

SCRIPOPHILLY

JUNE 2008



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The journal of the
INTERNATIONAL BOND & SHARE SOCIETY

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SCRIPOPHILY

2008/1

ANNUAL GENERAL MEETING 2008

The IBSS AGM was held in London on April 2 2008. The members present approved the Report of the 2007 AGM and the accounts for 2007 (these are shown on page 34).

The members nominated for the Committee were elected. It was noted that **Peter Duppa-Miller's** responsibility is for Media Enquiries not Media Relations. The appointment of Nico Vermeiren as independent examiner for a further year was also approved. Copies of the independent examiner's report on the 2007 accounts are available on request to the Secretary. The resolution setting out the proposed rule change on the cost of the membership subscription for new members joining in the second half of the year was also approved.

Reporting on the 2007 accounts, **Martyn Probyn**, the Treasurer, noted that the loss shown in the accounts of £2,811 was overstated due to an over-accrual of some £1,600 on postage costs. This over accrual will be credited to the 2008 accounts. It was noted that the Society remains financially robust with net assets of £29,818 despite the losses incurred in each of the last three financial years. In response to a member's question about the desirability of such a high level of net assets it was pointed out that the Society is spending some of its net assets on a new website and that from June 2008 *Scripophily* will be printed in colour.

The Membership Secretary, **Philip Atkinson**, reported that membership of the Society currently totalled 684 although as of the date of the AGM membership subscription renewals remained outstanding from some 130 members. In the Publications Report it was noted that two issues of *Scripophily* had been published in 2007 together with a *Directory of Members*. This pattern of publications will be repeated in 2008 although as noted above *Scripophily* will be colour printed.

The Auctioneer, **Bruce Castlo**, reported that there had been three Society auctions in 2007 which had realised £10,205 on the hammer price. The most recent auction in February 2008 had realised £3,442 with 65 members participating. A shortage of auction material is now threatening to curtail the number of auctions.

The Chairman, **Mario Boone**, noted that this was his second annual report as Chairman. In 2006 the Society had resumed its regular publications and found new volunteers. In 2007 the Society's USA Chapter had seen **Max Hensley** becoming President on the retirement of **Richard Gregg**. Richard's enormous contribution to the USA Chapter from 1995 to 2007 had been recognised with an award presented to him at the IBSS meeting in Virginia in January 2008. The past year had also seen the increasing globalisation of the Society and the Committee, with **Piotr Bykowski** joining the Committee as Webmaster. This increasingly globalised and changing Committee will present communication challenges which may require some extra costs to be incurred in bringing all the Committee together in one place on an annual basis.

The Chairman paid tribute to the enormous contribution made to the Society by **Brian Mills** as Editor of *Scripophily* since 1998 and in his other Committee roles from 1979 to 1987 and as Chairman from 1992 to 2000. All present at the AGM hoped that Brian would continue to be associated with *Scripophily* even though he would be stepping down as Chief Editor. Looking ahead, the Chairman was optimistic that *Scripophily* might in the not too far distant future be made available online and in print, with members opting for the type of delivery that suited them best. In conclusion the Chairman noted that scripophily is still growing especially in East Europe and Asia and that the Society needs to capture some of that growth in its membership.

Philip Atkinson, Secretary
April 23 2008

IBSS MEETINGS

The Committee aims to sponsor/ organize/ participate in at least three live events each year, spread across the three main areas of our membership – UK, USA and mainland Europe. So far this year meetings have been held in London, Antwerp and Washington DC, a nice mix of hospitality, nostalgia, dealing and research and friendly refreshment.

WASHINGTON IN JANUARY

The USA Chapter met on the morning of January 26 during the Northern Virginia Stock and Bond Show near Washington DC. The meeting at the Show hotel was well attended by more than 60 dealers and collectors who welcomed the opportunity to meet informally, partake of a free hearty breakfast and participate in the free raffle. **Scott Winslow** and **Larry Schuffman** generously donated raffle prizes, and as usual the Chapter donated \$100 cash first prize. Larry also donated a Liberty Loan button to all attendees.



Chapter President **Max Hensley** presented a Special Award to past President **Richard Gregg** (right) – distinguished scripophilist, collector, researcher, author – for his long and enthusiastic service to the hobby and the Society, 1995-2007, described in *Scripophily*, June 2007.

(photo: Bob Schell)

The keynote speaker was our member **Dave Baeckelandt** who gave an excellent presentation about the financial history of the Chicago area. He has a collection of over 600 Chicago-related stock certificates. Dave spoke about the many financial firsts of Chicago. The Chicago Stock Exchange was founded in the 1840s. At one point, there was even talk about moving the New York Stock Exchange to Chicago. Chicago was the home of options trading, where the Chicago Options Exchange was founded in 1973, the first options exchange in the world. Other significant exchanges are the National Stock Exchange, which was the first online exchange, the Chicago Mercantile Exchange, the largest futures exchange in the US with the first foreign currency and financial futures trading, and the Chicago Climate Exchange founded in 2003. The presentation also covered the Chicago real estate booms and busts, the history of investment banking and underwriting in Chicago, and Samuel Insull's utility empire. The President expressed the members' gratitude to Dave for taking time out from his busy schedule to share his scripophily interests. The next Washington breakfast meeting will be on January 31, 2009.

ANTWERP IN MARCH

Some 50 collectors from nine countries (Belgium, France, Germany, Great Britain, Netherlands, Poland, Russia, Switzerland and the USA) got up early on Sunday morning March 30 to join the 8-10 am IBSS breakfast meeting in the Antwerp Crowne Plaza Hotel. A Belgian member won the free-entry draw prize of €100. Introduced by the IBSS chairman, our member **Daniel Stevens** gave a fascinating lecture on the importance of West European companies in Tsarist Russia. As a long-time collector of Russian scripophily and vice-president of the Belgian Chamber of Commerce for Russia and Belarus, Daniel was surely the perfect speaker for a perfectly organized meeting. The next Antwerp IBSS breakfast will take place on March 22, 2009.

LONDON IN APRIL

An IBSS reception was held in London on April 2, the evening before the largest London scripophily auction for many years, and sponsored by Spink to mark its re-entry into scripophily and its acquisition of R M Smythe & Co in the US and Collectors Gallery in the UK. Society chairman Mario Boone and Spink chairman Olivier Stocker welcomed a large number of old and new scripophilists to a well-fed and well-watered mix of nostalgia and pre-sale viewing.

1978 - 2008

This October will see the 30th anniversary of the Society's first meeting. This took place in the National Liberal Club in London on October 7 1978. It was at first called **The Club for Collectors of Bonds and Old Share Certificates**. Other names put to a vote were The Busted Bonds Club and The Scripophilist's Club. Both these were rejected – members thought 'scripophily', coined in 1978, was too new-fangled a word. The name chosen at the beginning of 1979 was The Bond & Share Society, and International was added in 1990. Present at the first meeting were more than 50 scripophilists from 5 countries. Within three months the Society had 180 members from 7 countries, many of whom are still members and looking forward to the next 30 years of our fascinating hobby.

GUY CIFRÉ

On January 9 Guy Cifré lost his battle against illness, aged 62. He was one of the early IBSS members, joining in 1980. From the early 1980s, he was the leading French scripophily dealer, as well as dealing in coins, paper money and bullion. His shop, Numistoria, was located very close to the Paris Bourse, giving him excellent buying and selling opportunities.

Guy helped make scripophily known in France by publishing three reference catalogues about French and French colonial bonds and shares. Mainly in the 1980s and early 1990s, he organized a number of public auctions in Paris. He was also one of the best known dealers on the internet, having established one of the first large scripophily webshops, www.numistoria.com, which currently offers more than 9,000 pieces. The business is continuing, managed by Guy's widow Françoise.

It is sad to lose a keen supporter of our hobby at a comparatively early age, and we offer our sympathy to his family.

OUR 30th BIRTHDAY

To celebrate our 30th birthday we have gone into full colour and we can now properly display –

... the earliest known full colour vignette

painted by hand on the 1805 shares of the **King Gustaf IV Adolph Coalmine** in Sweden



... wonderful modern colour printing

on the shares of **Cologne Zoo** in 2002



... a fine early example of full-colour printing

Eleven colours were integrated into the design of the 1884 shares of the Portuguese **Fabrica de Faianças das Caldas da Rainha**, so each certificate had to be printed manually from several plates.



Images: Gutowski, HWPB, Cvs Boone

FHW ANNUAL REPORT

AG für Historische Wertpapiere – parent of FHW, HSK and Benecke und Rehse – is the world's only publicly listed specialist scripophily company. It is the largest scripophily dealer and auctioneer in Germany and probably in the world.

The Group's published accounts for 2007 show total turnover of €1,418,000, somewhat less than the previous year (€1,498,000). Retail sales fell 9% to €1,091,000 but gross margins rose fractionally to 56% and the revenues from auction commissions increased from €376,000 to €405,000. The overall net profit rose to €142,000 (2006, €119,000), the highest for at least seven years.

The assets at the end of 2007 included €3,495,041 of inventory (bonds and shares, valued at cost), down €80,000 compared with 2006. Debt was brought down from €1,345,000 in 2006 to €858,000. The company has 700,000 shares, recently quoted around €5.30, so the market capitalisation is €3,710,000, which is coincidentally very much in line with the inventory figure.

PIGS DO FLY SOMETIMES

Pinky and Perky were puppets in a UK TV show which some will remember from the 1960s (the Beatles and all that). A new company is about to revive them in cartoon form and they will hit TV screens later this year. **Martyn Probyn** is the company secretary and suggested the creation of appropriate share certificates.



RARITY RATING INTRODUCED

A scale of rarity ratings to indicate the quantity of a piece 'known to us', as they put it, has been introduced by the European market leader, FHW. The purpose is to give collectors guidelines in a concise and standardised form. We assume FHW mean 'known by us to exist anywhere', be it in the marketplace, dealer inventories, private collections, museums or official archives.

The ratings will be used in all FHW catalogues, retail and auction, and in their Suppes price guides, but only for German certificates because FHW consider their knowledge is not good enough for non-German papers. Perhaps other leading dealers and authors will take up the challenge and use the same ratings for their own areas of special knowledge. We hope so.

Several authors have used codes for a broad assessment of rarity or value in their scripophily books but few have committed to a stated quantity for each point on the scale. The main exceptions are Anderson's *Price of Liberty*, Hassler's *US Loans* and Ball's *Confederate Bonds*, and it seems to us that the FHW scale is likely to be more useful for general application than any of these.

R1	Over 5,000 pieces known
R2	1,001-5,000
R3	501-1,000
R4	251-500
R5	101-250
R6	51-100
R7	26-50
R8	11-25
R9	6-10
R10	3-5
R11	2
R12	1

Normally the highest rating used by FHW will be R10. The exceptional R11 and R12 will only be used for high-value pieces (€500+) and only if FHW are absolutely certain that only 1 or 2 pieces exist, for example, if only 1 piece was issued.

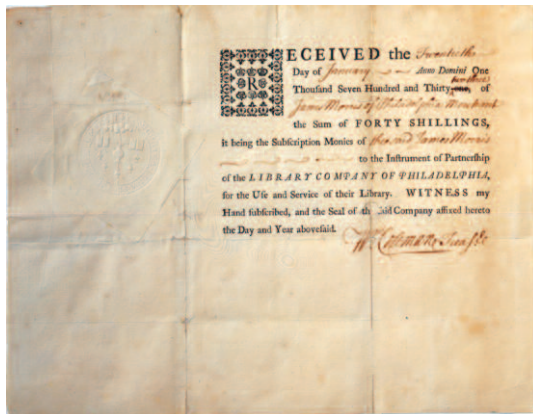
US PUBLICITY

Recent publicity in the US for scripophily and IBSS came in the form of a bullish, nicely-illustrated 2,000-word article in the May/June 2008 issue of *Fine Books & Collections Magazine* by Rebecca Rego Barry, a librarian and writer. Rebecca reports depth interviews with our members **Mark Tomasko**, **Max Hensley**, **Caleb Esterline**, **George LaBarre**, **Bob Kerstein** and **John Herzog**. Together, they cover the ground well and name IBSS and other publications as well as significant stock certificates and capitalists' autographs, providing readers with an attractive introduction to our hobby.

FRANKLIN'S SHARE REISSUED

In 1731 share number 3 in the **Library Company of Philadelphia** was issued to Benjamin Franklin, one of the leading founders of the company – self-educated philosopher, inventor, journalist, printer, diplomat, statesman and a drafter of the Declaration of Independence. He paid 40 shillings.

The library is still going strong as a research centre and repository for thousands of documents, manuscripts and books. On May 5 2008 share number 3 was reissued, without payment, to Philadelphia Mayor Michael Nutter, continuing a tradition begun 16 years ago with Mayor Ed Rendell. Sadly the library has not been able to locate Franklin's original share certificate. The company and its shares were described and illustrated in *Scripophily*, November 1999.



1733 certificate printed by Benjamin Franklin and issued to James Morris as receipt for 40 shillings subscription to the 'Instrument of Partnership'. Later certificates refer to 'a Share in the Books and Effects of the said Company' (Image © Library Co of Philadelphia, used with consent)

NEW STYLE IBSS WEBSITE

The Society's new format website www.scripophily.org is now up and running, thanks to webmaster **Piotr Bykowski**. The features include news items, upcoming events, a picture gallery, a library of articles, links to scripophily sites and other useful information. Please allow for the fact that the site is still being worked on !

The Library section contains at present about 30 features, mainly articles from past issues of *Scripophily*, those most 'hit' at press time being –

1. Anglo-Scottish War Loans by Brian Mills
2. Robert Schuyler's 1853-54 Stock Fraud by Michael Mahler
3. Bradbury Wilkinson & Co by Mario Boone
4. The Barcelona Traction, Light & Power Co by Howard Shakespeare

SPINK ACQUIRES SMYTHE

R M Smythe & Co of New York, very well known to most scripophiliasts as the largest and oldest American scripophily dealer and auctioneer, has been bought by Spink, specialist auctioneers of coins, stamps, medals, banknotes and scripophily, based in London. This follows Spink's acquisition of Collectors Gallery in the UK (see *Scripophily*, December 2007). **John Herzog**, owner of Smythe since 1967, has become a shareholder in Spink. He is now Chairman Emeritus of Spink USA, and will participate in the development of the combined business.

In 2007 R M Smythe hosted six major US auctions, setting record prices for historical autographs, currency, coins, stocks, bonds and antiques. To Spink this deal brings an even more prominent position in the American market following the acquisition last year of Shreves Philatelic Galleries of Dallas, Texas. Olivier Stocker is Chairman and CEO of Spink. "In 2007 Spink was already number one globally for stamp auctions," he said. "Spink USA will strive for the same prestigious position in all categories in which we deal and auction. The now global aspect of the business creates a formidable combination of skills and expertise within one company."

Spink director **Mike Veissid** told us that Smythe is now trading under the name Spink Smythe from its offices in Rector Street, New York, where the head of the scripophily department is **Caleb Esterline**. It is intended to close that office and to house most of the business in the Spink facility at 145 West 57th Street. Some former Smythe functions and staff will relocate to the Spink USA headquarters in Dallas.

Founded in London 342 years ago, Spink is now one of the world's leading auctioneers of coins, stamps, medals, banknotes and scripophily, with offices in London, Singapore, New York and Dallas. Spink holds three royal warrants as medallists to the British monarchy and numerous records for prices achieved at auction.

NORTHERN VIRGINIA STOCK & BOND SHOW



Jörg Benecke, CEO of the world's largest scripophily dealer, raises his arms to Heaven. Celebration or supplication? (photo: Fred Fuld)

The seventh Northern Virginia Stock and Bond Show was held on January 25-26 at the Washington Dulles Airport Crowne Plaza Hotel. There were 27 dealers with tables and over 150 visitors to the show. Dealers showed up from all over the United States, from as far away as Florida and California. In addition, there were dealers from England, Germany, Spain and Ukraine.

Dealers reported moderate sales in general, with no particular industry or topic standing out in terms of sales. Many dealers reported having more sales to other dealers than to retail customers. Overall, dealers enjoyed seeing old friends and reported having a financially successful show. Next year, the Show will be held at the same hotel, on January 30-31.

RUSSIAN NEWSPAPER

That scripophily is becoming increasingly popular in Russia is evidenced by an increasing number of articles about our hobby in the Russian mass media, and by a 2-page article in the Russian equivalent of the *Financial Times*. And yes, IBSS was mentioned in the article by our member **Rinat Sattarov**.



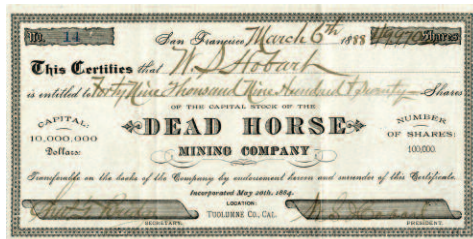
RAILWAY COMPANY SEALS

Miles Macnair is working on a comprehensive listing and illustration of British and Irish railway company seals, which is to be published in CD form by Britain's National Railway Museum. So far he has recorded digital images of over 1,000 railway seals; some are original steel dies, some taken from impressions on share certificates and other documents (some impressed, some on wax, some printed). He would be pleased to hear from anyone with rare certificates that might show seals not so far listed – miles@jmm.demon.co.uk. A summary of the way locomotives and rolling-stock were depicted on railway seals appeared in the *Journal of the Railway & Canal Historical Society* for March 2008.



Embossed seal on an 1862 certificate for £10 shares in the Kirkcudbright Railway. This was a short lived short line - a 10-mile branch from the Castle Douglas & Dumfries Railway, opening in 1864 but passing into the hands of the Glasgow & South Western Railway in 1865

VERY DIFFERENT HORSES



A disturbing name and very plain design for this Tuolumne **Dead Horse Mining Co** stock but a very interesting piece nevertheless because it is for 49,970 \$100 shares out of an authorised capital of 100,000 shares. The president and the holder of the shares in 1888 was **William Scott Hobart**, an important lumber-man in the Californian Sierra, who controlled most of the timber in the Lake Tahoe basin, used in the Comstock mines.

This 6½% 10-year bond was issued in Munich in 1995 by the Bavarian regional government. As an investment of only DM100, it is very much a retail savings instrument and hence the striking design.

It is a reproduction of a Blue Horse painting by Franz Marc, one of the leading German Expressionists. Marc saw blue as an expression of the 'masculine principle'. The painting was created in 1911 for the Blue Rider exhibition put together in Munich by Marc and Kandinsky.

Marc was born in Munich in 1880 and killed in the Battle of Verdun in 1916. His name was on a list of notable artists who were to be withdrawn from the frontline shortly afterwards. In 1999 one of his paintings sold at Sotheby's for over £5 million.

(Images: Spink Smythe, HWPH)

NEW YORK & NEW HAVEN STOCK FRAUD

Michael Mahler has posted on the IBSS website an original research paper – too long for publication in *Scripophily* – about America's first large-scale listed stock fraud. In 1853-4, Robert Schuyler, president and transfer agent of the **New-York and New-Haven Railroad**, issued some \$2 million in unauthorized stock. The discovery of this fraud burst like a bomb-shell over the Eastern establishment. Schuyler had been president of five railroads, helped develop several more, and was known as 'America's first railroad king'. Moreover, his family was exceedingly well connected at the very highest levels of New York society. The fraud had important repercussions: for the company, years of legal battles and a loss of \$1.8 million; for Wall Street, legal and procedural changes to prevent recurrence of this type of fraud; and for New York's upper crust, a sense of shame and disapproval so strong it caused the very name of Robert Schuyler to be all but written out of the historical record.

The paper now in the Library section of our website analyses documents from the archives of the New York & New Haven Railroad bearing on the affair, including four of the original 1853-4 certificates for spurious shares; twelve 1863-4 agreements by which spurious shares were exchanged for genuine; and receipts for newly capitalized shares necessitated in 1866 by some \$1 million in claims awarded by the courts.



1853 certificate for 5 shares signed by Robert Schuyler as transfer agent

BOOKS

Die Florentinischen Monti, Prof Dr Udo Hielscher, 2007, HWPV Verlag, 40 pages.

Very few people have published so much on scripophily as our long-time member **Prof Dr Udo Hielscher**. This time, he has examined the history of the Italian, more specifically Florence, *monti* – one of the earliest and most successful types of government bond (starting in the 14th century!). The book not only gives a clear view on what *monti* are, it also describes the bigger picture in which the Medici and other illustrious Italian families were able to make and market such innovative financial products – or did you really think bond-stripping was a 20th century invention? Illustrated with 20 colour pictures of different types of *monti* and written in German. For sale at €12,90 at HWPV (www.hwph.de).

German Collector Catalogues

The German magazine *der aktiensammler* is publishing a series of catalogues written by collectors in specialist fields. The paperback books are listings with a detailed introduction mostly in German. The publishers are looking for more authors. These volumes are now available from Jürgen Baral (jb@deraktiensammler.de) :

Volume 1 - German railways, tramways and related, €14.50

Volume 2 - Aachen administrative district, €9.50

Volume 3 - Bavaria (except bank bonds), €24.50

Volume 4 - Swiss railways, €19.50

Volume 5 - Peru & Bolivia, €14.50

Volume 6 - German maritime, €14.50

Post & packing extra.

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Digitized versions of books and research theses and articles are increasingly becoming available for viewing or downloading from the internet, sometimes free, sometimes for a charge. books.google.com is one source. For example a member found a digitized ‘Google book’ entitled *The Manual of Statistics Stock Exchange Handbook* (New York, 1915) which he downloaded for no charge - 1,000 pages of listings of companies on the New York Stock Exchange with information on their business purposes, capitalization, officers, mergers and other valuable details.

eBooks & eDocs

Our member **Hans-Georg Glasemann** presents via an internet platform called XinXii a new product line of digitized books and documents for scripophiliasts. These items can be downloaded for a charge at XinXii – look on www.nonvaleurs.de for eBooks & eDocs. At present available in English is a 62-page document called *Foreign Loans to China* by Kao Ping-Shu, New York, 1946. This contains information about the outstanding Chinese debt including a list of 115 loans in default with their outstanding nominal amounts.

Georg plans to make other offerings available in English as well as German but for the moment books only in German cover German foreign loans (*Die Auslandsanleihen des Deutschen Reichs und Preußens 1924-1930* and *Die Schuldtitel der Konversionskasse für deutsche Auslandsschulden 1933-1945*) and *Russian Government Bonds 1817-1913*, which has descriptions of over 120 government and railway bonds.

Southern Library, Georgia

Gary Eubanks reports that the Southern Museum of Civil War and Locomotive History in Kennesaw, Georgia, has an excellent railroad library, including every issue of *Poor's Manual* and much of **Southern Railway's** archives. While supplies last, the museum has extra copies of the two-volume *Legal History of the Lines of Railroad of Southern Railway Company* available for \$100 per set. This book lists all of the subsidiaries and acquisitions of the Company.

ONLINE SHAREHOLDER DATA

The UK's Society of Genealogists is loading the share registers of the **Great Western Railway** onto the Find My Past website. So far it has loaded images of 77,000 share transfer entries covering the period 1835-1910, including well known personalities such as I K Brunel, Charles Dickens, Lewis Carroll (in his real name C L Dodgson), William Gladstone. The site can be searched for named shareholders for a fee. Visit www.findmypast.com, click ‘occupations’ and find GWR Shareholders on the menu. Does anyone know of historic shareholder data online for other companies?

SHOWCASE

An English collector writes: “I don’t collect 20th century scripophily but I couldn’t resist this Barclays Bank bond simply because it is SO un-British. Who ever heard of ART – and French art at that – on a British stock?”



Toulouse-Lautrec’s *Au salon de la rue des Moulins*, 1894, printed by Thomas de la Rue & Co as an underprint on an issue of \$10,000 bonds forming part of a \$100 million 10-year loan to be issued by Barclays Bank in 1989

‘Showcase’ is a billboard for members to show off their favourite pieces



COX'S CORNER #3

The Question of Restoration and Repair

Essentially all collectors have certificates with tears, soiling and other problems. Sooner or later, many ask, "Should I have my certificates professionally repaired?" To me, that particular question is too hard to answer. It is overly broad. The way to really decide an approach is to divide the problem into smaller, easier-to-answer questions.

To gauge their own attitudes, collectors should ask, "Am I currently willing to buy repaired or restored certificates for my own collection?" "If I buy such certificates, am I willing to pay as much for repaired certificates as those in original condition?" Questions about repair absolutely need to be set against the backdrop of one of the primary rules of collecting: "Do no harm". If ownership is going to harm collectibles – or their values – then it is probably best to let other people own them.

Protection from further damage is probably the most common motivation for repair. With that in mind, collectors should ask, "What is wrong with using good Mylar holders?" "Why not just keep my certificates in good protective albums?" If collectors are afraid that handling is going to damage certificates further, then they should probably ask, "Why am I handling certificates in the first place?"

Maybe the problem is the very real fear of acid deterioration. If that is the case, then it might be advisable for collectors to ask, "Does my preservation need to be any more aggressive than de-acidification?"

Within the anticipated time span of ownership, "Will the amount I spend on repair and restoration prove to be an investment or a loss?" "How much will my certificates need to increase in value for me to recover my expenditures?"

A primary consideration in any kind of restoration is reversibility. "Can my planned restorations and repairs be reversed?" For perspective, collectors should consider that in 1931, newly-invented cellophane tape might have seemed a perfectly reasonable way to repair ripped certificates. Seventy years later, adhesive residue from that period decreases values much more than original tears. Maybe collectors should ask, "Will today's repairs seem like improvements in ten, twenty or a hundred years?"

To repair or restore is a personal decision, made dramatically easier by simply asking smaller, pertinent questions. Collectors should never let their desires for pristine collectibles be their only consideration.

New Railroad Stocks Blog

I have established a new blog (web log) at www.coxrail.blogspot.com. This blog allows me to easily post newsy sorts of items. I plan to post one or more times per week, depending on the amount of news that develops and the types of questions I receive. The intent of the blog is two-fold. I'd like to allow more **collectors** to reach me more easily, and thereby help contribute your knowledge to the hobby. You can post a response to any of my news items by clicking the Comments button. I also want to promote the hobby as best I can. That means I can give some help to **dealers and promoters**. I do not have a huge amount of traffic and do not expect a lot. However, if I can help you spread the word about hobby events, then you need to let me know. Tell me about upcoming shows and sales, whether in the US or in Europe. About a third of my readers and contributors are European.

If you will take a couple minutes to visit the blog, you will see the basic idea. I have posted promos for George LaBarre, Clint Hollins, Dave Beach ... I can do the same for you.

My requirements are simple:

- 1) Let me know of your sale or show. The event **MUST** have regional, national, or international importance.
- 2) The event **MUST** involve at least some collectible stocks and bonds from **NORTH AMERICAN RAILROADS**. I suspect I will make a few exceptions when events involve closely-related paper collectibles such as steel plate engravings, railroad ephemera or railroad paper money.
- 3) I will **NOT** promote eBay sale items. If eBay cannot attract sufficient visitors to your sale, my little blog certainly won't!
- 4) If you are conducting a professional auction, I ask for a copy of your catalog.
- 5) Send me suggestions of the salient points of your event. I will always write articles in my "voice", but I really need to know what is most important to you.
- 6) I will write an article about your event within a day or two of receiving your information. Therefore, send me your "news" at the time you think appropriate. I don't have the time to hassle with scheduling articles for later releases.
- 7) I have the final say about what goes in my blog.
- 8) Correct me if I get something wrong. Also, let me know of schedule changes, venue changes, what to do in case of weather, special rates you may have arranged, and so forth.

Terry Cox tcx@coxrail.com is the author and publisher of the price guide 'Collectible Stocks and Bonds from North American Railroads' and of the regular 'Update' newsletter. His database contains 17,000 distinct types of railroad certificate plus 5,000 variations, and is growing daily.

THE DEMOCRATIC STANDARD PRINT, NEVADA

— Michael Mahler —



Unusual denomination of two-and-a-half \$250 shares in the Monterey Gold and Silver Mining Co located in the Reese River District of Nevada Territory, 1863, printed by Democratic Standard Print, Virginia City, NT

Fueled by the famously rich discoveries of silver and gold on the Comstock Lode beginning in 1859, the years 1863-4 saw a veritable explosion in the number of Western mining stocks offered to an eager public. The lion's share were from companies with works in the newly organized Nevada Territory, carved out of western Utah in 1861 in response to a sustained mining rush to the Comstock and environs. So many of these Nevada Territorial stock certificates were sold that even with a minuscule survival rate - probably one in many hundreds - enough have survived to make their pursuit and study a popular and rewarding collecting field. It is also a compelling philatelic byway; these certificates were subject to a federal Civil War stamp tax of 25¢, and bear an impressive variety of stamps, including many imperforates and part perforates (1).

Most of these survivors were issued by companies headquartered in San Francisco, with stamps affixed there. For a fiscal historian, this makes them California documents, not Nevada. The mining works may have been in the Territory, but the certificates themselves generally never left San Francisco, the main population center and site of the principal mining stock exchange. This distinction is inconsequential to most collectors, and many of the most prized 'Territorials' have San Francisco datelines. I have always been partial, though, to those issued and stamped within the Territory, as evidenced by a Nevada dateline, and better yet, those actually

printed there. For me, 'the closer to the action, the better'; certificates that were physically part of the rough-and-tumble Territorial environment have a special appeal. While examining a certificate's company name, vignettes, location of works, capitalization, signatures of President and Secretary, and so on, my eyes go quickly to its dateline, then to 'the fine print': the printer's imprint tucked inconspicuously in a corner.

This certificate of the **Monterey Gold and Silver Mining Company**, dateline Austin [Nevada], September 29, 1863, carries an imprint - 'Democratic Standard Print' - whose significance I was well aware of when this piece appeared a few years ago at auction. James Reynolds' groundbreaking 1981 compilation *Photo Copies of Territorial Nevada 1861-1864 Stock Certificates* (2) had included a certificate of the **Alexander and Catharine Consolidated Mining Company**, dateline Virginia [City, Nevada], October 21, 1863, with the same imprint. Alas, no stamp was present. The imprint is that of the job printing office of the Virginia City *Democratic Standard*, a newspaper so obscure it has vanished almost without a trace. According to *The Newspapers of Nevada* (3), no copies have survived. Moreover, its authors could cite only two references to the *Democratic Standard* in print: one in the Unionville *Humboldt Register* of October 24, 1863, evidently a reference to the *Standard's* demise; and a passage from Thompson and West's monumental 1881 *History of Nevada*, which they paraphrase. The original follows:

Daily *Democratic Standard*

The name indicates its politics. It was started with money (\$3,000) raised by subscription from Democrats, the publishers being [O. E. F. Hastings], and J. F. Linthicum, the latter of whom was its editor, and an able writer. Formerly he had occupied that position upon the *Marysville Express*, in California. The *Standard* was an evening edition, its first number appearing on the tenth of August, 1863. There were three daily Republican papers published in Virginia at the time, that included the most brilliant editorial and reportorial staff that has ever graced the profession in the State. There was consequently but a poor show for prosperity for this new enterprise, except that it came from party support. This proved insufficient, and with the close of that year's campaign it suspended, the last issue bearing date October 17th.

Lingenfelter and Gash are a bit less polite, calling the *Standard* a 'Copperhead venture' in a predominantly pro-Union town. ['Copperhead' was a name given to Southern sympathizers by Unionists – editor]

In the absence of surviving copies of the paper, the only extant pieces from the presses of the *Democratic Standard* are a handful printed by its job printing office. Armstrong's *Nevada Printing History*⁽⁴⁾ lists two: an 1863 Nevada Territory Supreme Court brief with imprint 'Democratic Standard Book and Job Printing Office', in the State Archives; and the *Constitution and By-Laws of the Washoe Typographical Union*, 1863, imprint 'Standard Book and Job Printing Office', at Yale University. This last is an important item of Nevada printing history, reproduced in its entirety by Armstrong as an appendix.

It should be cautioned that Armstrong was rather selective in his choice of materials surveyed, including 'books, pamphlets, broadsides, and folders', but not 'letterheads, billheads, tickets of admission, invitations to private

occasions such as weddings, menus, music, maps, lithographs, slip decisions of the Supreme Court, newspaper supplements, and periodicals' – and evidently not stock certificates. His sources were institutions, libraries, historical societies, museums, and archives, but not, as a practical matter, private collections. More items bearing imprints of the Virginia City *Democratic Standard* undoubtedly exist, but there cannot be many; it was, after all, in operation only nine weeks! In any case, its imprint is unquestionably the rarest and most desirable to be found on Nevada Territory stock certificates.

Dr Michael Mahler, by profession a philatelic auction cataloguer, has been since 1974 a collector and researcher of US revenue stamps. He is the author of 'A Catalog of US Revenue-Stamped Documents of the Civil War Era by Type and Tax Rate' (American Revenue Association, 1999) and 2001 winner of the American Philatelic Society US Champion of Champions exhibitions award.

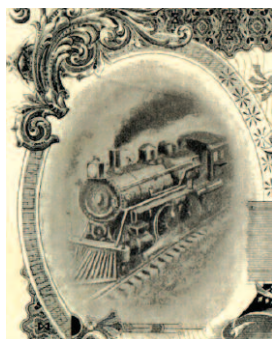
This article first appeared in 'The American Revenuer' January-February 2006 and is republished by consent of the American Revenue Association.

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VIGNETTES FROM GOES LITHO CERTIFICATES AROUND 1905

Information on the Goes Lithographing Company, past and present, can be found on www.goeslitho.com and www.goesproducts.com



Connell Northern
Railway Co



'Minerva' vignette on Black
Mountain Railway Co



Detroit & Lake St Clair
Railway Co



Big Chief Gold Mining Co
of Manhattan



Bisbee Belle
Mining Co

NO VIGNETTE, THANK YOU!

— Robert O Greenawalt —

The Chicago-based **Goes Lithographing Company** began in 1879 and has been manufacturing ‘off the shelf’ stock certificates for well over a century, as well as printing other documents and art posters. It is still in the business and still privately owned and managed by the Goes family. The current President is Charles B Goes IV.

Goes ® (1) products might well be called generic certificates in today’s collector parlance, although the company prefers ‘artisan created and assembled’, to distinguish its work from that of other printers who used letterpress design elements for rulings and borders. The products are akin to wallpaper sample books, wherein a prospective buyer can order a pattern of a chosen design and color. The ‘legal twee-gles’ – meaning the client’s company name, place of incorporation, capitalization, and other pertinent data - are added by an overprint which a scripophilist can readily distinguish from the generic design. Often a local printer bought ‘blank’ inventory from Goes and then overprinted it for his own customers.

Goes certificates often have the trademark ‘Goes’ ® cleverly placed and almost hidden among the scrolls and flourishes of their many varied patterns, usually at bottom left. Sometimes ‘© GOES’ appears in small print outside the frame, again often at bottom left. Certificates overprinted locally sometimes also show the retail printer’s name, sometimes not.

Most companies want their certificates to be flashy and bear vignettes; however, such custom designs cost much more to create than the generic

ones. For example, the **Chicago, Burlington & Quincy Railroad Company** issued fine, graphically-oriented stock certificates during its life span. But the most unusual Goes certificate I have encountered is that of the **Chicago, Burlington & Quincy Railway Company**; a venture established in 1901 under Iowa laws.

Perhaps the CB&Q Railway directorate could not agree on an appropriate vignette, so chosen was NONE! Note also that the certificate does not have the usual capitalization figure, par value, or number of authorized shares shown; but, rather the mere legend ‘Fully paid in property and non-assessable’. This company was formed to be the 99-year lessee of the existing CB&Q Railroad Co, and its securities would not pass through hands of the general public.

A suitable contemporary Goes vignette could have been that of a steam locomotive, as on **Connell Northern Railway Co** certificates. Or, how about a bejeweled goddess (I call her ‘Minerva’) as carried on **Black Mountain Railway Co** (Virginia) and other pieces? Or, another choice at that time might have been Abe Lincoln, seen on **Detroit & Lake St Clair Railway Co** papers, although this vignette was later over-stamped in the Goes company’s catalog as withdrawn ‘BY ORDER of the [US] TREASURY DEPT’. If the CB&Q corporate board had been more liberal-minded, they might have chosen a bareback-riding native American as used by the **Big Chief Gold Mining Co of Manhattan!** An even more whimsical choice would have been the coin-clutching cowgirl, illustrated on a 1904 **Bisbee Belle Mining Co** stock certificate.

Paper money collectors would go wild if they found currency with missing vignettes, but scripophilists tend to discredit a document with an intentionally missing graphic. Be that as it may, I still revere this old CB&Q piece. Why an attractive vignette would be repudiated is beyond me! This is the only stock certificate known to me where an available vignette was not wanted, with an austere ‘nothing’ residing in its assigned position!

The author, a retired professional engineer, has been an enthusiastic collector of US railroad and mining stocks for over 40 years and is a regular contributor to ‘Scripophily’.



1905 Chicago, Burlington & Quincy Railway Co stock certificate # 20 with a blank space where there would normally be a vignette



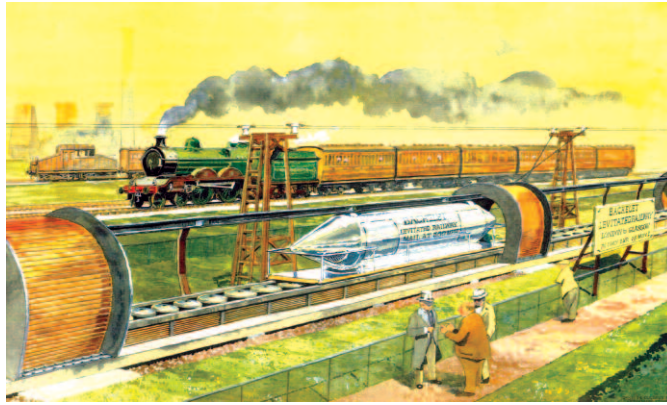
(1) GOES is a registered US trademark of the Goes Lithographing Company, which has informed *Scripophily* that its designs are copyrighted and/or bear trade dress features, certain elements retain artists rights, and that unauthorized reproduction is pursued. The illustrations on this and the facing page are used with permission.

Goes ® trademark on a 1905 certificate

MAGLEV IN 1914

— Miles Macnair —

*Scripophily can lead down some weird byways of historical research. Some years ago, I acquired a job lot of miscellaneous railway shares at an auction in London, and lurking in the pile was a certificate for the **Bachelet Levitated Railway Syndicate Ltd** of 1915. In addition, there was a full prospectus, promising rail travel at 300 miles per hour, extraordinarily modest construction costs and hints of a completely novel and patented frictionless transmission system. There was also a collection of cuttings from the English popular press of May 1914, when the inventor had demonstrated a working model of his invention at a laboratory in Saffron Hill, Holborn, London. Journalists had been ecstatic; ‘London to Newcastle in 1 hour and 30 minutes’, ‘Mail deliveries to Birmingham every half hour’, ‘Paris to St Petersburg in under 10 hours’ etc etc. Even more intriguing were the quoted comments from two men, neither of whom was likely to have been fooled by a piece of ephemeral nonsense. The first was Winston Churchill, then First Lord of the Admiralty, who had told a reporter from the ‘Daily Express’ that it was ‘the most wonderful invention he had ever seen’. The second was Sir Sam Fay, the General Manager of the Great Central Railway, a company respected for its innovative services, who had apparently offered to make available a half-mile siding near Neasden for full scale trials.*



What might have been: a modern artist's vision of a prototype of Bachelet's first 'flying train' on a siding beside the joint Great Central/Metropolitan lines near Neasden, London (watercolour by Robin Barnes; © Miles Macnair)

elements of unimpeachable science with a talent for extrovert showmanship.

Emile Bachelet had been born in Nanterre, France, in 1863, emigrated with his parents to the USA in the 1880s and later became an electrical

within a few months. Which led me to question whether the whole business, the demonstration, the hype in the popular press, had merely been a financial scam, based on ‘smoke and mirrors’, to extract cash from a gullible public.

Via the internet, I discovered that the Smithsonian Institution in Washington DC held a suitcase of Bachelet archives (virtually unopened), deposited by the inventor's son in 1988. This proved to be an Aladdin's cave of fascinating information and wonderful black and white photographs, highlighting key moments in Bachelet's life, from which I could piece together a story that combined

Who was Bachelet and what was his invention all about? References in the railway and scientific literature seemed to be virtually non-existent, one exception being B & R Davis in the *Journal of the Friends of the National Railway Museum*, Nos 65-80, 1993-7 – ‘Monorail to Maglev’. These articles also discussed the worldwide interest in developing high speed monorail systems from the 1960s onwards. A search in the UK and USA Patent Offices uncovered 12 separate patents in the name of Emile Bachelet spanning the years 1903 to 1927. Companies House records in the National Archives at Kew produced the names of six companies set up by Emile Bachelet and his partners in London between 1914 and 1915, including the **Bachelet Levitated Railway Syndicate** of 1914 and the **Bachelet Flying Train Syndicate** of 1915. Only two of the companies ever filed any reports and these had both gone into voluntary liquidation

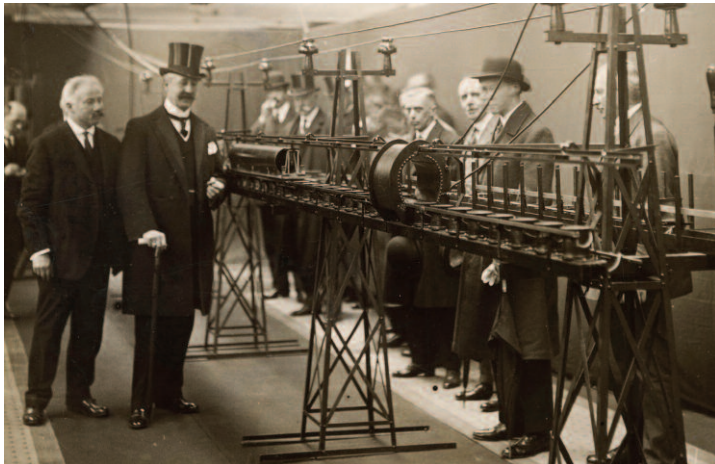


Certificate for 400 shares in the Bachelet Levitated Railway Syndicate Ltd, 1915 (author's collection)

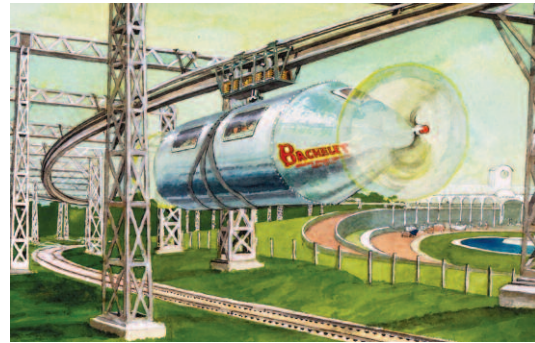
engineer on the West Coast, working on municipal generating equipment and lighting systems for racetracks and – crucially – theatres. He suffered from a form of rheumatism, and was surprised to note that the symptoms were alleviated when he stood in the presence of strong magnetic fields. This led him to experiment with novel forms of flat electromagnets, which he patented and which he franchised to a number of ‘Magnetic Therapy’ salons when he moved back to New York.

As Bachelet developed more and more powerful electromagnets, he became increasingly fascinated by their ability to repel diamagnetic materials like aluminium. To fund this research, he toured the vaudeville circuit with ‘mystery shows’ based on various spectacular illusions – floating metal plates, bells in glass tubes operated by a remote keyboard etc. Then he made the inventive leap of using these repulsive characteristics to devise a ‘floating’ suspension system for a model railway carriage. To provide linear propulsion, he suggested a series of electromagnetic hoops at intervals along the track, now using their attractive forces to act on a large lump of iron in the carriage. Suitably synchronised, the separate electromagnetic forces made the carriage shoot along the track ‘like a bullet’. This phenomenon was the basis of two more patents in 1912, but the American scientific press dismissed his demonstrations as just another of his ‘magical mysteries’.

However, when invited to England in 1914, Bachelet received a much more serious reception. Apart from the comments already quoted, he had other visits from scientists and engineers like Sir John Fleming and Sir Hiram Maxim – who was particularly interested in the potential for using the patents in gun design. Winston Churchill made a second visit with a team from the Admiralty, to discuss two more of Bachelet’s patents, concerned with the safe movement of shells in warships and how to catapult (and retrieve) aircraft from and onto platforms on the top of battle cruiser gun turrets.



Emile Bachelet – left – with the Lord Mayor of London in the demonstration laboratory, London, May 1914. The test carriage is shown temporarily suspended from the ceiling, before being placed on the demonstration track (courtesy Smithsonian Institution)



An imaginary view of Bachelet's suspended monorail 'flying train', based on his patent of 1915.

(watercolour by Robin Barnes; © Miles Macnair)

The start of World War I put an end to development of the ‘flying train’. Not much money had been raised, though Bachelet did receive £20,000 for the sale of some of his patent rights. His London agents did rather better, but no one made a fortune; the projectors certainly intended to raise finance for a serious scientific start-up, not just a speculative scam. Bachelet stayed on in the UK through 1915, working as a private contractor to the Ministry of Munitions to develop an ‘electric mortar’. This had its public trial on October 27, 1915, not on a secret War Office gunnery range but on Huddersfield Town football pitch (!). Bachelet also took out a new ‘flying train’ patent, much more practical than the first, based on a suspended monorail system, using the suspension powers of a combination of sets of electromagnets working both in repulsion and attraction. He had – wisely – discarded the linear propulsion mode of electromagnetic hoops, recommending the use of aircraft-type propellers driven by conventional electric motors. In this patent he had answered some of the criticisms raised in contemporary journals like *Scientific American*, *The Engineer* and *Aeroplane*. (Diagrams in the patent looked very like Bennie’s subsequent ‘Railplane’ of 1929.)

Bachelet returned to his family in the USA, filing a number of other – rather odd – patents before eventually dying in 1946, some years before the international revival of interest in magnetic levitation railways in the 1970s. The world’s first commercial system operated in Birmingham, England, from 1984 to 1995. Professor Eric Laithwaite, who headed much of the UK involvement, wrote a number of articles acknowledging and applauding Bachelet’s pioneering work. The 19-mile Shanghai Maglev, opened in 2004 and achieving 250 mph, is perhaps the most fitting memorial to this remarkable, eccentric and largely forgotten inventor.

This article is a précis of a much more detailed one to be published in the 'Transactions' of the Newcomen Society. With grateful acknowledgements to that Society and to the Curator of the Smithsonian Institution.

Miles Macnair took a degree in metallurgy, followed by 12 years in industry before joining a stock-broking partnership. He has had a lifelong interest in the development of transport technology and is an ardent scripophilist, concentrating on British and Irish rails. He is the author of 'William James – the Man who Discovered George Stephenson' (Railway & Canal Historical Society, 2007).

THE BATTLE OF BUTTE

— MAX D HENSLEY —

An incredible thing happened in Butte, Montana, in 1906. The **Amalgamated Copper Company**, one of the largest and most sophisticated mining companies of the era, paid \$14 million to one **F Augustus Heinze** to stop him from continuing to steal its copper ore.

F Augustus ‘Fritz’ Heinze was born in Brooklyn, NY, to German, Yankee and Irish ancestry. He graduated from Brooklyn Polytechnic Institute and later attended Columbia University School of Mines. Just turning 20 years old, he went to Butte in 1889 to work for the **Boston & Montana Consolidated Copper and Silver Mining Company**, earning a hundred dollars a month surveying mine tunnels. The B & M would have been better off if it had paid Heinze to stay away. His mind was busy working for F Augustus Heinze and only incidentally for the B & M.

Butte, Montana, in those days was a relatively mature Western mining town. It had gotten its start back in the 1860s, first with placer gold from Silver Bow Creek, then silver from the adjacent granite hogback soon to be called the richest hill on earth. Copper mining had only recently assumed more importance to the ‘hill’, with the coming of the Utah Northern Railroad (1881) and improved smelting resources.

‘Fritz’ was extremely intelligent, robust (nearly 6 feet, 200 lbs), an accomplished boxer with a magnetic personality, persuasive manner, tireless energy and commanding egotism. The only things separating greatness from notoriety for Heinze were conscience and moral scruples.

After working a few years for the B & M, Heinze came into a \$50,000 inheritance from his grandmother. He used this and funding from New York contacts to organize the **Montana Ore Purchasing Company**. This originally was intended to smelt ore from the smaller Butte mines, but it soon became a corporate participant in Heinze’s strategy to loot his neighbors’ mines.

The linchpin of Heinze’s strategy was the Law of the Apex. Under US mining laws of 1866 and 1872, the first locator of a mineralized vein was entitled to mine ore from the surface exposure, or ‘apex’, of the vein into the ground below, even if the pursuit took the locator under the boundaries of a neighbor’s claim. Butte’s copper mineralization consisted mostly of copper arsenic sulfides – heavy dark minerals with purple and navy blue luster occurring in veins and lenses, some only inches in width, others as large as a barn. The geology of these ores was to prove too complex for Congress, for the veins rarely dipped straight down, especially as the



*F Augustus Heinze
(1869-1914)*

mines plunged to over a half a mile by the early 1890s. Veins met faults and were displaced, or they joined one another or splayed out in all directions, or multiple independent veins occupied the same ground. Proving Apex became the preserve of lawyers working with mining geologists, who gorged on the legal fat dripping from the law. And so did Heinze.

In 1895 Heinze bought the Rarus claim, located adjacent to the rich B & M. Geologically speaking, this mine was an unproductive freak. The surface vein occupied a poorly mineralized fault containing entrained ore debris dragged up from a big B & M ore body below and off to the side. Mining down the fault in the Rarus eventually led to the major ore body of the B & M. Heinze knew all about the B & M ore bodies from his surveying days. It wasn’t long before the B & M got wind that Heinze had crossed the sideline and was mining its ore, and sued Heinze to stop him. Thereafter, the B & M (and most of the other great Butte mines) were consolidated into the **Amalgamated Copper Mining Company** which ultimately merged with the **Anaconda Copper Mining Company** in 1915. Amalgamated was an enormous holding company, or copper trust, controlled by the directors of the Standard Oil Company. The power and ruthlessness of Standard Oil were more than Heinze had bargained for, but he was ready.



Montana Ore Processing Co (MT) specimen odd-lot share, without capitalization. Western Bank Note Co 189-. Unknown issued. The smelter in the vignette does not resemble a photograph of the company’s smelter in the University of Montana collection



Amalgamated Copper Co (NJ) specimen odd-lot share, capitalization \$155 million. American Bank Note Co 19—. Unknown issued. An orange/black American Bank Note Co specimen \$1,000 bond of this company dated March 15 1913 is also known

Heinze brought in his brother Arthur to lead as many as 32 lawyers in finding pretexts for continuing to mine the Amalgamated ore, for tying up the big outfit with injunctions, for annoyance or for use as ‘fishing expeditions’ to secure information. Heinze and his Montana Ore Purchasing Company brought suits so fast there was no way to try them or even to discern their meaning. Over 100 cases were pending at once, with as many as 40 pending at one time between Heinze and Amalgamated. The animosity he stirred up was to linger for a long time. When Isaac Marcossion published the corporate history of the Anaconda Co in 1957, he referred to Heinze’s techniques as ‘largely based on pillage and piracy’.

An efficient and disinterested judiciary could have ended Heinze’s scam early. But Butte’s judiciary was elected by Butte’s residents, so Heinze’s money and his appeal to the miners’ prejudices against the copper trust reaped a harvest of helpful judges. Heinze’s operations initiated the eight-hour day, a gesture that ingratiated him to the miners, and he had his own newspaper to air his views, including that ‘Standard Oil controls all the lamplight of the nation and now it is intent on controlling the electric light through manipulation of copper’. Heinze never lost a local judicial election during his battle with Amalgamated.

Judge Clancey was a Heinze judge, a slovenly ‘moose of a man’ who before his election had been picking up an uncertain living as a curbstone lawyer. He was not going to be bothered by the complexity of the suits before him. He was said to stare vacantly out the window with his feet propped on the window ledge, turning to the earnest testifying experts only long enough to plant a squirt of tobacco juice in his spittoon. Then he



Anaconda Copper Mining Co (MT) specimen odd-lot (more than 100) share, capitalization \$30 million. American Bank Note Co 189-. Vignette with view of the company’s original Anaconda MT smelter. Unknown issued. A variation of this type is known as a specimen: 190-, 100 share, orange, capitalization and registrar over-silvered. A later type has a straight line masthead and updated vignette. Varieties of this type have par values of \$25 or \$50, and have been seen in denominations of 50 (orange) and 100 (green) shares. The 50 share denomination has dividend coupons attached. No preferred stock is known

would find for Heinze. Clancy was invariably reversed by higher courts, but when the mandates came down he would ‘take them under advisement’ and many were never heard from again.

Heinze replicated the Rarus strategy with other minor claims, and continued to tie up Amalgamated and other mining companies in Butte. So long as he could clog the courts and rely on a pliant judiciary he could help himself to others’ ore. Sure, the big companies could appeal or could try to bring their cases in the Federal Courts, but the complexity of the litigation and Heinze’s control of the judicial front lines gave Heinze a judicial balance that permitted him to continue stealing ore.

One innovative technique was Heinze’s technique for dealing with bond requirements in his Federal Court cases. A losing litigant often is required to post a bond to guarantee an accounting on final disposition of the case. Heinze met this requirement by posting over a million dollars in bonds in the **Delaware Surety Company**, which was later found to be without assets or an office, and officers chosen from a dress goods agent, lace store employee and dry goods salesman.

When the Amalgamated experts tried to get into Heinze’s illicit mining operations to obtain evidence in support their cases, Heinze’s miners used prevailing wind currents in the mines to blast the Amalgamated men with dry lime, steam and noxious fumes from burning old clothes and boots.

When that failed, they set off dynamite to scare them off. Two Amalgamated miners were killed in these skirmishes, but the only penalty was a \$25,000 verdict for damages against Heinze by one of the miners' widows. Other penalties were trivial as well. Heinze virtually cleaned out one ore body, removing a million dollars worth of ore, and was only fined \$22,000. Soon teams of dueling miners gnawed frantically at the ore bodies while simultaneously sabotaging the enemy by caving their crosscuts or tossing tin can grenades whose concussion put out the enemy candles. Butte mining became a bar room brawl.

The war peaked. Amalgamated miners, using quiet diamond drills, inserted a hidden high pressure water line into the sole shaft of Heinze's then principal mine, the Minnie Healy. Amalgamated gave Heinze's miners 15 minutes to get out and then flooded and wrecked the mine, essentially putting Heinze out of the ore rustling business. But he wasn't down yet. He used his great oratory skills to rouse the miners. He told the mob that Amalgamated had tried to drown his miners without notice, and the inflamed miners marched on Amalgamated's headquarters. But the superintendent of Amalgamated's Leonard Mine at gunpoint forced Heinze's superintendents to tell the truth, and the mob grudgingly gave up.

After this, the underground war was essentially over, although the lawyers continued to slog on. In February 1906, Amalgamated bought off Heinze for \$10.5 million cash and \$3.5 million stock in the acquiring company, the **Butte Coalition Mining Co** (an Amalgamated subsidiary; no certificates are known from this company). Crime had paid for F Augustus Heinze, but he had worked hard for every penny of it. Ironically, Amalgamated Copper got its money's worth. In the litigation the lawyers and their geologists ordered 'litigation drifts' driven into what 'practical miners' had deemed to be barren ground, only to find unexpected ore bodies. These finds and the accumulated knowledge of Butte mineralization more than paid for the \$1 million per year the legal battles had cost Amalgamated.

Heinze returned to New York. He got involved in banking and a brokerage house, and he revived his 1902 **United Copper Co**. While United Copper certificates state \$80 million capitalization, only \$45 million in common and \$5 million in preferred were issued, with over \$4 million of the preferred exchanged for common by January 1907. United Copper paid substantial dividends up to August 1907, but it was a holding company established as a blind pool where the shareholders had no idea what securities the Company held (apparently including the Ohio Copper Co). United Copper was principally a vehicle for Heinze's market speculations.

Heinze owned about one-quarter of United Copper common shares. He attempted and failed to corner the rest on October 16, 1907, and the stock fell from \$70 to \$8.50, helping to trigger the Panic of 1907 two days later. The stock did not immediately become worthless. An auction of preferred and common stock by creditors in 1909 yielded \$40.50 and \$14 per share, respectively. The share shown here was signed and issued by Heinze in early 1910. But the Company eventually expired.

Heinze's role in the Panic brought a total of 16 charges of financial malfeasance for looting his **Mercantile National Bank** of funds to support his failed United Copper corner. Perhaps a sign of Heinze's distress was the report in the New York Times of April 27, 1909 of Heinze's arrest for punching out a cab driver over a \$2.70 fare dispute. However, a series of fortunate incidents in the courts led to his complete exoneration in 1909, and he returned to Butte.

The 1907 Panic and the criminal charges left an indelible mark on Heinze's life: his mining ventures collapsed, his relationships with his brothers were destroyed, his 2-year-old marriage failed and his health disintegrated. He became 'distraught in appearance'. At 37, his hair was almost completely white. In 1914, just 44 years old, Heinze died from complications of liver cirrhosis, his fortune gone except for a few life insurance policies.

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United Copper Co (NJ) issued uncanceled preferred odd-lot share, 1910, signed 'F Aug Heinze'. Franklin-Lee Bank Note Co. A similar certificate bears a faint pencil notation 'Charter forfeited 1920'. A substantial number of certificates bear Heinze's signature. This same design is known in common shares, odd-lot (brown) and 100 (green). Preferred 100 shares are known, color unrecorded. Certificates are known with a Dutch revenue stamp

COMPANIES IN IMPERIAL RUSSIA

— NICO VERMEIREN & MARIO BOONE —

When Russia entered the 19th century, it was mainly an agriculturally-based economy. Long before, however, Peter the Great (1672-1725) had begun serious attempts at industrialisation of the country. Under his reign, the number of manufacturing businesses greatly increased and many state corporations were founded. The production complex he founded with his associate, V N Tasichev, in the Urals, developed into one of the major producers of cast iron. Private entrepreneurs also set up businesses and, in 1790, the region already numbered 165 companies. As the administrative and industrial centre of the region, the town of Ekaterinburg had smelting works, blast furnaces, canals, a technical college and factories of various types.

This industrial glory did not last long. The lack of means of transport remained a major drawback and the aristocratic structure and the existing hierarchy were increasingly jeopardizing the development of industry. The main entrepreneurs ran their factories in an authoritarian way and owned villages where they required the worker-serfs to work for them. The traditional organisation of work, based on seasonal and compulsory labour was incompatible with an industrial business organisation.

However, another worthwhile feature of Tsar Peter's reforms was the founding of the St Petersburg stock exchange in 1703. Until 1860, this would remain the most important exchange by far, followed by Moscow and Odessa. During the 18th century it seems to have been an exchange exclusively for commodities and bond trading. Legislation for joint-stock companies did not exist until 1802, and they remained few until 1850. While the foundation of one share company has been cited as early as 1755 (**Russian Trading Company in Constantinople**), earlier observers generally dated the first such company to 1799. This was the year in which the **Russian-American Company** was founded, with a capitalisation of 1.1 million roubles, divided into 7,484 shares of 150 roubles nominal value. Only one other share company was formed before 1827. From Table 1 it can be seen that only 20 companies were listed from then until 1850, with a market value of around 20 million roubles, which could be hardly called a broad market.



The St Petersburg Stock Exchange, built in 1810 and still largely unchanged, showing one of the two 'rostral columns' studded with ships' prows

Table 1 New listings on the St Petersburg stock exchange 1827-59

Year	Number of companies	Capital Roubles	Year	Number of companies	Capital Roubles
1827	1	410,600	1849	1	400,000
1833	1	70,000	1851	1	100,000
1835	4	2,578,579	1852	1	123,750
1836	2	2,100,000	1853	4	3,191,500
1838	3	767,200	1854	3	3,600,000
1841	1	28,285	1855	1	750,000
1844	1	172,800	1856	6	15,500,000
1846	1	2,000,000	1857	14	300,170,000
1847	2	2,950,000	1858	38	59,525,000
1848	3	9,243,500	1859	27	95,300,000

Source: The Development of a Domestic Stock Market in St Petersburg in Late Imperial Russia (3)

The issue in 1827 was that of the **First Russian Fire Insurance Company**. The investors did not have to pay up the full amount of the shares and it paid an incredible high dividend of 45% on subscribed capital for twenty years, and would remain a blue chip until the 1917 revolution. Other companies of that period included steamships, and the first industrial manufacturing and municipal gas and water joint-stock companies. All these companies were however generally conversions of already existing companies to a joint-stock format, rather than newly created companies.

The small size of the stock market could be first explained by a lack of adequate legislation. This was to last until 1802, when legislation for joint-stock companies was introduced; a general statute was not promulgated until 1836. But there was also the conservative investment behaviour of the nobility, and appealing investment opportunities were not there.

The railway as a means of public transport had been introduced in 1825 in Great Britain, but the discussion as to whether it would be useful in traditionalist and aristocratic Russia would last several years longer. Tsar Nicolas I was convinced of it, but his ministers were fearful of Western technology and others were persuaded that no locomotive could withstand extreme winter temperatures and snow conditions. Before 1857 the Russians had therefore adopted a careful attitude, limiting themselves to smaller projects resulting in an even smaller network than a dwarf country like Belgium (1,333 miles in Belgium, compared with only 1,049 miles in

Russia). As the existing railways were moreover financed by loans (mostly foreign), only two railway companies had attracted share capital on the stock market: the **Tsarkoe Selo Railway Company** (1835, 3.5 million roubles) and the **Peterhof Railway Company** (1856: 3.8 million roubles).

Russia's rulers became convinced of the usefulness of a more extensive railway system after the Crimean war (1854-55), which proved the value of fast transport of troops. In September 1856, Isaac Pereire of the Paris Cr dit Mobilier and Francis Baring of Baring Brothers & Co closed an agreement with the government for the construction of railways on a vast scale throughout the European portion of the Russian Empire. They not only agreed to complete construction of the St Petersburg-Warsaw line, but also decided to build some new lines, such as the Moscow-Nijni-Novgorod. The network was projected to extend eventually to more than 4,000 miles.

In order to fund this huge construction programme, the **Grand Russian Railway Company** was set up in 1857 and offered 600,000 shares totalling more than 75 million roubles. As public finances were exhausted by the war, an appeal had to be made to the stock market and, in order to convince private investors, dividends were guaranteed by the government. Most of the shares were sold to French investors (source: *The Evolution of International Business 1800-1945* (2)). The company would eventually enable the extension of the network to 2,231 miles in 1862, or one-fifth that of France and one-sixth of Germany. Together with a high trading turnover (as the shares were traded abroad as well), this would play an important role in familiarizing Europeans with Russian securities.

In all, 101 companies of all types were founded between 1857 and 1860, and 87 actually began operations. Investors' enthusiasm cooled in 1859, when Russia was hit by a worldwide financial crisis. The Grand Russian Railway issued bonds in 1859 and 1861, and the **Orel-Dvinsk Railway** and other railway companies followed suit from 1863 onwards, mainly backed by state guarantees.

The period from 1861-1870 was one in which fundamental transformation of Russia's economy and the development of its banking system and money market played a major role in enabling the growth of its stock market. In the short term, the abolition of serfdom in 1861 did not have a profound impact on the stock market. The peasants, now free, had to work less to earn the same income and rather preferred doing this than increasing their income; agricultural productivity diminished. Moreover, the nobility could not dispose immediately of the financial receipts of the compensation of their land, as those were paid in instalments. The stock exchange was however more affected by the establishment of the State Bank and the liquidation



Grand Russian Railway Co registered share 1859 issued to a French investor, Mr Denis Charles Duverdy

of the previous credit establishments which it replaced. The State Bank attracted the released cash from the credit establishments by issuing 5% bank notes and lottery bonds. As a consequence, Russian investors became more familiar with paper securities and eventually were more stimulated to invest in shares.

The year 1862 also saw the publication of the charter for savings banks, which would prove to be important vehicles by which the public could deposit and save money. From 1864 onwards, mutual credit societies and listed joint-stock commercial banks (such as **St Petersburg Private Commercial Bank**) were founded. From 1868 onwards the market revived thanks to better company results, and in this period there were signs of an overheated market, as we also know



The Moscow Fire Insurance Co was founded in 1858 and regularly paid high dividends. This registered 200-rbl share was issued in 1898 and shows Red Square with St Basil's Cathedral and the Kremlin



250-rbl bearer share in the Russian Bank of Commerce and Industry, St Petersburg 1907, text in Russian, French and English



Bearer certificate in Russian and French for 5 100-rbl shares in the Sormovo Metallurgical Works at Nizhni Novgorod on the Volga, 1904. The Sormovo shipyard was established in 1849 and, although 1,000 miles from the sea, was to build about half of all ships made in Russia



In 1844 the Russian engineer Semyonov drilled an oil well near Baku. This is now the oldest well in the world still being worked, the Bibi-Eibat. Provisional certificate in Russian and French for 5 100-rbl shares in the Black Sea Bibi-Eibat Company for Exploiting Oil, 1909

them today. Initial public offerings were oversubscribed (e g **St Petersburg International Loan and Discount Bank**: 292 times). The new savings banks offered credit for buying shares on margin, which further heated the frenzy. In order to cool the market the State Bank soaked up the money supply by selling short-term government securities at increased discount rates.

In the 1870s growth of the stock exchange was hampered many times by international events such as the Franco-Russian War (1870), the financial crisis in Vienna (1873) and Russia's own involvement in the Russo-Turkish War (1877). Meanwhile the proliferation of banks had continued, but many of the new banks were solely set up to quickly enrich the founders and were involved in highly speculative activities like loans against securities. The government implemented a more restrictive banking law (1872), but this could not prevent the bankruptcy of the **Moscow Commercial Loan Bank** in 1875 and resulted in serious damage to faith in credit institutions.

One of the rare positive elements during this period was the creation of the regional joint-stock land bank system, in which ten such banks were founded from 1871-73, and the ultimately less successful **Central Bank of Russian Land Credit** in 1873. With these institutions, the nobility was able to obtain loans on the security of land, and this generated cash. The newly acquired funds could be either invested in the stock market or used to modernise the agricultural sector, which further fuelled the rest of the economy by a higher demand for transport and equipment. Meanwhile, foreign involvement in Russia had increased greatly, especially in heavy industries such as metallurgy and industrial equipment. This could be explained by the further expansion of the railway network: five times as much track as in 1861 (11,280 miles) was laid down; this linked the main grain-producing areas of the great estates (Ukraine and north-west) with the major cities and ports. From 1874 inward tariffs on finished goods such as industrial equipment were increased greatly (whilst kept low on raw materials), so it became much cheaper to set up factories to make industrial equipment instead of importing it. Moreover, the weak rouble, caused by the continuously tormented public finances, enabled foreign investors to buy Russian assets (land and property) at knock-down prices. By 1878, southern Russia especially was populated with a host of foreign engineering works: Briansk, the Warsaw steel company, Putilov and the Huta-Bankova company. A year later, the Nobel brothers establish their oil production company in Baku.

The 1880s were characterized by an industrial crisis that began in spring 1880, after the short industrial revival that followed the Russo-Turkish war in 1877. World investors lost their trust in the rouble following the impact of the war on state finances. Foreign investment dried up and the reduction of government spending resulted in a lower growth in investment (especially railways). Finally, by 1891 Russia succeeded in repairing its finances by the sale of crown assets, a reduction in imports and enhanced taxes though better collection, and even new taxes (like a 3% tax on company profits). The healthier state finances finally allowed it to adopt the gold standard. This in turn offered better conditions for floating state bonds on the international capital markets and the money was spent on the expansion of Russia's industrial complex and the railway companies which by then were heavily in debt.



The New Russia Co Ltd was an English company formed in 1869 by John Hughes, a Welsh iron master, as a funding vehicle for a concession he obtained from the Tsar to construct an iron and steel works in the Donetz region. Hughes remained in Russia for the rest of his life. His works grew into the industrial town known as Hughesovska, now the city of Donetsk. This certificate for £400 of stock was issued in 1908 to Théophile Lombard of St Petersburg. The Russian-Asiatic Bank bought out the foreign shareholders in 1916 - lucky for them!

Annual capital investment rose from 443.1 million roubles in 1890 to an all-time high of 1,401.5 million roubles in 1900 (4). The foreign share of this rose from 26% to 45%. More than 80% of the foreign investment went into heavy industry; the consumer industries like food and textiles received less than 15%.

Table 2 Capital investment 1900: total and foreign share

Industries	Millions of Roubles		%	
	Total	Foreign	Total	Foreign
Mining & metallurgy	472.2	343.8	34.12	55.27
Metal conversion	177.3	125.6	12.81	20.19
Glass	59.1	26.6	4.27	4.28
Chemicals	93.8	29.3	6.78	4.71
Food	158.3	11.4	11.44	1.83
Paper & wood processing	49.6	13.9	3.58	2.23
Textiles & leather	373.7	71.4	27.00	11.48
Total	1,384.0	622.0	100.00	100.00

Source: *L'industrie belge dans la Russie des Tsars* (4)

Higher economic activity combined with lower interest rates initiated a new speculative boom, briefly interrupted in 1896, which would finally end in 1899. The stock exchange expanded greatly, and over 900 new joint-stock companies were authorised by the government during the second half of the 1890s. After 1899, the weakness of the Russian economy became apparent. The Russian economy relied very much on heavy industry (see Table 2) which in turn depended heavily on exports, and the few consumer-based manufacturers relied upon exports as well. The Russian Empire was therefore seriously affected by the international crisis in 1900. In a reaction to the worsened public finances, state financing of railway construction came to an end and so did the railway boom. Moreover, the economy had not really provided more welfare for the common people. In 1914 the average Russian, with a per capita income of 60 roubles per year, was still poorer than his counterpart in 1788/1807. Russia definitely had become a less agricultural country as the proportion of industry, transport and commerce in national income had risen from 10% in 1850 to 40% in 1913. However, the benefits of that industrialisation went completely to the Russian élite as inequality had risen as well. In 1850 the upper-level aristocracy who comprised 1% of the population, controlled 6% of the national income. In 1905 this had risen to 12% and in 1910 to 15%.

The St Petersburg stock exchange recovered briefly between 1909-1912 and, after an unstable 1913, it would come to an end in 1914. After the Austrian ultimatum to Serbia on July 10, the stock exchange finally closed on July 16. The effects of war and misery caused by bad food supplies brought the Bolsheviks to power in October 1917. This meant a final blow to Imperial Russia's experience with the capitalist economy. The Soviets nationalized all joint-stock companies and credit institutions on December 14, 1917, although some partly private companies were later allowed for a time under Lenin's New Economic Policy.

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Moscow Bavaria Brewery Co 100-rbl bearer share 1874



Pacific Whaling and Fishery Co of Count H H Kayserling & Co Ltd 250-rbl bearer share in Russian, German and English, St Petersburg 1902. Heinrich Kayserling was a Russian officer of German extraction who formed a company in 1894 which caught 700 whales in two years. In 1899 he formed this company which did 760 million rbl (approx €30 million today) of business by 1902 – fishing, canning, soap making etc – selling mostly to the Japanese. Unfortunately the ships were confiscated by Japan in the Russo-Japanese war of 1905

NEW YORK

The big news in March was the acquisition of the market-leading and long-established US auctioneer **R M Smythe** by **Spink of London**, which we report on page 6.



PARIS

For an international metropolis like Paris, home of one the world's leading stock exchanges for centuries, it is a disappointment that there has been no scripophily auction house active since the late Guy Cifré switched from auctioneer to dealer in the mid-1990s. Now a new attempt has been launched by **Gilbert Lamblaut** and **Daniel Voignard**, trading as **Galileo**. Their first sale was held on December 10 when they offered mostly French shares. The top price was paid for the Mucha-designed **Paris-France** piece: ?350. The partners will continue their effort to liven up French scripophily with a second auction this coming winter.

WASHINGTON

In June **Christie's**, **New York**, sold a 1793 certificate for a plot of land in the Territory of Columbia, what was to become Washington DC, issued to **George Washington**. This was bought by a US scripophily collector for \$16,250 plus buyer's premium.

RECORD PRICES

The sale in May by Tschöpe of a **North American Phonograph Co** share signed by **Thomas Edison** for €39,000 plus premium was a world record for Edison and qualified this piece as one of scripophily's top twenty. Remarkably, the very same piece had sold at Tschöpe in April 2006 for less than half – €15,500. In US dollars the hammer price had trebled from less than \$20,000 to \$60,000. Not a bad two-year investment.

Also in May a share of the **Frankfurt Palm Garden** sold at the HWPH auction for €29,000 plus premium, a record. It is believed to be the only known example of its class – a 1903 428.57-mark share, series II. It should have been bought in when the company was taken over by the city in 1931.

A **Moscow-Kazan Railway** share sold for 24 times its start price in the Frankfurt auction in April. Is this a record underestimate?

TOP TWENTY AUCTION PIECES SINCE 1978

	Price €	Issuer	Origin	Issue date	Type	Signed	Auction	Date	Rank \$	Price \$	Rank £	Price £
1	133,000	Standard Oil Company	USA	1871	first issue share	John D Rockefeller, twice	Smythe	2000 Jan	2	134,000	2	82,000
2	118,000	Deutsche Bank	D	1871	share number 1		Morton & Eden	2004 Nov	1	156,000	1	83,000
3	87,000	Roulette de Monte Carlo	F	1924	bond	Marcel Duchamp	Sotheby's UK	1995 Jun	3	114,000	3	71,000
4	77,000	Pullman's Palace Car Co	USA	1878	share	Andrew Carnegie	Smythe	2000 Jan	4	78,000	4	48,000
5	76,000	Ford Motor Co of Canada	CAN	1906	share	Henry Ford, 3 times	Smythe	2002 Mar	11	66,000	5	46,000
6	68,000	United States Government	USA	1781	bond US 2	Benjamin Franklin	Sotheby's USA	2000 Nov	16	58,000	7	41,000
7	66,000	Compania de Reales Diligencias	E	1831	share		Tschoepe	2002 Nov	10	67,000	6	46,000
8	65,000	New Orleans & Ohio Telegraph Lessees	USA	1856	share	Samuel F B Morse	Tschoepe	2000 Nov	18	55,000	9	39,000
9	64,000	Komische Oper AG	A	1873	provisional share	Johann Strauss	HHW	2000 May	8	70,000	10	38,000
10	62,000	City of Leiden	NL	1587	bond		Akkermans	2002 Nov	12	63,000	8	40,000
11	55,000	United States Steel Corporation	USA	1901	bond	Andrew Carnegie	Smythe	2001 Jan	15	59,000	15	35,000
12	53,000	Lekdijk Bovendams	NL	1634	bond (manuscript)		Christie's USA	2000 Dec	20	45,000	17	33,000
13	52,000	Ilmenauer Kupfer- und Silber-Bergwerk	D	1784	share	Johann von Goethe	FHW	2000 Nov	24	45,000	19	31,000
14	51,000	British Government	GB	1718	bond	Isaac Newton	Boone	2007 Sep	5	72,000	13	35,000
15	50,000	Compagnie des Indes	F	1665	share		FHW	2007 Oct	7	70,000	16	34,000
16	47,000	American Express	USA	1853	share	H Wells/ W G Fargo	Tschoepe	2001 Nov	28	42,000	24	29,000
17	46,000	North American Phonograph Co	USA	1892	share	Thomas A Edison	Tschoepe	2008 May	6	71,000	12	36,000
18	46,000	Free Society of Traders in Pennsylvania	GB	1683	call receipt		Smythe	2002 Mar	29	40,000	25	28,000
19	44,000	State of the Massachusetts Bay	USA	1777	bond MA 2	Paul Revere	Smythe	2002 Mar	32	39,000	28	27,000
20	44,000	Chur-Brandenburgischen Landschaft	D	1724	loan (manuscript)	King Friedrich Wilhelm I	Classic Effecten	1990 Sep	17	58,000	20	31,000

Repeats are excluded. Prices include buyer's premium but not taxes. Prices of #11 and #13 are our best estimates as other items were included in the lots.

SCRIPOPHILY BOOMING – MASSIVE RISE IN WORLD SALES

Worldwide auction sales in the twelve months to May 2008⁽¹⁾ were 26% up on the same period of 2007, in euros. In pounds the increase was 35% and in US dollars 42%, which shows which currency has fallen in relative strength in the past year.

Like-for-like annualised world auction sales (room and mailbid):

	Millions	2006-7	2007-8
Euros		6.0	7.5
US dollars		7.7	11.0
Pounds		4.1	5.5

In December 2006 we estimated internet auctions on eBay and other websites at €1.4 million. This sales channel is likely to have grown since then, so we estimate the world total for auction sales of all types in 2007-8 at over €9 million. There is no shortage of demand for scripophily at the right prices.

NATIONAL MARKETS

Germany continues to be the market leader by far but fell from 70% to 65% of the world, in euros. Switzerland also fell. The biggest gainer was the USA, up from 11% to 16% due largely to the Smythe Memphis auction in July, but far from the 45% share (in dollars) achieved in 2001. The other large gainer was Belgium, its share up from 7% to 10% due entirely to the efforts of its sole auctioneer, CvS Boone. The leaders in each market in 2007-8 were Busso Peus with 41% of the German market; Smythe (now Spink) - 85% of USA; Spink - 48% of the UK; and Boone and HIWEPA which had the entire market in Belgium and Switzerland, respectively.

Our conclusion from these figures is that the hobby is being held back by blockages in the supply channel. The Reichsbank auctions at Busso Peus show that literally millions of certificates can be sold at low prices. The 26% increase in world sales shows there is plenty of demand. American experience shows that if you hold more auctions you sell more. There is plenty of demand to soak up large numbers of certificates and to spread the hobby but auctioneers appear unwilling or unable to offer enough material at prices collectors and dealers are willing to pay.

(1) Data from table below and in our issues for December 2006 and June and December 2007. All figures on this page include buyer’s premium but not taxes.

WORLDWIDE AUCTION SALES DECEMBER 2007 - MAY 2008

Firm	Date	Place	No. of scripophily lots offered	% sold by number of lots	Total sales including buyer's premium			Market share in euros
					€	£	\$	
Tschöpe	8-Dec	Düsseldorf	527	68%	171,627	123,489	252,621	
Gutowski	22-Jan	Mailbid	2,008	56%	129,659	96,755	189,419	
Busso Peus	2-Feb	Berlin	695	99%	1,699,700	1,282,178	2,524,225	
HSK	23-Feb	Hamburg	1,650	58%	202,304	152,403	299,855	
FHW	19-Apr	Frankfurt	1,880	43%	264,774	212,229	420,488	
HWPB	2/3-May	Würzburg	2,336	58%	446,200	351,242	691,209	
Tschöpe	3-May	Düsseldorf	581	76%	188,391	148,298	291,835	
		Germany	9,677	59%	3,102,655	2,366,594	4,669,652	73%
CvS Boone	29-Mar	Antwerp	1,809	66%	447,631	356,324	707,482	
		Belgium	1,809	66%	447,631	356,324	707,482	11%
Winslow	15-Dec	Internet	118	49%	18,535	13,205	26,633	
Smythe	6/7-Feb	New York	1,295	82%	203,826	152,135	295,447	
Smythe	20-Mar	New York	25	96%	9,724	7,410	14,944	
Winslow	22-Mar	Mailbid	594	58%	21,702	16,828	33,408	
		USA	2,032	73%	253,787	189,578	370,432	6%
HIWEPA	17-Dec	Mailbid	521	96%	22,778	16,228	32,729	
HIWEPA	3-Mar	Mailbid	564	100%	26,210	19,975	40,282	
HIWEPA	12-Apr	Basel	819	99%	104,302	83,305	165,079	
		Switzerland	1,904	98%	153,290	119,508	238,090	4%
IBSS	8-Feb	Mailbid	216	80%	4,852	3,614	7,038	
London Coin	1-Mar	Bracknell	72	55%	6,617	5,065	10,055	
Bonhams	2-Apr	London	83	92%	20,619	16,242	32,203	
Spink	3-Apr	London	860	57%	94,386	74,082	147,875	
		UK	1,231	63%	126,474	99,003	197,171	3%
HHW	1-Dec	Vienna	804	53%	57,500	43,317	85,226	
HHW	20-Feb	Vienna	not reported					
HHW	26-Apr	Vienna	780	56%	50,600	40,558	80,358	
		Austria	1,584	54%	108,100	83,875	165,584	3%
Akkermans	27-Mar	Internet	2,740	30%	28,759	23,689	47,034	1%
Galileo	10-Dec	France	587	not reported	10,030	7,217	14,763	0%
		World	21,564	59%	€4,230,726	£3,253,671	\$6,410,208	100%

The 76th HHW auction attracted more visitors than it usually does – we counted almost 50 heads. Probably the retirement of local competitor Weywoda has something to do with that. 804 pieces came under the hammer and 53% of them were sold.

A positive surprise was the price a founders share of the **Schneebergbahn** from 1898 fetched – €2,050 (start price €750). Vienna is certainly a good place to pick up certificates from not only Austria and Hungary, but also Poland, Romania, Slovenia, Czechoslovakia, Croatia, which all were (at least in part) ruled by the Austro-Hungarian emperors. The Czech chocolate share **Opp** from 1914 started at €180 and fetched €370. The classic US stock of the **American Merchants Union Express Co** from 1869 sold for €280 (\$415).

GUTOWSKI

Mailbid, January 22

Vladimir Gutowski presents the best quality mailbid catalogues, and the material usually includes some quality pieces as well. This time, Russians did very well with 75% of the 130 lots selling. Some Russians sold far above their start prices – €1,050 against only €150 start for an **Auerbach & Cie** share, €1,500 against €350 for **Eugen Becker & Co** 1900 and €2,400 against €1,000 for a handsome **Bogdanoff & Cie**. Germans had a harder time; the top piece sold at its start – €7,500 for a 1759 share in the **Royal Prussian Bengal Company** – but many other pieces did not sell.

British sold unusually well for a mainland auction: 81% sold including at €300 (£224) an 1846 share in **The British Alkali Co**, a company that eventually merged in 1926 with two others to form ICI. 63% sold from a large group of over 100 French lots, including **Paris-France** 1924 at €560. The USA did unusually well for Europe, selling 70% out of a large section of 342 lots. An 1889 share in the **Central Branch Union Pacific Railroad**, of which the auctioneer has only known 4 or 5 examples but with no big signatures, achieved its start price of €1,600 (\$2,350).

1911 share of a Russian tobacco company,
A N Bogdanoff & Cie, sold for €2,400



American Guano Co share 1856 sold
for €1,100 (\$1,600)



AUCTION REVIEWS

BUYER'S PREMIUM

Most auctioneers charge a premium to the buyer (as well as sales commission paid by the seller), generally in the range 15-20% of the hammer price, plus local taxes. The figures reported in our auction reports on the following pages are hammer prices, not including the buyer's premium.

BUSO PEUS

Berlin, February 2

In this fourth BARoV Reichsbank auction, 692 of the 695 lots were sold at a total hammer price of €1,478,000. For the first time, after clearance from the authorities, foreign currency bonds were offered, mainly US dollar bonds including 73,000 'Dawes' and 110,000 'Young'. The **Dawes** sold for just €10,000 (\$14,850), the start price, while the **Youngs** remained unsold at €10,000. This was the first time ever that a Reichsbank lot did not sell!

The auction started with collector lots – mixed pieces, all different, of a specific theme. As usual **breweries** sold well at €5,000-€6,400 being €63-€97 per piece. Two **Thaler** lots from 1839-1876 sold at €3,800-€4,000 or €177 per piece. **Automobiles and aviation** 1906-1944 sold at €2,300-€2,600 (€40-€45 each), **railways** 1870-1944 at €4,800-€5,000 (€49-€51 each) and **shipping** 1839-1944 at €4,200-€4,600 (€65-€70 each).

Dealers bid up the large mixed lots to buy at around €4 to €8 per piece, such as 4,205 **Berlin** certificates of 74 different types at €16,000 (€3.80 per piece), 2,049 **Rhineland** of 49 types at €17,000 after €5,000 start; and 3,781 from **Saxony** 1924-1942 in 76 different types went for €17,000 after €6,000 start. Many pieces in these large lots were in bad condition, almost not collectable.

Dealers also bought smaller lots from single companies: **Daimler-Benz** shares, RM300 1934 and RM1,000,000 1943, 94 pieces sold at €10,000 (€106 each) after €3,000 start. **Deutscher Offizier-Verein**, a society that procured uniforms and equipment for Army and Navy officers, 6 different certificates from 1884-1929, 335 in total, at €15,000 (€45 each, €1,250 start). **Westfälisch-Anhaltische Sprengstoff-AG** (Explosives Company Westphalia-Anhalt), 11 different shares 1895-1941, 2,000 pieces at €10,500 (€1,500 start).

About half of the lots were sold to the book, and since the CEO of the German market leader was present but not at all active in the room, rumours were afloat in that direction.....

SMYTHE

New York, February 6/7

Although the secret was well kept at the time, this was to be Smythe's last scripophily auction under their own name and the management of the Herzog family. It went well, with 82% sold. As usual, the vast majority of the lots were US. Most themes sold well, aviation being the weakest. US material still sells readily in the US, in contrast to the European auction houses' current experience.

The two top lots were an 1887 share in **Buffalo Bill's Wild West Co** and an 1856 bond in the **Accessory Transit Co of Nicaragua** signed by 'the Commodore', **Cornelius Vanderbilt**. The Buffalo Bill sold at its bottom estimate of \$20,000, \$1,000 more than in 2001, and the Vanderbilt at a mid-estimate \$19,000, almost 50% up on its 2001 price. However, this was in dollars. In euros both pieces were down on their 2001 prices, the Buffalo Bill considerably so.

The non-US section was larger than usual with Smythe, with 130 lots, many of them mixtures or bulk lots. A lot of 950 **Chemin de Fer Lung Tsing U Hai** bonds of various types sold for about \$1 per piece. Amongst British, a **Hammersmith Bridge** share 1824 sold for \$130 (£67), a **Brazilian Company** share 1833 for \$70 (£36) and an 1892 share in **The Channel Tubular Railway Preliminary Co** made \$225 (£115). A specimen \$25 **Keren Hayesod Sacrifice Bond** for an important Zionist fund-raiser, perhaps a form of donation, made \$325.

On **March 20** Smythe sold 24 Confederate bonds in a paper money sale for a total of \$13,000.

This Wonder Motor Truck Co share of 1917 sold for \$160, close to bottom estimate



1887 share in Buffalo Bill's Wild West Co issued to and signed by Cody's partner Nate Salbury but blank where Cody should have signed as president

HSK

Hamburg, February 23

HSK's 25th event in Hamburg started with a talk by Dieter Seyfarth. This time we heard interesting things about Deutsche Bank and its railway activities in the 19th and 20th centuries.

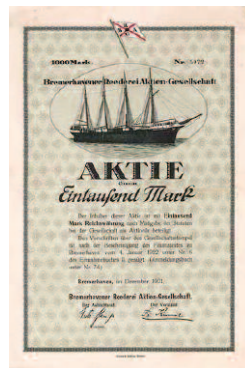
1,650 lots were again quite a lot even though 333 of them were also grouped into three collection lots, reducing the number of lots put to the hammer to 1,220. All three collections sold as such: 33 pieces **Sweden** at their €9,000 start, 53 pieces **Gdansk** at €11,000 after €10,000 start and 247 **DM-pieces** at their €15,000 start. If these collections had not sold as a whole the auctioneer would have offered the pieces separately.

US pieces were weak again, Europe and the rest of the world sold better even if a few Russian papers were unsold! Pieces from many countries beat their start prices - **Deutsche Bank**, Berlin, 1906 share 1,200 Mark, €7,000 (€6,500 start); **Wladikawkas Railway**, St Petersburg, 4 % bond 10,000 Rouble 1911, €4,000 (€2,500 start); **Cia de Carroagens Omnibus**, Lisbon, share 1836, €3,100 (€3,000 start); **Strand Bridge**, London, share 1809, €700 (€600 start). Of American interest was a German share in the **Tennessee Colonisation Co**, Mainz 1844, with text in German and French, sold for €3,300 (€2,800 start).



1907 share in Norddeutscher Lloyd, Bremen, fetched more than its start price at €4,400

This share of a ship-fitter, Bremerhavener Reederei, 1921, trebled its start price to sell at €3,000



IBSS

Mailbid, February 8

This was another Society auction which was well supported by members, with 80% of the lots selling. As is usual with the Society auctions most lots were modestly priced. The highest individual item was an 1819 share of the **Bedford & Stoystown Turnpike**, which sold for £72 (\$140). Other items of note were an 1818 **Lewisburg Bridge** share which made £67 (\$130), a Waterlow specimen share for the **Marina Aquarium Company Scarborough** at £61, and a **States of the Island of Jersey** interest bearing note from 1840 which made £56. The only weak area was the US rails.

BOONE

Antwerp, March 29

As Russia is the prominent topic in scripophily at the moment, Boone split their auction into two parts, Russia being around 500 lots and the rest of the world with 1,300 lots. They published two separate catalogues. However this was a one-time event since the majority of the Russian lots came from a collection that was put together more than 30 years ago.

More than 80 bidder numbers were issued, and no fewer than 8 bidders from Russia were present in the auction room. This, together with several phone bidders, led to 87% of the Russians being sold. The audience witnessed some lively bidding fights. Total hammer price for the Russians was €130,000. The highest price was reached by a 5% bond of the **City of Nikolaef 1912**, 4,725 Rouble at €6,600 (start price €5,000). No fewer than 65 Russian pieces were sold at prices above €1,000.

Of the rest of the world 63% found a new owner. A **West-Indische Compagnie** share of 1792 doubled its start price and reached the highest hammer at €18,000. Another Dutch piece from the 18th century, a share of the **Veersche Oester-Societeit** (Vere Oyster Company) 1758 reached €6,500.

The highest German-language piece was a share of 500 Guilder of **Verein des Deutschen Volks-Theater** (Society of the German People's Theatre) Vienna 1889 at €4,200. A founder share of the **American Express Company** 1853, with Fargo, Wells and Holland autographs was the highest selling American lot at €4,400 (\$7,000), more than double its start price. In general the US as well as other large countries like France sold poorly, whereas smaller countries, whether from Africa or South America, were better received.

The next day saw once again one of Europe's biggest scripophily bourses with many dealers from Austria, Belgium, France, Germany, the Netherlands, Poland and United Kingdom, and collectors from all over Western Europe as well as from Russia and the US.



City of Nikolaef £500 bond 1912. Only 14 of these were issued and this one sold for €6,600



American Express share of the earliest type, #122, 1853, handsomely beat its start price

AKKERMANS

Internet, March 27

In terms of the number of lots, this was the largest auction reported this time. Akkermans offered 2,740 scripophily lots within a massive 5,130-lot internet sale of papers. But with only 30% sold, the scripophily total came to just under €25,000 on the hammer. Most of the bonds and shares were low-priced 20th century Dutch and German pieces and some group lots of Dutch and Russians, but there were also a few stars. An 1896 German share of **Fischerei AG Neptun**, stamped 'Specimen', made €300 from a start of €60.



A 1916 Dutch automobile share fetched €280 and no other single-piece lot made as much.

An unusual piece fetched the highest price in the auction: an 1860 Finnish share in Kugelban-Bolaget (a bowling alley, popular in Finland at the time) made €1,100



Share of the Draps Fins d'Abbeville 1855 with portraits of the founder J Randoing, Louis XIV and his minister Colbert, and scenes of the weaving processes. Scarce, it sold for €4,200 against start price €2,500



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SPINK

London, April 3

For their first London sale since their recent acquisitions, Spink produced a superb catalogue containing 862 lots. The room attendance was disappointing but there was a strong book as well as phone, internet and 'Spink Live' bidding. 57% sold. Spink plan to hold further London sales this year and there will also be sales in New York and scripophily included in a sale in Hong Kong.

The highlight was a **Komische Oper** share of 1873, signed by **Johann Strauss** (the younger), which sold for its start price of £17,000 (€21,660). In the Chinese section, which sold very well, a pair of certificates of the **Bank of China, Japan and the Straits** 1891, signed by **Frederick Sassoon**, made £780 and a **Shanghai-Nanking Railway** 1913 reserve stock made £720.

In the large British section, canals, railways, shipping, gold mining and motors did well. A **Banstead & Epsom Downs Railway** 1863 made £200, **Hereford Railway** 1829 £700, **British Motor Co** 1899 £300, and an 1888 **Gwndwn Hill Gold Mining Co** made £220. A **Marconi's Wireless Telegraph Co** 1904 made £360. The 39 Australian lots all sold. **Melbourne & Suburban Railway** 1860 share beat its estimate at £260. An **Australian Freehold Gold Mine** 1852, made £140, and the attractive **Londonderry Gold Mine** 1899 £140. In the South Africa section, which sold well, autographs were wanted, an **Eagle Gold Mining Co Ltd**, 1889, signed by **SB Joel**, made £130, and **Van Wyk's Gold Mining Co Ltd**, 1889, signed by **Abe Bailey**, made £100.

US rails were largely unwanted, but a **Mason City & Fort Dodge Railroad** 1889 form of proxy signed by **James J Hill** did make £600 (\$1,200). A **Cripple Creek Proprietary Ltd** 1898 made £340 (\$680), and a **Venture Corporation Ltd** 1900, which operated in Cripple Creek, made £300 (\$600).

The sale was liberally sprinkled with Bradbury Wilkinson specimen bonds and certificates and these were well received; for example, an **Egyptian Guaranteed 3% 1887 Loan** made £240 and four **Russian Government Short Term Treasury Bills** made between £350 and £450 each.

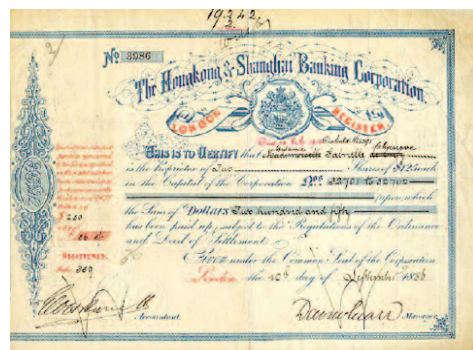


**Attractive vignette took this Atlantic Royal
Mail Steam Navigation 1860 share to £170**

BONHAMS

London, April 2

This Bonhams numismatics sale contained 83 lots of scripophily, of which 92% sold. The majority of the lots consisted of Russian bonds and certificates and the results certainly reflected the present strength in the Russian market. As is common these days with Bonhams many of the lots were multiple offerings. Five of the Russian multiples contained banks and finance companies and these were fought over, making two or three times estimate. Of the individual pieces a **City of Kursk** 1899 bond made £580, a **Moscow-Brest Railway** share of 1893 £520, and a **City of St Petersburg** 1875 bond £420.



**Hongkong & Shanghai Banking Corp share 1886
sold within estimates for £520**

HIWEPA

Basel, April 12

HIWEPA understand well that they need to provide a mix of lots for Swiss railway collectors and for international visitors. About 30 people came to Basel for the 20th such auction in **April**, of 272 lots this time.

There were many new discoveries, like **Banque Cantonale du Valais** dated 1859, sold at 1,300CHF. One of most beautiful Swiss papers, **Aktienbrauerei Thun**, sold for 8,000CHF. A very rare Swiss railway stock, **Spiez-Verbindungsbahn** from 1905, was sold for 7,000CHF; only 3 are known out of an issue of 370. The top prices were again achieved by certificates from **Basel Zoo**, one dated 1872 and the other 1933, both sold at 9,500CHF. In previous sales they had reached much higher prices – 15,000CHF and 13,500CHF. Perhaps the 1872 issue is a bit overdone.

One of the highlights from outside Switzerland was a bond of the **Théâtre des Arts**, Paris, 10,000 livres, dated 1795, with some fine signatures. The total issue was only 50 pieces. With an interesting story (it eventually became the Opéra Nationale at Palais Garnier), this one sold for 4,100CHF (€2,550). There was also good hunting for collectors with smaller budgets, like a 1929 **Coca Cola** for 330CHF (\$330).

HIWEPA ran mailbid auctions in **December** and **March**. Their policy is to have no reserve or start prices in both mailbid and live auctions, so lots can be bought for as little as 1 Swiss franc. The result in these three auctions was that 1,879 of the 1,904 lots sold, to bring in a hammer total of 221,000CHF (€140,000/£112,000/\$222,000). 25 lots were not wanted even at 1 franc! However, many were sold cheaply, including several tens selling between 3 and 10 francs. The mailbids look like eBay, but the overall quality of the pieces offered is certainly much better. The highest price in the December sale, 520CHF, was paid for the magnificent 1873 share of the **Arther Rigibahn**. A number of non-Swiss pieces sold well too. For instance: a share of German-based **Grade Automobil-Werke** got to 310CHF (€196) and an 1887 US share from the **Genesee Falls Railway** fetched 230CHF (€230).

The Swiss Aktienbrauerei Thun share 1897 sold for 8,000CHF



1912 50 gold leva share in Plovdiv Airport, Bulgaria, sold for 600CHF (€380). The aeroplane shown is a Blériot



FHW

Frankfurt, April 19

This time almost 1,900 lots were offered although only 43% were sold. Around 30 bidders were present in the auction room. Russia was once again a very important part of the auction with 120 lots, 23 of which reached hammer prices of €1,000 or more. Especially remarkable was a 1900 100-ruble share in the **Moscow-Kazan Railway**, start price just €250, which was bid way up to €6,000, even though its serial number suggests at least 99,506 were issued. Another stunner was a 1911 £500 bond of the **Troitzk Railway**, bid to €4,000 from a €300 start. A **Rjaschsk-Morschansk Railway** £20 dividend certificate 1870 made €6,000 from €1,500.

Amongst Germans, a **Wiesbadener Actien-Bierbrauerei-Gesellschaft** 100-gulden share 1863 made €7,000 (start €6,000). A manuscript Prussian royal bond signed in Berlin in 1741 by **King Frederick the Great** sold just over its start price at €6,500. Some of the Reichsbank hoard certificates, notably from the fourth BARoV auction reported on page 25, are much wanted. For example a **Schaumweinkellereien Breisach AG** (Breisach sparkling wine cellars) share 1,000 Reichsmark, 1936, of which 100 pieces were in the hoard, sold at €500 after €180 start.

Non-Germans saw a 1792 **West-Indische Compagnie**, Holland, share much wanted and reaching €7,000 from a €2,500 start. A **Centennial International Exhibition**, Philadelphia, share 1876 at €1,500 (\$2,400) and an English **Provident Institution for Life Insurance and Annuities** share 1807, €500 (£400) sold at their start prices.

The next day saw a lively bourse with dealers from Austria, Belgium, Finland, France, the Netherlands, Switzerland, Turkey and the US as well as Germany, and collectors mainly from Germany.

Alaska Central Railway, Seattle WA, 5 preference shares \$50, 1903, sold for €1,400 (\$2,200) after €1,200 start



A stunning 24-times-start-price was achieved by this Moscow-Kazan Railway share - €6,000 after €250 start!

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HWPB

Würzburg, May 2/3

HWPH once again surprised collectors and dealers by introducing new highlights to German scripophily. Their 10th auction was divided into three parts over two days. The first day started with an international section of 1,063 lots, 350 of them from Russia. A 1901 share in the **Troitzko-Kondrowo-Company of W Howard's Paper Factories**, Moscow, raced up to €4,400 after a €500 start. China and Japan sold well as did Peru and especially Brazil, whereas the US was again disappointing because of the weak dollar.

The first day continued with a 50-lot highlight auction printed in a separate catalogue in three languages, German, English and Russian. 80-90 attendees filled the room to the last seat. 29 lots sold for €131,400 total. **Palmen-Garten-Gesellschaft**, Frankfurt, 1903, share of 428.57 Mark, sold for a record €29,000. **Kaiserlich Indische Compagnie**, Antwerp, 1730, warrant for 24 shares, made €2,500. A **Rybinsk-Bologoje Railway** share, 1884, far exceeded its start price like many other Russians, and sold at €10,000 after a €4,000 start.

The next day saw the 1,200-lot German section of the auction. Southern German pieces sell very well at HWPB auctions (69% sold this time). But German certificates from before 1948 were weak, most probably because of the Reichsbank hoard auctions. DM pieces sell well. On this occasion 300 were offered and 64% sold. It is very unusual outside Germany for material as modern as this (1948-1999) to sell at prices above, say, €50. The highest price here was for a 1970 specimen share in **C F Asche & Co**, Hamburg, selling at €440 from €110 start and the next a 1949 specimen share in **Berliner Luftverkehr AG** 'Merkur' at €350 (start €180). Most of the DM pieces were below €150, however, some as low as €17.

The third day saw a lively bourse with many dealers from Belgium, France, Italy, the Netherlands, Poland, Russia and Sweden as well as local dealers and collectors from Würzburg and surrounding areas.



Palmen-Garten-Gesellschaft, Frankfurt, 1903, share of 428.57 Mark, sold for a record €29,000



Dalian Stock and Commodity Exchange, China, 1930, 10 shares, €1,400 after €1,000 start price. Dalian, an important Chinese port, was seized by Japan in 1905, controlled jointly by China and the Soviet Union after WWII and returned to China in 1955



City of Pernambuco (Recife), 1910, 5% Guaranteed Loan of £100, at €3,300 after €350. There are rumours that such bonds can be used to pay tax liabilities

TSCHÖPE

Düsseldorf, December 8 and May 3

December's 60th auction had fewer star pieces than usual for Tschöpe. Especially absent were the American pieces, and there was not much in the way of excited bidding. The two top pieces were English and sold at their start prices – one of the rare 1777 shares in the **Iron Bridge** signed by **Abraham Darby III** and **John Wilkinson** at €26,000 (£18,700), and a fine vignetted and uncanceled **Liverpool & Manchester Railway 1828** at €16,500 (£12,000). A \$1,000 1867 gold bond of the **Central Pacific Railroad** signed by **Leland Stanford** and **D O Mills** sold at €22,000 (\$24,250).

That top US pieces are still very much wanted in the 'old world' was proven by Tschöpe's **May** results. In a number of thrilling bid fights between live, phone and absentee bidders, some of America's finest fetched top prices: the **North American Phonograph Co** signed by **Thomas A Edison** exploded from €7,500 to a record €39,000 (\$60,400), a **New Orleans & Ohio Telegraph Lessees** stock from 1856 issued to and signed by **Samuel F B Morse** sold for €38,000 (\$58,870, start price €26,500), the autograph of '**Commodore**' **Cornelius Vanderbilt** on the **Accessory Transit Co of Nicaragua** brought €12,000 (\$18,600, up from €8,500) and a founders share of **American Express** doubled in price from €3,800 to €8,000 (\$12,400).

In strong contrast, the results for comparable German quality were disappointing. A founder share of the **Berlin Zoo** remained unsold at a start price of €20,000. Two attractive shares from Königsberg (**Maschinenbau Vulkan** and **Stadthalle Königsberg**) remained unwanted at €8,500 and €9,000 despite the fact that Königsberg is now the Russian city of Kaliningrad and thus part of the hottest scripophily market of today. Another highlight, a **Johann Strauss**-signed **Komische Oper** had to be returned to the consignor as well, unwanted at €37,000.

Did anybody ever bid more for a Thomas Edison stock than the €39,000 paid by the buyer of this North American Phonograph Co? We think not. The very same piece sold for €15,500 in the Tschöpe auction in April 2006



LONDON COINS

London, March 1

London Coins' first UK auction to include scripophily was held in Bracknell, a short distance from London. As is common with UK sales, the room attendance was thin, but there was good interest from postal, phone and internet bidding. Of the 72 lots of scripophily, 55% were sold. Over half of the lots were multiple lots. The best results for the individual pieces came in the Chinese section, where the top price went to a **City Government of Greater Shanghai Loan of 1934** which sold for £600 against an estimate of £400-£500. A **Birt's Wharf Hide-Curing & Wool-Cleaning** share dated Shanghai in 1883 made £400. A **Republic of China 1940 Reconstruction Gold Loan** bond for £100 made £280. Amongst British, a lot containing one **Anglo-Iranian Oil** and two **Anglo-Persian Oil** certificates made £190, well over estimate of £100-150.



The highest price paid for a German piece was €2,850 for this lovely 'Jugendstil' bond of the City of Freiburg

Our next auction:

November 8th, 2008



For consignments and catalogue requests please contact:

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HARMER

Bethel CT, June 2

The scripophily sales in the third of Harmer's auctions of American Bank Note Co archive material totalled approximately \$290,000 (£147,500/€186,500) with 45-50% of the 1,100-plus lots sold.

The highlights included a strong showing from the non-US section of 386 specimen and proofs. A **1937 Republic of China** bond specimen opened at \$650 and after spirited bidding hammered at \$1,450. **Mexico** proved popular also with 40 out of the 53 lots offered selling, often between the low and high estimates and some beating the high estimate. **Republic of Poland** bonds exhibited the strongest prices with all of the 19 lots selling and six of them hammering for more than \$1,000. Nine out of the ten **Belgian Government** bonds were sold between \$200 and \$300.

There were mixed results in the US lots. Weak areas included automobiles, telegraphs, oil and mining. Aviation showed moderate strength, with the **Aerial Navigation Co of America** stock from 1909 selling for \$775 and the **Utah Aeronautic Co** from 1911 - with the first photo vignette of an early airplane on a stock - flying for \$950. Technology and internet certificates proved popular, as did navigation.

The highlight of the US material was the railroad stock and bond section with over 240 lots. Western certificates proved very popular. A rare and possibly unique **San Jose Los Gatos Interurban Railway** certificate from 1903 at \$800 captured the top spot amongst California certificates. Florida also proved popular with 14 out of the 17 selling and 6 of them between \$400 and \$700. A **Butte, Anaconda & Pacific** specimen bond from Montana dated 1893 was hammered at \$1,200, while an approval proof for a **Nevada Central Railway** \$1,000 bond dated 1879 flew off the block at an impressive price of \$2,100. A **San Antonio & Gulf Shore Railway** from 1894 hammered for \$2,000.



Republic of Poland \$500 bond specimen, 1938, sold for \$1,100 (€700)



Central Railroad Co of New Jersey \$10,000 bond specimen, 19—, sold for \$1,000

FHW

Munich, June 7

The 90th FHW auction took place in the Bavarian capital Munich, where the parent company is listed. 1,798 pieces came under the hammer, of which 44% were sold. Remarkably out of the 796 lots sold, only 286 went above their start price. This reflects the price strategy to have high start prices (thus few sales but at strong prices) instead of the Anglo-American tradition of more moderate reserve prices (with more lots selling but at possibly lower prices).

As usual these days, Russia was the best performing country with the percentage sold a little above 60%, including several prices well above start. Overall 35 items sold for at least €1,000, most of which were German or Russian, while 23 lots with start prices of at least €1,000 remained unwanted. Three German and three Russian certificates fetched €6,000 to €9,000. The top price was paid for a pretty and rare share of the **Vereinigte Bischweiler Tuchfabriken** from 1872. An 1871 **Berlin Zoo** sold for €880, well above its start price of €600, even though 25 pieces were found in the Reichsbank hoard (and a few others were known before). Post WWII certs are wanted in Germany, many of them selling between €50 and €300; a **Marseille-Kliniken AG** specimen, 1996, fetched €180 (start €120).

The US part of the sale, 175 lots, was weak, with only 39% selling. The highest US price was paid for a share of the **American Nautilus Submarine Co** from 1856 : €1,800 (\$2,800, the start price). Few British pieces were offered: 14, of which 6 sold. The 1905 share of the **Star Omnibus Co** fetched €150 (£120) and was the best for a British certificate.



Berlin Zoo, 1871, sold for €880, well above its start price of €600



A modern specimen, 1996, for a hospital, Marseille-Kliniken AG, fetched €180



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INTERNATIONAL BOND AND SHARE SOCIETY

INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2007

	2007	9 months to 31 December 2006
	£	£
Income		
Subscriptions	7,561	456
Advertising	4,935	3,294
Sales of publications	12	4
Auctions commission and premium	1,531	477
Interest received (gross)	1,338	1,037
Gain/(loss) on foreign exchange	320	(128)
Gain on redemption of Government stock	961	1,690
Total Income	£16,658	£6,830
Expenditure	£	£
Journal and indexes production costs	5,465	4,805
Directory and supplements production costs	1,618	60
Postage and packing	7,807	2,531
Auction catalogues and expenses	1,102	403
Office and committee expenses	313	145
Stationery	290	-
Bourse and meeting costs	1,187	883
Bank/credit card charges	715	424
Internet expenses	557	-
Taxation on interest	263	197
Provision for accountancy	152	117
Prior year corrections to subscription income	-	2,322
Total Expenditure	£19,469	£11,887
Deficit for Year	(£2,811)	(£5,057)

BALANCE SHEET AS AT 31ST DECEMBER 2007

	2007	2006
	£	£
Accumulated Fund		
Brought forward	32,629	37,686
Deficit for the year	(2,811)	(5,057)
Accumulated Fund carried forward	£29,818	£32,629
Represented by:	£	£
Bank deposit accounts	15,344	25,614
Bank and cash balances	5,772	780
Debtors and prepayments	2,319	3,450
Investment in Government Stock at cost	24,428	15,475
Total Assets	£47,863	£45,319
Liabilities	£	£
Unexpired subscriptions	10,482	11,474
Creditors and accruals	7,300	1,019
Taxation	263	197
Total Liabilities	£18,045	£12,690
Net Assets	£29,818	£32,629

Martyn Probyn

Treasurer

31st March 2008

REPORT OF THE INDEPENDENT EXAMINER TO THE MEMBERS

I have examined the Society's accounts for the period ended 31st December 2007 and have reviewed working papers and supporting information and in my opinion the accounts give a true picture of the state of affairs at the 31st December 2007 and of the period then ending.

Nico Vermeiren, Deinze, Belgium

EVENTS CALENDAR

Most of the event organisers can be contacted via their details in the Membership Directory 2008 and/or in their ads in this issue. It is advisable to check dates with the organisers before attending as dates are sometimes changed at short notice.

August

- 4 Gutowski Mailbid Auction
- 29 IBSS Mailbid Auction
- 30 HSK Auction, Hamburg

September

- 6-7 * London Coins Auction, Bracknell
- 18 Spink Auction, London
- 20 HIWEPA Auction, Basel
- 27-28 * Maastricht Paper Money, Bond & Share Show, Valkenburg
- Eijssermans-Events@t-online.de
- 29 HIWEPA Mailbid Auction

October

- 4-5 FHW Auction & Bourse, Frankfurt
- 4-5 * IBNS Fair, London
- ibnsuk@onetel.com
- 15 * Bonhams Auction, London
- 18 Portafoglio Storico Auction, Milan
- 18-19 Boone Super Attic Sale & Bourse, Antwerp

November

- 3 Gutowski Mailbid Auction
- 8 Tschöpe Auction, Düsseldorf
- 8-9 HWPB Auction & Bourse, Montabaur
- 29 FHW Auction, Berlin

December

- 6-7 * London Coins Auction, Bracknell
- 8 HIWEPA Mailbid Auction
- 18 * Bonhams Auction, London

January 2009

- 26 Gutowski Mailbid Auction
- 30-31 Northern VA Stock & Bond Show
- Dulles Airport - rsschell@msn.com
- 31 IBSS Breakfast Meeting, Dulles Airport - president@scripophily.org

* Scripophily with paper money, coins or other collectables

October 2008 – September 2009

25-year Jubilee

C.V.S.-Boone

Jubilee programme:

- Oct '08: Super Attic Sale for dealers and investors and Bourse in Antwerp
- Nov '08: Party for our internal and external collaborators
- Dec '08: Launch of our Webshop
- Jan '09: Month of gifts for our clients
- Feb '09: Book publication
- Mar '09: Jubilee Auction, Party and International Bourse
- Apr '09: Official opening of our renovated offices
- May '09: Scripophily Exhibition
- June '09: Bargain Mailbid Auction
- July '09: Publication of Reference Catalogue of Belgian Scripophily
- Aug '09: Day of Economic History
- Sep '09: International Auction and Bourse in Antwerp

Most important date:

21 & 22 March 2009: “Best of the Best” Jubilee Auction, Bourse and Party in Antwerp

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6th & 7th December 2008
28th February & 1st March 2009
6th & 7th June 2009
5th & 6th September 2009
5th & 6th December 2009

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