

❖ CCCC Journal ❖

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December 2009

We normally meet at the El Segundo Library on Mariposa Avenue, West of Sepulveda, South of LAX. Next meeting: Thurs., December 10th, 6:30PM

>>>—> **IT'S OFFICIAL** <—<<<<



Effective January 2010 the Culver City Coin Club is merging with and changing its name to the
Bay Cities Coin Club

November 18, 2009 7:30 PM PT

El Segundo, CA Nov. 18 -

The members of the Culver City Coin Club voted unanimously tonight to merge with and change its name to the Bay Cities Coin Club. Garn Anderson, the President, explained that the sole remaining member and Officer of the currently defunct Bay Cities Coin Club, Phil Iversen, offered to merge with our club. The only stipulation was that the club change its name.

As the club has been meeting in El Segundo (a South Bay City) for the last five and a half years, the name is more fitting than Culver City. Therefore, the name change will be a plus for the club.

Two committees were formed to investigate the positives and negatives of the proposed merger prior to the vote. One committee performed the due diligence of checking for any legal issues pertaining to the Bay Cities Coin Club—none were found. The other committee determined that the merger would: 1) be beneficial with the name change 2) give us complete legal status as far as being a non-profit organization with the IRS and the Franchise Tax Board 3) allow us to obtain liability insurance so we could hold coin shows and other numismatic events.

The Basics of Money

By Peter Viliamu

What is Money?

The answer to the question is simple. Money is anything widely used for paying debts owed by a person to someone else and also for receiving the payments of debts owing to a person from someone else. A country produces coins and banknotes, for the payment of bills and for the receipt of money owing.

Money is what is known as a "medium of exchange".

In the "old days" people traded the goods and services they owned (and probably produced) for goods and services owned by others (probably produced by them). The scenario went something like this - "you give me two sacks of your potatoes and I will trade you ten of my fish".

This method of trading was fine for a while. As society developed, business became more cumbersome and inefficient with this method of trade. Business dealings became stilted and slow and lagged behind the new pace of commerce. There had to be a better way. Someone then came up with the idea of a common "medium of exchange" easier to carry around and better to use.

Money was born.

It wasn't that simple, because while all sorts of things were used as a medium of exchange, these were all basically called "money" and it wasn't until coins and paper notes were developed that money as we know it today became the standard accepted as a medium of exchange.

Forms of Money

There are various forms of money - cheques, IOU's, credit cards, bank drafts or gold. Gold was the standard used in the past because of its scarcity and its qualities. Gold is resistant to corrosion or damage. These unique properties, and the scarcity of gold means that even today, wealthy people around the world would rather keep their wealth in gold holdings than in the currencies of countries which are subject to inflation.

In fact, all sorts of things have been used as money throughout the ages. Some include: beads, eggs, salt, pigs, leather, yarn, axes, ivory and jade. Today we have another form of money, which cannot be touched, and yet it is as real as the tangible coins we are able to touch. This form of money is electronic money.

The Name "Money"

The word money comes from the Roman goddess-Moneta. Apparently coins were minted in her temples and issued to the Roman world. The Latin word "Moneta", (meaning mint or coins) came from the old English word "mynet" (meaning coins or money) & from this came the English word "mint".

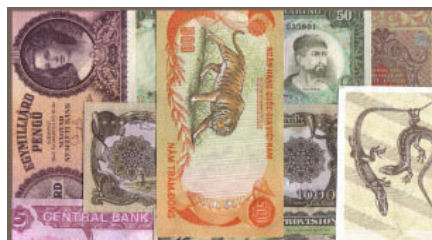
Origins of Money

To understand the origins of money we have to go back to a time well before money came on the scene. Money did not suddenly appear - it was introduced gradually in response to the requirements of human needs. As civilization grew and expanded beyond local societies, the need to exchange the products provided by various groups became evident. The hunter needed to exchange with the farmer, the shepherd needed to exchange with the medicine man etc.

The medium of exchange that was necessary to enable the various groups to barter and swap their products was money. It was originally a physical substance like gold or silver. Sometimes it was a substance that was alive such as cattle, which was one of the oldest forms of money.

Today, although much of the money used by individuals in their everyday life is still in the form of notes and coins, its quantity is relatively small compared to the intangible types of money existing as entries in bank records.

Today money exists in the form of digital cash and such things as coins and bank notes will soon become obsolete. When this happens, the change in the nature of money will have a significant effect on our society.



Refining and Assaying of Precious Metals

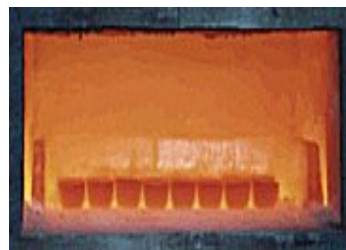


The separating and purifying of precious metals from other metals is called refining.

Smelting is the separation of precious metal from non-metallic impurities.

Modern assay laboratories guarantee that all precious metals are tested using the most suitable methods of evaluation. Gold, silver, platinum, palladium and rhodium are assayed (determination of precious metal purity) in various ways to accurately and precisely evaluate each metal's percentage of purity.

The method known as "fire assay" is the oldest known method of assaying gold and continues to be one of the most accurate. When gold is melted, a sample of the gold is taken, either by drilling through the poured bar or by capillary tube sampling while the gold is in a molten state. The sample is weighed very precisely and the amount recorded. The sample is wrapped in assay lead foil along with a quantity of pure silver. This wrapped ball is placed in the furnace in a cupel (a special kind of disposable crucible). All the non-precious metals are absorbed by the hot cupel.



The precious metal forms a button within the cupel. The cupel is removed from the furnace and the button is brushed to remove any remaining bits of the cupel. It is hammered flat, rolled thin and then heated in a porcelain crucible containing a weak nitric acid solution. The acid removes the silver, which is poured off and the silver recovered from solution. The gold is then rinsed in distilled water to remove any residual acid and then dried. The sample of gold is now at least 99.999% pure! The sample is then weighed again. The original weight of the impure sample is divided into the weight of the now pure sample. The result is the assay. In the analysis of platinum group metals, roughly the same procedure is followed, but the final element readings are normally done using ICP.

ICP-OES Inductively coupled plasma optical emissions spectroscopy is a major technique for elemental analysis. The sample to be analyzed, if solid, is normally first dissolved and then mixed with water before being fed into the plasma. Atoms in the plasma emit light (photons) with characteristic wavelengths for each element. This light is recorded by one or more optical spectrometers and when calibrated against standards the technique provides a quantitative analysis of the original sample. ICP instruments comprise of various optical spectrometers, nebulizers, spray chambers, ICP torch and RF generators.

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Refining and Assaying of Precious Metals

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X-Ray fluorescence (XRF) spectrometry is a non-destructive analytical technique used to identify and determine the concentrations of elements present in solid, powdered and liquid samples. The spectrometer measures the individual component wavelengths of the fluorescent emission produced by a sample when irradiated with X-rays.

Trained staff can accurately determine the purity of most precious metals either by electronic means or by basic scratch and touch stone testing with acid, which compare scratch marks from unknown karat gold items with known karat gold needle marks. The touch stone is a smooth fine grained, slightly abrasive black stone, usually quartz or jasper. It was used as the first method of assaying gold and was used at least as early as 500 BC. Touch stones and karat needles are still used today and can be purchased from jewelry supply houses. They obviously are not anywhere near the accuracy of a fire assay, but still serve as a valuable tool to test the karat value of unknown gold items.

Touchstone set used in the 19th century for testing the fineness of gold. Individuals can test their own gold and silver items with a few basic tools and acid. Nitric acid can be obtained from most jewelry supply houses and used to determine whether an item is gold or gold-plated on steel or copper. A good strong magnet, available at any hardware store, is useful to test whether the item is just gold-plated over steel. Gold is not magnetic. Gold-filled items are not magnetic, because the gold is usually over copper. Gold-filled items can be tested by filing a deep notch in the surface and putting a drop of nitric acid over the filed notch. If it starts to bubble green color, it is the copper reacting to the acid and it is gold-filled. When nitric acid is applied to 10 KT. gold, it will turn a red-dish brown in color. 14 KT. will not change color and the acid will just look like a drop of water on it. From 18 KT. to 24 KT will stay bright on a touch stone, but is hard to tell any difference between the karat value.

There are numerous electronic testers on the market that will tell the karat value of gold items and some that can test for platinum. Electronic testers are not nearly as accurate as an actual fire assay, but can serve as a tool to get a basic idea of what an unknown piece of metal is, or is not. Electronic gold testers are available through jewelry supply companies. You can also determine whether a silver colored piece of flatware or jewelry is sterling silver or silver plated over base metal or copper by filing a deep notch in it and applying acid in the notch. If the item is sterling silver it will turn an ashy light gray in color, but if it starts to bubble green at the notch, it is silver plated over copper or other base metal.



Typical ICP Torch



Touchstone set used in the 19th century for testing the fineness of gold



Pouring a bar (ingot)

Club News From November

The November meeting was called to order at 6:42 PM with 28 people present, including 2 old guests. The Pledge of Allegiance was led by Art Winter. John Rosselot won the membership drawing of \$3, which he took in tickets. The minutes for October were approved with one correction, followed by the Treasurer's report.

ANNOUNCEMENTS

Scott & Tyler G.—Stated that they really enjoyed the CD's that they viewed from our coin club's library.

Richard N.—Thought the video he watched was excellent also.

Rob P.—Checked one out but hasn't viewed it yet.

Jack vB.—Announced his wife's retirement from American Honda after 41 1/2 years of service.

Garn A.—Launched a discussion about determining the restaurant for our annual dinner meeting. After the discussion and a vote it was decided to hold our annual dinner meeting at Dinah's Family Restaurant near Fox Hills, north of LAX. (map & directions will be in the January Journal)

Bill C.—Announced that there will be a Professional version of the 2010 Red Book—it will contain extra information in it that pertains to coin collectors, but it will cost more than the regular edition.

Garn A.—Spoke about our upcoming election of Officers for 2010. He proposed that we add an additional office of Second Vice-President for Phil Iversen. The investigation into issues with the Franchise Tax Board, IRS or other legal matters regarding The Bay Cities Coin Club has been ongoing during the last month.

Art W.—Had a friend check into legal issues about the Bay Cities Coin Club and could not find any.

Garn A.—Held a vote on our merging into the Bay Cities Coin Club. The vote was positive and we will become the Bay Cities Coin Club effective January 1, 2010.

Garn A.—Opened up nominations for 2010 club officers. As no one nominated anyone for any office, it was decided that the current officers would be nominated for the election with the addition of the new position of Second Vice-President for Phil Iversen.

Jack vB.—Made a motion to bestow Honorary Life Membership upon Steve Demmer for his many services to our club. A vote was taken and passed. Congratulations Steve!

Garn A.—Explained the program for our December meeting. That we play COINO (BINGO) and vote for our 2010 club officers. Everyone is supposed to bring in two coins to put on the small Christmas tree that the winner of COINO blackout wins, coins and all.

George G.—Volunteered to purchase the tree and bring it to the December meeting.

Steve D.—Coin Show announcements—Santa Clara—11/19-22 and Pasadena—11/27-29.

Steve D.—Attended the Ellen Degeneres TV show and was given free tickets to "The Twelve Days of Christmas.

SHOW AND TELL

Jack vB.—Complete set of Hawaiian coins—purchased last of the set, the cent, for \$380 on eBay.

Bill C.—Type set of cents that he purchased on eBay in a plastic holder. One of the coins has some mint damage.

Steve D.—While in Florida recently he went to some garage sales where he purchased some Tiffany bracelets dated 1837 and a 2009-S proof set that had a dime error coin with a chunk out of it.

Garn A.—Two pieces of eight. One he purchased at the Long Beach Show and the other from John Sherman. They are dated 1735 & 1760 and were produced at the Mexico City mint. He also had an article about Chinese counterfeit coins.

November Club News-Continued

MEMBER SPOTLIGHT—Steve Radell

Steve collects many things, but started out with coins at eight years of age while on an eight-week vacation across the US that included the Philadelphia mint. He purchased a coin magazine that listed the top 10 coins. He made a trade for an Indian Head cent and another trade for a 1/2 Rand.

While living in upstate New York he met someone from Canada and became interested in Canadian coins. He purchased a Canadian centennial penny and a quarter.

His father collected coins and accumulated 85-90% of the pennies, nickels and dime folders that he had. Steve was given the folders and managed to complete all of the sets.

After that his collection sat for a long time as he moved on to collect stamps. Then he got interested in foreign coins. He brought a book of Canadian coins and another of British coins and some paper money to the meeting to show. He collected the British coins while in the Air Force stationed in England.

He mentioned that you can purchase coins in Britain reasonably that are much older than you can purchase US coins. One of his favorites is a 1790 proof penny that he bought for \$225.

He likes coins from the Bahamas (they gained their independence from the U.K. in 1967)

He enjoys collecting moderately priced pieces.

He recently purchased 20,000 stamps and likes Tibetan silver coins.

BREAK TIME

Garn Anderson brought the refreshments—German chocolate, carrot & coconut cakes, lots of Christmas cookies, healthy chips and sodas. Jack vB. added a loaf of home-made banana bread. It was quite a spread—thanks go out to Garn and Jack.

COIN AUCTION

We had many lots from six groups! A few items were auctioned off with expensive bidding.

COIN RAFFLE

- | | |
|---|-------------------------------------|
| 1.) 100 Trillion \$ note-Gordon W.
(donated by Jack vB.) | 8.) 1946-D—Jefferson 5c-Clint McG. |
| 2.) 1964-D—Roosevelt 10c-Gordon W.
(donated by Jack vB.) | 9.) 1942-D—Mercury 10c-Gordon W. |
| 3.) 1955-S—Roll of 1c-John R. | 10.) 1947-D—Roosevelt 10c-John R. |
| 4.) 1883-P—Indian Head 1c-Jack dB. | 11.) 1917-P—St Lib. 25c-Gordon W. |
| 5.) 1952-D—Lincoln 1c-Rob P. | 12.) 1953-D—Wash. 25c-John R. |
| 6.) 1911-P—Liberty 5c-George G. | 13.) 1943-P—Walker 50c-Art W. |
| 7.) 1936-P—Buffalo 5c-Gordon W. | 14.) 1949-P—Franklin 50c-Rob P. |
| | 15.) 10c Fractional note—Bernie M. |
| | 16.) 10c Fractional note—Richard L. |

Meeting adjourned at 8:50 PM.

President's Message
DECEMBER 2009

Happy Holidays, everyone! I hope you all had a wonderful Thanksgiving with your families and friends. I flew to Dallas and enjoyed a relaxing and fun time with friends who live in Denton, Texas. Several times while driving around the area we drove passed signs to Lewisville, Texas, which is where one of our members, Clint McGregor, is from. It would have been nice to connect with Clint while there but unfortunately, my friends had other plans made.

Probably most enjoyable was that my older brother, whom I have not seen in about seven years, was able to drive to Denton from Lubbock (about a 5-hour drive) on Thanksgiving morning to join us. My friends were very nice to invite him to join us for dinner and to offer their spare bedroom for the night. We had a great visit and got caught up on events in our lives. This is what holidays are for...cementing relationships with family and friends. I had a tremendous time.

My return flight got me home at about 10:00 a.m. Sunday morning. With the early return, there was time to attend the coin & stamp show at the Pasadena Hilton. So, I called John Sherman and we decided to go. There was no charge to attend the show and there was plenty of free parking on the surrounding streets. I would have thought the show would be quite busy. When we walked in, I was astonished at how small the room was and how few patrons were walking the floor. There were six booths for coins, each booth shared by a couple of dealers, and there were three booths for stamps. There were maybe 15 patrons walking the floor. We pretty much covered the entire show and did our business in about 45 minutes. Actually, not much business was done as prices were high and the dealers were not in much of a negotiating mood. I did buy one commemorative WWII dollar to give as a Christmas gift to a friend. But for the most part, we were not able to do much business so we did not linger.

Since our last meeting, I have spoken with Phil Iversen about our merger with the Bay Cities Coin Club. He is beginning the process of filing paperwork with the IRS and the California Secretary of State to reinstate their exempt status. So hopefully, that will be done in time for our annual dinner in January to officially complete the merger at the beginning of the year.

As a reminder, our December meeting will not have an auction and a raffle as we normally do. Our Holiday meeting always has COINO (Bingo) with coin prizes for each game won. The final game is Blackout (covering all squares on the card) where the winner gets a Christmas tree covered in coins that each member brings and hangs on the tree. So please remember to bring a couple of coins to hang on the tree. I look forward to seeing you all there. Until then...

Collect Early and Often

GARY

Coin Trivia

—According to the Mint the life span of a brass or bronze cent is 25 years.

—The first million dollar sale of a single private coin collection was that of George F. Scanlon auctioned by Stack's on Oct. 24-27, 1973—bringing \$1,093,890. He had only collected for 10 years.

—The 1915 Pan-Pacific half dollar was the first commemorative coin to have the "IN GOD WE TRUST" motto.

—The 1792 cent pattern with silver center plug was the first U.S. cent to bring more than \$100,000—bringing \$105,000 at auction on Sept. 20, 1974.

(Continued in Column 3)

REFRESHMENTS

December—Bernie, Art & Rob

January—N/A

MEMBER SPOTLIGHT

December—N/A

January—N/A

COIN SHOWS

Dec 17-19 Ontario

Ontario Convention Center,
2000 East Convention Center
Way Hrs: Thurs. 2PM-7PM, Fri.
10AM-7PM, Sat. 10AM-5PM FRE

Jan 2-3 San Bernardino

Damus Bldg., National Orange
Show Fairgrounds, Mill Street &
Arrowhead Ave., Free parking
Hrs: Sat. 10AM-5PM, Sun.
10AM-4PM FRE

Coin Trivia

(Continued from Column 1)

—That the 1900 Lafayette commemorative silver dollar was the first U.S. coin to bear the portrait of an American, and the first to bear the portrait of a President of the United States. Washington and Lafayette both appeared on the coin.

—That the building housing the first United States Mint was built on Seventh Street in Philadelphia. The cornerstone was laid on July 31, 1792. The power for the mint was provided by two oxen, and it was guarded by a dog called Nero. The United States has continuously operated a mint in Philadelphia since that time.

Any items of interest for this newsletter can be mailed or emailed to:

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The Culver City Coin Club normally meets on the second Thursday of every month in the El Segundo Library on Mariposa Avenue, West of Sepulveda, South of LAX. Next meeting Thursday, December 10th @ 6:30 PM

Take the 105 Freeway West to the end, go about a mile or so to Main Street, turn left, the Library will be on your right after a right turn on Mariposa.

We will be in the Meeting Room downstairs.



2009 OFFICERS

President
Garn Anderson

Vice President
Richard Navarro

Secretary/Editor
Jack von Bloeker III

Treasurer
George Gill

