

China Soars

Michael Rogers

Thirty years ago, I'd become a China dealer, having purchased a massive accumulation of stamps and postal history. I remember well chatting with collectors in my stamp shop, suggesting they take a peek at China. I found Chinese Philately fascinating as it was rarely encountered. Attempting to beckon local collectors away from US plate blocks and Western Europe, my efforts rarely met with success. I was rebuffed, being told that because I had so much China, hence I was looking for a way out.

Yup:) I had a lot of it. China sure wasn't popular in the mid 1980's but I just smiled and sold the modern US and whatever was in demand. Winter Park Stamp Shop was going great guns while I was spending a great deal of money advertising China in the philatelic press. I sure was oversubscribed. And happy.

I wonder if any of the collectors from those years long ago remember our conversations. China sure has appreciated in value since but few could have anticipated the price rise. I'm a great believer in collecting according to what pleases, instead of following market trends, but no seller has ever said they would take less money!

Forbes Magazine interviewed me in 1990 concerning the 1600% price rise of selected Chinese stamps from 1983-90. The Chinese philatelic market hit a plateau in 1990-1, upsetting some collectors because the market wasn't moving northward. Then prices rose again in 1992. PRC pricing swings have been way up, pause, down 15-40%, then up again. Three words: availability, patience, antacid.

Why have (most) Chinese stamps increased in value? That China is in the news, increases the demand for Chinese Philately worldwide. The Chinese are an educated people. Stamp collecting is taught in schools. Philately is "cool". Because China has been affected by political and economic conflict until 1971, the people were focused on practical matters rather than philately. Now that the PRC is wealthy, its affluent (as well as other collectors the world over) are buying Chinese stamps. Its estimated several million stamp collectors are created yearly in the PRC. Such numbers seeking what we consider common stamps distort price levels that we know and cause rising prices.

Chinese material is so interesting. One can collect broadly or specialize. With albums and literature printed in English widely available, and that most everyone is attuned to the internet, collectors can find out details beyond the straight forward Scott catalogue. Every dealer in the US transacts with Scott numbers so its the key. Appreciating what you have is the fun. For us, the more complicated it is, the more we enjoy.

Dealers buy and sell; collectors collect. When the market spikes upward, dealers follow the trend and reprice existing inventory accordingly. Dealers who find themselves in the middle of a turbulent marketplace do not have the luxury of sitting it out, effectively pulling inventory off the shelves to see what is going to happen.

Collectors depend on dealers to price realistically. Prices go up: dealers have to pay more to replace sold inventory and will have to price the new stock higher. Prices go down: out comes the pencil to reprice material in stock and reflect the current market. When retail prices come down, buy prices fall too.

Folks will call me up to ask whether I can pay another fellow's advertised buying price, then become annoyed when I inquire per condition. Cancelled to Order PRC means with gum if it was issued that way. If the seller doesn't know what CTO is, best not to insist what he has is. Most buy ads will require mint PRC to be never hinged whether issued with gum or not. There cannot be any wrinkling or toning for a seller to expect the buy price. Buy ads are restrained for space so limit condition comments; this causes confusion. We describe for sale using the same terms as we use when buying.

My company has a wide ranging inventory of Chinese stamps and postal history. We use a number of factors to price what we take to shows and place on our website. We'll factor in the prices realized from our monthly public auctions and mail sales, as well as every sale from any other company we respect. The online auction results are a troublesome barometer as some sales do not transpire. (Some sites allow a bidder without identification to participate so who knows if it is a real price?)

Collectors who read Chinese characters often bring a bi-weekly philatelic newspaper to the shows on which to base their decisions. Caucasians will hug their Scott catalogue, asking why my prices are beyond those in Scott. If you were buying NASDAQ stocks, would your stockbroker spend your money according to a yearly handbook?

We devour the specialized China handbooks for both technical and pricing information. The 2010 Chan Color Catalogue of China 1878-1949 covers areas that the forthcoming 2012 China Stamp Society Color Catalogue 1878-1949 does not, but the CSS catalogue is specialized way beyond Chan in the areas it does list. Availability of literature for Chinese material has greatly expanded which increases our ability to appreciate and understand what can be difficult.

Knowing collectors were frustrated with snippets of information in traditional catalogues, we combined China 1878-1949 pricelists with text and illustrations in a handbook format. We sent along reprints of the Linn's Asia column that I've written since 1989. There have been thirteen handbooks written, edited or published that I've had a hand in, all produced by my company.

I blush when I'm called a China expert because there's not a day gone by that I don't learn more.

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