



## EDITORIAL

**THE PROBLEM WITH PRICE GUIDES...**is basically that a book, list, some source, is telling YOU, the rest of the hobby, and the world, what individual covers are worth. Why is that a problem? Well...

Let's go back to the basics for a moment. Technically, a price guide is only that...a "guide" to prices. One can argue from there, then, that it does not "set" prices, but, in fact, it's those who use it as a Bible that actually are setting the prices...but few would be so naive as to miss the *intent* of a price guide...and that *is* to set prices!

So, where do these prices come from? They're taken from prices actually paid for covers in auctions. Sounds logical, but is it? An auction price represents, for all intents and purposes, merely what a *single* person was willing to pay at a *single* point in time. Anyone who's ever been to a matchcover auction can recite example after example of a cover going for one price at an auction and a duplicate of that cover going for a completely different price in the next day's auction. It merely depends on who happens to be bidding in the auction that particular moment and whether he or she happens to have any competition to jack the price up. That cover's eventual auction price can be radically altered simply because an interested collector happened to be in the bathroom at the time!

Do auction prices thus reflect what a cover is worth? Only to the person who bought it, not to the rest of the hobby.

Who's going to turn to such price guides as financial Bibles, then? That antique dealer who's thumbing through it after you've asked about some covers...the new people in the hobby who accept what they see "officially" written...people looking to make a killing.

Who stands to benefit from such price guides? Businessmen. Investors. Manipulators. And, of course, the people publishing the price guides. But, does the *hobby* benefit? Are people going to join the hobby because we have price guides? Is our trading going to be enhanced by price guides? Is our room-hopping going to flourish because of price guides? Will we continue to have convention bags, freebie tables, and sharing because we have price guides?

But most of all...Will we stand up and point to our hobby, saying, "Look at us! We're mature! We're sophisticated! We have a price guide!"? Or, will we say, instead, "Look at us! We're yet another hobby that has been turned into a business!"?

*[Note: These editorials reflect the personal opinions of the Editor and not necessarily RMS as a body....For those of you busily getting out your pen and paper...you know where you can find me!]*