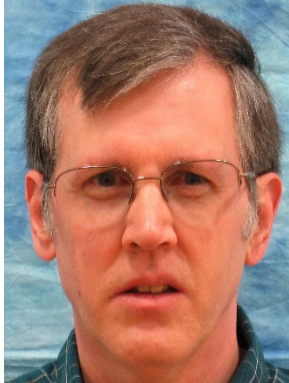


## Numismatic Buying and Selling by Eric Holcomb



*This guide was originally written by PNNA Editor and Webmaster Eric Holcomb, for persons wishing to sell coins, which is a very common request for information made to coin club officers. Several means of selling coins are summarized below, including information on how to pursue these options. Most of the methods used for selling can also be used for buying.*

*Eric has been an active numismatist since the 1970s, and has bought and sold many items on eBay, primarily tokens and medals. However, you are well advised to seek several sources of information, and to carefully consider the available options and their advantages and disadvantages before proceeding.*

*For any sizeable numismatic estate, written expert advice, such as that contained in the ANA's "Managing and Settling a Numismatic Estate," is advisable. See <https://www.money.org/estate-guide/>.*

### General Comments

Before we get into details, let's acknowledge that selling numismatic items can be a challenge, although it can be easy or hard depending on the kind of items for sale. For example, if you have U.S. Mint one-ounce Silver Eagle bullion coins in mint condition, you should get an offer of about \$1 over the "spot" price of silver per coin, whereas if you have privately minted silver rounds, the offer might be \$1 or \$2 less than "spot." (We're assuming the rounds are solid silver, not plated. Your dealer will check before buying!) Likewise, if you have 90% silver U.S. dimes, quarters and halves dated 1964 and earlier, each \$1.00 face value contains about 0.70 Troy ounces of silver, allowing for normal wear. You'll get a bit less when selling, and pay a bit more when buying, but there's no mystery as to the value.

But now let's say you have some quarters of an earlier design type, such as "Barber" (1892-1916) or "Standing Liberty" (1916-1930). The *Red Book* says some are worth substantially more than bullion, but unless you have examples in better than average circulated condition, or a true "key" date, you may have trouble selling for more. But organize and offer these earlier coins separately in any event.

Even more challenging are non-bullion (and sometimes non-coin) items such as world coins, tokens, and medals. Modern world coins can't be exchanged at banks (even if current such as Euro coins), and may be worth little, often selling by the pound. Made for collectors, non-circulating legal tender coins are another story. They are often beautiful in design and manufacture, but sold for large premiums originally, which may be hard to recover on the secondary market. Tokens and medals vary enormously in design, desirability, and value, but you can safely assume that most are not worth a lot and have a small market. If you have a token or medal specific to a particular geographic area (which isn't local for you), then sale via an online auction service such as eBay could make a lot of sense. You might get lucky and see a couple of collectors bid up your "GOOD FOR" token to \$100 or more, but don't hold your breath, as they say.

Now let's get into the six specific methods of buying and selling which I originally described.

## Coin Buying and Selling- *Sale at Major Auction*

This method of selling coins involves consignment, but with sales to occur at a public (or sometimes private) coin auction rather than through a dealer's normal stock. As in the worlds of art and Presidential memorabilia (among others), auctions can create great excitement and new price records, but usually only for rare and desirable material.

### *Advantages*

- Potential for higher prices realized than other methods of sale.
- Catalog and photos document your collection as a part of numismatic history.
- Generally private and secure when dealing with a reputable auction house.
- All major auction companies now offer convenient online bidding.

### *Disadvantages*

- Potential for low prices realized, especially for common material that isn't featured prominently in the auction catalog.
- You don't get paid until after the auction is over (usually 30 to 45 days), and some items may remain unsold. Some auction firms offer cash advances but expect to pay interest if you choose that option.
- Commission often 15% or higher for buyer, and 5% for seller. (Of course, this can also be an advantage if you want to make sure you know the exact commission being paid, and that you aren't getting "ripped off" by a dealer.)

### *Advice*

- Ask about reserves and opening bids. Unreserved auctions (without minimum bids) should only be considered for items or collections that are desirable enough to generate bids above the wholesale level.
- Always deal with a reputable auction house that publishes high quality catalogs, or with a private auction that is highly regarded by specialists in the field.
- Ask other collectors and dealers for advice before choosing an auction house, and check references.
- For better material, consider an auction in conjunction with a major annual numismatic convention. Also have better material certified ("slabbed") before consignment.
- Be sure to properly package and insure your coins when shipping them to the auction house, and ship only after obtaining permission! Use U.S. Registered Mail unless the auction house provides insurance for a different kind of shipment (such as Express Mail or FedEx).

## Coin Buying and Selling- *Consignment to Coin Dealers*

This method of selling coins, in which the collector chooses a coin dealer to sell his/her coins but does not receive payment until the coins are sold, has become more popular in recent years.

### *Advantages*

- As in major auctions, dealers may be willing to accept a smaller commission (perhaps 20%) if they don't have to use their own cash to purchase inventory, which can sometimes remain unsold for months or even years.
- As with direct sale, this method may be more private and secure than advertising your coins to the public.

### *Disadvantages*

- You don't get paid for your coins right away, and some items may remain unsold.
- Obvious risk of theft while coins are in dealer's possession, and risk that a dishonest dealer might disappear with your coins.
- Price uncertainty due to market fluctuations and other factors before your coins are sold.

### *Advice*

- This method of sale should only be used with established, reputable dealers, preferably those you have done business with before.
- Always get a receipt for your coins, agree on a minimum selling price and commission, and ask what happens in the event of loss. Also agree on a time limit after which unsold items should be returned to you.

## Coin Buying and Selling- *Sale in Internet Auction*

This method of selling numismatic items has increased in popularity rapidly since the late 1990's. The leading Internet auction company for collectibles is eBay ([www.ebay.com](http://www.ebay.com)), although there are several others that you may also want to consider. (See the PNNA links page at <https://www.pnna.org/wp/links/>.)

### *Advantages*

- Potential for good prices realized without paying large commissions.
- Access to a large and growing audience of collectors that use the Internet.
- Buyers can rapidly search for items of interest out of millions of items for sale.
- Much easier to sell certain items, such as tokens and medals, that are not of interest to local buyers.
- The feedback mechanism keeps most buyers and sellers honest. (Although eBay stopped allowing sellers to leave negative feedback for buyers.)
- Payment is generally secure and convenient thanks to online services. (eBay now uses its own payment processing service.)

### *Disadvantages*

- You must handle arrangements for payment and shipment of items sold and be on alert for possible fraud and dishonesty. Electronic forms of payment (now required on eBay) are vulnerable to buyer claims (e.g., item not received or not as described). For higher priced items, you may be better off dealing with a major numismatic firm or auction house.
- Your chances of success are greatly reduced if you don't have the experience and knowledge to properly describe and grade your numismatic items, or if you don't have much positive feedback from prior transactions. Good photographs or scans are essential!
- You may need to obtain a business license, collect sales taxes, etc. Also, eBay requires sellers to adopt certain professional business practices such as accepting electronic forms of payment and returns for items "significantly not as described."
- The total fees, especially with electronic forms of payment, can easily be 10% or higher, especially on lower priced items. There are also significant fees for having reserve bids and/or high opening bids. Also, listing fees are usually not refunded for unsold items, or you only get a refund if the item sells on the second attempt.
- The short duration of auctions (typically 7 to 10 days) can sometimes make selling "hit or miss." Longer listing durations are available for fixed price items.
- May not work well or may be too time consuming for large quantities of common items.

### *Advice*

- Consider building up some positive feedback from buying before you try selling.
- Limit the number of items you sell online, concentrating mostly on interesting, unusual, or rare items that may be difficult to sell locally for a good price.

- Get help from experienced collectors in describing and grading your coins or use a third-party grading service for valuable items. (Certified coins sell better than “raw” coins.) You may also want to seriously consider consigning your items to persons who sell online as a business.
- Avoid high starting bids and reserves; also avoid high shipping charges.
- Be aware of all the rules and policies of the online companies you’re dealing with.
- Be sure to ship items with delivery confirmation and/or insurance. If you sell internationally (almost a must for world coins), be aware of customs forms and regulations. eBay now has an international shipping service which makes the process much easier.
- Unless you're an established dealer who does a lot of advertising, it's best not to sell numismatic items on your own web site, as you probably won't get much traffic.
- Use a P.O. Box or Private Mail Box (PMB) for your business activities. Even though eBay no longer allows you to state that you accept cash, checks or money orders, some customers may still want to use those payment methods, plus you'll need a return address in any case.

### Coin Buying and Selling- *Sale by Mail*

Many coin dealers, and some collectors, advertise in trade publications (such as *Coin World* and *Numismatic News*) and on the Internet to buy coins.

#### *Advantages*

- Convenient (don't have to go to shops or shows).
- Dealer's area of interest, and sometimes exact offering price, known in advance.
- Generally private and secure when dealing with reputable dealers.

#### *Disadvantages*

- Dealers may reject material, or make a lower offer, for almost any reason (especially coin grade).
- May be very difficult to know in advance which dealer will really give you the best price.
- Risk of loss in the mail, or because of a dishonest dealer or collector.
- You may have to pay postage both ways if you refuse the dealer's offer.

#### *Advice*

- This method of sales should be approached carefully. Always deal with a reputable dealer, preferably a member of the following organizations:  
Professional Numismatists Guild (PNG, <https://www.pngdealers.org/>)  
American Numismatic Association (ANA, <https://www.money.org/>).
- Don't deal directly with a private individual (at least not with valuable items) unless you know and trust the person well.
- Be sure to properly package and insure your coins (use U.S. Registered Mail) when shipping them, include an inventory list with your name, address, and phone number, and ship only after obtaining permission and following the dealer's instructions (unsolicited mailings are considered gifts under U.S. law)!
- Use a P.O. Box or Private Mail Box (PMB) for your business activities, or if you'll be dealing by mail on a regular basis.

## Coin Buying and Selling- *Direct Sale to Coin Collectors*

Sellers often express a desire to sell directly to collectors to reduce or eliminate the 20% or higher commission charged by coin dealers.

### *Advantages*

- Potential to sell some items at a higher price than dealers typically pay.
- Satisfaction and fellowship from association with other collectors.
- May be able to sell locally without having to ship items.

### *Disadvantages*

- Very few collectors (even out of a large coin club) will want to buy your coins at the same time you want to sell, especially if your collection consists mostly of common items, or items that don't have much of a local market.
- Collectors don't want to pay full retail price unless they have a strong desire for a particular (usually hard-to-find) item.
- If you advertise too widely that you have coins for sale (for example, in a newspaper classified ad), you could expose yourself to the risk of theft.
- If you don't know the person you're dealing with well, you're also at significant risk of other serious problems such as bad checks, or disputes about wanting to return an item.

### *Advice*

- If you do wish to sell directly to local collectors, you should join a coin club (see <https://www.pnna.org/wp/info/clubs/> for Northwest clubs, or the ANA website for others) and meet other members who have collecting interests like your own. Some clubs have auctions, which works best for low to moderately priced items that have a wide collecting interest.
- Alternatively, you can ask that an announcement concerning your coins for sale be made at a club meeting, in a club newsletter, or in the PNNA newsletter.
- For some collecting specialties, consider national coin clubs and organizations, some of which are listed on our "Other Links" page at <https://www.pnna.org/wp/links/other-links/>.

## Coin Buying and Selling- *Direct Sale to Coin Dealers*

This is the most common method of selling coins in a collection or estate, especially for large collections or accumulations.

### *Advantages*

- Dealers generally have the financial resources to buy all your collection at once. Items not needed for the dealer's own stock can be quickly traded to other dealers.
- Sales to recognized, established dealers are generally more private and secure than advertising your coins to the public, or even at a coin club meeting.

### *Disadvantages*

- In almost all cases, you will only receive a wholesale price for your coins.
- The prices offered by different dealers for the same coins may vary widely because of supply/demand (market) factors, dealer knowledge of the material, and the dealers' business practices and level of honesty.
- As noted above, dealers often resell to other dealers at a markup, so there could be several "middlemen," reducing your proceeds, especially if you don't select the right dealer.

### *Advice*

- It's very important that you spend some effort finding the right dealer. It's usually better to sell to a dealer who regularly handles the type of coins (e.g., U.S. or foreign) that you have for sale.
- Consider asking for recommendations from experienced collectors, for example at a coin club meeting. (See above for link to Northwest clubs.)
- Meeting dealers at a coin show may be better than going to a coin shop because you have access to many dealers instead of only one at a time. (However, don't expect dealers at a show to quickly appraise a large group of coins, or to buy a large hoard of coins that they must carry out of the show. You'll probably have to make special arrangements and may have to pay an appraisal fee if you don't sell to that dealer.) See <https://www.pnna.org/wp/info/reference/coin-shows/> for some coin show advice.
- Consider having valuable coins certified ("slabbed") in advance to reduce authentication and grading disputes. This is almost a "must" nowadays for rare and expensive coins.
- Be aware that dealers are not completely immune from cash flow problems, bad checks, etc. Use great care in selecting a dealer for selling entire collections or high-value items.

Any questions? Please let us know at [info@pnna.org](mailto:info@pnna.org). (Eric currently checks and responds to this email.)