

Speculating In The Hobby

by
Mike Prero

[Ten years ago, I tackled this subject in the Sierra-Diablo Bulletin. What follows is upgraded version of that article. What's amazing is that I have ten years' more experience and knowledge now, and my suggestions then are pretty much the same as they are today. Note¹: The following are my views only, and even I don't take responsibility for them!.....this is speculation. Note²: In case you make a fortune, don't forget our profit sharing plan!]

Have you ever thought about just how much money you spend on this 'inexpensive' hobby? There are stationery supplies (\$\$), albums (\$\$), pages (\$\$), a hideous postal bill (\$\$), travel expenses for club meetings, swapfests, and conventions (\$\$), auctions (\$\$), raffles (\$\$), club dues (\$\$)...and those are just the up-front expenses! Well, how would you like to continue having the thrill and satisfaction of collecting and yet recoup a greater percentage of your investment at the end? Interested? Read on...

What you need is what I'll refer to here as a "hobby portfolio:" a diverse selection of covers designed to increase the value of your collection (hopefully at an inordinately scandalous rate) over the years. As with your stock market portfolio, this involves saving the "sure-fire" moneymakers and speculating on what tomorrow's treasures are most likely to be.

"Speculating" is often an emotionally-charged term with negative connotations, and much of that comes from the past goings-on from Wall Street, but it actually reflects the highest values of the American spirit: independence, ingenuity, and expertise. No one is being cheated, nothing is illegal, and everything is above board and perfectly open. Nor should this be seen as part of the move during the last thirteen years to turn the hobby into a business. The suggestions here are meant for the collector who will someday be moved to sell his or her collection; it is not meant as a guide for outside entrepreneurs.

If you're a collector who has a steady stream of incoming covers, the chances are that you may be letting \$\$\$

literally slip through your fingers every month. There are covers that you may not be personally interested in from a collecting standpoint, but they may have a relatively high dollar value within the hobby, or they may have that potential. By hanging onto those covers, you could capitalize on otherwise hidden and unknown assets. All you need is the “secret.” And, actually, the “secret” of building up a successful hobby portfolio is no secret at all. In fact, it’s used in any hobby that deals with collectibles; you merely have to know what you’re dealing with. Now, if you were really going to approach this seriously, you should be reading all you can about the history of the industry and the hobby, examining past and present collecting trends, and identifying covers and categories in terms of age, availability, and popularity. But, in case you don’t have time for all that, you may find the suggestions which follow to be helpful as a guide for what to set aside for your old age.

BLUE CHIP INVESTMENTS: Age and rarity are the key factors for most of the covers here. There are a couple of categories in this group which are of a more recent vintage, but, overall, it’s age and rarity that give most of these covers their staying power. There are lots of older [Pre-War] covers around, but I seriously doubt that, say, a 1933 Superior Match Co. hardware store cover will ever have any real value...not in my lifetime, anyway....but if that same cover was a Diamond Quality, then you’d have something. The following types are all tried and true. No risk here.

CALCULATED RISKS: Here’s where you start gambling. I see two basic areas here: old covers that,

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| -Acme Match Corp. | -Federal Match Corp. | -Midgets |
| -Advertizit Match Co. | -for Safety (Ohio Match Co. footer) | -Ohio Match Co. XL or tall |
| -American Match Co. (older co.) | | -Quality (footer; any—i.e. Eddy Quality, Diamond Quality, Clover Farm Quality, etc.) |
| -Art Match Co. | -Gem Match Co. | |
| -Atlantic Match Co. (older co.) | -General Match Co. | |
| -Atlas Match Co. (older co.) | -Girlies (any) | -Rex Match Co. |
| -Blot-r-Match (Union footer) | -Green Hat (footer) | -Safety First (footer; any) |
| -CCC Camps | -Group I (1930s Diamond Match Co. covers; no advertising) | -Star Match Co. |
| -Colgate (trademark, usually on inside of cover) | | -U.S. Navy Ships |
| -Columbia Match Co. XL or tall | -Hellman Match Co. | -Union Match Co. |
| -Crown Match Co. | -Jersey Match Co. | -Universal Match Corp. XL or tall) |
| -Diamond Match (footer) | -King Midas Match Co. | -VIP/Personality, signed |
| -Empire Match Co. | -Manhattan Match Co. | -World Fairs |
| -Features, Full (any) | -Merit Match Co. | -World War II Patriotic |

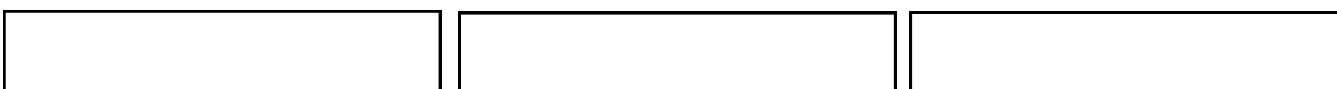
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for one reason or another, just haven’t taken on the glamour of the “blue chip” covers...yet, and subject or type categories that are likely to be in high demand in years to come. Of these two areas, I believe the older covers are the best bet. There was a time in the hobby when most collectors actually shunned older covers, but you can bet that will never happen again. There will always be collectors whose main interest is in early covers, and, thus, there should always be a demand, at least for the ones noted here.

In the subject or type categories area, we’re treading on less stable ground, simply because we’re trying to predict collecting preferences in the future...*without* such stabilizing factors as age or rarity. Today’s “hot” categories haven’t always necessarily been popular in the past, and there’s no guarantee that they will continue in popularity in the future, or visa versa. Look at the history of Holiday Inn covers, for example. On the other hand, there are at least some that have the odds in their favor. These are categories that have a long history of being popular with collectors and, barring the end of the

world, should continue that way.

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| -Acorn Match Co. | -Florida Match Co. | -Pullmatches |
| -Action Match (Lion trademark) | -Hamilton Match Co. | -Railroads |
| -Airlines | -Hub Match Co. | -Royal Match Co. |
| -All-Trades Match | -Gopher Match Co. | -Shiplines |
| -Book Match Co. | -Merchants Industries | -Sports, Dated |
| -Circle Match Co. | -Michigan Match Co. | -Standard Match Corp. |
| -Coast Book Match Co. | -Military | -Trucking(especially full-length) |
| -Contours (Lion trademark) | -Milwaukee Match Co. | -US PAT No. 1,733...CANADA |
| -Diners, Full-length | -Pacific Match Co. | 1929 (Lion trademark) |
| -Display (Lion trademark) | -Perfect 36(Diamond trademark) | |
| -Douglas | -Political, Major | |
| -Elks | | |



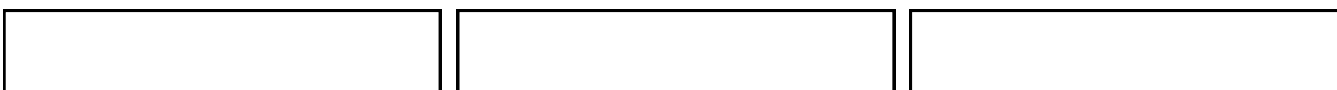
HIGH RISKS: I'm really out on a limb here, but I believe these categories have real potential, and here's why:

-Kaeser & Blair wide-strikers: Kaeser & Blair is mainly an advertising company, but it has been associated with the match industry since its inception in 1894 (and it's still going!). It's early covers, the wide-strikers, are just as historically important as any of the DQ's, Safety Firsts, etc. Perhaps even more so, since K&B believes it was their company that produced the first printed matchcovers.

-Lion 21 "Feature" covers: These are the stripped covers, of which there are a significant number. These are high-quality covers, many with excellent art work, produced when Lion was at its zenith and the industry, itself, was in its Golden Age.

-Lion 30-Sticks: The same rationale for the Lion 21 "Feature" covers above holds true for the Lion 30-Sticks. These are *extra-nice* covers compared to today's covers—thick, heavy, excellent examples of the American match industry during its supremacy. Most of the covers are from 40-50 years old. Interest has significantly increased in this category in the last two years.

-Owname Renewable Matchbook Co. [later Owname Products Corp.]: Still seen as oddities more than



anything else (the strikers are removable), these covers are old, unique, and uncommon. Issued from the 1920s-early 1940s, many of these covers have fully dated calendars on the inside.

By now you're probably thinking that there seems to be quite a few categories listed, all in all, but on second glance you'll see that many are obscure defunct match companies which a collector would stand a good chance never even running across in his or her collecting career...but, then, that's why they're keepers!