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starting and expanding a coin collection

# Coin Collecting

## FOR DUMMIES®

2nd Edition

**Neil Berman**

*Expert numismatist and professional rare coin dealer*

**Ron Guth**

*Author of Coin Collecting For Dummies  
President of the Professional Coin Grading Service*

**A Reference for the Rest of Us!®**



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## About the Authors

**Neil S. Berman:** Neil S. Berman has been an expert numismatist and professional rare coin dealer since 1968. Coming back to the United States from Israel at the end of 1967, he apprenticed to the world-renowned Dutch numismatist and coin auctioneer Hans M. F. Schulman. He incorporated as Neil S. Berman, Inc., in 1968. In 1974, Neil became an associate of Metropolitan Rare Coin Company of New York. For the next several years, he represented Arthur and Donald Kagin of Des Moines, Iowa, then the largest coin dealer in the Midwest, as a purchasing agent. Later he represented Superior Galleries under the Goldbergs, also as a purchasing agent. In 1979, Neil, with his brother Jed, founded First Federal Coin Company, the first East Coast coin company to sell rare coins into IRA, Keogh, and pension plans. From 1983 until 1990, he was the purchasing agent for Asset Services, Inc., the largest coin company serving the financial community. Neil donated his large collection of German and Swiss silver minor coins to the American Numismatic Society (ANS) in 1989. In 1997, he received the American Numismatic Association (ANA) Service Award from ANA President David Ganz. In 2005 and 2006, he was associated again with Superior Galleries of Beverly Hills, this time under the ownership of numismatist Silvano DiGenova.

Neil catalogued the U.S. gold in the 1977 Kagin's ANA Coin Auction Sale, the first New York coin auction sale in 1981 of Spink and Sons, England's oldest and largest coin dealer, and a coin auction sale by Superior Rare Coin Galleries of Beverly Hills in 2006.

Neil has been published in *Barron's*, *Trusts & Estates*, *The National Law Journal*, *The Financial Planner*, *Pensions World*, and *Executive Jeweler*. In 1987, he wrote, with Hans Schulman, *The Investor's Guide to United States Coins*, which sold 40,000 copies and received a Numismatic Literary Guild award for Best Investment Book. In 2007, he wrote the second edition of the book with Silvano DiGenova. Neil has just completed a book on rare coin auctions.

Neil has done coin appraisals for the U.S. Postal Service, the U.S. Internal Revenue Service, the New York State Internal Revenue Service, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission, American Express Company, Bank Leumi Trust Company, Chase Manhattan Bank, European American Bank, Morgan Guaranty Trust Company, Franklin Mint, and Seaman's Bank for Savings, among others.

Neil has appeared and testified as an expert witness before the U.S. House of Representatives House Banking Committee and the Subcommittee on Consumer Affairs and Coins on H.R. 6058 and H.R. 6158. He has also testified in open court

as an expert witness for the U.S. Postal Service.

He has, in the past, been a contributor to the *Guide Book of United States Coins*, by R. S. Yeoman, and John W. Dannreuther's masterpiece *Early U.S. Gold Coin Varieties*.

Neil is married to Susan Kerner Berman, a successful Realtor in northern Westchester County. They have two children, a dog, and a cat. He serves as a member of the Antenna Advisory Board of the Town of Lewisboro, New York. You can visit Neil at his Web site at [www.neilsberman.com](http://www.neilsberman.com) or e-mail him at [neil@neilsberman.com](mailto:neil@neilsberman.com).

**Ron Guth:** Ron Guth is a jack-of-all-trades and master of one — numismatics. Ron is a certified public accountant (CPA), a licensed auctioneer, and a writer, but the bulk of his time is spent on his true love — coin collecting and dealing. Ron's battle with coin fever began when he was 12 years old, and he's never gotten over it. After a decade of collecting, Ron went professional in 1976, when he began working for a local coin shop in Tampa, Florida. In 1978, he partnered with David Goldsmith and purchased the Bay Area Coin Exchange in Tampa. Ron and Dave blasted through the silver boom, and then split up in 1981, when Ron moved to Evansville, Indiana (his wife's hometown), where he set up shop on First Avenue. In 1984, Ron formed Mid-American Rare Coin Auctions with Jeff Garrett of Lexington, Kentucky. The company quickly established itself as an innovative leader in the industry and, within the first year, became the fifth largest rare coin auction company in America. In 1988, Ron sold his interest in the company, went back to school to finish his bachelor's degree in accounting and finance, and has since become a numismatic consultant and a major dealer in German coins.

In 1984, Ron won the American Numismatic Association's Wayte and Olga Raymond and Heath Literary awards. He has written many coin-related articles and is listed as a contributor to several books, including *Walter Breen's Encyclopedia of United States Coins*, Krause Publications's *Standard Catalog of German Coins*, Roger S. Cohen's *American Half Cents*, *Walter Breen's Encyclopedia of United States Half Cents*, and others. Ron has served as a numismatic consultant for many rare-coin companies, including major firms such as the Professional Coin Grading Services, Heritage Numismatic Auctions, and Early American History Auctions.

As a rare-coin auctioneer, Ron has sold over \$100 million in rare coins, including the \$1.84 million 1913 Liberty Head Nickel (tied for the second most valuable coin ever sold at auction). His chant has been heard at auctions conducted by just about every major name in the business, including R. M. Smythe, Heritage Numismatic Auctions, Kagin's, Lyn Knight, David Akers, Currency Auctions of America, Ponterio & Associates, Early American History Auctions, Mid-American Rare Coin Auctions, and Superior Galleries.

Ron's professional affiliations include Life Membership in the American Numismatic Association and memberships in the Rittenhouse Society, Early

American Choppers Club, Colonial Coin Collectors Club, Civil War Token Society, and numerous regional and state organizations.

In 1999, Ron formed CoinFacts.com, Inc., a Web site that provides free, in-depth information about U.S. coins to anyone with Internet access. In 2000, he launched PaperMoneyFacts.com to provide a similar service for paper money collectors.

You can visit Ron on his Web sites at [www.coinfacts.com](http://www.coinfacts.com) or [www.papermoneyfacts.com](http://www.papermoneyfacts.com) or e-mail him at [ron@coinfacts.com](mailto:ron@coinfacts.com).



# Dedication

To my wife, Susan, my son, Eric, and my daughter, Ava, and her dog Millie, all of whom helped.

—Neil S. Berman

## **Authors' Acknowledgments**

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**Project Coordinator:** Patrick Redmond

**Layout and Graphics:** Reuben W. Davis, Alissa D. Ellet, Christine Williams

**Special Art:** Early American History Auctions, Inc., Ron Guth, and Tom Mulvaney

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**Proofreaders:** John Greenough, Linda Seifert

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# Introduction

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Welcome to *Coin Collecting For Dummies*, 2nd Edition. You may have just discovered coin collecting for the first time and want to find out more. Or perhaps you've collected coins for a while and want to take your hobby to the next level.

Coin collecting is a hobby you can share with family and friends. It's relaxing and as expensive or inexpensive as you want it to be. Coin collecting teaches history, geography, observational skills, organizational skills, and analytical tools — all without your thinking about it. If you buy properly, coins can be an excellent place to park your money for a rainy day, and if you buy the right coins and the market improves, you may even be able to make a profit on your collection someday.

## About This Book

The purpose of this book is to turn you into a world-class coin collector in as short a period of time as possible. The chapters are laid out in parts that focus on particular areas of *numismatics* (the study of coins), including everything from getting involved in coin collecting, to deciding what to collect, to protecting yourself and your coins, to grading, buying, and selling coins.

This book is designed to appeal to collectors at every level, from beginner to advanced. We've written it in everyday English without overloading you with a bunch of coin terms. (However, if you run across a term you don't understand, you can find a great numismatic glossary in the back of the book.) This is not a hardcore coin book. Instead, this book is a great general reference that points you in different directions for further investigation. You can always come back to this book to regroup, resupply, and ready yourself for something new.

Perhaps the most important goal of this book is to get you excited — and to keep you excited — about coin collecting. Coin collecting has been an important part of our lives for many years and we hope you'll develop a sense of appreciation for the hobby as well.

No one needs coins, but if you decide to collect them, you certainly need this book. We wish we'd had one like it at the beginning of our collecting careers. Coin collecting can sometimes be a confusing maze of choices sprinkled with little traps