



Postmark Atlanta
Atlanta Stamp Collector's Club



#0357-031583

February 2019 Newsletter

The Southeast Stamp Expo just finished and it was great to see such generous participation by our club members volunteering where needed. I hope many of you had a chance to connect with old friends and meet new ones. Congratulations to Scott Holmberg for his Large Silver award on his exhibit, *Across the Pacific "Via Frisco" – Steamship Mail from New Zealand to the United States*.

2019 membership renewal form is enclosed. Membership renewal is important. Filling in your collecting interest gives us a chance to update the list we will distribute to all members in March.

UPCOMING EVENTS

February 1 – 3 Sarasota National Stamp Exhibition. Sarasota Municipal Auditorium, 801 N Tamiami Tr, Sarasota, FL www.sarasotastampclub.com/show.html

February 2 Stamp Trading at home of Don Laberteaux, 5008 Brandlwood Ct., Lilburn, GA from 9 – 11 a.m. Coffee, talking and stamps. Call Don at 770-381-7114 for details.

February 5 Regular Atlanta Stamp Collectors Club meeting and auction. Meeting at Atlanta Library branch at 980 Ponce de Leon. This is the corner of Ponce de Leon and Frederica and there is a Marta bus stop at that corner. Meeting starts at 7:00.

February 9 – 10 Myrtle Beach Stamp & Postcard Show. Waccamaw Shoppes At Fantasy Harbor 2999 Waccamaw Blvd, Myrtle Beach. Sponsored by Myrtle Beach Stamp Club <https://sites.google.com/site/myrtlebeachstampclub/>

February 15-17 AmeriStamp Expo / ARIPEX. Mesa Convention Center 263 N Center St. Building C Mesa, AZ. www.stamps.org/AmeriStampExpo-ASE

February 19 Regular Atlanta Stamp Collectors Club meeting and program. Mike Simic will present on Yugoslavia.

March 2 – 3 KNOXPEX 2019. Holiday Inn Knoxville West 9134 Executive Park Dr. Knoxville, TN Hrs Sat 10am-5pm Sun 10am-3pm Knoxville Philatelic Society
www.knoxstamps.com

March 15-16 GULFPEX 2019. Gulf Coast Stamp Club. St. Martin Community Center, 15004 LeMoyne Blvd. Biloxie, MS . www.Gulfcoaststampclub.org

May 4 GwinnPex Spring 2019. Mountain Park UMC Fellowship Hall, Stone Mountain.

Encased Postage Stamps - Solving a Coin Shortage During the U.S. Civil War

By Steve Swain

Of the many shortages of goods and services in the early years of the U.S. Civil War, none was more interesting than the shortage of coins and the enterprising and creative solutions to remedy that shortage using postage stamps. At the time, paper money was not backed by gold or silver and, therefore, it was only a very tenuous faith in the Government that gave people any assurance that paper money had true value. Most people didn't want to embrace that faith. Combine that feeling with the uncertainty associated with the ultimate outcome of the civil war and, hence, the hoarding of common gold, silver and copper coinage, the time-tested, universally accepted exchange medium.

But people still needed to purchase a 3¢ loaf of bread, a 1¢ newspaper, a 5¢ quart of milk and countless other goods that required coins. And vendors had to make change when an item's price was less than a nickel, a dime or a quarter. How was this to be done?

All of this radically changed on July 17, 1862, when Congress decided to address the coinage shortage and passed a law that allowed postage stamps to satisfy debts of less than \$5, but only debts to the government. As probably the first case of an "urban myth", the public grossly misinterpreted this to mean that postage stamps could be universally used in lieu of coins for any type of debt or purchase. Through various newspaper announcements and other mediums, the government attempted to educate the populace as to their misunderstanding, but to no avail.

People began to carry stamps in their purses and pockets and used them repeatedly for daily purchases. Vendors gladly accepted the stamps as payment. But all of this hand-to-hand usage quickly resulted in damaged stamps with denominations sometimes unrecognizable. The local post offices would not exchange damaged stamps for new ones, so a remedy was needed.

On August 12, 1862, John Gault, a New York entrepreneur, decided he had the best solution when he obtained a patent for a "postage stamp case", or as he named the item in a newspaper advertisement, the "New Metallic Currency."



Machines used to make buttons were the fundamental component in Gault's idea. Starting with a round piece of brass (about the size of a quarter) as the backing, and then layering on a piece of cardboard, a stamp, a piece of mica (as a clear covering for the stamp) and finally another piece of brass with a hole in it, the button machine would press all of the pieces together to create the encased stamp. The final step in the process was for the machine to bend over the edges of the frame to keep all of the pieces inside the case.

Gault didn't sell the encased stamps to the public. Instead, he sold them to stores and businesses that needed "coinage" to make change for customers' purchases. Gault's profit came from the 20% markup over the face value of the stamp.

To increase his potential profit, Gault's second idea was to inscribe advertising on the back of the encased stamp. He would charge companies who purchased the metallic currency an additional 2¢ for each item. In time, 31 merchants signed up with Gault including Joseph L. Bates (fancy goods), Drake's Plantation Bitters (a "medicine" mainly consisting of rum), the Tremont House, North America Life Insurance and Aerated Bread.

Gault's largest client was J.C. Ayer, a manufacturer of "medicines" and medical remedies. Ayer was well versed in the advantages of keeping a product's name in front of the public as he had done with newspaper advertising and almanacs. So, many of the existing encased stamps today are the Ayer varieties since so many were produced.

Encased stamps were widely accepted in the general commerce realm until later in 1862 when the government issued "fractional currency", i.e., bills with values of less than one dollar. This legitimate, government sanctioned currency quickly eliminated the coin shortage. Having no other value than the stamp, people tore apart the encasements of their metallic currency to remove the stamp to use as postage. Thus, the scarcity of the 1862 encased stamps today.

* * * * *

Atlanta Stamp Collector's Club Membership

Our meetings are held at the Atlanta Library at 980 Ponce de Leon at 7:00 on the first and third Tuesday of every month. Membership includes our monthly newsletter with upcoming stamp collecting events in the area. The First Tuesday meeting includes a stamp auction. The Third Tuesday meeting will have a featured speaker or presentation on a stamp collecting related topic.

Annual Dues of \$12.00 entitles you to our monthly newsletter and participation in all club events. You can pay your \$12 dues to our Treasurer, Barbara Asher at the next meeting or mail to her at: Barbara Asher, 1633 Adelia Pl, Atlanta, GA 30329.

Name: _____

Mailing Address for Newsletter:

Email: _____ Phone _____

Are you a member of American Philatelic Society? _____

Are you a member of American Topical Association? _____

Stamp Collecting Interest _____

We want to have a list of members with their interests so that those who bring material to the auction know what other members are interested in.

If you would like the newsletter in email form rather than snail mail, let me know. The newsletter is usually a PDF file and easily emailed.

Our Southeast Federation of Stamp Clubs includes our club's page. The main site is www.sefsc.org. Our club's page is at www.sefsc.org/atlanta-stamp-collectors-club.html. But be sure to check out all the other information on the site. We will be posting our club newsletter there as well as any handouts from meeting presentations.

If you are interested in writing for our newsletter or presenting to our club at one of our monthly meetings, please contact me at the email below or Scott Holmberg at sdholmberg1@gmail.com with your ideas.

LeA Coe, Secretary

leacoe@bellsouth.net