



Stamp auctions good niche for auction professionals who have time to learn

By Tom Burfield
contributing writer

Thanks to an onslaught of electronic gadgets and the Internet, it seems many people continue to turn away from traditional postage stamps for letters and other mailings. For the 20 million or so philatelists in the U.S. alone, though, stamps are anything but passé, and that opens up a niche for Auctioneers.

Joe Hessney, of Hessney Auction Co., Geneva, N.Y., has included stamps in his monthly coin auctions for about four years. Stamps now take up about one-third of these auctions.

“We get as many people now for the stamps as we do for the coins,” he says.

Hessney had some previous familiarity with stamps, but he also relies on books and local col-

lectors to help evaluate collections.

Hessney has auctioned albums for as much as \$2,000, and he has taken in as much as \$800 for an individual stamp.

Early American stamps seem to attract the most attention, and no matter what stamp is on the auction block, “condition is a big thing,” he says.

Rare finds

There might be millions of unused stamps out there, but the number of truly valuable stamps is limited.

“About 99.9 percent are worthless,” says Jonathan Kraft, of Kraft Auctions, Valparaiso, Ind.

Even if you have a valuable stamp, you may not know it.

“It’s very difficult for anyone to know a lot about them outside of the guys who really collect them,” he says. “And that’s a very small market.”



If you have just 10 people at a stamp auction, he says, “you really hit a home run.”

One indication of the potential value of a stamp collection is the value of other things that the owner collected. If he had a valuable coin collection, for example, his stamp collection might be equally valuable.

In determining the worth of a stamp, Kraft says, “It all comes down to how many are left,” not whose picture is on it.

One of the most valuable stamps is the “upside down Jenny,” a stamp printed in 1918 on which the image of an airplane was accidentally inverted. It can sell for more than \$1 million.

Truly valuable stamps are not likely to be mounted in collector books or albums, Kraft says. Rather, they’ll probably be graded, placed on individual cards and accompanied by details about the stamp.

“That’s what a true stamp collector does,” he says.

Don’t get excited if you happen upon a stash of World War II-era stamps bearing Adolf Hitler’s countenance, he warns.

“The Germans made millions,” he says. “They’re not rare.”

For a stamp at auction, the most Kraft has brought in was about \$300 for a Benjamin Franklin stamp from the 1880s.

Side job

Like many Auctioneers, Scott Andreas, partner with his wife, Denise, in Andreas & Associates LLC, Ankeny, Iowa, does not specialize in stamps, but the couple comes across them from time to time in estate auctions and includes them in auctions with collectible coins and currency.

In late November, the couple was going through tubs of uncataloged stamps they obtained from an estate, and they planned to sell them in February.

“The first thing you do is get an overall assessment of what you are dealing with,” Andreas says.

It’s Denise’s job to prevent “Antique Roadshow” moments and let a \$20,000 stamp slip by for \$20.

“That’s my greatest fear,” she says.

She consults catalogs, books, local experts and the Internet to make sure that doesn’t happen.

Marketing tips

Hessney attracts buyers by posting his stamp catalog online and taking absentee and phone bids.

Stamps often sell decently online because it’s possible to scan them and allow buyers to see exactly what they’re buying, Kraft says.

“Each auction has its own marketing plan,” Denise Andreas says. She often advertises in specific stamp collectors’ journals, newsletters, in e-mails to clubs and occasionally on websites.

In the end, the key to successful stamp auctions is good due diligence, Scott Andreas says. ❖

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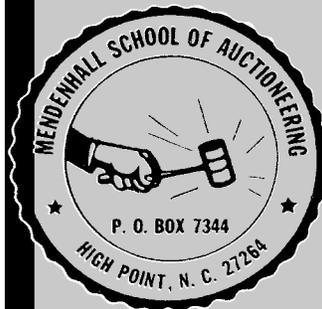
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