



Liberty Seated Basics 101

by Dennis Fortier, LSCC #2016

Issue XIV - The Cadillac Effect

Introduction: One of the requests we often hear is for articles in club publications that reach back to more basic skill building. Members are at all different levels, and newer members are in some instances unfamiliar with commonly used terms in our little corner of the hobby. Mint production has changed over the last two-hundred +plus years. The Liberty Seated years (1836-1891) saw its share of production change during that time. Those changes came with a learning curve. A good deal of that learning curve had to do with the first few Branch Mints coming on line and Mint employee's at those Branch Mints needing to learn their craft.

Some of the topics already discussed include the following:

- Issue I - Weak Strikes (June 2020 E-G)
- II - Die Wear in (July 2020 E-G)
- III - Security/Home Safes (August 2020)
- IV - Security/Safe Deposit Boxes (Sept. 2020)

- V - Buying White Coins (October 2020)
- VI - Raw vs. Certified (November 2020)
- VII - Mintage vs. Survival Rate (Dec. 2020)
- VIII - Mintmark Sizes & Placement (Jan.'21)
- IX - Liberty Seated Oddities (February 2021)
- X - Die Lines & Lint Marks (March 2021)
- XI - Learning to Say 'No' (April 2021)
- XII - Covid, CAC and Market Change (May)
- XIII - Doubled Dies vs. Machine Doubling (Jun)
- XIV - The Cadillac Effect (July 2021)

Additional topics to be discussed in future months will include: Design Changes, Type Collecting, Popular vs. Rare Dates, Varieties, Cuds/Rust Lumps/and Die Cracks, Dished Dies and more.

"An Introduction to Liberty Seated Basics 101" also appeared in the *The Gobrecht Journal* Summer 2020, Volume 46.2.

The Cadillac Effect

Scientists have proven that our universe has been expanding since the dawn of time. However, as collectors climb the ladder of higher graded coins their universe contracts.

Beginning collectors often start out collecting lower grade coins. As they become more confident in their own judgement and knowledge of the coins they collect, they look to buy better coins. This is a natural

progression, or advancement in the career of a collector. Witnessing other more advanced collections, they begin to experience what is known as the "Cadillac Effect". That is, the desire to own an even higher grade collection.

For each collector, this condition manifests itself differently and into various end results. Some collectors are content or limited by financial constraints to stay at the lower level, some advance to middle grade coins, and some advance to the XF/AU



L.S. Basics 101 - The Cadillac Effect cont.

level, also known as “collector grade” coins. While a few with deeper pockets or more determination go on to the mint state level; some, a very few even advance to the stratosphere of the highest mint state grades.

Adding to this desire is mans in-bread nature to compete. The grading services have tapped into this basic instinct with the Registry Sets allowing collectors to compete for the honor of owning the finest collections in every coin series. Registry sets have brought the Cadillac Effect to a new level. Registry sets have caused such things as War nickels to sell for as much as \$80,000, if it is the highest graded specimen.

There is also the new phenomena of low ball collecting. That is trying to build the lowest graded set of coins possible. This low ball collecting has caused prices of low grade coins to sky-rocket in price. This however is solely another way to compete and not a function of the Cadillac Effect.

The basic Cadillac Effect is not, in terms of century’s long coin collecting, a new trend. No, the Cadillac Effect has been around as long as there has

been coin collectors. It is the basic desire to have the finest collection one can afford. However, there is a danger here. Some day you or your heirs will have to sell your collection. A \$1,000 coin is much easier to sell than a \$15,000 coin. You often see five figure coins sitting in a dealer’s stock for months or even years, all the time looking for a buyer. Many common date mint state coins go wanting for a buyer all the time because there are too few buyers for them.

Buying is easy. All you need is money or a good coin to trade for another. But to sell, you need a buyer. As you traverse up the mountain of higher and higher graded coins, the market for such pieces thins out. Sometimes it can take years to sell a coin. Or it becomes necessary to sell the coin at auction and take what the market offers; minus what the auction company takes as a commission.

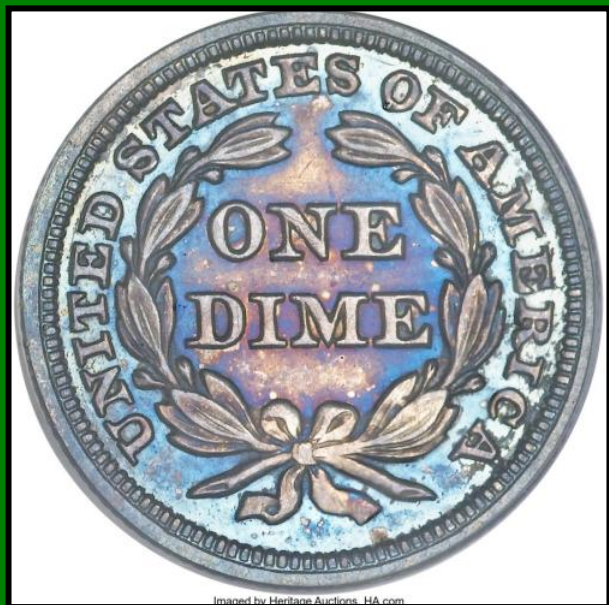
The reverse side of this is that certain issues in high grade are scarce. This drives prices for such pieces even higher. It only takes two interested buyers or bidders to make an auction price accelerate higher. A good return on a well-built collection is

(Continued on next page)

1846 PCGS-63 CAC Sold for \$86,250 in 2009



Imaged by Heritage Auctions, HA.com



Imaged by Heritage Auctions, HA.com



L.S. Basics 101 - The Cadillac Effect cont.

certainly possible, but only with thorough knowledge and an understanding of the market and the series you collect.

Most of our Liberty Seated series/denominations were long periods during the 19th century filled with many scarce and expensive issues. Some collectors skip the expensive key and semi-key issues. Others will settle for a lower graded coin to fill a whole as they say. There's nothing wrong with any of these approaches. It does serve my point however. The air gets thin in the arena of five and six figure coins. Building a set of high grade coins in a long series is a tremendous accomplishment. Hopefully you can sell it and see a decent return one day.

Before advancing to the higher risk territory of collecting, ask knowledgeable collectors of the series what they advise? Such an endeavor requires a good deal of knowledge and passion. Be sure your knowledge is equal to the task. When building a collection at any level in the Liberty Seated series, networking with other collectors and learning from them is a tremendous benefit. Buying and selling directly with other members with similar interests is one way to accomplish your goal. Being a member of a Club like the LSCC can be immensely helpful in that regard.

[Terms used in this article, if unfamiliar, can be found in literature published in series-specific books by Liberty Seated experts. Some of these are available on the club website.]

(END)



A few enlarged images from pages 4-5 of the GFRC Branch Mint Collection's Type Set Sale

Use this link for more information about the upcoming ANA Summer Convention
<https://www.money.org/worldsfairofmoney>

Excellent+ Articles about Liberty Seated in the Numismatic Press:
Continued in future issues...