

Australia in Depth Article #118

ACSC KGV 2007 Catalogue

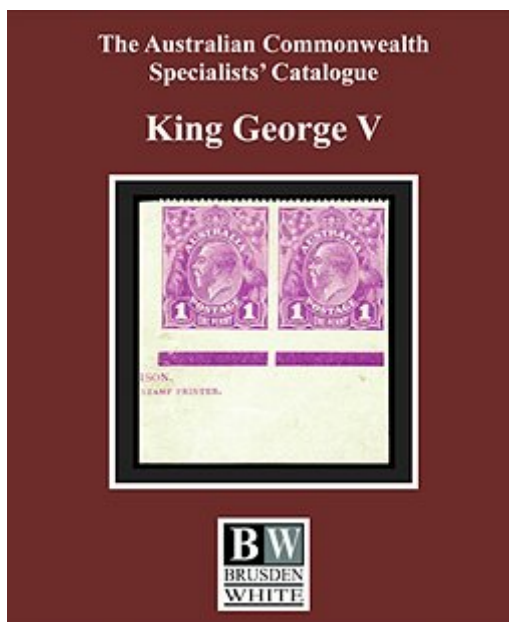
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In recent years, the Kangaroo issues have dominated the news on Australian Commonwealth stamps in many ways, and as I write this report, the pending sale of the exceptional *Arthur Gray* collection of Kangaroos, in New York on February 22nd and 23rd will continue that. However, the publication of the much-awaited new edition of the *Australian Commonwealth Specialists' Catalogue (ACSC)* KGV volume will change the balance just a little.

Those interested in the KGV issues have been keenly waiting the publication of this catalogue, last updated in 2001 and prior to that in 1994. As expected, considerable work has gone into updating and improving this volume, and it has lived up to the expectations placed on it. As in the past, compilation of this catalogue has been made possible by the countless hours of research on the part of the editor and publisher, together with the support of a number of prominent collectors and dealers.



This is the last of the current range of **ACSC** volumes that editor *Geoff Kellow* has had to completely retype in order to accommodate the new system they have in place. Whilst this has been a huge task, the good news is that future updates will be a much easier process, and that the publishers, *Brusden-White*, have indicated that they anticipate this volume will be updated on a more regular basis. This is great news for KGV enthusiasts, as the recent gaps of six to seven years have certainly tested their patience. I believe that this will be good for the market, particularly as many prices have moved significantly. As important as the listings and fine detail in this catalogue are, many also buy the catalogue with a keen eye on the prices, and rely heavily on them for guidance as to what is a reasonable price in the market place when they come to buy or sell.

Listings

For those interested in the listings themselves, the number of pages, including the Introduction, the Engraved issues, the KGV Head definitives and the Other KGV issues (1927 – 1936) have increased to 404 (up from 327 in 1994 and 383 in 2001). Within these pages, a wealth of new information including the listing of additional background information, varieties and updated numbers known of important items, plus the very useful tabulations must rank this among the best ever single volume specialised catalogues ever published world wide.

Quite a few of the 1½d and 2d Die I varieties that were not previously plated are now, and considerable work has been done to price varieties such as the cracked electros on their relative scarcity, based on new research into the numbers known. The same has been done for the rare watermark errors, including the ½d green sideways, where one example of it pointing in each direction is now known – the sideways to *right* having been discovered since the 2001 edition was published, the no watermarks, and the watermark inverteds. Other additions include the only known example of a die 1 1d red showing imperforate between the stamp and a full margin at base. Discovered only in 2003, this important item makes its entry into the catalogue at \$40,000. Not bad for a stamp that is otherwise worth only a few dollars!

A notable change in this edition is the increase in and improvement in the quality of the scanning of the varieties from *actual stamps*, as opposed to hand drawings. This has improved many of the illustrations, with greater detail visible in those of the varieties.

With regard to shades, significant attention has been given to the listings and pricing, and many, such as the 4d orange are now listed for the first time in the chronological order of the printings. Some important additions have also been made to the listings of the shades. Changes such as these do mean that some of the catalogue numbers have changed, however, that is a small price to pay by comparison to the gains that have been made.

Prices

As expected, the price changes have been many, and mostly up. It is no surprise that the unique 2d tete beche pair tops the list at \$250,000 up from \$75,000 in 2001 and \$50,000 in 1994. The new price is based on the sale price of \$225,840 in March 2003 when last sold by Spink in London, apparently to an American buyer. For a detailed study of this item and its sale history, refer to the article published in Stamp News in May 2003 and reproduced [here](#).



2d Tete-beche pair \$250,000

1d violet imperforate pair \$100,000

The second highest price in the catalogue is given to the imperforate 1928 Kookaburra miniature sheet, of which *three* were sold from the full sheet of fifteen given to King George V for inclusion in the *Royal collection*. Of those three, one is in the *Chapman* collection, held by Australia Post, another was last displayed at Ausipex in 1984, only to be stolen shortly afterwards. It has never reappeared on the market, and probably never will; certainly if it did, its identity would be known instantly. The third example, last sold more than twenty years ago presently resides in the collection of an Australian.

All of the imperforate errors are up considerably, based on the realisations achieved at the *Baillie* sale conducted by **Sotheby's** (Melbourne, July 13-15 2005). Baillie had a particular liking for imperforate errors, and his representation of the KGV imperforate errors was remarkable. The 1d violet imperforate three sides in pair tops the list at a cool \$100,000 (up from \$15,000!).

As expected, the *die proofs* are all well up, with my favorite, the 1/4d topping the list at \$50,000 (\$10,000 in 2001). Of the two known examples, one is in the *Chapman* collection, last fetching \$1,400 (**Stanley Gibbons**, 25th March 1977, Melbourne); the other is in a private collection within Australia having fetched £484 at the *Williamson* sale (**Sotheby's** 18th September 1981, London). In second place is the unique Perkins Bacon 1d State 2 black and carmine-rose on one piece – a stunning combination, priced at \$40,000. Similarly, the first day covers, of which very few are known on KGV issues are all well up,

with the rarer ones mostly at around \$12,500 to \$15,000. This compares to only a few hundred dollars not all that long ago!

Many sections of the shades and general plate varieties show healthy rises. Those of particular note include both the smooth and rough paper 1d red shades with solid rises virtually across the board; the large multiple wmk 1d red plate varieties; the scarcer cracked electros in all values, the 4½d die II plate varieties and the 5d rough paper plate varieties, all of which are difficult to find.

KGV Price Index

An indication of the *general movement in prices* can be seen from how the KGV price index has risen over the years. Back in 1994 when the **ACSC** KGV section was first published as an individual volume, I devised the KGV price index, based on a 'basket' of important items from the KGV and 'Other commemorative/definitive issue' groups covered in this volume. The index is based on a carefully selected group of 132 mint and 51 used items, including scarce to rare shades, inverted watermarks, major errors, monograms, imprints and a selection of other items. The figures in the table have been converted into *whole dollars and statistically weighted* to allow for new items discovered and listed in modern times, so that the figures for each year are directly comparable. The totals for these 183 items are represented in the following table, with all prices in 'nominal \$' (ie not adjusted for inflation).

The data base for this index now includes a full listing of each of these items for 22 of the volumes published from 1932 through to the latest production. As can be seen in the table, this index demonstrates well how the overall prices have moved up over the years. A few of the years for which these figures have been compiled are shown – as close to 20 year gaps as is feasible to 1970, and then as close as is possible to 5 year gaps since then; bearing in mind that the catalogue was not published for a number of years prior to 1988, since which time every volume is included in the table.

Year (title year of catalogue)	KGV Heads \$	Commem/Other Issues (1927-1935) \$	Total \$	Index Value (Series 1) Based on 1932 at 100	Index Value (Series 2) Based on 1970 at 100
1932	936	522	1,458	100	
1951	2,255	1,402	3,657	251	
1970	9,007	2,506	11,513	790	100
1975	50,729	11,363	62,092	4,259	539
1980	121,921	29,003	150,924	10,351	1,310
1988	136,161	35,059	171,220	11,743	1,486
1994	233,825	45,375	279,200	19,150	2,424
2001	401,205	71,800	473,005	32,442	4,107
2007	1,700,600	344,050	2,044,650	140,237	17,752

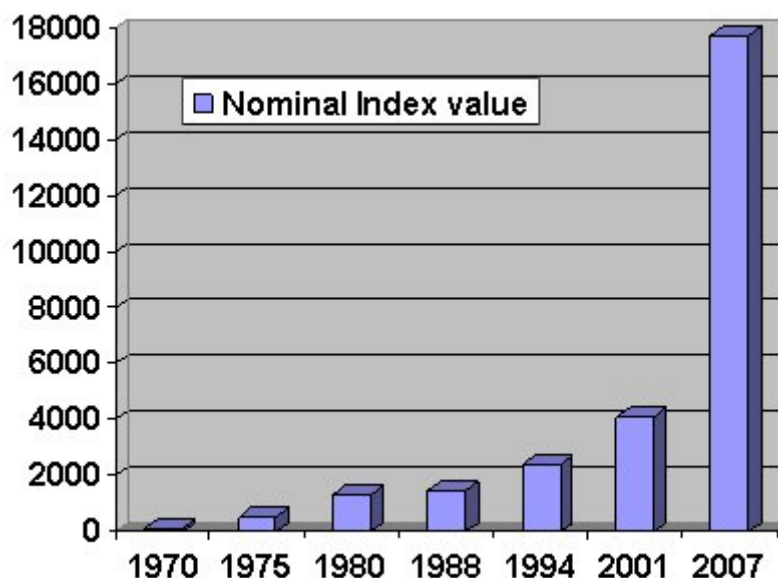
It is interesting to observe that from a base price in 1932 of well *over half* that of the KGV head items (\$522 compared to \$936), the 'commemorative and other issues' have settled at *around 20%*, so in relative terms have declined historically when compared to the KGV head issues. This is not surprising since most of the *major* rarities are in the KGV head issues, despite there being some great items in the commemorative and latter definitive issues. The increased popularity of the KGV issues has led to higher prices and it is quite feasible that this will continue into the future, as for many specialist collectors, putting together a quality collection of Kangaroo issues is well beyond their budget. Having said that, although most collectors can put together quite a good collection of KGV, a great collection certainly requires deep pockets, along with much patience and determination.

A few statistics on the overall price rises during different periods provide some food for thought in terms of the annual returns they represent. It is no surprise that the results over the longer period are quite startling – the 2007 value is 1,402.37 times that of 1932, which is just over the 10% per annum mark – across the whole 75 years! Over a somewhat shorter period, the prices have risen to 177.52 times those of 1970, or almost exactly 15% per annum; not a bad return indeed! However, it might surprise many that the overall prices have *more than quadrupled since 2001*. In fact, in the nearly six years since the catalogue was last updated, the prices of these items overall have moved from \$473,005 to \$2,044,650 – the equivalent of 4.3 times the former price, or a rise of 330%!

Perhaps more importantly than any of these, the overall price rises since the so-called 'boom time' that supposedly finished in 1980 result in today's prices being no less than 13.5 times those of 1980. This is

slightly above 10% per annum. However, if you consider for a moment that there was comparatively little movement in prices between 1980 and 1988, that figure rises to better than 14% per annum since 1988. In the six years since the catalogue was last revised in 2001 that figure rises to 27.5% per annum! Anyone who said you could not make money from the astute buying of stamps was certainly not correct!

The following chart, based on Index value (Series 2) with 1970 as the base at 100 demonstrates well the magnitude of these price increases since 1970



No one can give a definitive answer to the question of whether such price rises can be sustained. However, what I do know is that for the items in the index, many said the prices were too high in 1980, again in 1988, again in 1994, and again in 2001. 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, my recommendation comes in two parts (this is *not* investment advice, and I encourage you to do your homework as a part of making wise choices in any decisions that you are considering). Firstly, buy quality and rarity, and that does not necessarily mean the highest priced items. One proviso to consider on quality is that in some cases, the best example known may be in less than perfect condition, so at that point, you will need to make a choice as to whether you might never own an example of the item, or whether you are satisfied with the best that is known or close to it. Secondly, if you do not have the confidence to back your judgment, find someone with the appropriate knowledge and experience that you can trust. In almost every market there are opportunities to buy well, and I believe that the current time is noexception. There are certainly some sleepers in the shades and plate flaws, and as *Rod Perry* will attest to, you will be able to buy nice covers for under a few hundred dollars that are indeed rarer than some of the stamp items that fetch well into the multiple thousands, or even tens of thousands!. Food for careful thought.

A few trends

Another worthy aspect of the pricing to consider is increased and long overdue recognition now given to the genuine scarcity of some of the shades and varieties in *postally used* condition. Examples of this include ½d green large multiple watermark thin fraction (\$125 mint and \$250 used), and cracked electro 5L46 (\$350 mint and \$600 used). Unlike the single watermark versions which are great rarities either mint or used, these were largely picked up by collectors in mint condition, with relatively few seeing genuine postal service. The 4d Ultramarine (Harrison) watermark inverted in postally used condition moved from \$75 to \$400 in 2001 and is now \$1,000 whilst the mint moves only slightly from \$125 to \$150. Any such varieties or scarce shades on *commercial cover* are very rare and worth considerable premiums again – if you can find them!

Other examples of items rarer used than mint include the 2d Scarlet No watermark error (instead of small multiple watermark), of which only one genuine used example is known (cancelled at Abbotsford). This is now priced at \$7,500 (was \$600 in 1994 and \$3000 in 2001), and compares to \$4,000 in mint

condition; however, I believe that in the longer term it is a better item than the new price indicates. Be careful with this one not to compare the genuine postally used example with those cancelled 'per favour' by a corner cto type strike – the latter being listed at the price of \$2,000.

In the shade department, the single watermark ½d very yellow-green ('cyprus-green') is relatively plentiful in mint condition, and indeed seen in sheets and large blocks from time to time. However, because the majority of this issue appear to have been bought at the Post Office by collectors, it is quite scarce postally used. The new prices are \$50 MUH, \$30 MLH, \$150 used and \$1,500 on cover, the latter of which I have only seen one example. The CofA watermark 1/4d in the *true* deep turquoise group of shades, of which I believe only three genuine postally used examples are recorded, moves to \$5,000 used (up from \$1,250 in 1994 and \$3,000 in 2001, whilst it is priced at \$3,500 in mint condition (up from \$1,750 in 2001).

Other areas showing considerable upward price movements are essays, proofs, perf "OS" and commercial covers. *Rod Perry* has written extensively on the virtues of collecting commercial covers showing correct usage in all periods, and although the price rises to date have been steady, many do seem to be ridiculously cheap. It is not too many years ago since I picked up a wonderful accumulation of official Kangaroo and KGV covers that were subsequently sold at giveaway prices by today's standards, yet it is easy to see how today's prices will most likely be dwarfed in the years to come.

It is also important to note that the one area where prices have moved little is that of the *regular* commemorative and definitive stamps in this period, and this comes as no surprise to those familiar with the current market. These are not scarce, and with the exception of finding a 5/- Bridge in superb mint unhinged condition, you have a choice as to whom you can buy them from, and only need to shop around in order to get the best deal.

In contrast however, items such as the rare varieties and errors, plate dots and plate numbers such as those on the *Kingsford Smith* 2d and 3d with 'OS' overprint have all moved up considerably. The plate number and imprint blocks of the 3d 'OS' are now priced at \$6,000 each in hinged condition, compared to \$800 for four single stamps. With such a premium you would expect these items to be very rare, and indeed only two imprint blocks appear have been sold at auction in nearly 20 years, and one of those was not in great condition. In fact, to find the last decent offering of items such as these, I had to go back to the *P.J. Downie* auction catalogue of November 26 1987. In one sense it seems like yesterday, yet it is now a generation ago! A set of 2d and 3d imprint 'OS' blocks fetched \$1,705 whilst four different plate blocks averaged approximately \$1,750 each. On a relative scale, the new price of \$6,000 does not seem all that expensive when compared to other items of similar rarity. Importantly, these should *only* be purchased with a recognised certificate of authenticity, or at least an extension to obtain one as the normal blocks without 'OS' are worth only \$15 to \$20 each.

Errors such as the 1½d Canberra, 1½d Swan, 3d Sturt and 1/- Lyre-bird showing imperforate between the stamp and a wide margin at *side or top* have all risen in price considerably, based on recent realisations, with examples of most of these having changed hands at auction during the last two years. These are all great rarities and traditionally come up only once in every decade or more.

The 1987 *P.J. Downie* sale also included a superb range of the 1927 1½d Canberra issue, with a block from the top of the sheet, similar to that illustrated below fetching only \$1,100 – a bargain then and even more so now! A few lots prior to that were a complete set of the *plate number* blocks (1 to 12) which I bought for stock at what was considered a healthy \$3,630 at the time. The description noted that 'The last complete set to be sold at auction was at the 1961 '*Kilfoyle Sale*' where the set realised £72.10/-' and that it was one of only five known sets. The full set now catalogues \$22,250 and I am not aware of any being available since then. Indeed, such is the rarity of these that there are quite a few of the twelve numbers that I have not handled a single example of since then.



Imperforate at left – this block, last sold by *Spink* in London, is now catalogued at \$20,000 (\$7,000 in 2001; \$1,600 in 1994)

Errors in the catalogue

Whilst this catalogue is exceptional in so many ways, and has much to offer, it would be remiss of me not to comment on a few of the gremlins that inevitably creep into such a production.

Having sat on the pricing committee for days and put many hours into this project, I have noted that a few of the prices were accidentally not changed from the previous edition. These include most of the single watermark 4d monograms in the various shades. For example, the 4d lemon-yellow monograms (all four positions) are priced mint hinged at \$750 each as singles and \$1,800 as corner pairs. I am a buyer at well over that, with the singles currently retailing for approximately \$2,000 and more depending on the condition. Naturally those in unhinged condition are worth more! Corner pairs are seldom seen and command considerable premiums. Expect to pay well above catalogue value for these items.

As noted above, work has been undertaken to price the watermark errors based on their relative rarity, however, as I glanced through the pages during the writing of this report, I noted the CofA watermark 3d inverted is too high at \$40,000 mint and used. With three of each known, I understand it was intended that these be catalogued at \$25,000 each in line with other comparable watermark errors. By contrast, the large multiple wmk ½d green with watermark *sideways* of which two used examples are known, one pointing to left and one to right – so each is effectively unique, are priced at \$40,000 each. This is up from \$8,000 in 2001 and \$4,000 in 1994 following the sale for \$3,200 at the Status Stamps auction (22nd June 1988), and a poultry \$100 when first listed in 1981! Whilst I am not knocking the CofA 3d inverted, and it is a very rare stamp either mint or used, I would not anticipate too much opposition in stating that I would have a significant preference for a watermark sideways ½d!

As time goes on, it is inevitable that a few other gremlins will be noted, as they are with all publications, however, on a first glance through the published catalogue, very few errors seem to have crept in. If you do happen to come across any, I am sure the editor would like to hear from you, and would respond kindly to positive comments.

Summary

As with all catalogues, some will say the prices are too low, and some will say they are too high; some might even say they are about right. What I can say is that a significant amount of work went into the production of this great catalogue. Whether collectors and the trade agree with the new prices in the catalogue is another thing and as recent history has proven, I anticipate that many of the prices for key items will be exceeded when they are next offered. That is the nature of the current market, and particularly the case when the policy of the catalogue publisher is to reflect the market prices for items as best as is possible, rather than listing them at some unobtainable theoretical or even fantasy price as some catalogues are prone to do.

In summary, there is no doubt that the market has moved considerably since 2001, and more so than many collectors actually realise. I believe that the new catalogue will generate considerable interest in the market place for these ever popular issues. At the introductory price of only \$90 plus postage, this new catalogue represents great value, both in terms of its existing stature as a great catalogue, and in terms of the new information incorporated into it. This is particularly the case when you only need to find

one relatively good variety or scarce shade that you might not have otherwise picked up to get the purchase price back and most likely far more. Happy hunting!

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