



Sno-King Stamp Club Philatelic News



Everett, 2nd Wednesday, 7:30 PM – 9 PM
Snohomish County PUD
 2320 California Street

Edmonds, (on hold)

Volume 25

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Number 10

Online at: <http://sno-kingstampclub.freehostia.com/> *copies of these newsletters available there, too!*

Everett Meeting
 Wednesday, **November 13th**, 7:30 PM

- **Dealer Night** - Art Van Bergeyk will bring SOME of his stock of Aurora Stamps to this month's meeting.
 Come pick up those items you've been searching for.

Most meetings also include **show-and-tell**, along with time to **buy and sell** stamps

[**Edmonds** meetings are on hold until further notice to sort out some
 how / where / when details]

2019 Club Officers

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Everett 2019 meeting dates at the PUD:
 11/13 Dealer Night-Art Van Bergeyk, (12/11 Holiday Lunch 11:30AM)

Note **the dates for our 2020 meetings** are now set: 1/8, 2/12, 2/22 our club's show in **Kenmore**,
 3/11, 4/8, 5/13, 6/10, 7/8, August BBQ, 9/9, 10/14,
11/18-NOTE: this one is the 3rd Wed in Nov, 12/9 Holiday Dinner

President's Column

Art Van Bergeyk, owner of Aurora Stamps, will be the featured dealer at the latest in the club's Dealer Night series. He will bring his stock to the **November 13th** meeting. This will be his third Dealer Night. Since he can't haul his entire stock to the PUD building, he will narrow his selections to items which match our members's collecting interests. So, if you have special requests, you can send them to me, and I will relay them to Art. Better yet, you can call him at his store and share them directly with Art.

This being November, it is time to nominate officers for 2020. The election will take place at our December meeting. Ruth Stevens, after numerous terms as secretary, informed me that pressing family matters compel her to miss an unknown number of future club events. She asked that another club member step up and accept a nomination for club secretary. On behalf of the club, I thank Ruth for her service to our organization.

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Plans are jelling for our annual holiday lunch, which will take place **Wednesday, December 11**, at le Bistro restaurant, located at the Sno-Isle Tech Skills Center at 9001 Airport Road near the north end of Paine Field. We will meet at **11:30 a.m.** The students who perfect their culinary artistry at the skills center will serve us at noon. The cost per person is \$16.26, which includes the entrée, dessert, sales tax and a 15 percent tip. Le Bistro levies a 50-cent fee for credit card payments.

We received commitments from about half those needed in order to reserve le Bistro for the exclusive use of club members. That means we will share the eatery with the general public. Club members and their guests will be seated together. Our meal will be the chef's selection for the day, which will be grilled airline chicken with tarragon butter. Members will have the option of ordering entrees from the regular menu. You can review the menu on the skills center's website. You will probably rue missing out on the road kill ribs, the featured entrée on Halloween.

I suspect that some members were reluctant to make a commitment this far in advance of the actual meal. Some might have tentative plans which might conflict. Others might have concerns as to how their health holds up.

Le Bistro asked for a head count December 5. Please let me know by then whether you are joining us and whether you are bringing a guest.

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The Everett Coin Club will hold its annual stamp and coin show **Saturday, November 16**, at Beautiful Savior Lutheran Church in southeast Everett. This is the same venue that hosted the club's last three stamp shows. Since the coin club makes no effort to publicize this event with the philatelic community, we have little information as to the lineup of stamp dealers. The web site for Dick Keiser of DK Enterprises lists that show on Keiser's schedule. If you desire information, you can call Lora Hetzel at 425-308-2255.

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The October meeting featured a pleasant surprise, that being the appearance of Mike Sells, who attended his first Sno-King meeting in more than a quarter century. When I joined the club in 1993, I saw his name on pick books which the club then made available to club members. I do not recall encountering Mike. Mike announced that he is narrowing his collecting interests to mostly United States. He plans to sell the remainder of his collection piece by piece. He hopes to bring his albums to future club meetings, so that members can buy stamps.

I am hoping we can devote segments of upcoming meetings to enable members to pore through Mike's albums and select choice material for their collections.

We may not see much of Mike during January and February. He will spend the early part of 2020 in Olympia, where he will represent citizens of Everett and parts of Marysville in the State House of Representatives. First elected in 2004, Mike is serving his eighth term. You can review his biography on the legislature's website.

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The Stanley Gibbons group recently released its annual report, which covers its financial performance through March 31. The theme of this report might be summed up as Cautious Optimism Now. Gibbons was delighted to report that the horrendous losses of years past are shrinking. For the year ending March 31, Gibbons lost only 3,500,000 pounds. The previous year's loss was 6,700,000 pounds. Gibbons is confident it is charting a course for future profits. It cited a 25-percent uptick in "footfall" at its retail outlet at 399 Strand, London.

Gibbons has numerous subsidiaries, through which it sells stamps, philatelic supplies, coins, antiques and even wine. (Anyone care to sample an 1840 Stanley Gibbons penny noir?) Its recent financial distress stems from its disastrous venture into philatelic investment products. Its highly-touted investment scheme produced catastrophic losses which forced a subsidiary into receivership and nearly sank the parent company.

You can still find, on the internet, dated videos promoting Gibbons' investment scheme. They feature the upper-class British diction of Keith Heddle, head of Gibbons' investment arm, touting the program as a can't-miss road to increased wealth. There are 60 million stamp collectors globally, he maintained. Two-thirds of those live in Asia. Many are looking for stable investments. To serve them, Gibbons opened offices in Hong Kong and Singapore. Investing in rare stamps, Heddle claimed, promised steady growth, unaffected by the whims of the stock market.

Heddle even credited Mao-Tse-Tung for the can't-miss nature of philatelic investing. When Mao's Long March compatriots took power, they banned stamp collecting as a "bourgeois" diversion from revolutionary aspirations. Anyone caught red-handed with tongs and stamp hinges was hustled off to a re-education camp. Execution awaited Chinese philatelists insufficiently repentant. Mainland collectors hid their albums or smuggled them abroad. When Mao's successors eased on his revolutionary zeal, albums dormant for decades came out of hiding and millions of Chinese embraced this once-forbidden hobby with an unprecedented passion. Many had wealth they desired to invest.

Careful, wrote one financial columnist in 2011. Unlike ordinary financial investments, philatelic investments are not subject to government regulation. There are risks common to all unregulated investment schemes.

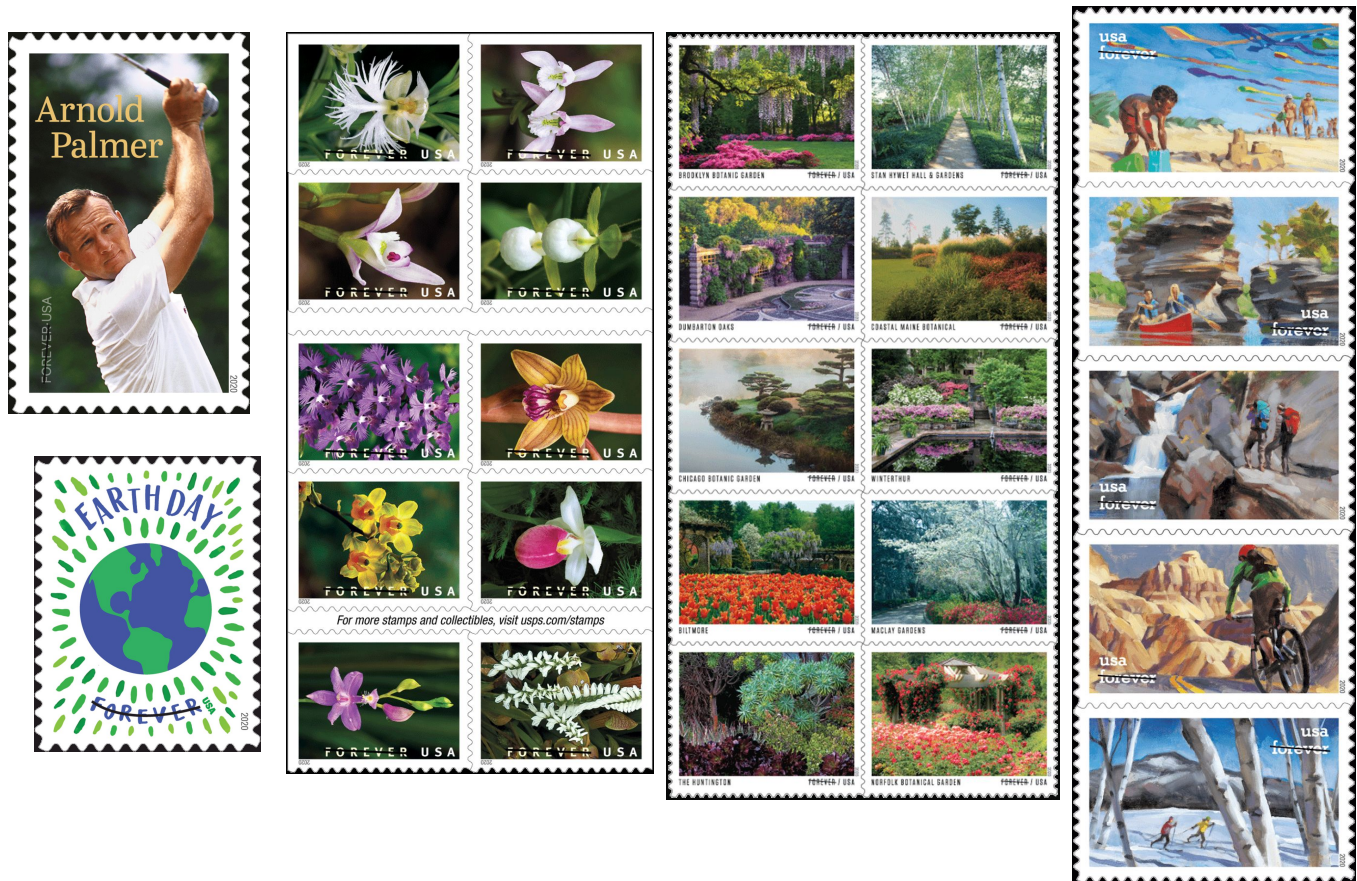
Here's how the Gibbons investment scheme worked. It required an initial investment of at least 10,000 pounds. Gibbons would select a handful of investment-grade stamps, typically early British high values. Gibbons offered to store these stamps during the specified duration of the investment. When that came, Gibbons would sell the stamps. It would collect its fee, which was a percentage of the gain. To boost investor confidence, Gibbons offered a buyback program. At the end of the investment period, it would buy back stamps at a specified percentage of retail value.

Gibbons' buyback obligations overwhelmed its balance sheet and caused the investment scheme to plunge Heddle-over-heels. In 2017, Gibbons' investment subsidiary, based on Guernsey, asked the island's government to place it in "administration." Not long after, a Guernsey court order the liquidation of Gibbons' investment venture. This generated a huge write-off by the parent firm for "discontinued operations." Meanwhile, investors could no longer compel Gibbons to honor its buyback agreement.

In 2018, Gibbons faced default on loans it took from the Phoenix UK Group Ltd. It avoided the inherent death spiral by negotiating an infusion of capital from Phoenix. In return, Phoenix acquired a 58-percent ownership of Gibbons, as well as some of Gibbons' philatelic inventory. This arrangement delays the day of reckoning to 2023. By then, Gibbons hopes to be out of the red.

Gibbons took pride in its renewed focus on "profitable trading." This means getting better financial results from stock turnover, as distinguished from dumping inventory in order to pump up cash flow. However, the value of its inventory has declined. The collapse of its investment program knocked one prop out of the demand side of the supply-and-demand equation. With fewer buyers for Gibbons' rarities, the value of its inventory, especially early British stamps, has declined.

USPS - New Stamps Planned for Release Next Year



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