

Abuse of Topical Collectors: An Organizational Response

by Dale E. Smith, President, American Topical Association

As a subscriber to *The American Stamp Dealer & Collector* I read with great interest Richard Lehmann's article, "The Abuse of Topical Collectors" (*ASD&C*, May 2019, Page 68). As president of the American Topical Association (ATA), I would like to respond. I will explain my understanding of the issue then will state ATA's position in dealing with this issue.

First, I would like to point out that the thousands of topical and thematic collectors worldwide come from all walks of life and all levels of philatelic experience. Let me mention just a few...

- The child who glues all flag stamps he can find to a page.
- The woman who frames flower souvenir sheets to decorate her home.
- The philatelist who collects stamps of every holiday and displays them as each holiday comes around.
- The more-experienced collector who dutifully seeks out and purchases all frog stamps he can locate.
- The professor of botany in Omaha who collects every issue of mushrooms on stamps and puts them in a very important reference book used by poison control centers.
- The 50-year country collector who has filled his albums, and is looking for a creative way to further pursue philately.
- The national or international Large Gold medal-winning exhibitor who has told the story of the Olive (or whatever topic he or she chooses).

Doctors, lawyers, pharmacists and teachers collect topics that relate to their professions or hobbies. Children choose a sport, dinosaurs, Disney characters or other topics they enjoy. There is a place for people at all levels of collecting with topicals. Many of these collectors are sophisticated enough to know which countries (or individuals) that produce bogus stamps. Others are not.

Lehmann has brought to light a legitimate and serious issue that ATA has been aware of for some time. Indeed, this has been a focus of philately for decades. Many topical stamps are being produced specifically for collectors, and are never intended to be used for postage. Sometimes, these stamps are even authorized by the originating country, but are not valid for postage there.

I am aware that companies are producing bogus stamps in huge quantities, then selling them directly through auction houses throughout the world. In some cases these are even illegally reprinted genuine stamps. Large lots are purchased by some topical dealers and sold to smaller show dealers and Internet auction dealers, who then sell them to collectors.

The cost of printing these counterfeit stamps is minimal, resulting in vast profits being made by every seller down the chain of the topical market. The money is so good that many individuals in the philatelic marketplace are sharing in the

wealth and keeping this fraudulent scheme very much alive. The vastness of this conspiracy is so lucrative that many of the philatelic organizations and the policing agencies charged with preventing fraud like this don't seem to be willing to take this crime on. Countries that issue these stamps make a lot of money by allowing this to happen. Yet, if you tried to use the stamps on the mail in their country, you would be arrested. Greed is driving this process.

In the early 1960s the American Philatelic Society established an innovative **Black Blot** program. The **Black Blot** was a seal of disapproval given to new issues from various countries that the APS deemed exploitive of collectors. Even the United States Post Office Department was not immune to receiving black blots. The well-intentioned program had very clear criteria. It targeted issues that were knowingly not meant to be used postally, were printed in large numbers, usually had high values and often featured popular topics. Also singled out were intentional errors and imperfs that were not authorized. Genuine errors should result from accidental printing mistakes. The Scott catalog and others would not list most of those stamps exposed by the Black Blot program. Though some considered the program successful, it ultimately was not. It actually drove demand for a number of black-blotted stamps. The program ended in the early 1990s. Unfortunately, most of those stamps are still being sold.

There are a few individuals that are working at exposing this fraud. Some have even been at it for years, their diligent research has identified bogus or forged stamps, tracked the history of the fraudsters and has exposed a substantial number of specific printers and large sellers of these stamps. But there is no consistent catalog of these fraudulent stamps and/or the companies that printed them. A reference list of these stamps would be a welcome tool to dealers and collectors alike – a valuable "expertising" guide. If the printer was identified, dealers and collectors would be cautious in purchasing future stamps made by them.

The Universal Postal Union (UPU) has done a good job in the past and is responsible for the policing action. Right now, they seem much less aggressive in discovering and reporting this material. Why? Collectors rely on stamp catalog companies to evaluate production from stamp-issuing countries, which they have done well in the past. We see several countries for which Scott will no longer list stamps because of this questionable activity. Many topical collectors have stopped buying stamps from those suspect countries.

Those investigating these problems, still see the bogus stamps listed in catalogs used by dealers and collectors. Most dealers do not have the expertise to reliably identify fraudulent stamps. Most of these topical stamps are not worth the cost to expertise them. Sometimes, the philatelic literature mentions problem stamps, and dealers and collectors take note. Dealers often list these stamps as, "Cinderella," "poster stamp" or "Not listed in Scott." Dealers may choose not to sell the stamps in question.

It seems that our stamp oversight agencies are not doing a coordinated, aggressive job in exposing this activity. Has it grown too massive to be controlled? Coordination should be provided by the UPU to identify illegal stamps and expose the guilty parties. A worldwide notification process would make this information widely available.

Is the corruption so rampant in the countries' postal services that production will never stop because of the profits involved?

Is it time for the Black Blot initiative to be revived?

Lehmann is correct that something needs to be done. As mentioned earlier, there currently are investigators privately researching the problem. The individuals and companies producing the stamps have the wealth to demean these researchers time and again. They are seen as a "fly in the ointment." Even philatelic oversight agencies are ignoring those working to expose these issues.

I understand that a few (not all) of the major online auction houses that are mindful of their reputations are removing bogus material found posted on their websites. All the online auction houses need to assure buyers that they have a process to remove unscrupulous dealers and their fake stamps from their listings. But the bottom line is, until each of the countries allowing these stamps to be produced finally takes control to prosecute these printers, nothing will happen. Eventually, topical collectors will realize that they are being taken advantage of as prices dramatically increase for these stamps and they will stop buying.

Lehmann suggested that it is the ATA's responsibility to police this action since it is primarily topical stamps that this fraud concerns. With all due respect, I disagree. ATA cannot be the policeman of the world on this issue. ATA does not have the staff, financial resources or data to aggressively fight the vast web of dishonest individuals involved in this scheme. ATA does have the responsibility to inform and educate topical collectors about the fraudulent stamps – inform them "buyer beware" – the bogus stamps you buy will be worth nothing when it is time to sell.

It is not ATA's job to tell topical collectors what to collect. During our review of this problem, I have talked with many topical collectors. Some do realize that a majority of African, Caribbean and other countries allow these stamps to be produced. They know they are fake issues from fake countries. But I have been told time and again that if it is a beautiful butterfly, cat, bird or whatever. on that stamp, "I want it in my collection." Most topical collector are not buying their stamps for investment purposes.

Are we topical collectors encouraging people to pump this junk out? Yes! The fraudsters know this and will continue to produce and sell this material until we collectors say, "No more!"

What ATA can do is give voice to those working on this issue. We can give exposure to those stamps being printed to exploit our collectors. We can educate the public as to what is recurring again and again. This subject will be on the agenda at our board meeting in late July at the APS StampShow/ATA National Topical Stamp Show in Omaha. I anticipate that a committee will be appointed to develop our organization's approach to dealing with this issue.

I want to thank Richard Lehmann for his thoughtful article. He has been a member of the ATA for close to 25 years. Obviously, he cares about philately and our hobby of stamp collecting. Our leadership will be considering his suggestions.

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