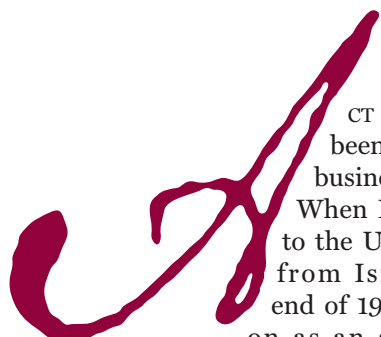


# The Saga of the 1860-O Dollars

*A bag of coins seized and sold by the Internal Revenue Service*

*contained 1,000 new, but abused, New Orleans Mint dollars.*



**ACT ONE.** I have been in the coin business 40 years. When I came back to the United States from Israel at the end of 1967, I signed on as an apprentice with world-renowned Dutch numismatist and coin auctioneer Hans M.F. Schulman. I went to college at night, and in 1968 formed my own corporation. For a few years, I worked small coin shows in and around New York City, Westchester County and Long Island and did odd numismatic jobs, like locating or selling coins for Hans or day-trading coins.

At the time, there were more than 80 coin shops in Manhattan alone, and maybe as many in the metropolitan area, plus the bucket shops on Long Island. In 1973 I met numismatist Gordon O'Rourke in Great Neck, where my mother had a jewelry store. Gordon introduced me to his business partner Robert Hughes, who then was trading as Metropolitan Rare Coin Company of New York. Gordon and Bob hired me to work with Steve Deeds, Jim Leeuw and Richard Muniz (the veteran coin trader of 1950-D nickel fame), and William Hodges and Thomas Noe of South Carolina. Later, my brother Jed joined us.

In late 1974, Metropolitan lost a load of 90-percent-silver coins when an armored car was robbed. Bob worked on such a tight margin that his business failed before the insurance company could pay off on the loss, so my brother and I went into business with a commodities floor trader named Anthony Terranova, who collected large cents.

**ACT TWO.** Just about then, and nearly by chance, my brother and I got involved in buying coins from the Internal Revenue Service (IRS). Strangely, there really was not a lot of competition. In fact, the only other regular bidders of note were the powerful Stack family and occasionally the Brigandi Brothers or Robert Morton.

One day, we were called down to the

IRS office in midtown Manhattan, where we were ushered into a room to view a tax seizure. On a table were three or four bags of dollars and about 800 loose coins in a pile. Jed asked me for a knife and was about to cut the lead-sealed, waxed twine on the bags to see what was inside, when an IRS agent stopped him. To our amazement, he informed us that the bags ☉

▼ One U.S. Mint sack contained nothing but 1860-O Seated Liberty dollars. The coins were uncirculated, but heavily bagmarked, unlike the specimen shown here.



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could not be touched and that we would have to offer a bid based on what we could see. Jed did the math blind and bid. The exact amount escapes me, but it was around \$38,000, which was decidedly more money than I had.

We outbid Stack's Rare Coins and were informed, almost to our amusement, that we had to pay for the deal and move everything immediately. I wrote the IRS a check and prayed.

ACT THREE. We loaded the coins into a taxi and took them to our office on 48th Street. Jed opened the bags, which held mostly uncirculated 1898-O and 1899-O Morgan dollars. However, one bag contained only 1860-O Seated Liberty dollars! A couple of phone calls later, Jed took two bags of Morgans and left for New Orleans to see James Blanchard. That afternoon, Blanchard wired us the money, not even a full day ahead of the check to the IRS.

I called dealer Harry Forman in Philadelphia and described what I thought we had—possibly the only original bag of Seated dollars. Although the coins technically were uncirculated, they were so heavily bag-marked, I really didn't know how to value them.

"Harry," I asked, "Have you ever seen an original bag of 1860-O dollars?" To my surprise, he told me he had one in stock and almost an entire bag of 1859-Os as well. I told him mine were the ugliest "new" coins I had ever seen. He said his probably were worse and then kindly asked me to sell my coins slowly, or we'd both end up eating them.

FINALE. Ten years later, I still was selling 1860-O dollars, although I never found out where they came from. I saved the bag, which as far as I know, looks just like any other New Orleans Mint bag of the 19th century.

*berman@money.org*

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