

Australia in Depth Article #121 'The Kangaroos' put Australia onto the world map!

By Simon Dunkerley ©

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Introduction

The sale of the *Arthur Gray* collection of the Australian Kangaroo series by American auction firm **Shreves Philatelic Galleries, Inc.** in New York on February 22nd and 23rd was a landmark event in anyone's language. As I write this report it is expected that the strong results in this sale could change the market for Australian stamps around the world. Indeed, I have already heard reports of increased interest in Australian stamps as a result of the publicity surrounding this sale and the results that were achieved. The strong results for Kangaroo and KGV imprints and monograms in particular, and pre decimal generally at the **Prestige Philately** auction of March 10th are very encouraging in this regard.

With pre-sale estimates at the upper figure totaling \$US4.94 million, the sale of the *Arthur Gray* Kangaroos grossed \$US5,584,000 including the buyer's premium of 15%. This equates to a total of \$A7,158,974 and is a world class result for a truly great collection. Now that the collection has been dispersed, it is safe to say that a Kangaroo collection of this caliber will *never* be repeated.

During my entire time in stamps there have been two outstanding collections of Australian Commonwealth or Australian Colonies stamps offered on the market that rise head and shoulders so far above the rest that such achievements will probably never be repeated. The first was *Rod Perry's Victoria*, and this is the second. In terms of their completeness and outstanding range of rarities, more than likely it is doubtful whether any collection of a British Empire Country, State or issue has ever compared to these, nor ever will. What is also amazing is that Arthur Gray's collections of the KGV heads, KGV 'Commemoratives and definitives', KGV, QEII and Booklets are also *each* worthy of an entire auction in their own right.

In regard to his Victoria, Rod had the best that was available with very few exceptions. It is estimated that his collection would have included about seventy of the top one hundred items of Victorian philately, with a number of the missing thirty being in the Royal collection. In the case of the *Arthur Gray* Kangaroos, there were very few of the top items missing.

Whilst the Australian Commonwealth portion of the *Baillie* collection, sold by *Sotheby's* in July 2005 had more *depth* in the representation of the *ordinary* stamps of the Kangaroo series, it had *relatively* few of what would be considered the great items of the kangaroo series by comparison to the *Gray* collection. Yes, indeed there were some, and my detailed report on that sale is available [here](#). Like *Baillie*, Arthur preferred his stamps in mint condition if they were available as such; however, *Baillie* was very strict with that rule whereas Arthur had a range of used in his collection, together with some covers.

At the time of the sale of the *Baillie* collection, the last 'mega' event relating to the sale of Australian Commonwealth stamps, little was known about how or when Arthur would sell his famous collection of the Kangaroo and map stamps. That story has just been written, and it was a pleasure indeed to be an active participant at the sale.

Both Rod Perry and Glen Stephens have written extensively on this sale for the April 2007 edition of *Stamp News*; so rather than repeating what they have written, I will tackle it from a different perspective, with a look at prices from a historical viewpoint. I will also include some anecdotes and additional details on my favorite twenty items in the sale.

Context

Conducted by **Shreves**, based in Dallas, with galleries in New York, this sale represents a landmark in the history of Australian stamps. Those that have seen the exquisite auction catalogue produced for the sale will have an idea of what I mean. I believe that the catalogue is already a collector's item in its own right. This however, is only the beginning of the story. The professionalism in the way the sale was conducted was second to none. The hospitality of Charles and Tracy Shreve and their staff was very

warm and exceptional. The viewing facilities with individual lighting and great service made the extensive task of viewing the entire sale a manageable exercise. With the temperature outside hovering around the zero to minus seven mark, with a chill factor making it feel much colder than that at times, there was no problem staying inside for about thirteen hours of viewing. The auction itself took just on eleven hours in total, over the two days. It is my view that every other auction firm that I have attended a sale of could learn something positive by attending one of their sales. Even Gary Watson of **Prestige Philately** commented that he picked up a couple of ideas to incorporate in his sales. One feature that **Shreves** have in the bidding process is known as the 'slice', whereby a bidder can offer to increase the amount by half of the next increment, e.g. from \$170,000 to \$175,000 rather than the standard increase to \$180,000 in a final effort to beat the opposition. However, the catch is that once exercised, you can't come back in to bid again on that lot.

At this auction I was carrying bids for a number of interested buyers and of course myself, and was very fortunate to have the use of a dedicated phone line for the entire sale. As someone who would normally call about four hundred lots an hour in a regular auction in Australia, at an average of around ninety lots an hour – slowed down by live internet bidding, the pace of this auction suited me fine. This was particularly the case as I was on the phone to a client for most of the sale, managing several bidding numbers, two limit bidders each with various alternatives and preferences indicated as well, and at the same time sending text messages with results and receiving revised instructions back via the mobile phone. I was even on the two phones simultaneously for one important lot, remembering just in time to call someone who had alternate bids on some earlier lots that he had missed out on. With all of this, I was still able to watch the room and keep on top of what was happening – well most of the time! It could be said that I did my bit to disprove the theory that men can only do one thing at a time! On a more serious note, I think it is fair to say that I have never worked harder at an auction, and that the end results from my point of view justified the effort. This collection was worthy of the closest attention possible and that is what I gave it.

Prices include many records

There is no doubt that rarity played a huge factor in most of the prices, and more so than condition. Whilst it is true that quite a few items had faults of some kind that the condition fanatics would frown upon, it should also be said that in many such cases, the item on offer was the best known, and indeed sometimes the *only* one known or the only one in private hands. Examples of these include most of the first watermark set of first day and earliest recorded usage covers to 5/-, some of the high value monograms and most of the rarer watermark errors. In such instances, serious potential buyers had the choice to either take the item as it was, or perhaps never own an example. As it turned out, in most instances they took the item after intense competition.

With regard to the results in general, it is fair to say that although they averaged around the current Australian Commonwealth Specialists' Catalogue (**ACSC**) prices, the proofs and essays were not quite as strong as generally anticipated. I believe that the prices of the covers were also generally on the light side, and that those who purchased them have made good choices. However, the stamps were a different story, with single stamps, blocks, monograms, imprints, varieties and errors mostly achieving very strong results, and particularly so on the second day. I know of several bidders who missed out on items on the first day and increased their bids for the second in order to secure some key items. All realisations quoted include the 15% buyer's premium and are converted to Australian dollars at the rate of 0.78



1st Wmk £2 with 'JBC' monogram fetched \$A176,923

Many record prices for Australasia were set, and these have been referred to by other writers in the April 2007 edition of *Stamp News* magazine. Just a few worthy of note include the highest price for any *single stamp* item, the first watermark £2 'JBC' monogram at \$A176,923; and the highest price for *any stamp item*, the third watermark £1 light brown and pale blue 'HARRISON' imprint block at \$A265,385.

The rare *watermark errors* were particularly strong, with the very fine first watermark ½d green showing watermark sideways to right, of which only one example is recorded, fetched \$A55,288. I first reported this item in 1989, and sold it for \$3,000 in 1990 (not to Arthur), when that was considered a high price. That, however, is petty cash by comparison to today's level! At the time this stamp was given a negative certificate and was sold 'as is' however, the general consensus was that it was correct and that has since been completely vindicated. It is interesting to note that two damaged examples pointing towards the *left* were discovered shortly afterwards and that no others have been found in the last fifteen years.



1st Wmk sideways \$A55,288



CofA Wmk inverted \$A41,282

The only known third watermark 5/- watermark sideways, not the most attractive of stamps to say the least, fetched \$A117,949 and also provides an interesting story. It was first reported in 1919 and subsequently listed in **Stanley Gibbons**. It was then off the market for several decades, with some speculating that either it was not genuine, or that it had been lost to philately, only to reappear out of the blue in a **Christie's** sale held in Melbourne in 1992. On that occasion it was purchased by a Melbourne dealer, fetching a total price of \$3,080. As it turned out, I was the under bidder on that occasion, sitting next to the buyer who had a bid on the book. Although some were not confident that it was genuine and abstained from bidding, I always held the view that it was genuine. Arthur acquired it some time after the **Christie's** auction.

The CofA watermark 2/- Maroon showing watermark inverted fetched \$A41,282. The last time this item changed hands it was still in a horizontal *pair*. This was the original discovery of this error, having first been reported in 1970. I had purchased it in a London auction in 1989 and advertised the pair in my 'Stampshow 89' catalogue with an estimate of \$1,500 – where it sold for slightly less than that figure. Since that time, two further singles, one of which has a significant tear, have appeared on the market, bringing the total number known of this error to four.



Lot 652 \$265,385



Lot 663 \$103,205



Lot 705 \$103,205

In addition to some bidders increasing their bids for the second day in order to improve their chances of success, the second day saw a new bidder on the telephone, who was clearly interested in imprints and *not* monograms. This buyer, known as 'T2' to those in the room, was successful on some of the major items including the imprint blocks of the third watermark £1 Light brown and pale blue at \$A265,385 and the both the normal and perf 'OS' versions of the £2 Purple-black and rose at \$A103,205 each; the first of these being a record price for *any* Australasian philatelic item. Not just eclipsing the previous record of \$225,840 achieved for the KGV 2d tete-beche pair, the £1 block smashed it out of the water. When the £1 block first came onto the market back in 1989, it amazed many experienced philatelists who had doubted the existence of such a block. Indeed no intact imprint pairs are even recorded. The sum total of other pieces are a part imprint single in private hands and an imprint single with an added stamp in the *Chapman* collection held by Australia Post. This was always my choice to achieve the highest price in the auction. By way of comparison to the above prices, the perf 'OS' £2 block first sold for \$12,000 in the 1987 Australia Post 'Archival' sale.

Having acquired the First Watermark £2 'JBC' monogram single on behalf of a collector on the first day of the sale for an Australian *single stamp* item record price of \$A176,923, we had to settle for being the under-bidder on each of the three imprint blocks above. I understand that the successful buyer of these was from the United Kingdom, and from the way the bids came it appeared in each instance that there was some steam left, so it is not known how much it would have actually cost to acquire the items. Suffice to say I *think* there was a fair way to go on each one of them.

There are too many items of worthy mention in this collection to provide a comprehensive listing here, and both Rod and Glen have covered quite a few in their respective columns, so I will take a different approach.

'Kilfoyle, Perry and Gray Kangaroo Index'

One of my first thoughts when the impending sale of this collection was announced was how will the *monograms* go? They have received extensive attention in recent years, and with strong price rises, the market would surely be tested with so many of them on offer at the one time. To find another extraordinary range in the one auction, I had to go back to **Rod Perry's** remarkable offering in the '*Ausipex*' auction of 1984 where most of the highest value monograms were represented. These included the 1st wmk £1 and £2 'JBC' and 'CA' monograms, two of the 3rd watermark £1 'JBC' and the famous £1 'CA' strip of three, all of which were sold on behalf of an undisclosed vendor. That was twenty-three years ago. To get another significant range of similar items in one auction, it was appropriate to go back to the *Kilfoyle* sale, conducted by **H. R. Harmer Ltd** in London, in 1961; a further

twenty-three years back. That famous collection of Australian Commonwealth across the board was particularly strong in the Kangaroo issues. Accordingly, we have three remarkable offerings of Kangaroos at auction separated by equal time spans.

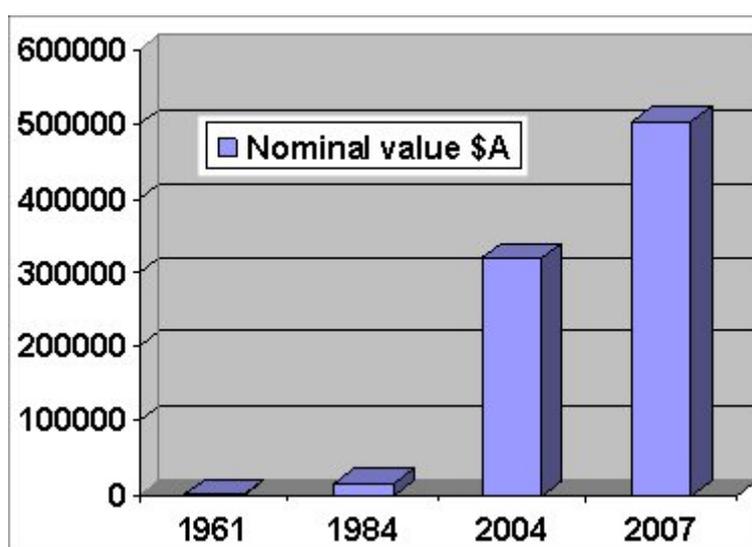
Table 1 shows comparative prices for either the *identical* item or in some instances *comparable* items where items of a similar nature were included. The 'current' yet now outdated 2004 **ACSC** prices are also shown in the table. All prices given are in *nominal* Australian dollars.

Lot number	Description - the figures in () are the number of examples known in private hands	Kilfoyle 1961 \$A	Perry 1984 \$A	ACSC 2004 \$A	Gray 2007 \$A
237	1st Wmk 2/- 'CA' strip of 3 (1)	-	908	30,000	66,346
249*	1st Wmk 10/- Die proof (2)	35	1,430	40,000	47,917
256*	1st Wmk 10/- 'CA' (3)	37	363	45,000	66,346
258*	1st Wmk 10/- 'JBC' (3)	37	363	40,000	62,660
270	1st Wmk £1 'CA' (4)	-	2,640	50,000	81,090
272	1st Wmk £1 'JBC' (2)	-	2,640	50,000	73,718
285*	1st Wmk £2 'CA' (2007: regummed) (2)	88	5,060	75,000	66,346
287*	1st Wmk £2 'JBC' (1)	88	5,280	75,000	176,923
650*	3rd Wmk £1 'CA' (2)	61	2,429	45,000	84,776
651	3rd Wmk £1 'JBC' (1984 and 2007 wmk inverted) (3, two with wmk inverted!)	-	1,980	50,000	88,462
-	3rd Wmk £1 'CA' strip of three (1)	145	5,775	100,000	??
	*Totals for items priced in all four columns in nominal \$A	346	14,925	320,000	504,968
	Nominal index value with 1961 = 100	100	4,314	92,486	145,945

Table 1

It would have been most interesting to see what the third watermark £1 'CA' monogram strip of three would have fetched had Arthur owned it. As he wasn't the buyer of it in Rod's 1984 sale, nor since, that will have to remain a story for another day.

The following chart is based on the nominal value of the items that are priced in *all four* columns, and demonstrates well the magnitude of the price increases since the sale of the *Kilfoyle* collection in 1961.



In order to put some perspective on the price rises for the above group, the 1984 prices were 43.14 times those of 1961, whilst the 2007 prices were 33.83 times those of 1984. This means that on *relative* terms, the price increases from 1984 to 2007 were not all that different to those from 1961 to 1984.

No one can give a definitive answer to the question as to whether such price rises can be sustained. However, what I do know is that for such items, many said the prices were too high in 1984 and again in the 2004 **ACSC** catalogue. Based on the above sample, the catalogue prices have now been exceeded by an average of 57.80%. As I noted recently when reviewing the KGV catalogue, in a few years time we will be able to look back and make a better informed judgment on this than anyone can at the present time. Hindsight is an interesting concept; however, its great weakness is that it doesn't provide any guidance now! In the mean time, there is no doubt that the market is very strong and is showing no sign of abating. Having said that, I would like to see a little more depth to it in some areas, although there is strong evidence of new collectors entering the market.

My favorite items - the rare and the beautiful 'top 20'

In discussing Arthur's kangaroo collection, it would be remiss of me to not include a section devoted to my favorite items in the sale. They are listed in lot number order with each one being there for a special reason. In order to make my 'top 20' each item had to be either unique or of great rarity, either in superb condition or the best of its kind in private hands, and visually attractive. Naturally some of these items are expensive; however, the price was not a primary consideration as some lesser priced items have made the list.

1. 1903 £1 Vaughn essay (lot 18) \$A6,635 – there are possibly only three examples in blue in private hands of which two were in this sale.
2. 1912 Low value sheetlet (lot 50) \$A95,833 – the only recorded example; the Royal collection only has a vertical pair of stamps from a divided sheetlet.



Lot 50



Lot 52

3. 1912 High value sheetlets (lots 51 and 52) \$A73,718 each – each of the recorded high value sheetlets is in a different colour combination, and they are all visually stunning items.



Lot 18



Lot 68



Lot 94



Lot 169

4. 1912 1d Colour trial in brown and blue (lot 68) first sold for \$36,859 to Paul Fletcher of **Millennium Philatelic Auctions** when offered individually. It was then sold as part of the set which fetched a total of

\$A235,897 to a postal bidder. Without doubt the most beautiful of the colour trials and a strong contender for the title of my favorite item in the entire sale!

5. 1st wmk ½d watermark sideways to right (lot 94) \$A55,288 – my favorite of the watermark errors, because it is unique and the most attractive of them, and because I was the first to report it in 1989, and to sell it in 1990! It would not have surprised me to see this item sell for a figure closer to \$A75,000. Purchased by John Zuckerman of **Robert A. Siegel** on behalf of a client.

6. 1st wmk ½d intersheet block (lot 104) \$A5,529 – this is the finest of the very rare intersheet blocks. I was fortunate to purchase this item on behalf of a client.

7. 1st wmk 3d imperforate three sides pair from top of sheet (lot 169) \$A66,346 – in conjunction with the strip of four in the *Baillie* sale this pair originally formed a strip of six, having been separated not that long before the *Baillie* collection was sold.

8. 1st wmk 9d Violet 'CA' monogram block of six (lot 218) \$A14,744 – the best of the low value monogram blocks and an absolute gem!

9. 1st wmk 2/- Brown corner block of four (lot 233) \$A9,952 – a rare block in any condition, this one being the finest recorded and a gem. I sold this item back in 1989.



Lot 104



Lot 233



Lot 249

10. 1913 10/- Die proof (lot 249) \$47,917 – previously auctioned for 'only' \$1,430 in 1984 by Rod Perry! Purchased by a member of the Australian trade.

11. 1st wmk £2 'JBC' monogram single (lot 287) \$176,923 – previously auctioned for \$5,280 in 1984 by Rod Perry. I was fortunate to purchase this item on behalf of a client.

12. 2nd wmk 9d Violet no monogram strip from *right* of sheet (lot 364) \$A41,282 – the better of the pair of unique no monogram strips in this value; rare, beautiful and in superb condition. I was fortunate to purchase this item on behalf of a client.



Lot 364



Lot 369

13. 2nd wmk 1/- Blue-green 'CA' monogram strip of three from *left* of sheet (lot 369) \$30,962 – exceptional in every way and a gem. In regard to condition, this was one of the finest items in the sale, and was purchased by Gary Watson of **Prestige Philately** on behalf of a client after advising him that it was 'magnificent'! I couldn't agree more.

14. 3rd wmk 2d Grey 'CA' monogram block with substituted cliché (lot 411) fetched \$32,436 – previously sold for \$2,050 in **Charles Leski's** Kangaroo auction in 1989 – the first of only a few auctions dedicated to the Kangaroo series that I am aware of, with the others including the *Nelson* sale conducted by **Premier Philatelic Auctions**. I was fortunate to purchase this item on behalf of a client.



Lot 411



Lot 551



Lot 698

15. 3rd wmk 1/- Bright blue-green one line Harrison imprint block (lot 551) \$38,333 – the better of the two recorded blocks in private hands. Remarkably well centred for an imprint block. I was on two phones to two different clients at the same time for this item!

16. 3rd wmk 2/- Brown 'JBC' monogram strip of six (lot 582) \$42,756 – very rare with selvedge three sides and an absolute stunner!

17. 3rd wmk £1 light brown and blue imprint block (lot 652) \$265,385 – refer to the discussion above for more information on this item. Prior to the sale I was asked many times what I thought would attract the highest price in the sale, and I picked this item without hesitation. The rest is history!

18. 3rd wmk 10/- perf 'OS' 'JBC' monogram block of six (lot 696) \$92,147 – fetched a mere \$2,250 in the 1987 Australia Post 'Archival' sale as a block of nine, with virtually no premium attached for the monogram, how times have changed!

19. 3rd wmk 10/- perf 'OS' imprint block of four, cancelled to order (lot 698) \$32,436 – sold for \$480 in **Rod Perry's** first rarity auction in 1977. This block is remarkably well centred and in a rich beautiful shade.

20. CofA wmk £2 with other values on cover (lot 822) \$19,904 – the finest of only two recorded commercial covers showing the £2 denomination. Purchased by **Richard Juzwin** for stock.

Summary

As with most 'name' sales that take place, some will say the prices were too high, some will say that they got a bargain and that some prices should have been higher; some might even say they are about right. This debate will go on for a long time. What I can say without question is that those who 'won' the important lots have them and no one else does; with such a great collection now dispersed, it is fair to say that many will now never own them. This sale has been a once in a generation opportunity to own many of the items that the serious and even the not so serious collectors dream of owning.

Many records were broken, and none more so than the total price being a staggering amount for a 'one issue' collection. At more than twice the amount of the entire *Baillie* Australian Commonwealth and Colonies sale, it is a record that will take some beating! It is also worth noting that the many strong prices achieved in this sale pave the way for a rewrite of the **ACSC** prices when the publishers decide to next update the Kangaroo catalogue. Along with everyone else who attended, it was a pleasure to participate in this important auction, and I believe that it will only be good for the market.

