you collect. Another great idea is to offer a single coin to different dealers and find out their level of interest. You will be able to figure out pretty quickly who you like dealing with and who pays the most money. This will also save the time and hassle of having someone spend considerable energy on a collection they do not buy.

If you have a collection to sell in the near future, hopefully the information provided in my last two articles will help you with this important decision.